CORONAVIRUS ADVISORY INFORMATION:

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CITY COUNCIL

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

PINOLE CITY COUNCIL MEETING AGENDA

TUESDAY
February 1, 2022
VIA ZOOM TELECONFERENCE

5:00 P.M.
Please note the early start time

DUE TO THE STATE OF CALIFORNIA'S DECLARATION OF EMERGENCY – THIS MEETING IS BEING HELD VIA VIDEOCONFERENCING PURSUANT TO AB 361 - CITY COUNCIL AND COMMISSION MEETINGS ARE NO LONGER OPEN TO IN-PERSON ATTENDANCE.

How to Submit Public Comments:

Written Comments: All comments received **before 3:00 pm the day of the meeting** will be posted on the City's website on the agenda page (Agenda Page Link) and provided to the City Council prior to the meeting. Written comments will not be read aloud during the meeting.

Email comments to comment@ci.pinole.ca.us
Please indicate which item on the agenda you are commenting on in the subject line of your email.

To Participate in Public Comment During the Meeting:

Members of the public may submit a live remote public comment via Zoom video conferencing. Download the Zoom mobile app from the Apple Appstore or Google Play. If you are using a desktop computer, you can test your connection to Zoom by clicking here. Zoom also allows you to join the meeting by phone.

From a PC, Mac, iPad, iPhone or Android:

https://us02web.zoom.us/j/89335000272

Webinar ID: 893 3500 0272

By phone: +1 (669) 900-6833 or +1 (253) 215-8782 or +1 (346) 248-7799

- Speakers will be asked to provide their name and city of residence, although providing this is not required for participation.
- Each speaker will be afforded up to 3 minutes to speak.
- Speakers will be muted until their opportunity to provide public comment.

When the Mayor opens the comment period for the item you wish to speak on, please use the "raise hand" feature (or press *9 if connecting via telephone) which will alert staff that you have a comment to provide and press *6 to unmute.

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 Bell at (510) 724-8928 or hbell@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 hbell@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. LAND ACKNOWLEDGMENT

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.

3. 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.

4. 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**

Gov. Code § 54957.6

Agency designated representatives: City Manager Andrew Murray, City Attorney Eric Casher, Human Resources Director Stacy Shell and Gregory Ramirez (IEDA)

Employee organization: PPEA

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

6. 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. PLEASE SEE THE COVERSHEET OF THE AGENDA FOR INSTRUCTIONS ON HOW TO SUBMIT PUBLIC COMMENTS

7. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations
   1. Black History Month

B. Presentations / Recognitions

None

8. 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 January 18, 2021 Meeting

B. Receive the January 15, 2022 – January 28, 2022 List of Warrants in the Amount of $202,937.56 and the January 21, 2022 Payroll in the Amount of $465,358.69

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

D. Adopt A Resolution Authorizing the City Manager to Execute A Consultant Services Agreement With Michael Baker International (MBI) For Preparation Of Housing And Safety Element Updates And A New Environmental Justice Element For $481,360 And Amending The FY 2021/22 Budget **[Action: Adopt Resolution per Staff Recommendation (Whalen)]**

E. Approve Revisions to Council Procedures **[Action: Adopt Resolution per Staff Recommendation (Bell)]**

F. Designate The Human Resources Director as The City's Board Member to The Municipal Pooling Authority (MPA) And the Finance Director as the Alternate Board Member **[Action: Adopt Resolution per Staff Recommendation (Shell)]**

G. Approve an Amendment to Extend the Term of The Employment Agreement for the City Manager **[Action: Adopt Resolution per Staff Recommendation (Shell)]**

9. 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

10. OLD BUSINESS

A. Options for a City-Sponsored Fourth of July Fireworks Show For 2022 **[Action: Discuss and Provide Direction (Picazo)]**

11. NEW BUSINESS

A. Recommended Next Steps for the Faria House **[Action: Discuss and Provide Direction (Mishra)]**

B. Recommended Next Steps For 2301 San Pablo Avenue ("Community Corner") **[Action: Discuss and Provide Direction (Mishra)]**

C. Receive and Accept the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year (FY) Ended June 30, 2021 **[Action: Receive and File Report (Guillory)]**

D. Development Process for The Fiscal Year (FY) 2022/23 Operating and Capital Budget and The Long-Term Financial Plan **[Action: Discuss and Provide Direction (Guillory)]**

12. REPORTS & COMMUNICATIONS

A. Mayor Report
   1. Announcements

B. Mayoral & Council Appointments

C. City Council Committee Reports & Communications

D. Council Requests for Future Agenda Items

E. City Manager Report / Department Staff

F. City Attorney Report

13. ADJOURNMENT to the Regular City Council Meeting of February 15, 2022 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, on the City's website, not less than 72 hours prior to the meeting date set forth on this agenda.

POSTED: January 27, 2022 at 4:00 P.M.

_____

Heather Bell, CMC
City Clerk

Return to Agenda

CITY COUNCIL MEETING
MINUTES
January 18, 2022

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 Salimi called the Regular Meeting of the City Council to order at 5:01 p.m. and led the Pledge of Allegiance.

2. LAND ACKNOWLEDGEMENT

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.

3. 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. Code § 87105.

A. COUNCILMEMBERS PRESENT

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

B. STAFF PRESENT

Andrew Murray, City Manager
Heather Bell, City Clerk
Eric Casher, City Attorney
Lilly Whalen, Community Development Director
Sanjay Mishra, Public Works Director
Misha Kaur, Senior Project Manager
Roxane Stone, Deputy City Clerk

City Clerk Heather Bell announced the agenda had been posted on Thursday, January 13, 2022 at 4:00 p.m. with all legally required written notices. No written comments had been received in advance of the meeting.

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

4. 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 Attorney Eric Casher
Unrepresented Employee: City Manager Andrew Murray

PUBLIC COMMENTS OPENED

Cordell Hindler, Richmond, suggested the City Manager had done a wonderful job for the City of Pinole. He was impressed by his résumé and he asked that the City Council take into consideration all of the wonderful things the City Manager had done while discussing the Closed Session item.

PUBLIC COMMENTS CLOSED

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

At 6:02 p.m., Mayor Salimi reconvened the meeting into open session and announced there was no reportable action from the Closed Session other than to correct the meeting agenda to reflect the Closed Session item which was not a Performance Evaluation of the City Manager, as shown on the agenda, but a Conference with Labor Negotiators.

6. 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.

Roy Swearingen, Pinole, expressed concern with potential impacts from a proposed housing development to be located on the former Kmart property at the Fitzgerald Drive/Pinole Vista Shopping Center. He suggested the impacts from this proposed development would exceed City services since he understood the development would consist of five stories whereas the City had only one fire truck and lacked a ladder long enough to reach a five-story building. If multiple calls for service were needed the Fire Department would be unable to respond in an adequate period of time. The City of Pinole also lacked an emergency hospital with the closest facility located in the City of Richmond, which was already overburdened. He suggested the project should be held in abeyance until such time that the City could handle potential impacts. Also, traffic on the I-80/Appian Way corridor had a Level of Service (LOS) F and any emergency response to the shopping center would not include a realistic time period. Additionally, another housing project was already underway on Appian Way further impacting traffic with no mitigations in place to address the problems created by this project. He asked the City Council to take the concerns into consideration which impact the community.

Cordell Hindler, Richmond, requested the following future agenda items: Invite the Northern California Promise Coalition to make a presentation to the City Council on their program; revisit the budget; and consider a second public comment section on the meeting agenda.

Rafael Menis, Pinole, read into the record words from a speech offered by Dr. Martin Luther King, Jr. in Selma, Alabama in 1965, particularly related to critical race theory.

Jeff Rubin, Pinole, President of the Pinole History Museum and the Pinole Historical Society, reported both Boards and its members hoped the City Council would consider and approve the renovation of the Faria House when reviewing the Capital Improvement Plan (CIP) this year, and approve the lease agreement the City Council had negotiated with the Pinole Museum's Board of Directors in 2020. A lease agreement would benefit both the City and the museum but had not been approved for political reasons. He pointed out the societal and financial benefits of a City museum had been presented to the City Council and the public and had been detailed again in the Pinole Historical Society Winter 2022 Newsletter, which was being delivered this week and available on the Pinole Historical Society website.

Mr. Rubin stated that the community had overwhelmingly supported a museum in the Faria House, the City had the funds to renovate the Faria House now, and to be successful a Pinole History Museum must be self-sustaining which was the objective of the Pinole Historical Society. He reported that fundraising efforts had been halted due to the pandemic but with unemployment low, businesses open again, the economy improving and the City in an upswing, the Pinole History Museum was preparing to mail its first donor appeal in more than two years, and would continue to raise funds for a Pinole History Museum whether or not it was located in the Faria House.

Ivette Ricco, Pinole, Chair of Pinole for Fair Government, took the opportunity to congratulate the new Mayor and Mayor Pro Tem. She reported that Pinole for Fair Government comprised ordinary citizens working for inclusion, communication, and a better Pinole, encouraging public participation in local government to help build a stronger and more resilient city. She stated that community leaders should argue for their priorities based on their merits and engaging in personal insults was never acceptable and created unnecessary division in the community. While Pinole for Fair Government respected the work of the Pinole Historical Society to preserve the City's history, both the Pinole History Museum and Pinole Historical Society President had chosen to use both platforms to spread inaccurate and damaging personal attacks on Pinole for Fair Government, its members and leaders. She clarified for the record that Pinole for Fair Government had never taken an official position of opposition to the history museum but rather questioned the use of public funds to support a project that may not be able to sustain itself without the continued and ongoing use of future public funds.

Debbie Long, Pinole, commented she had been made aware of the proposal for a 233-unit apartment complex to consist of five stories on the former Kmart property, although due to limited information from the City few people were aware of the project. She understood the Planning Commission would consider the application at its February meeting but historically once a project made its way to the Planning Commission it was difficult to stop. She hoped staff would have advised the Council the project was under review to allow input. She suggested the project was not feasible or appropriate for the site regardless of the zoning. She expressed concern with new staff, Planning Commissioners and the use of outside staff over the past few years, and the lack of input from stakeholders including residents.
Ms. Long suggested the City was depending on the shopping center and its tax revenues to get through lean years and pointed out that during their election campaigns, both Mayor Salimi and Council member Tave strongly supported bringing economic development into the City of Pinole. If the project was not stopped, she suggested it would eliminate economic development as it related to the Pinole Vista Shopping Center. She suggested the project should not be approved

since it would take away future sales tax revenues, there were numerous unsafe traffic conditions that currently existed for pedestrians and bicyclists, the road had never been designed for residential use and had been poorly designed in general, ingress and egress to the site would be chaotic, the buildings would be 60 to 70 feet in height towering above existing development, and there was a high degree of crime at the location, among other reasons. While housing was needed, a large complex was not good planning inside the shopping center. She urged the City Council to keep the sale tax base strong and give direction to staff why the project would not work or benefit the City of Pinole.

Irma Ruport, Pinole, spoke to the history, achievements and influences of Dr. Martin Luther King Jr. She reported that Contra Costa County Supervisor Federal Glover had sent out a newsletter on January 18, 2022 and read an excerpt from that newsletter. She described her personal history having been born and raised in the State of Texas in the 1950s through 1970s, and asked that the City Council meeting adjourn in memory and in honor of Dr. Martin Luther King, Jr. She also read into the record the last speech Dr. King had recorded just prior to his death.

City Manager Andrew Murray clarified the Planning Division section of the City's website included information on all development applications proposed throughout the City. He confirmed a developer had submitted an application to develop a residential project on the former Kmart property, the application would be reviewed and considered pursuant to the City's processes for review, with the next step for the project to be presented to the Planning Commission at a meeting in February. He acknowledged feedback had been received about this project and concerns had been expressed by members of the community, which would be reviewed and analyzed as part of the regular application review process. Interested members of the public were encouraged to reach out to Planning Department staff and the Community Development Director to raise any concerns and participate during the Planning Commission meeting.

City Manager Murray added that City staff would be making a recommendation to the City Council at its next meeting on how to proceed on the potential renovation of the Faria House. The City Council had previously directed staff to prepare a Feasibility Study of the costs and revenues of various uses for the Faria House, and staff would be recommending a public engagement process on future uses for the Faria House and the community corner (the vacant lot at San Pablo Avenue and Tennant Avenue). Interested members of the community were encouraged to visit and sign up for notifications for future City Council meeting agendas to learn of the next steps for the two properties.

Mayor Salimi confirmed with the City Manager the City Council would consider making changes to the City Council Procedures at its next meeting, at which time there would be consideration of a second public comment section on City Council agendas.

Mayor Salimi also clarified that comments were to be directed through the Mayor and not a third party, and that everyone would be given a fair opportunity to speak.

7. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

1. Honoring the City of Pinole Police Officer of the Year

The City Council read into the record a proclamation recognizing Pinole Police Officer Jason Dean as Pinole Police Officer of the Year for 2021.

Officer Dean was not present, was on duty, but was thanked for his service to the City of Pinole.

2. Honoring the City of Pinole Firefighter of the Year

The City Council read into the record a proclamation recognizing Captain Steven Michael Dorsey as City of Pinole Firefighter of the Year for 2021.

Council member Toms congratulated both Officer Dean and Captain Dorsey for their achievements and recognition of their work as emergency services staff.

PUBLIC COMMENTS OPENED

Cordell Hindler, Richmond, found the honors to be extraordinary, was disappointed both men had been unable to attend the meeting to be thanked for their service in person, but hoped at some point there would be an opportunity for each to appear virtually.

Ivette Ricco, Pinole, congratulated Officer Dean and Captain Dorsey for their services to the City of Pinole. She respected, honored and applauded local heroes and their efforts to keep everyone safe.

Rafael Menis, Pinole, also applauded Officer Dean and Captain Dorsey for their recognition. In particular, he thanked Officer Dean for his actions in 2021 regarding a case where he had disarmed and neutralized a suspect involved in a shooting without causing any further loss of life. He found that action worthy of particular note and recognition. He also congratulated Captain Dorsey on his promotion and service to the City of Pinole over the years.

PUBLIC COMMENTS CLOSED

B. Presentations / Recognitions

1. City of Pinole Employee Recognition

City Manager Murray provided a PowerPoint presentation which identified new hires in the Police, Human Resources and Public Works Departments along with a retirement in the City Manager's Office.

The City Council welcomed the new staff to the City of Pinole.

PUBLIC COMMENTS OPENED

Cordell Hindler, Richmond, recognized the new Department Heads in the Human Resources and Public Works Departments. He had ideas to offer to fill the Assistant City Manager's position he hoped to provide in writing.

Mayor Salimi advised that the City Council would be recognizing the work of former Assistant City Manager Hector La Da Rosa very soon.

PUBLIC COMMENTS CLOSED

2. East Bay Economic Development Alliance

Community Development Director Lilly Whalen introduced Steven Baiter, Executive Director of the East Bay Economic Development Alliance (East Bay EDA). She detailed the background of East Bay EDA and one of the goals of the City's Strategic Plan to develop a comprehensive economic development strategy. The City had contracted with a consultant to develop the strategy and the work was currently underway.

Steven Baiter, Executive Director of the East Bay Economic Development Alliance (East Bay EDA) provided a PowerPoint presentation on East Bay EDA whose mission was to establish the East Bay Region consisting of Alameda and Contra Costa Counties, as a world recognized location to grow business, attract capital and create quality jobs. East Bay EDA accomplished this mission by augmenting and supporting existing city, county and private economic development efforts and implementing area-wide programs and services. He highlighted the numerous opportunities in the Bay Area region; the East Bay EDA Team; the region at-a-glance in terms of population, jobs, unemployment, educational attainment and venture capital investment; events and networking, strategic leadership and research along with reports that East Bay EDA provided; priorities; 2022 opportunities and challenges; the East Bay EDA network, members and leadership; member benefits structure; and events. He encouraged everyone to visit the East Bay EDA website to learn more, get engaged and work with East Bay EDA in different ways.

Responding to the Council, Mr. Baiter provided clarification on State policies and priorities with more momentum to provide incentives for housing recognizing brick and motor retail continued to suffer due to the pandemic with other revenue sources sought for municipalities, a trend that would likely continue. He suggested the moment was right to bring people together to discuss sharing challenges and opportunities with different stakeholders and the community with the goal of the City of Pinole for strong public safety, prosperous economy, good quality of life for residents, workers, and businesses particularly while considering attracting certain types of industries and businesses that may create more jobs or higher priority needs.

Mr. Baiter clarified the East Bay EDA website had identified the cost of membership and the criteria for membership was outlined. East Bay EDA had been in existence for around 20 years, and while membership in the past had been Alameda County-centric, the East Bay EDA outreach and footprint had been expanded into Contra Costa County. He again clarified the East Bay EDA data infrastructure and reporting, with twice a year information provided to each city on data points available to public and proprietary data sources to each of the member cities. Requests for specific analysis could be done depending on time, scope and depth of what was required. He also confirmed that East Bay EDA had taken a look at broadband on a number of levels, with each city at a different level of priority for that process, and to the extent that was a priority for the City of Pinole East Bay EDA could provide assistance in connecting to some of the networks where they may not already be connected and consider other opportunities in that space.

Council member Toms requested that consideration of membership in the East Bay EDA be added to the list of items to be discussed as part of the upcoming budget considerations.
Mayor Salimi agreed that staff should consider the City's membership in East Bay EDA.

PUBLIC COMMENTS OPENED

Rafael Menis, Pinole, commented the map in the PowerPoint presentation had shown the City of Pinole above the City of Hercules, which should be corrected in future presentations. He understood that East Bay EDA was a cross-sectional organization working to improve economic development while encouraging six guiding principles, as had been outlined in the PowerPoint. While he found those set of principles a great point to start from, he questioned the primary goal of the organization. He also found that East Bay EDA's priorities had been focused on economic recovery but without care some areas of focus may undermine those priorities based on a number of reasons.

PUBLIC COMMENTS CLOSED

Mayor Salimi thanked Mr. Baiter for the presentation with possible membership in the East Bay EDA to be considered during the budget review.

Mr. Baiter looked forward to working with the City of Pinole.

8. 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 December 21, 2021 Meeting.

B. Receive the December 18, 2021 – January 14, 2022 List of Warrants in the Amount of $1,250,218.49, the December 24, 2021 Payroll in the Amount of $465,747.57; and the January 7, 2022 Payroll in the Amount of $610,963.29.

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

D. Resolution Continuing Authorized Remote Teleconference Meetings Pursuant to AB 361 [**Action: Adopt Resolution per Staff Recommendation (Casher)]**

E. Resolution Accepting Tobacco Education Grant **[Action: Adopt Resolution per Staff Recommendation (Picazo)]**

SUCCESSOR AGENCY ITEM (Item 8F only)

F. Adopt a Resolution Approving the Recognized Obligation Payment Schedule for July 1, 2022 – June 30, 2023 (ROPS 22-23) for the Successor Agency in the Amount of $6,296.775 **[Action: Adopt Resolution per Staff Recommendation (Guillory)]**

PUBLIC COMMENTS OPENED

Deputy City Clerk Roxanne Stone advised there were no comments from the public.

PUBLIC COMMENTS CLOSED

Council member Toms requested the following amendment to Item 8F: Pages 75 and 76, column E of the Pinole Recognized Obligation Payment Schedule (ROPS 22-23) – ROPS Detail July 1, 2022 through June 30, 2023, Lines 20, 27, 31 and 33, to update the termination dates to be consistent with the term of the ROPS, which revision she had communicated with the Finance Director and City Manager prior to the meeting.

ACTION: Motion by Council member Martinez-Rubin/Toms to Approve Consent Calendar Items 8A through 8F, subject to modification of Item 8F, as requested by Council member Toms.

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

9. 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 parté 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

10. OLD BUSINESS

None

11. NEW BUSINESS

A. Discussion of Options to Expand Electric Vehicles Charging Stations **[Action: Discuss and Provide Direction to Staff (Mishra, Whalen, Kaur)]**

Community Development Director Lilly Whalen and Senior Project Manager Misha Kaur provided a PowerPoint presentation on the Options to Expand Electric Vehicle (EV) Charging Stations as outlined in the January 18, 2022 staff report. The City Council was asked to receive the information on the options and provide direction to City staff.

Responding to the Council, Ms. Kaur explained that once the Public Safety Building project was completed this fiscal year there would be an opportunity for more public EV charging stations. She also clarified the rebate opportunities for the City and opportunities for Requests for Proposal (RFPs) as outlined in the staff report. She clarified the City of Pinole had not applied for the charge program through the Bay Area Air Quality Management District (BAAQMD), with public agencies and multi-family applications that were seeking grant funds required to make application for a minimum of $10,000, whereas other nonprofits or businesses must have an application for $1 million. Unlike the charging program offered by Marin Clean Energy (MCE), the BAAQMD program has been based on usage of the EV charging station and on a reimbursement basis. The MCE program involved the installation of the infrastructure and money for the infrastructure

itself or the cost of the installation in the form of a check, and the MCE program was not tied to usage.

As to the status of the Appian 80 project and the inclusion of EV charging stations, Ms. Whalen advised she would have to research the details of the approved project and the level of EV charging stations.

Ms. Kaur explained that benefit of a Feasibility Study was that many of the grants did not fund the installation costs and depending on the age of the building or electrical capacity, sometimes significant electrical upgrades were necessary. A Feasibility Study would narrow down the City's buildings which had the electrical capacity to support the EV charging station structure, which was key to expanding that infrastructure in the City.

Council member Toms wanted to see more outreach to single-family home EV charging station users. She commented in terms of the downtown and commercial areas that people that traveled long distances used an app to locate EV charging stations. The decisions on where to charge electric vehicles related to possible economic benefits to local businesses and she urged the combination of those uses and the installation of EV charging stations in Old Town

Ms. Kaur stated that while a survey could be considered to glean information on the challenges of driving electric vehicles, types of electric vehicles being driven, the demand for EV charging stations and other topics, the Feasibility Study would be more focused on the technical aspects of a site's capacity in terms of City-owned facilities.

Mayor Pro Tem Murphy sought more information on those topics in terms of the data points as part of the next steps.

Public Works Director Sanjay Mishra clarified that properties privately owned may have a liability issue and the City may not be able to install EV charging stations but may provide grant application assistance. Many private companies provided information to Google for Google Maps to identify the location of EV charging stations in a community including the type of charging station, cost, and the like. That information would be more readily available once the network expanded.

Mayor Pro Tem Murphy wanted more information on the best method for expansion which was different from the feasibility and where people utilized their own electric vehicle. Given Pinole had limited EV charging stations, he was curious where people went outside of the City to charge their electric vehicles and the challenges and any barriers to electric vehicle usage. He also wanted more information on the vehicle to building model and the cost estimates if the City were to realize savings in that way. He was aware of other cities having reduced their energy costs based on installing electrical vehicle infrastructure.

Mr. Mishra was unaware of such details at this time, although PG&E had data on time of day usage in terms of power needs. He could provide additional information at a later date.
Ms. Kaur clarified, when asked, that the City had not engaged with any car sharing companies at this time.

Mayor Pro Tem Murphy asked the City to consider a vendor-managed model for car sharing companies and consider an incentive program to benefit the City in the long term. He asked that

staff provide more information on the benchmarks and wanted to see that identified in the Climate Action Plan (CAP) and Feasibility Study. He emphasized that advertising was also important at EV charging stations. He would encourage the use of the EV charging stations as a form of advertising and community engagement based on a not-for-profit model but would also be interested in a for-profit model as well. He looked forward to more information when moving forward.

Mayor Salimi understood that car ownership would dramatically change in the future. Given there were several highways in and out of the City, EV electric charging stations would be very important. He recommended future planning for areas that could be automatically dedicated for electric vehicles to charge themselves when traveling from point A to point B.

PUBLIC COMMENTS OPENED

Rafael Menis, Pinole, thanked staff for the thorough and informative presentation. He referenced the opportunities that had been outlined in the staff report and questioned the use of the term "substantial remodel" which was a term of art many may not be aware but had been defined in the Pinole Municipal Code (PMC). He found there was a balancing act and while there should be regulations for new construction to allow building and improved infrastructure as rapidly as possible at the same time if the City imposed new regulations prior to improving public infrastructure there may be pushback requiring private entities to do things the City was not yet able or willing to do. He suggested if the City were to move forward with new regulations, it should also move forward simultaneously with a Feasibility Study.

PUBLIC COMMENTS CLOSED

Council member Martinez-Rubin spoke to the future planning options and, recognizing there were plans to be made, she would like to see where the City was with regard to the potential for EV charging stations either on public or private properties calling for the preparation of the Feasibility Study, which she supported. She also supported the assessment items staff had identified. She emphasized the importance for the Feasibility Study to distinguish what was feasible in working with private projects in contrast to public projects. She also sought a better sense of that for further understanding and eventual discussion on what was needed for the City to facilitate either the development or installation of EV charging station infrastructure, or a combination of the two, and create incentives for private parties and inform the public as to what was available for both public and private. She agreed another study was needed to figure that out.

As to those who currently had electric vehicles, Council member Martinez-Rubin understood that future State law may mandate all new vehicles be electric and she wanted more information on transportation planning in the future. She also wanted to see what the City could to in the next five years, as an example, to prepare for the following five years, taking into account the City's resources and available federal funding and to what extent those funds were available to local jurisdictions. She supported a Feasibility Study to evaluate opportunities for installation of EV charging stations at City-owned facilities and concurrently consider what may be feasible to facilitate EV charging stations for publicly-funded projects, and for the City to facilitate EV charging stations for private parties.

Council member Tave recognized the difficulty balancing the future with current issues. He pointed out the increase in costs for gas, PG&E and the contributions to Marin Clean Energy

(MCE) with a lot of environmental factors to be taken into consideration. He was pleased the City was considering EV charging stations and starting that process, but the issue was the City's resources. The City Council had committed $100,000 to start the process for EV charging stations in the community. He supported the staff recommendations as outlined in the PowerPoint presentation and agreed planning must start for the five-year process. He added that providing information to citizens was a plus and it would be nice to see the EV charging stations appear in the community to demonstrate the value of electric vehicles, climate action and the City's commitment to the CAP.

Council member Toms commented there were a number of options to consider. She would like to choose all options but prioritize them. She suggested getting EV charging stations faster would be to consider the future planning options and a Feasibility Study and some of the other options could be considered at the same time. She found all options would be great and would happen at different times. She reported the Municipal Code Update Subcommittee would be meeting in the next week and possibly discuss Reach Codes. She would prioritize all of the options, with the first being the Feasibility Study.

Mayor Pro Tem Murphy agreed the Feasibility Study was a priority but was uncertain what it would assess. He wanted additional information via the recommendations to consider a citywide survey distributed online or a community workshop open to residents, and he would like to see both happen. He asked about the barriers to the goal to having a zero emissions vehicle, wanted more information on the potential barriers facing current owners of electric vehicles and their experiences with current EV charging stations along with more data from Pinole residents, and wanted to see an effort to reach out to major shopping center property owners to learn of their experiences with EV charging stations, timing for parking lot improvements, and barriers to installation of EV charging stations. All of those topics were his highest priorities.

Mayor Pro Tem Murphy also wanted to see conversations with property owners be led with benchmarks the City Council and the City would like to create around electric vehicles in conjunction with the development of the CAP. He looked forward to additional information.

Mr. Mishra thanked the Council for the feedback with staff to pursue a Feasibility Study once the City Council had considered a request for funding.

Ms. Kaur clarified no funding source had been identified at this time.

12. REPORTS & COMMUNICATIONS

A. Mayor Report

1. Announcements

Mayor Salimi wished everyone a Happy New Year 2022. He reported on January 4, 2022 he and Council member Toms had met with Congressman John Garamendi who had visited the City of Pinole; reported that City staff had been impacted by COVID-19 which was why the meeting agenda was so light; on December 23, 2021 he had attended the West County Mayors' and Supervisors' Association meeting with a presentation from the East Bay Municipal Utility District (EBMUD), and briefed the Council on the discussions He had also attended the Contra Costa Mayors' Conference along with Council member Toms when there had been a presentation from the Rosie the Riveter Trust, and had received a number of telephone calls and e-mails regarding

the status of the former Kmart property located at 1500 Fitzgerald Avenue, with more information to be provided to the City Council in the near future.

B. Mayoral & Council Appointments
1. TAPS Committee

City Clerk Bell presented the staff report. The City Council was asked to consider the Interview Subcommittee recommendation and the approval of the following four appointments for two-year terms to the Pinole Traffic and Pedestrian Safety (TAPS) Committee: Oliver Collins, Ben Doyle, Faith Dunham-Sims and Kent Moriarty.

Responding to Council member Martinez-Rubin, Council member Tave as a member of the Interview Subcommittee detailed the background of each candidate, with all information included in the January 18, 2022 staff report.

Council member Martinez-Rubin thanked returning candidates for their continued interest but was dismayed with the limited number of candidates. She looked forward to receiving future reports from the TAPS Committee.

Ms. Bell clarified in response to the Mayor that the TAPS Committee had held few meetings in 2021.

PUBLIC COMMENTS OPENED

Irma Ruport, Pinole, understood an existing member of the TAPS Committee had spoken during public comment at a past City Council meeting expressing concern with the lack of support for the TAPS Committee and limited meetings. She referenced the Local Road Safety Plan, and the fact the TAPS Committee had not met for some time. Based on her own experience, she suggested the limited number of applicants was due to a lack of support from the members of the Interview Subcommittee. The TAPS Committee was very important to solve and bring issues to the City Council and she encouraged the TAPS committee to be brought back to action and that volunteers not be turned away to allow all voices to be heard.

Anthony Vossbrink, Pinole, suggested that candidates had not been vetted well in the past and the TAPS Committee had not had the support of the Mayor and the City Council over the past few years. He had attended a prior TAPS Committee meeting and issues raised had not been addressed, with up to 80 percent of the TAPS Committee meetings having been canceled by the former Public Works Director. He agreed the TAPS Committee should be holding regular meetings, suggested the TAPS Committee protocols should be reviewed, and commented there were many reasons there had been a poor turnout with poor communication to the public on meeting dates and times. Also, the TAPS Committee met a week after the regular City Council meetings when the committee should be meeting prior to City Council meetings in order to allow the City Council to respond to any issues in a timely manner.

PUBLIC COMMENTS CLOSED

Mayor Salimi clarified there was no political discrimination against any applicant and all applicants in this case had been recommended for appointment. He apologized for any issues as a result

of a prior City Council. He also clarified the meeting schedule held in the past for the TAPS Committee had no bearing on the City Council meeting schedule.

City Manager Murray explained that there had been a transition in staffing, the City Council had funded a new full-time Public Works Director position whereas in the past the Public Works Director had also served as the Community Development Services Director. The expectation was that with the new Public Works Director he would be able to provide better staff support for the TAPS Committee. He welcomed the City Council to contact him or Public Works Director Mishra with any additional questions about the TAPS Committee.

ACTION: Motion by Council members Toms/Tave to Appoint Oliver Collins, Ben Doyle, Faith Dunham-Sims and Kent Moriarty to the TAPS Committee for two-year terms.

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

C. City Council Committee Reports & Communications

Mayor Pro Tem Murphy wished everyone a Happy New Year. He also hoped that everyone had spent Dr. Martin Luther King, Jr. Day as a day of service or activism for voting rights or whatever suited anyone, or a day of rest. He reported there would be no meetings of the MCE Board this month, with the next regularly scheduled meeting to be held in February. An MCE Executive Committee meeting had been scheduled for January 21, 2022, at 12:15 p.m. All meetings were open to the public with more information on the MCE website.

Mayor Pro Tem Murphy also reported he had attended the League of California Cities Policy Committee orientation and would be serving on two different policy committees for 2022, with meetings scheduled for February 10 and 11, 2022. He briefed the Council on planned discussions. He had also met with some nurses from the California Nurses Association, commending their efforts during the pandemic, and briefed the Council on the details of Assembly Bill (AB) 1400, the California Guaranteed Health Care for All Act. As part of the requests for future agenda items, he would be requesting the City Council approve a Letter of Support for AB 1400.

Council member Tave wished everyone a Happy New Year and Dr. Martin Luther King, Jr. Day, emphasizing the importance of reflection on civil rights and voting; attended a meeting of the West Contra Costa Integrated Waste Management Authority (WCCIWMA) with AB 1383 to go into effect this year; the first Technology and Communications subcommittee Meeting with the Mayor Pro Tem, and briefed the Council on all discussions. He encouraged everyone to remain safe, get vaccinated and receive their booster shots to stay protected.

Council member Toms reported she had attended the second meeting of the Joint East Bay Wildfire Joint Powers Authority (JPA) with meetings anticipated through June; and a Western Contra Costa County Transit (WestCAT) Board meeting, briefing the Council on all discussions.

Council member Martinez-Rubin reported that WestCAT continued to have a lottery for anyone who subscribed to text alerts for any of the WestCAT lines, with more information on the WestCAT

website. She had also participated with peers statewide to Chair the League of California Cities Revenue and Taxation Policy Committee with a meeting scheduled for February 10, 2022, and with more information on the League website; and she had spent time during the Dr. Martin Luther King, Jr. holiday as part of a leadership team on the Pinole Community Science Project. She added that information on free COVID-19 tests was available at www.usps.com/covidtests.

Mayor Salimi requested the information for free COVID-19 tests be posted on the City's website.

D. Council Requests for Future Agenda Items

Council member Martinez-Rubin requested a future agenda item to have the trustee and members of the West Contra Costa Unified School District (WCCUSD) provide a presentation on activities the WCCUSD may conduct in the next six months in the City of Pinole, which had implications as to how the City's operations may be affected, citing as an example the WCCUSD's distribution of COVID-19 tests which had resulted in a traffic backup. She also requested a future agenda item for RecycleMore to provide an update on what RecycleMore and the City needed to do to make composting bins accessible to the community. An additional future agenda item would be for staff to provide an update on the Preservation Ordinance and set aside a meeting date in April or May for the Pinole Community Science Project group to provide an update. Consensus given.

Council member Toms requested the Naming Committee meet to consider a request for a plaque for a tree in memory of former Public Works Director Dean Allison. She noted her understanding that if an elected official, such as representatives from the WCCUSD or EBMUD, desired an agenda item for City Council consideration they did not have to make a formal request for a future agenda item. She asked staff to clarify

City Manager Murray commented that process was not the way staff had interpreted the City Council procedures regardless of how it had been done in the past, particularly given the full City Council agendas. Future agenda items were to be approved by consensus from the majority of the City Council which was intended to manage limited resources. The City Council procedures would be reviewed at the next City Council meeting and could be amended at that time, if desired.

Council member Tave requested a future agenda item to reevaluate the City Committees, potentially add a stipend for each committee, and consider the level of authority for each committee.

Mayor Salimi commented he had requested reconsideration of the City Council salaries in the past, which was on a list of items for future action.

City Manager Murray reported the salary for City elected officials and stipends for Commissioners had been tentatively scheduled for the February 15, 2022 City Council meeting.

City Attorney Eric Casher reported there were a few Commissions that had been created and set forth in the PMC and the City Council may consider an ordinance to adjust authority and possibly make changes to the functions and responsibilities of those Commissions. It made sense for the City Council to have a discussion on what Commission or Committee authority should be amended and implement any directives from that point.

City Manager Murray understood the request for a future agenda item was to review existing Commissions' founding documents (including by-laws) and authority with the City Council to provide direction on any modifications. Consensus given.

Mayor Pro Tem Murphy requested a future agenda item to take action on a Letter of Support for AB 1400, with an open discussion on AB 1400 for the first meeting in February. Consensus given.

PUBLIC COMMENTS OPENED

Irma Ruport, Pinole, requested a future agenda item for a report on reasons for the closure of the Pinole Animal Shelter and the status of the building, such as whether the City owned the building. As a former member of the Economic Development and Affordable Housing Committee, which had been useful and productive, she asked that there be a City Council discussion to reinstate the committee.

Anthony Vossbrink, Pinole, agreed with the comments from the previous speaker and asked the City Council to honor the requests. He requested a future agenda item for review and installation of license plate cameras as soon as possible in the major corridors of the City.

Mayor Salimi requested a future agenda item for a presentation on the status of the Pinole Animal Shelter, the fees the City was paying for animal control, why there had been a delay in response times for Contra Costa County to service the City and why fees had increased. Consensus given.

In response to the Mayor, City Manager Murray advised that the City currently did not have an affordable housing committee. He was uncertain of the function of the committee referenced by the public.

Mayor Salimi asked staff to provide a status update on the duties of the Committee referenced by Ms. Ruport, which could be provided in the form of a memorandum. Consensus given.

Mayor Salimi requested a future agenda item to consider the creation of a Youth Committee.

Council member Toms suggested Parks and Recreation Department staff could provide an update during their quarterly report.

City Manager Murray recalled there had been a past practice for City Departments to provide updates to the City Council on a semi-annual basis, which practice had stopped as a result of other agenda items. He explained that if so directed by the City Council as a future agenda item, the Community Services Department could provide a discussion about potential tasks and activities for a Youth Commission, with information in a memorandum format, after which the City Council could consider whether to agendize consideration of a Youth Committee for a future discussion. Staff could also clarify any age requirements for those serving on City Commissions/ Committees. Consensus given.
Mayor Salimi reported the City Council had approved license plate readers in 2018 in sections of the City and cameras had been active since that time.

City Manager Murray stated staff could return with more information on possible expansion of the existing license plate reader program if so directed by the City Council. Consensus given.

Mayor Salimi requested a future agenda item for the City Council to consider a proclamation in the month of March in recognition of Nowruz, the Persian New Year. Consensus given.

Mayor Pro Tem Murphy understood the City had received a letter from the new President of Contra Costa College. He asked staff the status of a presentation from Contra Costa College and was informed by City Manager Murray no presentation had been agendized at this time unless so directed by the City Council.

Mayor Pro Tem Murphy requested a future agenda item for a presentation from Contra Costa College. Consensus given.

E. City Manager Report / Department Staff

City Manager Murray reported there would be a number of substantial agendas for the next few City Council meetings. He described the tentative items to be agendized for the February 1, 2022 City Council meeting and reported that staff had also provided information to the City Council in the form of a memorandum on the City's activities and successes related to pursuing grants. He wished everyone a Happy New Year.

F. City Attorney Report

City Attorney Casher also wished everyone a Happy New Year. He reported the Municipal Code Update Subcommittee would next meet on January 31, 2022, with a number of ordinances to be discussed for prioritization including an update to the Code Enforcement Lien Process, Fireworks Ordinance, encroachment permit requirements for rights-of-way, updates to the Code of Ethics, Electric Building Standards and updates to the Polystyrene Ordinance, with all ordinances to be brought before the City Council for first and second readings.

Deputy City Clerk Stone advised there was a public comment at this time.

PUBLIC COMMENTS OPENED

Anthony Vossbrink, Pinole, recalled the City Council had voted to approve a modification to the meeting agenda to provide a second Citizens to be Heard comment section towards the end of each agenda. He asked that public commenters be better appreciated by the City Council when participating in meetings.

Mayor Salimi reported that item would be on the City Council agenda for February 1, 2022. Once action was taken the City Council meeting agendas would be modified thereafter. At this time, the City Council was still operating under the old procedures.

13. ADJOURNMENT to the Regular City Council Meeting of February 1, 2022 in Remembrance of Amber Swartz and Dr. Martin Luther King, Jr.

At 9:56 p.m., Mayor Salimi adjourned the meeting to the Regular City Council Meeting of February 1, 2022 in Remembrance of Amber Swartz and Dr. Martin Luther King, Jr.

Submitted by:

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_____

Heather Bell, CMC
City Clerk

Approved by City Council:

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8B

WARRANT LISTING

By Vendor Name

City of Pinole, CA

Payment Dates 1/15/2022 - 1/28/2022

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: AAA03 - AAA FIRE PROTECTION SERVICES					
10905493	98063	01/21/2022	209-552-42107	FIRE SYSTEM REPAIRS PSC	640.36
				Vendor AAA03 - AAA FIRE PROTECTION SERVICES Total:	**640.36**
Vendor: AIR10 - AIRGAS USA, LLC					
9985478673	98064	01/21/2022	100-231-42107	RENTAL CYL MED LARGE AIR FIRE	93.60
				Vendor AIR10 - AIRGAS USA, LLC Total:	**93.60**
Vendor: ALH01 - ALHAMBRA & SIERRA SPRINGS					
5025531 010622	98088	01/28/2022	100-343-44306	WATER CORP YARD	176.78
				Vendor ALH01 - ALHAMBRA & SIERRA SPRINGS Total:	**176.78**
Vendor: AME41 - AMERICAN LEGAL PUBLISHING					
14081	98065	01/21/2022	100-112-42101	DECEMBER 2021 S-25 EDITING CITY CLERK	549.46
				Vendor AME41 - AMERICAN LEGAL PUBLISHING Total:	**549.46**
Vendor: AME52 - AMERICAN MESSAGING SERVICE, LLC					
W4102378WA	98066	01/21/2022	525-118-43101	MESSAGING SERVICES FIRE	43.47
				Vendor AME52 - AMERICAN MESSAGING SERVICE, LLC Total:	**43.47**
Vendor: ARM04 - ARMOR LOCKSMITH SERVICES					
77407	98089	01/28/2022	500-642-42514	KEY FOR HAZEL CORP YARD	24.12
77408	98089	01/28/2022	100-345-44306	KEY DUPLICATE COR YARD	11.95
				Vendor ARM04 - ARMOR LOCKSMITH SERVICES Total:	**36.07**
Vendor: ATT01 - AT&T					
287274105793X12282021	98067	01/21/2022	215-341-43101	MOBILITY CORRIDOR PW	77.62
287277095767X12282021	98067	01/21/2022	215-341-43101	MOBILITY CORRIDOR PROJECT PW	77.22
				Vendor ATT01 - AT&T Total:	**154.84**
Vendor: BAY34 - BAY AREA NEWS GROUP- EAST BAY					
0001322510	98090	01/28/2022	100-112-42514	NOTICE OF ADOPTED ORDINANCE CITY CLERK	69.30
				Vendor BAY34 - BAY AREA NEWS GROUP- EAST BAY Total:	**69.30**
Vendor: 2291 - BAYSIDE APARTMENTS					
0120222	98091	01/28/2022	100-000-31510	REFUND OVER PAYMENT BUSINESS LICENSE FINANCE	152.00
				Vendor 2291 - BAYSIDE APARTMENTS Total:	**152.00**
Vendor: ESP01 - BELINDA ESPINOSA					
01252022	98092	01/28/2022	100-117-41101	2022 RETIREE MEDICARE REIMB FEB. 2022	494.00
				Vendor ESP01 - BELINDA ESPINOSA Total:	**494.00**
Vendor: BOU01 - BOUND TREE MEDICAL, LLC					
84349578	98068	01/21/2022	100-231-42104	MEDICAL SUPPLIES FIRE	150.92
84352912	98093	01/28/2022	100-231-42104	MEDICAL SUPPLIES FIRE	1,581.41
				Vendor BOU01 - BOUND TREE MEDICAL, LLC Total:	**1,732.33**
Vendor: 1654 - BRINK'S INCORPORATED					
11803895	98069	01/21/2022	100-115-42101	TRANSPORTATION SERVICES FINANCE	206.93
				Vendor 1654 - BRINK'S INCORPORATED Total:	**206.93**
Vendor: 2292 - CARL ZEISS MEDITEC					
0120222	98094	01/28/2022	100-000-31510	REFUND OVER PAYMENT ON BUSINESS LICENSE FINANCE	4.00
				Vendor 2292 - CARL ZEISS MEDITEC Total:	**4.00**

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Payment Dates: 1/15/2022 - 1/28/2022

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: CCP03 - CCP INDUSTRIES					
IN02919689	98070	01/21/2022	500-641-44410	FACE MASKS WPCP	82.70
				Vendor CCP03 - CCP INDUSTRIES Total:	**82.70**
Vendor: 2060 - CENTRAL CONCRETE SUPPLY CO., INC.					
376021	98095	01/28/2022	207-344-42108	TOP SAND CONCRETE CORP YARD	66.31
376022	98095	01/28/2022	100-342-42514	3/4 BASE ROCK RECYCLED CORP YARD	130.71
				Vendor 2060 - CENTRAL CONCRETE SUPPLY CO., INC. Total:	**197.02**
Vendor: CLE03 - CLEARWATER ENVIRONMENTAL					
0996	98071	01/21/2022	209-552-43810	CLEAN GREASE TRAPS PSC	140.00
				Vendor CLE03 - CLEARWATER ENVIRONMENTAL Total:	**140.00**
Vendor: COM20 - COMCAST					
010522020422	98072	01/21/2022	215-341-43101	UTILITIES CABLE PW	240.31
JAN 01 22-9972	98096	01/28/2022	100-231-43105	SERVICE DATE 010422-02032022 FIRE STATATION 74	111.80
JAN 09 22-3131	98096	01/28/2022	100-231-43105	CABLE FIRE DEPT.	10.67
				Vendor COM20 - COMCAST Total:	**362.78**
Vendor: CON44 - CONTINENTAL ELECTRIC					
CEI 11657	98097	01/28/2022	100-342-42514	FOUNDATION REPAIR ELECTRICAL CORP YARD	8,960.00
				Vendor CON44 - CONTINENTAL ELECTRIC Total:	**8,960.00**
Vendor: 1445 - CORTEZ TIRES AND AUTO REPAIR					
19655	98098	01/28/2022	100-221-42107	WIPER BLADE POLICE CAR	65.83
19656	98098	01/28/2022	100-221-42107	HEADLIGHT BULB POLICE CAR	64.40
				Vendor 1445 - CORTEZ TIRES AND AUTO REPAIR Total:	**130.23**
Vendor: 2220 - CRESCO EQUIPMENT RENTALS					
5540972-0002	98099	01/28/2022	100-345-42511	BUCKET TRUCK CORP YARD	4,387.00
				Vendor 2220 - CRESCO EQUIPMENT RENTALS Total:	**4,387.00**
Vendor: CSG01 - CSG CONSULTANTS INC.					
40275	98100	01/28/2022	100-341-42101	PW STAFF AUGMENTATION SERVICES	18,568.00
41423	98100	01/28/2022	100-341-42101	PW STAFF AUGMENTATION SERVICES	15,086.50
				Vendor CSG01 - CSG CONSULTANTS INC. Total:	**33,654.50**
Vendor: 1443 - DIESEL DIRECT WEST, INC.					
84337749	98073	01/21/2022	100-10602	ULSD CLEAR FUEL FIRE	2,365.43
84346481	98101	01/28/2022	100-10601	GASOLINE UNL CORP YARD	2,263.24
84357603	98101	01/28/2022	100-10601	GASOLINE UNL CORP YARD	2,154.61
84367138	98101	01/28/2022	500-10601	ULSD CLEAR CORP YARD	4,706.56
				Vendor 1443 - DIESEL DIRECT WEST, INC. Total:	**11,489.84**
Vendor: DIV06 - DIVISION OF THE STATE ARCHITECT					
10211211221	98074	01/21/2022	226-000-34223	OCT - DEC 2021 AB1379 STATE MANDATED FEE FINANCE	295.20
				Vendor DIV06 - DIVISION OF THE STATE ARCHITECT Total:	**295.20**
Vendor: EBM01 - EBMUD					
31771-010622	98102	01/28/2022	100-343-43102	2691 APPALOOSA TRAIL-IRRIGATION USE ONLY	161.58
31772-010622	98102	01/28/2022	100-343-43102	2785 SIMAS AVE--IRRIGATION USE ONLY	161.58
66531-010622	98102	01/28/2022	100-343-43102	800 PINOLE SHORES DR-IRRIGATION USE ONLY	161.58
				Vendor EBM01 - EBMUD Total:	**484.74**
Vendor: ENP01 - eNPDES.com & ASSOCIATES					
01102022	98075	01/21/2022	500-641-44305	COMPLIANCE SOFTWARE WPCP	1,850.00
				Vendor ENP01 - eNPDES.com & ASSOCIATES Total:	**1,850.00**

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Payment Dates: 1/15/2022 - 1/28/2022

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: FED01 - FEDEX					
7-609-48876	98103	01/28/2022	100-112-42514	ORDINANCE AGREEMENT CORRESPONDENCE CCLERK	12.66
				Vendor FED01 - FEDEX Total:	**12.66**
Vendor: FOR02 - FORENSIC SERVICES DIVISION					
PINPD-2110	98104	01/28/2022	100-222-42101	PROFESSIONAL SERVICES PD	5,411.00
PINPD-2111	98104	01/28/2022	100-222-42101	PROFESSIONAL SERVICES PD	4,807.50
				Vendor FOR02 - FORENSIC SERVICES DIVISION Total:	**10,218.50**
Vendor: GAT07 - GATEWAY PINOLE VISTA, LLC					
FEB2022	98105	01/28/2022	201-343-42513	1340 FITZGERALD DRIVE LEASE	100.00
				Vendor GAT07 - GATEWAY PINOLE VISTA, LLC Total:	**100.00**
Vendor: 2277 - GIERLICH-MITCHELL, INC.					
16122	98106	01/28/2022	500-642-42514	INSTALLATION SERVICE CORP YARD	500.00
				Vendor 2277 - GIERLICH-MITCHELL, INC. Total:	**500.00**
Vendor: GRA03 - GRAINGER					
9160623147	98076	01/21/2022	500-641-44306	PRESSURE REGULATOR WPCP	97.70
9162048046	98076	01/21/2022	500-641-44306	SPLASH GUARD RUBBER WPCP	61.48
				Vendor GRA03 - GRAINGER Total:	**159.18**
Vendor: 1112 - GRAY-BOWEN-SCOTT					
21290	98077	01/21/2022	325-342-47205	PM SERVICES: DESIGN PHASE OF SPA BRIDGE REPLACMNT	3,498.75
				Vendor 1112 - GRAY-BOWEN-SCOTT Total:	**3,498.75**
Vendor: KEN14 - GREG KENNEDY RN					
101	98078	01/21/2022	100-231-42101	EMS CQI DUTIES FIRE DEPT	2,000.00
102	98107	01/28/2022	100-231-42104	PROFESSIONAL SERVICES DEC 2021 FIRE	2,000.00
				Vendor KEN14 - GREG KENNEDY RN Total:	**4,000.00**
Vendor: 2244 - GYM DOCTORS					
00127668	98108	01/28/2022	100-221-42304	SEMI-ANNUAL PREVENTIVE MAINTENANCE PD	180.00
				Vendor 2244 - GYM DOCTORS Total:	**180.00**
Vendor: HAC01 - HACH COMPANY					
12815265	98079	01/21/2022	500-641-44306	TOP LEVEL ASSY PRESS REG. WPCP	2,837.79
				Vendor HAC01 - HACH COMPANY Total:	**2,837.79**
Vendor: 1665 - HEATHER IOPU					
01192022	98109	01/28/2022	100-112-42302	PARKING FOR NEW LAW CONFERENCE	105.00
01202022	98109	01/28/2022	100-110-42514	REIMBURSEMENT DONUTS FOR CONGRESSMAN VISIT	32.42
				Vendor 1665 - HEATHER IOPU Total:	**137.42**
Vendor: MEL05 - JAMES MELVIN					
01252022	98110	01/28/2022	100-117-41101	2022 RETIREE MEDICARE REIMBURSEMENT FEB 2022	154.10
				Vendor MEL05 - JAMES MELVIN Total:	**154.10**
Vendor: 2068 - JAMIE LAKE					
01172021	98080	01/21/2022	100-000-31510	BL REFUND OVERPAYMENT FINANCE	152.00
				Vendor 2068 - JAMIE LAKE Total:	**152.00**
Vendor: HAR29 - JOHN HARDESTER					
01252022	98111	01/28/2022	100-117-41101	2022 RETIREE MEDICARE REIMB FEB 2022	250.50
				Vendor HAR29 - JOHN HARDESTER Total:	**250.50**

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WARRANT LISTING

Payment Dates: 1/15/2022 - 1/28/2022

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: MIS01 - JULIAN MISRA					
01252022	98112	01/28/2022	100-117-41101	2022 RETIREE MEDICARE REIMB FEB 2022	221.80
				Vendor MIS01 - JULIAN MISRA Total:	**221.80**
Vendor: CUR03 - LN CURTIS & SONS					
CM30040	98113	01/28/2022	100-231-44410	RETURN FIRE	-987.75
INV556287	98081	01/21/2022	100-231-44410	UNIFORM ERIC HOLT FIRE	1,012.37
INV559822	98113	01/28/2022	100-231-42107	UNIFORM STEVE DORSEY FIRE	742.71
INV560426	98113	01/28/2022	100-231-42107	UNIFORM ERIC HOLT FIRE	647.29
				Vendor CUR03 - LN CURTIS & SONS Total:	**1,414.62**
Vendor: MCM05 - MCMASTER-CARR SUPPLY CO.					
70542443	98082	01/21/2022	500-641-44306	WPCP SUPPLIES	717.91
				Vendor MCM05 - MCMASTER-CARR SUPPLY CO. Total:	**717.91**
Vendor: 2290 - MERRY MAIDS					
01182022	98083	01/21/2022	100-000-31510	OVERPAYMENT BUSINESS LICENSE REFUND FINANCE	46.00
				Vendor 2290 - MERRY MAIDS Total:	**46.00**
Vendor: 1311 - M-GROUP					
2002965	98114	01/28/2022	212-20344	ON CALL SERVICES FOR PLANNING	72.50
2002965	98114	01/28/2022	212-461-42101	ON CALL SERVICES FOR PLANNING	10,657.50
				Vendor 1311 - M-GROUP Total:	**10,730.00**
Vendor: 1115 - MICHELLE FITZER					
01252022	98115	01/28/2022	100-117-41101	2022 RETIREE MEDICARE REIUMB FEB 2022	372.30
				Vendor 1115 - MICHELLE FITZER Total:	**372.30**
Vendor: O'R01 - O'REILLY AUTOMOTIVE, INC					
12282021 STATEMENT	98116	01/28/2022	100-221-42107	SUPPLIES VARIOUS DEPARTMENTS	136.13
12282021 STATEMENT	98116	01/28/2022	100-231-42107	SUPPLIES VARIOUS DEPARTMENTS	52.09
12282021 STATEMENT	98116	01/28/2022	100-343-42107	SUPPLIES VARIOUS DEPARTMENTS	146.79
12282021 STATEMENT	98116	01/28/2022	100-343-42107	SUPPLIES VARIOUS DEPARTMENTS	170.96
12282021 STATEMENT	98116	01/28/2022	500-641-44306	SUPPLIES VARIOUS DEPARTMENTS	26.32
12282021 STATEMENT	98116	01/28/2022	500-641-44306	SUPPLIES VARIOUS DEPARTMENTS	156.87
12282021 STATEMENT	98116	01/28/2022	500-642-42107	SUPPLIES VARIOUS DEPARTMENTS	130.46
12282021 STATEMENT	98116	01/28/2022	500-642-42514	SUPPLIES VARIOUS DEPARTMENTS	-28.86
12282021 STATEMENT	98116	01/28/2022	500-642-42514	SUPPLIES VARIOUS DEPARTMENTS	37.62
12282021 STATEMENT	98116	01/28/2022	500-642-42514	SUPPLIES VARIOUS DEPARTMENTS	52.64
12282021 STATEMENT	98116	01/28/2022	500-642-42514	SUPPLIES VARIOUS DEPARTMENTS	3.83
				Vendor O'R01 - O'REILLY AUTOMOTIVE, INC Total:	**884.85**
Vendor: OTI01 - OTIS ELEVATOR COMPANY					
100400619601	98117	01/28/2022	100-343-42108	MAINTENANCE 0101-01312022 CITY HALL	120.69
				Vendor OTI01 - OTIS ELEVATOR COMPANY Total:	**120.69**
Vendor: 1555 - OWEN EQUIPMENT					
00055100	98118	01/28/2022	207-344-42107	WHIRLWIND SWEEPER REPAIRS CORP YARD	6,534.76
				Vendor 1555 - OWEN EQUIPMENT Total:	**6,534.76**

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Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: PAC55 - PACIFIC SITE MANAGEMENT					
61231	98119	01/28/2022	100-222-42108	MONTHLY LANDSCAPE MAINTENANCE	122.50
61231	98119	01/28/2022	100-231-42108	MONTHLY LANDSCAPE MAINTENANCE	327.50
61231	98119	01/28/2022	100-343-42108	MONTHLY LANDSCAPE MAINTENANCE	174.40
61231	98119	01/28/2022	100-345-42108	MONTHLY LANDSCAPE MAINTENANCE	5,619.33
61231	98119	01/28/2022	200-342-42108	MONTHLY LANDSCAPE MAINTENANCE	326.00
61231	98119	01/28/2022	201-343-42108	MONTHLY LANDSCAPE MAINTENANCE	532.60
61231	98119	01/28/2022	209-552-42108	MONTHLY LANDSCAPE MAINTENANCE	198.00
61231	98119	01/28/2022	209-553-42108	MONTHLY LANDSCAPE MAINTENANCE	206.00
61231	98119	01/28/2022	209-557-42108	MONTHLY LANDSCAPE MAINTENANCE	206.00
61231	98119	01/28/2022	310-347-42108	MONTHLY LANDSCAPE MAINTENANCE	60.00
61231	98119	01/28/2022	310-348-42108	MONTHLY LANDSCAPE MAINTENANCE	65.00
				Vendor PAC55 - PACIFIC SITE MANAGEMENT Total:	**7,837.33**
Vendor: PGE01 - PG&E					
0498011022	98120	01/28/2022	100-231-43103	3790 PINOLE VALLEY RD FIRESTATION	558.04
088301112022	98120	01/28/2022	100-222-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	3,395.82
088301112022	98120	01/28/2022	100-223-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	679.16
088301112022	98120	01/28/2022	100-231-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	2,716.65
088712302021	98120	01/28/2022	200-342-43103	PINON AVE & SAN PABLO AVE TRAFFIC SIGNAL	75.09
109312302021	98120	01/28/2022	500-642-43103	W END/HAZEL AVE SEWAGE PLANT	646.68
115601112022	98120	01/28/2022	209-554-43103	635 TENNENT AVE YOUTH CTR/CATV	24.65
115601112022	98120	01/28/2022	505-119-43103	635 TENNENT AVE YOUTH CTR/CATV	36.97
146201112022	98120	01/28/2022	209-552-43103	2500 CHARLES ST SENIOR CENTER	917.38
180101072022	98120	01/28/2022	209-553-43103	2454 SIMAS AVE REC CTR & POOL	232.88
218212302021	98120	01/28/2022	200-342-43103	OAKRIDGE/SAN PABLO AVE TRAFFIC SIGNAL	69.66
222212242021	98120	01/28/2022	100-345-43103	STREET AND HIGHWAY LIGHTING	1,081.06
222212242021	98120	01/28/2022	200-342-43103	STREET AND HIGHWAY LIGHTING	0.22
222212242021	98120	01/28/2022	310-347-43103	STREET AND HIGHWAY LIGHTING	6,128.71
222212242021	98120	01/28/2022	310-348-43103	STREET AND HIGHWAY LIGHTING	8,755.29
302901112022	98120	01/28/2022	100-345-43103	1270 ADOBE RD @ OUTSIDE BATHROOMS	120.16
383401052022	98120	01/28/2022	100-231-43103	3790 PINOLE VALLEY RD FIRESTATION	453.39
415701102022	98120	01/28/2022	100-222-43103	809 CITY HALL	51.80
604301102022	98120	01/28/2022	100-231-43103	3790 PINOLE VALLEY RD	27.06
657112292021	98120	01/28/2022	200-342-43103	IFO 971 SAN PABLO AVE-TRAFFIC SIGNAL CONTROL	109.58

WARRANT LISTING

Payment Dates: 1/15/2022 - 1/28/2022

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
674712302021	98120	01/28/2022	200-342-43103	RAMONA & PINOLE VALLEY-TRAFFIC SIGNAL & ST LIGHT	60.45
689712292021	98120	01/28/2022	200-342-43103	PINOLE VALLEY RD & ESTATES AVE-TRAFFIC LIGHT CTRL	67.43
718601112022	98120	01/28/2022	209-558-43103	601 TENNENT AVE PUBLIC MEETING HALL	35.91
851701102022	98120	01/28/2022	500-642-43103	FRT OF 3490 SAVAGE AVE PUMP FOR SEWER	9.54
871601112022	98120	01/28/2022	500-641-43103	SEWAGE PLNT-FT OF TENNENT	6,020.71
				Vendor PGE01 - PG&E Total:	**32,274.29**
Vendor: QUI11 - QUINCY ENGINEERING, INC.					
20-2830.00-17	98084	01/21/2022	325-342-47205	RO1710 PRELIMINARY DESIGN SERVICES FOR SPA BRIDGE	13,024.13
20-2830.00-18	98084	01/21/2022	325-342-47205	RO1710 PRELIMINARY DESIGN SERVICES FOR SPA BRIDGE	13,821.91
				Vendor QUI11 - QUINCY ENGINEERING, INC. Total:	**26,846.04**
Vendor: 1536 - RAIN FOR RENT					
1693239	98122	01/28/2022	500-642-42108	RENTAL EQUIP CORP YARD	11,794.85
				Vendor 1536 - RAIN FOR RENT Total:	**11,794.85**
Vendor: SWE00 - ROY SWEARINGEN					
01182022	98085	01/21/2022	100-113-42201	REIMBURSEMENT FOR COMPUTER BATTERY TREASURER	100.19
				Vendor SWE00 - ROY SWEARINGEN Total:	**100.19**
Vendor: ROS08 - RSG, INC.					
I008132	98123	01/28/2022	750-463-42101	REAL ESTATE BROKER SERVICES	117.50
				Vendor ROS08 - RSG, INC. Total:	**117.50**
Vendor: 1714 - SHERRI D. LEWIS					
PC05PINOLE-FY2021/22	98124	01/28/2022	212-461-42514	PREPARE MINUTES PC 121321 MEETING PLANNING	562.50
				Vendor 1714 - SHERRI D. LEWIS Total:	**562.50**
Vendor: SQU00 - SQUARE DEAL GARAGE					
37961	98125	01/28/2022	100-343-42107	OIL CHANGE PD CAR	56.32
				Vendor SQU00 - SQUARE DEAL GARAGE Total:	**56.32**
Vendor: SWR01 - SWRCB					
SW-0222900	98086	01/21/2022	207-344-42514	ANNUAL PERMIT FEES WPCP	10,602.00
				Vendor SWR01 - SWRCB Total:	**10,602.00**
Vendor: 1709 - T J K M					
0051946	98087	01/21/2022	325-342-47205	LOCAL ROAD SAFETY PLAN	1,082.48
				Vendor 1709 - T J K M Total:	**1,082.48**
Vendor: KRI01 - TERRI KRIEGER					
01252022	98126	01/28/2022	100-117-41101	2022 RETIREE MEDICARE REIMB FEB 2022	250.50
				Vendor KRI01 - TERRI KRIEGER Total:	**250.50**
Vendor: UNI07 - UNIVERSAL BUILDING SVCS.					
266172	98127	01/28/2022	100-343-42108	JANITORIAL SUPPLIES CORP YARD	232.03
				Vendor UNI07 - UNIVERSAL BUILDING SVCS. Total:	**232.03**
Vendor: WES01 - WESTERN EXTERMINATOR CO.					
13315334	98128	01/28/2022	209-554-42108	PEST CONTROL PYC	116.65
13315649	98128	01/28/2022	100-343-42108	PEST CONTROL CH	100.00
13315650	98128	01/28/2022	100-231-42108	PEST CONTROL 3700 PVR	71.00
13315850	98128	01/28/2022	209-558-42108	PEST CONTROL 601 TENNENT	118.25
13316360	98128	01/28/2022	100-222-42108	PEST CONTROL PD	103.25
13316374	98128	01/28/2022	209-552-42108	PEST CONTROL PSC	77.40
13316382	98128	01/28/2022	100-343-42108	PEST CONTROL CORP YARD / WPCP	69.00
				Vendor WES01 - WESTERN EXTERMINATOR CO. Total:	**655.55**

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Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: ZAS01 - ZASIO ENTERPRISES, INC.					
20098538	98129	01/28/2022	525-118-42106	ANNUAL SUPPORT AND CITATION MAINT VERSATILE	895.00
				Vendor ZAS01 - ZASIO ENTERPRISES, INC. Total:	**895.00**
				Grand Total:	**202,937.56**

Report Summary

Fund Summary

Fund	Payment Amount
100 - General Fund	92,239.00
200 - Gas Tax Fund	708.43
201 - Restricted Real Estate Maintenance Fund	632.60
207 - NPDES Storm Water Fund	17,203.07
209 - Recreation Fund	2,913.48
212 - Building & Planning	11,292.50
215 - Measure C and J Fund	395.15
226 - CASp Certification and Training Fund	295.20
310 - Lighting & Landscape Districts	15,009.00
325 - City Street Improvements	31,427.27
500 - Sewer Enterprise Fund	29,728.92
505 - Cable Access TV	36.97
525 - Information Systems	938.47
750 - Recognized Obligation Retirement Fund	117.50
Grand Total:	**202,937.56**

Account Summary

Account Number	Account Name	Payment Amount
100-000-31510	Other Tax/Business License	354.00
100-10601	Gas Tanks/Corp Yard	4,417.85
100-10602	Gas Tanks/Fire Station	2,365.43
100-110-42514	Admin Exp/Special Depart	32.42
100-112-42101	Prof Svcs/Professional Ser...	549.46
100-112-42302	Travel & Training/Mileage,..	105.00
100-112-42514	Admin Exp/Special Depart	81.96
100-113-42201	Office Expense	100.19
100-115-42101	Prof Svcs/Professional Ser...	206.93
100-117-41101	Retiree Benefits/Medical-...	1,743.20
100-221-42107	Prof Svcs/Equipment Mai...	266.36
100-221-42304	Travel & Training/Officer...	180.00
100-222-42101	Prof Svcs/Professional Ser...	10,218.50
100-222-42108	Prof Svcs/Building-Structu...	225.75
100-222-43103	Utilities/Electricity & Pow...	3,447.62
100-223-43103	Utilities/Electricity & Pow...	679.16
100-231-42101	Prof Svcs/Professional Ser...	2,000.00
100-231-42104	Prof Svcs/Paramedic Servi...	3,732.33
100-231-42107	Prof Svcs/Equipment Mai...	1,535.69
100-231-42108	Prof Svcs/Building-Structu...	398.50
100-231-43103	Utilities/Electricity & Pow...	3,755.14
100-231-43105	Utilities/Cable	122.47
100-231-44410	Safety Clothing	24.62
100-341-42101	Prof Svcs/Professional Ser...	33,654.50
100-342-42514	Admin Exp/Special Depart	9,090.71
100-343-42107	Prof Svcs/Equipment Mai...	374.07
100-343-42108	Prof Svcs/Building-Structu...	696.12
100-343-43102	Utilities/Water	484.74
100-343-44306	Other Materials Supp/Ma...	176.78
100-345-42108	Prof Svcs/Building-Structu...	5,619.33
100-345-42511	Admin Exp/Equipment Re...	4,387.00
100-345-43103	Utilities/Electricity & Pow...	1,201.22
100-345-44306	Other Materials Supp/Ma...	11.95
200-342-42108	Prof Svcs/Building-Structu...	326.00
200-342-43103	Utilities/Electricity & Pow...	382.43
201-343-42108	Prof Svcs/Building-Structu...	532.60
201-343-42513	Admin Exp/Rent	100.00
207-344-42107	Prof Svcs/Equipment Mai...	6,534.76
207-344-42108	Prof Svcs/Building-Structu...	66.31

Account Summary

Account Number	Account Name	Payment Amount
207-344-42514	Admin Exp/Special Depart	10,602.00
209-552-42107	Prof Svcs/Equipment Mai...	640.36
209-552-42108	Prof Svcs/Building-Structu...	275.40
209-552-43103	Utilities/Electricity & Pow...	917.38
209-552-43810	Program Cost/Center Mai...	140.00
209-553-42108	Prof Svcs/Building-Structu...	206.00
209-553-43103	Utilities/Electricity & Pow...	232.88
209-554-42108	Prof Svcs/Building-Structu...	116.65
209-554-43103	Utilities/Electricity & Pow...	24.65
209-557-42108	Prof Svcs/Building-Structu...	206.00
209-558-42108	Prof Svcs/Building-Structu...	118.25
209-558-43103	Utilities/Electricity & Pow...	35.91
212-20344	Developer Deposit/2801 P..	72.50
212-461-42101	Prof Svcs/Professional Ser...	10,657.50
212-461-42514	Admin Exp/Special Depart	562.50
215-341-43101	Utilities/Telephone	395.15
226-000-34223	Fees/CASp Fee $4	295.20
310-347-42108	Prof Svcs/Building-Structu...	60.00
310-347-43103	Utilities/Electricity & Pow...	6,128.71
310-348-42108	Prof Svcs/Building-Structu...	65.00
310-348-43103	Utilities/Electricity & Pow...	8,755.29
325-342-47205	Improvements/Streets	31,427.27
500-10601	Gas Tanks/Corp Yard	4,706.56
500-641-43103	Utilities/Electricity & Pow...	6,020.71
500-641-44305	Other Materials Supp/Lab...	1,850.00
500-641-44306	Other Materials Supp/Ma...	3,898.07
500-641-44410	Safety Clothing	82.70
500-642-42107	Prof Svcs/Equipment Mai...	130.46
500-642-42108	Prof Svcs/Building-Structu...	11,794.85
500-642-42514	Admin Exp/Special Depart	589.35
500-642-43103	Utilities/Electricity & Pow...	656.22
505-119-43103	Utilities/Electricity & Pow...	36.97
525-118-42106	Prof Svcs/Software Maint...	895.00
525-118-43101	Utilities/Telephone	43.47
750-463-42101	Prof Svcs/Professional Ser...	117.50
	Grand Total:	**202,937.56**

Project Account Summary

Project Account Key		Payment Amount
None		202,937.56
	Grand Total:	**202,937.56**

Approved by: _____ Date: 1/27/2022

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CITY COUNCIL REPORT

8C

DATE: **FEBRUARY 1, 2022**

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **ERIC CASHER, 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 & DISCUSSION

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 periodically review the need for continuing the local emergency. Following ongoing review, the City Council has continuously confirmed the existence of the local emergency since the emergency was first declared, most recently on January 18, 2022.

Community transmission of COVID-19 continues to occur, and the number of cases within Contra Costa County has continued to rise. There have now been over 163,707 cases of COVID-19 within the County and approximately 1,092 deaths. The case rate within the County for fully vaccinated individuals is approximately 184 new case per day per 100,000 people (92 if fully vaccinated and has received booster). The case rate within the County for unvaccinated individuals is approximately 330 cases per day per 100,000. There have been over 29,000 new cases in the last 2 weeks alone with an average new case per date of 2,685. The rate of positive tests

is increasing in the County, as well as throughout California. In Pinole, the rate of new cases over the last 14 days is approximately 3,438 new cases per 100,000 people. Although Contra Costa County was briefly in the “moderate” tier in the State’s four tier blueprint for a safer economy, it was thereafter reclassified as being within the “substantial” tier due to the increasing prevalence of COVID-19. Contra Costa County is currently classified in the “high” tier. The “high” tier, also known as the red tier, is the strictest tier. This means that the State still considers COVID-19 to be a serious risk to public safety. There is a concern among medical professionals that new cases of COVID-19 may be surging in light of the Omicron variant and effect of colder weather which makes outdoor activities harder.

Public health and safety concerns for persons and property within the City as a consequence of the global spread of novel coronavirus 2019 continue to exist.

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. However, the City will consider all options available to seek reimbursement for indirect expenses and fiscal impacts through the appropriate authorities.

ATTACHMENTS

A. Resolution Confirming Continued Existence of Local Emergency

5049659.1

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ATTACHMENT A

RESOLUTION NO. 2022-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE 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, there have now been over 163,707 cases of COVID-19 and approximately 1,092 deaths within the County; and

WHEREAS, the case rate within the County for fully vaccinated individuals is approximately 184 new case per day per 100,000 people (92 if fully vaccinated and has received booster) and the case rate within the County for unvaccinated individuals is approximately 330 cases per day per 100,000; and

WHEREAS, case rates have been increasing over the last two weeks; 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 has continuously confirmed the existence of a local emergency following periodic review 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 February, 2022, 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 February, 2022.

_____

Heather Bell, CMC
City Clerk

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CITY COUNCIL REPORT

8D

DATE: FEBRUARY 1, 2022

TO: MAYOR AND COUNCIL MEMBERS

FROM: LILLY WHALEN, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH MICHAEL BAKER INTERNATIONAL (MBI) FOR PREPARATION OF HOUSING AND SAFTEY ELEMENT UPDATES AND A NEW ENVIRONMENTAL JUSTICE ELEMENT FOR $481,360 AND AMENDING THE FY 2021/22 BUDGET

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution that:

1. Authorizes the City Manager to execute a Consultant Services Agreement with Michael Baker International (MBI) in an amount not to exceed $481,360 for the preparation of the 2023-2031 Housing Element Update, the Health and Safety Element Update, and a new Environmental Justice Element; and
2. Amends the FY 2021/22 budget to appropriate $129,215.67 from the General Fund for the preparation of the 2023-2031 Housing Element Update, the Health and Safety Element Update, and a new Environmental Justice Element.

BACKGROUND

A General Plan is a legally required policy document for all jurisdiction in California and contains the community's vision for future growth. California law requires each jurisdiction to address seven mandated elements in the General Plan: Land Use, Circulation, Housing, Conservation, Open Space, Noise, and Safety. In Contra Costa County, all jurisdictions are also required to have a Growth Management Element. Cities and counties that have identified disadvantaged communities must also address environmental justice in their General Plans, including air quality. There is no requirement that a general plan be organized into separate elements. A jurisdiction may organize its General Plan in any format, including consolidated elements, so long as all the relevant statutory issues are addressed and the document is internally consistent.

Pinole's current General Plan contains ten Elements which address State mandatory topics as well as some optional topics: Community Character, Growth Management, Land Use and Economic Development, Housing, Circulation, Community Services and

Facilities, Health and Safety, Natural Resources and Open Space and Sustainability. The City will be embarking on year-long process to update two existing Elements of the City's General Plan: the Housing Element and the Health and Safety Element. The City will also consider adoption of a standalone Environmental Justice Element. Issues of housing, environmental justice, safety and hazard planning and climate change are inextricably linked. Planning for all of these efforts simultaneously will result in a more comprehensive and holistic approach to these issues, as well as efficiencies related to outreach, environmental analysis, and adoption and implementation efforts. This report provides background on the need to undertake this project and provides a recommendation for contracting with a seasoned professional consulting firm to spearhead the project.

1. Housing Element

Under State law, all local governments in California are required to adequately plan to meet the housing needs of the region by adopting a Housing Element as part of the General Plan every eight years. The City of Pinole adopted the current Housing Element on May 19, 2015 in compliance with State law[1] as a part of the 5th Cycle (generation) of updates, covering the period 2015-2023. The 6th Cycle will cover the period 2023-2031.

The Housing Element identifies housing conditions, needs, and constraints and establishes goals, policies, and programs to meet the City's housing needs. State Housing Element law focuses on both the production and geographic distribution of new housing units and requires that each municipality strive to meet their "fair share" of the regional need for low- and moderate-income housing, otherwise known as the Regional Housing Needs Allocation, or RHNA. Each local government must then update the Housing Element of its General Plan to show the locations where housing can be built and the policies and strategies necessary to meet the community's housing needs, including identifying sites that are zoned with enough capacity to meet the RHNA allocation. The process is complete once the California Department of Housing and Community Development (HCD) reviews and certifies local Housing Elements. Communities are also required to report their progress to HCD annually, through the Annual Progress Report (APR).

Preparation of a Housing Element is a time-intensive process and requires significant community participation and data analysis. The process also has a firm deadline as the City is statutorily required to adopt and submit the new Housing Element by January 31, 2023, or within a 120-day grace period, to HCD.

Furthermore, the passage of Assembly Bill (AB) 686 in 2018 created new requirements for jurisdictions to affirmatively further fair housing. Pursuant to AB 686, affirmatively furthering fair housing means to take "meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities

[1] Current Housing Element is accessible online:
http://p1cdn4static.civiclive.com/UserFiles/Servers/Server_10946972/File/City%20Government/Planning/General%20Plan/2015-2023%20Housing%20Element.pdf

free from barriers that restrict access to opportunity based on protected characteristics." Local jurisdictions must now incorporate fair housing principals into the Housing Element, create land-use and funding opportunities to increase affordable housing in high resource neighborhoods, and bring additional resources to traditionally under-resourced neighborhoods.

2. Health and Safety Element

A Safety Element is a legally mandated chapter of a community's General Plan. The goal of the Safety Element is to enact land use practices that reduce the potential short and long-term risk of death, injuries, property damage, and economic and social dislocation resulting from fires, floods, droughts, earthquakes, landslides, climate change, and other hazards. As discussed earlier in this report, State law allows jurisdictions to organize their General Plans in a consolidated fashion, and Pinole adopted a Health and Safety Element[2] in 2010, alongside a comprehensive update to the General Plan. Pinole's Health and Safety Element addresses items statutorily required by the State in a Safety Element, such as risk from hazards (e.g., earthquakes, landslides), in addition to safety issues (e.g., surface and groundwater contamination, the potential release of hazardous materials into the community). In addition, the Health and Safety Element addresses general issues related to police and fire protection services and the significance of health care accessibility and affordability in Pinole.

California has passed many bills in the last few years to ensure that climate adaptation is incorporated into local planning efforts and effects the content and timing of Safety Element updates including:

- SB 379 (2015) requires the Safety Element of a community's General Plan to address the hazards created or exacerbated by climate change. The Safety Element must include a vulnerability assessment that identifies how climate change is expected to affect hazard conditions in the community. It must also include a set of goals, policies, and measures to adapt and improve resilience to these anticipated changes
- SB 1035 (2018) requires jurisdictions to review and, if necessary, update the Safety Element upon each revision of the Housing Element or Local Hazard Mitigation Plan. This should be done at least once every eight years to identify new information not available during the previous revision relating to flood and fire hazards and climate adaptation and resilience strategies.
- SB 1241 (2012) addresses wildfire hazards in the wildland-urban interface and adds mandatory wildfire requirements for jurisdictions in state responsibility areas and very high -Fire Hazard Severity Zone ones in local responsibility areas upon the next Housing Element update.
- AB 747 (2019) requires jurisdictions to, after January 1, 2022, review and update the Safety Element of their General Plan as necessary to identify evacuation routes

[2] Current Health and Safety Element is accessible online: https://p1cdn4static.civiclive.com/UserFiles/Servers/Server_10946972/File/City%20Government/Planning/General%20Plan/City_of_Pinole_General_Plan_12.2010-Chapter9.pdf

and evaluate their capacity, safety, and viability under a range of emergency scenarios.

- SB 99 (2019) requires cities, upon the next revision of the Housing Element on or after January 1, 2020, to review and update the Safety Element to include information identifying residential developments in hazard areas that do not have at least two emergency evacuation routes.
- SB1000 (2016) mandates that cities and counties adopt an Environmental Justice Element or integrate environmental justice goals, objectives, and policies into other elements of their General Plans.

The update of the City of Pinole's Health and Safety Element will include safety considerations in the planning and decision-making process by establishing policies related to future development that will minimize the risk of personal injury, loss of life, property damage, and environmental damage associated with natural and man-made hazards. In addition, the update will address emergency evacuation routes and climate vulnerability and adaptation. If desired by the Council, the scope of the update could be expanded in concert with MBI to include enhanced Health Element-related policies and programs associated with promotion of community health and wellness, such as walkable neighborhoods, access to healthy foods, robust transportation systems, and equitable access to quality health care. This topic can be explored during the study session with the Council.

3. Environmental Justice

State law now requires that when a jurisdiction updates two or more General Plan Elements concurrently the topic of Environmental Justice must be addressed in the General Plan (as a separate Element or through related goals, policies, and objectives within other Elements). Low-income communities and communities of color have experienced disproportionate environmental effects, pollution burdens, and related health impacts and, as a result, these communities face barriers to overall health, livelihood, and sustainability. Environmental Justice-related work must disclose and work to reduce the disproportionate health risks, promote civic engagements in the decision-making process, and prioritize improvements that address the needs of identified disadvantaged communities.

DISCUSSION AND ANALYSIS

1. Consultant Selection Process

Partnering with the right consultant to lead this effort is a key first step. The consultant team must not only be subject matter experts, but also be able build trust, effectively communicate ideas, and use innovative strategies to engage community stakeholders. In order to engage a consultant, the City issued a Request for Proposals (RFP) for the Update of the Housing and Health and Safety Elements for the City of Pinole in November

2021, with proposals due January 14, 2022.[3] The City received two proposals from qualified professional consulting firms by the deadline: Michael Baker International (MBI) and Harris and Associates.

A proposal evaluation committee comprised of Community Development Director Whalen, Assistant City Attorney Mog, Planning Manager Hanham, and Planning Advisor Mortazavi reviewed both proposals and conducted virtual interview/Q&A sessions with key members of each team. Per the criteria identified in the RFP, the proposals were evaluated on the basis of: Experience and Technical Qualifications; Project Understanding/Scope; Outreach/Public Participation; Personnel; References and Cost.

The committee unanimously agreed that MBI was best able to meet the City's needs for this scope of work. The Committee's recommendation to contract with the MBI team was based on the following:

- MBI's solid experience, with their recent 6th Cycle experience being a significant factor. MBI has completed over 100 Housing Element updates in the previous housing element cycle. For the current 6th cycle, MBI has completed 9 updates and is currently working in the Bay Area region with the cities of Gilroy and Los Altos Hills.
- MBI's assemblage of a strong technical team of twelve housing, safety and environmental experts, including a Project Manager, Strategic Advisor, Fair Housing and Engagement Lead, Housing Lead, Safety Lead, Environmental Justice Element Lead, Evacuation Routes Study Lead and CEQA Lead, in addition to a team of supplemental support staff.
- MBI's partnership with Veronica Tam and Associates (VTA). VTA is well known by HCD and throughout the State as a leader in Housing Element preparation and the navigation of State housing laws and Housing Element requirements. VTA has prepared more than 120 Housing Elements, including 60 for the 5th Cycle and over 30 for the 6th Cycle and has maintained a perfect record of receiving State certification. Additionally, VTA prepared Pinole's 5th Cycle Housing Element, and is familiar with Pinole. MBI and VTA have a proven track record of working successfully as a team on Housing Element updates.
- The proposed public engagement process, which includes two interactive virtual community workshops, four focus group interviews, five individual stakeholder interviews, a dedicated City webpage designed, hosted and maintained by the consultant, four meetings of the Planning Commission and City Council prior to adoption hearings, an online housing needs survey, and written monthly status summaries.
- Confidence from the interview that the MBI team has the skills and experience to handle the preparation of Housing and Health and Safety Element updates in a compressed timeframe, by the deadline, and within budget.

[3] RFP Available online: https://www.ci.pinole.ca.us/cms/one.aspx?portalId=10947056&pageId=17554668. RFP response deadline extended from January 3 to January 14 due to lack of interested proposers.

2. Base Scope of Work

The following is a high-level summary of the base scope of work the consultant shall complete in order to obtain State certification of the Housing Element by the State's January 31, 2023 deadline or within the 120-day grace period afterwards, alongside an update of the City's Health and Safety Element and a brand new standalone Environmental Justice Element:

- **Project Management and Coordination:** Managing and supervising consultant team and project budget and coordinating with City staff to discuss tasks, issues, and work progress.
- **Community Outreach and Engagement:** Creating an outreach and engagement plan, providing limited language translation, four focus group interviews and five individual stakeholder interviews (with, for example, market rate and affordable housing developers, advocates, property owners, and community services providers), two interactive and virtual community meetings covering distinct topics, one study session each with City Council and Planning Commission, one public meeting each with the City Council and Planning Commission prior to adoption hearings, and soliciting stakeholder and public input through a variety of methods, including an online community housing needs survey.
- **Housing Element.**
    - **Housing Needs Assessment:** Analyzing data for demographics, housing stock characteristics, housing cost and affordability, and more.
    - **Housing Constraints:** Identifying governmental and nongovernmental constraints for the preservation, protection, or production of housing across income levels within the city.
    - **Evaluation of Current Housing Element:** Review the current Housing Element (2015-2023) and identify accomplishments as well as where goals, policies, or programs have not been effective.
    - **Housing Resources:** Identify all available housing resources, including programmatic, physical (land), and financial.
    - **Affirmatively Furthering Fair Housing.** Meet requirements of AB 686 to include a program that promotes and affirmatively furthers fair housing opportunities throughout the community for all people. Ensure the City has an up-to-date Assessment of Fair Housing, identify fair housing priorities and goals, as well as sites to affirmatively further fair housing.
    - **Opportunity Sites Inventory:** Prepare the sites inventory section of the Housing Element, demonstrating how Pinole will satisfy its RHNA in each income category.
    - **Goals, Policies, Programs, and Quantified Objectives:** Identify goals, policies, programs, and quantified objectives to include in the Housing Element to ensure compliance with State law and effective response to the housing needs, constraints, and key priorities identified through the updates process. Formulate a five-year implementation plan.

- **Draft Housing Element and Public Hearings:** Prepare an administrative draft and a public draft Housing Element, one public hearing at Planning Commission, and one public hearing at City Council.
- **Final Draft Hearings, Final Adoption, and Certification:** Prepare the final Housing Element, one public hearing at Planning Commission, one public hearing at City Council, and submit to the State for certification. Coordinate with the State as needed for certification.

❖ **Health and Safety Element.** Alongside the Housing Element update, conduct plan review and data collection, prepare mapping and hazard profiles, understand vulnerabilities to hazards such as seismic hazards (primary and secondary), wildfires, geologic issues (landslides, subsidence, etc.), flooding, climate change, and other natural hazards, conduct an evacuation routes study, conduct public outreach, prepare a draft and final Health and Safety Element, and conduct public hearings with the Planning Commission and City Council.

❖ **Environmental Justice Element.** Prepare a baseline assessment analyzing the demographics of Pinole against the California Communities Environmental Health Screening Tool to identify areas of environmental or social vulnerability. In coordination with the Housing Element and Health and Safety Element updates, input from the community will be taken into consideration in developing appropriate environmental justice policies. An administrative draft, public review, and final Environmental Justice Element deliverables will be prepared alongside the Health and Safety Element to maintain a streamlined schedule.

❖ **CEQA Strategy Development.** Review existing planning documents, the proposed projects, rezoning, and other project components to determine the most appropriate CEQA document for the project (is not known whether the City has adequate sites to meet the 6th Cycle RHNA, and to what extent rezoning will be required at this point in time)

3. Additional Work Items

The following are additional tasks that the Consultant will conduct during the project, which are a part of the project, but have not yet been fully defined. These additional work items rely on milestones of the base project to be completed before a full scope of work and associated budget can be developed. As the project progresses, staff will return to the City Council with additional contract and budget amendments for the following work items as needed:

❖ **Environmental Review:** It is not known whether the City has adequate sites to meet the 6th Cycle RHNA, and to what extent rezoning will be required, which is a critical piece in determining the appropriate level of environmental review that will be needed of an updated Housing Element. MBI will review existing planning documents, the proposed projects, rezoning, and other project components to determine the most appropriate CEQA document for the project. CEQA compliance could include an exemption, an Initial Study/Negative Declaration or Mitigated Negative Declaration, or a General Plan Environmental Impact Report (EIR) addendum or update and costs for environmental review could range from

$25,000 to approximately $250,000. The current scope of work and associated budget assumes the consultants will prepare a CEQA Strategy and staff will return to Council with a request for additional funding for the level of CEQA analysis determined to be needed.

- **Rezoning.** Until the site inventory is completed, it is unknown if Pinole can meet the RHNA obligations without requiring a rezoning effort. If rezoning is necessary to meet the RHNA obligations, MBI will identify potential areas for rezoning to maintain an adequate housing sites inventory throughout the eight-year planning period. The rationale, methodology, and assumptions for any recommended rezoning areas will be incorporated into the sites inventory and resources chapter. For budgeting purposes, rezoning support can be provided for approximately $10,000 to $15,000 to develop and evaluate rezoning scenarios.
- **Update to General Plan/Specific Plan Environmental Impact Report and Objective Design and Development Standards.** To maximize City resources, the RFP requested that consultants' proposals incorporate a housing-related project the City received grant funding to initiate in 2020. The project would utilize Senate Bill (SB) 2 grant funding to update the General Plan and Three Corridors Specific Plan EIR so that high-density residential projects can utilize the EIR for project-specific CEQA clearances. This is important as the preparation of these documents substantially increases the amount of time and costs necessary to approve a project, which acts as a deterrent to housing production. Additionally, the project scope of this task would involve the development of Objective Design and Development Standards (ODDS), which may involve a minor Specific Plan Update. Due to the recession and the dissolution of the local Redevelopment Agency, development under the Specific Plan is just beginning to occur and strong developer interest has been recently shown for several sites. While the Specific Plan and associated zoning includes basic development standards such as height, setbacks and floor area, the Specific Plan is lacking in providing project design standards. As a result, developers often are required to revise architectural drawings several times before the plans can be approved by the City. ODDS are required to provide additional certainty to developers. The SB 2 grant funds are earmarked to be allocated to this project, with all final invoices for reimbursement and close-out reports due on or before September 30, 2023. Due to the uncertainty regarding the level of CEQA analysis for the base project, the most cost-effective strategy is for staff to revisit the EIR Update/ODDS project with MBI as soon as there is clarity around the environmental review path for the Housing/Safety/Environmental Justice Element work and return to the City Council with a budget augmentation if necessary. MBI has indicated that the range of costs for the ODDS work is between $150,000-200,000 and the range of costs for a General Plan EIR update is between $150,000-200,000.

4. Budget

The maximum consultant project budget for the base project is $481,360, inclusive of a $40,000 contingency. The summary budget for the base project is:

- Housing Element Update: $181,725 (cost to City will be offset by $85,000 in LEAP and REAP grants)
- Health and Safety Element Update: $86,890
- Environmental Justice Element: $32,920
- CEQA Strategy: $7,510
- Project Management: $35,700
- Community Engagement: $96,615
- Contingency: $40,000

Staff will be refining the scope with the consultant as the project progresses, especially with regard to the additional work items which remain to be budgeted. Additional work items below will be refined and budget amendments will be requested from the City Council at a future date, if additional budget is required:

- Environmental Review: TBD, range of costs up to $250,000
- Rezoning: TBD, approximately $10,000 to $15,000 but costs could increase depending on effort needed
- General Plan/Specific Plan EIR Update/ODDS Development: TBD, range of costs is potentially $150,000-200,000 for each project (cost to the City will be offset by $160,000 SB2 Planning Grants)

FISCAL IMPACT

The base project, in the amount of $481,360, will be funded by grants, revenue collected from the General Plan Update fee and the General Fund.

1. Grants

The City has received two grants which can provide a partial offset to fund the base project: a State of California Local Early Action Planning (LEAP) grant of $65,000, and a Regional Early Action Plan (REAP) grant of $20,000. The FY21/22 budget includes these grants, totaling $85,000, which will be used on Housing Element Update-related activities. Additionally, the City has obtained $160,000 in SB 2 Planning Grant funds which will be used for future work to prepare (1) environmental analyses that eliminate the need for project-specific environmental review and (2) updated design and development standards that will provide more certainty to developers.

2. General Plan Update Fee

The City assesses a General Plan Update fee on all building permits, based on the valuation of the construction project, and to be used for General Plan Update work. Revenues collected from this fee can be used for the project.

3. General Fund

The table below shows the total project cost compared to the identified funding sources. There is a balance of monies needed to fund the project. Staff is requesting that the balance of the funding necessary to fund the project be appropriated from the General Fund, in the amount of $129,215.67.

Item	Amount
Total base project cost	$481,360.00
Housing Element Grants (LEAP/REAP)	$(85,000.00)
General Plan Update Fee Revenues	$(267,144.33)
Balance Required to Supplement Base Project from General Fund	**$129,215.67**

Staff will return in the first quarter of FY22/23 with additional information and regarding the scope and funding for additional work items (environmental review, rezoning and environmental analyses/objective standards work). The SB 2 Planning Grant in the amount of $160,000 will offset the cost to the City for some of the additional work items. See the table below.

Item	Amount
Additional Work Items	TBD
SB 2 Planning Grant	$(160,000.00)
Balance Required to Supplement Additional Work Items	**TBD***

*Staff to return in first quarter of FY22/23 with a budget augmentation request

ATTACHMENTS

A- Draft Resolution
B- Proposal from Michael Baker International (MBI)

ATTACHMENT A

RESOLUTION NO. 2022-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH MICHAEL BAKER INTERNATIONAL FOR PREPARATION OF HOUSING AND HEALTH AND SAFTEY ELEMENT UPDATES AND A NEW ENVIRONMENTAL JUSTICE ELEMENT FOR $481,360 AND AMENDING THE FY21/22 BUDGET

WHEREAS, State law mandates that all California cities and counties plan for the housing needs of current and future residents at all levels of income; and

WHEREAS, this local planning effort takes the form of an update to the City's Housing Element, a mandatory element of the City's General Plan, every eight years; and

WHEREAS, Assembly Bill 686 created new requirements for jurisdictions to affirmatively further fair housing; and

WHEREAS, the City is beginning its 6th cycle Housing Element update, which must be submitted to the State in January 2023; and

WHEREAS, the Safety Element is a required element of the General Plan; and

WHEREAS, new state laws such as Senate Bills 99, 379, 1035 and Assembly Bill 747 require various update to the Safety Element which are triggered upon the next Housing Element update; and

WHEREAS, the City's General Plan does not currently contain an Environmental Justice Element; and

WHEREAS, Senate Bill 1000 requires that when a jurisdiction updates two or more Elements concurrently the topic of Environmental Justice is to be addressed in the General Plan as a separate Element or through related goals, policies and objectives within other Elements; and

WHEREAS, the Community Development Department determined that consultant assistance is needed to complete the preparation of the 2023-2031 Housing Element Update, the Health and Safety Element Update and a new Environmental Justice Element (the "Project"); and

WHEREAS, in November 2021, the City of Pinole released Request for Proposals (RPF) for professional planning services for the Project; and

WHEREAS, on January 14, 2022 Pinole received two proposals in response to the RFP; and

WHEREAS, staff have evaluated the proposals and recommend awarding the agreement to Michael Baker International; and

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WHEREAS, $85,000 in grant funds for consultant services associated with the Housing Element Update are now available in the Community Development FY21/22 professional services budget; and

WHEREAS, $267,144.33 in revenues from the General Plan Update fee are available for the project; and

WHEREAS, additional funding will be required to complete the Project.

NOW THEREFORE, BE IT RESOLVED, that the above recitals are true and correct and made part of this resolution.

BE IT FURTHER RESOLVED that the City Council of the City of Pinole takes the following actions:

1: Authorizes the City Manager to execute a Consultant Services Agreement with Michael Baker International in an amount not to exceed $481,360 for the preparation of the 2023-2031 Housing Element Update, the Health and Safety Element Update and a new Environmental Justice Element consistent with the proposal in Exhibit A; and

2: Amends the FY21/22 budget to appropriate $129,215.67 from the General Fund for the preparation of the 2023-2031 Housing Element Update, the Health and Safety Element Update and a new Environmental Justice Element.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on the **1st** day of **February, 2022** by the following vote:

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

I, hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on the **1st day of February, 2022**

_____
Heather Bell, CMC
City Clerk

ATTACHMENT B

Michael Baker
INTERNATIONAL

CITY OF PINOLE 2023-2031 HOUSING & SAFETY ELEMENT

JANUARY 12, 2022 REV. JANUARY 26, 2022

A. INTRODUCTION AND PROJECT APPROACH

Ms. Lilly Whalen, Community Development Director
City of Pinole
2131 Pear Street
Pinole, CA 94564

RE: 2023-2031 Housing Element and Safety Element Update

Dear Ms. Whalen,

Michael Baker International (Michael Baker) is excited about the opportunity to partner with the City of Pinole (City) to support the development of the City's 6th Cycle General Plan Housing Element (2023-2031) and Safety Element updates. Michael Baker has local offices in Rancho Cordova, Walnut Creek, and Oakland, a long history of working on Housing Elements, and a clear understandingof the requirements for this latest update. We are currently working on several 6th Cycle Housing Elements and bring the depth and breadth of resources needed to help the City undertake the Housing Element update process.

We have received the City's Request for Proposals issued November 24, 2021, and revised on December 22, 2021, that incorporates all addendum changes (No. 1 issued on November 30, 2021, No. 2 issued on December 13, 2021, and No. 3 issued on December 22, 2021). We acknowledge the project schedule, which provides approximately twelve months to complete the assigned work, and are committed to completing the scope within this time frame (i.e., January 2023). The work plan included in this proposal provides a schedule to accommodate the State's deadline.

Michael Baker is recognized for our strong focus on housing and community planning services. Our staff have worked directly as an extension of agency staff and have provided or are providing a range of related services through on-call planning assignments. Our experience on the 5th Cycle Housing Element updates, and previous cycles, has given us the knowledge to carry out the 6th Cycle to help communities meet the stringent State requirements associated with the 6th Cycle elements. Jurisdictions in Southern California were the first with submission deadlines; therefore, our staff serving those clients has already completed its work and has worked closely with the California Department of Housing and Community Development (HCD) analysts to address the newest requirements.

WE ARE READY AND AVAILABLE TO SERVE YOU

EXPERIENCE
Michael Baker has completed more than 100 Housing Elements through the 5th Cycle and is currently working on multiple 6th Cycle Housing Element Updates. We have the depth and breadth of experience to get the City through even the most complicated process.

TEAM
*The key members of the Michael Baker team have worked **together** on multiple past and ongoing Housing Elements. We will streamline the process by integratingthe most up to date knowledge from working with Housing and Community Development (HCD) andkey decision makers.*

COMMITMENT TO YOURSUCCESS
We understand the City's interest in meeting the affordable housing needs of your residents. We will provide you with a proven Housing Element approach methodology andthe capacity (~3,500 employees) to meet tight deadlines in pursuit ofthis goal.

Calling the 6th Cycle Housing Element an "update" is almost a misnomer. With renewed recognition of the State's housing supply shortages, requirements, expectations, and scrutiny for this cycle are greater than any previous update cycle. Even with this understanding and heightened expectations at the outset of the initial rounds of Housing Element updates, the review and expectations will require more resources, time, effort, and commitment from both the consultant project team and the City of Pinole.

This cycle resulted in dramatically increased RHNA requirements while available land and opportunities continued to diminish. It also has increased the need to rezone commercial and residential areas to meet the RHNA, creating more difficult choices and decisions to fulfill the required obligations. What this means for Pinole, is that our experience on the first rounds of Housing Element updates in San Diego County and the Southern California Associations of Governments regions will directly benefit the City, given our understanding of HCD implementation of its guidelines, requirements, and preferences.

Where prior elements required a demonstration that *zoning can accommodate additional housing* to meet the RHNA requirements, this cycle requires a detailed demonstration of how proposed RHNA sites *will likely be developed* in the next eight-year planning period. These are some of the significant changes in the 6th Cycle.

Additionally, what has become increasingly clear through multiple HCD review cycles, comments, and the recent publication of the HCD Affirmatively Furthering Fair Housing (AFFH) Guide is that this 6th Cycle Housing Element requires an equal or greater emphasis and commitment to significant and meaningful change and correction to fair housing issues. These include enforcement and outreach, segregation and integration, access to opportunity, and overcoming disproportionate housing needs. This new focus and emphasis requires a level of acknowledgment and commitment to change on behalf of the City that will challenge staff and decision makers to provide geographically based programs with objective, measurable, and enforceable outcomes within specific timelines. *Our approach is to make sure that community engagement is authentic, demonstrates significant feedback from the public and stakeholders, and reaches priority populations who are often underrepresented and most negatively affected by fair housing issues.*

The City of Pinole needs an experienced housing and planning consultant to help guide the City through the new 6th Cycle. Our team has the advantage of having prepared some of the first Housing Elements under this new regime. We've worked closely with HCD and understand what they are likely to require of Pinole.

Safety Element Updates

During the Housing Element update, and in accordance with State law, the Safety Element will be simultaneously updated per Government Code Section 65302(g)(1), which governs the requirements of a Safety Element. This update, in response to the government code requirements and additional recent legislation affecting this element, will require cities and counties to understand their vulnerabilities to hazards such as seismic hazards (primary and secondary), wildfires, geologic issues (landslides, subsidence, etc.), flooding, climate change, and other natural hazards. Most communities also focus on human-made and driven conditions, such as crime, infrastructure failure, or pandemic, that could impact a community. As part of this update, it will be essential to focus on updated data and information regarding these hazards and particular conditions within the City of Pinole, as well as in surrounding cities, since hazards do not respect boundary lines.

We certify that the information in this proposal is true and complete to the best of our knowledge. Susan Salley Veazey will serve as project manager on this effort and her office is:

Michael Baker International
2729 Propect Park Drive, Suite 220
Rancho Cordova, CA 95670
Tax Identification Number: 25-1228638

We are confident the Michael Baker team will add value to the City, citizens, and key stakeholders by providing a clear and transparent process that allows for full participation.

Please contact me at 916-514-4423 or Susan.Veazey@mbakerintl.com for additional information or to schedule an interview. This proposal will remain valid for a period of no less than 90 days.

Sincerely,

MICHAEL BAKER INTERNATIONAL, INC.

Susan Salley Veazey
Project Manager

David Reel
Vice President (authorized to bind)

B. QUALIFICATIONS

Qualifications - Why the Michael Baker Team?

Founded in 1940, Michael Baker is a multidisciplinary planning, engineering, and construction management firm with nearly 3,500 employees nationwide, including more than 600 in California. We have experience working on behalf of over 100 municipalities and local agencies, bringing a depth of understanding and experience unparalleled by most firms. We are familiar with City processes and requirements, which will expedite our ability to quickly and effectively serve your team on the 2023-2031 Housing Element and Safety Element updates.

We Make a Difference to our employees, clients, communities, and leadership by bridging unique solutions together in an inclusive environment. People are the core of Michael Baker International where we each embrace our collective differences, perspectives, backgrounds, and cultures through respect, collaboration and teamwork.

Our full suite of in-house services enables the Michael Baker team to successfully manage any community planning project. Our greatest differentiator is our employees, who demonstrate the ability to solve complex problems. That is why we engage our people, educate and train them, develop their careers, and invest in their futures, expanding their skills and expertise. Our adaptive approach to integrating innovation and collaboration leads to the best solutions for our clients.

This 6th Cycle Housing Element, while presenting challenges for local government administrators, also presents an opportunity to focus the jurisdiction's attention on the critical role that the availability, density, and location of its housing stock plays in the overall health and resiliency of the community. Michael Baker's broad bench of planners bring significant expertise in all aspects of community health, safety, climate mitigation, and climate resiliency.

Working with smaller jurisdictions to lend them capacity and ensure they have access to housing and community development resources is "bread and butter" for our housing practice area. Such support gives the Michael Baker team a sense of purpose and mission in our professional lives. As a company, *We Make a Difference.*

Relevant Experience

As stated above, Michael Baker has prepared over 100 Housing Elements through the 5th Cycle, and we are currently preparing multiple Housing Elements for the 6th Cycle for municipalities throughout California. Recent Housing Element experience is provided in Table 1.

Similar Services

Our team has experience assisting cities with US Department of Housing and Urban Development (HUD) and HCD related programs, including preparing and implementing Community Development Block Grant (CDBG) funded public works projects, Senate Bill (SB) 2 grants, Local Early Action Planning (LEAP) grants, and consolidated plans, and has prepared multiple analyses of impediments to fair housing choice (AI). Most recently, we have addressed COVID-19 Aid, Relief and Economic Security Act relief by providing strategic guidance on developing a plan and process for approximately 30 cities on how to use their funds to best meet community goals and needs related to housing.

Technical and Strategic Advisor

Michael Baker is proud of the work we have done as part of our strategic partnership with Veronica Tam and Associates (VTA) for this 6th Cycle.

VTA is well known by HCD and throughout the state as a leader in Housing Element preparation and the navigation of state housing laws and Housing Element requirements. Veronica Tam shares her wealth of knowledge from preparing more than 120 Housing Elements, including 60 for the 5th Cycle, and more than 30 so far in this 6th Cycle, and has maintained a

perfect record of receiving state certification. VTA will provide strategic, peer and technical review, and recommendations throughout the update process, including:

» Review of the 2015-2023 5th Cycle Housing Element

» Review of past accomplishments

» Needs analysis

» Constraints analysis

» Strategy for the sites inventory

» Housing Plan program

» AFFH Chapter

» Review and correspondence with HCD

» Key meetings and hearings (kickoff, Planning Commission, and City Council)

Table 1. Recent Housing Element Projects

Agency	Project Name
County of San Diego	*6th Cycle Housing Element Update* ■
City of Chino Hills	6th Cycle Housing Element Update*
City of Redlands	*6th Cycle Housing Element Update* ■
City of Lakewood	6th Cycle Housing Element Update*
City of Hesperia	6th Cycle Housing Element*
City of Escondido	*6th Cycle Housing Element Update* ■
City of Gilroy	6th Cycle Housing Element Update
City of Los Altos Hills	6th Cycle Housing Element Update
County of Riverside	*6th Cycle Housing Element Update**
City of Seal Beach	6th Cycle Housing Element Support Post HCD Comments
City of Needles	6th Cycle Housing Element*
City of San Juan Capistrano	*6th Cycle Housing, Safety & Environmental Justice Elements* ■
San Bernardino County Transit Authority (SBCTA)	Fair Housing Guidance and Assistance and ADU Production Enhancement
City of Alameda	5th Cycle Housing Element Update
City of Antioch	5th Cycle Housing Element Update
City of Biggs	5th Cycle Housing Element Update
City of Clayton	5th Cycle Housing Element Update
City of Davis	5th Cycle Housing Element Update
City of Dixon	5th Cycle Housing Element Update
City of Fairfield	5th Cycle Housing Element Update
City of Compton	5th Cycle Housing Element Update
City of Lodi	5th Cycle Housing Element and Analysis of Impediments
City of Richmond	Richmond 5th Cycle Housing Element Addendum
City of Vallejo	5th Cycle Housing Element Update
City of Rolling Hills Estates	*General Plan, Safety & Housing Element Updates* ■

■ *Projects performed with VTA*
** Pending adoption*

KEY TEAM MEMBER SUMMARY

Michael Baker has assembled a strong technical team of housing experts with experience in completing Housing Element projects for multiple clients throughout California. Over the last two decades, the core of Michael Baker's success has been staffing and organizing project delivery teams tailored to the specific needs of the project at hand and delivering on our commitments. An organizational chart of the key staff is represented here.

Our project team offers an extensive array of services associated with environmental compliance and documentation with the benefit of in-house specialists for technical evaluation and seasoned California Environmental Quality Act (CEQA) practitioners. We provide *local, committed, and qualified personnel* with the requisite expertise, experience, and knowledge to successfully deliver this project for the City.

In addition to our 6th Cycle Housing Element update experience, our team has experience assisting cities with HUD and HCD related programs, including preparing and implementing CDBG-funded public works projects, SB 2 grants, LEAP grants, and consolidated plans, and preparing multiple AIs.

Brief resume bios of key team members are provided on the following pages.

City of Pinole

PROJECT MANAGER

Susan Salley Veazey

KEY STAFF

Strategic Advisor
Veronica Tam, AICP (VTA)

Housing Element Leads
Dan Wery, AICP

Fair Housing & Engagement Lead
Emily Elliott, AICP

CEQA Lead
Peter Minegar, AICP

Safety Element Lead
Surabhi Barbhaya AICP, LEED AP

Environmental Justic Element Lead
Noelle Steele

Evacuation Routes Study Lead
Robert Davis

REPRESENTATIVE SUPPORT STAFF

Alex Chapman
Clancy Taylor
Shannon Liska
Hannah Kreitman

NOTE

PROJECT MANAGER

Susan Salley Veazey

Susan has over two decades of housing and community development experience spanning the public and private sectors. Her breadth of experience provides the ability to understand a wide variety of perspectives and goals. Her career began at both a local rural housing nonprofit and as a Presidential Management Fellow in Washington D.C. with HUD. She has implemented housing programs in Santa Barbara and Sacramento. As a land use economics consultant, Susan managed complex feasibility and development impact studies as well as Housing Element updates, inclusionary zoning and market studies. Her unique set of experiences provide her with a broad awareness of all facets of the current housing landscape and tools for implementation of housing programs.

RELEVANT EXPERIENCE*

Housing Finance and Portfolio Management. *Sacramento Housing and Redevelopment Agency*. PROGRAM MANAGER. Susan managed a team of professionals who collectively carried out all aspects of single and multifamily lending, loan servicing, and long-term compliance. She coordinated with a wide variety of stakeholders including developers, government staff, and elected officials. Susan served as the main liaison with HCD on PLHA (SB 2) funds and other funding such as Local Housing Trust Fund and Homekey. She was also the main liaison for City and Housing housing policy including 6th Cycle Housing Element and annual reports.

Housing Elements. Susan served as project manager for the City of Winters' and County of Santa Barbara's 5th Cycle Housing Elements. She served on the working group for the drafting of the City of Sacramento's 6th Cycle Housing Element and provided content direction and data. Susan drafted multiple chapters of the County of Sacramento's 6th Cycle Housing Element because the County determined to complete the element in-house using staff resources.

***Prior firm experience.**

Years Experience
24

Education
MA, Urban Planning, University of California, Los Angeles
BA, International Relations, University of California, Davis

STRATEGIC HOUSING ADVISOR

Veronica Tam, AICP

Veronica is a recognized expert with over 20 years of experience preparing a range of housing and community development plans and studies for jurisdictions throughout California. Throughout her career, she has prepared more than 100 Housing Element updates, including approximately 60 updates during the 5th Cycle update. She has tackled some of the most challenging Housing Element updates including City of San Clemente, which was facing litigation, and the City of Del Mar, which had never received HCD certification due to stringent local development standards and procedures.

RELEVANT EXPERIENCE

Housing Elements Experience. *Multiple Cities and Counties in California.* HOUSING SPECIALIST. Veronica has served as a housing specialist for multiple municipalities throughout both Northern and Southern California: Alhambra, Avalon, Bell Gardens, Buena Park, Camarillo, Chino, Corona, Coronado, Costa Mesa, Cupertino, Del Mar, Dublin, Escondido, Glendora, Gonzales, Hawthorne, Hercules, Imperial Beach, Lake Forest, La Mesa, Lawndale, Lomita, Marina, Pomona, Rancho Santa Margarita, Redondo Beach, Salinas, San Clemente, San Bernardino, San Fernando, San Marcos, Santa Clara, South Gate, Seaside, Tracy, Vista, Walnut, West Hollywood, and Monterey County.

Veronica enjoys the challenge of working on challenging Housing Element projects as well as more straightforward engagements. For the cities of Escondido, Encinitas, Seaside, and South Gate, Veronica successfully completed the Housing Element process even though they had been delayed due to the need to coordinate with the General Plan update process.

Veronica enjoys serving as a strategic advisor on Housing Elements, but her experience is not confined to Housing Element projects. She brings a depth of experience to the City, including knowledge gained on the Gateway Cities Council of Governments Housing Study, Regional Housing Needs Allocation Assistance for the cities of Redondo Beach and South Gate, Marina Affordable Housing Ordinance, and zoning revisions to comply with SB 2, Assembly Bill (AB) 2634, and SB 520 for the cities of Port Hueneme, South Gate, and San Fernando.

Years Experience
20+

Education
BA, Urban Studies

MA, Urban Planning, University of California, Los Angeles

BES, Urban and Regional Planning (Economics Minor), University of Waterloo, Canada, Columbia University

Licenses/Certifications
American Institute of Certified Planners

HOUSING ELEMENT LEAD

Dan Wery, AICP, LEED AP

Dan has over 30 years of public and private sector planning experience preparing general plans, zoning ordinances and subdivision codes, project entitlement review and processing, policy planning, public participation, and environmental impact document review and preparation. Dan enjoys bringing a creative,collaborative, and multi-disciplinary approach to planning, urban design, and development. His goal is to work with the City to create enduring value measured in economic, social, and environmental value for its constituents.

RELEVANT EXPERIENCE

6th Cycle Housing Element Updates. *Multiple Clients.* PROGRAM MANAGER. Responsible for the management and preparation of Housing Element updates, including Community Outreach, Sites Inventory/Geographic Information System (GIS) Support, CEQA documentation, and Land Use Element and Safety Element amendments for the 2021-2029 (6th Cycle) Housing Element Update.

- County of San Diego
- City of Redlands
- City of San Juan Capistrano
- City of Escondido (subconsultant to VTA)

On Call Advance Planning Services. *County of San Diego.* PROGRAM MANAGER. Responsible for the management and preparation of multiple projects from a multi-year on-call contract with the County of San Diego Planning and Development Services Department for advanced planning (policy and ordinance development).

Years Experience
34

Education
BA, Urban Studies, Columbia University

Licenses/Certifications
American Institute of Certified Planners, 1993, 010438

LEED Accredited Professional, 2009, 10037662

Housing, Environmental Justice, and Safety Element Update Strategy. *County of San Diego.* PROGRAM MANAGER. Prepared a comprehensive research, best practices, and strategy report that identified the statutory requirements, critical path and project milestones, best practices, and recommendations on the approach and strategies for the preparation of updates to the County's Housing, Environmental Justice, and Safety Elements.

COMMUNITY ENGAGEMENT LEAD

Emily Elliott, AICP

Emily oversees community and environmental planning contracts for public and private sector clients and has led the successful development of a number of current planning efforts and environmental compliance documents. She draws on her broad background of consulting and municipal service to provide technical housing and community planning services. Most recently, Emily has administered the Housing Element Technical Assistance program offered by the San Bernardino County Transportation Authority (SBCTA) in addition to leading the preparation of Housing Element updates for four Southern California Association of Governments area agencies.

RELEVANT EXPERIENCE

6th Cycle Housing Element Update. *City of Lakewood.* PROJECT MANAGER. Responsibilities include overseeing the project schedule, budget, workflow, and staff assignments, and maintaining regular client contact. Emily has led the public participation process and presents updates on the Housing Element to local decision makers. Michael Baker is preparing the 6th Cycle update for the City of Lakewood where the City experienced nearly a 1,000% increase in its RHNA.

6th Cycle Housing Element Update. *City of Redlands.* PROJECT MANAGER. Responsibilities include overseeing the project schedule, budget, workflow, and staff assignments, and engaging regularly with the client to maintain open, clear communication. Emily has led the community engagement efforts for the City and presents updates to local decision makers. Michael Baker is preparing the 6th Cycle Housing Element Update with technical advisory support from VTA.

Housing Element Update Technical Assistance Program. *SBCTA.* PROJECT MANAGER. Responsibilities include managing the on-call services contract between Michael Baker and SBCTA where Michael Baker provides an array of on-call planning and staffing services. Under the Housing Element Update Technical Assistance Program task order, Emily leads a team of approximately 12 planners to provide technical assistance to SBCTA jurisdictions related to their Housing Element updates. This includes providing review and comment of draft documents, aiding public outreach activities, providing technical Q&A support, and offering staff to agencies to help them complete their updates.

Years Experience
13

Education
BA, Geography Natural Resources Management, San Diego State University

MURP, Urban and Regional Planning, California State Polytechnic University, Pomona

Licenses/Certifications
American Institute of Certified Planners, 2015, 028647

CEQA LEAD

Peter Minegar, AICP

Peter oversees and prepares environmental compliance and planning studies for a range of public sector clients. He specializes in developing documents in compliance with CEQA and National Environmental Policy Act (NEPA). Peter has a broad background of environmental planning experience ranging from project-level analysis of infrastructure improvements to program-level analysis to support a General Plan amendment. He has served as the CEQA lead for a number of General Plan Housing Elements, including several jurisdictions during the 6th Cycle planning period. He also serves as an in-house CEQA manager for several local government agencies throughout Southern California.

RELEVANT EXPERIENCE

6th Cycle Housing Element Update. *City of Redlands.* QA/QC LEAD. Responsible for overall QA/QC review of the General Plan Housing Element Update and IS/MND. Michael Baker, with technical advisory support from VTA, is preparing the 6th Cycle Housing Element update.

6th Cycle Housing Element Update. *Riverside County.* PROJECT MANAGER**.** Responsible for the overall management of the General Plan Housing Element, Safety Element, and environmental documentation preparation.

Housing Element Update Technical Assistance Program. *SBCTA.* PRINCIPAL IN CHARGE. Responsibilities include helping to manage the on-call planning services contract between Michael Baker and SBCTA where Michael Baker provides an array of on-call planning and staffing services. Under the Housing Element Update Technical Assistance Program task order, Peter processed General Plan Amendments, CEQA compliance, zoning code amendments, and climate action plan support. Michael Baker completed the 5th Cycle Housing Element update, as well as a number of General Plan Amendments and CEQA documents for the County, in order to implement Housing Element programs.

Years Experience
9

Education
BS, City/Regional Planning, California State Polytechnic University, San Luis Obispo

MS, Environmental Management and Policy, University of Denver

Licenses/Certifications

American Institute of Certified Planners, 2020

SAFETY ELEMENT LEAD

Surabhi Barbhaya

Surabhi has 16 years of experience in urban planning, urban design, and active transportation. She has worked on a spectrum of projects, including general plan updates, specific plans, design guidelines, complete streets, bike master plans, trail and greenway planning, and pedestrian studies. Her urban planning and design background help her take a holistic approach towards projects by integrating land use, transportation, and sustainable development to respond to demographic, market, economic, physical, and organizational forces.

RELEVANT EXPERIENCE

Years Experience
16

Education
MCP, Land Use Planning, University of Cincinnati

B.Arch, Architecture, Maharaja Sayajirao University of Baroda, India

Rolling Hills Estates Safety Element. *City of Rolling Hills Estates.* PROJECT MANAGER/PRIMARY AUTHOR. As a part of the General Plan update effort, Surabhi prepared a Safety Element for the City. This included updating the 1992 plan to align with the OPR guidelines, including climate resiliency policies and establishing a connection to the LHMP. The entire City is in the very high fire hazard zone and requires consultation and approval from CalFire. CalFire referred the completed plan to other communities. The plan included policies related to health crises in the wake of the COVID-19 pandemic. The Safety Element also included policies related to Crime Prevention Through Urban Design.

San Juan Capistrano Safety Element. *City of San Juan Capistrano* TASK LEAD/PRIMARY AUTHOR. As a part of the Housing, Safety, and Environmental Justice Elements update, Surabhi led the effort to update Safety Element. This included updating the 1992 plan to align with the OPR guidelines, including climate resiliency policies and establishing a connection to the LHMP. The City has a couple of areas in the very high fire hazard zone and required consultation with CalFire. In addition to health crises, the Safety Element assessed risk related to vectors and drafted related policies.

Laguna Woods General Plan Update. *City of Laguna Woods.* PLANNER. Served as a planner and helped with finalizing and packaging the project. As part of the General Plan update, the City revisited its first General Plan and updated the underlying assumptions, data, and analysis, reassessed community priorities, and established a new, long-term 25-year vision.

Environmental Justice Element Lead

Noelle Steele

Noelle is an experienced equity and resiliency specialist, with eight years of policy planning experience to the benefit of both public and private sector clients. Her primary experience focuses on General Plan updates, Specific Plans, and Hazard Mitigation Plans. Her skill set includes identifying community hazards, evaluating past policy and mitigation actions for considerations into the future, plan implementation and maintenance. Noelle takes pride in conducting in-depth vulnerability assessments, considering risk against natural hazards while evaluating ramifications of secondary impacts and climate change into the future. She is also experienced in developing hazard-focused and resiliency based community engagement programs, and is IAP2 Foundations trained.

RELEVANT EXPERIENCE

Seal Beach Environmental Justice and Safety Element Update. *City of Seal Beach.* PROJECT MANAGER. Responsibilities include overseeing the background/existing conditions report, ensuring consistency with existing General Plan Elements, facilitating virtual steering committee meetings, and developing policy updates and recommendations. Unique policy considerations involves retirement community experiencing disproportionate pollution levels due to proximity to I-405 and heavy industrial uses, and federal military uses consisting of 60% of the City. Streamlined community outreach process includes online engagement, survey, and web content.

Years Experience
8

Education
BA, Environmental Studies, University of California, Santa Barbara

EMUP, Executive Master of Urban Planning, University of Southern California

Rancho Santa Margarita General Plan Update and Local Hazard Mitigation Plan. *City of Rancho Santa Margarita.* PROJECT PLANNER AND COMMUNITY OUTREACH SPECIALIST. Responsible for identification and profiling the City's natural hazards, conducting a vulnerability assessment, developing mitigation strategies, plan implementation and maintenance. Facilitated the community survey with 600+ responses and three focus groups with city designated stakeholder groups. Facilitated and coordinated four steering committee meetings, consisting of a diverse group of impacted local agencies and jurisdictions.

Environmental Justice Policy for Local Coastal Programs. *Multiple Cities in California.* PROJECT MANAGER. Noelle has developed and implemented environmental justice policy in accordance with the California Coastal Commission regulations and guidance, prior to OPR's regulations incorporating in Environmental Justice as General Plan Elements. She evaluates environmental justice considerations against sea level rise vulnerability and assesses potential risk and impact. Policy is also derived from the CalEnviroScreen tool, to ensure equitable access to the coast in accordance with the Coast Act. Her key project experience includes environmental justice policy considerations for the following Local Coastal Programs: City of Seal Beach, City of Huntington Beach, and City of Carlsbad.

Evacuation Routes Lead

Robert Davis

General Qualifications

Mr. Davis has over 40 years of experience in both transportation planning and traffic engineering. He has prepared studies for public agencies and private developers throughout both Southern and Northern California. His experience includes the preparation of:

- circulation element plans,
- environmental traffic impact studies,
- site development roadway planning and circulation studies,
- comprehensive jurisdiction circulation and access studies,
- transportation planning and corridor studies,
- parking studies,
- evacuation planning,
- cross border circulation studies, and
- transportation facilities design projects.

Years with Michael Baker: 16
Years with Other Firms: 27

Degrees

B.S.C.E, 2014, B.S., 1975, Transportation Engineering, California State Polytechnic University, San Luis Obispo

Licenses/Certifications

Certified Professional Transportation Planner, 2008 to 2014

Related Experience

- **San Onofre Nuclear Generating Station Evacuation Plan, San Onofre, CA** – Conducted Nuclear Regulatory Commission (NRC) mandated evaluation of the evacuation characteristics and requirements of the roadway network, and development of time estimates for the evacuation of both transient and permanent populations within the 10-mile Emergency Planning Zone (EPZ) surrounding the facility. Evacuation plan was prepared for original NRC licensing of San Onofre Nuclear Generating Station and two subsequent updates of the evacuation plan over the following 15 years.
- **City of San Clemente Emergency Response Plan, San Clemente, CA** - Provided key direction to provide a detailed evacuation strategy for the City of San Clemente in the event of a nuclear incident at the San Onofre facility. Work tasks included development of a "Chain of Command" to detail specific areas of evacuation responsibilities amongst local, state, and Federal agencies and their personnel. Specific plans were developed for on-street supervision of traffic flow over evacuation routes.
- **Diablo Canyon Nuclear Power Plant Evacuation Time Estimate Study Update, San Luis Obispo, CA** – Managed comprehensive study to update the analysis of time required to evacuate transient and permanent population from various areas within the Basic Emergency Planning Zone (BEPZ) for Diablo Canyon Power Plant. The final study document represented a 10-year update of the evacuation time estimate and replaced the previous study which is included as an appendix to the Diablo Canyon Power Plant Emergency Response Plan.
- **Carrari Ranch Residential Project Evacuation Study, Rancho Cucamonga, CA** – Managed the development of an evacuation study for the Carrari Ranch project, located in the foothills of the Angeles National Forest. The project proposed to include 110 single family residential dwelling units. The Rancho Cucamonga Fire Protection District (RCFPD) and City of Rancho Cucamonga Planning Department requested that an evacuation study be conducted to better understand the emergency response implications of the development project in the event that a wildfire event occurs in the adjacent Angeles National Forest.
- **Pala Raceway Event Access Management Study, San Diego County, CA**
- **Pajaro Valley High School Event Traffic Control Study**

PLANNER

Alex Chapman

Alex is a planning professional and assistant project manager with experience working in the complex California regulatory environment. He is experienced in environmental services, long-range planning, and affordable housing. Alex's diverse background includes developing and implementing housing elements, comprehensive zoning code updates, design guidelines, and city ordinances. He is passionate about the environment and building healthy, equitable, sustainable communities.

RELEVANT EXPERIENCE

Years Experience
3

Education
BS, City and Regional Planning, California Polytechnic State University

6th Cycle Housing Element Update. *City of Gilroy.* PLANNER. Conducted existing conditions research, community engagement strategy and events, and sites inventory methodology and analysis.

6th Cycle Housing Element Update. *Town of Los Altos Hills.* PLANNER. Conducted existing conditions research, community engagement strategy and events, and sites inventory methodology and analysis.

6th Cycle Housing Element Update. *City of Coachella.* PLANNER. Conducted existing conditions research, previous cycle policy review and recommendations, and sites inventory methodology and analysis, including geospatial data gathering and mapping. Alex also helped draft the applicable sections and appendices for the topics he performed analysis for.

6th Cycle Housing Element Update. *City of Piedmont.* PLANNER. Conducted existing conditions research, previous cycle policy review and recommendations, and sites inventory methodology.

6th Cycle Housing Element Update. *City of Pleasanton.* PLANNER. Conducted existing conditions research, previous cycle policy review and recommendations, and sites inventory methodology.

6th Cycle Housing Element Update. *City of San Gabriel.* PLANNER. Conducted existing conditions research, previous cycle policy review and recommendations, and sites inventory methodology and analysis, including geospatial data gathering and mapping. Alex also helped draft the applicable sections and appendices for the topics he performed analysis for. Separate from the Housing Element update, assisted with compiling an ADU Guidebook.

6th Cycle Housing Element Update. *City of Temple City.* PLANNER. Conducted existing conditions research, previous cycle policy review and recommendations, and sites inventory

methodology and analysis, including geospatial data gathering and mapping.

PLANNER

Shannon Liska

Shannon supports a variety of policy and ordinance and land development projects including preparation of housing elements, community planning documents, entitlement support, environmental studies/CEQA and NEPA documentation, and GIS services. Past projects include various 6th Cycle housing elements and the creation of an acessory dwelling unit (ADU) program toolkit. Shannon has a wide variety of experience in housing elements, zoning, GIS, and general planning.

RELEVANT EXPERIENCE

Housing Element Update. *City of Redlands.* PLANNER. Responsibilities included performing a GIS site analysis for the Housing Element update. Assisted in completing revisions during the HCD review process.

6th Cycle Housing Elements. *Multiple Clients.* PLANNER. Responsible for preparation of multiple AFFH analyses, mapping, and program development for multiple housing element updates including County of San Diego, and the cities of Escondido, Redlands, Lakewood, San Juan Capistrano, Needles, and Hesperia.

Housing Element. *San Diego County.* PLANNER. Responsible for identifying and drafting appropriate changes to the county zoning based on appropriate state laws to ensure the county is compliant with current state housing laws.

Years Experience
1

Education
MCP, City Planning, San Diego State University

BA, Sociology, Gonzaga University

BA, Economics, Gonzaga University

Housing Safety Environmental Justice Elements. *City of San Juan Capistrano.* PLANNER. Responsibilities included drafting sections of the Housing Element update, identifying constraints to the provision of housing, analyzing housing programs, and contributing to housing sites analyses. Also responsible for conducting housing stakeholder interviews in the community engagement process.

Waterfront Park. *San Diego County.* PLANNER. Responsibilities included researching and summarizing California Coastal Commission permit processes and existing environmental documents for the project site. Also responsible for drafting a memo providing such information to the client.

PLANNER

Hannah Kreitman

Hannah has experience supporting housing-related projects including policy, preparation of housing elements, and GIS services. She is an effective communicator and experienced researcher. Past projects include housing element updates and ADU program research. Hannah worked for the San Diego Housing Federation as a housing element Intern where she monitored 6th Cycle housing element updates from the eighteen cities in San Diego County.

RELEVANT EXPERIENCE

Housing Element Update. *City of Redlands.* PLANNER. Responsibilities included reviewing the draft Housing Element for compliance with the HCD checklist and assigned remaining requirements to be completed. Wrote the section on farmworkers needs and housing for migratory agricultural workers. Drafted the appendix for AFFH, which included utilizing census data to find trends in race and housing problems, describing demographics of the City, summarizing the community outreach and responses, and identifying services for residents with disabilities.

Housing Element Update. *City of Lakewood.* PLANNER. Responsibilities included reviewing the draft Housing Element for compliance with the HCD checklist and remedying any discrepancies in the constraints section. Utilized GIS to make maps of the non-vacant sites identified for development and wrote descriptions of existing uses and potential for development for all non-vacant sites.

Years Experience
1

Education
BA, Urban Studies and Planning, University of California, San Diego

Minors, Environmental Studies and Engineering Mechanics

Housing Element Update. *City of San Juan Capistrano.* PLANNER. Responsibilities included reviewing 5th Cycle programs for completion, continued effectiveness, or elimination of funding. Wrote programs in support of AFFH. Reviewed the annual progress review for effective sites in the previous cycle. Researched zoning codes. Analyzed constraints on loans and lending to determine if there were inequities in loan granting based on project type or lender.

6th Cycle Housing Elements. *Multiple Clients.* PLANNER. Responsible for preparation of AFFH analyses for the cities of Redlands, Lakewood, San Juan Capistrano, Needles, and Hesperia.

PLANNER

Clancy Taylor

Clancy is a planning professional with experience working with affordable housing development, data analysis, GIS, and community engagement. Her past projects include CDBG grant management for entitlement and non-entitlement jurisdictions, and data analysis for AFFH reports and housing element updates. Clancy is passionate about ensuring safe and affordable housing, and strengthening communities through engagement of all people.

RELEVANT EXPERIENCE

6th Cycle Housing Element Update. *City of Montclair.* PLANNER. Conducted existing conditions research, preparation of AFFH analyses, and recommendations. Clancy also helped draft the applicable sections and appendices for the topics she performed analysis for.

AB 686 AFFH Analysis. *SBCTA.* PLANNER. Conducted existing conditions research and analysis of disparities in access to opportunity, and document design elements.

CDBG Grant Management. *City of Lodi.* PLANNER. Responsible for day-to-day task management of the City's CDBG entitlement grant including financial management, citizen participation, subrecipient monitoring, and preparation of plans and reports.

Education

MCP, Housing and Community Planning, University of Cincinnati

BS, Geography – Urban and Regional Planning, Texas State University

REPRESENTATIVE PROJECTS AND REFERENCES

Michael Baker has completed more than 100 Housing Elements statewide. Our experience with Housing Elements enables our team to hit the ground running upon notice to proceed, allowing the City to preserve staff and budgetary resources.

Michael Baker has a proven track record of successfully completing projects on time and within budget. Excellent organization, tools, and methods to monitor budgets, an emphasis on communication both internally and externally, and a structured project management approach are a few examples of how Michael Baker maintains client satisfaction. To hear what our clients have to say about us, we invite you to contact our references below.

COUNTY OF SAN DIEGO 6TH CYCLE HOUSING ELEMENT UPDATE

Contact Name: Camila Easland, Project Manager ■ *Address*: Planning & Development Services, 5510 Overland Ave., Suite 310, San Diego, CA, 92123 ■ *Phone Number/Email*: (619) 323-7362 / camila.easland@sdcounty.ca.gov *Description*: Michael Baker prepared a comprehensive update to the County's Housing Element, including a detailed review of constraints, sites, fair housing issues, and housing needs in one of California's largest counties. Successfully transitioned between supervisors and developed new programs to implement the County's vision for environmental sustainability and social equity. ■ *Key Team*: Dan Wery, AICP, LEED AP (Project Manager), Veronica Tam, AICP (Technical Advisor), Aaron Barrall (Planner)

CITY OF ESCONDIDO 6TH CYCLE HOUSING ELEMENT UPDATE

Contact Name: Adam Finestone, Interim Director of Community Development ■ *Address*: 201 North Broadway, Escondido CA 92025 ■ *Phone Number/Email*: (760) 839-6203 / afinestone@escondido.org

Description: Michael Baker prepared a sites inventory, constraints analysis, and fair housing review, along with new public programs for a built-out city with a RHNA of almost 10,000 units. The inventory and RHNA strategy included developing a comprehensive GIS and Excel-based model to identify housing capacity and developable sites within multiple transit-focused specific plan areas. ■ *Key Team*: Dan Wery, AICP, LEED AP (Project Manager), Veronica Tam, AICP (Lead Consultant), Aaron Barrall (Housing and Land Use Planning)

CITY OF LAKEWOOD 6TH CYCLE HOUSING ELEMENT UPDATE

Contact Name: Abel Avalos, Director of Development Services ■ *Address*: 5050 Clark Avenue, Lakewood, CA 90712 ■ *Phone Number/Email*: (562) 866-9771, ext. 2301 / aavalos@lakewoodcity.org

Description: Michael Baker prepared a full update to the City's Housing Element, including sites, constraints, needs, and programs. Reviewed and developed programs to mitigate and accommodate multiple citizen-initiated ballot measures that limit housing production and constrain the ability to meet the RHNA. ■ *Key Team*: Emily Elliott, AICP (Project Manager), Aaron Barrall (Housing and Land Use Planning),

CITY OF SAN JUAN CAPISTRANO 6TH CYCLE HOUSING, SAFETY, AND ENVIRONMENTAL JUSTICE ELEMENT UPDATE

Contact Name: Joel Rojas, Development Services Director ■ *Address*: 32400 Paseo Adelanto, San Juan Capistrano, CA 92675 ■ *Phone Number/Email*: (949) 234-4410 / JRojas@sanjuancapistrano.org

Description: Michael Baker is preparing a comprehensive set of revisions to the City's Housing Element and Safety Element and is preparing a new Environmental Justice Element. The project involves a comprehensive public engagement plan, including special workshops and outreach to areas of concentrated needs and coordination with community-based organizations to promote fair housing and environmental justice. ■ *Key Team*: Dan Wery, AICP, LEED AP (Project Manager), Veronica Tam, AICP (Technical Advisor), Aaron Barrall (Housing and Land Use Planning), Surabhi Barbhaya (Safety Element Task Lead)

C. WORK PLAN, SCHEDULE, AND PRICING PROPOSAL

WORK PLAN

Our proposed work plan to complete the Housing and Safety Element updates is outlined below. The scope includes all of the tasks requested in the scope of work contained in the Request for Proposals (RFP). We have included four optional tasks relating to any required rezones, General Plan and Specific Plan EIR and development of Objective Design and Development Standards, and the production of an Environmental Justice Element and/or Local Hazard Mitigation Plan.

Our Cost Proposal is based on the tasks as described and the specific assumptions and limitations noted; however, we are flexible and happy to work with the City to refine and customize the scope of work to meet your needs and desires. We understand the City will receive a level of technical assistance, outreach materials, and data through its participation in ABAG's Regional Housing Technical Assistance Program (the Collaborative). Michael Baker has two ABAG-associated Housing Element updates underway and is familiar with the data and materials offered. We have anticipated appropriate cost savings for the City as a result.

We understand the City will be using State planning grants including SB 2, REAP, and LEAP funds. Our scope, deliverables and management have met these grant requirements. We will work with City staff to ensure that work products are in alignment with grant requirements and that records and invoices are maintained and presented, as required by the grants. Additional services and support for the tasks not included in our scope can be provided upon request, at an additional cost.

Task 1 – Project Management and Coordination

Task 1.1 Project Kickoff Meeting

At the project kickoff meeting, the Michael Baker project team will hold a teleconference meeting with City staff to review and refine the scope of work, discuss expectations and assumptions, collect information sources, and go through the project schedule and work plan for carrying out the work.

We will also take this opportunity to agree on the best and preferred methods for ensuring regular communication with the City, including conference calls, progress reports, or other communication methods. Our work plan will include information regarding quality assurance/quality control (QA/QC) protocols and project management items agreed upon at the kickoff meeting. After the kickoff meeting, we will develop a detailed project timeline with milestones beginning with review of the 2015-2023 Housing Element update and an initial review and discussion of opportunity sites proceeding through City Council adoption by the January 31, 2023, statutory adoption deadline.

Task Deliverables:

» Materials for kickoff meeting with City via web conference

» Meeting attendance sheet and meeting notes

» Work plan including contact information, QA/QC protocols, and initial project schedule

Task 1.2 Project Schedule

The project team will work with the City to refine the initial project schedule with a list of critical path tasks required to proceed toward adoption by the January 31, 2023, statutory deadline. We will work with the City to integrate tasks to occur concurrently to the degree feasible in order to reduce the overall project timeline. Additionally, refinements will be made after the kickoff meeting.

Task Deliverable:

» Revised project schedule

Task 1.3 Project Management, Coordination, and Quality Control

The Michael Baker project management style includes regular communication between the project manager and the City. The project manager, in conjunction with the task leads, will coordinate on key tasks to meet the overall project schedule. The project manager will implement Michael Baker's QA/QC program and provide written status memos.

We recommend scheduling a standing conference call approximately every two weeks throughout the project. These calls provide an opportunity to review tasks in progress, share information, identify and resolve any issues early, and review key milestones and upcoming deliverables. The project team will also communicate with City staff by email and phone throughout the project, independent from the scheduled calls. In addition, this task provides for weekly tracking/monitoring of the project schedule and monthly billing and invoicing. Meetings will be conducted via Microsoft Teams or Zoom to facilitate team schedules and minimize travel time and costs throughout the project, respecting varying COVID-19 protocols between team members and the City while maintaining project momentum.

Task Deliverables:

» Summary of notes from twice per month coordination call meetings with City staff via virtual platforms

» Project schedule review of key milestones through adoption

» Monthly written progress summary reports with invoices

Task 2 – Community Outreach and Engagement

Task 2.1 Community and Stakeholder Outreach and Engagement Strategy

One of the most critical aspects of the Housing Element update process is the importance of the public participation process. The Housing Element, and the newly added AFFH analysis in particular, relies heavily upon local knowledge to supplement and better understand the data and housing issues at hand, as well as creating the programs that work best to serve local and regional needs—and there is no better source of local knowledge than the residents, stakeholders, and leaders of the City of Pinole to help shape the tailored housing solutions for their community.

The State of California has passed several laws that have dramatically changed the landscape of housing planning. For communities, these laws are complicated, confusing, and/or are so new that the impact is uncertain. Some of these laws have strict requirements and limit the ability of jurisdictions to customize planning policies to their own preferences. For these reasons, we propose conducting an initial study session for the City Council so that information can be provided, vetted, and explored for its impact on the Housing Element.

Michael Baker also recognizes the importance and significance of involving those hard-to-reach groups and special needs populations, such as persons experiencing homelessness, elderly residents, single-parent households, non-English speaking individuals, persons with disabilities, and racial/ethnic minority families. The City's racial and ethnic makeup, according to the most recent census data, is as follows: 43% White, 24.7% Asian, 11% Black, 0.6% American Indian/Alaskan Native, and 0.1% Native Hawaiian/Pacific Islander, and 9.6% two or more races. Additionally, 21.4% of residents are Hispanic or Latino, and 36% of residents are non-English speakers. Based on County planning documents, the most common non-English languages spoken include Spanish, Cantonese and Tagalog. The median household income is $100,315, and 19.9% of the population is 65 years old or older. Michael Baker will use previous engagement channels that were successful in reaching harder to reach groups, as well as new and/or improved methods. To reach underserved or hard-to reach groups, we have found success in directly engaging stakeholders such as service providers, faith-based institutions, and places of learning. These stakeholders can often report out on the collective experience of those they serve and operate as a liaison.

Our strategy for public participation includes using multiple forms of outreach and offering a variety of options for community members to engage and share information about their neighborhoods and experiences.

A successful community participation strategy recognizes that different populations engage differently with outreach efforts and includes a range of opportunities for engagement. Some populations prefer to engage through online surveys or via social media. Others, such as elderly persons, engage better in open meeting settings or prefer low technology, while some prefer more intimate or spontaneous events. We will customize the plan for the City to maximize outreach, with a focus on populations that may be marginalized or underrepresented in the public sphere.

We have outlined a general approach for the Housing Element public outreach process below, which will be further refined with key City staff.

We have the right experience with both in-person and virtual community engagement and have a wide range of tools at our disposal (using online, print, and telephone methods) to facilitate a meaningful dialogue with the community. As we have continued to provide our clients with the same services through COVID-19, we have refined our approach using virtual tools to reach the broadest audience.

Lastly, Michael Baker recognizes the importance of informing the public about housing programs, and especially the new fair housing laws. Our engagement materials will educate the community on Housing Element laws, fair housing laws, and affordable housing programs and policies that the City identifies as important.

Task Deliverables:

» Community outreach and engagement strategy

» Facilitated meeting with City staff and meeting notes regarding any adjustments to community outreach and engagement strategy

Task 2.2 Outreach Materials and Summary of Findings

In consultation with key City staff, the project team will develop a branding strategy which may include moving away from the technical term of “Housing Element Update” to something more meaningful like “Housing Plan” or “Housing Strategy.” We will prepare public outreach materials, using consistent graphics and messaging that are not duplicative of any materials provided through the Collaborative. We will prepare outreach materials in both print and online formats designed to inform community members about the Housing Element update and invite their participation and input in the process. Materials may include, but are not limited to:

» Design, host and maintain a dedicated webpage that can link to the City’s official website

» Additional digital media suitable for social media and electronic communications

» Postcards or flyers for printing and distribution/posting

» Handouts for printing or electronic distribution for community meetings

We anticipate the City will be responsible for distributing outreach materials to its contacts through typical channels such as email listservs and social media. We are available to assist in distributing outreach materials and publicizing community events and can discuss the level of need as part of finalizing the scope.

We will provide the outreach materials (e.g., flyers, handouts, surveys) in English. The flyers and survey only will be provided in three additional languages of Spanish, Cantonese, and Tagalog, or as the City determines. Translation of non-English comments from these documents and the translation of written comments from the public at meetings or workshops is included in this scope per a maximum number of hours. Workshop meeting materials are only provided in English; however, we will provide interpretation services for one non-English language (of the City’s choosing) at the two workshops through vendor translation services or will use City-recommended in-house staff or local interpreters that are experienced with City specific outreach, if preferred.

Michael Baker can provide additional Michael Baker assumes that the City will provide the equipment for interpretation services along with audio and visual equipment needed for in-person/virtual meetings. Michael Baker will provide the City with a draft version of outreach materials for their feedback and edits; if preferred, Michael Baker will provide a second draft for final review and approval prior to finalizing the documents.

Task Deliverables:

» Webpage design and content specific to the Housing Element and monthly updates to content

» Outreach materials prepared in conjunction with City staff necessary to facilitate Task 2.3

» Outreach materials outlined in Task 2.2 above; survey and flyers will be provided in three additional languages

» Copies of outreach meeting notes and summaries, exhibits, presentations, including translated non-English public comments.

Task 2.3 Community Outreach/Engagement Meetings and Activities

Task 2.3.1 Community Workshops (2)

We propose two online/virtual (live) community workshop presentations to educate the community on the Housing Element process and content. Proposed content to include, Housing Element basics followed by a second workshop that will go over the site inventory and proposed programs and policies. The presentations will include interactive live polls with the public followed by brief discussions of the results as well as questions and answers throughout the workshops. A key advantage of the online format is that meetings are more convenient for individuals to attend from a remote location, and can be more easily accessible for those with mobility issues or who would otherwise have to find transportation. Another advantage is the ability to record the workshops for later viewing, sharing and summary. This includes transcripts of the written questions and answers, and information on workshop attendance. We anticipate having two to three members of Michael Baker's outreach team at these meetings to facilitate community feedback and answer questions. Project team staff will prepare the PowerPoint presentation materials and facilitate the discussion. We assume City staff will participate to assist with the presentation and the question-and-answer portion of the session.

Task 2.3.2 Initial City Council and Planning Commission Study Sessions

We will conduct study sessions with the City Council andthe Planning Commission early in the process to inform interested parties of the undertaking and to seek input on specific key issues and opportunities, and key components of the Housing Element update. This session can also discuss the statutory and the dramatically increased HCD authority, expectations, review requirements and scrutiny to obtain certification. A key objective is to review, prioritize, and strategize the specific accomplishments, timelines, and resources for the programs/goals.

The project team will take the lead on these sessions including preparing the presentation, leading the sessions, and developing content for the staff reports. This task assumes the project team will attend the studysession virtually through an online platform. In-person attendance can be arranged on an additional time and materials basis.

Task 2.3.3 Stakeholder Interviews (up to five)/ Focus Groups (up to four)

Engagement of and input from local advocacy groups and minority/special needs populations are important to the Housing Element update and will be required by HCD. We recommend engaging them early in the update process to receive feedback. The project team will work with the City to conduct up to four stakeholder focus group meetings to discuss the Housing Element update and receive feedback on current and proposed programs. Stakeholder groups may include market rate and affordable housing developers, advocates, property owners, and community services providers. We will work closely with City staff to identify stakeholders that represent a broad cross-section of the City of Pinole so that the housing issues include market-rate developers, affordable housing developers and fair housing advocates, and community-based organizations. We will conduct up to five individual stakeholder interviews based on feedback from focus

groups and selected in concert with city staff. These engagement approaches can be modified within the budget provided to adjust the number of group and individual outreach methods.

Task 2.3.4 Online Housing Needs Survey

We will prepare an online community housing needs survey, which is another key method to obtaining valuable information. The survey has the advantage of occurring over a longer period, including bracketing other engagement events to provide more input and follow-up comments. The survey is recommended to be relatively simple to encourage participation, and would focus on identifying housing needs, opportunities, issues, priorities, and recommended policies. We recommend the survey be kept open throughout the engagement period covering development of the Housing Element up to and including the public review periods. It would close before public hearings on the draft elements or can be modified to collect comments on the public review draft.

To help reach priority populations, such as low-income families, non-English speaking individuals, and large and multigenerational families, Michael Baker will work with the City to collaborate with local nonprofits, City departments, and agencies to distribute marketing materials and the survey to their clients.

Task 2.3.5 Monthly Staff Reports to City Council and Planning Commission

We will work with City staff to create a template for monthly staff reports to be included as consent items for the City Council and Planning Commission. We will provide narrative progress reports and updates from stakeholder engagement. This scope includes up to 12 such staff reports which will be submitted to the City in order to meet agenda deadlines.

Task Deliverables:

» Two virtual community workshop events including one interpreter per workshop.

» Initial City Council or Joint City Council/Planning Commission Study Session

» Stakeholder interview / focus group meetings

» Online housing needs survey

» Monthly staff reports (up to 12)

Task 2.4 Public Review Draft Hearing (2)

Michael Baker will prepare twovirtual presentations - one Planning Commission and one City Council hearing - to obtain public input on the public review draft Housing Element. The hearing will be held during the public review period and the 90-day HCD review period. The presentation will summarize the purpose and content of the Housing Element, the process and input to date, and key changes including any necessary rezoning and housing programs, and will include opportunity for public comment. Michael Baker will prepare one set of similar presentation materials for the meeting. This task also includes preparation of one flyer advertising the meeting in four languages (including English), as directed by the City. Additional translation services can be provided on a time and materials basis. Michael Baker will provide the City with a draft version of materials for their feedback and edits; if preferred, Michael Baker will provide a second draft for final review and approval prior to finalizing the documents.

Task Deliverables:

» Preparation of presentation materials

» Leading and presenting at two hearings (virtual)

» Preparation of materials for staff reports (2)

» Flyer in four languages

» Translation and interpretation services up to a maximum number of hours

Task 3 – Research and Analysis (Administrative Draft Chapters)

Michael Baker will prepare an administrative draft of the Housing Element update. Individual draft chapters are proposed to be submitted as they are completed to facilitate and expedite City staff review.

Task 3.1 Evaluation of 2015-2023 Housing Element and Accomplishments

Michael Baker will conduct an initial overall review and assessment of the 2015-2023 (5th Cycle) Housing Element. This evaluation will be submitted as a written outline with recommended changes (including relevant justification) and areas for improvement, programs that should be considered, and any other relevant housing issues that might be included in this update. We will also provide a list of other General Plan elements and appendices that will require updates for internal consistency.

This task will include review of the documents relevant to the Housing Element update such as:

» 2015-2023 Housing Element

» Annual Progress Reports

» Past communication with HCD, including any findings letters

» Land Use Elements (for consistency)

» Other applicable programs and ordinances identified during project kickoff

This task includes the review of housing goals, policies, and program accomplishments including status, evaluation of implementation and effectiveness, and whether the prior housing programs will be retained, modified, deleted, or amended with new programs.

Task Deliverables:

» Memorandum summarizing the evaluation findings and recommendations including a list of General Plan amendments for consistency

» Administrative draft evaluation of accomplishments chapter

Task 3.2 Housing Needs Assessment

The housing needs assessment will contain the following topics to satisfy Government Code Section 65583(a) requirements:

» Demographics, income, and employment trends

» Household characteristics

» Housing stock characteristics

» At-risk housing analysis; analysis of special housing needs

ABAG's Collaborative will provide useful content such as jurisdiction-specific graphs and write-ups for most required data, including population, demographics, housing, market conditions, and regional comparisons. This task assumes that use of this data will be considered by HCD as a "Safe Harbor." We will evaluate and incorporate this information to the extent possible. However, this task assumes a modest time and cost savings as a result of the use of this data. The majority of the data and analysis will be provided by data packets that have been pre-reviewed by HCD for consistency with State requirements to increase predictability in the Housing Element approval process.

Task Deliverables:

» Review and evaluation of Collaborative prepared materials

» Administrative draft housing needs assessment

Task 3.3 Affirmatively Furthering Fair Housing (AFFH)

Michael Baker will prepare and incorporate a new chapter for the AFFH analysis. The new chapter will be prepared pursuant to HCD's recent guidelines and developing review comments and requirements. The federal AFFH rule requires a jurisdiction to take "deliberate action to explicitly address, combat, and relieve disparities resulting from past and current patterns of segregation to foster more inclusive communities." AB 686 extended this AFFH requirement to cities and counties in California. Cities must incorporate fair housing issues, analysis, goals, and actions when updating their Housing Elements. As such, we will prepare an analysis of fair housing issues, identify contributing factors, develop goals and actions, and review prior goals and actions. Fair housing issues to be assessed include review of fair housing enforcement and capacity, segregation and integration, racially/ethnically concentrated areas of poverty, access to opportunity, and disproportionate housing needs and displacement risk. Analysis will consider local and regional patterns and trends, and local data and knowledge gathered from effective community engagement.

The AFFH chapter will incorporate relevant data and analyses contained in the Contra County Consolidated Plan, regional analysis of impediments, and consolidated annual performance and evaluation report. Michael Baker's Housing Team provides HUD grant management services for smaller jurisdictions throughout the state. We are, therefore, familiar with the content and methodologies of planning for these programs. We will also review, assess, and integrate as appropriate the data and analyses provided by ABAG's Collaborative:

Michael Baker assumes the City has engaged ABAG to participate in the AFFH assistance program. The following resources will be made available through ABAG's Collaborative with respect to AFFH analysis:

- Maps showing existing issues for use in outreach
- Regional and local trends
- Distribution of sites by AFFH factors
- Review of meaningful actions by jurisdiction and return of suggestions for programs

The ABAG Collaborative will not provide local knowledge and context, and will not provide analysis of site selection I.e., justification and impacts, etc. This analysis will be completed by Michael Baker with reliance on City staff and outreach outcomes for local knowledge and context.

Michael Baker has worked closely with HCD to fulfill the new and extensive AFFH guidance and HCD requirements. The goal setting process task requires extensive input from City staff and stakeholders/community to provide local knowledge and explanations of the contributing factors for various fair housing issues and will require a commitment to development of new goals or programs to directly address and resolve fair housing issues. The programs will require clear, measurable, and enforceable outcomes, geographic specificity, and timelines.

Please note that certification of the Housing Element will depend on HCD's determination as to whether the programs will achieve significant and meaningful results. Michael Baker will prepare draft goals for review by the City and community/stakeholders; however, City staff and community/stakeholders will need to commit to and provide input on the specific resources, outcomes, and timelines for achieving these goals. With the community engagement process suggested above, Michael Baker will assist the City and its community/stakeholders to be informed, prepared, and ultimately successful in taking meaningful action to further fair housing in its community.

Task Deliverables:

» Review and evaluation of Collaborative prepared materials

» Administrative draft AFFH chapter

Task 3.4 Housing Resources and Sites Inventory

We understand the City anticipates a RHNA of 500 units. This RHNA is a 70 percent increase from the City's 5th cycle RHNA of 297 units, which will necessitate the identification of additional housing sites.

New State laws on addressing the adequate sites requirement (AB 1397 and SB 166) have significant impacts on the sites inventory. AB 1397 places higher standards on the reuse of sites, reliance of nonvacant sites, and extreme sizes of sites (too small and too large). SB 166 requires a no-net-loss accounting that necessitates a sites inventory with a comfortable 15-30 percent buffer.

We will use the current sites inventory as a starting point and work with the City to determine which sites are still viable RHNA sites based on new State law requirements. We will update the site selection criteria to identify new sites and reevaluate sites identified from the 5th Cycle Housing Element Land Inventory. As part of the site selection process, we will consider the General Plan policies and land use density range, zoning, available infrastructure, and opportunities within approved specific plans. We will formulate General Plan and zoning strategies that will address additional housing unit capacity. This task also assumes a high level of collaboration with City staff to identify and evaluate individual sites and essential development criteria and likelihood based on local knowledge such as ownership status and interest, tenant status, stability and turnover, and particular opportunities and constraints. As part of the housing sites analysis, we will complete the following:

Document potential sites. We will prepare an inventory, map, and analysis illustrating the City's capacity to accommodate the 6th Cycle RHNA. In keeping with State law, we will document the realistic development capacity of each site based on local development trends and/or proposed programs, and prepare a map showing all identified sites. We recommend safe and defensible assumptions to facilitate HCD approval and to avoid and minimize the no-net-loss risks.

Review sites for whether they affirmatively further fair housing. We will prepare an evaluation of the sites to determine how they meet the AFFH rule and work with City staff to determine if the sites identified in the inventory are located throughout the community in a manner that has the ability to affirmatively further an increase in fair housing.

Non-vacant sites analysis. We will complete an analysis of non-vacant sites to address a portion of the RHNA. As part of this task, we will analyze the realistic development potential within the planning period by considering the extent that a non-vacant site's existing use impedes additional residential development, the jurisdiction's past experience converting existing uses to higher-density residential development, and market trends and conditions. We will analyze the local housing trends to establish site potential estimates. Anticipated and actual project densities will be used to project and substantiate assumed future development yields of proposed RHNA sites. This task assumes that City staff will document and compare the maximum zoning density to the actual project yield, including percentage and types of affordable units from development projects built, approved, or under review during the 5th Cycle period.

Infrastructure constraints analysis. With supporting GIS data provided by the City, we will work to determine if parcels included in the sites inventory have sufficient access to water, sewer, and dry utilities and adequate capacity to support housing development. This task assumes that City staff will review existing General Plan programs or other mandatory programs or plans to secure sufficient water, sewer, and dry utilities supply and identify any potential limitations or constraints and improvements necessary to support housing development on the site. This task does not include technical studies or evaluation.

Opportunities and resources. In collaboration with key City staff, the project team will review and update the sites inventory in the 2015-2023 Housing Element as needed, taking into consideration development that has occurred since adoption of the current document as well as the adequate sites requirements under the numerous new State housing laws adopted since the last Housing Element.

Rezoning analyses (if needed). If rezoning is necessary to meet the RHNA obligations, we will work with City staff to identify potential areas for rezoning to maintain an adequate housing sites inventory throughout the eight-year planning period. (See Optional Task 8, below.)

Task Deliverables:

» Review and evaluation of relevant background materials

» Memorandum summarizing proposed methodological approach, housing project potential and yield trends, assumptions, and initial sites inventory results and recommended options

» Administrative draft housing sites inventory chapter, list, and map

» Rezoning analyses, if required (see Optional Task 8)

Task 3.5 Housing Constraints

We will identify potential governmental and nongovernmental constraints to housing production, including environmental and infrastructural constraints. This analysis must contain a review of factors that may potentially constrain the development, improvement, and preservation of housing in Pinole. Factors to be reviewed include market, governmental, environmental, and infrastructural constraints. New housing laws require the assessment of nongovernmental constraints, including NIMBYism, lending practices, shortage of labor, and other economic factors. ABAG's Collaborative is expected to provide all cross-jurisdictional comparisons necessary for this task (e.g., comparison of fees and processing time). It will also provide write-ups of typical countywide nongovernmental constraints, including community opposition to housing, cost of construction, limited availability of land, and other topics. Michael Baker will verify and incorporate this data as appropriate. A small time and cost savings is anticipated from use of this information.

Task Deliverables:

» Evaluation and incorporation (as appropriate) of Collaborative prepared materials

» Memorandum summarizing the findings of the housing constraints analysis

» Administrative draft of housing constraints section of 2023-2031 Draft Housing Element

Task 3.6 Housing Plan (Goals, Policies, and Quantified Objectives)

Based upon the analyses and research conducted in the previous tasks, we will update the goals, policies, and quantified objectives section of the Housing Element (the Housing Plan). For each program included in the Housing Plan, we will work with the City to establish the time frame for implementation, specific objectives, funding sources, and responsible agencies. The programs will satisfy the requirements of Government Code Sections 65583(b) and (c).

Task Deliverables:

» Meeting with City staff

» Administrative draft of the Housing Plan (goals, policies, and quantified objectives)

Task 4 – Housing Element Preparation

Task 4.1 Draft Housing Element (Screencheck and Public Review Drafts)

Upon receipt of a comprehensive set of staff review comments and requested changes on the administrative draft chapters, Michael Baker will prepare a complete screencheck review draft Housing Element for staff review and comment.

The public review draft will be published and circulated for public review and comment for at least two weeks prior to submittal to HCD for its initial 90-day compliance review.

Task Deliverables:

» Screencheck draft Housing Element

» Task 2.3 City Council and Planning Commission study sessions

» Public review draft Housing Element

» Submittal of draft Housing Element to HCD along with a submittal letter and completed review checklist for the initial 90-day compliance review

Task 4.2 HCD Substantial Compliance Review and Final Draft Housing Element

Michael Baker will work closely with HCD and City staff, coordinate conference calls, and address public review comments, preliminary HCD review comments on the draft Housing Element during the 90-day review period (if provided), and the HCD review letter. The goal is to achieve a Finding of Substantial Compliance for the draft Housing Element before proceeding to adoption. In this manner, the City Council can adopt the Housing Element with the revisions identified by HCD to obtain certification.

We have proposed a time and materials budget for preparation of the final draft Housing Element. This budget includes up to one set of revisions made during the 90-day HCD review period (if preliminary comments are provided), preparation of a second and third (if required) public and HCD review drafts in response to comments received on the first and second public review drafts, and preparation of the final draft Housing Element for the Planning Commission and City Council adoption hearings to address a second and third (if required) round of public review comments and the HCD compliance review letter. This task assumes that the project follows the proposed project schedule which uses the 120-day grace period after the January 31, 2023 adoption deadline to allow preparation of a second public and HCD review draft in response to the public and HCD comments on the public review draft. This task assumes a limited time to make a final set of revisions in response to the second public and HCD comments on the second draft in time for adoption before the end of the 120-day grace period which ends May 31, 2023. A third draft will be prepared, if necessary.

Task Deliverables:

» Presentations of draft Housing Element to the Planning Commission and City Council (see Task 2.4)

» Review of public review comments and preparation of responses and revisions with City staff

» One set of interim revisions to the draft Housing Element update during the HCD review (pending HCD interim preliminary review comments)

» Conference calls and correspondence with HCD and City staff to answer questions and address key issues

» Preparation of a second public and HCD review draft

» Preparation of a final draft for Planning Commission and City Council hearings, and adoption

Task 5 – California Environmental Quality Act (CEQA)

It is not known whether the City has adequate sites to meet the 6th Cycle RHNA, and to what extent rezoning will be required. It may be possible the Housing Element could be adopted with preparation of an Addendum to the City's or an Initial Study (Mitigated) Negative Declaration (IS/MND). Michael Baker recognizes that Housing Elements require a tailored CEQA approach, that oftentimes cannot be determined until further into the Planning Process. As such, Michael Baker has included a CEQA strategy task that would allow our team to review existing planning documents, the proposed projects, rezoning, and other project components to determine the most appropriate CEQA document for the project.

Task 5.1: CEQA Strategy Development

There is no "one size fits all" approach to CEQA compliance for Housing Element updates. The Michael Baker team will work collaboratively with City staff to outline the best path forward based on the overall objectives of the City. Considerations will include:

- Extent of rezoning actions to accommodate the RHNA allocation

- Nature and scope of available planning documents, including the General Plan EIR, prior cycle Housing Element approvals, or recent major development project evaluations
- Desired utility of CEQA process to streamline future housing approvals
- Feasibility of meeting state schedule mandates

Starting at project kick off, our CEQA team will work alongside the Housing Element team to review the proposed rezoning required as well as other components of the Housing Element update. Once our team completes document reviews and addresses other considerations outlined above with City staff, we will provide a CEQA Strategy Memorandum that details the CEQA compliance path, key data needs to meet milestones, and a budget. It is anticipated that the CEQA scope of work will be able to be defined once a preliminary sites inventory has been developed. Michael Baker will work to develop the CEQA scope as early in the process as possible, to reduce the overall project timeline.

Michael Baker understands that the City has SB 2 funds that have been set aside to update the Three Corridors Specific Plan, which is an area that the City anticipates may be included in the City's sites inventory. Michael Baker will evaluate a range of potential CEQA options, including potentially addressing the rezoning required to meet the City's RHNA through a revision to the Three Corridors Specific Plan and Specific Plan EIR.

CEQA compliance costs and timelines could range from $25,000 and 3 months for an Addendum to a previously certified Environmental Impact Report (EIR), to approximately $250,000 and 12 months if a new EIR is required. If impacts can be avoided via mitigation, a Mitigated Negative Declaration (MND) could potentially be a "middle ground" solution.

Deliverable:

- CEQA document review, project description, strategy memorandum

Task 6 – Housing Element Adoption and Certification

Task 6.1 Planning Commission and City Council Hearings

The Michael Baker team will prepare for and attend one Planning Commission hearing and one City Council hearing for the adoption of the Housing Element update. Up to two members of the Michael Baker team will be available to attend each hearing and respond to comments and questions. This task also includes preparation of one flyer advertising both hearings. City staff will be responsible for room reservations, required public notices, and staff reports for these meetings. We will take the lead role in preparing and delivering the Planning Commission and City Council staff reports and presentations for each , in collaboration with City staff. It is assumed that Michael Baker will attend and coordinate all workshops and hearings virtually through online engagement platforms, due to ongoing varying COVID-19 protocols among participants. If desired, in-person attendance can be provided on a time and materials.

Task Deliverables:

» Advertisement

» Attendance and support at one Planning Commission hearing and one City Council hearing

Task 6.2 State Certification

After adoption, the Housing Element update must be submitted to HCD for its final review. We will serve as the City's liaison with HCD and will assist the City in achieving certification of the Housing Element. This task assumes an HCD letter of substantial compliance on the public review or adopted draft. We have proposed a time and materials budget to address final technical revisions that HCD may require for certification. This task does not include revisions that require re-adoption of the Housing Element.

Task Deliverables:

» Submittal of City-adopted Housing Element to HCD for final 60-day review and certification

» Coordination with HCD and City staff to discuss and address any remaining technical comments and revisions to obtain certification

» One set of final revisions to address final technical comments from HCD during the 60-day review period

Task 7 – Safety Element Update

Since the City is updating the Housing Element, in accordance with State law, the Safety Element is also required to be updated. Government Code Section 65302 (g) (1) governs the requirements of a Safety Element. This section identifies the need for cities and counties to understand their vulnerabilities to hazards such as seismic hazards (primary and secondary), wildfires, geologic issues (landslides, subsidence, etc.), flooding, climate change, and other natural hazards. In addition, most communities focus on human-made conditions, such as crime, public health crises, power outages, and handling of hazardous materials that could impact a community. As part of this update, it will be essential to focus on updated data and information regarding these hazards, with attention to conditions within Pinole and surrounding cities, as hazards do not respect boundary lines.

The Safety Element will also include the necessary framework and information to comply with SB 379 requirements, which went into effect on January 1, 2017. This legislation requires integrating the Local Hazard Mitigation Plan (LHMP) and/or Emergency Management Plan into the Safety Element at the time of the update. The Michael Baker team will work with the City to ensure the plans and programs are complementary to one another.

Task 7.1 Data Collection

It is anticipated that during the project kickoff meeting, City staff will provide the project team with guidance regarding data sources to aid in the collection process, GIS data files, and all relevant existing documents and materials.Michael Baker will evaluate the existing data and identify additional data needs. It is assumed data will be collected from in-house sources and outside agencies. Sources of data may include but are not limited to the following:

» City's planning, public works, and emergency management department

» City's Municipal Code

» Contra Costa County Hazard Mitigation Plan

» CalFire

» Cal Adapt

» Federal Emergency Management Agency (FEMA)

» California Office of Emergency Services (Cal OES) - My Hazards

» California State Water Resources Control Board - Geo Tracker

» California Department of Conservation geologic and seismic activity data

If additional technical studies are required, the project team will identify whether a change in scope of work will be necessary to assist the City in addressing additional needs.

Task Deliverables:

» Kick-off Meeting Materials

» Data Request Memorandum

Task 7.2 Existing Conditions, Mapping, and Vulnerability Assessment

Michael Baker will document and provide relevant mapping for existing hazards recognized and experienced under the following categories:

» Emergency Preparedness

» Evacuation Routes

» Areas Without Access to Two Evacuation Routes

» Geologic Hazards/Seismic Activity

» Wildfire Hazards and Protection

» Flood Hazards and Inundation Zones

» Climate Change Resiliency

» Hazardous Materials

» Public Safety Services and Facilities

Hazard information will be cross-referenced with the parcel, road, hydrologic, and other data to prepare meaningful and applicable maps to help the City with decision making. Pursuant to Government Code 65302 (g), this includes identifying residential developments in any hazard area identified in the Safety Element that do not have at least two emergency evacuation routes.

Vulnerability Assessment: In accordance with SB 379, upon the next revision of an LHMP, on or after January 1, 2017, the Safety Element must be reviewed and updated as necessary to address climate adaptation and resiliency strategies. The bill requires the update to include a set of goals, policies, and objectives based on a vulnerability assessment, identifying the risks that climate change poses to the local jurisdiction and the geographic areas at risk from climate change. FEMA and Cal OES records indicate that the City does not have an active HMP or expired HMP. Thus a vulnerability assessment must be conducted as a stand-alone document prior to the development of the Safety Element. The vulnerability assessment will be created in accordance with FEMA and Cal OES guidelines, so the City can integrate into future HMP updates as desired.

The vulnerability assessment will include hazard profiles for relevant natural hazards that have the potential to affect the City of Pinole. Hazard profiles will document the definition of the hazard, location and extent of past occurrences, the probability of future occurrences, and climate change considerations. For natural hazards with mapped hazard zones, Michael Baker will prepare GIS base maps to illustrate the location, extent, and severity.

Michael Baker will also work with the City to establish a list of critical facilities for use in the vulnerability assessment. Critical facilities lists can be created from past HMPs, Emergency Operations Plans or other lists City staff may utilize. Michael Baker will prepare the vulnerability assessment using the approved critical facilities list and hazard profile maps prepared. The vulnerability assessment will consist of an analysis overlaying these two data sets and identifying the facilities that are vulnerable to profiled hazards. The vulnerability assessment will include the following, based on data availability:

- Types/numbers of buildings, infrastructure, and critical facilities located within identified hazard areas;
- An inventory of repetitive flood loss structures, as defined by FEMA, if applicable; and,
- Description of land uses and development trends to advise future land use decisions.

The result of this analysis will be presented in tables identifying facilities/infrastructure and the relevant hazards most likely to affect these facilities. Exhibit maps will correspond to this latest information.

In addition, Michael Baker will evaluate the impacts of natural hazards to vulnerable populations, including those that are reliant on others for their well-being, such as young children, individuals with disabilities, individuals dependent on medical equipment, individuals with impaired mobility, as well as individuals with impaired mobility, as well as people with low socioeconomic levels. Age, socioeconomic status, access to services, physical and mental conditions, and other conditions affect the ability to respond to a natural

disaster or man-made hazard event. Michael Baker will conduct a thorough analysis of vulnerable populations within the City of Pinole to better inform policy in the Safety Element and Environmental Justice Element.

Task Deliverables:

» Screencheck Existing Conditions and Vulnerability Assessment (text and graphic mock-ups)

» Provide one revision to the existing conditions section based on City comments

Task 7.3 Safety Element Community Engagement

Community engagement effort for Safety element will be merged with the Community Engagement efforts for the Housing Element as described in Task 2 and will the following

- Community Workshops (2)
- Initial City Council and Planning Commission Study Session
- Stakeholder interviews (up to 4)
- Online Survey

The online survey can be a separate survey from Housing Element or a merged survey. We will discuss the best strategy with the City during the kickoff meeting. The stakeholder interviews, at a minimum, will include reaching out to public works, sheriff's dept, and fire department.

We will provide the outreach materials (e.g., flyers, handouts, surveys) in English. The flyers and survey only will be provided in three additional languages of Spanish, Cantonese, and Tagalog, or as the City determines.

Task Deliverables:

» Two virtual community workshop events including one interpreter per workshop

» Initial City Council or Joint City Council/Planning Commission Study Session

» Stakeholder interviews

» Online Safety Element survey

» Collateral materials

Task 7.4 Draft Safety Element and Consultations

The project team will prepare a screencheck draft Safety Element for initial staff review in compliance with Government Code Section 65302(g)(3). Since the last update in 2013, several bills have been passed, including SB 379 (2015), SB 1035 (2018), SB 99 (2019), and AB 747 (2019). The Safety Element will comply with legislative updates since the last Safety Element update process.

Michael Baker will coordinate with the City to create a set of adaptation and resilience objectives, goals, policies, and feasible implementation measures that will complement the LHMP.

Michael Baker will also document evacuation routes and access to evacuation routes (SB 99) as a part of the Safety Element update. This will include an introduction, existing conditions, relationship to other elements, and goals and policies.

Since the City's LHMP was updated in 2018 and will expire in 2023 if the Safety Element is adopted prior to the expiration of the LHMP, then the City will not need to comply with AB 747, which requires a community to identify evacuation routes and their capacity, safety, and viability under a range of emergency scenarios. However, if the City would like to conduct such a study, we will provide an added scope and fee for this task.

Consultation with CalFire: Consultation with CalFire is also required for communities with areas designated as Very High Fire Hazard Areas (VHFHA) and State Responsibility Areas (SRA). Several areas within the City are mapped by CalFire as VHFHA, primarily south and southwest of Pinole Valley Road. Thus, the City will be required to consult with CalFire regarding wildfire-related policies.

Evacuation Routes Study: Under AB 747 the City's Safety Element will need to address evacuation planning for any emergency scenarios that would warrant an evacuation of populations within the affected areas. The evacuation planning is a component of the Local Hazard Mitigation Plan (LHMP). This requirement became effective as of January 1, 2022 and will be required for the development of a new or updated LHMP. An Evacuation Route Capacity Analysis will need to be conducted that identifies evacuation routes and their capacity, safety, and viability under a range of emergency scenarios.

The primary hazard faced by the City of Pinole that may require the evacuation of impacted areas include wildfire hazard incidents and flooding primarily and assumes up to three evacuation scenarios. The study includes the following elements :

1. Coordinate with the City to identify the principal wildfire hazards that need to be addressed in the LHMP.
2. Develop "most likely" emergency scenarios that would require the evacuation of populations within the City.
3. Define evacuation zones that would be involved in the evacuation scenarios.
4. Identify primary evacuation routes that are available for evacuation zones involved in each emergency scenario.
5. Estimate the evacuation route vehicle handling capacity (e.g., vehicles per hour and queuing capacity) for each emergency evacuation routing scenario.
6. Assess safety considerations and evacuation route viability for the various emergency evacuation scenarios being studied.
7. Documentation of study findings and recommendations including evacuation routing exhibits for each emergency evacuation scenario.

Following City review of the screencheck draft and receipt of initial comments, Michael Baker will incorporate revisions to create an administrative draft. The comments received on the administrative draft will be incorporated to prepare a public review draft.

Task Deliverables:

» One electronic file of draft Safety Element

» Coordination with CalFire

Task 7.4 Final Safety Element

Michael Baker will compile all comments received on the public review draft Safety Element and will incorporate changes as necessary. The Final Safety Element will be used for Planning Commission and City Council review and will also be made available to the public. Michael Baker will also prepare a staff report, resolutions for adoption, and any required presentations/handouts.

Following public hearings before the Planning Commission and the City Council and confirmation with City staff of desired changes, the Michael Baker team will revise and finalize the Safety Element.

Task Deliverables:

» One electronic file of final Safety Element

» Hard copies of final Safety Element (on a cost per materials basis)

» One Planning Commission public hearing and presentation as appropriate

» One revision to the draft Safety Element if deemed necessary

» One City Council public hearing and presentation as appropriate

Task 8 – Environmental Justice Element

Government Code Section 65302(h) states that a jurisdiction must "adopt or review the environmental justice element, or environmental justice goals, policies and objectives in other elements, upon the adoption or next revision of two or more elements concurrently on or before January 1, 2018." As the scope of work proposes to update both t*he Housing Element and Safety Element, the City must also address environmental justice in a stand-alone element or within an existing General Plan element. For purposes of clarity, the scope below recommends a stand-alone element.*

Task 8.1 Data Collection, Existing Conditions and Baseline Assessment

Michael Baker will collect applicable data, review existing conditions and conduct a baseline assessment. The Michael Baker team will analyze the demographics of Pinole to identify any disadvantaged populations following OPR guidelines. Utilizing the California Communities Environmental Health Screening Tool (CalEnviroScreen), we will identify and confirm communities vulnerable to environmental pollution and contaminants. Additional resources to be utilized will be the Department of Housing and Community Development's state income limits and the statewide median income data to id*entify any neighborhoods in Pinole with additional burdens; supporting data uncovered in the Housing Element will be utilized when possible. The existing conditions and baseline assessment will also report publicly accessible data regarding hazards, air quality, public facilities, food access, safe and sanitary homes, physical activity, civic engagement. Michael Baker will make goals, policy and objective recommendations for review and evaluation in this deliverable. Exhibits and social vulnerability maps will also be created to be included in the baseline assessment. A screencheck draft will be provided to the City for one round of comments and review.*

Task 8.2 Environmental Justice Community Engagement

Community engagement effort for Environmental Justice element will be merged with the Community Engagement efforts for the Housing Element as described in Task 2 and will the following

- Community Workshops (2)
- Initial City Council and Planning Commission Study Session
- Stakeholder interviews (up to 4)
- Online Survey

The online survey can be a separate survey from Housing Element or a merged survey. We will discuss the best strategy with the City during the kickoff meeting. The stakeholder interviews, at a minimum, will include reaching out to public works, sheriff's dept, and fire department.

We will provide the outreach materials (e.g., flyers, handouts, surveys) in English. The flyers and survey only will be provided in three additional languages of Spanish, Cantonese, and Tagalog, or as the City determines.

Task Deliverables:

» Two virtual community workshop events including one interpreter per workshop.

» Initial City Council or Joint City Council/Planning Commission Study Session

» Stakeholder interviews

» Online Safety Element survey

» Collateral materials

Task 8.3 Draft Environmental Justice Element

After completion of the proceeding tasks, Michael Baker will compile the *information into an administrative draft Environmental Justice Element. This deliverable will include all required components of an*

Environmental Justice Element and clearly respond to OPR guidance. Michael Baker will provide an electronic screencheck administrative draft (Microsoft Word) to the City for internal review. Comments and revisions are anticipated to occur in redline/strike-out track changes.

Michael Baker will *incorporate one consolidated set of comments/revisions into the administrative draft Environmental Justice Element to prepare a public review draft element. Michael Baker will provide an electronic public review draft in PDF and Microsoft Word format to the City. Public Review is anticipated to occur over a minimum 30-day period. The Environmental Justice Element would be made available on the City website, and up to two hard copies available at City locations. The City will be responsible for collecting public comments/questions and distributing to Michael Baker at the close of public review period.*

Task Deliverables:

» One electronic file of draft Environmental Justice Element

Task 8.4 Final Environmental Justice Element

Michael Baker will compile all comments received on the public review draft Safety Element and will incorporate changes as necessary. The Final Safety Element will be used for Planning Commission and City Council review and will also be made available to the public. Michael Baker will also prepare a staff report, resolutions for adoption, and any required presentations/handouts.

Following public hearings before the Planning Commission and the City Council and confirmation with City staff of desired changes, the Michael Baker team will revise and finalize the Safety Element.

Task Deliverables:

» One electronic file of final Environmental Justice Element

» Hard copies of final Safety Element (on a cost per materials basis)

» One Planning Commission public hearing and presentation as appropriate

» One revision to the draft Environmental Justice Element if deemed necessary

» One City Council public hearing and presentation as appropriate

Optional Tasks

Task 9– Rezoning

Optional Rezoning Analyses. If rezoning is necessary to meet the RHNA obligations, Michael Baker will work with City staff to identify potential areas for rezoning to maintain an adequate housing sites inventory throughout the eight-year planning period. This task assumes up to three alternative RHNA site combinations.

The rationale, methodology, and assumptions for any recommended rezoning areas will be incorporated into the sites inventory and resources chapter. If necessary, City staff will work with and seek letters of support from affected properties for inclusion in the sites inventory and for potential development of housing or mixed-use development within the eight-year planning period.

For budgeting purposes, we anticipate that rezoning support can be provided for approximately $10,000 to $20,000 to develop and evaluate rezoning scenarios. Once the scope of the rezoning effort has been determined, Michael Baker can prepare a formal scope and fee.

Task 10 – General Plan and Specific Plan EIR and Development of Objective Design and Development Standards

Environmental Documents

As noted under Task 5.1, CEQA Strategy Development, Michael Baker will work with the City to develop a comprehensive CEQA strategy that addresses both the Housing Element Policy changes as well as the required rezonings. Michael Baker will work with the City to develop a streamlined CEQA strategy to address the

Housing Element Policy changes, which could potentially be limited to an addencum to the City's General Plan EIR.

Concurrently, the Michael Baker will evaluate the location and extent of the rezoning required, and evaluate the potential to utilize the Three Corridors Specific Plan EIR to address the required rezoning. This could consist of the development of an addendum to the Specific Plan EIR, or the preparation of a subsequent EIR. Michael Baker will work with the City to develop an approach that utilizes the SB 2 funds that have been allocated to allow for updates to the Three Corridors Specific Plan.

Estimated cost to update a General Plan EIR is $150,000 to $200,000. To update a Specific Plan EIR is $100,000 to $150,000.

Objective Design Guidelines and Standards

Michael Baker has the experience and expertise to write, illustrate, and educate the public about design guidelines, development standards, and form-based codes. Our staff has prepared many objective guidelines, codes, and standards, customizing every document to the needs of the community and their available budget. Michael Baker creates comprehensive documents as independent documents, as well as concise project-specific objective guidelines that are often part of an ADU program, general plan, specific plan, revitalization strategy, or vision plan. We estimate this budget to be between $150,000 to $200,000.

Task 11 – Local Hazard Mitigation Plan

Michael Baker has provided hazard mitigation planning services to our clients for 50 years, with a strong track record in preparing hazard mitigation plans in accordance with the Disaster Mitigation Act of 2000 and other Cal OES/FEMA guidelines. Michael Baker frequently prepares both single-jurisdiction and multi-jurisdiction hazard mitigation plans and is experienced in expediting plan preparation and processing efforts. Our integrated approach has been tested time and time again, while providing flexibility to meet the client's needs. A recent LHMP prepared for the City of Rancho Santa Margarita received no comments upon submittal from Cal OES and FEMA; both agencies commended Michael Baker for a top-tier plan.

As the existing Contra Costa County Hazard Mitigation Plan expired and the City did not participate in the 2016 plan update, Michael Baker proposes a single-jurisdiction LHMP update on behalf of the City of Pinole. Our approach as outlined below will streamline the Safety Element update process by preparing an up-to-date vulnerability analysis to the benefit of both deliverables.

The LHMP planning and development process involves organizing a project management and stakeholder group and conducting a jurisdiction profile (including development trends and evaluation of vulnerable populations), risk assessment (hazard identification, hazard event history, specific vulnerability assessment, and existing capabilities), hazard mitigation strategy, and identification of maintenance LHMP process (including integration with other planning initiatives). The community outreach strategy would meet FEMA requirements, and would include an online community survey, web content/social media graphics, and one community workshop. The Michael Baker team would ensure consistency with the previous LHMP format, while updating to account for changes in the City since previous plan expiration.

Michael Baker anticipates that the peparation of an LHMP will require a budget between $35,000 and $70,000. Michael Baker can provide a detailed line-item scope and fee upon request.

NOTE: The Fee ranges provided for the optional tasks are based on current information that Michael Baker has received and without full awareness of the scope of the projects. The fees are subject to change.

Assumptions and Exclusions:

1. All draft and final deliverables will be in electronic format (Microsoft Word, PDF, PowerPoint, Excel).

2. Consultant attendance at meetings and hearings will be via Microsoft Teams, Webex, Zoom, or equivalent, except where specifically noted. In-person attendance at meetings, workshops, and hearings will be charged on a time and materials basis, including all travel time and expenses.

3. This scope and cost proposal do not include preparation of any CEQA documentation or analyses required aside from an administrative IS. The Housing Element update could be approved subject to an Addendum or Amendment that tiers off of the 2010 General Plan Update EIR. Alternatively, an MND or EIR could be required. It is assumed all CEQA studies, documentation, and public notification and outreach required for any of the options listed above would be determined after completion of the administrative IS and included under a separate scope and fee.

4. Rezoning and required CEQA analyses and documentation are not included in this scope. Any necessary rezoning will be subject to a separate CEQA review under a separate scope and fee.

5. The project team and City will rely on the content, accuracy, and adequacy of the data provided by the County Collaborative and ABAG Regional Housing Technical Assistance Program for the Needs Analysis, Constraints Analyses, Sites Inventory, and Affirmatively Furthering Fair Housing. This includes Pinole-specific:

   a) Needs Analysis graphs, data, and discussion points for all required data, including population, demographic, housing, market conditions and regional comparisons;
   b) Constraints analysis, including all cross jurisdictional comparisons necessary for this task (e.g., comparison of fees and processing time); discussion of typical countywide nongovernmental constraints, including community opposition to housing, cost of construction, limited availability of land and other topics;
   c) Sites inventory initial analysis utilizing ABAG's HESS Tool; and
   d) Community outreach support and materials.

6. City and fair housing service provider(s) will document local fair housing services and demonstrate compliance with and enforcement of all fair housing laws.

7. City staff will provide GIS map layers and parcel data including geocoded address and rectified (removal and resolution of duplicate or missing) APN for development project sites that have been built, approved and pending entitlement during the 2015-2023 cycle.

8. City staff will identify potential eligible sites based on local knowledge. If necessary, City staff will identify and contact property and business owners to obtain information to identify the likelihood of development, recycling, or redevelopment of the site within the 6th Cycle planning period.

9. City staff will provide summaries of the relevant specific plans and assumptions regarding development potential during the 6th Cycle planning period including developer contact and opinion, market, pro forma studies and other technical studies.

10. This scope does not include revisions or amendments that require readoption of the Housing Element.

Price Proposal and Staffing Plan

A detailed cost proposal is provided on the following fee schedule on a fixed fee, not to exceed basis with the exception of the tasks specifically noted as time and materials. The fee includes a recommended contingency budget of $40,000 (9%) of the total cost of all regular tasks as a contingency to account for unforeseen circumstances or miscellaneous City requests or modifications to the scope once underway. These funds can only be used with prior City authorization and would be billed on a time and materials basis. Michael Baker reserves the right to adjust and transfer hours between staff and tasks.

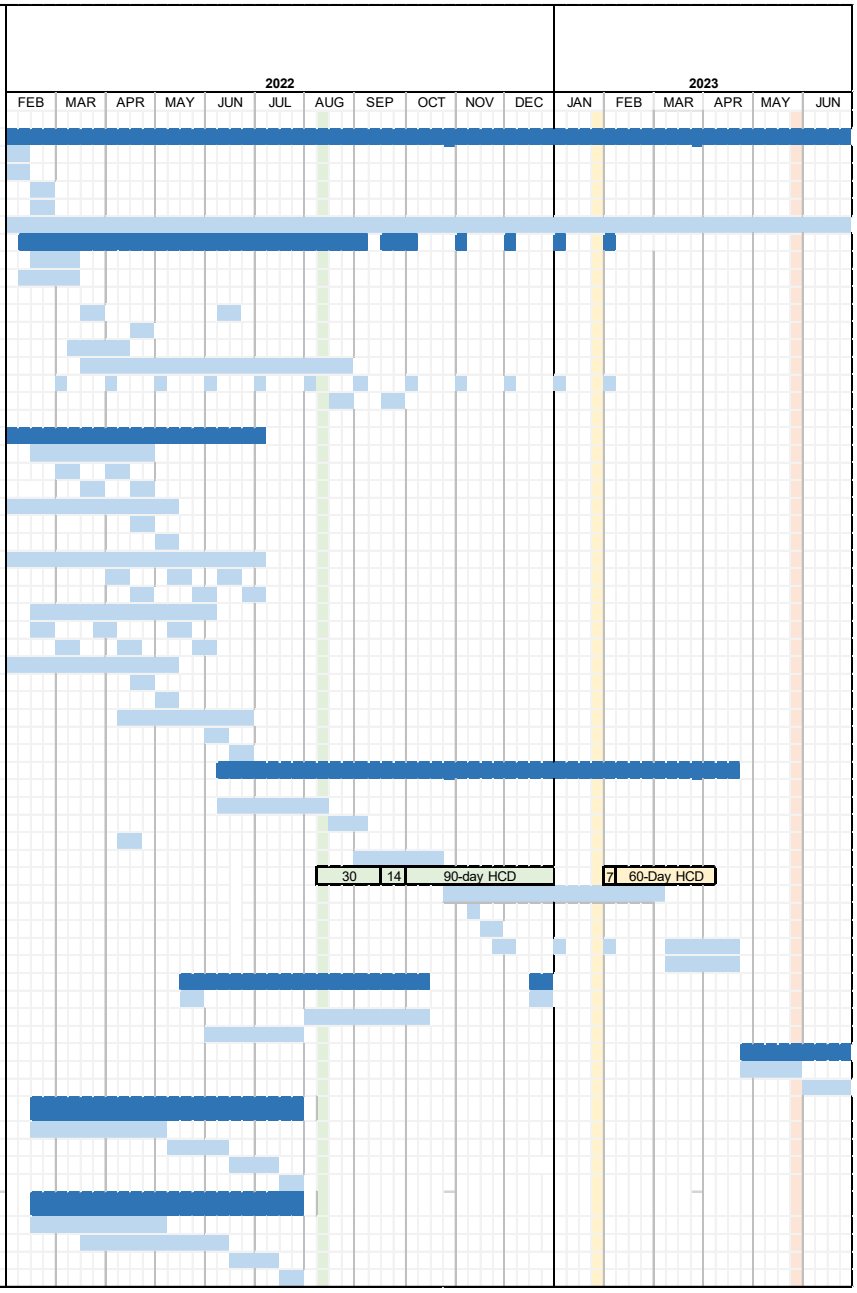
FEE PROPOSAL City of Pinole 2023-2031 Housing Element Update January 14, 2022 (Rev. Jan. 26, 2022)	Project Manager	Housing Element Leads	Strategic Advisor	Safety Element Lead	Evacuation Routes Study Lead	Environmental Justice Element / VA Lead	CEQA Lead	Community Engagement Lead	Planning Analysts	GIS Specialist	Technical Writer/ Graphics	Total Hours	Direct Costs (e.g., travel, vendors)	Labor Cost	Total Fee
	Veazey	Wery	VTA	Barbhaya	Davis	Steele	Minegar	Elliott	Chapman, Liska, Kreitman						
HOURLY RATE:	$235	$200	$190	$180	$220	$140	$250	$185	$120	$110	$120				
Task 1: Project Management and Coordination	26	56	24	2			14	38	22	0	0	182	$300	$ 35,400	$ 35,700
1.1 Kickoff meeting	4	4	4	2			2	4	4			24		$4,580	
1.2 Project Schedule	2	8	4				2	4	8			28		$5,030	
1.3 Project Management and Coordination	20	44	16				10	30	10			130		$25,790	
Task 2: Community Engagement	56	38	4	46	0	46	0	103	236	0	50	579	$7,000	$ 89,615	$ 96,615
2.1 Community and Stakeholder Outreach & Engagement Strategy	4	6	4					8	8		2	32		$5,580	
2.2.a Outreach Materials (includes 3 non-english languages)	2	4		4		4		12	38		12	76	$5,300	$10,770	
2.2.b Website	2								40			42		$5,270	
2.3 Community Outreach/Engagement Meetings and Activities															
2.3.1 Community Workshops	16	6		8		8		20	36		8	102		$16,500	
2.3.2 City Council and Planning Commission Study Sessions (2)	6	6		6		6		14	36		8	82		$12,400	
2.3.3 Focus Groups (up to 4) / Stakeholder Interviews (up to 5)	4	4		8		8		25	24		2	75		$12,045	
2.3.4 Online Surveys for HE, EJ, SE	4			8		8		8	30		4	62		$9,060	
2.3.5 Monthly Staff Reports (12)	12	4		4		4		8			12	44		$7,820	
2.4 Public Review Draft Hearing - CC and PC (2)	6	8		8		8		8	24		2	64	$1,700	$10,170	
Task 3: Research and Analysis (Administrative Draft Chapters)	46	96	24	0	0	0	0	39	330	42	34	611	$200	$ 90,085	$ 90,285
3.1 Evaluation of 2015-2023 Housing Element & Accomplishments	6	12	4					4	10		2	38		$6,750	
3.2 Housing Needs Assessment	4	8	4					4	80		6	106		$14,360	
3.3 Affirmatively Furthering Fair Housing (AFFH)	12	16	4					12	60	20	8	132		$19,360	
3.4 Housing Resources and Sites Inventory	6	20	4						100	16	6	152		$20,650	
3.5 Housing Constraints	6	20	4					4	40	6	6	86		$13,090	
3.6 Housing Plan (Goals, Policies, and Quantified Objectives)	12	20	4					15	40		6	97		$15,875	

Task 4: Housing Element Preparation	42	105	26	0			0	26	232	16	32	479	$200	$ 74,060	$ 74,260
4.1 Draft Housing Element															
Screencheck Draft Housing Element	10	20	8					10	80	4	12	144		$21,200	
City Council and Planning Commission Study Sessions (see 2.3.2)												-			
Public Review Draft	10	20	4					6	40	4	6	90		$14,180	
4.2 HCD 90-Day Substantial Compliance Review & Final Draft												-			
Public Review Draft Meeting & Hearing (2) (see Task 2.4)												-			
Public Comments Review & Revisions	8	20	2					10	32	4	6	82		$13,110	
Final Draft, response to HCD comments, HCD meetings (time & materials budget - estimate for 2 sets of revisions)	14	45	12						80	4	8	163		$25,570	
Task 5: CEQA Coordination	2	8	0	0			10	0	20	0	2	42	$300	$ 7,210	$ 7,510
5.1 CEQA Strategy Development	2	8					10		20		2	42		$7,210	
Task 6: Housing Element Adoption and Certification	12	24	4	0			0	0	60	0	0	100	$1,600	$ 15,580	$ 17,180
6.1 Planning Commission and City Council Hearings (2)	8	12							48			68		$10,040	
6.2 State Certification (Time & Materials Budget)	4	12	4						12			32		$5,540	
Task 7: Safety Element Update	6	12	0	128			0	0	300	24	20	590	$200	$ 86,690	$ 86,890
7.1 Data Collection		2		16					16			34		$5,200	
7.2 Existing Conditions, Mapping, and Vulnerability Assessment		4		28		40			80	24	6	182		$24,400	
7.3 Safety Element Community Engagement												-		$0	
7.4 Draft Safety Element and Consultations	2	2		60	60				180		8	312		$47,430	
7.4 Final Safety Element	4	4		24					24		6	62		$9,660	
Task 8: Environmental Justice Element	0	0	0	20			0	0	154	0	0	250	$200	$ 32,720	$ 32,920
8.1 Data Collection, Existing Conditions and Baseline Assessment				10		30			70			110		$14,400	
8.2 Environmental Justice Community Engagement												-		$0	
8.3 Draft Environmental Justice Element				8		30			80			118		$15,240	
8.4 Final Environmental Justice Element				2		16			4			22		$3,080	
TOTAL ALL TASKS	190	339	82	176			24	206	1200	82	138	2,583	$ 16,800	$ 431,360	$ 441,360
Miscellaneous Tasks Contingency (time & materials)														$ 0	$ 40,000
										GRAND TOTAL					**$481,360**

Estimated hours. Michael Baker reserves the right to adjust and transfer hours between staff and tasks. Prior City approval required to exceed any task budget.

Project Schedule

City of Pinole
Housing & Safety Element Update
January 14, 2022 (Rev. January 26, 2022)



TASKS

- **Task 1: Project Management and Coordination**
  - 1.1 Project Kick-off Meeting
  - 1.2 Project Schedule
    - City Review
    - Incorporate City Comments
  - 1.3 Project Management, Coordination, and Quality Control
- **Task 2: Community Engagement**
  - 2.1 Community and Stakeholder Outreach & Engagement Strategy
  - 2.2 Outreach Materials
  - 2.3 Community Outreach/Engagement Meetings and Activities
    - 2.3.1 Community Workshops (up to 2)
    - 2.3.2 City Council and Planning Commission Study Sessions (1@)
    - 2.3.3 Focus Groups and Stakeholder Interviews
    - 2.3.4 Online Housing Needs Survey
    - 2.3.5 Monthly Staff Reports (12)
  - 2.4 Public Review Draft Hearing (2)
- **Task 3: Research and Analysis**
  - 3.1 Evaluation of 2015-2023 Housing Element & Accomplishments (Administrative Draft)
    - City Review
    - Incorporate City Comments
  - 3.2 Housing Needs Assessment (Administrative Draft)
    - City Review
    - Incorporate City Comments
  - 3.3 Affirmatively Furthering Fair Housing (AFFH) (Administrative Draft)
    - City Review
    - Incorporate City Comments
  - 3.4 Housing Sites Analysis and Opportunities (Administrative Draft)
    - City Review
    - Incorporate City Comments
  - 3.5 Housing Constraints (Administrative Draft)
    - City Review
    - Incorporate City Comments
  - 3.6 Housing Goals, Policies, and Quantified Objectives (Administrative Draft)
    - City Review
    - Incorporate City Comments
- **Task 4: Housing Element Preparation**
  - 4.1 Draft Housing Element
    - Screencheck Draft Housing Element
    - City Review
    - City Council (or joint PC) Study Session (see 2.3.2)
    - Public Review Draft
  - AB 215 Mandatory Public Review (30+14+90 day HCD)
  - 4.2 HCD Draft (90-Day Substantial Compliance Review)
    - Public Review Draft Meeting & Hearing (1) (see Task 2.4)
    - Public Comments Review & Revisions
    - Revised HEU, response to HCD comments, meetings (Time & Materials Budget)
    - City Review
- **Task 5: California Environmental Quality Act**
  - 5.1 Project Initiation
  - 5.2 Administrative Draft Initial Study/Addendum
  - 5.3 Technical Studies Reviews (Plan EIRs)
- **Task 6: Housing Element Adoption and Certification**
  - 6.1 Planning Commission and City Council Hearings
  - 6.2 State Certification
- **Task 7: Safety Element Update**
  - 7.1 Data Collection
  - 7.2 Existing Conditions and Mapping
  - 7.3 Draft Safety Element and Consultation with Cal Fire
  - 7.4 Final Safety Element
- **Task 8: Environmental Justice Element**
  - 8.1 Data Collection, Existing Conditions and Baseline Assessment
  - 8.2 Environmental Justice Community Engagement
  - 8.3 Draft Environmental Justice Element
  - 8.4 Final Environmental Justice Element

D. EXCEPTIONS TO THE RFP

Michael Baker would like to acknowledge that, given the very tight timeline to produce the Housing Element update and meet the new statutory requirements, the team will make every effort to produce a document that meets HCD's requirements in order for the Housing Element update to be certified by the State-mandated deadline. There are, however, many variables outside of our control, not insignificantly, the expertise and discretion of the HCD reviewer. In addition, HCD has mandated extensive review periods that significantly impact the time available to produce document content. While we can ensure that the required update will be completed on time, we cannot ensure the timeliness of certification by HCD.

E. COMMENTS ON CITY STANDARD CONSULTING SERVICES AGREEMENT

Michael Baker appreciates the opportunity to review and provide any questions on the City's professional services agreement. We respectfully request consideration of the following comments, due to insurance commercially available, and the professional standard of care required for performance of the services.

Section 2.2 (Monthly Payment) – Due to the potential for subjectivity in the use of terms such as "satisfactorily", modification is requested to refer to the Standard of Performance set out in Section 1.2 as follows: "City shall make monthly payments, based on invoices received, for services performed in accordance with the Standard of Performance, 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."

Section 2.3 (Final Payment) – For the same reason as stated above, and to remove the retainage reference, modification of this clause is requested to: "City shall pay the final 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 performed in accordance with the Standard of Performance."

Section 2.8 (Payment upon Termination) – For the same reason as explained above, modification of the term "satisfactorily completed" is requested to "completed in accordance with the Standard of Performance".

Section 4 (Insurance Requirements) – We can comply with the types and limits of insurance required, but wish to explain some terms which are either not commercially available, or not in accordance with corporate policies as follows: Section 4.3.1 – Modification of the $150,000 deductible to $200,000 as this is the deductible carried for this policy. Also, for disclosure purposes under Section 4.4.5, we also carry deductibles of: $100,000 Automobile; $250,000 Commercial General Liability; $500,000 Workers Compensation. Section 4.4.2 – Modification of the requirement to provide complete copies of policies to "certificates of insurance" is requested. Due to security and confidentiality concerns, our corporate offices does not typically release policies of insurance outside the company. Section 4.4.3 – We cannot provide endorsements with the wording as required under this section. Major carriers will provide advance notice only for cancellation, and the notice is sent by regular US mail. Section 4.4.4 – The endorsement number referenced in this section, CG 2010 (11/83 ed) is specific to commercial general liability insurance, and cannot apply to all policies. We can provide additional insured endorsements only under commercial general liability and automobile liability.

Section 9 (Keeping and Status of Records), Subsection 9.1. Modification of the third sentence is requested as follows, as the professional cannot control how deliverables are used once in the hands of the client as acknowledged by the City: "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, therefore any reuse or modification by City of any such materials on other projects without Consultant's prior written consent shall be at the sole risk of the City and Consultant shall not be held liable for any negative results of such reuse or modification.

Section 10 (Miscellaneous Provisions) - The addition of the following clause is requested to address circumstances outside the control of the contracting parties: "Waiver of Consequential Damages. Neither party shall have any claim or right against the other, whether in contract, warranty, tort (including negligence), strict liability or otherwise, for any special, indirect, incidental, or consequential damages of any kind or nature whatsoever, such as but not limited to loss of revenue, loss of profits on revenue, loss of customers or contracts, loss of use of equipment or loss of data, work interruption, increased cost of work or cost of any financing, howsoever caused, even if same were reasonably foreseeable."

We appreciate the City's consideration of the above, and will work with the City to come to agreement on any comment of concern.

F. DISCLOSURE OF CONFLICT OF INTEREST

Michael Baker International provides services to public and private clients nationwide and has a major presence in California where much of our work is with municipalities and other public agencies. We adhere to an objective third party approach to our services; therefore, outside of business contractual arrangements, we have no financial interest with any of our clientele.

G. ACKNOWLEDGEMENT THAT KEY PERSONNEL CANNOT BE SUBSTITUTED WITHOUT PERMISSION

Michael Baker agrees to request permission to substitute any of the key personnel listed in this proposal. Michael Baker will immediately inform City staff if a key staff member is no longer available due to circumstances beyond our control.

H. BUSINESS LICENSE

Michael Baker supported the City's multi-phase fee project and maintained a Pinole business license during 2021. We will be sure to renew that license should we be selected to complete this work.

Return to Agenda

CITY COUNCIL REPORT

8E

DATE: **FEBRUARY 1, 2022**

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **HEATHER BELL, CITY CLERK**

SUBJECT: **APPROVE REVISIONS TO COUNCIL PROCEDURES**

RECOMMENDATION

Staff recommends that the City Council approve a resolution revising the Council Procedures as directed at the December 21, 2021 meeting.

BACKGROUND

Procedures for conducting City Council meetings, publication and posting of the Agenda, and the Agenda format are set by resolution. The resolution is amended as necessary, based on procedural changes approved by the Council.

At the December 21, 2021 meeting, the City Council reviewed and approved proposed changes by both staff and Council members.

The staff-recommended changes that were reviewed and approved by the City Council are as follows:

1. Adding Section 8. Decorum, which sets forth standards of behavior for the City Council, Staff and the Public at Council Meetings

2. Amending section 3.F.IV to reflect the order of public discussion to be consistent with the approved Council Norms set forth in Resolution 2021-27 (Attachment B)

3. Adding Section 9. Council Norms of Behavior, which incorporates Resolution 2021-27 as an Exhibit to the Council Procedures Resolution

4. Additional minor changes and format revisions (as reflected in the December 21, 2021 staff report)

During its discussion, the City Council proposed and approved each of the additional following changes:

1. To add language on posting City Council meeting agendas on-line to Sections 3 and 5 of the agenda.

2. To move the existing Reports & Communication section of the City Council agenda after Citizens to be Heard.

3. To amend Section 11. Tape Recordings, to read:
   "Council meetings are televised live on Pinole's Local Community Access Channel (Channel 26). Tape recordings and livestream of Council meetings and livestream on social media pages are kept in order to assist in the preparation of minutes. After the prepared minutes have been approved, video tape recordings shall be retained pursuant to the Citywide Records Retention Policy."

4. To modify the City Council meeting agenda to provide for two Citizens to be Heard, the first after Item 5, Reconvene In Open Session to Announce Results of Closed Session, and the second after New Business.

5. To add language in the City Council Procedures further defining workshops versus study sessions.

The above revisions have been incorporated by staff and are reflected in the revised Council Procedures Resolution, included as Attachment A.

FISCAL IMPACT

There is no fiscal impact associated with amending the Council meeting procedures.

ATTACHMENTS:

Attachment A:	Proposed Resolution Exhibit A
Attachment B:	December 21, 2021 Staff Report
Attachment C:	Revised Resolution - Clean Version

ATTACHMENT A

RESOLUTION NO. 2022 - XX

RESOLUTION OF THE CITY COUNCIL OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, AMENDING AND SETTING FORTH COUNCIL MEETING PROCEDURES FOR THE PREPARATION AND POSTING OF AGENDAS AND THE CONDUCT OF MEETINGS

The Pinole City Council hereby repeals all prior resolutions related to the conduct of meetings, including Resolution 103-2003; 178-2003, 2005-02, 2007-07, 2007-86, 2008-74, 2009-124, 2012-08, 2012-127, 2014-67, and 2015-109, 2016-100, 2017-13, 2017-72, 2018-113, 2019-03, 2020-114, 2021-28 and 2021-68 and resolves as follows:

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1. Regular Meetings. Pursuant to Section 2.12.010 of the Municipal Code, a regular meeting of the Pinole City Council shall be held at 6:00 p.m. on the first and third Tuesdays of every month at the Council Chambers, 2131 Pear Street in Pinole, California. Items are placed on the agenda under the respective section headings. Public Hearings are scheduled to commence on or around 7 p.m. pursuant to the Municipal Code.

2. Closed Sessions of the Pinole City Council will customarily be held at 6 p.m. before the regular business items on the City Council agenda. The Closed Session is scheduled to be concluded by or before 7 p.m. If all business cannot be completed during that time, the items will either be held over to the next meeting, or Council may convene back into Closed Session following all the business items that evening.

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3. Posting of Meeting Agenda. As required by the Brown Act, ~~A~~at least seventy-two (72) hours before a regular meeting, and twenty-four (24) hours before a special meeting of the City Council, the City Clerk shall post ~~on the bulletin board located outside of City Hall,~~ the agenda containing a brief general description of each item of business to be transacted or discussed at the meeting. The agenda shall be posted on the bulletin board located outside of City Hall and online on the City's website~~.~~

4. Council Action Limited. As required by the Brown Act, t~~T~~he Council shall not take action on any item not appearing on the posted agenda unless:

   A. It is determined by a two-thirds (2/3) vote of the Council, or if less than two-thirds (2/3) of the Council is present, the unanimous vote of the members present, that the need to take action arose after the posting of the agenda.
   B. It is determined by a majority vote of the Council that an emergency situation as described in Government Code Section 54956.5 necessitated prompt action due to the disruption or threatened disruption of public facilities.
   C. The item was posted for a prior meeting less than five (5) days previously and continued to the meeting where action is being taken.

5. Posting Notices for Special Meetings. The call and notice of special meetings shall be posted at least twenty-four (24) hours on the bulletin board located outside of City Hall and online on the City's website.~~.~~

6. Agenda Preparation. The City Manager will in coordination with the Mayor identify the items that will be included on each specific City Council agenda. Items may include those requested as future agenda items by the City Council and those needed by City staff to carry out City functions. Staff will endeavor not to include more items on a single agenda than the Council can reasonably address during a single meeting. Items requested as future agenda items by the City Council will be placed on a Council meeting agenda as soon as staff has had sufficient time to conduct any necessary preparations for the item. The City Manager may schedule items requested by Council as future agenda items based on specific time sensitivity or natural timing

of the item. The City Council can establish a date certain for a future agenda item when it approves a future agenda item. Cut-off time for placing items on the agenda shall be Wednesday, thirteen days preceding each regular Tuesday meeting, with the final agenda to be prepared by 5:00 pm of the Thursday preceding the meeting.

7. Order of Business. Promptly at the hour appointed for each regular meeting, the members of the Council, the City Clerk, City Attorney, and City Manager, the Police Chief or his designee and such other staff members as are necessary shall assemble in the Council Chambers or some other publicly announced location. A statement of conflict must be disclosed by an official who has a conflict prior to consideration of the decision by publicly identifying in detail the financial interest that causes the conflict; recusing himself /herself from discussion and voting, and leaving the room until the decision has been reached (GC Section 87200).

AGENDA FORMAT

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

2. LAND ACKNOWLEDGMENT

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.

3. ROLL CALL, CITY CLERK 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.

4. 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.*

EXAMPLES:

A. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to GC §54597.6
City Labor Negotiator:
Employee Organizations:

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to GC §54597
Public Employee Performance Evaluation:

OPEN SESSION WILL COMMENCE UPON COMPLETION OF CLOSED SESSION DISCUSSIONS, WHICH MAY OCCUR BEFORE 7:00 PM

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

6. CITIZENS TO BE HEARD (Public Comments)

Return to Agenda

Citizens may speak under any item not listed on the Agenda. *The time limit is 3 minutes for City Council items 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 meeting.*

7.~~12.~~ REPORTS & COMMUNICATIONS

A. Mayor
   1. Announcements

B. Mayoral and Council Appointments

C. City Council Reports and Communications

D. Council Requests for Future Agenda Items and Other Staff Follow-Up

E. City Manager and Department Staff

F. City Attorney Report

8.~~7.~~ RECOGNITIONS / PRESENTATIONS / COMMUNITY ANNOUNCEMENTS

A. Proclamations
B. Presentations/Recognitions

9.~~8.~~ CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine ~~and~~ or 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.

10.~~9.~~ 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.***

11.~~10.~~ OLD BUSINESS

12.~~11.~~ NEW BUSINESS

13. CITIZENS TO BE HEARD (Public Comments) Open only to members of the public who did not speak under the first Citizens to Be Heard, Agenda Item 6

Citizens may speak under any item not listed on the Agenda. *The time limit is 3 minutes for City Council items 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 meeting.*

~~12. REPORTS & COMMUNICATIONS~~

~~A. Mayor~~
~~1. Announcements~~

~~B. Mayoral and Council Appointments~~

~~C. City Council Reports and Communications~~

~~D. Council Requests for Future Agenda Items and Other Staff Follow-Up~~

~~E. City Manager and Department Staff~~

~~F. City Attorney Report~~

14.~~13.~~ ADJOURNMENT

END OF AGENDA FORMAT

8. Decorum. The City Council, elected by the public, must be free to discuss issues confronting the City in an orderly environment. Public members attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council. Any person making impertinent, derogatory, or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting may be removed from the room if the Presiding Officer so directs.

The City Council, staff, and the public shall observe the following standards of behavior that promote civility at all public meetings. These standards will be listed on the agenda coversheet for each meeting.

- Treat everyone courteously;
- Give open-minded consideration to all viewpoints;
- Listen to others respectfully;
- Focus on the issues and avoid personalizing debate; and
- Embrace respectful disagreement and dissent as democratic rights, inherent components of an inclusive public process, and tools for forging sound decisions.

9. Norms of Behavior: The City Council has approved Council Norms of Behavior incorporated hereto as Exhibit A.

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10~~1~~. Approval of Minutes. A true copy of the minutes of proceedings of regular and special meetings not theretofore approved, as the same shall be entered in the journal of proceedings, shall be provided by the City Clerk to each Council member at least twenty-four (24) hours before regular meetings. Unless otherwise ordered by the Council, the City Clerk shall prepare and produce action minutes of the meetings, which may be approved without a public reading of the same. The minutes as approved by the Council shall be the permanent official record of the proceedings of the City Council.

11~~2~~. Tape Recordings.

Council meetings are televised live on Pinole's Local Community Access Channel (Channel 26). Tape recordings and livestream of Council meetings and livestream on social media pages are kept in order to assist in the preparation of minutes. After the prepared minutes have been approved, video tape recordings shall be retained pursuant to the Citywide Records Retention Policy.

~~Council meetings are televised live on Pinole's Local Community Access Channel (Channel 26). Tape recordings of Council meetings are kept in order to assist in the preparation of minutes. After the prepared minutes have been approved, video tape recordings shall be retained pursuant to the Citywide Records Retention Policy.~~

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12~~3~~. Rules of Order. The following definitions and rules shall govern the proceedings and order of business of the Council:

a. Reports. Under the item of business entitled "Reports", the Council may receive reports from Council Members, ~~or~~ the City Manager, and the City Attorney, which are intended to be limited to approximately two (2) minutes from each individual. Summaries of Council liaison (i.e., advisory committees and regional agencies) assignment meetings will be submitted by Council Members to the City Clerk periodically and be included as attachments to Council agendas and reflected in the minutes. The City Manager shall include a report on anticipated agenda items for the next meeting.

b. Consent Calendar. Items listed under the "Consent Calendar" are considered to be routine ~~and~~ or noncontroversial and will be enacted, approved, received or adopted by one motion in the form as shown on the agenda. A member of the public or Council member(s) wishing to comment on an item~~,~~ may do so before action is taken. If an item is removed from the Consent Calendar for discussion or response to questions, the items shall be removed from the Consent Calendar, and an action shall be taken to approve the balance of the Consent Calendar. Immediately following, the items removed for discussion should be considered separately for action by Council.

c. Citizens To Be Heard. Members of the public may address the Council on any item of interest that is within the jurisdiction of the Council. Individuals who want to speak should complete a card giving his/her name and the item number or description. Individuals will be heard during the Council's consideration of the item. If the item is not listed on the agenda, describe the subject matter on the card and it will be called under Citizens to be Heard, (Public Comment). Time limit is 3 minutes, subject to modification by the Mayor. Individuals may not share or offer time to another speaker.

d. Public Hearings shall consist of matters wherein published notice has been given and where public hearings are required by law and such matters as the Council may deem necessary or desirable to schedule for public hearings. Anyone wishing to speak regarding a Public Hearing should fill out a speaker card prior to the completion of the staff presentation and submit it to the City Clerk. Individuals may not share or offer time to another speaker. The order of business for Public Hearings is as follows:

I. All persons wishing to speak for or against a matter which has been set for Public Hearing are requested to complete a card giving his/her name and address, and to hand the card to the City Clerk as early as possible in the meeting. The cards can be found on the Clerk's desk or on a table located in the back of the Council Chambers.

II. The speakers shall address remarks to and through the Mayor.

III. Persons addressing the Council shall state their name, the city in which they reside, the interest they represent, if any, and shall state on which side of the argument they wish to be heard

IV. Prior to opening the Public Hearing, the Mayor may request a staff report and presentation.

V. All persons wishing to be heard shall confine their remarks to the merits of the matter being considered and shall refrain from references to personalities.

VI. Applicant/Appellant (10 minutes), subject to adjustment by the Mayor - The applicant or his/her representative shall first address the Council and shall, in his/her first address, state all relevant reasons and present all relevant evidence on behalf of the application.

VII. Opponent (5 minutes), subject to adjustment by the Mayor – The primary opponent representative to a project/application shall address the Council second and shall state all relevant reasons and present all relevant evidence on behalf of the opposition.

VIII. The Mayor shall next request the Clerk to read or acknowledge any written communication received on the application.

IX. Public Comments will be (3 minutes per speaker), subject to adjustment by the Mayor. Any persons wishing to speak either in favor of, in opposition to, or simply to comment on the application shall next be recognized by the Mayor in the order in which they present themselves.

X. After all persons desiring to speak on the application have completed their presentation and any written communications have been acknowledged, the applicant will be permitted 5 minutes to close the argument by presenting matter in rebuttal on presentation made in opposition to the application.

XI. If the applicant, in rebuttal, presents new evidence not covered in the original presentation, persons who have previously spoken on the application may be granted an opportunity to comment on the new evidence only.

XII. The applicant shall have the right to close the argument.

XIII. The Public Hearing shall then be concluded on the part of the public and brought to the Council level for discussion and decision. There is no further comment permitted from the audience unless requested by the Council.

XIV. In matters set for Public Hearing before the City Council, the Mayor reserves the right to limit the length of time for argument.

e. Appeals. Appeals shall be presented to the Council through the City Clerk and/or as required by law. Persons other than parties to the appeal may speak only by permission of the Council. The process for appellant/opposition speakers shall be the same as outlined above for Public Hearings.

f. Public Discussion

I. Permission - Any person addressing the Council shall first secure the permission of the presiding officer.
II. Not A Debate - Public discussion should not be used to elicit a debate between Council members or staff and the public.
III. Time Limits - The Council may establish time limits for the consideration of any agenda item as well as establish an overall time period for the consideration of any matter.
IV. Public Discussion During Council Deliberation - Public discussion shall be allowed following the staff report and Council questions ~~and discussion.~~ and before deliberations. Speakers shall be allowed three minutes each, subject to modification by the Mayor.
V. Limit on Public Discussion After Motion to Terminate Deliberation - No discussion shall be permitted after a motion, which would terminate further deliberation, has been adopted.

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13~~4~~. Council Deliberation.

I. Presiding Officer May Deliberate - The Mayor may deliberate from the chair, subject only to such limitations of deliberation as are by these rules imposed on all members, and shall not be deprived of any of the rights and privileges as a member of the Council by reason of his/her acting as the Mayor.

II. Getting the Floor - Improper References to be Avoided - Every member desiring to speak shall address the Mayor, and upon recognition shall confine himself/herself to the question under deliberation, avoiding negative references to personalities and indecorous language.

III. Interruptions - A Council member, once recognized, shall not be interrupted when speaking unless it is to call said member to order, or as herein otherwise provided. If a member, while speaking, be called to order, said member shall cease speaking until the question or order be determined, and if in order, said member shall be permitted to proceed.

IV. Motion to Reconsider - A motion to reconsider any action taken by the Council may be made only on the date such action was taken or the next meeting of the Council. Such motion must be made by one who voted on

the prevailing side, and may be made at any time or while a member has the floor and have precedence over all other motions; it shall be debatable. Nothing herein shall be construed to prevent any member of the Council from making or remaking the same other motion at a subsequent meeting of the Council or a motion to rescind.

V. Repeal or Amendment of Action Requiring More Than a Majority Vote - Any ordinance or resolution which is passed or adopted and which, as part of its terms, requires more than a majority vote of the Council in order to pass, a motion pursuant to such an ordinance or resolution shall require a vote of the same percent of the Council to repeal or amend the ordinance or resolution.

VI. Motion to Table - A motion to lay on the table is not debatable and shall preclude all amendments or deliberation of the subject under consideration. If the motion shall prevail, the consideration of the subject may be resumed only upon a motion of a member voting with the majority.

VII. Motion to Call for Question or Continue to a Date Specific - A motion to call for the question or continue the matter to a specific date shall preclude all amendments to or deliberation of the subject under consideration and is not debatable.

VIII. Statement of Position - When a motion to call for the question is adopted, each member of the Council may briefly state his/her position on the matter before roll call or call for the next item of business.

IX. Privilege of Closing Deliberation - The Council member moving the adoption of an ordinance or resolution shall have the privilege of closing the deliberations or making the final statement. Further, it shall be the privilege of the Mayor to close debate where the Mayor determines that further debate is not advancing deliberations.

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X. Division of Question - If the question contains two (2) or more divisible propositions, the presiding officer may, and upon request of a member shall, divide the same.

XI. Second Required - All motions except for nominations and a point of order shall require a second.

XII. Miscellaneous - All other matters not covered by these rules shall be decided by a majority of the Council. Roberts' Rules of Order may be used for guidance. Further, this Resolution supersedes any prior resolutions relating to the conduct of Council meetings.

14~~5~~. Council Requests for Future Agenda Items and Other Staff Follow-Up – Under this agenda item, any Council Member may make a motion that an item be scheduled for discussion at a future City Council meeting or that staff conduct a specific follow-up task. The request must be approved by a majority vote of the Council in order to be carried out. The Council Member raising the request shall specify the type of follow-up they seek, among the following: staff provide

information on a topic to Council in a memorandum; staff schedule a presentation to Council by an outside party at a future Council meeting; staff schedule a report to Council by staff at a future Council meeting; staff schedule an agenda item at a future Council meeting for staff to receive direction from Council on an issue; and staff present proposed City legislation/policy (resolution or ordinance) to Council at a future Council meeting. Council requests that staff conduct a special project that would require substantial staff time and/or substantial other City resources will be brought to Council as a future Council agenda item for staff to receive direction from Council on how to resource and prioritize the special project within the City workplan.

15~~6~~. Meetings will be adjourned at 11:00 p.m., unless Council approves a motion to extend the meeting to address specific items not yet taken up on the agenda.

16. Study Sessions and Workshops are special meetings of the City Council that provide in-depth information and give City Council members background and insight for addressing critical City issues more effectively.

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PASSED AND ADOPTED this **21st** day of **December, 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 21st day of December, 2021.

_____
Heather Bell, CMC
City Clerk

EXHIBIT A

RESOLUTION NO. 2021- 27

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, ADOPTING REVISED CITY COUNCIL NORMS OF BEHAVIOR

WHEREAS, the City Council adopted Norms of Behavior in August 2019 subsequent to a Council teambuilding workshop in June 2019; and

WHEREAS, the City Council held a special meeting, in a workshop format, in January 2021 during which the City Council reviewed and discussed the Norms of Behavior; and

WHEREAS, based on the discussion, the meeting facilitator, Management Partners, has created a recommended revised set of norms;

NOW, THEREFORE, BE IT RESOLVED that the Pinole City Council does hereby establish the following revised set of Norms of Behavior:

1. Work for the public good, not for personal interest.
2. Empower and communicate through the City Manager.
3. Work for "win/win" solutions by striving for consensus and seeking common ground.
4. The Council's policy deliberation process will be performed in the following order: Council questions; public questions/comment; Council deliberations; motion(s); decision made by majority vote.
5. Praise Council and staff decision(s) in public and offer corrective comment(s) in private.
6. Share information with each other early in the process to avoid surprises.
7. Address one another by role and last name and shake hands once the meeting concludes.
8. Establish a structure where the Mayor calls on members.
9. Prior to a Council vote, where there may be confusion, the proposed action will be read aloud so that the entire Council is clear about what they are voting on.
10. Summaries of Council liaison (i.e., advisory committees and regional agencies) assignment meetings will be submitted to the City Clerk periodically and be included as attachments to Council agendas and reflected in the minutes.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 20th day of April 2021 by the following vote:

AYES:	COUNCILMEMBERS:	**Murphy, Salimi, Tave, Toms**
NOES:	COUNCILMEMBERS:	**None**
ABSENT:	COUNCILMEMBERS:	**Martínez-Rubin**
ABSTAIN:	COUNCILMEMBERS:	**None**

I hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on the 20th day of April 2021.

CITY OF PINOLE · CALIFORNIA · 1903

Heather Iopu, CMC
City Clerk

Return to Agenda

ATTACHMENT B

CITY COUNCIL REPORT

11A

DATE: **DECEMBER 21, 2021**

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **ANDREW MURRAY, CITY MANAGER**
HEATHER BELL, CITY CLERK

SUBJECT: **REVIEW CITY COUNCIL MEETING PROCEDURES**

RECOMMENDATION

It is recommended that the City Council review the City Council Meeting Procedures, discuss proposed revisions, and provide direction to staff.

BACKGROUND

The Pinole City Council has established, by resolution, procedures for creating and posting City Council meeting agendas, the agenda format, and procedures for conducting City Council meetings. The City Council has a tradition of reviewing the meeting procedures each year, in December, and considering revisions. The City Council has historically considered and adopted revisions, if any, in a two-step process. The City Council first reviews the resolution containing the current procedures and, if it would like any revisions, directs staff to update the resolution. Then, at the subsequent meeting, the City Council adopts the resolution containing the current or revised procedures.

The current procedures are contained in Resolution 2021-28 (Attachment A), which was approved on April 20, 2021. The current agenda format, as defined in the procedures, meets all relevant legal requirements, functions adequately, contains all the necessary categories, and is compliant with the Brown Act.

Staff is recommending that Council consider making the following changes to the procedures:

1. Add Section 8. Decorum, which sets forth standards of behavior for the City Council, Staff, and the Public at Council Meetings

2. Amend Section 3.F.IV to reflect the order of public discussion to be consistent with the approved Council Norms set forth in Resolution 2021-27

3. Adding Section 9. Council Norms of Behavior, which incorporates Resolution 2021-27 as an Exhibit to the Council Procedures Resolution

4. Additional minor changes

Staff's recommended changes are shown in tracked changes in the revised resolution (Attachment B).

FISCAL IMPACT

There is no fiscal impact associated with amending the Council meeting procedures.

ATTACHMENTS:

Attachment A: Resolution 2021-28 – City Council Meeting Procedures – Adopted April 20, 2021

Attachment B: Draft Resolution – City Council Meeting Procedures with Staff-Recommended Changes
Exhibit A - Resolution 2021-27 – City Council Norms of Behavior – Adopted April 20, 2021

ATTACHMENT A

RESOLUTION NO. 2021-28

RESOLUTION OF THE CITY COUNCIL OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, AMENDING AND SETTING FORTH COUNCIL MEETING PROCEDURES FOR THE PREPARATION AND POSTING OF AGENDAS AND THE CONDUCT OF MEETINGS

The Pinole City Council hereby repeals all prior resolutions related to the conduct of meetings, including Resolution 103-2003; 178-2003, 2005-02, 2007-07, 2007-86, 2008-74, 2009-124, 2012-08, 2012-127, 2014-67, and 2015-109, 2016-100, 2017-13, 2017-72, 2018-113, 2019-03, and 2020-114 and resolves as follows:

1. Regular Meetings. Pursuant to Section 2.12.010 of the Municipal Code, a regular meeting of the Pinole City Council shall be held at 6:00 p.m. on the first and third Tuesdays of every month at the Council Chambers, 2131 Pear Street in Pinole, California. Items are placed on the agenda under the respective section headings. Public Hearings are scheduled to commence on or around 7 p.m. pursuant to the Municipal Code.

2. Closed Sessions of the Pinole City Council will customarily be held at 6 p.m. before the regular business items on the City Council agenda. The Closed Session is scheduled to be concluded by or before 7 p.m. If all business cannot be completed during that time, the items will either be held over to the next meeting, or Council may convene back into Closed Session following all the business items that evening.

3. Posting of Meeting Agenda. At least seventy-two (72) hours before a regular meeting, and twenty-four (24) hours before a special meeting of the City Council, the City Clerk shall post on the bulletin board located outside of City Hall, the agenda containing a brief general description of each item of business to be transacted or discussed at the meeting.

4. Council Action Limited. The Council shall not take action on any item not appearing on the posted agenda unless:

A. It is determined by a two-thirds (2/3) vote of the Council, or if less than two-thirds (2/3) of the Council is present, the unanimous vote of the members present, that the need to take action arose after the posting of the agenda.
B. It is determined by a majority vote of the Council that an emergency situation as described in Government Code Section 54956.5 necessitated prompt action due to the disruption or threatened disruption of public facilities.
C. The item was posted for a prior meeting less than five (5) days previously and continued to the meeting where action is being taken.

5. Posting Notices for Special Meetings. The call and notice of special meetings shall be posted at least twenty-four (24) hours on the bulletin board located outside of City Hall.

6. Agenda Preparation. The City Manager will in coordination with the Mayor identify the items that will be included on each specific City Council agenda. Items may include those requested as future agenda items by the City Council and those needed by City staff to carry out City functions. Staff will endeavor not to include more items on a single agenda than the Council can reasonably address during a single meeting. Items requested as future agenda items by the City Council will be placed on a Council meeting agenda as soon as staff has had sufficient time to conduct any necessary preparations for the item. The City Manager may schedule items requested by Council as future agenda items based on specific time sensitivity or natural timing of the item. The City Council can establish a date certain for a future agenda item when it approves a future agenda item. Cut-off time for placing items on the agenda shall be Wednesday, thirteen days preceding each regular Tuesday meeting, with the final agenda to be prepared by 5:00 pm

of the Thursday preceding the meeting.

7. Order of Business. Promptly at the hour appointed for each regular meeting, the members of the Council, the City Clerk, City Attorney and City Manager, the Police Chief or his designee and such other staff members as are necessary shall assemble in the Council Chambers or some other publicly announced location. A statement of conflict must be disclosed by an official who has a conflict prior to consideration of the decision by publicly identifying in detail the financial interest that causes the conflict; recusing himself /herself from discussion and voting, and leaving the room until the decision has been reached (GC Section 87200).

AGENDA FORMAT

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

2. ROLL CALL, CITY CLERK 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.*

EXAMPLES:

A. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to GC §54597.6
City Labor Negotiator:
Employee Organizations:

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to GC §54597
Public Employee Performance Evaluation:

OPEN SESSION WILL COMMENCE UPON COMPLETION OF CLOSED SESSION DISCUSSIONS, WHICH MAY OCCUR BEFORE 7:00 PM

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 for City Council items 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 meeting.*

6. RECOGNITIONS / PRESENTATIONS / COMMUNITY ANNOUNCEMENTS

A. Proclamations
B. Presentations/Recognitions

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.

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.***

9. OLD BUSINESS

AGENDA FORMAT

10. NEW BUSINESS

11. REPORTS & COMMUNICATIONS

A. Mayor
   1. Announcements

B. Mayoral and Council Appointments

C. City Council Reports and Communications

D. Council Requests for Future Agenda Items and Other Staff Follow-Up

E. City Manager and Department Staff

F. City Attorney Report

12. ADJOURNMENT

END OF AGENDA FORMAT

ORDER OF BUSINESS

The foregoing order of business may be suspended at any Council meeting by a majority vote of the members in attendance.

1. Approval of Minutes. A true copy of the minutes of proceedings of regular and special meetings not theretofore approved, as the same shall be entered in the journal of proceedings, shall be provided by the City Clerk to each Council member at least twenty-four (24) hours before regular meetings. Unless otherwise ordered by the Council, the City Clerk shall prepare and produce action minutes of the meetings, which may be approved without a public reading of the same. The minutes as approved by the Council shall be the permanent official record of the proceedings of the City Council.

2. Tape Recordings. Council meetings are televised live on Pinole's Local Community Access Channel (Channel 26). Tape recordings of Council meetings are kept in order

to assist in the preparation of minutes. After the prepared minutes have been approved, video tape recordings shall be retained pursuant to the Citywide Records Retention Policy.

3. Rules of Order. The following definitions and rules shall govern the proceedings and order of business of the Council:

a. Reports. Under the item of business entitled "Reports", the Council may receive reports from Council Members or the City Manager, which are intended to be limited to approximately two (2) minutes from each individual. Summaries of Council liaison (i.e., advisory committees and regional agencies) assignment meetings will be submitted by Council Members to the City Clerk periodically and be included as attachments to Council agendas and reflected in the minutes. The City Manager shall include a report on anticipated agenda items for the next meeting.

b. Consent Calendar. Items listed under the "Consent Calendar" are considered to be routine and noncontroversial and will be enacted, approved, received or adopted by one motion in the form as shown on the agenda. A member of the public or Council member(s) wishing to comment on an item, may do so before action is taken. If an item is removed from the Consent Calendar for discussion or response to questions, the items shall be removed from the Consent Calendar, and an action taken to approve the balance of the Consent Calendar. Immediately following, the items removed for discussion should be considered separately for action by Council.

c. Citizens To Be Heard. Members of the public may address the Council on any item of interest that is within the jurisdiction of the Council. Individuals who want to speak should complete a card giving his/her name and the item number or description. Individuals will be heard during the Council's consideration of the item. If the item is not listed on the agenda, describe the subject matter on the card and it will be called under Citizens to be Heard, (Public Comment). Time limit is 3 minutes, subject to modification by the Mayor. Individuals may not share or offer time to another speaker.

d. Public Hearings shall consist of matters wherein published notice has been given and where public hearings are required by law and such matters as the Council may deem necessary or desirable to schedule for public hearings. Anyone wishing to speak regarding a Public Hearing should fill out a speaker card prior to the completion of the staff presentation and submit it to the City Clerk. Individuals may not share or offer time to another speaker. The order of business for Public Hearings is as follows:

I. All persons wishing to speak for or against a matter which has been set for Public Hearing are requested to complete a card giving his/her name and address, and to hand the card to the City Clerk as early as possible in the meeting. The cards can be found on the Clerk's desk or on a table located in the back of the Council Chambers.

II. The speakers shall address remarks to and through the Mayor.

III. Persons addressing the Council shall state their name, the city in which they reside, the interest they represent, if any, and shall state on which side of the argument they wish to be heard

IV. Prior to opening the Public Hearing, the Mayor may request a staff report

and presentation.

V. All persons wishing to be heard shall confine their remarks to the merits of the matter being considered and shall refrain from references to personalities.

VI. Applicant/Appellant (10 minutes), subject to adjustment by the Mayor - The applicant or his/her representative shall first address the Council and shall, in his/her first address, state all relevant reasons and present all relevant evidence on behalf of the application.

VII. Opponent (5 minutes), subject to adjustment by the Mayor – The primary opponent representative to a project/application shall address the Council second and shall state all relevant reasons and present all relevant evidence on behalf of the opposition.

VIII. The Mayor shall next request the Clerk to read or acknowledge any written communication received on the application.

IX. Public Comments will be (3 minutes per speaker), subject to adjustment by the Mayor. Any persons wishing to speak either in favor of, in opposition to, or simply to comment on the application shall next be recognized by the Mayor in the order in which they present themselves.

X. After all persons desiring to speak on the application have completed their presentation and any written communications have been acknowledged, the applicant will be permitted 5 minutes to close the argument by presenting matter in rebuttal on presentation made in opposition to the application.

XI. If the applicant, in rebuttal, presents new evidence not covered in the original presentation, persons who have previously spoken on the application may be granted an opportunity to comment on the new evidence only.

XII. The applicant shall have the right to close the argument.

XIII. The Public Hearing shall then be concluded on the part of the public and brought to the Council level for discussion and decision. There is no further comment permitted from the audience unless requested by the Council.

XIV. In matters set for Public Hearing before the City Council, the Mayor reserves the right to limit the length of time for argument.

e. Appeals. Appeals shall be presented to the Council through the City Clerk and/or as required by law. Persons other than parties to the appeal may speak only by permission of the Council. The process for appellant/opposition speakers shall be the same as outlined above for

Public Hearings.

f. Public Discussion

I. Permission - Any person addressing the Council shall first secure the permission of the presiding officer.
II. Not A Debate - Public discussion should not be used to elicit a debate between Council members or staff and the public.
III. Time Limits - The Council may establish time limits for the consideration of any agenda item as well as establish an overall time period for the consideration of any matter.
IV. Public Discussion During Council Deliberation - Public discussion shall be allowed following the staff report and Council questions and discussion. Speakers shall be allowed three minutes each, subject to modification by the Mayor.
V. Limit on Public Discussion After Motion to Terminate Deliberation - No discussion shall be permitted after a motion, which would terminate further deliberation, has been adopted.

4. Council Deliberation.

I. Presiding Officer May Deliberate - The Mayor may deliberate from the chair, subject only to such limitations of deliberation as are by these rules imposed on all members, and shall not be deprived of any of the rights and privileges as a member of the Council by reason of his/her acting as the Mayor.

II. Getting the Floor - Improper References to be Avoided - Every member desiring to speak shall address the Mayor, and upon recognition shall confine himself/herself to the question under deliberation, avoiding negative references to personalities and indecorous language.

III. Interruptions - A Council member, once recognized, shall not be interrupted when speaking unless it is to call said member to order, or as herein otherwise provided. If a member, while speaking, be called to order, said member shall cease speaking until the question or order be determined, and if in order, said member shall be permitted to proceed.

IV. Motion to Reconsider - A motion to reconsider any action taken by the Council may be made only on the date such action was taken or the next meeting of the Council. Such motion must be made by one who voted on the prevailing side, and may be made at any time or while a member has the floor and have precedence over all other motions; it shall be debatable. Nothing herein shall be construed to prevent any member of the Council from making or remaking the same other motion at a subsequent meeting of the Council or a motion to rescind.

V. Repeal or Amendment of Action Requiring More Than a Majority Vote - Any ordinance or resolution which is passed or adopted and which, as part of

its terms, requires more than a majority vote of the Council in order to pass, a motion pursuant to such an ordinance or resolution shall require a vote of the same percent of the Council to repeal or amend the ordinance or resolution.

VI. Motion to Table - A motion to lay on the table is not debatable and shall preclude all amendments or deliberation of the subject under consideration. If the motion shall prevail, the consideration of the subject may be resumed only upon a motion of a member voting with the majority.

VII. Motion to Call for Question or Continue to a Date Specific - A motion to call for the question or continue the matter to a specific date shall preclude all amendments to or deliberation of the subject under consideration and is not debatable.

VIII. Statement of Position - When a motion to call for the question is adopted, each member of the Council may briefly state his/her position on the matter before roll call or call for the next item of business.

IX. Privilege of Closing Deliberation - The Council member moving the adoption of an ordinance or resolution shall have the privilege of closing the deliberations or making the final statement. Further, it shall be the privilege of the Mayor to close debate where the Mayor determines that further debate is not advancing deliberations.

X. Division of Question - If the question contains two (2) or more divisible propositions, the presiding officer may, and upon request of a member shall, divide the same.

XI. Second Required - All motions except for nominations and a point of order shall require a second.

XII. Miscellaneous - All other matters not covered by these rules shall be decided by a majority of the Council. Roberts' Rules of Order may be used for guidance. Further, this Resolution supersedes any prior resolutions relating to the conduct of Council meetings.

5. Council Requests for Future Agenda Items and Other Staff Follow-Up – Under this agenda item, any Council Member may make a motion that an item be scheduled for discussion at a future City Council meeting or that staff conduct a specific follow-up task. The request must be approved by a majority vote of the Council in order to be carried out. The Council Member raising the request shall specify the type of follow-up they seek, among the following: staff provide information on a topic to Council in a memorandum; staff schedule a presentation to Council by an outside party at a future Council meeting; staff schedule a report to Council by staff at a future Council meeting; staff schedule an agenda item at a future Council meeting for staff to receive direction from Council on an issue; and staff present proposed City legislation/policy (resolution or ordinance) to Council at a future Council meeting. Council requests that staff conduct a special project that would require substantial staff time and/or substantial other City resources will be brought

to Council as a future Council agenda item for staff to receive direction from Council on how to resource and prioritize the special project within the City workplan.

6. Meetings will be adjourned at 11:00 p.m., unless Council approves a motion to extend the meeting to address specific items not yet taken up on the agenda.

PASSED AND ADOPTED this **20th** day of **April 2021**, by the following vote:

AYES:	COUNCILMEMBERS: **Murphy, Salimi, Toms**
NOES:	COUNCILMEMBERS: **Tave**
ABSENT:	COUNCILMEMBERS: **Martínez-Rubin**
ABSTAIN:	COUNCILMEMBERS: **None**

I hereby certify that the foregoing resolution was introduced, passed and adopted on this 20th day of April 2021.

Heather Iopu, CMC
City Clerk

ATTACHMENT B

RESOLUTION NO. 2022~~21-28~~ - XX

RESOLUTION OF THE CITY COUNCIL OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, AMENDING AND SETTING FORTH COUNCIL MEETING PROCEDURES FOR THE PREPARATION AND POSTING OF AGENDAS AND THE CONDUCT OF MEETINGS

The Pinole City Council hereby repeals all prior resolutions related to the conduct of meetings, including Resolution 103-2003; 178-2003, 2005-02, 2007-07, 2007-86, 2008-74, 2009-124, 2012-08, 2012-127, 2014-67, and 2015-109, 2016-100, 2017-13, 2017-72, 2018-113, 2019-03, ~~and~~ 2020-114, and 2021-28 and resolves as follows:

1. Regular Meetings. Pursuant to Section 2.12.010 of the Municipal Code, a regular meeting of the Pinole City Council shall be held at 6:00 p.m. on the first and third Tuesdays of every month at the Council Chambers, 2131 Pear Street in Pinole, California. Items are placed on the agenda under the respective section headings. Public Hearings are scheduled to commence on or around 7 p.m. pursuant to the Municipal Code.

2. Closed Sessions of the Pinole City Council will customarily be held at 6 p.m. before the regular business items on the City Council agenda. The Closed Session is scheduled to be concluded by or before 7 p.m. If all business cannot be completed during that time, the items will either be held over to the next meeting, or Council may convene back into Closed Session following all the business items that evening.

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3. Posting of Meeting Agenda. As required by the Brown Act, ~~A~~at least seventy-two (72) hours before a regular meeting, and twenty-four (24) hours before a special meeting of the City Council, the City Clerk shall post ~~on the bulletin board located outside of City Hall,~~ the agenda containing a brief general description of each item of business to be transacted or discussed at the meeting. The agenda shall be posted on the bulletin board located outside of City Hall.

4. Council Action Limited. As required by the Brown Act, t~~T~~he Council shall not take action on any item not appearing on the posted agenda unless:

   A. It is determined by a two-thirds (2/3) vote of the Council, or if less than two-thirds (2/3) of the Council is present, the unanimous vote of the members present, that the need to take action arose after the posting of the agenda.
   B. It is determined by a majority vote of the Council that an emergency situation as described in Government Code Section 54956.5 necessitated prompt action due to the disruption or threatened disruption of public facilities.
   C. The item was posted for a prior meeting less than five (5) days previously and continued to the meeting where action is being taken.

5. Posting Notices for Special Meetings. The call and notice of special meetings shall be posted at least twenty-four (24) hours on the bulletin board located outside of City Hall.

6. Agenda Preparation. The City Manager will in coordination with the Mayor identify the items that will be included on each specific City Council agenda. Items may include those requested as future agenda items by the City Council and those needed by City staff to carry out City functions. Staff will endeavor not to include more items on a single agenda than the Council can reasonably address during a single meeting. Items requested as future agenda items by the City Council will be placed on a Council meeting agenda as soon as staff has had sufficient time to conduct any necessary preparations for the item. The City Manager may schedule items requested by Council as future agenda items based on specific time sensitivity or natural timing of the item. The City Council can establish a date certain for a future agenda item when it approves a future agenda item. Cut-off time for placing items on the agenda shall be Wednesday, thirteen

days preceding each regular Tuesday meeting, with the final agenda to be prepared by 5:00 pm of the Thursday preceding the meeting.

7. Order of Business. Promptly at the hour appointed for each regular meeting, the members of the Council, the City Clerk, City Attorney, and City Manager, the Police Chief or his designee and such other staff members as are necessary shall assemble in the Council Chambers or some other publicly announced location. A statement of conflict must be disclosed by an official who has a conflict prior to consideration of the decision by publicly identifying in detail the financial interest that causes the conflict; recusing himself /herself from discussion and voting, and leaving the room until the decision has been reached (GC Section 87200).

AGENDA FORMAT

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

2. LAND ACKNOWLEDGMENT

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.

3. ROLL CALL, CITY CLERK 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.

4. 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.*

EXAMPLES:

A. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to GC §54597.6
City Labor Negotiator:
Employee Organizations:

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to GC §54597
Public Employee Performance Evaluation:

OPEN SESSION WILL COMMENCE UPON COMPLETION OF CLOSED SESSION DISCUSSIONS, WHICH MAY OCCUR BEFORE 7:00 PM

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

6. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda*. The time limit is 3 minutes for City Council items 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*

Return to Agenda

emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future meeting.

7. RECOGNITIONS / PRESENTATIONS / COMMUNITY ANNOUNCEMENTS

A. Proclamations
B. Presentations/Recognitions

8. CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine ~~and~~ or 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.

9. 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.***

10. OLD BUSINESS

11. NEW BUSINESS

12. REPORTS & COMMUNICATIONS

A. Mayor
1. Announcements

B. Mayoral and Council Appointments

C. City Council Reports and Communications

D. Council Requests for Future Agenda Items and Other Staff Follow-Up

E. City Manager and Department Staff

F. City Attorney Report

13. ADJOURNMENT

END OF AGENDA FORMAT

8. Decorum. The City Council, elected by the public, must be free to discuss issues confronting the City in an orderly environment. Public members attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council. Any person making impertinent, derogatory, or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting may be removed from the room if the Presiding Officer so directs.

The City Council, staff, and the public shall observe the following standards of behavior that promote civility at all public meetings. These standards will be listed on the agenda coversheet for each meeting.

- Treat everyone courteously;
- Give open-minded consideration to all viewpoints;
- Listen to others respectfully;
- Focus on the issues and avoid personalizing debate; and
- Embrace respectful disagreement and dissent as democratic rights, inherent components of an inclusive public process, and tools for forging sound decisions.

9. Norms of Behavior: The City Council has approved Council Norms of Behavior incorporated hereto as Exhibit A.

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10~~1~~. Approval of Minutes. A true copy of the minutes of proceedings of regular and special meetings not theretofore approved, as the same shall be entered in the journal of proceedings, shall be provided by the City Clerk to each Council member at least twenty-four (24) hours before regular meetings. Unless otherwise ordered by the Council, the City Clerk shall prepare and produce action minutes of the meetings, which may be approved without a public reading of the same. The minutes as approved by the Council shall be the permanent official record of the proceedings of the City Council.

11~~2~~. Tape Recordings. Council meetings are televised live on Pinole's Local Community Access Channel (Channel 26). Tape recordings of Council meetings are kept in order to assist in the preparation of minutes. After the prepared minutes have been approved, video tape recordings shall be retained pursuant to the Citywide Records Retention Policy.

12~~3~~. Rules of Order. The following definitions and rules shall govern the proceedings and order of business of the Council:

a. Reports. Under the item of business entitled "Reports", the Council may receive reports from Council Members, ~~or~~ the City Manager, and the City Attorney, which are intended to be limited to approximately two (2) minutes from each individual. Summaries of Council liaison (i.e., advisory committees and regional agencies) assignment meetings will be submitted by Council Members to the City Clerk periodically and be included as attachments to Council agendas and reflected in the minutes. The City Manager shall include a report on anticipated agenda items for the next meeting.

b. Consent Calendar. Items listed under the "Consent Calendar" are considered to be routine ~~and~~ or noncontroversial and will be enacted, approved, received or adopted by one motion in the form as shown on the agenda. A member of the public or Council member(s) wishing to comment on an item~~,~~ may do so before action is taken. If an item is removed from the Consent Calendar for discussion or response to questions, the items shall be removed from the Consent Calendar, and an action shall be taken to approve the balance of the Consent Calendar. Immediately following, the items removed for discussion should be considered separately for action by Council.

c. Citizens To Be Heard. Members of the public may address the Council on any item of interest that is within the jurisdiction of the Council. Individuals who want to speak should complete a card giving his/her name and the item number or description. Individuals will be heard during the Council's consideration of the item. If the item is not listed on the agenda, describe the subject matter on the card and it will be called under Citizens to be Heard, (Public Comment). Time limit is 3 minutes, subject to modification by the Mayor. Individuals may not share or offer time to another speaker.

d. Public Hearings shall consist of matters wherein published notice has been given and where public hearings are required by law and such matters as the Council may deem necessary or desirable to schedule for public hearings. Anyone wishing to speak regarding a Public Hearing should fill out a speaker card prior to the completion of the staff presentation and submit it to the City Clerk. Individuals may not share or offer time to another speaker. The order of business for Public Hearings is as follows:

I. All persons wishing to speak for or against a matter which has been set for Public Hearing are requested to complete a card giving his/her name and address, and to hand the card to the City Clerk as early as possible in the meeting. The cards can be found on the Clerk's desk or on a table located in the back of the Council Chambers.

II. The speakers shall address remarks to and through the Mayor.

III. Persons addressing the Council shall state their name, the city in which they reside, the interest they represent, if any, and shall state on which side of the argument they wish to be heard

IV. Prior to opening the Public Hearing, the Mayor may request a staff report and presentation.

V. All persons wishing to be heard shall confine their remarks to the merits of the matter being considered and shall refrain from references to personalities.

VI. Applicant/Appellant (10 minutes), subject to adjustment by the Mayor - The applicant or his/her representative shall first address the Council and shall, in his/her first address, state all relevant reasons and present all relevant evidence on behalf of the application.

VII. Opponent (5 minutes), subject to adjustment by the Mayor – The primary opponent representative to a project/application shall address the Council second and shall state all relevant reasons and present all relevant evidence on behalf of the opposition.

VIII. The Mayor shall next request the Clerk to read or acknowledge any written communication received on the application.

IX. Public Comments will be (3 minutes per speaker), subject to adjustment by the Mayor. Any persons wishing to speak either in favor of, in

opposition to, or simply to comment on the application shall next be recognized by the Mayor in the order in which they present themselves.

X. After all persons desiring to speak on the application have completed their presentation and any written communications have been acknowledged, the applicant will be permitted 5 minutes to close the argument by presenting matter in rebuttal on presentation made in opposition to the application.

XI. If the applicant, in rebuttal, presents new evidence not covered in the original presentation, persons who have previously spoken on the application may be granted an opportunity to comment on the new evidence only.

XII. The applicant shall have the right to close the argument.

XIII. The Public Hearing shall then be concluded on the part of the public and brought to the Council level for discussion and decision. There is no further comment permitted from the audience unless requested by the Council.

XIV. In matters set for Public Hearing before the City Council, the Mayor reserves the right to limit the length of time for argument.

e. Appeals. Appeals shall be presented to the Council through the City Clerk and/or as required by law. Persons other than parties to the appeal may speak only by permission of the Council. The process for appellant/opposition speakers shall be the same as outlined above for Public Hearings.

f. Public Discussion

I. Permission - Any person addressing the Council shall first secure the permission of the presiding officer.
II. Not A Debate - Public discussion should not be used to elicit a debate between Council members or staff and the public.
III. Time Limits - The Council may establish time limits for the consideration of any agenda item as well as establish an overall time period for the consideration of any matter.
IV. Public Discussion During Council Deliberation - Public discussion shall be allowed following the staff report and Council questions ~~and discussion.~~ and before deliberations. Speakers shall be allowed three minutes each, subject to modification by the Mayor.
V. Limit on Public Discussion After Motion to Terminate Deliberation - No discussion shall be permitted after a motion, which would terminate further deliberation, has been adopted.

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134. Council Deliberation.

I. Presiding Officer May Deliberate - The Mayor may deliberate from the chair, subject only to such limitations of deliberation as are by these rules imposed on all members, and shall not be deprived of any of the rights and privileges as a member of the Council by reason of his/her acting as the Mayor.

II. Getting the Floor - Improper References to be Avoided - Every member desiring to speak shall address the Mayor, and upon recognition shall confine himself/herself to the question under deliberation, avoiding negative references to personalities and indecorous language.

III. Interruptions - A Council member, once recognized, shall not be interrupted when speaking unless it is to call said member to order, or as herein otherwise provided. If a member, while speaking, be called to order, said member shall cease speaking until the question or order be determined, and if in order, said member shall be permitted to proceed.

IV. Motion to Reconsider - A motion to reconsider any action taken by the Council may be made only on the date such action was taken or the next meeting of the Council. Such motion must be made by one who voted on the prevailing side, and may be made at any time or while a member has the floor and have precedence over all other motions; it shall be debatable. Nothing herein shall be construed to prevent any member of the Council from making or remaking the same other motion at a subsequent meeting of the Council or a motion to rescind.

V. Repeal or Amendment of Action Requiring More Than a Majority Vote - Any ordinance or resolution which is passed or adopted and which, as part of its terms, requires more than a majority vote of the Council in order to pass, a motion pursuant to such an ordinance or resolution shall require a vote of the same percent of the Council to repeal or amend the ordinance or resolution.

VI. Motion to Table - A motion to lay on the table is not debatable and shall preclude all amendments or deliberation of the subject under consideration. If the motion shall prevail, the consideration of the subject may be resumed only upon a motion of a member voting with the majority.

VII. Motion to Call for Question or Continue to a Date Specific - A motion to call for the question or continue the matter to a specific date shall preclude all amendments to or deliberation of the subject under consideration and is not debatable.

VIII. Statement of Position - When a motion to call for the question is adopted, each member of the Council may briefly state his/her position on the matter before roll call or call for the next item of business.

IX. Privilege of Closing Deliberation - The Council member moving the

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adoption of an ordinance or resolution shall have the privilege of closing the deliberations or making the final statement. Further, it shall be the privilege of the Mayor to close debate where the Mayor determines that further debate is not advancing deliberations.

X. Division of Question - If the question contains two (2) or more divisible propositions, the presiding officer may, and upon request of a member shall, divide the same.

XI. Second Required - All motions except for nominations and a point of order shall require a second.

XII. Miscellaneous - All other matters not covered by these rules shall be decided by a majority of the Council. Roberts' Rules of Order may be used for guidance. Further, this Resolution supersedes any prior resolutions relating to the conduct of Council meetings.

14~~5~~. Council Requests for Future Agenda Items and Other Staff Follow-Up – Under this agenda item, any Council Member may make a motion that an item be scheduled for discussion at a future City Council meeting or that staff conduct a specific follow-up task. The request must be approved by a majority vote of the Council in order to be carried out. The Council Member raising the request shall specify the type of follow-up they seek, among the following: staff provide information on a topic to Council in a memorandum; staff schedule a presentation to Council by an outside party at a future Council meeting; staff schedule a report to Council by staff at a future Council meeting; staff schedule an agenda item at a future Council meeting for staff to receive direction from Council on an issue; and staff present proposed City legislation/policy (resolution or ordinance) to Council at a future Council meeting. Council requests that staff conduct a special project that would require substantial staff time and/or substantial other City resources will be brought to Council as a future Council agenda item for staff to receive direction from Council on how to resource and prioritize the special project within the City workplan.

15~~6~~. Meetings will be adjourned at 11:00 p.m., unless Council approves a motion to extend the meeting to address specific items not yet taken up on the agenda.

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PASSED AND ADOPTED this **21st** day of **December, 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 21st day of December, 2021.

_____

Heather Bell, CMC
City Clerk

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Exhibit A

RESOLUTION NO. 2021- 27

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, ADOPTING REVISED CITY COUNCIL NORMS OF BEHAVIOR

WHEREAS, the City Council adopted Norms of Behavior in August 2019 subsequent to a Council teambuilding workshop in June 2019; and

WHEREAS, the City Council held a special meeting, in a workshop format, in January 2021 during which the City Council reviewed and discussed the Norms of Behavior; and

WHEREAS, based on the discussion, the meeting facilitator, Management Partners, has created a recommended revised set of norms;

NOW, THEREFORE, BE IT RESOLVED that the Pinole City Council does hereby establish the following revised set of Norms of Behavior:

1. Work for the public good, not for personal interest.
2. Empower and communicate through the City Manager.
3. Work for "win/win" solutions by striving for consensus and seeking common ground.
4. The Council's policy deliberation process will be performed in the following order: Council questions; public questions/comment; Council deliberations; motion(s); decision made by majority vote.
5. Praise Council and staff decision(s) in public and offer corrective comment(s) in private.
6. Share information with each other early in the process to avoid surprises.
7. Address one another by role and last name and shake hands once the meeting concludes.
8. Establish a structure where the Mayor calls on members.
9. Prior to a Council vote, where there may be confusion, the proposed action will be read aloud so that the entire Council is clear about what they are voting on.
10. Summaries of Council liaison (i.e., advisory committees and regional agencies) assignment meetings will be submitted to the City Clerk periodically and be included as attachments to Council agendas and reflected in the minutes.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 20th day of April 2021 by the following vote:

AYES:	COUNCILMEMBERS:	**Murphy, Salimi, Tave, Toms**
NOES:	COUNCILMEMBERS:	**None**
ABSENT:	COUNCILMEMBERS:	**Martínez-Rubin**
ABSTAIN:	COUNCILMEMBERS:	**None**

I hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on the 20th day of April 2021.

CITY OF PINOLE · CALIFORNIA · 1903

Heather Iopu, CMC
City Clerk

ATTACHMENT C

RESOLUTION NO. 2022 - XX

RESOLUTION OF THE CITY COUNCIL OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, AMENDING AND SETTING FORTH COUNCIL MEETING PROCEDURES FOR THE PREPARATION AND POSTING OF AGENDAS AND THE CONDUCT OF MEETINGS

The Pinole City Council hereby repeals all prior resolutions related to the conduct of meetings, including Resolution 103-2003; 178-2003, 2005-02, 2007-07, 2007-86, 2008-74, 2009-124, 2012-08, 2012-127, 2014-67, and 2015-109, 2016-100, 2017-13, 2017-72, 2018-113, 2019-03, 2020-114, 2021-28 and 2021-68 and resolves as follows:

1. Regular Meetings. Pursuant to Section 2.12.010 of the Municipal Code, a regular meeting of the Pinole City Council shall be held at 6:00 p.m. on the first and third Tuesdays of every month at the Council Chambers, 2131 Pear Street in Pinole, California. Items are placed on the agenda under the respective section headings. Public Hearings are scheduled to commence on or around 7 p.m. pursuant to the Municipal Code.

2. Closed Sessions of the Pinole City Council will customarily be held at 6 p.m. before the regular business items on the City Council agenda. The Closed Session is scheduled to be concluded by or before 7 p.m. If all business cannot be completed during that time, the items will either be held over to the next meeting, or Council may convene back into Closed Session following all the business items that evening.

3. Posting of Meeting Agenda. As required by the Brown Act, at least seventy-two (72) hours before a regular meeting, and twenty-four (24) hours before a special meeting of the City Council, the City Clerk shall post the agenda containing a brief general description of each item of business to be transacted or discussed at the meeting. The agenda shall be posted on the bulletin board located outside of City Hall and online on the City's website

4. Council Action Limited. As required by the Brown Act, the Council shall not take action on any item not appearing on the posted agenda unless:

   A. It is determined by a two-thirds (2/3) vote of the Council, or if less than two-thirds (2/3) of the Council is present, the unanimous vote of the members present, that the need to take action arose after the posting of the agenda.
   B. It is determined by a majority vote of the Council that an emergency situation as described in Government Code Section 54956.5 necessitated prompt action due to the disruption or threatened disruption of public facilities.
   C. The item was posted for a prior meeting less than five (5) days previously and continued to the meeting where action is being taken.

5. Posting Notices for Special Meetings. The call and notice of special meetings shall be posted at least twenty-four (24) hours on the bulletin board located outside of City Hall and online on the City's website.

6. Agenda Preparation. The City Manager will in coordination with the Mayor identify the items that will be included on each specific City Council agenda. Items may include those requested as future agenda items by the City Council and those needed by City staff to carry out City functions. Staff will endeavor not to include more items on a single agenda than the Council can reasonably address during a single meeting. Items requested as future agenda items by the City Council will be placed on a Council meeting agenda as soon as staff has had sufficient time to conduct any necessary preparations for the item. The City Manager may schedule items requested by Council as future agenda items based on specific time sensitivity or natural timing of the item. The City Council can establish a date certain for a future agenda item when it approves

a future agenda item. Cut-off time for placing items on the agenda shall be Wednesday, thirteen days preceding each regular Tuesday meeting, with the final agenda to be prepared by 5:00 pm of the Thursday preceding the meeting.

7. Order of Business. Promptly at the hour appointed for each regular meeting, the members of the Council, the City Clerk, City Attorney, and City Manager, the Police Chief or his designee and such other staff members as are necessary shall assemble in the Council Chambers or some other publicly announced location. A statement of conflict must be disclosed by an official who has a conflict prior to consideration of the decision by publicly identifying in detail the financial interest that causes the conflict; recusing himself /herself from discussion and voting, and leaving the room until the decision has been reached (GC Section 87200).

AGENDA FORMAT

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

2. LAND ACKNOWLEDGMENT

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.

3. ROLL CALL, CITY CLERK 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.

4. 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.*

EXAMPLES:

A. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to GC §54597.6
City Labor Negotiator:
Employee Organizations:

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to GC §54597
Public Employee Performance Evaluation:

OPEN SESSION WILL COMMENCE UPON COMPLETION OF CLOSED SESSION DISCUSSIONS, WHICH MAY OCCUR BEFORE 7:00 PM

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

6. CITIZENS TO BE HEARD(Public Comments)

Citizens may speak under any item not listed on the Agenda*. The time limit is 3 minutes for City Council items and*

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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 meeting.

7. REPORTS & COMMUNICATIONS

A. Mayor
   1. Announcements

B. Mayoral and Council Appointments

C. City Council Reports and Communications

D. Council Requests for Future Agenda Items and Other Staff Follow-Up

E. City Manager and Department Staff

F. City Attorney Report

8. RECOGNITIONS / PRESENTATIONS / COMMUNITY ANNOUNCEMENTS

A. Proclamations
B. Presentations/Recognitions

9. CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine or 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.

10. 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.***

11. OLD BUSINESS

12. NEW BUSINESS

13. CITIZENS TO BE HEARD (Public Comments)

Open only to members of the public who did not speak under the first Citizens to Be Heard, Agenda Item 6

Citizens may speak under any item not listed on the Agenda*. The time limit is 3 minutes for City Council items 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 meeting.*

14. ADJOURNMENT

END OF AGENDA FORMAT

8. Decorum. The City Council, elected by the public, must be free to discuss issues confronting the City in an orderly environment. Public members attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council. Any person making impertinent, derogatory, or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting may be removed from the room if the Presiding Officer so directs.

The City Council, staff, and the public shall observe the following standards of behavior that promote civility at all public meetings. These standards will be listed on the agenda coversheet for each meeting.

- Treat everyone courteously;
- Give open-minded consideration to all viewpoints;
- Listen to others respectfully;
- Focus on the issues and avoid personalizing debate; and
- Embrace respectful disagreement and dissent as democratic rights, inherent components of an inclusive public process, and tools for forging sound decisions.

9. Norms of Behavior: The City Council has approved Council Norms of Behavior incorporated hereto as Exhibit A.

10. Approval of Minutes. A true copy of the minutes of proceedings of regular and special meetings not theretofore approved, as the same shall be entered in the journal of proceedings, shall be provided by the City Clerk to each Council member at least twenty-four (24) hours before regular meetings. Unless otherwise ordered by the Council, the City Clerk shall prepare and produce action minutes of the meetings, which may be approved without a public reading of the same. The minutes as approved by the Council shall be the permanent official record of the proceedings of the City Council.

11. Tape Recordings. Council meetings are televised live on Pinole's Local Community Access Channel (Channel 26). Tape recordings and livestream of Council meetings and livestream on social media pages are kept in order to assist in the preparation of minutes. After the prepared minutes have been approved, video tape recordings shall be retained pursuant to the Citywide Records Retention Policy.

12. Rules of Order. The following definitions and rules shall govern the proceedings and order of business of the Council:

a. Reports. Under the item of business entitled "Reports", the Council may receive reports from Council Members, the City Manager, and the City Attorney, which are intended to be limited to approximately two (2) minutes from each individual. Summaries of Council liaison (i.e., advisory committees and regional agencies) assignment meetings will be submitted by Council Members to the City Clerk periodically and be included as attachments to Council agendas and reflected in the minutes. The City Manager shall include a report on anticipated agenda items for the next meeting.

b. Consent Calendar. Items listed under the "Consent Calendar" are considered to be routine or noncontroversial and will be enacted, approved, received or adopted by one motion in the form as shown on the agenda. A member of the public or Council member(s) wishing to comment on an item may do so before action is taken. If an item is removed from the Consent Calendar for discussion or response to questions, the items shall be removed from the Consent Calendar, and an action shall be taken to approve the balance of the Consent Calendar. Immediately following, the items removed for discussion should be considered separately for action by Council.

c. Citizens To Be Heard. Members of the public may address the Council on any item of interest that is within the jurisdiction of the Council. Individuals who want to speak should complete a card giving his/her name and the item number or description. Individuals will be heard during the Council's consideration of the item. If the item is not listed on the agenda, describe the subject matter on the card and it will be called under Citizens to be Heard, (Public Comment). Time limit is 3 minutes, subject to modification by the Mayor. Individuals may not share or offer time to another speaker.

d. Public Hearings shall consist of matters wherein published notice has been given and where public hearings are required by law and such matters as the Council may deem necessary or desirable to schedule for public hearings. Anyone wishing to speak regarding a Public Hearing should fill out a speaker card prior to the completion of the staff presentation and submit it to the City Clerk. Individuals may not share or offer time to another speaker. The order of business for Public Hearings is as follows:

I. All persons wishing to speak for or against a matter which has been set for Public Hearing are requested to complete a card giving his/her name and address, and to hand the card to the City Clerk as early as possible in the meeting. The cards can be found on the Clerk's desk or on a table located in the back of the Council Chambers.

II. The speakers shall address remarks to and through the Mayor.

III. Persons addressing the Council shall state their name, the city in which they reside, the interest they represent, if any, and shall state on which side of the argument they wish to be heard

IV. Prior to opening the Public Hearing, the Mayor may request a staff report and presentation.

V. All persons wishing to be heard shall confine their remarks to the merits of the matter being considered and shall refrain from references to personalities.

VI. Applicant/Appellant (10 minutes), subject to adjustment by the Mayor - The applicant or his/her representative shall first address the Council and shall, in his/her first address, state all relevant reasons and present all relevant evidence on behalf of the application.

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XI. If the applicant, in rebuttal, presents new evidence not covered in the original presentation, persons who have previously spoken on the application may be granted an opportunity to comment on the new evidence only.

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I. Permission - Any person addressing the Council shall first secure the permission of the presiding officer.
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III. Time Limits - The Council may establish time limits for the consideration of any agenda item as well as establish an overall time period for the consideration of any matter.

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III. Interruptions - A Council member, once recognized, shall not be interrupted when speaking unless it is to call said member to order, or as herein otherwise provided. If a member, while speaking, be called to order, said member shall cease speaking until the question or order be determined, and if in order, said member shall be permitted to proceed.

IV. Motion to Reconsider - A motion to reconsider any action taken by the Council may be made only on the date such action was taken or the next meeting of the Council. Such motion must be made by one who voted on the prevailing side, and may be made at any time or while a member has the floor and have precedence over all other motions; it shall be debatable. Nothing herein shall be construed to prevent any member of the Council from making or remaking the same other motion at a subsequent meeting of the Council or a motion to rescind.

V. Repeal or Amendment of Action Requiring More Than a Majority Vote - Any ordinance or resolution which is passed or adopted and which, as part of its terms, requires more than a majority vote of the Council in order to pass, a motion pursuant to such an ordinance or resolution shall require a vote of the same percent of the Council to repeal or amend the ordinance or resolution.

VI. Motion to Table - A motion to lay on the table is not debatable and shall preclude all amendments or deliberation of the subject under consideration. If the motion shall prevail, the consideration of the subject may be resumed only upon a motion of a member voting with the majority.

VII. Motion to Call for Question or Continue to a Date Specific - A motion to call

for the question or continue the matter to a specific date shall preclude all amendments to or deliberation of the subject under consideration and is not debatable.

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XI. Second Required - All motions except for nominations and a point of order shall require a second.

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15. Meetings will be adjourned at 11:00 p.m., unless Council approves a motion to extend the meeting to address specific items not yet taken up on the agenda.

16. Study Sessions and Workshops are special meetings of the City Council that provide in-depth information and give City Council members background and insight for addressing critical City issues more effectively.

PASSED AND ADOPTED this **21st** day of **December, 2021**, by the following vote:

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

I hereby certify that the foregoing resolution was introduced, passed and adopted on this 21st day of December, 2021.

_____
Heather Bell, CMC
City Clerk

Return to Agenda

CITY COUNCIL REPORT

8F

DATE: FEBRUARY 1, 2022

TO: MAYOR AND COUNCIL MEMBERS

FROM: STACY SHELL, HUMAN RESOURCES DIRECTOR

SUBJECT: DESIGNATE THE HUMAN RESOURCES DIRECTOR AS THE CITY'S BOARD MEMBER TO THE MUNICIPAL POOLING AUTHORITY (MPA) AND THE FINANCE DIRECTOR AS THE ALTERNATE BOARD MEMBER

RECOMMENDATION

City staff recommends that the Pinole City Council adopt a resolution to designate the Human Resources Director as the City's primary Board Member to the Municipal Pooling Authority (MPA) and the Finance Director as the alternate Board Member.

BACKGROUND

The MPA was originally formed as a Joint Powers Authority in 1977 among cities in Contra Costa County as a means of "insuring" or sharing risks as a pool because the traditional private insurance market became less of an option for public agencies. The California Government Code allows public agencies to create separate joint power authorities for this purpose.

The MPA is governed by a Board of Directors composed of one representative from each member city. Each member city designates a primary Board Member from their agency, and an alternate Board Member, who may vote at any meeting at which the primary Board Member is absent.

The Assistant City Manager has been the City's primary representative on the MPA Board, and the Finance Director has been the alternate. The Assistant City Manager retired from City service on December 31, 2021, and the City is not planning to fill that position. After a competitive recruitment, on January 10, 2022, the Human Resources Director position was filled. Under the updated organizational structure that the City is implementing, the risk management function is overseen by the Human Resources Director. As such, City staff is recommending that the City Council assign the Human Resources Director to serve as the City's primary Board Member for the MPA and continue to have the Finance Director serve as the alternate Board Member. The

City's new Human Resources Director has served on the MPA Board, in her capacity with previous employers, since 2014.

REVIEW & ANALYSIS

The City of Pinole is a member of the MPA and the governing documents of the MPA require the City Council of each member city to appoint a primary Board Member and an alternate Board Member to the Board of Directors of the Authority.

The governing documents of the MPA require that the City shall appoint its City Manager or the staff person responsible for the City's risk management function as the primary Board Member, and that the alternate Board Member shall have the same qualifications as the primary Board Member.

FISCAL IMPACT

There will be no fiscal impact upon the adoption of the Resolution.

ATTACHMENT(S):

ATTACHMENT A: Resolution Designating a Board Member and Alternate Board Member to the MPA

Return to Agenda

ATTACHMENT A

RESOLUTION NO. 2022-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, DESIGNATING A BOARD MEMBER AND ALTERNATE BOARD MEMBER TO THE MUNICIPAL POOLING AUTHORITY (MPA)

WHEREAS, the City of Pinole (Member) is a member of Municipal Pooling Authority (MPA); and

WHEREAS, the governing documents of MPA require the City Council of each Member to appoint one primary Board Member and one alternate Board Member to the Board of Directors of MPA; and

WHEREAS, the governing documents of MPA require that the Member shall appoint its City Manager or staff person responsible for the Member's risk management function as the primary Board Member, and that the alternate Board Member shall have the same qualifications as the primary Board Member; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Pinole does hereby designate the position of Human Resources Director as the City's primary Board Member to the Board of Directors of MPA, and the position of Finance Director as the alternate Board Member.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 1st day of February 2022 by the following vote:

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

I, hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on this 1st day of February, 2022.

_____

Heather Bell, CMC
City Clerk

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CITY COUNCIL REPORT

8G

DATE: FEBRUARY 1, 2022

TO: MAYOR AND COUNCIL MEMBERS

FROM: STACY SHELL, HUMAN RESOURCES DIRECTOR

SUBJECT: APPROVE AN AMENDMET TO EXTEND THE TERM OF THE EMPLOYMENT AGREEMENT FOR THE CITY MANAGER

RECOMMENDATION

It is recommended that the Pinole City Council approve an amendment to extend the term of the employment agreement for Andrew Murray as City Manager.

BACKGROUND

In December 2019, the City Council appointed Mr. Murray to the position of City Manager. On December 9, 2019, Mr. Murray and Mayor Swearingen signed a three-year term employment agreement through January 5, 2023. Mr. Murray commenced his duties as City Manager on January 6, 2020.

On January 18, 2022, the City Council met with Mr. Murray in closed session and provided direction to the City Attorney to prepare an amendment to the employment agreement to extend the term of Mr. Murray's agreement to December 31, 2024.

REVIEW & ANALYSIS

The City of Pinole Municipal Code (PMC), Title II, Administration and Personnel, Chapter 2.04, City Manager, Section 2.04.010, Office Created, provides the City Council with the authority to establish the office of the City Manager and appoint a City Manager on the basis of their administrative and executive ability and qualifications and hold office for and during the pleasure of the City Council (City of Pinole Ordinance No. Ord. 01-100, Section 1, 2001).

In accordance with PMC, Title II, Chapter 2.04, Section 2.04.260, Additional Conditions Set by Council, the City Council shall have the power and authority to enter into any supplemental employment agreement with the City Manager delineating

additional terms and conditions of employment not inconsistent with any provisions of Chapter 2.04, City Manager.

The City Manager's employment agreement was made and entered into by and between the City Council and Mr. Murray on December 9, 2019. The City Council and Mr. Murray had previously entered into first and second employment agreement amendments to provide cost of living adjustments and a merit increase. At this time, the City Council desires to extend the term of Mr. Murray's employment agreement for two (2) years and correct inconsistencies regarding the final date of the employment agreement's term as codified in Exhibit A of the Resolution attached to this City Council Report.

FISCAL IMPACT

There will be no fiscal impact upon the adoption of the Resolution.

ATTACHMENT(S):

ATTACHMENT A: Resolution to Authorize a Term Extension of the Employment Agreement for the City Manager
EXHIBIT A: Third Amendment to the Agreement for Employment of Andrew Murray

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ATTACHMENT A

RESOLUTION NO. 2022-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, APPROVING AN AMENDMENT TO EXTEND THE TERM OF THE EMPLOYMENT AGREEMENT FOR THE CITY MANAGER

WHEREAS, the City Council and Andrew Murray entered into an Employment Agreement ("Agreement") for the position of City Manager on December 9, 2019; and

WHEREAS, Mr. Murray commenced his duties as City Manager on January 6, 2020; and

WHEREAS, the term of the Agreement was for three (3) years; and

WHEREAS, on January 18, 2022, the City Council met with Mr. Murray in closed session; and

WHEREAS, the City Council provided direction to the City Attorney to prepare an amendment to the Agreement to extend the term of Mr. Murray's Agreement for an additional two (2) years and correct inconsistencies regarding the final date of the Agreement's term.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Pinole does hereby approve an amendment to extend the term of the Agreement hereunto attached as Exhibit A and authorize the Mayor to execute the said amendment.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 1st day of February 2022 by the following vote:

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

I, hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on this 1st day of February, 2022.

_____

Heather Bell, CMC
City Clerk

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10A

CITY COUNCIL REPORT

DATE: FEBRUARY 1, 2022

TO: MAYOR AND COUNCIL MEMBERS

FROM: MARIA PICAZO RECREATION MANAGER

SUBJECT: OPTIONS FOR A CITY-SPONSORED FOURTH OF JULY FIREWORKS SHOW FOR 2022

RECOMMENDATION

City staff recommends that the City Council receive a report on options for a City-sponsored Fourth of July fireworks show for 2022.

BACKGROUND

On April 7, 2020, staff presented a report to the City Council that outlined options for a City-sponsored Fourth of July fireworks display in Pinole. It was determined that the only permissible location from which to launch fireworks in Pinole would be a barge in the bay, due to firework fall zone issues.

The City Council decided not to move forward with a City-sponsored fireworks display for Fourth of July 2020 as the City was in the midst of the COVID pandemic and there were concerns that having a Fourth of July event would result in large gatherings, which might be inconsistent with State and the County health directives.

At its meeting on May 4, 2021, the City Council discussed the possibility of a City-sponsored fireworks show for Fourth of July 2021 (City Council staff report attached). The City Council decided not to move forward with a show in 2021. The City Council did direct staff to provide Council with a report in January 2022 on options for a Fourth of July fireworks display in 2022 with a net City cost of no more than $40,000. Staff has prepared the information below for Council's consideration.

REVIEW AND ANALYSIS

Proposals

Staff contacted four companies to request proposals for a fireworks show in Pinole for Fourth of July 2022. The City received two proposals from companies that are able to provide a fireworks show from a barge in the bay. Many companies indicated that they

have been overwhelmed with requests this year and will be unable to fulfill all requests due to staffing and supply shortages.

Below is information on the two proposals received.

Devastating Pyrotechnics

Cost: $38,100 (excluding permits)
Date: Either Sunday July 3, 2022 or Monday July 4, 2022 (no cost difference)
Show length: Approximately 18 minutes
Visibility: Estimated to be up to two miles from the bay

Fireworks & Stage FX America

Cost: $37,000 for Saturday July 2, 2022 (excluding permits)
$40,000 for Sunday July 3 or Monday July 4, 2022 (excluding permits)
Date: Saturday July 2, 2022 (cost difference)
Either Sunday, July 3, 2022 or Monday July 4, 2022 (no cost difference)

Show length: Approximately 16 minutes
Visibility: Estimated to be up to two miles from the bay

The vendor would be responsible for obtaining all necessary permits and having all necessary safety measures for the launch site (barge) in place.

The cost of permits that the vendor would be required to obtain are not included in the proposed costs above. The vendor would determine the permit costs when they applied for the permits. The vendors have estimated that permit fees will be $1,000 - $2,000.

The vendors stated that the City would need to execute agreements with the vendors to secure the dates as the vendors expect to reach their full capacity for bookings by the end of February. The companies also need sufficient lead time to obtain the necessary permits, insurance, supplies, and staff to execute the fireworks show.

Viewing Location

Staff proposes that the City would not designate one particular viewing location. Rather, the City would provide a list of numerous possible viewing locations.

Staffing Costs

Support from various City departments will be needed to implement the fireworks show, including event coordination and crowd control and safety. Staff costs are estimated to be approximately $12,770. Below is a breakdown per department.

- The Fire Department expenses are estimated to be approximately $2,750. This would include staffing two additional Fire suppression staff (for a total of 5) and one additional apparatus, likely a small truck to allow access in a small and crowded space were medical assistance needed.

- Police Department expenses are estimated to be approximately $4,420. This cost represents two Sergeants at 5 ½ hours of overtime; nine sworn officers at 5 ½ hours of overtime; and two Community Services Officers at regular straight time.

- Public Works expenses are estimated to be approximately $4,000. This amount reflects overtime for three Public Works Maintenance Workers, one Public Works Supervisor, three vehicles, and equipment for a street closure at Tennent Ave.

- Community Services Department expenses are estimated to be approximately $1,600. This reflects staff's time to coordinate the event and marketing for the event.

Part of the reason for this level of staffing is due to the need to monitor the Bay Trail Bridge for safety reasons. That effort will also require coordination with East Bay Regional Park District.

Sponsorship Information

In previous years, fundraising activities were used to offset the cost of the City-sponsored Fourth of July fireworks display. Should the Council wish to seek assistance in funding of the fireworks display, staff can reach out to the Bay Front Chamber, local merchants, and/or other organizations to seek sponsorship of the event. Based on past experience seeking sponsorships for community events, City staff expects that it would be possible to acquire $5,000 in private sponsorships. City staff contacted staff at the City of Hercules to determine whether Hercules might be interested in cosponsoring the fireworks display through a financial contribution. Hercules is planning to host their own Fourth of July fireworks show and are in the beginning stages of planning. There might be an opportunity for collaboration between the City of Pinole and the City of Hercules.

FISCAL IMPACT

The gross cost to the City for a fireworks show on Saturday July 2, 2022, including City staff and permit costs, would be approximately $51,770. The gross cost for a show on Sunday July 3, 2022 or Monday July 4, 2022 would range from approximately $51, 070 to $54,770 depending on the fireworks company. The net cost to the City would depend on financial contributions toward the event received from other organizations.

The costs associated with a fireworks show for Fourth of July 2022 was not included in the FY 2021/22 budget. However, Council did include $100,000 for community events in

the Community Services Department FY 2021/22 budget. Expenses for the fireworks show could be allocated to this account if Council chooses to provide that direction.

ATTACHMENTS:

Attachment A: City Council Staff Report for May 4, 2021
Attachment B: Devastating Pyrotechnics 7/3/2022 or 7/4/2022 Proposal
Attachment C: Fireworks & Stage FX America 7/2/2022, 7/3/2022 or 7/4/2022 Proposal

ATTACHMENT A

CITY COUNCIL REPORT

9A

DATE: MAY 4, 2021

TO: MAYOR AND COUNCIL MEMBERS

FROM: HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: OPTIONS FOR FOURTH OF JULY FIREWORKS AND OTHER FESTIVITIES IN 2021

RECOMMENDATION

Staff recommends that the City Council receive information on options for Fourth of July fireworks and other festivities in 2021, discuss, and provide direction to staff as appropriate.

BACKGROUND

At its meeting on April 6, 2021, the City Council requested a future Council agenda item to discuss options for Fourth of July fireworks and other festivities in 2021. City staff has prepared the information below for Council's consideration.

In February 2019, Council Member Salimi requested a future agenda item to discuss reinstating the Fourth of July fireworks display in Pinole. The City Council supported the request and added that the discussion should include potential funding from non-City sources.

On April 7, 2020, staff presented a report (attached) to the City Council that outlined options for public fireworks in Pinole. It was determined that the only permissible location from which to launch fireworks in Pinole would be a barge in the bay, due to firework fall zone issues.

Additionally, as the City was in the midst of the COVID pandemic at the time, there were concerns that having a Fourth of July event would result in large gatherings which was in violation of the restrictions imposed by the State and the County.

The City Council decided not to move forward with fireworks in 2020.

REVIEW AND ANALYSIS

The situation regarding permissible location and cost is the same now, with the possible exception of some cost escalation, as it was in April 2020.

Many cities are considering how to approach Fourth of July fireworks and other festivities in 2021. Many cities which have had Fourth of July public events, including fireworks, in years past, are considering or planning to cancel the event this year, due to the lead time required to plan the event and the concern that it still might not be legal or safe to hold large, in-person gatherings by Fourth of July.

Last year, the City of Hercules expressed interest in partnering with the City to host a parade or a Fourth of July event, if the City moved forward with an event. However, following our analysis the City determined not to schedule an event in 2020. This year, the non-profit organizations or community groups that historically have put together a fireworks event, of which the City of Hercules is involved on some level but are not the lead agency of the event, have decided not to continue organizing due to COVID. The City of Hercules stated that there have been some discussions about hosting a firework show in the future but no date or structure of the event has been revealed.

Note that the City of Pinole Police Chief and Fire Chief do not believe that having a City fireworks display will have any notable impact on the possible illegal use of fireworks by individuals.

As an option for discussion, the City can plan for a “reopening” event later in the year, which could include fireworks, assuming a barge is secured, and all emergency precautions are addressed.

FISCAL IMPACT

None.

ATTACHMENTS:

Attachment A: Staff report of April 7, 2020

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Craig Cutright
408-674-2021
cutright@devastatingpyro.com

Proposal for:

City of Pinole

Pinole, California

July 4th, 2022

July 4th 2022
Pinole, CA
Pyrotechnic Bid Summary

Return to Agenda

Display Elements / Shell Count

July 4th, 2022 "Barge" ($25,000)

Summary shell count and proximate product totals are listed for review. In addition, custom multi break shells and effects may be used to enhance the audience experience. The display incorporates breaking shells from the world's top manufacturers imported by Devastating Pyrotechnics of San Francisco, (including Shenma, Panda and Yung Feng) along with Japanese, Italian style aerial shells and we are proud to support those made in the US.

To ensure the customer is provided the most amazing display possible, we will Include in this bid, the choreography and wireless transmission of music if client so desires.

Shell Size /Effect / Device	Display Shell/Shot Count	Total Qty
Body		**274**
4" Shells	144	
5" Shells	60	
6" Shells	40	
7" Shells	10	
8" Shells	10	
10" Shells	10	
Multi Shot Bombardments		**1,200**
300 Shot Multi-Color and Effect Bombardments	600	
600 Shot Multi-Color and Effect Bombardments	600	
Finale		**180**
4" Shells (Chained Finale)	140	
5" Shells (Chained Finale)	40	

Total Shell Count / Run Time / Price	Shell Total
Shell Total*	1,654
Finale Shell Subtotal	180
Finale Run Time	2 min
Total Show Run Time	18 min

Total Display Price	$25,000

*As an operating standard and value added feature, Devastating Pyro displays are loaded with additional product (*above* listed shell count) to exceed expectations, ensuring over 100% compliance with contract shell count.

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Summary Plot Maps / Launch Site

City of Pinole WWTP, Pinole CA

Once Devastating Pyro's bid is accepted, Devastating Pyro will lay out an exact plot map of the shoot location/launch site, boundaries, etc.

Plot Map I. Safety Zone (setbacks) – 1,000+ feet

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References / Endorsements

City of San Jose, Ca- 4th of July Robert Vonderworth 408-802-8640

San Jose Council Member Johnny Khamis

San Francisco Chinese New Year Pyrotechnics Beverly Lee (415) 391-8828

San Francisco- Vietnamese Tet Festival Pyrotechnics

San Francisco- Mayor Ed Lee's Private Inauguration Party

Redwood City July 4 Fireworks Celebration Keith Kadera (650) 255-2393

Six Flags Entertainment Corp - Director Scott Sterner 661-255-4858

Bay 101 Casino Fireworks – June Richardson (408) 437-5506

Hayfork Speedway July 4 Fireworks Celebration- Bill Foster (530) 739-8659

City of Redondo Beach Marina – Craig Stanton 310-374-3841 x-202

Lucky Bear Casino Hoopa Valley Fireworks Norvin Hostler (530) 625-5198

Western Pyrotechnic Association Public Display – Lake Havasu, AZ

Redwood City Annual Hometown Holiday Christmas Fireworks

Johnson Steak House- New Year Eve Fireworks Extravaganza

Woodlawn Memorial Park Daytime Fireworks

City of Marysville's Annual Weekend Bok Kai Festival and Parade

Woodlawn Memorial Park Fireworks - Betty Su (650) 755-1727

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Contact Info / Experience / Personnel

Devastating Pyro Inc.
PO BOX 782
Pinole, Ca. 94564

WEBSITE: www.DevastatingPyro.com

ADMINISTRATIVE STAFF:

Kenny Chee - 15 years' experience Product Selection. Devastating Pyrotechnics Fireworks Importer. Licensed ATF Explosives Importer & Manufacturer. Licensed Pyrotechnic Operator. Public Fireworks Displays. Western Pyrotechnics Association, NFPA

Craig Cutright – Senior Show Producer /Choreography over 15 years' experience Digital systems choreography. MLB, Santa Cruz. Western Pyrotechnics Association. Finale Fireworks/Pyro-mate/Cobra. Licensed Operator

Jack Lee- Site Storage and Product Security

In Closing,

We at Devastating Pyro would like to thank you for looking at our proposal. Our passion started as a spark, and as we ignite the thrill and excitement of an amazing show, the more we want to expand. We want all of California to experience a top quality show with all of the latest product and equipment. We hope to let Pinole experience our passion!

Return to Agenda

COST ESTIMATE/FEE SCHEDULE FOR DEVASTATING PYROTECHNICS PINOLE FIREWORKS SHOW 07/04/2022

DATE:01/24/2022
CUSTOMER: Devastating Pyrotechnics
CONTACT: Craig Cutright
PHONE:408.674.2021
EMAIL:cutright@devastatingpyro.com

Item	Amount	Rate	Cost		
Daily rent of one barge 07/04/22	1 day	$1200/day/barge	$1,200		
Barge shifts for loading/unloading	3 hrs	$800/hr	$2,400	(includes fuel surcharge)	
Move barge to/from shoot	8 hrs	$1100/hr	$8,800	(includes fuel surcharge)	
Insurance on barge	1 barge	$350/barge	$350		
Survey charges		$350	$350		
Total			$13,100		

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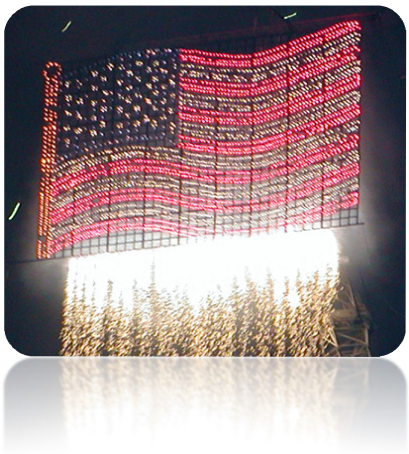
ATTACHMENT C

City of Pinole



Presents

Independence Day

A Fireworks Extravaganza

July 4,2022

Produced by

Fireworks & Stage FX America

"The Difference is Quality"

Return to Agenda

City of Pinole

July 4,2022

Aerial Show Presentation

Streaking Comets with tails

3"	10

Color & Multi-Color Aerial Shells

3"	60
4"	30
5"	15
6"	5

Flitter, Glitter, Electric Color & Color Changing Shells

3"	30
4"	20
5"	15
6"	5

Distinctive & Unique Aerial Shells

3"	40
4"	20
5"	10
6"	5

Premium Aerial Shells

3"	50
4"	20
5"	15
6"	5

Multi-shot Barrages:

	qty	total shots
150 Shot:	2	300

Aerial Grand Finale

Program A

Color & Multi-Color Finale Shells

3"	150
4"	20
5"	4

Finale Crown

6"	2

Grand Totals

Aerial Shell Counts

3"	340
4"	110
5"	59
6"	22
Multi-shots	300

Total Aerial Shell Counts

831

Program Price

Total Program Price Inclusive of Insurance, Operator and Transportation

Cost $40,000

Fireworks & Stage FX America

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Fireworks America Products

"The Difference Is Quality"

Fireworks America has sought to affiliate itself with world renown-award winning manufacturers, both foreign and domestic. In every show you will find only the highest quality of products, designs, and variety which will far surpass those of our competitors.

Product Definitions Are:

Standard: Aerial Shells include: One color products and multiple colored products such as Chrysanthemums, Peonies, Hearts, Rings, Red, Green, Blue, Yellow, Purple, Orange, Variegated, etc. Our variety is unmatched and as such we can guarantee over 40 varieties in this category.

Compare to our competitors "Color", "Fancy", some "Extra Fancy", "Standard" or "Japanese Style Deluxe" Shells.

Classic: Aerial Shells include: Flitter, Glitter, Electric Color, Color Changing Transformation, Penny Glitter, Glitter & Color, Magnesium Red Electric, Red to Blue, Comets, etc. Our variety is unmatched and as such we can guarantee over 50 varieties in this category.

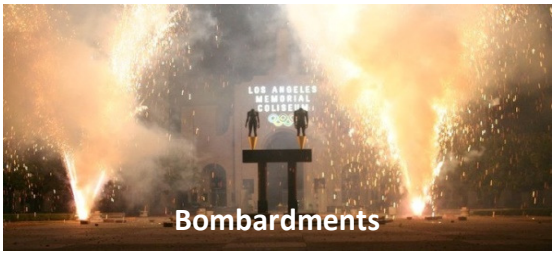
Compare to our competitors "Extra Fancy", "Floral", "Classic" or "Japanese Style Super Effect" Shells

Select: Aerial Shells include: Distinctive and Unique Aerial Shells such as Spiders, Multiple Reports, Strobes, Multiple Effect Shells, Domestic Glittering Comets, Double Hearts, Crackling Effects, Double Ring Shells, Saturn Shells, Tourbillion Shells, Waterfalls, Special Pattern Shells, Weeping Willow Shells, Shell of Shells, Coconut Palms, and Serpentine Shells, etc..

Compare to our competitors "Special" or "Japanese Style Special Effect" Shells.

Premium: Aerial Shells include: Crossettes, Serpents, Whistles, Whistles and Reports, Serpents and Strobes, Fish and Whistles, Tourbillions to Reports, Thunder and Rainbow, Serpents and Stars, Nishiki Kamuros, and many other American Made Specialty Shells.

Our competitors cannot compare with our Domestically-Made Superstars.



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City of Pinole

Show Concept, Services List, and Miscellaneous Details

Services List:

Fireworks America to Provide:

1) Permit Filings as Required
2) Storage and Delivery of fireworks
3) All Equipment to produce the display
4) Insurance Aggregate amount of $10,000,000 (Combined Single Limits)
5) Worker's Compensation Insurance (Statute)
6) Ipod, CD or Flash Drive
7) Choreography

City of Pinole to Provide:

1) A Suitable Firing Site
2) Adequate Security for Firing Site
3) Permit Fees
4) Standby Firefighter Fees, if req'd
5) Sound System and Playback
6) Adequate Permit Time as listed below.

Minimum Time Required

Fireworks America will provide permitting services on your behalf. There are minimum times required to pull these permits. Contracts and deposits must be signed and back to us prior to starting these services. Here are the **minimum permit times.**

Land Based Shows based require a minimum of **30 days** to permit based on Local and State Ordinance, FAA and other requirements.

Water based shows require a minimum of **60 days** to permit based on all of the above PLUS Coast Guard requirements.

Please plan your show accordingly.

Operators and Assistants:

Fireworks America will provide the services of a State Licensed Pyrotechnic Operator and experienced crew to fire your display. The entire crew will be covered under Fireworks America's Worker's Compensation Insurance.

Payment Terms:

50% deposit is due on Contract Execution, Balance Net 10 days after display.

Continued

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City of Pinole

Show Concept, Services List, and Miscellaneous Details

Method of Discharge:

The show will be fired electrically. Each fireworks event will have its own ignitor for precise timing. Fireworks America will provide the firing panel, cable, distribution system and power for the show.

Choreography:

The program will be choreographed utilizing the latest innovation in computerized-fireworks choreography. This will allow maximum accuracy in firing and timing of the display. The fireworks will follow the music precisely and provide an exhilarating experience for the viewer.

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PYROTECHNIC PUBLIC DISPLAY CONTRACT

Fireworks & Stage FX America, Inc./LLC
dba: Fireworks America
PO Box 488
Lakeside, CA 92040
619-938-8277
619-938-8273 Fax

BATF License Number:
9-CA-073-20-6B-01843
9-CA-073-23-6B-01844

California Licenses:
GPD-0528
I/E-1129
W-1132

1) This Contract, entered into this 24th day of January, 2022, by and between FIREWORKS & STAGE FX AMERICA, INC., dba FIREWORKS AMERICA, a California Corporation, duly licensed by the Federal Bureau of Alcohol, Tobacco, Firearms and Explosives and the State of California, hereinafter referred to as "FA" and CITY OF PINOLE hereinafter referred to as "BUYER".

2) FA agrees to furnish BUYER, in accordance with the terms and conditions set forth herein, One (1) fireworks/special effects display as per Program A, submitted, accepted and made part hereof,and the services of a licensed pyrotechnic operator who will be in charge of the execution of said display unless otherwise agreed in writing. This display is to be performed on July 4,2022, located at Pinole Waterfront.
The time of the display is to be at: 9:30 PM or TBD

3) BUYER agrees to pay FA the sum of: Forty Thousand Dollars, (U.S.) ($40,000.00), per the following terms:
50% of the Sum is to be paid to FA at the signing of the Contract,Balance Net 10 Days After Display Contract and Deposit to be received by: 2/15/2022

4) Should the BUYER default on these payment terms, a finance charge at a rate of 1.5% per month, 18% annual percentage rate, or the maximum rate permitted by law, whichever is greater, will be charged and accrued on the unpaid balance of the Contract until the Contract is satisfied.
FA is hereby authorized to receive BUYER's financial information from any person or entity for the purpose of verifying BUYER's ability to pay.

5) BUYER, at its expense, agrees to provide FA a suitable DISPLAY SITE in which to stage, setup and fire the display. This DISPLAY SITE will incorporate an appropriate fallout zone, which has to be approved by FA, and that will fulfill any requirements set forth by any governing legal authority. Should the proposed site require the involvement of specialized equipment, watercraft or clean up, BUYER agrees to provide said equipment and labor at BUYER's expense.

Initial: _____

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Fireworks America Public Display Contract

6) BUYER, at its expense, agrees to provide adequate security to prevent any access to the DISPLAY SITE by members of the general public or any persons not expressly approved by FA. Any claim arising from damage to persons or property caused by any unauthorized access to the DISPLAY SITE is the sole responsibility of the BUYER. Should a multiple day setup be required, BUYER shall provide appropriate security during all the times FA is away from the DISPLAY SITE.

7) BUYER, at its expense, agrees to pay for any required "standby" Firemen, and/or any applicable permit costs and fees as required by state and local statutes, ordinances or regulations. BUYER agrees to indemnify FA for any and all changes or adjustments made to the DISPLAY at the request of any governing legal authority.

8) BUYER, at its expense, shall provide FA sufficient parking, all necessary site and event passes and allow FA sufficient time and available access, as determined by FA, to safely and professionally setup and discharge the display and subsequently remove the display equipment from the DISPLAY SITE.

9) Should BUYER fail to comply or prove itself unable to comply with the requirements stated in paragraphs 5, 6, 7 and 8 herein, FA shall have no obligation to continue with the performance of the display and the BUYER agrees to pay the full contract price plus any additional associated expenses incurred by FA.

10) BUYER agrees to assume the risk of weather, or any other cause that is beyond FA's control, that may prevent the display from being discharged on the scheduled date and time. In the event that FA, at its sole discretion, determines that the weather unsuitable for the discharge of the display, BUYER shall pay per the cancellation terms contained in paragraph 11 herein.

11) BUYER shall have the option to cancel this display at any time. If BUYER decides to cancel, BUYER agrees to pay to FA 35% of the display contract price and all other associated costs incurred by FA, including, but not limited to, permits, insurance, pyrotechnic operator's fee, transportation, choreography, custom design or any other provable expense associated with the execution of the Display.

12) BUYER agrees to hold FA harmless from all claims and penalties made against FA in the event that the display fails to start on time or is disrupted after commencement as a direct result of equipment or product malfunction or failure.

13) FA agrees to provide insurance coverage of Twenty Million Dollars, Bodily Injury and Property Damage and statutory limits for Worker's Compensation. This insurance covers the operations of FA only and does not extend to any other aspect of the event at which such a display may be held. FA's operations are deemed complete when FA has vacated the premises.

14) Should BUYER fail to perform its obligations as set forth herein, BUYER agrees to indemnify, defend and hold FA harmless from all claims and suits made against FA in conjunction with the discontinuance or cancellation of the display.

Initial: _____

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Fireworks America Public Display Contract

15) FA agrees to defend, indemnify and hold harmless BUYER from and against all claims and liability arising out of the services to be performed by FA hereunder, except to the extent arising from BUYER'S negligence or willful misconduct.

16) The laws of the State of California shall govern this contract. It is agreed that any court of competent jurisdiction located in the County of San Diego, CA shall be proper venue for an action. Should such action be brought to enforce or interpret the terms or provisions of this Contract, the prevailing party shall be entitled to reasonable attorney fees and costs in addition to any other relief to which they may be entitled.

17) Nothing in this contract shall be construed as forming a partnership, joint venture, agency or any form of legal relationship, other than contractual, between BUYER and FA. Neither party shall be held responsible for any agreements or obligations not expressly provided for herein and shall be severally responsible for their own separate debts and obligations.

18) BUYER shall not under any circumstances, be entitled to recover any consequential damages from FA. Nothing in this paragraph shall be construed as a modification or limitation on the insurance coverages afforded in Paragraph 13 herein.

19) Other Considerations: NONE

20) This agreement shall be binding on the parties and on their heirs, executors, administrators, successors and assigns.

In Witness the parties hereto, by or through their duly authorized agents, have set their hands and seals this 24th day of January, 2022.

Fireworks & Stage FX America, LLC.

_____

Jim Acker

Northern California Operations Manager

City of Pinole

Signature: _____

Printed: _____

Title:_____

Date: _____

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CITY COUNCIL REPORT

11A

DATE: FEBRUARY 1, 2022

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER
SANJAY MISHRA, PUBLIC WORKS DIRECTOR

SUBJECT: RECOMMENDED NEXT STEPS FOR THE FARIA HOUSE

RECOMMENDATION

Staff recommends that the City Council review staff's recommended next steps regarding the Faria House and provide direction.

BACKGROUND

The City owns the two-story house located at 2100 San Pablo Avenue that is commonly referred to as the "Faria House." The building was constructed in about 1890 and was originally located at what is now 1301 Pinole Valley Road.

In June 2020, the City Council created the Faria House Ad Hoc Committee to provide recommendations on the use of the house. The Committee provided its findings and recommendations to the City Council on November 17, 2020. At that meeting, the City Council discussed approving a memorandum of understanding (MOU) between the City and the Pinole History Museum (PHM) regarding the renovation of the Faria House and its lease to PHM but did not take any action. The City Council subsequently considered including funding for renovation of the Faria House in the fiscal year (FY) 2021/22 budget, but ultimately did not include such funding. The City Council did direct staff, at its meeting on June 29, 2021, to return to Council with a recommendation on next steps for the Faria House's renovation. The history of the City's ownership of and plans for the Faria House are well described in the staff report for the November 17, 2020 Council meeting, which is attached.

REVIEW AND ANALYSIS

The City has owned the Faria House for several years and conducts basic maintenance to the building and site to prevent deterioration. The building is currently uninhabitable. The City has conducted some analysis of the nature and cost of the renovation that would be needed for the building to function as a local history museum, which is well described in the staff report for the November 17, 2020 Council meeting.

It would benefit the community for the site to be put to productive use. The City has not reached a decision about whether to renovate the building, and for what purpose, and therefore the building remains uninhabitable and vacant. A significant amount of public input has been received regarding potential future renovation and uses of the building. However, it is unclear to what degree the public input that has been received is representative of the views of the entire community.

City staff believes that additional information on the costs and benefits of different potential uses ("programming") of the building, including as a local history museum, professional offices, and residences, would be informative as the Council considers different options. Costs would include one-time and ongoing costs to the City of different uses, and benefits would include those related to economic and community development. In addition, City staff believes that community input from a representative sample of community members would be informative as the Council considers different options.

As such, City staff recommends that the City Council direct staff to solicit proposals from professional services firms to assess the costs and benefits of potential uses of the building, including at least the three potential uses noted above. City staff also recommends that the City Council direct staff to solicit proposals from professional services firms to conduct a community engagement process to gather input from a representative sample of the community on the preferred future use of the site. Staff estimates that it will cost $20,000 to hire a firm to conduct the cost and benefit assessment and $50,000 to hire a firm to conduct a community engagement process.

If the City Council directs staff to solicit proposals for an assessment of costs and benefits and a community engagement process, staff will return to Council with a recommendation for a firm to conduct both scopes of work and a request for a budget appropriation to fund the firms' work.

FISCAL IMPACT

There is no financial impact created by receiving Council direction on this matter.

ATTACHMENT(S):

A – Staff Report for November 17, 2020 City Council Meeting Item 9A on Findings and Recommendations of the Faria House Ad Hoc Committee and Consideration of a Memorandum of Understanding (MOU) Regarding the Renovation of the Faria House and Lease to the Pinole History Museum

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CITY COUNCIL REPORT

9A

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER
HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: FINDINGS AND RECOMMENDATIONS OF THE FARIA HOUSE AD HOC COMMITTEE AND CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING (MOU) REGARDING THE RENOVATION OF THE FARIA HOUSE AND LEASE TO THE PINOLE HISTORY MUSEUM

RECOMMENDATION

City staff recommends that the City Council receive the findings and recommendations of the Faria House Ad Hoc Committee ("Committee") and consider a resolution (Attachment A) approving a memorandum of understanding ("MOU") between the City and the Pinole History Museum ("PHM") regarding the renovation of the Faria House and lease to PHM.

BACKGROUND

The building commonly referred to as the "Faria House" is a two-story residence constructed in about 1890 and originally located at what is now 1301 Pinole Valley Road. Over the past few decades, the former Pinole Redevelopment Agency ("Redevelopment Agency") and the City have considered various options for the use of the property at 1301 Pinole Valley Road and the house itself.

In June 2020, the City Council created the Faria House Ad Hoc Committee ("Committee") to provide recommendations to the City Council on the use of the house. The Committee was specifically charged with providing recommendations on matters related to the Faria House's renovation for use as a local history museum, including the site and building renovation designs and specifications, lease provisions and/or cost sharing agreements between the City and PHM, and options to fund the City's share of the cost to renovate and maintain the Faria House building and site.

Below find a summary of the history of the house and property, and of the redevelopment of the property. Also find a summary of plans for the reuse of the house and renovation designs and cost estimates. Finally, find information regarding a potential MOU between the City and PHM addressing the renovation of the Faria House and lease to PHM that the Committee recommends that the City Council consider for approval.

History of the Faria Farmstead

The property at 1301 Pinole Valley Road was historically known as the Faria Farmstead and consisted of seven buildings including a house, barn, and additional outbuildings. The house sat atop a knoll with a view of Pinole Valley. It was built by carpenter William Allen in 1891 for his daughter Louise, as a wedding gift when she married James H. Tennent, son of Samuel Tennent, one of Pinole's early settlers. The Tennents soon sold the house along with 4.5 acres to a Mr. Morgan, who soon thereafter sold it to Joseph Dutra Faria, an immigrant from the Azores Islands. The Farias were one of the early families to settle in the area. The family eventually expanded the farmstead from the original 4.5 acres to over 280 acres. Joseph ran the farm alongside his son William, who remained at the ranch his entire life. The acreage once filled much of Pinole Valley and part of Hercules. The farm grew tomatoes, hay, and grain and raised cattle. William was a well-known local figure and landowner. He continued to run the farm and ranch through the 1950s, and passed away in the mid-1980s.

Redevelopment of the Faria Property and House

The site on which the Faria House was located was incorporated into the Pinole Vista Redevelopment Area in 1981. In 1996, the Redevelopment Agency purchased the then 6.5-acre parcel, including the house and other buildings, for $2.1 million (Attachment B). A Feasibility Study Committee had identified in 1992 that a 47,000 square foot community center serving a variety of community meeting and recreational needs would be desirable within the Redevelopment Project Area. In 1994, a Municipal Services Task Force recommended that the center be built with redevelopment funds within the Redevelopment Project Area. City records indicate that the Faria House property was acquired by the Redevelopment Agency in part so that the Redevelopment Agency could preserve the option of building a community center on the site. Prior to and subsequent to the Redevelopment Agency's acquisition of the property, various options were considered for the redevelopment of the site, including renovating the Faria House on the site for a future use to be determined, but no improvements were made.

In 2003, the Redevelopment Agency approved the acquisition of 2100 San Pablo Avenue, utilizing affordable housing funds, and hired an architect to create a vision for a "Heritage Park," possibly including the Faria House, on the site. The vision included two phases, the relocation of the Faria House and related site improvements and the construction of three single-family cottages on the site.

The Redevelopment Agency sold a portion (4.9 acres) of 1301 Pinole Valley Road to Kaiser in 2005 for $5.2 million for the development of the Kaiser Pinole Medical Offices, which were completed in 2009. In 2015 and 2020, the City sold the two remaining portions, for $348,500 and $470,000, respectively.

The Faria House was relocated to 2100 San Pablo Avenue in 2005. The cost of the move and ancillary improvements was paid with Redevelopment Agency affordable housing funds. Therefore, the property underlying the Faria House and the building itself became the property of the Redevelopment Agency Affordable Housing Fund.

In 2005 and 2006, the Redevelopment Agency considered various reuse options for the Faria House, including mixed commercial, residential, and public or nonprofit uses. In September 2006, following a presentation from the Pinole Historical Society ("PHS"), the Redevelopment Agency directed staff to create potential deal points for the use of the Faria House as a local history museum. Staff presented the potential deal points on October 17, 2006 (Attachment C). The Redevelopment Agency board moved to accept the deal points presented by PHS and directed staff to create the final documents.

In October 2007, the Council adopted a resolution approving expenditure of $400,000 to renovate the Faria House and a lease and grant agreement with PHS (Attachments D and E). Pursuant to the proposed lease, the City would contribute $400,000 to the renovation and PHS was required to raise the additional money needed to complete the renovation. In August 2008, the City received a letter from PHS stating that the PHS Board would not approve the lease and considered it "null and void." It also stated that "given the 'clean slate', we have now entered new negotiations with City/RDA staff regarding use of the Faria House as a museum."

In 2008, the Redevelopment Agency hired a professional museum consultant to conduct a study to determine the feasibility of PHS operating a museum in the Faria House. The results of the study were presented to the Redevelopment Agency in November 2009 (Attachment F). Discussion of reuse of the Faria House was then put on hold due to the Great Recession.

Post-Redevelopment Plans for the Faria House

When the Redevelopment Agency was dissolved in 2012 and the City of Pinole elected to become the Housing Successor Agency, responsible for the affordable housing assets of the Redevelopment Agency, the Faria House and the underlying parcel became the property of the City's Housing Successor Agency. The Housing Successor Agency is responsible for using its assets to create or sustain affordable housing.

So that the City could use the Faria House for a purpose other than affordable housing, the City purchased the Faria House, excluding the underlying parcel, from the Housing Successor Agency in July 2016 for $30,000, which was the fair market value based on an appraisal and the cost of renovation. The City Council directed staff to identify possible uses of the property. In September 2016, staff presented the Council with a report on possible uses (Attachment G). Following a discussion, the City Council approved a motion to use the Faria House as a museum. The City Council also directed staff to obtain an estimate of the cost to renovate the Faria House to be suitable to serve as a public museum.

In September 2016, the City issued a letter of intent to dedicate the Faria House as a location and future venue for the Pinole History Museum (Attachment H). In August 2018, the City issued a letter of intent to establish an agreement with PHM for use of the Faria House as a technology-rich museum, noting that production of the project is conditional on obtaining sufficient financial resources (Attachment I).

Renovation Design and Cost Estimate

In June 2018, the City executed a contract with Interactive Resources (IR, Attachment J), an architecture firm with extensive experience renovating historic structures, to design the improvements that would be required for the building to serve as a public museum. IR consulted with City staff as well as representatives of PHM to create a building program, which consisted of interior spaces for exhibits, an archive, a gift shop, and meeting spaces. IR completed 95% construction documents in December 2019. These included an elevator to provide access to the second floor and were compliant with the California Historical Building Code, which is an adjunct to the California Building Code. IR's subconsultant, Silva Cost Consulting ("Silva"), created an estimate for the renovation construction cost in January 2020, which was $1,419,837, including some improvements specific to a museum use and assuming a construction start date of summer 2020.

In June 2020, the City Council created the Faria House Ad Hoc Committee (Attachment K, "Committee"), which was specifically charged with providing recommendations on matters related to the Faria House's renovation for use as a local history museum, including the site and building renovation designs and specifications, lease provisions and/or cost sharing agreements between the City and the Pinole History Museum (PHM), and options to fund the City's share of the cost to renovate and maintain the Faria House building and site.

The Committee met on several occasions to review IR's 95% construction documents and Silva's estimate, as well as to receive input from PHM on the renovation design and cost estimate. The Committee and City staff engaged with IR and Silva to create an updated renovation design. The updated renovation scope does not include any updates to the building exterior or to the site (except potentially site modifications that might be required to meet recent ADA requirements). The design includes an elevator, the reuse of as much historic building material as feasible, and a multi-split HVAC system. Based on the updated renovation scope, Silva provided a revised renovation construction cost estimate on September 17, 2020 (Attachment L). The September 17, 2020 renovation construction cost estimate is $1,165,435 plus $66,326 for tenant improvements (special museum electrical work) and assumes construction in summer 2021. Note that the project has not yet completed the City's planning or building review and permitting processes. As such, the design might need to be modified to meet City requirements.

The renovation construction cost is just one component of the project's total project cost. In addition to the cost of the renovation construction, the project has also required architecture and engineering and will require construction project management, permits, and possibly site improvements. Together, those could amount to a total project cost of approximately $1,400,000 or more. This total project cost estimate does not include the furniture, fixtures, and equipment (FFE) that a museum would need to open. The total project cost estimate also does not include the cost of ongoing maintenance and

renewal of the building and site, which City staff estimates could cost approximately $50,000 annually.

Cost Sharing Agreements and/or Lease Provisions Between the City and PHM

The Committee was specifically charged with providing recommendations to the City Council on lease provisions and/or cost sharing agreements between the City and PHM. The Committee met on several occasions to consider different cost sharing and lease options. The Committee sought the input of PHM on approaches and options. The Committee directed City staff to draft some form of agreement that would address the issues of the renovation and lease. Staff proposed a framework that involves a MOU between the two parties as well as a lease between the two parties. The Committee and staff worked together to create a draft MOU, which was reviewed by the City Council in closed session on November 3, 2020. At that meeting, the City Council provided direction to staff on the proposed MOU (Attachment M). The Council directed staff to share the proposed MOU with PHM for review and feedback.

The Committee is recommending that the City Council consider a resolution approving the proposed MOU. The MOU establishes that if PHM can raise funding sufficient to pay for tenant improvements and FFE, the City will complete the renovation of the Faria House if the total project cost is less than or equal to $1,200,000 million (including architecture, costs of entitlements and CEQA, construction management, construction, and site improvements, excluding tenant improvements and FFE). If those conditions are met, the City would also execute a lease with PHM for the Faria House with certain parameters.

Options to Fund the City's Share of the Faria House Renovation and Maintenance

In July 2020, City staff presented Council with information on potential funding sources for the Faria House renovation (Attachment N). One of the potential funding sources noted was unassigned General Fund balance, which includes the City's share of the proceeds of the sale of former Redevelopment Agency properties. Note that on October 6, 2020, City staff presented the five-year forecast for the General Fund and Measure S Funds for fiscal year (FY) 2020/21 through FY 2024/25 (Attachment O). The forecast contains updated information on expected unassigned fund balance in the General Fund and Measure S Funds. The General Fund balance is now forecasted to be $3.9 million at the end of FY 2020/21, decline to $3.3 million at the end of FY 2022/23, then increase to $3.7 million at the end of FY 2024/25. Those totals include amounts from the sale of the Pinole Assisted Living Community (PALC) and the City's share of proceeds from the sale of former Redevelopment Agency properties at Henry Avenue and Pinole Valley Road and the seven-acre parcel located at the Pinole Shores II Business Park. (Recall that aside from the unassigned General Fund balance discussed above, the City currently has and plans to maintain a distinct General Reserve equal to 50% of General Fund ongoing operating expenditures.)

REVIEW AND ANALYSIS

The City has made numerous incremental investments in and statements of intent regarding the Faria House's restoration and use as a local history museum over the years. The City now has information on the estimated one-time and ongoing cost to renovate and maintain the property upon which to base a decision regarding whether to renovate the building and lease it to PHM. The proposed MOU is fairly binding on the City. If the bids for project costs come in such that the total project cost to the City as defined is less than $1.2 million, and PHM meets the fundraising threshold, the City is obligated to carry out the renovation and enter a lease with PHM.

FISCAL IMPACT

Were the City Council to approve the execution of the MOU with PHM, the City would be obligated, if certain conditions precedent were met, to seek bids for the renovation. If the bids for the elements comprising the total project cost (architecture and engineering, construction management, environmental review and permits, construction, and possibly site improvements) totaled $1.2 million or less, the City would be obligated to conduct the renovation, provide up to 500 hours of City staff time for project management, lease the facility to PHM, and maintain the building and site. PHM would be required to pay for the tenant improvements, FFE, and operational expenses of running a museum. Note that if the total project cost totaled more than $1.2 million, the City would have the option of proceeding with the renovation if PHM offered to make up the funding gap.

ATTACHMENTS

A. Resolution
B. Faria House Purchase and Sale Agreement
C. Redevelopment Agency Potential Deal Points for the Use of the Faria House as a Local History Museum
D. Resolution Approving Expenditure of $400,000 to Renovate the Faria House
E. Resolution Approving a Lease and Grant Agreement with PHS
F. Feasibility Study Regarding PHS Operating a Museum in the Faria House
G. Report to City Council on Possible Uses of the Faria House
H. City Letter of Intent to Dedicate the Faria House as a Location and Future Venue for the Pinole History Museum
I. City Letter of Intent to Establish an Agreement with PHM for Use of the Faria House as a Museum
J. Contract with Interactive Resources
K. Resolution Creating the Faria House Ad Hoc Committee
L. Revised Renovation Construction Cost Estimate of September 17, 2020
M. Proposed MOU between the City and the Pinole History Museum Regarding the Renovation of the Faria House and Lease to PHM
N. City Council Staff Report on Potential Funding Sources for the Faria House Renovation
O. Five-Year Forecast for the General Fund and Measure S Funds for Fiscal Year (FY) 2020/21 through FY 2024/25

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CITY COUNCIL REPORT

11B

DATE: FEBRUARY 1, 2022

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER
SANJAY MISHRA, PUBLIC WORKS DIRECTOR

SUBJECT: RECOMMENDED NEXT STEPS FOR 2301 SAN PABLO AVENUE ("COMMUNITY CORNER")

RECOMMENDATION

Staff recommends that the City Council review staff's recommended next steps regarding the City-owned property at 2301 San Pablo Avenue and provide direction.

BACKGROUND

The vacant lot located at 2301 San Pablo Avenue (the "Property"), which is sometimes referred to as "Community Corner," was transferred from the former Redevelopment Agency to the City for development under the Long Range Property Management Plan. The Property previously housed a gasoline service station, which has been removed. The site was most recently improved in 2011 through a collaborative project with the Pinole Chamber of Commerce, called "The Community Corner," that involved removing a perimeter chain link fence and installing gravel and mulch. The City conducts basic maintenance of the Property.

The City has received proposals to develop the Property and marketed it for sale on multiple occasions in the past, most recently with three other former Redevelopment Agency properties. Attached find the offering memorandum that was published regarding the Property in August 2021. The City Council did not pursue any of the offers received for the Property in response to that marketing.

Since the Property is former Redevelopment Agency property, it must be sold for fair market value and the proceeds distributed to the appropriate taxing entities. If the City desires to retain the Property for a public use, the City will need to pay the fair market value, to be distributed to the taxing entities.

REVIEW AND ANALYSIS

It would benefit the community for the Property to be put to productive use. A number of potential uses for the site have been suggested over time, including commercial development, mixed-use development, and a public park.

City staff believes that additional information on the costs and benefits of different potential uses ("programming") of the Property, including those noted above, would be informative as the Council considers different options. Costs would include one-time and ongoing costs to the City of different uses, and benefits would include those related to economic and community development. In addition, City staff believes that community input from a representative sample of community members would be informative as the Council considers different options.

As such, City staff recommends that the City Council direct staff to solicit proposals from professional services firms to assess the costs and benefits of potential uses of the site, including at least the three potential uses noted above. City staff also recommends that the City Council direct staff to solicit proposals from professional services firms to conduct a community engagement process to gather input from a representative sample of the community on the preferred future use of the site. Staff estimates that it will cost $10,000 to hire a firm to conduct the cost and benefit assessment and $30,000 to hire a firm to conduct a community engagement process. Note that the cost for community engagement might be substantially lower if the City hired a firm to undertake community engagement on multiple community issues simultaneously.

If the City Council directs staff to solicit proposals for an assessment of costs and benefits and a community engagement process, staff will return to Council with a recommendation for a firm to conduct both scopes of work and a request for a budget appropriation to fund the firms' work.

FISCAL IMPACT

There is no financial impact created by receiving Council direction on this matter.

ATTACHMENT(S):

A – City of Pinole Offering Memorandum for 2301 San Pablo Avenue

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CONTRA COSTA COUNTY

PINOLE

CITY OF PINOLE, CONTRA COSTA COUNTY MIXED-USE DEVELOPMENT OPPORTUNITY IN OLD TOWN PINOLE

2301 SAN PABLO AVENUE
$240,000

The City of Pinole is pleased to announce the opportunity to purchase a level-finished vacant lot located at **2301 San Pablo Avenue** (7,860 sq. ft.) in the heart of Old Town Pinole. The City is seeking proposals to develop the site with a vibrant commercial or mixed-use project that welcomes visitors to the City's downtown.

If interested in learning more about this opportunity, please contact Suzy Kim, the City's consultant, at 510.295.4867 or skim@webrsg.com

Prepared and presented by RSG

CalBRE Corporate Broker License #01930929

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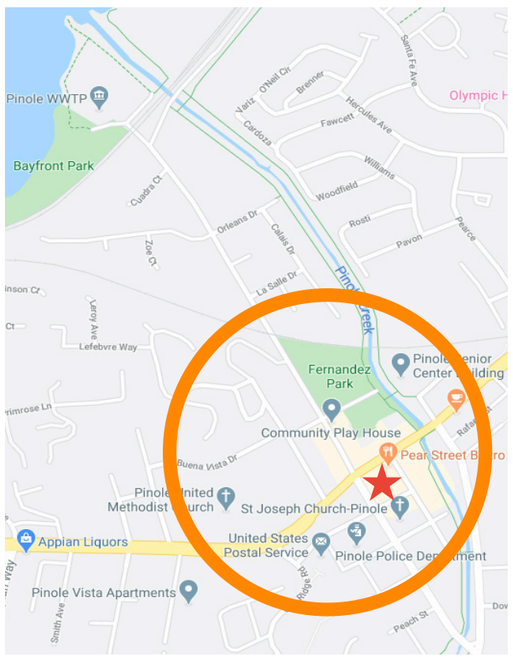
The Community

Incorporated in 1903, Pinole is located in the San Francisco Bay Area on the shores of San Pablo Bay in Western Contra Costa County. Pinole's strategic location includes easy access to Interstate 80, which connects Pinole to San Francisco/Oakland to the south and Sacramento to the north. State Route 4 links Pinole to nearby cities such as Concord, Martinez, Pleasant Hill, and Walnut Creek.

Pinole is known for its architectural heritage and rich historic past while offering the feel of a small-town community. The City offers a superb quality of life and has a growing population of over 19,000 residents with a median household income of over $100,000. Its location in the thriving Bay Area and easy access to a trade area population of nearly 120,000 people within a 10-minute drive time provides an ideal market for a commercial, residential, or mixed-use development. Pinole hosts several major national retailers such as Sprouts, Trader Joes, Best Buy, Target, In N Out, and Habit Burger.



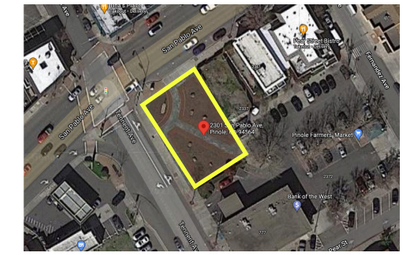
2301 San Pablo Avenue is located on a major intersection in the City's commercial core. Surrounding office, retail, and restaurant uses bring foot and auto traffic. Popular eateries within walking distance include Tina's, Pear Street Bistro, and East Bay Coffee Co. Fernandez Park, the Pinole Youth Center, and Community Playhouse are located across the street. Bayfront Park is a ten minute walk away, offering sweeping views of the Bay. The Pinole Valley Shopping Center and Hilltop Mall are just two nearby shopping centers that and provide residents with ample opportunities for grocery and retail shopping. The properties also provide access to schools at the elementary, middle, and high school levels within 1.5 miles.

The City welcomes proposals to develop the site with a vibrant commercial or mixed-use project that welcomes visitors to the City's downtown.

Trade Area:
Over 120,000 residents within 10 minutes

Low Vacancy Rates
4.4% Multi-Family and 3.0% Retail Submarket Vacancy Rates

Public Amenities
275 acres of public parks and trails



ADDRESS	2301 SAN PABLO AVENUE
APN	401-162-001-2
Price	$240,000
Current Improvements	• Level-finished vacant lot with landscaping and walkways. • Full utility access, sidewalks, curbs, gutters, and driveway cut outs in place. • 5/8" water line/meter and 4" sewer lateral. • Two ingress/egress points from San Pablo Avenue and Tennent Avenue.
Lot Size (sq. ft.)	7,860
Zoning District	Three Corridor Specific Plan San Pablo Avenue Sub-Area - CMU
Name/Description	Commercial Mixed Use. The predominant use is commercial. This category is designed to provide for the integration of retail and service commercial uses with office and/or residential uses to create vibrant commercial and mixed-use development. At least 51% of the total floor area should be commercial retail and service use. Up to 100% may be residential with an approved affordable housing agreement and community benefits as specified in the General Plan. Properties in the TCSP are governed by the Specific Plan development standards, unless there is a standard that is silent, in which case the Pinole Zoning Code applies.
Setbacks	0 ft. minimum Build to Front Line and Side Yard setbacks with 5 ft. minimum Rear Yard setback
Minimum Density (units/ac.)	20.1
Maximum Density (Units/ac.)	30.0
Maximum Stories	3 (40 ft.)
Permitted and Conditional Uses	See City of Pinole Three Corridor Specific Plan Table 6.2. If affordable housing is pursued, the City may consider concessions under applicable density bonus laws.
Notes	Any projects with four or more residential units will be subject to the City's inclusionary housing requirements. At least 15% of total units must be offered for sale or rent as an affordable unit. See Municipal Code Section 17.32 for details. The property is a former LUST cleanup site. Cleanup was completed in 2007. The case closure letter and other information may be found at https://geotracker.waterboards.ca.gov/profile_report?global_id=T0601300264. Prospective buyers are responsible for any desired environmental and other due diligence.

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Letters of Interest

Qualified investors are asked to submit a letter of interest that shall include, but not be limited to, the following details:

- Offer price
- Terms and Conditions for acquiring the property. Please note the City will require entitlements and building permits to be approved during escrow before transferring ownership.
- Description of the proposed development, including preliminary estimates of scaling/unit mix (drawings of the proposed design are appreciated but not required)
- Development Timeline from acquisition, to breaking ground, and completion of construction
- Description of your experience with similar projects
- Financing plan
- Primary contact name, phone number, and e-mail address

Offers will be accepted on an open-ended basis and reviewed when received. Don't miss out on this unique opportunity!

Send letters of interest to the City's consultant, Suzy Kim (Senior Associate with RSG, Inc.) via e-mail at skim@webrsg.com.

Questions? Contact:
Suzy Kim at skim@webrsg.com or 510.295.4867
Kyle Westra at kwestra@webrsg.com 714.316.2197

Prepared and presented by RSG

CalBRE Corporate Broker License #01930929

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CITY COUNCIL REPORT

11C

DATE: **FEBRUARY 1, 2022**

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **MARKISHA GUILLORY, FINANCE DIRECTOR**

SUBJECT: **RECEIVE AND ACCEPT THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE FISCAL YEAR (FY) ENDED JUNE 30, 2021**

RECOMMENDATION

Staff recommends that the City Council receive and accept the Annual Comprehensive Financial Report (ACFR) for the fiscal year (FY) ended June 30, 2021.

BACKGROUND

Each year, the City publishes the ACFR, which contains the City of Pinole's basic financial statements, auditor's report, and important supplemental information. The ACFR is intended to present the reader with a comprehensive view of the City's financial position and activities.

The Finance Department is responsible for preparation of the ACFR and assumes responsibility for its accuracy, completeness, and fairness. Badawi & Associates Certified Public Accountants, the City's auditors, audited the City's financial statements for the fiscal year ended June 30, 2021 to provide reasonable assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles (GAAP).

Badawi & Associates issued an unmodified opinion, the highest possible rating. This means that the financial statements are presented, in all material respects, in accordance with applicable financial reporting guidelines. Consistent with sound fiscal management practices and prudent public policy, these reports are presented to the City Council for review and acceptance to enhance transparency of local government. A copy of the ACFR is available for public inspection at City Hall, 2131 Pear Street, and has been posted on the City's website at: https://www.ci.pinole.ca.us/city_government/finance/annual_comprehensive_financial_report.

It is important to note that the Government Accounting Standards Board (GASB) issued Statement No. 98 that updates the title of this annual report from "Comprehensive Annual Financial Report" to "Annual Comprehensive Financial

Report" (ACFR). As such, the City has adopted the new title, which is reflected throughout this staff report, the ACFR, and the City's website.

REVIEW AND ANALYSIS

The ACFR is organized into five sections:

- An introduction, which includes the Transmittal Letter;
- Management's Discussion and Analysis (MD&A);
- Basic Financial Statements and Notes;
- Supplemental information; and
- Statistical information.

The MD&A section (pages 5-18) of the ACFR presents an overview and analysis of the City's financial activities for the fiscal year ended June 30, 2021. Staff encourages readers to consider the information presented in this section in conjunction with additional information that is furnished in the Transmittal Letter (pages i-v), the City's basic financial statements (pages 23-40), and the notes to the financial statements (pages 43-84). Additionally, the ACFR is supplemented by several auditors' reports on the matters of internal controls, compliance, and governance (Attachments B-F).

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2020/21 by $43.6 million (net position). Of this amount, $33.5 million is restricted for specific purposes (restricted net position), $43.8 million is the net investment in capital assets and $33.7 million represents a deficit in unrestricted net position.

- The City's net position increased by $0.1 million, a 0.2% increase at the close of FY 2020/21 as compared to FY 2019/20. This increase is primarily the result of the Wastewater Utility excess revenues. Overall, governmental activities net position decreased by $0.8 million while business-type activities increased by $0.9 million.

- Governmental funds reported ending balances of $56.6 million, an increase of $2.7 million in comparison to FY 2019/20.

- The General Fund balance is $40.0 million, which has various levels of restrictions. The General Fund as presented in the financial statements comprises the General Fund, Measure S 2006 Fund, Measure S 2014 Fund, General Reserve Fund, Equipment Reserve Fund, and Section 115 Trust Fund. Of the $40.0 million balance, $12.4 million is unassigned, 15% higher in comparison to FY 2019/20 unassigned fund balance of $10.8 million. The

unassigned fund balance represents the portion that is not restricted, committed, or assigned for specific purposes.

All requirements have been met to achieve the highest standard in government accounting and financial reporting for an ACFR, the *Certificate of Achievement for Excellence in Financial Reporting* issued by the Government Finance Officers Association of the United States and Canada (GFOA). The City has received this certificate annually for the last twenty-four consecutive fiscal years.

FISCAL IMPACT

There is no fiscal impact in accepting the FY 2020/21 ACFR.

ATTACHMENTS

A – City of Pinole Annual Comprehensive Financial Report for the year ended June 30, 2021.
B – Auditors' Report on Internal Control for the year ended June 30, 2021.
C – Auditors' Report on Measure S 2006 Agreed-Upon Procedures for the year ended June 30, 2021.
D – Auditors' Report on Measure S 2014 Agreed-Upon Procedures for the year ended June 30, 2021.
E – Auditors' Letter to Governing Body – SAS 114 for the year ended June 30, 2021.
F – Auditors' Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule for year ending June 30, 2022.

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CITY OF PINOLE, CALIFORNIA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

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CITY OF PINOLE, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021

PREPARED BY THE
FINANCE DEPARTMENT

City of Pinole
Annual Comprehensive Financial Report

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CITY OF PINOLE

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www.ci.pinole.ca.us

December 30, 2021

Members of the City Council
Residents of the City of Pinole

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Pinole, California for the fiscal year (FY) ended June 30, 2021.

Introduction

The City is required to issue a complete set of financial statements each year in conformance with generally accepted accounting principles (GAAP) and audited by an independent, certified public accounting firm. The ACFR contains the financial statements as well as supplemental information.

City management assumes full responsibility for the completeness and reliability of all the information presented in the ACFR. Management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Badawi and Associates, an independent, certified public accounting firm, has audited the City of Pinole's financial statements for the fiscal year ended June 30,2021. The objective of the audit was to provide reasonable assurance that the financial statements of the City are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating overall financial management presentation. Badawi and Associates concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Pinole's financial statements for the year ended June 30, 2021 are fairly presented in conformity with GAAP. Their independent auditor's report is the first component presented in the financial section of the ACFR.

Public agencies that receive federal funding above a certain monetary threshold are required to undergo an annual "Single Audit" that incorporates the audit of financial statements mentioned above as well as an auditor's assessment of the City's internal controls and compliance with legal requirements, particularly internal controls and compliance regarding administration of federal awards. The Single Audit Report is published as a separate document from the ACFR. A Single Audit Report is not required for the City for the fiscal year ended June 30, 2021 because federal expenditures for the year were below the $750,000 threshold.
GAAP requires that the ACFR include a narrative introduction, overview, and analysis of the City's financial condition, provided by management in the form of the Management's Discussion and Analysis

(MD&A), to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors report in the financial section of the ACFR.

Profile of the Government

The City of Pinole was incorporated on June 25, 1903. Pinole is primarily a residential community located in West Contra Costa County, approximately 30 miles northeast of San Francisco and 20 miles north of Oakland along Interstate 80. The City currently has a land area of 5 square miles and a population of 19,369.

The City operates under the Council-Manager form of government, with five Council Members elected citywide on a non-partisan basis. Council Members are elected to four-year staggered terms with three Council Members alternating election with two Council Members at two-year intervals. Each year, the Council appoints one of its members to serve as Mayor. The Council appoints the City Manager, City Attorney, and City Clerk. Policymaking and legislative authorities are vested in the City Council, which among other things, passes ordinances, adopts the budget, and appoints committees. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the department directors.

Pinole is a full-service city, with 115.4 full-time equivalent authorized personnel in fiscal year 2020/21. The City provides public safety (police and fire), public works (maintenance of streets and facilities), community development (land use and building regulation), recreation programs and parks, wastewater utilities, administration, and fiscal services.

The financial statements included in the ACFR cover the City (the primary government), and its component units if applicable. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and data from these units are combined with data from the City. The City's component unit, the City of Pinole Joint Powers Financing Authority is a separate government entity whose purpose is to assist with the financing or refinancing of public capital facilities within the City and is all blended. Discrete component units are reported in a separate column in the basic financial statements to emphasize their separateness from the City. The Successor Agency to the Pinole Redevelopment Agency is not a component unit of the City but is accounted for in a Private Purpose Trust Fund in the Fiduciary Funds segment of the financial report. The former Redevelopment Agency was considered a component unit of the City.

The City's Economic Condition

Since March 2020, Pinole's economy has been impacted by COVID-19 and the related Shelter in Place (SIP) orders. The budgetary impact to the City has primarily involved slightly decreased revenues, primarily in the user fee category. While the City experienced a slight decline in sales tax revenue from the initial SIP, the City did not experience a pronounced or prolonged loss of sales tax due to SIPs. In fact, sales tax rebounded quicker than industry experts initially predicted. The upward trend was most attributable to the rise in online sales. The long-term trend of the City's economy is a strengthening local tax base in both retail sales and real property values. The region has a varied manufacturing, industrial, and commercial economic base. The City's principal businesses are engaged in merchandising and retail sales. The local unemployment rate in 2021 was 7.0%, down from the 13.2% in 2020. Contra Costa County, which includes Pinole, has an unemployment rate of 6.3% in 2021, which is less than the state's average rate of 7.9%.

Real property values continue to rise. Growth in home sales strengthened in the summer of 2020 as many cities saw an increase in properties for sale. Sales price increases in 2020 were reflected on the FY 2021/22 tax rolls. The median price of a detached single family residential home in Pinole increased by 19.3% from 2020.

Operating and Capital Budget

On June 29, 2021, the City Council adopted the FY 2021/22 Operating and Capital Budget. The Adopted FY 2021/22 Operating and Capital Budget is not structurally balanced. Staff strongly believes that the proposed budget is nonetheless prudent and responsible because the additional expenditures that it contains beyond the current year revenues are critical to achieving the City's vision, mission, and goals; the City has substantial unassigned General Fund fund balance; and the City's Long-Term Financial Plan forecasts that City revenues will notably increase in the near future due to the retirement of some significant debt. Per the City's Structurally Balanced Budget Policy, if the final proposed budget is structurally imbalanced, staff should develop a plan to create a structurally balanced budget for the subsequent fiscal year. Staff intends to do so. The Adopted FY 2021/22 Operating and Capital Budget does not include any use of the City's $8.7 million General Reserve.

The City received $2.3 million (one half) of its $4.6 million allocation from the American Rescue Plan Act (ARPA), and tentatively expects to receive additional new federal funding from a forthcoming federal infrastructure bill. Staff intends to seek Council's direction on the appropriation of the ARPA funding over the course of FY 2021/22 and FY 2022/23. Staff believed that the expected new federal funding was too substantial an amount and contained too many specific requirements to seamlessly integrate its appropriation into the regular annual budget process.

Strategic Plan 2020 – 2025

In February 2020 the City Council adopted the City of Pinole Strategic Plan 2020 – 2025. The Strategic Plan expressed the City's vision, mission, and goals. The Strategic Plan also identified 22 individual strategies (special projects) for staff to complete over a five-year timeframe to position the City to achieve the vision, mission, and goals.

The adoption of the Strategic Plan was momentous. It reaffirmed the City's commitment to and focus on creating a safe and vibrant community and providing efficient and effective City services. It will take some time for staff to complete all 22 strategies and for the resulting changes in the community and City services to be fully realized. Despite needing to devote a significant amount of time to COVID-19 during the current fiscal year, City staff has nonetheless been able to make progress on several of the strategies.

Major Accomplishments and Initiatives

Despite needing to devote a significant amount of time to COVID-19 and advancing the Strategic Plan strategies, City staff has also been able to implement a limited number of new programs and services during the current fiscal year, such as a COVID-safe cooling center at the Senior Center, food distribution, holiday lights for downtown, expanded park restroom hours, and small business grants.

Following are some major initiatives that were completed in FY 2020/21:

- Developed a Long-Term Financial Plan (LTFP) for FY 2020/21 – FY 2025/26, which was adopted by the City Council in June 2021. It provides a five-year outlook and forecast of General Fund revenues and expenditures. The LTFP identifies potential opportunities and challenges that the City may proactively address through the annual budget and capital improvement planning processes.
- Conducted a citywide Organizational Assessment that resulted in a new organizational structure. The new structure creates separate Community Development and Public Works Departments, as well as a new Community Services Department, which consolidates recreation and various other community-oriented services. It also creates some new departmental divisions and subdivisions to provide a clear home for some important functions, such as economic development and communication and engagement, that did not have a clear home in the former organizational structure.

Following are some major initiatives that are in progress and expected to be completed within the next fiscal year:

- Conduct a citywide asset condition assessment
- Update the City's Emergency Operations Plan (EOP)
- Review, prioritize, and implement as appropriate the 2019 fire service study recommendations
- Conduct a comprehensive fee study
- Update the General Plan and Three Corridors Specific Plan
- Develop a comprehensive economic development strategy
- Develop an employee attraction, retention, and development plan
- Develop a strategic communication plan and public engagement plan
- Develop a comprehensive Information Technology Plan

Financial Policies and Planning

The annual budget serves as the foundation of the City's financial planning and control. The budget process begins in February when each department receives a preliminary proposed baseline budget for the upcoming fiscal year. The City Manager, Assistant City Manager, and Finance Director meet with each department director to discuss their budget requests and to make adjustments where necessary. The City Council Finance Subcommittee meets in May to review the draft proposed budget for the upcoming year. The City Council then reviews the revised proposed budget and final proposed budget, and then adopts a final budget prior to July 1. The operating budget includes proposed expenditures and the financing sources. Public meetings are conducted in June to obtain public comments. The budget is legally adopted through passage of a Council resolution no later than June 30. A budget review, which includes recommended additions or changes, is presented to the City Council on a quarterly basis. Any changes as a result of these reviews are legally adopted through Council resolution.

The Council exercises budgetary control at the functional department level. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund, Special Revenue Funds, Capital Project Funds, Enterprise Funds, and Internal Services Funds. The budgeted funds are adopted on a basis consistent with GAAP in the United States. Expenditures may not legally exceed budgeted appropriations at the fund level. Management does not have the authority to amend the budget without approval of the City Council.

Public funds held by the City Treasury were invested in accordance with the City's Investment Policy that was reviewed and adopted on October 6, 2020 and conforms to the California Government Code Section 53601. The permitted investments include U.S. treasury notes, bonds, or bills; instruments issued by a U.S. federal agency or a U.S. government sponsored enterprise; negotiable certificates of deposit (with certain restrictions); medium term corporate notes with a rating category of "AA" or better; commercial paper of "prime quality"; bankers acceptances; repurchase agreements not to exceed 30 days; money market mutual funds; and with the State of California Local Agency Investment Fund. The objectives of the City's Investment Policy are to invest up to 100% of temporarily idle funds while maintaining safety, liquidity and yield. The Investment Policy is reviewed annually in conjunction with all financial policies to ensure its consistency with respect to the overall objectives, and its relevance to current laws and financial trends.

The City is a member of the Municipal Pooling Authority (MPA). This Joint Powers Authority (JPA) was formed to allow member agencies to pool together to provide cost effective risk management services and programs to member agencies. The MPA provides for general liability, workers compensation, auto-physical damage, all risk fire and property, including earthquake, and boiler and machinery coverage. The City also purchases employee benefit coverage through this pool which includes dental and orthodontic, life and long-term disability coverage.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Pinole for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. This was the 24th consecutive year that the City has received the prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easy to read and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its continued eligibility for a certificate.

Acknowledgements

The preparation of the ACFR was made possible through the dedicated work of the Finance Department staff and with the cooperation of all City departments. Special thanks and acknowledgement are due to Maria Mata, Accountant; Anthony Colden, Accounting Specialist; and Chris Russell, Accounting Technician for their commitment and effectiveness in the maintenance of the City's financial records.

I wish to acknowledge and thank the City Council for its leadership and commitment to ensuring the long-term fiscal health of the City.

Respectfully submitted,

Andrew Murray
City Manager

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pinole
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

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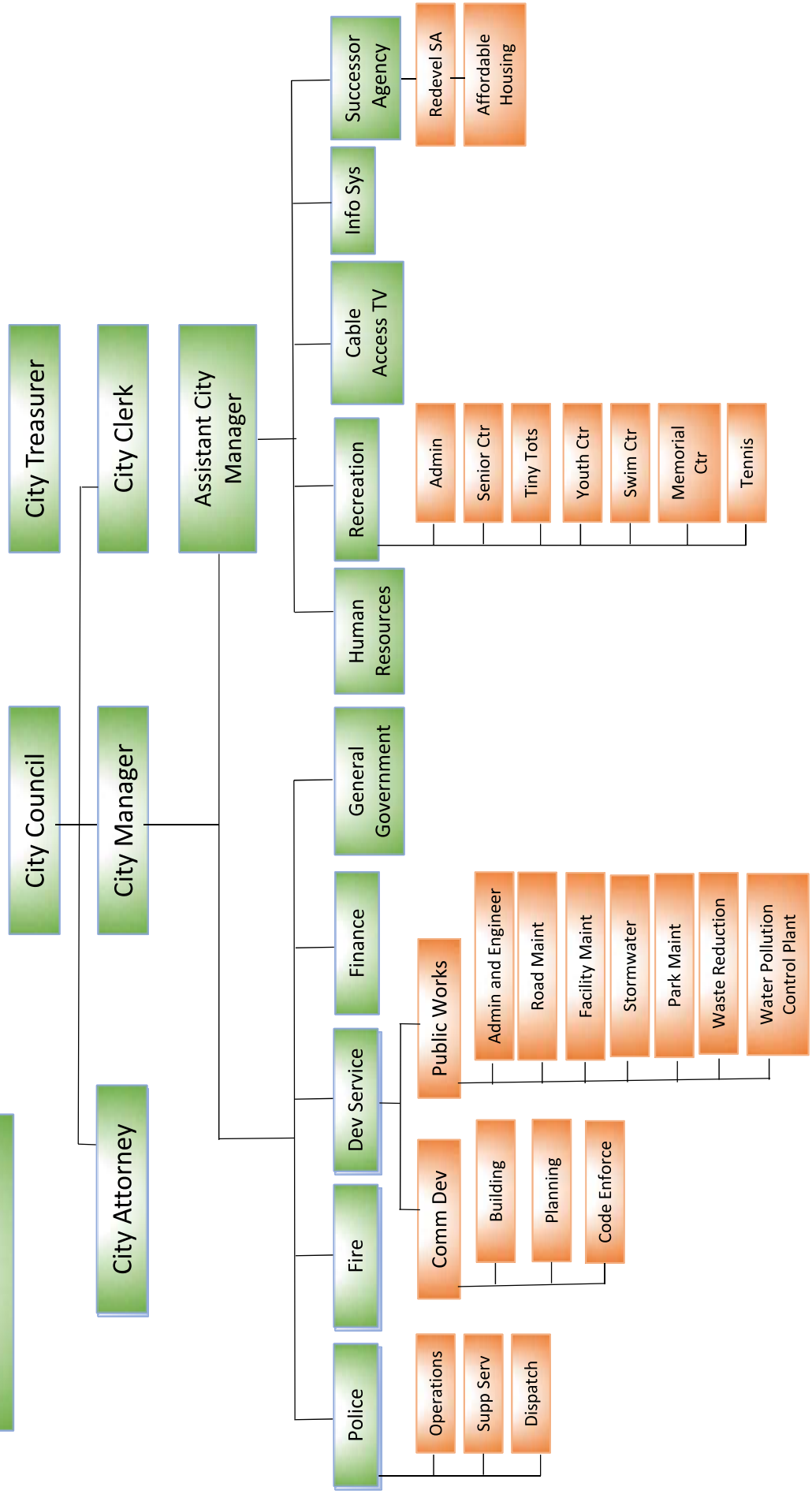
City of Pinole Organizational Chart FY 2020-21



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CITY OF PINOLE

ELECTED OFFICIALS AND DEPARTMENT HEADS

JUNE 30, 2021

ELECTED OFFICIALS

Mayor	Norma Martínez-Rubin
Mayor Pro Tem	Vincent Salimi
Council Member	Devin Murphy
Council Member	Anthony Tave
Council Member	Maureen Toms
City 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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BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Pinole
Pinole, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pinole, California (City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Address: 2855 Telegraph Avenue, Suite 312 Berkeley, CA 94705 • Phone: 510.768.8251 • Fax: 510.768.8249

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information, and OPEB information on pages 5-18 and 87-91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules on pages 94 to 119 and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, and the budgetary comparison schedules on pages 94 to 119 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financials statements, and the budgetary comparison schedules on pages 94 to 119 are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Badawi & Associates

Badawi and Associates, CPAs
Berkeley, California
December 30, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Pinole's (City) Annual Comprehensive Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2021 (FY 2020/21). We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's basic financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2020/21 by $43.6 million (net position). Of this amount, $33.5 million is restricted for specific purposes (restricted net position), $43.8 million is the net investment in capital assets and $33.7 million represents a deficit in unrestricted net position.

- The City's net position increased by $0.1 million, a 0.2% increase at the close of FY 2020/21 as compared to FY 2019/20. This increase is primarily the result of the Wastewater Utility excess revenues. Overall, governmental activities net position decreased by $0.8 million while business-type activities increased by $0.9 million.

- Governmental funds reported ending balances of $56.6 million, an increase of $2.7 million in comparison to the prior fiscal year ending June 30, 2020.

- The General Fund balance is $40.0 million, of which $12.4 million is unassigned.

GENERAL FUND BUDGETARY HIGHLIGHTS

- Actual General Fund revenues totaling $23.5 million were $3.4 million, or 17% higher than the final total revenue budget. Excess revenues were primarily in sales tax and investment earnings on the funds in the Section 115 Pension Trust.

- Actual General Fund expenditures totaling $19.9 million were 3.3 million, or 14.2% less than the total final expenditure budget. The savings primarily resulted from lower actual expenditures in public safety due to position vacancies and capital outlay due to deferred vehicle and equipment purchases.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information and related notes, combining statements for non-major governmental funds, and individual fund financial statements and schedules.

Government-wide Financial Statements

Government-wide Financial Statements are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business. The government-wide financial statements include the City (primary government); the City does not have any component units.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (accrual basis of accounting). Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to interest on long-term debt.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a substantial portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public services, recreation, and community development. The business-type activities of the City include wastewater utility. As of February 1, 2012, the activity of the Successor Agency to Pinole Redevelopment Agency (Successor Agency) is reported with the City's fiduciary funds, which is not included in the government-wide statements since the resources of those funds are not available to support the City's own programs. The Successor Agency is included as a fiduciary fund as the activities are under the control of an Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency.

Fund Financial Statements

Fund Financial Statements use fund accounting to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance. All of the funds of the City can be divided into three categories: *governmental funds, proprietary funds, and fiduciary funds*, as described below.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

The governmental funds focus is narrower than that of the government-wide financial statements. It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. This comparison facilitates a better understanding of the long-term impact associated with the government's near-term financing decisions. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains several individual governmental funds organized according to their type (general, special revenue, debt service, and capital projects). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the *major funds (see Notes to Basic Financial Statements)*.

Data from the remaining non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as supplementary information in the form of *combining statements*.

Proprietary funds are generally used to account for services for which the City charges customers – either outside customers or internal units of departments in the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains two types of proprietary funds, *enterprise funds* and *internal service funds*, as described below.

- *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the wastewater utility.

- *Internal service funds* are used by the City to establish reserves and account for employee benefits, equipment replacement, liability insurance, and retiree medical benefits. These funds serve both governmental and business-type functions and so they are allocated accordingly in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided as supplementary information in the form of *combining statements*.

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The fiduciary funds for the City consist of the Successor Agency to the Pinole Redevelopment Agency Private-Purpose Trust Fund.

Notes to Basic Financial Statements

Notes to Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

Required Supplementary Information includes budgetary comparison schedules that have been provided for the major governmental funds to demonstrate compliance with the budget. Required supplementary information also includes schedules showing the City's progress towards funding its pension plan and other post-employment benefits (OPEB). The City participates in California's Public Employees Retirement System (CalPERS) for its pension plan and provides its employees with post-retirement health care benefits (OPEB).

Supplementary Information

Supplementary Information includes information for non-major governmental, non-major enterprise, internal service, and agency funds, and is presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following section provides a comparative analysis of government-wide data for FY 2020/21 and FY 2019/20. The Statement of Net Position will be discussed first, followed by a discussion of the Changes in Net Position.

The following table is a summary of the Statement of Net Position as of June 30, 2021 (2021) and June 30, 2020 (2020).

Summary of Net Position
(in millions)

	Governmental Activities		Business-type Activities		Totals		Total %
	2021	2020	2021	2020	2021	2020	Change
Assets:							
Current and other assets	$ 58.9	$ 55.9	$ 18.8	$ 19.5	$ 77.7	$ 75.4	3.1%
Capital assets	31.0	30.8	44.2	44.9	75.2	75.7	-0.7%
Total assets	89.9	86.7	63.0	64.4	152.9	151.1	1.2%
Deferred outflows of resources	15.7	9.3	1.7	1.0	17.4	10.3	68.9%
Liabilities:							
Current liabilities	2.3	1.4	0.8	2.4	3.1	3.8	-18.4%
Long-term liabilities	78.6	67.0	39.8	39.6	118.4	106.6	11.1%
Total liabilities	80.9	68.4	40.6	42.0	121.5	110.4	10.1%
Deferred inflows of resources	4.7	6.7	0.5	0.7	5.2	7.4	-29.7%
Net position:							
Invested in capital assets,	31.0	30.8	12.8	12.4	43.8	43.2	1.4%
Restricted	33.5	32.0			33.5	32.0	4.7%
Unrestricted	(44.5)	(42.0)	10.8	10.3	(33.7)	(31.7)	6.3%
Total net position	$ 20.1	$ 20.8	$ 23.6	$ 22.7	$ 43.6	$ 43.5	0.2%

Analysis of Net Position

Net position may serve as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows by $43.6 million at the close of FY 2020/21. The City's combined net position increased 0.2%, or $0.1 million from the prior fiscal year. This is primarily a result of changes in business activities due to Wastewater Utility excess revenues.

- *Net investment in capital assets* (e.g. infrastructure, land, buildings, improvements other than buildings, construction in progress, and equipment), less any related debt used to acquire assets still outstanding, is $43.8 million (100% of the total). The City uses these capital assets to provide services to the community; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since generally capital assets are not used to liquidate these liabilities. The City's net investment in capital assets increased by $0.6 million (Note 5).

- *Restricted net position* of $33.5 million (77% of the total) represents resources that are subject to external restrictions on how they may be used. Of this amount, $7.8 million represents housing net position with $1.2 million of that amount representing properties held for housing resale or redevelopment (Note 4).

- *Unrestricted net position*, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, decreased by $2 million to negative $33.7 million. Governmental activities unrestricted net position was a negative $44.5 million (primarily as a result of implementing GASB Statement Nos. 45, 68, 71 and 75 related to pension and OPEB liabilities), and business-type activities net position was a positive $10.8 million.

Analysis of Activities

The following table reflects the summary of changes in net position for governmental and business-type activities as of June 30, 2021 (2021) and June 30, 2020 (2020).

	Governmental Activities		Business-type Activities		Totals		Total %
	2021	2020	2021	2020	2021	2020	Change
Revenues:							
Program revenues:							
Charges for services	$ 2,877,798	$ 3,371,242	$ 7,527,056	$ 7,093,734	$10,404,854	$10,464,976	-0.60%
Operating grants and contributions	1,795,055	1,790,729	-	-	1,795,055	1,790,729	0.20%
Total program revenue	4,672,853	5,161,971	7,527,056	7,093,734	12,199,909	12,255,705	-0.50%
General revenues:							
Taxes:							
Property tax	4,001,411	4,473,828	-	-	4,001,411	4,473,828	-10.60%
Sales tax	9,114,809	7,875,223	-	-	9,114,809	7,875,223	15.70%
Franchise tax	751,598	750,002	-	-	751,598	750,002	0.20%
Utility tax	2,329,873	2,215,084	-	-	2,329,873	2,215,084	5.20%
Transient occupancy tax	446,105	444,453	-	-	446,105	444,453	0.40%
Other taxes	468,987	452,815	-	-	468,987	452,815	3.60%
Motor Vehicle in Lieu	2,004,884	1,922,881	-	-	2,004,884	1,922,881	4.30%
Gain on disposal of asset	83,209	3,231	-	-	83,209	3,231	2476.30%
Investment Earnings	3,020,587	1,899,190	44,259	284,574	3,064,846	2,183,764	40.30%
Miscellaneous	270,712	590,928	-	-	270,712	590,928	-54.20%
Total general revenues	22,492,175	20,627,635	44,259	284,574	22,536,434	20,912,209	7.80%
Total revenues	27,165,028	25,789,606	7,571,315	7,378,308	34,736,343	33,167,914	4.70%
Expenses:							
General government	4,957,477	4,596,909	-	-	4,957,477	4,596,909	7.80%
Public safety	15,895,381	14,937,597	-	-	15,895,381	14,937,597	6.40%
Public services	4,541,157	3,488,882	-	-	4,541,157	3,488,882	30.20%
Recreation	949,734	1,146,587	-	-	949,734	1,146,587	-17.20%
Community development	1,275,333	1,365,580	-	-	1,275,333	1,365,580	-6.60%
Interest and fiscal charges	331,218	304,844	-	-	331,218	304,844	8.70%
Wastewater utility	-	-	6,688,530	5,704,747	6,688,530	5,704,747	17.20%
Total expenses	27,950,300	25,840,399	-	5,704,747	34,638,830	31,545,146	9.80%
Revenues over (under) expenses	(785,272)	(50,793)	882,785	1,673,561	97,513	1,622,768	-94.00%
Changes in Net Position	(785,272)	(50,793)	882,782	1,673,561	97,513	1,622,768	-94.00%
Net position, beginning of year, restated	20,835,535	20,886,328	22,695,934	21,022,373	43,531,469	41,908,701	3.90%
Net position, end of year	$20,050,263	$20,835,535	$23,578,719	$22,695,934	$43,628,982	$43,531,469	0.20%

Governmental Activities

Governmental activities net position decreased by $0.8 million. Key elements of the change in net position are as follows:

- Program revenue, charges for services reflected a decrease of $0.5 million (14.6%) over FY 2019/20. This is the result of decreased permit and fee revenue from development activity. Permit fees for a significant development project were received in the prior year.

- General revenue reflected an increase of $1.8 million (9.0%) over FY 2019/20. This is largely attributable to an increase in sales tax revenue of $1.2 million primarily due to County pool receipts from online sales and investment earnings of $1.1 million (59%) over FY 2019/20 as a result of increased earnings in the Section 115 Pension Fund which is recorded as restricted cash in the General Fund.

Expenses increased by $2.1 million (8.2%) over FY 2019/20. The most significant changes were in public safety with an increase of $1.0 million (6.4%), and public services with an increase of $1.1 million (30.2%). Public Safety costs increase were due to increase pension costs and overtime.

Business-type Activities

Business-type activities increased the City's net position by $0.9 million, exceeding the total increase in net position of $0.1 million. Key elements of the change in net position are as follows:

- The City's sole business-type activity is the operation of its Water Pollution Control Plant (WPCP) Wastewater Utility, which is accounted for in a proprietary-type enterprise fund. The WPCP accounts for the collection, treatment and disposal of wastewater generated by city residents and businesses. The operation and maintenance of the City's Wastewater Utility should be a self-supporting enterprise that is paid for by monthly service charges to all residential and commercial users. The City's business-type activities provide the same type of information as the proprietary fund financial statements, but are presented in a more summarized format.

- Program revenues increased $0.004 million (0.2%) over the prior fiscal year.

- There was an increase in expenses over the prior fiscal year of $1.0 million (17.2%). Depreciation expense is considered a cost of service in proprietary funds, which accounted for $1.1 million in FY 2020/21 (Note 5).

- The City of Pinole is financing its share of the Water Pollution Control Plant Upgrade project through a low interest loan from the State Revolving Loan Fund. The City has been approved for a loan in the amount of $26.6 million by the State Water Resources Control Board. In order to repay the loan, the City Council approved Resolution Number 2013-47 with scheduled rate increases over a five-year period, beginning July 1, 2013. The rate plan was amended July 17, 2018 by Resolution Number 2018-66. The 2020 monthly rate for single family residents was $69.34.

Fund Financial Analysis

The City uses ***fund accounting*** to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance.

Governmental Funds

The following table presents the Governmental Funds' balances as of June 30, 2021:

Governmental Fund Balances

	General Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable	$ 18,782	$ 315,552	$ 334,334
Restricted	19,623,678	13,905,253	33,528,931
Committed	-	-	-
Assigned	7,836,178	2,526,571	10,362,749
Unassigned	12,488,562	(137,880)	12,350,682
Total Fund Balances	$ 39,967,200	$ 16,609,493	$ 56,576,696

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in fiscal year 2010-11 (Note 11). This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

At June 30, 2021, the City's governmental funds reported combined fund balances of $56.6 million, which is an increase of $2.1 million (3.9%) when compared to the prior fiscal year, FY 2019/20. This increase is increased investment interest and the proceeds from loan repayment.

Nonspendable fund balances constitute $0.3 million, (0.6%) of the combined governmental fund balance and cannot be spent either because the underlying resources are not in a spendable form or because the government is legally or contractually required to maintain the resources intact.

Restricted fund balances constitute $33.5 million, (59.3%) of the combined governmental fund balance and are constrained for a specific purpose by external parties, constitutional provision, or enabling legislation.

Assigned fund balances constitute $10.4 million (18.3%) of the combined governmental fund balance and are constrained by City Council for reserves for economic uncertainty as well as certain capital projects. *Assigned fund balances* are intended to be used for specific purposes and have been identified as such by the City Council or the City Manager who has been delegated authority by the City Council to assign amounts.

Unassigned fund balances constitute $12.4 million (21.8%) of the combined governmental fund balance and consist of amounts that have not been classified as *nonspendable*, *restricted*, or *assigned*.

Analysis of Governmental Funds

General Fund

The designated major Governmental funds in FY 2020/21 are the General Fund and the Housing Fund. A ***major fund*** is defined as those funds whose revenues, expenditures/expenses, assets or liabilities are at least 10 percent of the total for their fund category (governmental or enterprise) and 5 percent of the aggregate of all governmental and enterprise funds in total.

The **General Fund** is the primary operating fund of the City. The General Fund is used to report the financial results of the daily operations of the City. The major revenue sources are Property Tax, Sales Tax, and Utility Users' Tax. The major expenditures are salaries and administrative expenses.

The fund balance for the General Fund increased by $2.2 million (5.8%), as a net result of revenues in excess of expenditures in the current fiscal year of $3.6 million, offset by other financing uses in the amount of $1.4 million resulting from operating contributions to other operating funds.

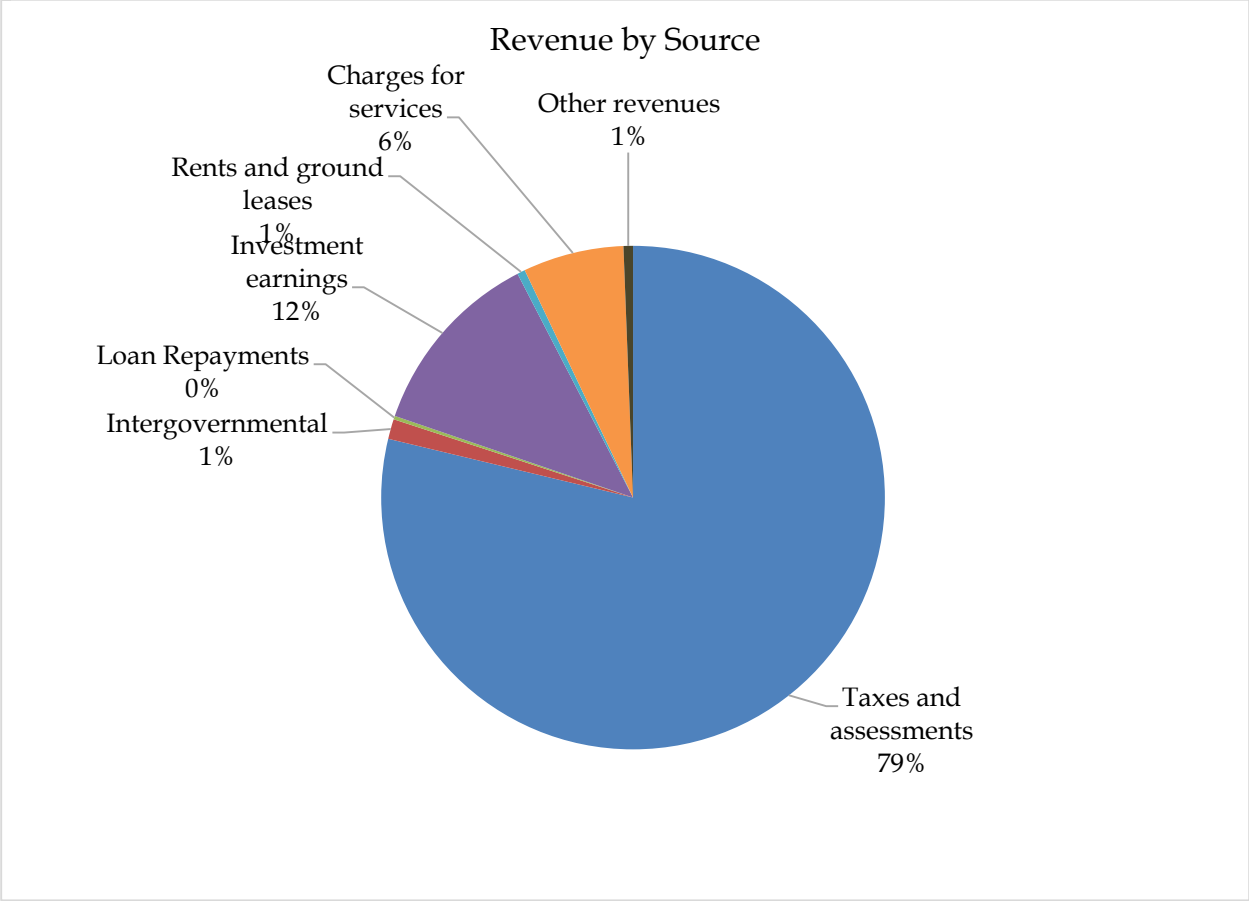
General Fund revenue increased by $2.2 million (10.2%) this fiscal year as compared to FY 2019/20. The largest components of this increase are sales tax revenue, investment earnings, and the transfer in from the Section 115 pension trust to offset the increase in pension costs.

General Fund expenditures increased $1.2 million this fiscal year (6.5%) this fiscal year compared to FY 2019/20. This is primarily attributed to a $0.8 million increase in public safety costs for salary and benefits. Capital outlay costs increased by $0.3 million due to additional vehicle purchases. General administration costs increase by $0.2 million due to cost allocation changes.

Revenue

The following table highlights the General Fund revenue by source as of June 30, 2021.

Revenue by Source	% of Total	FY 2020/21
Taxes and assessments	79%	$ 18,540,071
Intergovernmental	1%	298,719
Loan Repayments	0%	55,197
Investment earnings	12%	2,861,375
Rents and ground leases	1%	121,030
Charges for services	6%	1,521,791
Other revenues	1%	143,698
Total	100%	$ 23,541,881



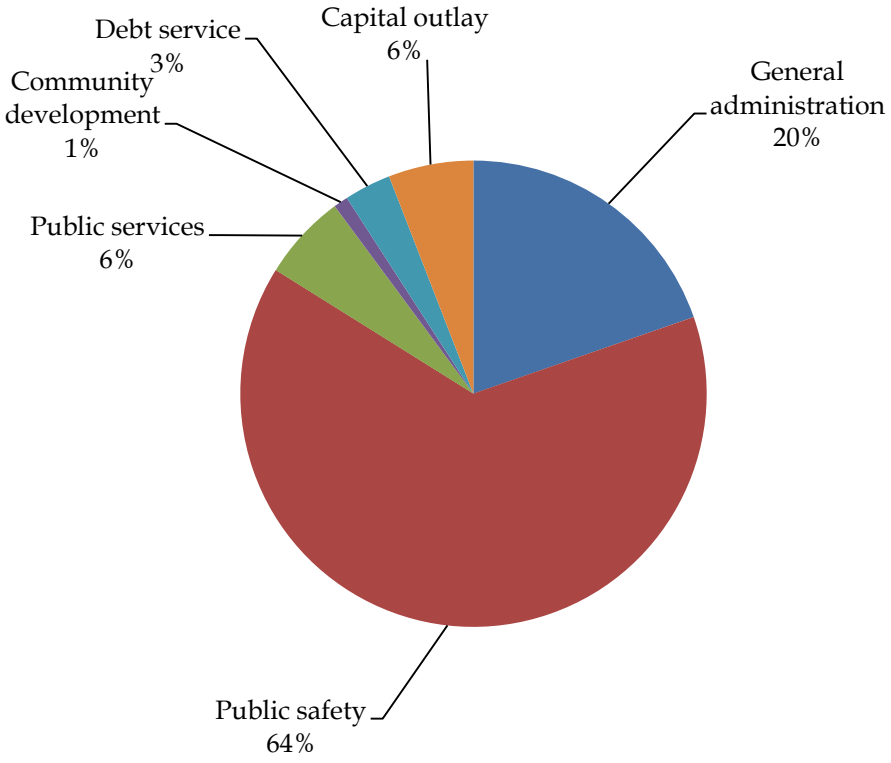
Return to Agenda

Expenditures

The following table highlights the General Fund expenditures by function as of June 30, 2021.

Expenditures by Function	% of Total	FY 2020/21
General administration	19%	$ 3,876,560
Public safety	64%	12,775,129
Public services	6%	1,120,420
Community development	1%	173,504
Debt service	3%	558,607
Capital outlay	7%	1,424,147
Total	100%	$ 19,928,367

Expenditures by Function



Other Governmental Funds

These funds are not presented separately in the Basic Financial statements, but are presented individually as Supplemental Information.

Other governmental funds revenue decreased by $0.8 million this fiscal year as compared to FY 2019/20. This is largely the result of net decreases in charges for services mostly in recreation due to program closures, interest earnings, and other miscellaneous revenues.

Other governmental funds expenditures increased by $0.9 million this fiscal year as compared to FY 2019/20. This is largely in the capital outlay category as a result of infrastructure projects completed this fiscal year, notably the residential slurry seal project.

Proprietary Fund

Wastewater Utility

The Wastewater Utility Funds net position increased by $0.9 million, 3.9% over the prior fiscal year to a total of $23.6 million. Operating income for FY 2020/21 was $1.5 million, as revenues increased $0.4 million, while expenses increased $1.0 million.

The Fund's Net Position is comprised of $12.8 million net investment in capital assets and $10.8 million in unrestricted net assets at June 30, 2021. The increased rates for the sewage collection and treatment fees have successfully restored positive cash flows to the City's Business-type Activities, stabilizing the fiscal condition of this enterprise activity.

Fiduciary Fund

The Successor Agency to the Pinole Redevelopment Agency Private Purpose Trust Fund

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1x-26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. In accordance with the timeline set forth in the bill, all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entity as of February 1, 2012.

The Successor Agency is a separate legal entity which was formed to hold the assets of the former Redevelopment Agency pursuant to City Council action. The activity of the Successor Agency is overseen by an Oversight Board comprised of individuals appointed by various government agencies (Note 1).

Recognizing the need for short-term borrowing to finance the General Fund cash flow (Working Capital) needs following the fiscal distress resulting from the Economic Recession of 2008, internal borrowing between the City and its former Redevelopment Agency was authorized in April of 2008. The amounts advanced ($2.5 million) by the Redevelopment Agency was to be repaid with interest over a period of no more than fifteen years commencing the 2013/14 fiscal year. Repayment of the debt was secured with a collateralized investment agreement pledging City assets (real property and facilities having commercial value in excess of the amount authorized for the borrowing) against the borrowing. The initial repayment of $263,300 was made in 2014. The City repaid the remaining balance of the Note Payable during fiscal year 2019/20, and the balance remaining at June 30, 2021 is $0 (Note 6).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2021 was $43.8 million. This investment in capital assets includes: infrastructure, land, construction-in-progress, buildings, and improvements, equipment, vehicles, streets and roads, storm drains, bridges, parks, and sewer lines. Infrastructure assets are items that are normally immovable and of value to the City such as roads, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items (Note 5).

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

Capital Assets at Year-end

	2021	2020	Net Change
Governmental Activities			
Land (and Construction-in-progress)	$ 6,908,335	$ 6,489,814	$ 418,521
Buildings & Improvements	15,959,889	15,962,147	(2,258)
Equipment	5,929,753	5,726,634	203,119
Vehicles	4,636,944	3,409,645	1,227,299
Streets & Roads	51,462,868	51,462,868	-
Storm Drains	2,880,999	2,880,999	-
Bridges	3,117,473	3,117,473	-
Parks	2,502,680	2,502,680	-
Less accumulated depreciation	(62,390,133)	(60,778,144)	(1,611,989)
Totals	$ 31,008,808	$ 30,774,116	$ 234,692
Business-type activities			
Sewer Lines	$ 7,650,185	$ 7,650,185	$ -
Buildings & Improvements	51,765,446	51,748,278	17,168
Vehicles	1,008,306	578,652	429,654
Equipment	3,259,400	3,259,400	-
Less accumulated depreciation	(19,475,768)	(18,359,192)	(1,116,576)
Totals	$ 44,207,569	$ 44,877,323	$ (669,754)

Debt Administration:

Each of the City's debt issues is discussed in detail in Note 7 to the financial statements. At June 30, 2021 the City's remaining long-term debt is comprised of a Pension Obligation Bond bearing interest rates ranging from 5.67% to 6.12%, as follows:

Outstanding Debt

Governmental Activity Debt:	Balance 30-Jun-21	Balance 30-Jun-20	Net Change
Pension Obligation bonds	$ 2,734,450	$ 2,961,839	$ (227,389)
Total Debt	$ 2,734,450	$ 2,961,839	$ (227,389)

Other long-term liabilities include accrued payroll obligations (vested compensated absences accrued).

Other Long-term Liabilities

Other Long-term Liabilities:	Balance 30-Jun-21	Balance 30-Jun-20	Net Change
Compensated Absences	$ 945,597	$ 870,392	$ 75,205
Total Other Long-term Liabilities	$ 945,597	$ 870,392	$ 75,205

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The economy of the City and its major initiatives for the coming year are discussed in detail in the accompanying Transmittal Letter (page i-v). The most significant financial initiatives facing the City are, as follows:

- **COVID-19 impacts** to the community and the region continue to be monitored. Although there has been no direct significant fiscal impact to the City to date, management is continuing to evaluate the financial effect it may potentially have on the revenues and city programs.

- **American Rescue Plan Act (ARPA)** enacted in March 2021 provides relief funding to governments in response to the negative economic impacts of the COVID-19 pandemic. The City's allocation was determined to be $4,605,009 to be received in two tranches one year apart. The first tranche received in July 2021 will be allocated programs in accordance with statutory allowable uses, including providing direct support to businesses and households.

- **City's Strategic Plan 2020-2025** adopted in February 2020 identifies 22 individual strategies (special projects) for staff to complete over a five-year timeframe to position the City to achieve the vision, mission, and goals. Under Goal 2 – Financially Stable Pinole, several initiatives are underway or have been completed, including development of a long-term financial plan and a comprehensive user fee study.

- **Long-Term Financial Plan for Fiscal Year (FY) 2021/22 – FY 2025/26** was adopted in June 2021. It provides a five-year outlook and forecast of General Fund revenue and expenditures. The LTFP identifies future potential opportunities and challenges that the City may proactively address through the annual budget and capital improvement planning processes.
- **Comprehensive User Fee Study** is underway. The study will consist of a thorough evaluation of City user fees and charges to determine cost recovery levels and appropriateness of the City's fee structure. Additionally, the study will be used as the basis to update the master fee schedule.

- **Capital Facility and Public Infrastructure projects** are progressing according to construction scheduling, with primary focus on repairs to City streets/roadways and renovation of the joint use Wastewater Treatment Plant operated cooperatively with the City of Hercules. The City adopted a Five-Year Capital Improvement Plan on June 29, 2021 which identifies capital needs and funding for the next five years.

- **Redevelopment Dissolution** activities are progressing with the submission of a Long-Range Property Management Plan and annual Recognized Obligation Payment Schedules to the State Department of Finance. The City's legal complaint against the State regarding Asset Transfers was resolved in May of 2014, based on a Court Ruling. Despite strong language from the Court regarding the unfair consequences of the adopted dissolution legislation, the Judicial Decision was not favorable to the City. In June (2014), the City Council decided that it would not appeal the Court's decision in this matter.

REQUESTS FOR INFORMATION

This financial report is designed to provide our residential and business community, taxpayers, customers, investors, and creditors with a general overview of the City's finances. Questions concerning any information provided in this report or requests for additional information should be addressed to the City of Pinole, Finance Department, 2131 Pear Street, Pinole, CA 94564. Alternatively, you may send your inquiries via email to Finance@ci.pinole.ca.us.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Pinole

Statement of Net Position

June 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 32,462,333	$ 17,123,487	$ 49,585,820
Accounts receivable	2,928,976	562,306	3,491,282
Prepaid items	315,552	1,089,184	1,404,736
Inventory	18,782	3,586	22,368
Land held for redevelopment	1,222,070	-	1,222,070
Due from private-purpose trust fund	2,541,575	-	2,541,575
Restricted cash - pension	19,442,495	-	19,442,495
Capital assets:			
Land and construction in progress	6,908,335	-	6,908,335
Capital assets being depreciated, net	24,100,473	44,207,569	68,308,042
Total assets	89,940,591	62,986,132	152,926,723
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	7,049,756	783,397	7,833,153
OPEB related amounts	8,602,568	955,842	9,558,410
Total deferred outflows of resources	15,652,324	1,739,239	17,391,563
LIABILITIES			
Accounts Payable	1,926,606	778,199	2,704,805
Unearned revenue	297,481	-	297,481
Deposits payable	131,000	-	131,000
Long-term liabilities:			
Due within one year	374,845	1,028,753	1,403,598
Due in more than one year	3,305,202	30,505,550	33,810,752
Other postemployment benefits:			
Due in more than one year	41,861,011	4,651,224	46,512,235
Net pension liability:			
Due in more than one year	33,027,646	3,669,717	36,697,363
Total liabilities	80,923,791	40,633,443	121,557,234
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	1,441,040	160,118	1,601,158
OPEB related amounts	3,177,821	353,091	3,530,912
Total deferred inflows of resources	4,618,861	513,209	5,132,070
NET POSITION			
Net investment in capital assets	31,008,808	12,783,593	43,792,401
Restricted for:			
Streets & roads	2,098,148	-	2,098,148
Capital projects	3,019,807	-	3,019,807
Public safety	1,131,116	-	1,131,116
Storm sewer	1,853	-	1,853
Housing activities	7,835,512	-	7,835,512
Pension	19,442,495	-	19,442,495
Unrestricted	(44,487,476)	10,795,126	(33,692,350)
Total net position	$ 20,050,263	$ 23,578,719	$ 43,628,982

See accompanying notes to the basic financial statements.

City of Pinole

Statement of Activities

For the year ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	$ 4,957,477	$ 686,519	$ 309,260	$ -
Public safety	15,895,381	1,440,572	430,252	-
Public services	4,541,157	74,897	1,055,543	-
Recreation	949,734	172,486	-	-
Community development	1,275,333	503,324	-	-
Interest and fiscal charges	331,218	-	-	-
Total governmental activities	27,950,300	2,877,798	1,795,055	-
Business-type activities:				
Wastewater utility	6,688,530	7,527,056	-	-
Total business-type activities	6,688,530	7,527,056	-	-
Total primary government	$ 34,638,830	$ 10,404,854	$ 1,795,055	$ -

General Revenues:

Taxes:

Property taxes

Sales taxes

Franchise taxes

Utility taxes

Transient occupancy taxes

Other taxes

Unrestricted motor vehicle in lieu

Gain on disposal of assets

Investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position - beginning of year

Net position - end of year

See accompanying notes to the basic financial statements.

	Primary Government		
	Net (Expense) Revenue and Changes in Net Position		
Total	Governmental Activities	Business-Type Activities	Total
$ 995,779	$ (3,961,698)	$ -	$ (3,961,698)
1,870,824	(14,024,557)	-	(14,024,557)
1,130,440	(3,410,717)	-	(3,410,717)
172,486	(777,248)	-	(777,248)
503,324	(772,009)	-	(772,009)
-	(331,218)	-	(331,218)
4,672,853	(23,277,447)	-	(23,277,447)
7,527,056	-	838,526	838,526
7,527,056	-	838,526	838,526
$ 12,199,909	(23,277,447)	838,526	(22,438,921)
	4,001,411	-	4,001,411
	9,114,809	-	9,114,809
	751,598	-	751,598
	2,329,873	-	2,329,873
	446,105	-	446,105
	468,987	-	468,987
	2,004,884	-	2,004,884
	83,209	-	83,209
	3,020,587	44,259	3,064,846
	270,712	-	270,712
	22,492,175	44,259	22,536,434
	(785,272)	882,785	97,513
	20,835,535	22,695,934	43,531,469
	$ 20,050,263	$ 23,578,719	$ 43,628,982

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Funds Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMNTS

General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds, and the related expenditures. The major revenue sources for this fund are property taxes, sales taxes, utility users tax, franchise fees, business licenses, unrestricted revenues from the State, fines and forfeitures and interest income. Expenditures are made for public safety, recreation, and the other services described above.

Housing Programs Fund receives tax increment funds through Redevelopment Property Tax Trust Funds, representing 20% set-aside for housing activities. Funds are expended for approved housing activities.

City of Pinole
Balance Sheet
Governmental Funds
June 30, 2021

	Major Funds			
	General Fund	Housing Programs Special Revenue Fund	Non-Major Governmental Funds	Totals
ASSETS				
Cash and investments	$ 19,457,868	$ 4,073,170	$ 8,931,295	$ 32,462,333
Accounts receivable	2,443,403	710	484,863	2,928,976
Due from other funds	111,110	-	-	111,110
Due from private-purpose trust	-	2,541,575	-	2,541,575
Prepaid items and supplies	-	-	315,552	315,552
Inventory	18,782	-	-	18,782
Land held for redevelopment	-	1,222,070	-	1,222,070
Restricted cash - Pension	19,442,495	-	-	19,442,495
Total assets	$ 41,473,658	$ 7,837,525	$ 9,731,710	$ 59,042,893
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	$ 1,417,029	$ 2,013	$ 507,564	$ 1,926,606
Unearned revenue	53,505	-	243,976	297,481
Deposits payable	35,924	-	95,076	131,000
Due to other funds	-	-	111,110	111,110
Total liabilities	1,506,458	2,013	957,726	2,466,197
Fund Balances:				
Nonspendable	18,782	-	315,552	334,334
Restricted	19,623,678	7,835,512	6,069,741	33,528,931
Assigned	7,836,178	-	2,526,571	10,362,749
Unassigned	12,488,562	-	(137,880)	12,350,682
Total fund balances	39,967,200	7,835,512	8,773,984	56,576,696
Total liabilities, deferred inflows of resources, and fund balances	$ 41,473,658	$ 7,837,525	$ 9,731,710	$ 59,042,893

See accompanying notes to the basic financial statements.

City of Pinole

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position

June 30, 2021

Total Fund Balances - Total Governmental Funds	$ 56,576,696
Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the governmental funds above because of the following:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds, net of accumulated depreciation of $64,279,558	31,008,808
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Long-term debt	(3,680,047)
Deferred outflows related to pension	7,049,756
Deferred outflows related to OPEB	8,602,568
Net OPEB liability	(41,861,011)
Net pension liability	(33,027,646)
Deferred inflows related to pension	(1,441,040)
Deferred inflows related to OPEB	(3,177,821)
Net Position of Governmental Activities	$ 20,050,263

See accompanying notes to the basic financial statements.

City of Pinole

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the year ended June 30, 2021

	Major Funds			
	General Fund	Housing Programs Special Revenue Fund	Non-Major Governmental Funds	Totals
REVENUES:				
Taxes and assessments	$ 18,540,071	$ -	$ 515,762	$ 19,055,833
Intergovernmental revenues	298,719	-	1,557,624	1,856,343
Loan repayments	55,197	52,715	-	107,912
Contributions	-	-	14,274	14,274
Investment earnings	2,861,375	7,374	19,560	2,888,309
Rents and ground leases	121,030	-	10,305	131,335
Charges for services	1,521,791	-	923,108	2,444,899
Fines, forfeitures and penalties	13,166	-	28,070	41,236
Other revenues	130,532	-	411,147	541,679
Total revenues	23,541,881	60,089	3,479,850	27,081,820
EXPENDITURES:				
Current:				
General government	3,876,560	-	442,944	4,319,504
Public safety	12,775,129	-	1,113,961	13,889,090
Public services	1,120,420	-	328,398	1,448,818
Recreation	-	-	820,918	820,918
Community development	173,504	44,092	987,604	1,205,200
Capital outlay	1,424,147	-	1,507,873	2,932,020
Debt service:				
Principal	227,389	-	-	227,389
Interest and fiscal charges	331,218	-	-	331,218
Total expenditures	19,928,367	44,092	5,201,698	25,174,157
REVENUES OVER (UNDER) EXPENDITURES	3,613,514	15,997	(1,721,848)	1,907,663
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of asset	83,209	-	-	83,209
Transfers in	-	-	1,681,841	1,681,841
Transfers out	(1,528,336)	-	(153,505)	(1,681,841)
Total other financing sources (uses)	(1,445,127)	-	1,528,336	83,209
Net change in fund balances	2,168,387	15,997	(193,512)	1,990,872
FUND BALANCES:				
Beginning of year	37,798,813	7,819,515	8,967,496	54,585,824
End of year	$ 39,967,200	$ 7,835,512	$ 8,773,984	$ 56,576,696

See accompanying notes to the basic financial statements.

City of Pinole

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities

For the year ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds		$ 1,990,872
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital outlay	$ 1,848,938	
Gain on disposal of assets	83,209	
Proceed from sale of assets	(83,209)	
Depreciation expense	(1,614,246)	
Total capital assets	$ 234,692	234,692
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Bond principal payments		227,389
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Accrued compensated absences	(75,202)	
Net difference between OPEB expense and contributions subsequent at the measurement date	(1,674,432)	
Net difference between pension expense and contributions subsequent at the measurement date	(1,488,591)	
Total	$ (3,238,225)	(3,238,225)
Change in Net Position of Governmental Activities		$ (785,272)

See accompanying notes to the basic financial statements.

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PROPRIETARY FUND FINANCIAL STATEMNTS

Wastewater Utility fund this fund accounts for wastewater utility services provided by the City and it is the City's intent that the cost of providing these services be financed primarily through user charges.

City of Pinole
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-type Activities Wastewater Utility Enterprise Fund
ASSETS	
Current assets:	
Cash and investments	$ 17,123,487
Accounts receivable	562,306
Prepaid items	1,089,184
Inventory	3,586
Total current assets	18,778,563
Noncurrent assets:	
Capital assets being depreciated, net	44,207,569
Total assets	62,986,132
DEFERRED OUTFLOWS OF RESOURCES	
Pension and OPEB related amounts	1,739,239
Total deferred inflows of resources	1,739,239
LIABILITIES	
Current liabilities:	
Accounts Payable	$ 778,199
Compensated absences - current	31,727
Bonds payable - current	329,000
Notes payable - current	668,026
Total current liabilities	1,806,952
Noncurrent liabilities:	
Compensated absences - noncurrent	78,600
Net OPEB liability	4,651,224
Bonds payable - noncurrent	6,321,000
Notes payable - noncurrent	24,105,950
Net Pension liability	3,669,717
Total noncurrent liabilities	38,826,491
Total liabilities	40,633,443
DEFERRED INFLOWS OF RESOURCES	
Pension and OPEB related amounts	513,209
Total deferred inflows of resources	513,209
NET POSITION	
Net investment in capital assets	12,783,593
Unrestricted	10,795,126
Total net position	$ 23,578,719

See accompanying notes to the basic financial statements.

City of Pinole

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the year ended June 30, 2021

	Business-type Activities Wastewater Utility Enterprise Fund
OPERATING REVENUES:	
Charges for services	$ 7,527,056
Total operating revenues	7,527,056
OPERATING EXPENSES:	
Sewer treatment plant	3,711,856
Sewer maintenance	1,238,765
Depreciation	1,116,577
Total operating expenses	6,067,198
OPERATING INCOME (LOSS):	1,459,858
NONOPERATING REVENUES (EXPENSES):	
Interest revenue	44,259
Interest expense	(621,332)
Total nonoperating revenues (expenses)	(577,073)
Change in net position	882,785
NET POSITION:	
Beginning of year	22,695,934
End of year	$ 23,578,719

See accompanying notes to the basic financial statements.

City of Pinole

Statement of Cash Flows

Proprietary Funds

For the year ended June 30, 2021

	Business-type Activities Wastewater Utility Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	$ 7,814,314
Cash paid to suppliers	(4,533,991)
Cash paid to employees	(1,707,321)
Net cash provided by operating activities	1,573,002
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(446,823)
Principal paid on capital debt	(1,000,857)
Interest paid on capital debt	(621,332)
Net cash used in capital and related financing activities	(2,069,012)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and dividends	44,259
Net cash provided by investing activities	44,259
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(451,751)
CASH AND CASH EQUIVALENTS:	
Beginning of year	17,575,238
End of year	$ 17,123,487
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	
Operating income (loss)	$ 1,459,858
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	1,116,577
(Increase) decrease in assets:	
Accounts receivables	287,258
Inventory	4,101
Deferred outflows of resources	(708,890)
Increase (decrease) in liabilities:	
Accounts payable	(1,586,852)
Compensated absences	(59,391)
Net OPEB liability	1,013,262
Net Pension Liability	278,276
Deferred inflows of resources	(231,197)
Net cash provided by (used in) operating activities	$ 1,573,002

See accompanying notes to the basic financial statements.

City of Pinole

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2021

	Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	$ 6,152,251	$ 163,725
Accounts receivable	4,618	-
Notes receivable, net of allowance	233,261	-
Land held for redevelopment	3,151,254	-
Capital assets not being depreciated	2,504,793	-
Capital assets being depreciated, net	7,827,802	-
Total assets	19,873,979	163,725
LIABILITIES		
Accounts payable	3,645	13,196
Deposits payable	56,238	130,285
Due to City	2,541,575	-
Due to County	18	-
Interest Payable	112,245	-
Bonds payable:		
Due within one year	4,125,000	-
Due in more than one year	7,790,000	-
Total liabilities	14,628,721	143,481
NET POSITION		
Held in trust for dissolution of RDA	5,245,258	-
Held in trust for other government	-	20,244
Total net position	$ 5,245,258	$ 20,244

See accompanying notes to the basic financial statements.

City of Pinole

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the year ended June 30, 2021

	Private-Purpose Trust Fund	Custodial Funds
ADDITIONS:		
Property taxes	$ 6,111,602	$ -
Investment income	3,185	98
Charges for services	-	79
Other revenues	12,682	-
Total additions	6,127,469	177
DEDUCTIONS:		
Operating cost	352,370	-
Depreciation	260,282	-
Debt interest	275,848	-
Total Deductions	888,500	-
Change in fiduciary net position	5,238,969	177
NET POSITION:		
Beginning of year, as restated	6,289	20,067
End of year	$ 5,245,258	$ 20,244

See accompanying notes to the basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Pinole was incorporated June 25, 1903. The City is primarily a residential community located in Contra Costa County, twenty-four miles east of San Francisco on Interstate 80. The City provides the following services: public safety (police and fire), parks, streets and highways, sanitation and health services, culture-recreation, public improvements, planning and zoning, and general administration services. The City's population has remained relatively stable for some years; population at June 30, 2021 was 19,369.

The City operates under the Council-Manager form of government, with five elected Council members served by a full-time City Manager and staff. At June 30, 2021, the City's staff comprised 86 full-time and 30 part-time employees who are responsible for the following City-provided services:

Public Safety - The City employs 22 sworn and 17 non-sworn police personnel to provide round-the-clock police services from a central station, and 15 personnel to provide round-the-clock fire services from one fire station.

Sanitation and Health Service - The City maintains a sewage treatment plant with 8 employees, the plant provides wastewater treatment services to the residents of the City of Pinole and the City of Hercules.

Parks, Streets and Highways - The City builds and maintains its streets, curbs, gutters, parks and related public property with a force of 10 employees. Major projects may be contracted out to reduce costs.

Recreation, Public Improvements, Planning, Zoning, Administration - Recreation, Public Improvements, Planning, Zoning, Administration and other services are provided by a total of 44 employees.

The financial statements and accounting policies of the City conform with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. The Reporting Entity

The accompanying basic financial statements present the financial activities of the City along with the financial activities of its blended component unit, which is an entity for which the City is financially accountable. Together these entities comprise the primary government for reporting purposes. Although they are separate legal entities, a blended component unit is in substance part of the City's operations and is reported as an integral part of the City's financial statements. The City's component unit, which is described below, is all blended.

City of Pinole Joint Powers Financing Authority

The Pinole Joint Powers Financing Authority (Authority) is a separate government entity whose purpose is to assist with the financing or refinancing of public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency and may sell such bonds to public or private purchasers. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Wastewater Utility Fund and the Private-Purpose Trust Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation

The City's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These statements require that the financial statements described below be presented.

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the activities of the overall City government except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The statements distinguish between governmental and business-type activities of the City. The City's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

The fund financial statements provide information about the City's funds, including fiduciary funds and its blended component unit. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories with each major fund displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the criteria described on the following page:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation, Continued

a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

All remaining governmental funds are aggregated and reported as nonmajor funds in a single column, regardless of their fund type.

The funds of the financial reporting entity are described below:

Governmental Funds:

General Fund - The general fund is the general operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purpose other than debt service or capital projects.

Debt Service Fund - Debt service funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Project Funds - Capital project funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Proprietary Funds:

Enterprise Funds - Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Fiduciary Funds (not included in government-wide statements):

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Fiduciary funds are accounted for using the full accrual basis of accounting. The City reports the following fiduciary funds:

Custodial Funds - Custodial Funds are clearing type funds for the collection of taxes or deposits held in trust, on behalf of individuals, private organizations, and other governments for which the City has a custodial responsibility.

Private-Purpose Trust Funds - Private purpose trust funds are used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation, Continued

Major Funds

The City reports the following major governmental funds in the accompanying financial statements:

General Fund - This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Housing Programs Fund - This fund receives tax increment funds from the Successor Agency representing 20% set-aside restricted for housing activities; funds are expended for approved housing activities.

Wastewater Utility Fund - The City has one enterprise fund, which is a major fund. This fund is used to account for the collection of sewer service fees and the related cost of maintenance and repair of the sewer treatment plant.

The City also reports the following fund types:

Custodial Funds - These funds are custodial in nature and account for assets held by the City as an agent for other governmental units or individuals.

Private Purpose Trust Fund - This fund was created as a result of the State order to dissolve California Redevelopment Agencies. As a Successor Agency, this fund is used to track the activity by the Oversight Board and the State Department of Finance to dissolve the Agency. Separate audited financial statements for the Successor Agency may be obtained from the City.

C. Basis of Accounting and Measurement Focus

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item "b" below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Basis of Accounting and Measurement Focus, Continued

a. All governmental funds are accounted for using a "current financial resources" measurement focus. With this measurement focus, only current assets and current liabilities generally are included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The government-wide financial statements utilize an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources (whether current or noncurrent) are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

c. All Fiduciary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. In addition, all fiduciary funds use the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City defines available to be within 60 days of year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds for governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Basis of Accounting and Measurement Focus, Continued

Basis of Accounting, Continued

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Proprietary funds distinguish operating revenues and expenses from Nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal operations. The principal operating revenues of the sewer and enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as Nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Property Taxes

California Constitution Article XIII A, limits the combined property tax rate to one percent of a property's assessed valuation. Additional taxes may be imposed with voter approval. Assessed value is calculated at one hundred percent of a property's fair value, as defined by Article XIII A, and may be increased no more than two percent per year unless a change in ownership occurs. The state legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions.

Property tax revenues are recognized in the fiscal year for which taxes and assessments are levied. The County of Contra Costa levies, bills and collects property taxes and special assessments for the City under the County's "Teeter Plan." The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on February 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Tax levy dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured and personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Cash and Investments

The City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related funds.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of their portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. This amount is included in cash and cash equivalents in the balance sheet of the governmental funds. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

F. Accounts and Interest Receivable

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines and other fees. Federal and state grants are considered receivable and accrue as revenue when reimbursable costs are incurred. Business-type activities report utilities and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are recorded as deferred inflows of resources in the fund financial statements in accordance with modified accrual, but not in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Long-term loans in governmental funds are treated as expenditures in the year advanced and as revenues in the year repayment is measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

G. Prepaid Expenses and Inventory

Inventories are stated at cost (average cost per unit) for governmental and proprietary funds. Supplies of the General Fund consist of expendable supplies held for consumption. The cost is recorded as an expenditure/expense in the General Fund at the time individual items are consumed, rather than purchased. Inventories of governmental funds are offset by nonspendable fund balance to indicate they do not constitute resources available for future appropriation. Enterprise Fund supplies consist primarily of items held for internal use.

Prepaid items are also recognized under the consumption method. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

H. Capital Assets

The accounting treatment over property, plant and equipment depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements:

In the government-wide financial statements, capital assets with a historical cost over $5,000 are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Contributed capital assets are valued at their estimated fair market value on the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value on the date donated.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, while accumulated depreciation is reflected in the Statement of Net Position. The City has assigned the useful lives listed below to capital assets:

Buildings	50 years
Equipment	5-10 years
Vehicles	5-10 years
Streets and roads	50 years
Bridges	75 years
Street drainage	100 years
Parks	70 years
Wastewater infrastructure	50 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

H. Capital Assets, Continued

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

I. Long Term Liabilities

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term liabilities, and other long term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Initial issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Bond issuance costs, except for insurance, are expensed in the period incurred. Amortization of bond premiums or discounts, insurance costs, and deferred amounts on refunding is included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Compensated Absences

Compensated absences comprise unused vacation leave and compensatory time off, which are accrued as earned. The City's liability for compensated absences is recorded in the government-wide Statement of Net Position for governmental funds and the Statement of Net Position for proprietary funds as appropriate. A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination. The salary and related payroll costs are those in effect at June 30, 2021. The amount of accrued sick pay is not due upon termination and therefore is not recorded as a liability for the City. The liability for compensated absences is determined annually.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

K. Deferred Outflows/Inflows of Resources, Continued

In addition to liabilities, the Statement of Net Position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

L. Pension

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

N. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

O. Net Position and Fund Equity

Government-wide Statements

Net position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net position is divided into three categories. These categories apply only to net position, which is determined at the government-wide level, and are described below:

a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

Fund Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

a. Nonspendable - Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

b. Restricted - Amounts that are restricted for specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, laws, or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

c. Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (Resolution) of the government's highest level of decision-making authority (City Council).

d. Assigned - Amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. Pursuant to City Council Resolution 2011-71, the designation of assignments of fund balance is determined by the City Manager.

e. Unassigned - Amounts representing the residual classification for the general fund and residual negative fund balance of special revenue and capital project funds.

Further detail about the City's fund balance classification is described in Note 11.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

P. Grant Funding

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. The City's policy is to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

Q. Revenues for Enterprise Activities

Operating revenues for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue not related to capital and related financing, noncapital financing or investing activities.

R. Deferred Compensation

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under these Plans, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

S. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

T. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

In 2021, the City adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

GASB Statement No. 84 – Fiduciary Activities – The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The City restated its beginning net position of the custodial funds as part of implementation of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

T. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements, Continued

GASB Statement No. 90 – Majority Equity Interests – The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legal separate organization should be reported as an investment if a government's holding of the equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of this statement did not apply to the City for the current fiscal year.

GASB Statement No. 93 – Interbank Offered Rates (except LIBOR removal and lease modifications) – Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) –most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with GASB Statement No. 87, Leases, as amended, replacement of the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable. The objective of GASB Statement No. 93 is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this statement did not apply to the City for the current fiscal year.

GASB Statement No. 98 – The Annual Comprehensive Financial Report – This statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in the generally accepted accounting principles for state and local governments. The City has elected to early implement the provisions of this Statement during the current fiscal year and duly changed its report titles.

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool for all funds. Certain restricted funds that are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investment held by trustees.

2. CASH AND INVESTMENTS, Continued

A. *Summary of Cash and Investments*

Cash and investments as of June 30, 2021 were classified in the accompanying financial statements as follows:

	Cash & Investments	Restricted cash & Investments	Total
Governmental activities	$ 32,462,333	$ 19,442,495	$ 51,904,828
Business-type activities	17,123,487	-	17,123,487
Total government-wide cash and investments	49,585,820	19,442,495	69,028,315
Fiduciary activities	6,315,976	-	6,315,976
Total cash and investments	$ 55,901,796	$ 19,442,495	$ 75,344,291

Cash and investments were carried at fair value as of June 30, 2021 and consisted of the following:

Cash on hand	$ 1,914
Deposits with financial institution	2,634,843
Total cash on hand and deposits	2,636,757
Money Market	11,148,452
Local Agency Investment Funds	29,440,298
CalTrust	3,365,865
Investments held by custodian	7,484,673
Restricted cash - PARS	19,442,495
Total investments	70,881,783
Restricted cash - other	1,825,751
Total cash and investments	$ 75,344,291

B. *Deposits*

The carrying amount of the City's cash deposit was $2,634,843 at June 30, 2021. Balance before reconciling amounts were a positive amount of $2,536,912 at June 30, 2021. The City has waived collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation. The remaining amount was collateralized with securities pledged by the pledging financial institution in the City's name.

The California Government Code (Code) requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. The Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits.

2. CASH AND INVESTMENTS, Continued

B. Deposits, Continued

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

C. Investments Authorized by the California Government Code and the City's Investment Policy

Investments are reported at fair value. California statutes authorize Cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restricted) that address interest rate risk, credit risk, and concentration of credit risk. The table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy. The City's permissible investments described on the following page.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	40%	None
Repurchases Agreements	30 days	10%	None
Banker's Acceptances	180 days	40%	10%
Commercial Paper (Minimum rating of "A" or higher)	180 days	15%	None
Medium Term corporate Notes (Minimum rating of "AA" or higher)	5 years	15%	5%
Negotiable Certificates of Deposit issued in California	5 years	10%	None
Negotiable Certificates of Deposit	5 years	30%	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Insured savings account or money market account	N/A	None	None
Mutual Funds	N/A	15%	None
Restricted Real Estate Asset Sale rated "AAA" or higher	10 years	15%	None

2. CASH AND INVESTMENTS, Continued

C. Investments Authorized by the California Government Code and the City's Investment Policy, Continued

D. Investments Authorized by Debt Agreements

Investment of debt issuances held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
State of Municipal Bonds or Notes rated "AA" or better	None	None	None
Repurchase Agreements rated "A" or better	30 days	None	None
Investment Agreements and Contracts	None	None	None
Money Market Funds rated "AA-m" or better	N/A	None	None
Certificates of Deposit	None	None	None
Commercial Paper rated "A-1" or better	None	None	None
Federal Funds or Bankers Acceptances	1 year	None	None
Local Agency Investment fund (LAIF)	None	None	None

2. CASH AND INVESTMENTS, Continued

E. Investment Valuation

Investments (except money market accounts that are included as part of restricted cash and investments) are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements are as follows at June 30, 2021:

Investments	Total Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Federal agency securities	$ 498,780	$ -	$ 498,780	$ -
Corporate notes	1,778,815	-	1,778,815	-
Negotiable certificates of deposits	3,671,828	-	3,671,828	-
Restricted Cash - PARS	19,442,495	-	19,442,495	-
Total subject to levelling	25,391,918	$ -	$ 25,391,918	$ -
Investments not subject to levelling				
Money Market	11,148,452			
Mutual Funds	1,535,250			
Local Agency Investment Fund	29,440,298			
Caltrust	3,365,865			
Total	$ 70,881,783			

Level 2 inputs are valued based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means.

F. Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City's interest rate risk is mitigated is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

2. CASH AND INVESTMENTS, Continued

F. Disclosure Relating to Interest Rate Risk, Continued

The sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity as of June 30, 2021:

	Remaining Maturity		
	12 Months or less	1-5 years	Total Fair Value
Money Market	$ 11,148,452	$ -	$ 11,148,452
Local Agency Investment Fund	29,440,298	-	29,440,298
Caltrust	3,365,865	-	3,365,865
Securities of U.S. Government:			
Federal agency securities	-	498,780	498,780
Corporate notes	1,009,675	769,140	1,778,815
Negotiable certificates of deposits	373,544	3,298,284	3,671,828
Mutual Funds	1,535,250	-	1,535,250
Restricted cash - PARS	19,442,495	-	19,442,495
Total	$ 66,315,579	$ 4,566,204	$ 70,881,783

G. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or debt agreements, and the actual rating as of the fiscal year for each investment type.

		Rating as of Fiscal Year End		
		S&P	Moody's	N/A
Money Market	$ 11,148,452			Not rated
Local Agency Investment Fund	29,440,298			Not rated
Caltrust	3,365,865	Aaf/S1		
Securities of U.S. Government				
Federal Agency Securities	498,780	AA+	Aaa	
Corporate Notes	1,275,045	AAA	Aaa	
Corporate Notes	503,770	A+	Aa2	
Negotiable certificates of deposits	3,671,828			Not rated
Mutual Funds	1,535,250			Not rated
Restricted cash - PARS	19,442,495			Not rated
Total	$ 70,881,783			

2. CASH AND INVESTMENTS, Continued

H. Disclosures Relating to Credit Risk

Concentration of Credit Risk - The City complies with the limitations on the amount that can be invested in any one issuer as stipulated by the California Government Code. There were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments at June 30, 2021.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value for its investment or collateral securities that are in the possession of another party.

I. Investment in State and County Investment Pools

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2021 and 2020, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes – are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities – the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2021, the City had $29,440,298 invested in LAIF, which had invested 2.31% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 3.37% in the previous year. The LAIF fair value factor of 1.00008297 was used to calculate the fair value of the investments in LAIF.

Interest income from pooled investments is allocated to those funds which are required by law or administrative action to receive interest. Interest is allocated quarterly based on the average ending cash balances for the previous three months in each fund receiving interest.

3. NOTES AND LOANS RECEIVABLE

The City engages in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the City's terms.

3. NOTES AND LOANS RECEIVABLE, Continued

These notes and loans receivable, including interest, comprised of the following at June 30, 2021 and are explained in detail below:

	Notes Receivable	Less: Allowance for Doubtful Notes
Housing Rehabilitation	$ 33,673	$ (33,673)
First Time Home-Buyer	268,095	(268,095)
Bridge Housing Loan	1,024,514	(1,024,514)
Alvarez Court	1,772,978	(1,772,978)
Eastbuff Apartment Loan	1,095,849	(1,095,849)
Total	$ 4,195,108	$ (4,195,108)

A. *Housing Rehabilitation*

The City has provided loans to various homeowners for rehabilitation of property. These loans are secured by second deeds of trust on the property and have a range of interest rates from 2% to 6% with a maximum fifteen-year term. The balance of these notes receivable totaled $33,673 at June 30, 2021.

B. *First Time Home-Buyer*

In 1995, the City implemented a first time homebuyer program designed to encourage home ownership among low-income persons by providing down payment assistance. Under this program, loans are provided at no interest and are due upon sale or transfer of the property, refinance or payoff of the first mortgage, recordation of a third mortgage or default of the first mortgage. At the time of the loan repayment, the City shares in equity appreciation based on the City's loan share of the original purchase price. The balance of the notes receivable arising from this program at June 30, 2021 was $268,095.

C. *Bridge Housing*

The Agency assisted Bridge Housing Corporation with its acquisition and development of the Pinole Grove Senior Housing Project by providing $900,000 in the form of land and cash in return for a note bearing simple interest at a rate of 3% per year, secured by a deed of trust on the Project.

Principal and interest are due annually but are payable only from surplus cash flow as defined in the note. The Project is not expected to generate a surplus cash flow and under the terms of the note, any unpaid principal and interest remaining at the expiration of the note in the year 2024 will be forgiven if Bridge Housing maintains the affordability of the project for an additional nineteen years. As of June 30, 2021, the outstanding balance was $1,024,514.

D. *Alvarez Court*

In August 2000, the City approved a loan of up to $609,000 to assist the Resources for Community Development with the development of a housing project for persons with disabilities. In August 2002 the City amended the loan agreement, increasing the loan amount to $988,000. The term of the loan is 40 years from the date of final closing by Housing and Urban Development, bearing a simple interest at a rate of 4% and is secured by first deed of trust. As of June 30, 2021, the total outstanding balance was $1,772,978.

3. NOTES AND LOANS RECEIVABLE, Continued

E. Eastbluff Apartments

In 1996, the Pinole Redevelopment Agency assisted Eastbluff Associates with its development of the Eastbluff Apartments by providing $975,000 in exchange for a note. The note was renegotiated in April 2016 and is secured by a deed of trust. The note bears an annual compound interest rate of 2.25% for a term of 55 years or until full repayment of the principal balance of the loan. Payments are the greater of $63,375 per year or 50% of the surplus cash flow as defined in the terms of the Note. As of June 30, 2021, the outstanding balance was $1,095,849.

F. Allowance for Doubtful Notes

The City has several programs under which it extends loans to qualifying individuals or groups for the purpose of improving the City's housing stock and/or its supply of low-and-moderate income housing. Some of these loans provide for the eventual forgiveness of the loan balance if the borrower complies with all the terms of the loan over its full term. The City has provided a 100% allowance for all notes receivable subject to long-term deferral and/or payment from future refinancing as well as all notes receivable having subordination provisions, except for those accounts that have current payment activity and are not delinquent at June 30, 2021.

4. LAND HELD FOR HOUSING

At June 30, 2021, the City held the following properties for resale or redevelopment with a total value of $1,222,070:

811	San Pablo Avenue
612	Tennent Avenue
2100/2150	San Pablo Avenue

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Retirements	Transfers	Balance June 30, 2021
Governmental activities:					
Nondepreciable assets:					
Land	$ 6,313,621	$ -	$ -	$ -	$ 6,313,621
Construction in progress	176,194	418,520	-	-	594,714
Total nondepreciable assets	6,489,814	418,520	-	-	6,908,335
Capital assets being depreciated					
Buildings and improvements	15,962,147	-	(2,258)	-	15,959,889
Equipment	5,726,634	203,119	-	-	5,929,753
Vehicles	3,409,645	1,227,299	-		4,636,944
Streets and roads	51,462,868	-	-	-	51,462,868
Storm drains	2,880,999	-	-	-	2,880,999
Bridges	3,117,473	-	-	-	3,117,473
Parks	2,502,680	-	-	-	2,502,680
Total capital assets being depreciated	85,062,446	1,430,418	(2,258)	-	86,490,606
Accumulated depreciation					
Buildings and improvements	10,880,853	254,363	(2,258)	-	11,132,958
Equipment	4,570,462	257,348	-	-	4,827,810
Vehicles	2,654,867	315,410	-	-	2,970,277
Streets and roads	38,266,717	721,706	-	-	38,988,423
Storm drains	1,392,809	23,066	-	-	1,415,875
Bridges	1,918,963	36,783	-	-	1,955,746
Parks	1,093,474	5,570	-	-	1,099,044
Total accumulated depreciation	60,778,144	1,614,246	(2,258)	-	62,390,133
Net depreciable assets	24,284,302	(183,828)	-	-	24,100,473
Total net capital assets	$30,774,116	$ 234,692	$ -	$ -	$31,008,808

Depreciation expense for capital assets was charged to functions as follows:

General administration	$ 67,071
Public safety	480,521
Public services	973,838
Recreation	85,941
Community development	6,875
Total depreciation expense	$ 1,614,246

5. CAPITAL ASSETS, Continued

	Balance June 30, 2020	Additions	Retirements	Transfers	Balance June 30, 2021
Business-type activities					
Depreciable assets:					
Buildings and improvements	$ 51,748,278	$ 17,168	$ -	$ -	$ 51,765,446
Sewer lines	7,650,185	-	-	-	7,650,185
Equipment	3,259,400	-	-	-	3,259,400
Vehicles	578,652	429,654	-	-	1,008,306
Total depreciable assets	63,236,515	446,822	-	-	63,683,337
Accumulated depreciation					
Buildings and improvements	7,917,180	954,442	-	-	8,871,622
Sewer lines	8,018,064	83,699	-	-	8,101,763
Equipment	1,845,296	78,436	-	-	1,923,732
Vehicles	578,652	-	-	-	578,652
Total accumulated depreciation	18,359,192	1,116,577	-	-	19,475,768
Net depreciable assets	44,877,323	(669,755)	-	-	44,207,569
Total net capital assets	$ 44,877,323	$ (669,755)	$ -	$ -	$ 44,207,569

Depreciation expense for capital assets was charged to functions as follows:

Wastewater Utility	$ 1,116,577
	$ 1,116,577

6. ADVANCES TO/ADVANCES FROM PRIVATE-PURPOSE TRUST FUND

On May 6, 2008 the City Council and former Pinole Redevelopment Agency approved a resolution for the former Pinole Redevelopment Agency to advance the City $2,500,000 to provide sufficient working capital to address the structural deficit in the City's General Fund. The terms of the advance, as amended in April of 2011, provide for the payment of interest at the rate of 3.8% over 15 years and additional one-year deferral of commencement of payments to fiscal year 2014. The agreement terms allow for a capitalized interest payment deferral period of three years followed by amortization of the principal and interest in equal annual payments of $263,300 for the succeeding twelve years. As of June 30, 2021 the balance outstanding on the advance was $0.

An advance of $2,541,575 from the Housing Program Fund was to assist the Successor Agency with administrative, operation, program cost, repay SERAF payments (2009-10 and 2010-11) to the State of California funded by Housing Set Aside Fund.

7. LONG-TERM LIABILITIES

A. *Governmental Activities*

The following is a summary of changes in the City's long-term liabilities related to governmental activities for the fiscal year ended June 30, 2021:

	Balance July 1, 2020	Addition	Retirements	Balance June 30, 2021	Current Portion
Governmental Activity Debt:					
2006 Pension Obligation Bond	$ 2,961,839	$ -	$ (227,389)	$ 2,734,450	$ 221,565
Compensated Absences	870,394	592,400	(517,197)	945,597	153,280
Total Governmental Activity Debt	$ 3,832,231	$ 592,400	$ (744,586)	$ 3,680,047	$ 374,845

A description of the long-term liabilities related to governmental activities at June 30, 2021 follows:

Pension Obligation Bonds

In June 2006 the City authorized the issuance of $16,800,000 of 2006 Series A-1 and A-2 Bonds. The Taxable Pension Obligation Bonds in the aggregate principal of $6,214,630 were issued to finance the City's unfunded accrued actuarial liability with CalPERS. Repayment on the Bonds will be from General Fund revenues Non voter-approved debt. Principal payments are due annually in June until 2036. Future debt service payments are as follows:

Year Ending June 30,	2006 Pension Obligation Bond	
	Principal	Interest
2022	$ 221,565	$ 353,435
2023	215,586	379,414
2024	207,790	402,210
2025	203,321	431,679
2026	195,585	454,415
2027-2031	903,985	2,696,015
2032-2036	786,618	3,448,382
Total	$ 2,734,450	$ 8,165,550
Due within one year	$ 221,565	$ 353,435
Due after one year	2,512,885	7,812,115
Total	$ 2,734,450	$ 8,165,550

Compensated Absences

Compensated absences comprise unused vacation leave and compensatory time off, which are accrued as earned. No compensation is payable for sick leave. The City's liability for compensated absences is recorded in various governmental funds as appropriate. The liability for compensated absences is determined annually.

7. LONG-TERM LIABILITIES, Continued

A. *Governmental Activities, Continued*

The net changes of the long-term portion of accrued vacation and sick leave liabilities are allocated among departments on the statement of activities as follows:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Current Portion	
General Administration	$ 174,780	$ 61,469	$ (167,433)	$ 68,816	$ 13,444	A
Public Safety	584,907	381,007	(403,216)	562,698	107,752	A
Public Services	64,393	87,990	5,985	158,368	25,794	B
Recreation	43,597	58,712	47,374	149,683	6,000	B
Community Development	2,717	3,222	93	6,032	290	B
Total	$ 870,394	$ 592,400	$ (517,197)	$ 945,597	$ 153,280	

The following funds have been used to liquidate compensated absences:

A - General Fund **B** - Non-Major Funds

B. *Business-type Activities*

The following is a summary of changes in the City's long-term liabilities related to business-type activities for the fiscal year ended June 30, 2021.

	Balance June 30, 2021	Addition	Retirements	Balance June 30, 2021	Current Portion
Business-type Activity Debt:					
2016 Wastewater Revenue Refunding Bond	$ 6,968,000	$ -	$ (318,000)	$ 6,650,000	$ 329,000
2016 Clean Water State Revolving Fund	25,456,833	-	(682,858)	24,773,976	668,026
Compensated Absences	169,716	5,276	(64,665)	110,327	31,727
Total Business-Type Activity Debt	$ 32,594,551	$ 5,276	$ (1,065,523)	$ 31,534,303	$ 1,028,753

7. LONG-TERM LIABILITIES, Continued

A description of the long-term liabilities related to business-type activities at June 30, 2021 is as follows:

2016 Wastewater Revenue Refunding Bonds

On June 30, 2016, the City of Pinole issued an $8,251,000 2016 Wastewater Revenue Refunding Bond (Bank Qualified) to redeem its 2006 Wastewater Revenue Bonds. The bonds bear annual interest at 2.95% which is payable semi-annually on March 1 and September 1 of each year through 2036. Principal payments are due annually beginning on September 1, 2016 through 2036. The bond is secured with pledged net wastewater revenues. Future debt service payments are as follows:

Year Ending June 30,	2016 Wastewater Revenue Principal	2016 Wastewater Revenue Interest
2022	$ 329,000	$ 191,322
2023	341,000	181,440
2024	347,000	171,292
2025	362,000	160,834
2026	372,000	150,008
2027-2031	2,025,000	576,710
2032-2036	2,357,000	254,157
2037	517,000	7,626
Total	$ 6,650,000	$ 1,693,390
Due within one year	$ 329,000	$ 191,322
Due after one year	6,321,000	1,502,068
Total	$ 6,650,000	$ 1,693,390

7. LONG-TERM LIABILITIES, Continued

B. *Business-type Activities, Continued*

2016 Clean Water State Revolving Fund

In May 2016, the City entered into a loan agreement with the State of California Water Resources Control Board to provide funding for its 50% share of upgrades to the Pinole-Hercules Wastewater Pollution Control Plant to achieve compliance with Regional Water Quality Board NPDES. Funds are drawn on the agreement as work is completed up to a maximum amount of $26.7 million plus any construction period interest. The loan accrues interest at a rate of 1.7 percent annually. Annual principal payments are due each July 1, commencing July 1, 2020. Final payment is due July 2049. Net revenues, defined as all sewer enterprise fund revenues less operations and maintenance costs (excluding depreciation and amortization expenses), is pledged for future debt service. As of June 30, 2021, the total debt outstanding on the loan is $24,773,976. The table below includes future debt service requirements related to this amount.

Year Ending June 30,	2016 Clean Water State Revolving Principal	2016 Clean Water State Revolving Interest
2022	$ 668,026	$ 421,158
2023	679,383	409,801
2024	690,932	398,252
2025	702,678	386,506
2026	714,624	374,560
2027-2031	3,759,531	1,686,389
2032-2036	4,090,142	1,355,777
2037-2041	4,449,828	996,092
2042-2046	4,841,144	604,776
2047-2050	4,177,688	179,047
Total	$ 24,773,976	$ 6,812,358
Due within one year	$ 668,026	$ 421,158
Due after one year	24,105,950	6,391,200
Total	$ 24,773,976	$ 6,812,358

Compensated Absences

Compensated absences comprise unused vacation leave and compensatory time off, which are accrued as earned. No compensation is payable for sick leave. The City's liability for compensated absences is recorded in various governmental funds and proprietary funds as appropriate. The liability for compensated absences is determined annually.

Compensated absences for proprietary fund will be paid by the respective fund in which the expense was accrued. The activities for the year ended June 30, 2021 are as follows:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Current Portion
Wastewater Utility Fund	$ 169,716	$ 5,276	$ (64,665)	$ 110,327	$ 31,727
Total	$ 169,716	$ 5,276	$ (64,665)	$ 110,327	$ 31,727

8. INTERFUND TRANSACTIONS

A. *Interfund Transfers to/from Other Funds*

Transfers between funds during the fiscal year ended June 30, 2021 were as follows:

Transfer From	Transfer To	Description of Transfer	Amount
General Fund	Cable Television Fund	Cable TV contributions	$ 174,853
General Fund	Capital Projects Fund	Funding for projects	500,000
General Fund	Recreation Fund	Recreation operating contributions	632,055
General Fund	Police Fund	Police grant	29,428
General Fund	Building & Planning Fund	Building fund operating contributions	192,000
		Sub-total	1,528,336
Refuse Management	Rate Stabilization	Rate Stabilization	107,805
Solid Waste Fund	Rate Stabilization	Rate Stabilization	45,700
		Sub-total	153,505
		Total	$ 1,681,841

Inter-fund transfers are not presented on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the governmental funds as they are presented on a net basis.

9. DEFINED BENEFIT PENSION PLAN

A. *General Information about the Pension Plans*

Plan Description - All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors five rate plans (two miscellaneous and three safety).

Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non- duty disability benefits after 5 years of service. The death benefit is one of the following: the Special Death Benefit (Safety only), the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

9. DEFINED BENEFIT PENSION PLAN, Continued

A. General Information about the Pension Plans, Continued

The rate plan provisions and benefits in effect for the year ended June 30, 2021, are summarized as follows:

	Miscellaneous-Classic	Miscellaneous-PEPRA
Hire Date	Prior to July 1, 2013	On or after July 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit payment	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits, as a % of annual salary	2.5%	2.0%
Required employee contribution rates	8.00%	6.750%
Required employer contribution rates*	12.361%	7.732%
Required UAL payment	$ 1,153,967	$ 94,043

	Safety-Classic	Safety-PEPRA (Fire)
Hire Date	Prior to July 1, 2013	On or after January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	57
Monthly benefits, as a % of annual salary	3.0%	2.7%
Required employee contribution rates	9.00%	13.00%
Required employer contribution rates (Police)*	21.746%	13.044%
Required UAL payment (Police)	$ 1,299,445	$ 2,214

	Safety-PEPRA (Police)
Hire Date	On or after January 1, 2013
Benefit vesting schedule	5 years service
Benefit payments	Monthly for life
Retirement age	57
Monthly benefits, as a % of annual salary	2.7%
Required employee contribution rates	13.00%
Required employer contribution rates (Police)*	13.044%
Required UAL payment (Police)	$ 5,352

* The employer contribution rate reflects the employer's normal cost rate and does not include unfunded

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's contribution to the Plan for the measurement period ended June 30, 2020 were $3,367,332.

9. DEFINED BENEFIT PENSION PLAN, Continued

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the City reported net pension liability for its proportionate share of the net pension liability of the Plan of $36,697,363.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2019 and 2020 was as follows:

Proportion - June 30, 2019	0.33097 %
Proportion - June 30, 2020	0.33728 %
Change - Increase (Decrease)	0.00631 %

For the year ended June 30, 2021, the City recognized pension expense of $5,443,139. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 3,789,111	$ -
Differences between actual and expected experience	2,429,390	-
Changes in assumptions	-	183,079
Net differences between projected and actual earnings on plan investments	925,180	-
Change in employer's proportion	689,472	-
Differences between actual contributions and proportionate share of contributions	-	1,418,079
Total	$ 7,833,153	$ 1,601,158

$3,789,111 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	
2022	$ 235,362
2023	976,232
2024	777,912
2025	453,379

9. DEFINED BENEFIT PENSION PLAN, Continued

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

Actuarial Assumptions- The total pension liabilities for the measurement date June 30, 2020 were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return (1)	7.15%
Mortality (2)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

(1) Net of pension plan investment expenses.
(2) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Changes in Assumptions - There were no changes of assumptions during the measurement period ended June 30, 2020. Deferred inflows of resources for changes in assumptions presented in the deferred outflows/inflows table above represents the portion of the changes of assumptions related to prior measurement periods.

Discount Rate - The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

9. DEFINED BENEFIT PENSION PLAN, Continued

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employees' Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table on the next page reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class [1]	Assumed Asset Allocation	Real Return Years 1 - 10 [2]	Real Return Years 11+[3]
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.62%
Inflation assets	0.00%	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100%		

[1] In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
[2] An expected inflation of 2.00% used for this period.
[3] An expected inflation of 2.92% used for this period.

9. DEFINED BENEFIT PENSION PLAN, Continued

B. *Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued*

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease		6.15%
Net Pension Liability	$	53,774,717
Current Discount Rate		7.15%
Net Pension Liability	$	36,697,363
1% Increase		8.15%
Net Pension Liability	$	22,645,020

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Payables to the Pension Plan - At June 30, 2021, the City reported $0 for outstanding amounts of contributions for the CalPERS Cost Sharing Multiple-Employer Plan.

10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. *Description of the Plan*

The City sponsors and administers a single-employer health care plan for its employees. The plan includes healthcare coverage to long-service retirees. At retirement, City employees can elect Blue Shield, Kaiser, PERS Care, or PERS Choice medical coverage through the City at the City's expense. As the City's OPEB benefits are administered by City personnel, no separate financial statements are issued.

B. *Employees Covered*

The City currently pays health insurance premiums of $2,028 per month per family. For the year ended June 30, 2021, the City had 105 retired employees. The City currently has 100 active employees who may become eligible to retire and receive benefits in the future. Eligibility requirements include retirement directly from the City under CalPERS at age 55 years CalPERS service or disability.

Inactive employees or beneficiaries currently receiving benefits	93
Inactive entitled to but not yet receiving benefits	12
Active employees	100
Total	205

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

C. Contributions

Employees hired before July 1, 2010 receive a City contribution toward their retiree health premium equal to that provided to current active employees. Employees shall be offered the option to opt into the vesting program as soon after the program implementation as allowed per CalPERS regulations.

Employees hired on or after July 1, 2010 receive a City contribution toward their retiree health premium in an amount as described by Government Code Section 22893 (the PERS vesting schedule). Government Code Section 22893 currently reads that the percentage of employer contribution payable for postretirement health benefits for an employee of a contracting agency subject to this section shall, except as provided in subdivision (b) be based on the member's completed years of credited state service at retirement as shown in the following table:

Credited Years of Service	Percentage of Employer Contributions
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

D. Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement date.

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	2.21% - Bond Buyer 20-Bond Index
Inflation	2.75% annually
Salary Increases	3% - Aggregated
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2019
Healthcare cost trend rates	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

E. Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. The City's OPEB Plan is an unfunded plan, therefore the discount rate was set to the rate of tax-exempt, high quality 20-year municipal bonds, as of the valuation date.

F. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020 (Measurement date June 30, 2019)	$ 36,379,615
Changes in the year:	
Service cost	1,615,428
Interest on the total pension liability	1,308,423
Changes in assumptions	8,431,861
Changes in benefit terms	-
Benefit payments	(1,223,092)
Net changes	10,132,620
Balance at June 30, 2021 (Measurement date June 30, 2020)	$ 46,512,235

Sensitivity of the Total OPEB liability to Changes in the Discount Rate – The following presents the total OPEB liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease - 1.21%	
Total OPEB liability	$ 56,179,825
Current Discount Rate - 2.21%	
Total OPEB liability	$ 46,512,235
1% Increase - 3.21%	
Total OPEB liability	$ 39,175,571

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

F. *Changes in the Total OPEB Liability, Continued*

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rate – The following presents the total OPEB liability of the City for the Plan, calculated using the healthcare cost trend rate for the Plan, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	
Total OPEB liability	$ 38,385,426
Current Healthcare Trend Rate	
Total OPEB liability	$ 46,512,235
1% Increase	
Total OPEB liability	$ 57,289,469

G. *Recognition of Deferred Outflows and Deferred Inflows of Resources*

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years, straight line of amortizaion
All amounts	Expected average remaining service lifetime (EARSL) (6 years at June 30,, 2021)

H. *OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB*

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of $3,122,046. For the fiscal year ended June 30, 2021, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 1,261,566	$ -
Changes in assumptions	8,296,844	2,016,490
Differences between expected and actual experience	-	1,514,422
Total	$ 9,558,410	$ 3,530,912

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

H. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB, Continued

The $1,261,566 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2020 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/(Inflows) of
2022	$ 195,331
2023	617,331
2024	1,188,832
2025	1,359,127
2026	1,405,311

11. FUND BALANCE

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

The City of Pinole has established the following fund balance policies:

Committed Fund Balance: Only the City Council may have the authority to create or change a fund balance commitment. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally.

Assigned Fund Balance: Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. The policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Manager and the Finance Director for the purpose of reporting these amounts in the annual financial statements.

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts, and unassigned amounts.

11. FUND BALANCE, Continued

As of June 30, 2021, fund balances consisted of the following:

	General Fund	Housing Programs	Nonmajor Governmental Funds	Total
Fund Balances				
Nonspendable fund balance:				
Inventory	$ 18,782	$ -	$ -	$ 18,782
Prepaid items and supplies	-	-	315,552	315,552
Total Nonspendable	18,782	-	315,552	334,334
Restricted fund balance for:				
Housing Redevelopment	-	7,835,512	-	7,835,512
Real estate maintenance	181,183	-	-	181,183
Police	-	-	1,043,775	1,043,775
Growth impact	-	-	141,492	141,492
Gas Tax	-	-	356,517	356,517
Measure C	-	-	1,741,631	1,741,631
Parkland Dedication	-	-	104,448	104,448
Storm Water	-	-	1,853	1,853
Refuse Management	-	-	192,377	192,377
Capital projects	-	-	324,852	324,852
Solid Waste	-	-	1,863,362	1,863,362
CASP Certification	-	-	27,417	27,417
Rate Stabilization	-	-	184,676	184,676
Adjudicated Asset Seizure	-	-	87,341	87,341
Pension Fund	19,442,495	-	-	19,442,495
Total Restricted	19,623,678	7,835,512	6,069,741	33,528,931
Assigned fund balance for:				
Capital projects	-	-	2,495,229	2,495,229
General reserve	7,492,770	-	-	7,492,770
Emergency reserve	100,000	-	-	100,000
Equipment reserve	243,408	-	-	243,408
Police	-	-	2,180	2,180
Recreation	-	-	29,162	29,162
Total Assigned fund balance	7,836,178	-	2,526,571	10,362,749
Unassigned fund balance				
Minimum fund balance reserve	12,488,562	-	(137,880)	12,350,682
	12,488,562	-	(137,880)	12,350,682
Total Fund Balances	$ 39,967,200	$ 7,835,512	$ 8,773,984	$ 56,576,696

12. RISK MANAGEMENT

The City manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below and by retaining certain risks.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California which exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these risk pools are not the member's responsibility.

Risk Coverage - The City is a member of the Municipal Pooling Authority of Northern California (MPA). MPA provides coverage against the following types of loss risks under terms of joint-powers agreement with the City and several other cities and governmental agencies as follows:

Type of Coverage (Deductible)	Coverage Limits
Liability ($25,000) including errors and omissions for Public Officials	$ 29,000,000
All Risk Fire and Property ($5,000)	1,000,000,000
Workers' Compensation (no deductible)	50,000,000
Vehicle Physical Damage ($3,000 for police, $2,000 all others)	250,000

The MPA is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of the MPA, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

The City's deposits with the MPA are in accordance with formulas established by the MPA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

During the fiscal year ended June 30, 2021, the City contributed $1,084,929 for coverage.

Financial statements may be obtained from Municipal Pooling Authority of Northern California, 1911 San Miguel Drive, Suite 200, Walnut Creek, CA 94596.

13. DEFICIT FUND BALANCES AND NET POSITION

As of June 30, 2021, the following funds had a fund deficit:

Fund	Deficit
Cable TV	$ (3,131)
Building and Planning	$ (134,313)
Development Services	$ (436)

14. SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

The Pinole Redevelopment Agency (the "former RDA") was formed in 1972 to finance redevelopment projects in the Agency of Pinole pursuant to the State of California Health and Safety Code, Section 3300. On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 that provided for the dissolution of all redevelopment agencies in the State of California as of February 1, 2012, at which time the City of Pinole elected to take over as the Successor Agency (the "Agency").

The asset and liabilities of the former RDA were transferred to the Successor Agency on February 1, 2012 as a result of the dissolution. The Successor Agency acts in a fiduciary capacity to wind down affairs of the former RDA which includes disposing of the assets and liabilities, and its activities are reported in the fiduciary private-purpose trust fund.

A. *Capital Assets*

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Retirements/ Adjustments	Transfers	Balance June 30, 2021
Fiduciary Activities:					
Capital assets not being depreciated:					
Land	$ 2,504,793	$ -	$ -	$ -	$ 2,504,793
Total assets not being depreciated	2,504,793	-	-	-	2,504,793
Capital assets being depreciated:					
Buildings and improvements	9,478,371	-	-	-	9,478,371
Streets and roads	3,024,273	-	-	-	3,024,273
Bridges	433,276	-	-	-	433,276
Parks	159,935	-	-	-	159,935
Total capital assets being depreciated	13,095,592	-	-	-	13,095,855
Accumulated depreciation:					
Buildings and improvements	3,324,224	193,566	263	-	3,518,053
Streets and roads	1,442,646	57,438	-	-	1,500,084
Bridges	80,703	9,278	-	-	89,981
Parks	159,935	-	-	-	159,935
Total accumulated depreciation	5,007,508	260,282	263	-	5,268,053
Net depreciable assets	8,088,084	(260,282)	(263)	-	7,827,802
Total fiduciary activities capital assets, net	$ 10,592,877	$ (260,282)	$ (263)	$ -	$ 10,332,595

14. SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

B. *Long-term Liabilities*

The following is a summary of changes in the Agency's long-term liabilities related to governmental activities for the fiscal year ended June 30, 2021:

	Balance July 1, 2020	Addition	Retirements	Balance June 30, 2021	Current Portion
Tax Allocation Bonds:					
2015 Series A Bonds	$ 14,575,000	$ -	$ (2,660,000)	$ 11,915,000	$ 4,125,000
2015 Series B Bonds	375,000	-	(375,000)	-	-
Total long-term debt	$ 14,950,000	$ -	$ (3,035,000)	$ 11,915,000	$ 4,125,000

A description of the long-term liabilities related to fiduciary activities at June 30, 2021 follows:

Bonds Payable

On August 6, 2015, the Successor Agency to the Pinole Redevelopment Agency issued $29,735,000 of tax allocation refunding bonds to redeem bonds held by the former Pinole Redevelopment Agency (1998A, 1998B, 1999, 2003A, 2003B, 2004 (Housing), 2004B (2nd Subordinate), 2004A (2nd Subordinate), 2004A (3rd Subordinate). The 2015A Tax Allocation Refunding Bond (Tax-Exempt) in the amount of $19,810,000 bears an interest rate of 2.270% which is payable semi-annually on February 1 and August 1 of each year through 2023. Principal payments are due annually on August 1 through 2023. The 2015B Tax Allocation Refunding Bond (Taxable) bears an interest rate of 2.340% which is payable semi-annually on February 1 and August 1 of each year through 2020. Principal payments are due annually on August 1 through 2020.

2015 Series A Tax Allocation Bond

Debt service requirements are shown below for bonds payable long-term debt:

For the Year Ending June 30	Principal	Interest
2022	$ 4,125,000	$ 223,652
2023	4,220,000	128,936
2024	3,570,000	40,520
Total	$ 11,915,000	$ 393,108

15. CONTINGENCIES AND COMMITMENTS

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the City.

Grant Awards - The City participates in certain Federal and State assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

16. PRIOR PERIOD ADJUSTMENTS

The City record period adjustments to update the beginning fiduciary net position balance of the custodial funds as part of implementation of GASB Statement No. 84.

		Prior Period Adjustments	
	Net Position, as Previously Reported at June 30, 2020	Liabilities	Net Position, as Restated at June 30, 2020
Fund Financial Statements:			
Custodial Funds	$ -	$ 20,067	$ 20,067

REQUIRED SUPPLEMENTARY INFORMATION

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City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes and assessments	$ 16,580,489	$ 17,666,472	$ 18,540,071	$ 873,599
Intergovernmental revenues	92,026	592,657	298,719	(293,938)
Loan repayments	-	55,197	55,197	-
Investment earnings	150,000	150,000	2,861,375	2,711,375
Rents and ground leases	126,712	126,712	121,030	(5,682)
Charges for services	1,456,290	1,456,290	1,521,791	65,501
Fines, forfeitures and penalties	36,050	36,050	13,166	(22,884)
Other revenues	23,100	89,774	130,532	40,758
Total revenues	18,464,667	20,173,152	23,541,881	3,368,729
EXPENDITURES:				
Current:				
General administration	3,453,266	3,881,366	3,876,560	4,806
Public safety	13,339,707	13,691,507	12,775,129	916,378
Public works	1,167,301	1,167,301	1,120,420	46,881
Community development	227,201	227,201	173,504	53,697
Capital outlay	3,280,472	3,688,048	1,424,147	2,263,901
Debt service:				
Principal	227,389	227,389	227,389	-
Interest and fiscal charges	327,611	328,718	331,218	(2,500)
Total expenditures	22,022,947	23,211,530	19,928,367	3,283,163
REVENUES OVER (UNDER) EXPENDITURES	(3,558,280)	(3,038,378)	3,613,514	6,651,892
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of asset	1,000	1,000	83,209	82,209
Transfers out	(1,310,955)	(1,529,762)	(1,528,336)	1,426
Total other financing sources (uses)	(1,309,955)	(1,528,762)	(1,445,127)	83,635
Net change in fund balances	$ (4,868,235)	$ (4,567,140)	2,168,387	$ 6,735,527
FUND BALANCES:				
Beginning of year			37,798,813	
End of year			$ 39,967,200	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Housing Programs Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Loan Repayments	$ 55,000	$ 1,805,000	$ 52,715	$ (1,752,285)
Investment earnings	50,000	50,000	7,374	(42,626)
Total revenues	105,000	1,855,000	60,089	(1,794,911)
EXPENDITURES:				
Current:				
Community development	174,903	174,903	44,092	130,811
Total expenditures	174,903	174,903	44,092	130,811
Net change in fund balances	$ (69,903)	$ 1,680,097	15,997	$ (1,664,100)
FUND BALANCES:				
Beginning of year			7,819,515	
End of year			$ 7,835,512	

City of Pinole
Notes to Required Supplementary Information
For the year ended June 30, 2020

1. BUDGETARY CONTROL AND BUDGETARY ACCOUNTING

A. Budgetary Control and Budgetary Accounting

Annually, the City Manager submits to the City Council a proposed operating budget for the following fiscal year. This budget includes proposed expenditures, by fund and department, and the revenues expected to finance them. Public hearings are conducted to obtain taxpayer comments and the budget is legally enacted through passage of a resolution. Any revisions which alter total expenditures of any fund must be approved by the City Council.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget to actual comparisons in this report use this budgetary basis. Unexpended appropriations lapse at year-end and must be re-appropriated in the following year.

Budgeted amounts are as originally adopted, or as amended by the City Council.

City of Pinole
Notes to Required Supplementary Information
For the year ended June 30, 2020

2. DEFINED BENEFIT PENSION PLAN

A. *Schedule of the City's Proportionate Share of the Net Pension Liability – Last 10 Years**

Fiscal year:	2021	2020	2019	2018	2017	2016	2015
Measurement date:	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Proportion of the net pension liability	0.33728%	0.33097%	0.32602%	0.31631%	0.31346%	0.30817%	0.30594%
Proportionate share of the net pension liability	$36,697,363	$33,914,595	$31,416,057	$31,369,644	$27,123,752	$21,152,634	$18,565,336
Covered payroll	$ 8,979,455	$ 8,488,051	$ 7,653,834	$ 7,521,153	$ 7,470,896	$ 7,687,029	$ 7,659,156
Proportionate Share of the net pension liability as percentage of covered payroll	408.68%	399.56%	410.46%	417.09%	363.06%	275.17%	242.39%
Plan fiduciary net position as a percentage of the total pension liability	75.10%	75.26%	75.26%	73.31%	74.06%	78.40%	79.82%

Notes to Schedule:

* Fiscal year 2015 was the 1st year of implementation.

Assumption chages: The CalPERS discount rate was increased from 7.5% to 7.65 in fiscal year 2016, and then decreased from 7.65 to 7.15 in fiscal year 2018. The Calpers mortality assumption were also adjusted in fiscal year 2019

B. *Schedule of Contributions – Last 10 Years**

Fiscal year	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 3,789,111	$ 3,367,332	$ 2,886,708	$2,298,114	$2,067,225	$1,529,134	$1,403,576
Contribution in relation to the actuarially determined contributions	$ 3,789,111	3,367,332	2,886,708	2,298,114	2,067,225	1,529,134	1,470,096
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ (66,520)
Covered payroll	$9,515,674	$8,979,455	$8,488,051	$7,653,834	$7,521,153	$7,470,896	$7,687,029
Contributions as a percentage of covered payroll	39.82%	37.50%	34.01%	30.03%	27.49%	20.47%	19.12%
Note to Schedule							
Valuation date:**	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013

* Fiscal year 2015 was the 1st year of implementation.

** Date of actuarial valuation used to determine the contractually required contribution.

Methods and assumptions used to determine contribution rates:

Valuation date	6/30/2018
Actuarial cost method	Entry Age
Amortization method	Level of percentage of payroll, closed
Assets valuation method	Market Value
Inflation	2.50%
Salary increases	Depending on age, service, and type of employment
Investment rate of return	7.00%
Retirement age	50 for all plans, with the exception of 52 for Miscellaneous PEPRA 2%@62
Mortality	Based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

City of Pinole
Notes to Required Supplementary Information
For the year ended June 30, 2020

3. OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. ***Schedule of the City's Net OPEB Liability and Related Ratios for the Measurement Periods Ended June 30*** (1)

Measurement Period	2020	2019	2018
Total OPEB Liability			
Service Cost	$ 1,615,428	$ 1,227,488	$ 1,274,335
Interest on the total OPEB liability	1,308,423	1,391,794	1,298,734
Differences between expected and actual experience	-	(2,333,030)	-
Changes of assumptions	8,431,861	1,956,937	(1,655,481)
Benefit payments, including refunds of employee contributions	(1,223,092)	(1,199,486)	(1,169,676)
Net change in total OPEB liability	10,132,620	1,043,703	(252,088)
Total OPEB liability - beginning	36,379,615	35,335,912	35,588,000
Total OPEB liability - ending	$ 46,512,235	$ 36,379,615	$ 35,335,912
Covered-employee payroll	$ 10,708,319	$ 10,199,027	$ 9,399,404
Total OPEB liability as a percentage of covered-employee payroll	434.36%	356.70%	375.94%

Notes to Schedule:

(1) Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

Change of assumptions: For the measurement date June 30, 2020, discount rate was updated based on municipal bond rate and ACA Excise Tax removed

Changes of benefit terms: None

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SUPPLEMENTARY INFORMATION

City of Pinole
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Capital Projects Fund	Special Revenue Funds	
	Public Works Capital Projects	Growth Impact	Gas Tax
ASSETS			
Cash and investments	$ 3,152,774	$ 141,492	$ 334,150
Accounts receivables	131,183	-	65,892
Prepaid and supplies	-	-	-
Total assets	$ 3,283,957	$ 141,492	$ 400,042
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	$ 250,849	$ -	$ 43,525
Unearned revenue	131,183	-	-
Deposits payable	-	-	-
Due to other funds	81,844	-	-
Total liabilities	463,876	-	43,525
Fund Balances:			
Nonspendable	-	-	-
Restricted	324,852	141,492	356,517
Assigned	2,495,229	-	-
Unassigned	-	-	-
Total fund balances	2,820,081	141,492	356,517
Total liabilities and fund balances	$ 3,283,957	$ 141,492	$ 400,042

Special Revenue Funds					
Parkland Dedication	Measure C	Storm Water	Refuse Management	Adjudicated Asset Seizure	Police
$ 104,448	$ 1,741,696	$ 10,147	$ 187,345	$ 88,225	$ 1,002,421
-	38,451	-	5,032	-	104,898
-	315,552	-	-	-	-
$ 104,448	$ 2,095,699	$ 10,147	$ 192,377	$ 88,225	$ 1,107,319
$ -	$ 66	$ 4,294	$ -	$ 884	$ 79
-	38,450	-	-	-	61,285
-	-	4,000	-	-	-
-	-	-	-	-	-
-	38,516	8,294	-	884	61,364
-	315,552	-	-	-	-
104,448	1,741,631	1,853	192,377	87,341	1,043,775
-	-	-	-	-	2,180
-	-	-	-	-	-
104,448	2,057,183	1,853	192,377	87,341	1,045,955
$ 104,448	$ 2,095,699	$ 10,147	$ 192,377	$ 88,225	$ 1,107,319

City of Pinole
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds		
	Cable TV	Recreation	Building & Planning
ASSETS			
Cash and investments	$ -	$ 74,456	$ 26,653
Accounts receivables	35,004	7,256	600
Prepaid and supplies	-	-	-
Total assets	$ 35,004	$ 81,712	$ 27,253
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	$ 5,169	$ 35,902	$ 156,901
Unearned revenue	3,700	9,358	-
Deposits payable	-	7,290	4,665
Due to other funds	29,266	-	-
Total liabilities	38,135	52,550	161,566
Fund Balances:			
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	29,162	-
Unassigned	(3,131)	-	(134,313)
Total fund balances	(3,131)	29,162	(134,313)
Total liabilities and fund balances	$ 35,004	$ 81,712	$ 27,253

Special Revenue Funds				Total
Development Services	Solid Waste Fund	CASP Certification & Training	Rate Stabilization	Nonmajor Governmental Funds
$ 86,267	$ 1,777,332	$ 27,482	$ 176,407	$ 8,931,295
-	88,270	8	8,269	484,863
-	-	-	-	315,552
$ 86,267	$ 1,865,602	$ 27,490	$ 184,676	$ 9,731,710
$ 7,582	$ 2,240	$ 73	$ -	$ 507,564
-	-	-	-	243,976
79,121	-	-	-	95,076
-	-	-	-	111,110
86,703	2,240	73	-	957,726
-	-	-	-	315,552
-	1,863,362	27,417	184,676	6,069,741
-	-	-	-	2,526,571
(436)	-	-	-	(137,880)
(436)	1,863,362	27,417	184,676	8,773,984
$ 86,267	$ 1,865,602	$ 27,490	$ 184,676	$ 9,731,710

City of Pinole

Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended June 30, 2021

	Capital Projects Fund	Special Revenue Funds	
	Public Works Capital Projects	Growth Impact	Gas Tax
REVENUES:			
Taxes and assessments	$ 42,525	$ -	$ -
Intergovernmental revenues	149,002	-	795,113
Contributions	-	-	-
Investment earnings	76	477	1,877
Rents and ground leases	11,250	-	-
Charges for services	-	32,090	-
Fines, forfeitures and penalties	-	-	-
Other revenues	16,255	-	9,074
Total revenues	219,108	32,567	806,064
EXPENDITURES:			
Current:			
General administration	-	-	-
Public safety	-	-	-
Public works	64,868	-	559,471
Recreation	-	-	-
Community development	-	-	-
Capital outlay	687,833	-	817,521
Total expenditures	752,701	-	1,376,992
REVENUES OVER (UNDER) EXPENDITURES	(533,593)	32,567	(570,928)
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of asset	-	-	-
Transfers in	500,000	-	-
Transfers out	-	-	-
Total other financing sources (uses)	500,000	-	-
Net change in fund balances	(33,593)	32,567	(570,928)
FUND BALANCES:			
Beginning of year	2,853,674	108,925	927,445
End of year	$ 2,820,081	$ 141,492	$ 356,517

Special Revenue Funds					
Parkland Dedication	Measure C	Storm Water	Refuse Management	Adjudicated Asset Seizure	Police
$ -	$ -	$ 260,430	$ -	$ -	$ 187,448
-	390,147	-	66,635	-	156,727
-	-	-	-	-	-
351	6,298	52	1,009	234	3,099
-	-	-	-	-	-
16,027	-	-	-	-	-
-	-	-	-	545	27,525
-	-	-	-	-	-
16,378	396,445	260,482	67,644	779	374,799
-	48,930	2,222	-	-	-
-	-	-	-	-	328,398
-	111,905	272,838	102,639	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	160,835	275,060	102,639	-	328,398
16,378	235,610	(14,578)	(34,995)	779	46,401
-	-	-	-	-	-
-	-	-	-	-	29,428
-	-	-	(107,805)	-	-
-	-	-	(107,805)	-	29,428
16,378	235,610	(14,578)	(142,800)	779	75,829
88,070	1,821,573	16,431	335,177	86,562	970,126
$ 104,448	$ 2,057,183	$ 1,853	$ 192,377	$ 87,341	$ 1,045,955

City of Pinole

Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended June 30, 2021

	Special Revenue Funds		
	Cable TV	Recreation	Building & Planning
REVENUES:			
Taxes and assessments	$ 25,359	$ -	$ -
Intergovernmental revenues	-	-	-
Contributions	-	14,274	-
Investment earnings	-	477	(423)
Rents and ground leases	-	(945)	-
Charges for services	223,342	141,657	503,324
Fines, forfeitures and penalties	-	-	-
Other revenues	342	6,938	-
Total revenues	249,043	162,401	502,901
EXPENDITURES:			
Current:			
General administration	391,792	-	-
Public safety	-	-	-
Public works	-	-	-
Recreation	-	820,918	-
Community development	-	-	987,604
Capital outlay	-	2,519	-
Total expenditures	391,792	823,437	987,604
REVENUES OVER (UNDER) EXPENDITURES	(142,749)	(661,036)	(484,703)
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of asset	-	-	-
Transfers in	174,853	632,055	192,000
Transfers out	-	-	-
Total other financing sources (uses)	174,853	632,055	192,000
Net change in fund balances	32,104	(28,981)	(292,703)
FUND BALANCES:			
Beginning of year	(35,235)	58,143	158,390
End of year	$ (3,131)	$ 29,162	$ (134,313)

Special Revenue Funds				Total
Development Services	Solid Waste Fund	CASP Certification & Training	Rate Stabilization	Nonmajor Funds Totals
$ -	$ -	$ -	$ -	$ 515,762
-	-	-	-	1,557,624
-	-	-	-	14,274
229	5,804	-	-	19,560
-	-	-	-	10,305
-	-	6,668	-	923,108
-	-	-	-	28,070
-	347,367	-	31,171	411,147
229	353,171	6,668	31,171	3,479,850
-	-	-	-	442,944
-	-	-	-	328,398
-	2,240	-	-	1,113,961
-	-	-	-	820,918
-	-	-	-	987,604
-	-	-	-	1,507,873
-	2,240	-	-	5,201,698
229	350,931	6,668	31,171	(1,721,848)
-	-	-	-	-
-	-	-	153,505	1,681,841
-	(45,700)	-	-	(153,505)
-	(45,700)	-	153,505	1,528,336
229	305,231	6,668	184,676	(193,512)
(665)	1,558,131	20,749	-	8,967,496
$ (436)	$ 1,863,362	$ 27,417	$ 184,676	$ 8,773,984

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Public Works Capital Projects

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes and assessments	$ 42,780	$ 42,780	$ 42,525	$ (255)
Intergovernmental revenues	-	-	149,002	149,002
Investment earnings	-	-	76	76
Rents and ground leases	15,000	15,000	11,250	(3,750)
Other revenues	-	14,584	16,255	1,671
Total revenues	57,780	72,364	219,108	146,744
EXPENDITURES:				
Current:				
Public works	51,927	62,746	64,868	(2,122)
Capital outlay	2,840,581	2,244,457	687,833	1,556,624
Total expenditures	2,892,508	2,307,203	752,701	1,554,502
REVENUES OVER (UNDER) EXPENDITURES	(2,834,728)	(2,234,839)	(533,593)	1,701,246
OTHER FINANCING SOURCES (USES):				
Transfers in	500,000	500,000	500,000	-
Total other financing sources (uses)	500,000	500,000	500,000	-
Net change in fund balances	$ (2,334,728)	$ (1,734,839)	(33,593)	$ 1,701,246
FUND BALANCES:				
Beginning of year			2,853,674	
End of year			$ 2,820,081	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Growth Impact Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 477	$ 477
Charges for services	-	-	32,090	32,090
Total revenues	-	-	32,567	32,567
EXPENDITURES:				
Capital outlay	8,000	8,000	-	8,000
Total expenditures	8,000	8,000	-	8,000
Net change in fund balances	$ (8,000)	$ (8,000)	32,567	$ 40,567
FUND BALANCES:				
Beginning of year			108,925	
End of year			$ 141,492	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Gas Tax Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Intergovernmental revenues	$ 861,465	$ 861,465	$ 795,113	$ (66,352)
Investment earnings	5,000	5,000	1,877	(3,123)
Other revenues	-	7,636	9,074	1,438
Total revenues	866,465	874,101	806,064	(68,037)
EXPENDITURES:				
Current:				
Public works	459,175	466,811	559,471	(92,660)
Capital outlay	1,109,395	1,141,245	817,521	323,724
Total expenditures	1,568,570	1,608,056	1,376,992	231,064
Net change in fund balances	$ (702,105)	$ (733,955)	(570,928)	$ 163,027
FUND BALANCES:				
Beginning of year			927,445	
End of year			$ 356,517	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Parkland Dedication Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 351	$ 351
Charges for services	-	-	16,027	16,027
Total revenues	-	-	16,378	16,378
EXPENDITURES:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	$ -	$ -	16,378	$ 16,378
FUND BALANCES:				
Beginning of year			88,070	
End of year			$ 104,448	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Measure C Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Intergovernmental revenues	$ 380,000	$ 390,147	$ 390,147	$ -
Investment earnings	8,000	8,000	6,298	(1,702)
Total revenues	388,000	398,147	396,445	(1,702)
EXPENDITURES:				
Current:				
General administration	48,930	48,930	48,930	-
Public works	113,668	113,668	111,905	1,763
Capital outlay	618,000	618,000	-	618,000
Total expenditures	780,598	780,598	160,835	619,763
Net change in fund balances	$ (392,598)	$ (382,451)	235,610	$ 618,061
FUND BALANCES:				
Beginning of year			1,821,573	
End of year			$ 2,057,183	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Storm Water Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes and assessments	$ 266,470	$ 324,505	$ 260,430	$ (64,075)
Investment earnings	150	150	52	(98)
Total revenues	266,620	324,655	260,482	(64,173)
EXPENDITURES:				
Current:				
Public works	377,717	377,717	272,838	104,879
Total expenditures	377,717	377,717	275,060	102,657
Net change in fund balances	$ (111,097)	$ (53,062)	(14,578)	$ 38,484
FUND BALANCES:				
Beginning of year			16,431	
End of year			$ 1,853	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Refuse Management Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Intergovernmental revenues	$ 60,060	$ 60,060	$ 66,635	$ 6,575
Investment earnings	6,000	6,000	1,009	(4,991)
Total revenues	66,060	66,060	67,644	1,584
EXPENDITURES:				
Current:				
Public works	126,417	126,417	102,639	23,778
Total expenditures	126,417	126,417	102,639	23,778
REVENUES OVER (UNDER) EXPENDITURES	(60,357)	(60,357)	(34,995)	25,362
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(107,805)	(107,805)	-
Total other financing sources (uses)	-	(107,805)	(107,805)	-
Net change in fund balances	$ (60,357)	$ (168,162)	(142,800)	$ 25,362
FUND BALANCES:				
Beginning of year			335,177	
End of year			$ 192,377	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Adjudicated Asset Seizure Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 234	$ 234
Fines, forfeitures and penalties	-	-	545	545
Total revenues	-	-	779	779
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	$ -	$ -	779	$ 779
FUND BALANCES:				
Beginning of year			86,562	
End of year			$ 87,341	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Police Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes and assessments	$ 170,266	$ 170,266	$ 187,448	$ 17,182
Intergovernmental revenues	250,000	156,727	156,727	-
Investment earnings	5,600	5,600	3,099	(2,501)
Fines, forfeitures and penalties	45,000	45,000	27,525	(17,475)
Total revenues	470,866	377,593	374,799	(2,794)
EXPENDITURES:				
Current:				
Public safety	451,933	451,933	328,398	123,535
Capital outlay	7,500	7,500	-	7,500
Total expenditures	459,433	459,433	328,398	131,035
REVENUES OVER (UNDER) EXPENDITURES	11,433	(81,840)	46,401	128,241
OTHER FINANCING SOURCES (USES):				
Transfers in	-	26,807	29,428	2,621
Transfers out	-	-	-	-
Total other financing sources (uses)	-	26,807	29,428	2,621
Net change in fund balances	$ 11,433	$ (55,033)	75,829	$ 130,862
FUND BALANCES:				
Beginning of year			970,126	
End of year			$ 1,045,955	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Cable TV Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes and assessments	$ 35,000	$ 26,486	$ 25,359	$ (1,127)
Contributions	3,600	3,600	-	(3,600)
Charges for services	313,695	134,010	223,342	89,332
Other revenues	-	-	342	342
Total revenues	352,295	164,096	249,043	84,947
EXPENDITURES:				
Current:				
General administration	477,409	423,906	391,792	32,114
Capital outlay	61,900	21,700	-	21,700
Total expenditures	539,309	445,606	391,792	53,814
REVENUES OVER (UNDER) EXPENDITURES	(187,014)	(281,510)	(142,749)	138,761
OTHER FINANCING SOURCES (USES):				
Transfers in	160,124	160,124	174,853	14,729
Total other financing sources (uses)	160,124	160,124	174,853	14,729
Net change in fund balances	$ (26,890)	$ (121,386)	32,104	$ 153,490
FUND BALANCES:				
Beginning of year			(35,235)	
End of year			$ (3,131)	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Recreation Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Contributions	$ 13,250	$ 18,050	$ 14,274	$ (3,776)
Investment earnings	-	-	477	477
Rents and ground leases	86,600	250	(945)	(1,195)
Charges for services	532,407	81,407	141,657	60,250
Other revenues	2,732	500	6,938	6,438
Total revenues	634,989	100,207	162,401	62,194
EXPENDITURES:				
Current:				
Recreation	1,298,524	820,562	820,918	(356)
Capital outlay	-	2,874	2,519	355
Total expenditures	1,298,524	823,436	823,437	(1)
REVENUES OVER (UNDER) EXPENDITURES	(663,535)	(723,229)	(661,036)	62,193
OTHER FINANCING SOURCES (USES):				
Transfers in	651,831	651,831	632,055	(19,776)
Total other financing sources (uses)	651,831	651,831	632,055	(19,776)
Net change in fund balances	$ (11,704)	$ (71,398)	(28,981)	$ 42,417
FUND BALANCES:				
Beginning of year			58,143	
End of year			$ 29,162	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Building and Planning Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Intergovernmental revenues	$ 160,000	$ 160,000	$ -	$ (160,000)
Investment earnings	7,000	7,000	(423)	(7,423)
Charges for services	647,700	647,700	503,324	(144,376)
Other revenues	6,000	6,000	-	(6,000)
Total revenues	820,700	820,700	502,901	(317,799)
EXPENDITURES:				
Current:				
Community development	1,500,338	1,500,338	987,604	512,734
Capital outlay	3,000	3,000	-	3,000
Total expenditures	1,503,338	1,503,338	987,604	515,734
REVENUES OVER (UNDER) EXPENDITURES	(682,638)	(682,638)	(484,703)	197,935
OTHER FINANCING SOURCES (USES):				
Transfers in	-	192,000	192,000	-
Total other financing sources (uses)	-	192,000	192,000	-
Net change in fund balances	$ (682,638)	$ (490,638)	(292,703)	$ 197,935
FUND BALANCES:				
Beginning of year			158,390	
End of year			$ (134,313)	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Development Services Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 229	$ 229
Total revenues	-	-	229	229
Net change in fund balances	$ -	$ -	229	$ 229
FUND BALANCES:				
Beginning of year			(665)	
End of year			$ (436)	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Solid Waste Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ 8,000	$ 8,000	$ 5,804	$ (2,196)
Other revenues	360,000	360,000	347,367	(12,633)
Total revenues	368,000	368,000	353,171	(14,829)
EXPENDITURES:				
Current:				
Public works	-	-	2,240	2,240
Capital outlay	20,000	237,800	-	237,800
Total expenditures	20,000	237,800	2,240	235,560
REVENUES OVER (UNDER) EXPENDITURES	348,000	130,200	350,931	220,731
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(45,700)	(45,700)	-
Total other financing sources (uses)	-	(45,700)	(45,700)	-
Net change in fund balances	$ 348,000	$ 84,500	305,231	$ 220,731
FUND BALANCES:				
Beginning of year			1,558,131	
End of year			$ 1,863,362	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

CASP Certification & Training Special Revenue Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Charges for services	$ -	$ -	$ 6,668	$ 6,668
Total revenues	-	-	6,668	6,668
EXPENDITURES:				
Current:				
General administration	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	$ -	$ -	6,668	$ 6,668
FUND BALANCES:				
Beginning of year			20,749	
End of year			$ 27,417	

City of Pinole

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Rate Stabilization Fund

For the year ended June 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Other revenues	$ -	$ 31,171	$ 31,171	$ -
Total revenues	-	31,171	31,171	-
EXPENDITURES:				
Current:				
General administration	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	-	31,171	31,171	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	153,505	153,505	-
Total other financing sources (uses)	-	153,505	153,505	-
Net change in fund balances	$ -	$ 184,676	184,676	$ -
FUND BALANCES:				
Beginning of year			-	
End of year			$ 184,676	

City of Pinole

Section 115 Pension Fund Schedule

(General Fund)

June 30, 2021

	Section 115 * Pension Fund
ASSETS	
Restricted cash - Pension	$ 19,442,495
Total assets	$ 20,110,333
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	
Liabilities:	
Due to general fund	$ 667,838
Total liabilities	667,838
FUND BALANCES	
Restricted	19,442,494
Total fund balances	$ 19,442,494

* *The City's Section 115 Pension Fund is included as part of the General Fund and is being separately reported above on stand-alone basis for informational purposes only. Interfund activities between the Section 115 Pension Fund and other internal-use funds included in the General Fund have been eliminated for reporting in the Basic Financial Statements.*

City of Pinole

Section 115 Pension Fund Schedule
(General Fund)
For the year ended June 30, 2021

	Section 115 * Pension Fund
REVENUES:	
Investment earnings	$ 2,792,381
Total revenues	2,792,381
EXPENDITURES:	
Current:	
General government	86,587
Total expenditures	86,587
REVENUES OVER (UNDER) EXPENDITURES	2,705,794
OTHER FINANCING SOURCES (USES):	
Transfers out	(1,352,111)
Total other financing sources (uses)	(1,352,111)
Net change in fund balances	1,353,683
FUND BALANCES:	
Beginning of year	18,088,811
End of year	$ 19,442,494

* *The City's Section 115 Pension Fund is included as part of the General Fund and is being separately reported above on stand-alone basis for informational purposes only. Interfund activities between the Section 115 Pension Fund and other internal-use funds included in the General Fund have been eliminated for reporting in the Basic Financial Statements.*

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STATISTICAL SECTION (UNAUDITED)

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CITY OF PINOLE

NET POSITION BY COMPONENT, Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	$ 35,021,089	$ 35,773,981	$ 36,296,765	$ 34,962,909	$ 33,764,294	$ 32,700,833	$ 31,758,414	$ 29,977,958	$ 30,774,116	$ 31,008,808
Restricted	11,286,730	11,530,930	2,591,393	2,591,393	2,591,393	17,755,625	17,938,328	31,048,458	32,045,457	33,528,931
Unrestricted	14,727,078	11,842,896	(2,498,114)	(21,819,095)	(17,014,950)	(31,148,654)	(34,044,994)	(41,104,957)	(41,984,038)	(44,487,476)
Total governmental activities net position	$ 61,034,897	$ 59,147,807	$ 36,390,044	$ 15,735,207	$ 19,340,737	$ 19,307,804	$ 15,651,748	$ 19,921,459	$ 20,835,535	$ 20,050,263
Business-type activities										
Net investment in capital assets	$ 9,444,118	$ 9,051,860	$ 9,921,073	$ 11,223,296	$ 13,869,394	$ 14,364,860	$ 13,381,134	$ 13,088,528	$ 12,452,490	$ 12,783,593
Unrestricted	3,395,880	4,546,425	5,205,241	4,984,154	4,584,135	5,649,110	6,241,700	7,883,837	10,243,444	10,795,126
Total business-type activities net position	$ 12,839,998	$ 13,598,285	$ 15,126,314	$ 16,207,450	$ 18,453,529	$ 20,013,970	$ 19,622,834	$ 20,972,365	$ 22,695,934	$ 23,578,719
Primary government										
Net investment in capital assets	$ 44,465,207	$ 44,825,841	$ 46,217,838	$ 46,186,205	$ 47,633,688	$ 47,065,693	$ 45,139,548	$ 43,066,486	$ 43,226,606	$ 43,792,401
Restricted	11,286,730	11,530,930	2,591,393	2,591,393	2,591,393	17,755,625	17,938,328	31,048,458	32,045,457	33,528,931
Unrestricted	18,122,958	16,389,321	2,707,127	(16,834,941)	(12,430,815)	(25,499,544)	(27,803,294)	(33,221,120)	(31,740,594)	(33,692,350)
Total primary government net position	$ 73,874,895	$ 72,746,092	$ 51,516,358	$ 31,942,657	$ 37,794,266	$ 39,321,774	$ 35,274,582	$ 40,893,824	$ 43,531,469	$ 43,628,982

CITY OF PINOLE

CHANGES IN NET POSITION, Last Ten Fiscal Years

(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General government	$ 6,644,902	$ 5,996,378	$ 4,718,160	$ 4,373,166	$ 4,368,671	$ 5,952,688	$ 3,482,534	$ 4,931,705	$ 4,596,909	$ 4,957,477
Public safety	9,153,942	8,855,816	9,281,461	9,321,934	10,086,963	10,326,947	12,202,527	12,060,171	14,937,597	15,895,381
Public services	2,472,400	1,488,713	2,685,493	2,673,746	3,878,498	2,568,265	3,217,759	3,416,574	3,488,882	4,541,157
Recreation	1,527,911	1,467,915	1,074,585	1,150,267	1,067,952	1,151,760	1,145,227	1,069,375	1,146,587	949,734
Community development	3,218,191	654,535	779,147	833,061	1,184,385	1,065,848	1,642,031	2,338,177	1,365,580	1,275,333
Interest and fiscal changes	1,345,952	149,097	280,173	290,860	305,569	338,507	331,464	287,729	304,844	331,218
Total government activity expenses	$ 24,363,298	$ 18,612,454	$ 18,819,019	$ 18,643,034	$ 20,892,038	$ 21,404,015	$ 22,021,542	$ 24,103,731	$ 25,840,399	$ 27,950,300
Business-type activities:										
Wastewater utility	4,998,178	5,427,396	4,859,118	4,883,256	5,316,022	4,597,454	5,193,994	4,930,113	5,704,747	6,688,530
Total business-type activities expenses	4,998,178	5,427,396	4,859,118	4,883,256	5,316,022	4,597,454	5,193,994	4,930,113	5,704,747	6,688,530
Total primary government expenses	$ 29,361,476	$ 24,039,850	$ 23,678,137	$ 23,526,290	$ 26,208,060	$ 26,001,469	$ 27,215,536	$ 29,033,844	$ 31,545,146	$ 34,638,830
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	$ 1,068,236	$ 286,722	$ 502,094	$ 590,359	$ 236,512	$ 354,357	$ 648,409	$ 643,524	$ 678,065	$ 686,519
Public safety	102,560	146,658	586,131	534,095	461,330	640,785	1,435,741	1,186,008	1,388,295	1,440,572
Public services	705,701	461,578	946,387	573,320	545,273	310,073	153,810	169,758	66,676	74,897
Recreation	1,163,599	927,758	1,195,728	998,792	871,497	783,783	846,822	770,397	501,860	172,486
Community development	534,533	1,083,517	527,441	666,863	244,449	162,634	1,153,907	2,368,209	736,346	503,324
Operating grants and contributiions	2,127,097	948,062	1,026,339	1,203,058	1,464,456	227,184	11,483,081	2,136,212	1,790,729	1,795,055
Capital grants and contributions	96,886	755,433	640,884	1,068,087	1,094,371	1,262,813	-	-	-	-
Total governmental program revenues	5,798,612	4,609,728	5,425,004	5,634,574	4,917,888	3,741,629	15,721,770	7,274,108	5,161,971	4,672,853
Business-type activities:										
Charges for services:										
Wastewater utility	5,633,904	5,961,605	6,473,147	6,912,213	7,541,964	6,315,563	6,524,537	7,211,834	7,093,734	7,527,056
Capital grants and contributions		218,193								
Total business-type program revenues	5,633,904	6,179,798	6,473,147	6,912,213	7,541,964	6,315,563	6,524,537	7,211,834	7,093,734	7,527,056
Total primary government program revenues	$ 11,432,516	$ 10,789,526	$ 11,898,151	$ 12,546,787	$ 12,459,852	$ 10,057,192	$ 22,246,307	$ 14,485,942	$ 12,255,705	$ 12,199,909
Net (Expense)/Revenue										
Net (Expense)/Revenue Governmental	(18,564,686)	(14,002,726)	(13,394,015)	(13,008,460)	(15,974,150)	(17,662,386)	(6,299,772)	(16,829,623)	(20,678,428)	(23,277,447)
Net (Expense)/Revenue Business-type	635,726	752,402	1,614,029	2,028,957	2,225,942	1,718,109	1,330,543	2,281,721	1,388,987	838,526
Total primary government net expense	(17,928,960)	(13,250,324)	(11,779,986)	(10,979,503)	(13,748,208)	(15,944,277)	(4,969,229)	(14,547,902)	(19,289,441)	(22,438,921)
Change in Net Position										
Governmental activities	15,894,132	(1,887,090)	(22,757,764)	(4,193,825)	(2,388,176)	(32,933)	12,710,019	2,874,178	(50,793)	(785,272)
Business-type activities	688,725	758,287	1,602,798	(2,037,223)	(2,246,079)	1,721,679	1,389,501	2,411,362	1,673,561	882,785
Total primary government	16,582,857	(1,128,803)	(21,154,966)	(6,231,048)	(4,634,255)	1,688,746	14,099,520	5,285,540	1,622,768	97,513

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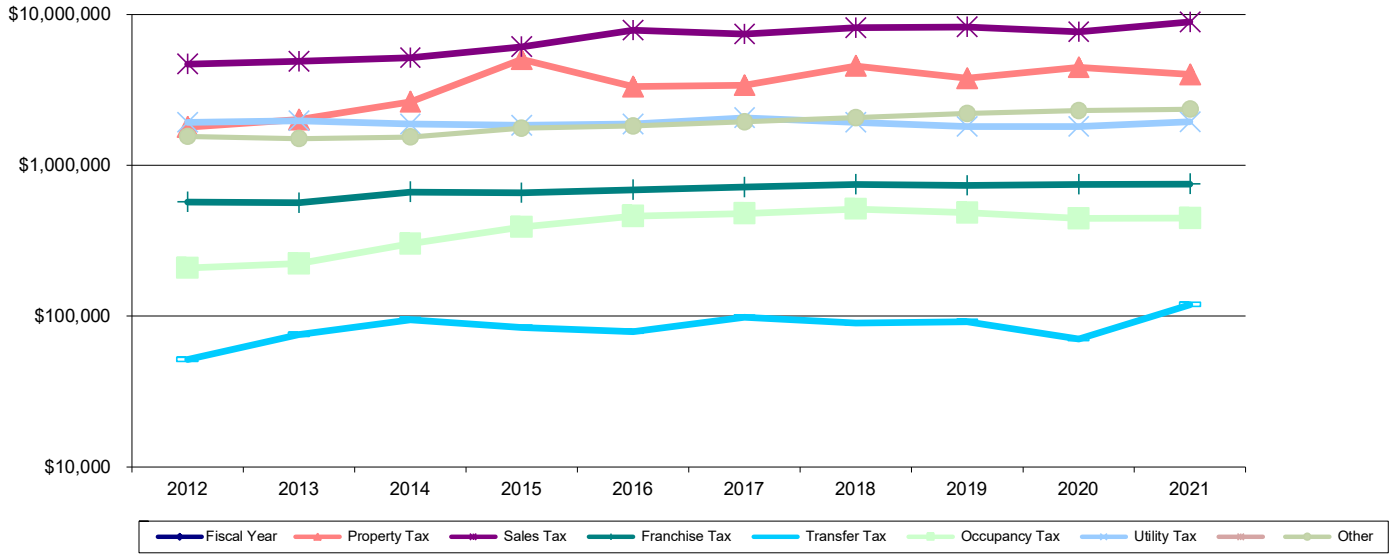
CITY OF PINOLE
GENERAL FUND TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS



Fiscal Year	Property Tax	(b) Sales Tax	Franchise Tax	Transfer Tax	Occupancy Tax	(a) Utility Tax	(c) Other	Total
2012	1,792,274	4,688,836	572,499	51,630	208,498	1,930,758	1,554,431	10,798,926
2013	2,006,791	4,896,120	565,095	75,542	223,413	1,975,666	1,503,333	11,245,960
2014	2,637,749	5,164,841	667,030	94,992	302,329	1,880,224	1,542,483	12,289,648
2015	5,048,149	6,120,157	656,564	84,136	391,165	1,843,618	1,762,254	15,906,044
2016	3,333,712	7,859,195	687,737	79,181	459,393	1,876,318	1,826,513	16,122,050
2017	3,392,870	7,411,905	717,013	98,593	478,940	2,066,623	1,942,511	16,108,455
2018	4,555,300	8,162,816	747,625	90,328	513,368	1,926,796	2,068,842	18,065,075
2019	3,775,074	8,281,048	735,311	91,954	485,499	1,812,844	2,205,899	17,387,628
2020	4,473,828	7,689,917	750,002	70,764	444,453	1,809,832	2,304,932	17,543,727
2021	4,001,411	8,927,361	751,598	119,254	446,105	1,939,726	2,354,617	18,540,071

(a) City of Pinole utility tax went into effect July 1991. This tax was repealed by the voters in November 1997 and reinstated in November 1998, and reaffirmed by voters in November 2004, November 2012, and November 2018.

(b) Voter ratification November 2006 of 1/2-cent local user tax applied to retail sales effective April 2007. Voter ratification November 2014 of additional 1/2-cent local user tax applied to retail sales effective April 2015.

(c) Includes Business License Taxes

Source: City of Pinole Finance

CITY OF PINOLE

FUND BALANCES, GOVERNMENTAL FUNDS, Last Ten Fiscal Years

(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ 11,299,227	$ 8,950,035	$ 11,157	$ -	$ 7,275	$ 6,712	$ 12,669	$ 13,178	$ 463,067	$ 18,782
Restricted	-	-	-	-	-	-	133,586	17,346,090	18,255,487	19,623,678
Assigned	1,587,255	2,209,430	2,899,585	1,030,000	-	-	2,531,677	2,531,677	7,672,065	7,836,178
Committed	-	12,599,292	-	-	-	-	-	-	579,257	-
Unassigned	20,730,658	(3,464,498)	(2,914,406)	4,261,995	9,062,287	11,700,289	23,249,204	14,909,608	10,828,937	12,488,562
Total General Fund	$ 33,617,140	$ 20,294,259	$ (3,664)	$ 5,291,995	$ 9,069,562	$ 11,707,001	$ 25,927,136	$ 34,800,553	$ 37,798,813	$ 39,967,200
All Other Governmental Funds										
Nonspendable		$ 7,023,664	$ 2,591,393		$ 2,591,393	$ 6,882,968	$ -	$ -	$ 315,552	$ 315,552
Restricted	3,060,465	6,787,458	15,103,453	14,074,122	11,665,834	10,872,657	18,250,952	14,306,945	13,756,009	13,905,253
Assigned		1,340,327	783,083	3,661,477	-	-	2,366,429	2,800,614	2,751,350	2,526,571
Committed	-	-	-	-	-	2,304,515	-	-	-	-
Unassigned reported in:										
Special revenue funds	-	-	-	(611,270)	4,248,108	(371,162)	(43,673)	(29,052)	(35,900)	(137,880)
Capital project funds	-	933,006	(24,842)	(265,778)	-	-	-	-	-	-
Debt service funds	-	-	(3,018,401)	-	-	-	-	-	-	-
Total all other governmental funds	$ 3,060,465	$ 16,084,455	$ 15,434,686	$ 16,858,551	$ 18,505,335	$ 19,688,978	$ 20,573,708 [1]	$ 17,078,507	$ 16,787,011	$ 16,609,496

Notes:

[1] Fund balance increased as a result of revenue in excess of expenditures at fiscal year-end. Sale of property in General Fund.

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CITY OF PINOLE

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS, Last Ten Fiscal Years

(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	$ 13,474,038	$ 10,373,826	$ 11,456,712	$ 15,111,311	$ 15,111,374	$ 15,453,213	$ 16,599,387	$ 15,853,006	$ 15,874,731	$ 19,055,833
Intergovernmental	3,427,388	2,745,954	3,426,928	3,313,973	3,462,621	877,090	1,460,655	2,188,347	1,860,599	1,856,343
Loan repayments	109,343	48,464	108,021	45,666	85,849	145,457	15,023	1,656,645	544,892	107,912
Contributions	96,886	174,153	94,032	51,313	65,317	146,112	30,595	22,746	24,889	14,274
Investment earnings	22,214	113,723	595,808	311,168	188,790	16,188	88,092	1,529,630	1,790,740	2,888,309
Rents and ground leases	821,723	301,537	273,435	264,301	224,952	300,441	303,618	274,153	185,594	131,335
Charges for service	2,694,734	2,543,872	2,645,656	2,929,952	3,892,535	3,997,423	5,307,234	4,616,561	4,726,675	2,444,899
Fines, forfeitures and penalties	58,172	50,170	60,734	58,863	41,564	48,442	75,670	89,911	68,576	41,236
Gain (loss) on sale of property	(1,192,929)	-	-	-	-	-	-	-	-	-
Other revenues	451,942	405,411	137,713	778,737	365,857	532,173	834,086	746,909	709,677	541,679
Total revenues	19,963,511	16,757,110	18,799,039	22,865,284	23,438,859	21,516,539	24,714,360	26,977,908	25,786,373	27,081,820
Expenditures										
General administration	3,689,592	2,903,879	2,506,878	2,411,271	3,007,506	3,035,822	3,257,220	3,802,406	4,029,981	4,319,504
Public safety	9,051,515	8,807,959	9,206,393	9,165,922	9,635,264	10,067,977	10,535,903	11,801,897	12,975,773	13,889,090
Public services	904,149	696,343	1,822,928	1,628,204	2,460,827	1,712,315	1,485,090	1,648,377	1,680,617	1,448,818
Recreation	1,467,895	1,439,933	1,038,572	1,107,168	906,302	1,042,006	960,325	1,069,375	1,000,400	820,918
Community development	584,483	1,520,667	742,413	818,580	945,646	935,276	1,596,240	1,237,892	1,333,476	1,205,200
Debt service - Principal	3,148,966	334,287	381,144	373,007	369,177	363,151	361,674	356,117	301,709	227,389
Debt service - Interest	1,345,952	149,097	280,173	290,860	305,569	338,507	331,464	287,729	304,844	331,218
Capital outlay	1,002,678	1,209,901	1,598,513	368,007	1,289,967	200,403	1,098,789	1,419,264	1,466,664	2,932,020
Total expenditures	21,195,230	17,062,066	17,577,014	16,163,019	18,920,258	17,695,457	19,626,705	21,623,057	23,093,464	25,174,157
Other financing sources (uses)										
Bond, note and loan proceeds	296,926	-	458,000	-	-	-	-	-	-	-
Capital lease financing	-	-	-	-	-	-	-	-	-	-
Gain (loss) on sale of property	-	6,064	6,559	17,259	1,909		10,017,210	3,140	13,855	83,209
Transfers in	-	-	-	447,050	446,000	671,364	826,926	7,135,205	1,170,058	1,681,841
Transfers out	-	-	-	(447,050)	(446,000)	(671,364)	(826,926)	(7,135,205)	(1,170,058)	(1,681,841)
Transfers from enterprise fund	-	-	-	-	-	-	-	-	-	-
Extraordinary item	(5,828,864)	-	(22,634,276)	-	-	-	-	-	-	-
Total other financing sources	(5,531,938)	6,064	(22,169,717)	17,259	1,909	-	10,017,210	3,140	13,855	83,209
Net change in fund balance	$ (6,763,657)	$ (298,892)	$ (20,947,692)	$ 6,719,524	$ 4,520,510	$ 3,821,082	$ 15,104,865	$ 5,357,991	$ 2,706,764	$ 1,990,872
Debt service as a % of noncapital expenditures	22.3%	3.0%	4.1%	4.2%	3.8%	4.0%	3.7%	3.2%	2.8%	2.5%

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CITY OF PINOLE
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Property: Residential Property	Real Property: Commercial Property	Real Property: Industrial Property	Real Property: Other	Total Real Secured Property	Unsecured Property	Total Assessed (a)	Estimated Full Market (a)	Total Direct Tax Rate
2012	1,307,568,620	344,375,136	2,504,602	32,746,389	1,687,194,747	54,954,754	1,742,149,501	2,070,370,467	0.1884%
2013	1,260,099,385	336,541,044	2,554,690	32,245,615	1,631,440,734	51,157,272	1,682,598,006	1,999,599,470	0.1884%
2014	1,322,470,290	326,179,820	2,605,779	53,249,619	1,704,505,508	55,296,246	1,759,801,754	2,091,348,404	0.1884%
2015	1,496,137,773	339,520,240	2,617,605	72,710,914	1,910,986,532	63,501,588	1,974,488,120	2,346,481,682	0.1884%
2016	1,607,057,208	373,896,531	2,669,901	71,708,925	2,055,332,565	57,423,148	2,112,755,713	2,510,798,889	0.1884%
2017	1,712,024,334	424,465,946	2,710,613	40,142,846	2,179,343,739	52,646,667	2,231,990,406	2,652,497,398	0.1884%
2018	1,815,946,452	437,410,538	2,764,822	52,717,127	2,308,838,939	50,669,026	2,359,507,965	2,804,039,266	0.1884%
2019	1,930,860,892	481,974,623	21,572,321	17,844,755	2,452,252,591	54,318,451	2,506,571,042	2,978,809,026	0.1884%
2020	2,054,262,264	510,162,994	22,004,780	17,718,345	2,604,148,383	55,881,828	2,660,030,211	3,161,179,903	0.1884%
2021	2,156,140,583	520,189,147	22,444,868	19,105,066	2,717,879,664	58,104,679	2,775,984,343	3,298,979,793	0.1884%

Source: Contra Costa County Assessor Combined Tax Rolls-HdL Coren & Cone report.

[a] The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local overrides. These values are considered to be full market values.

[b] California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

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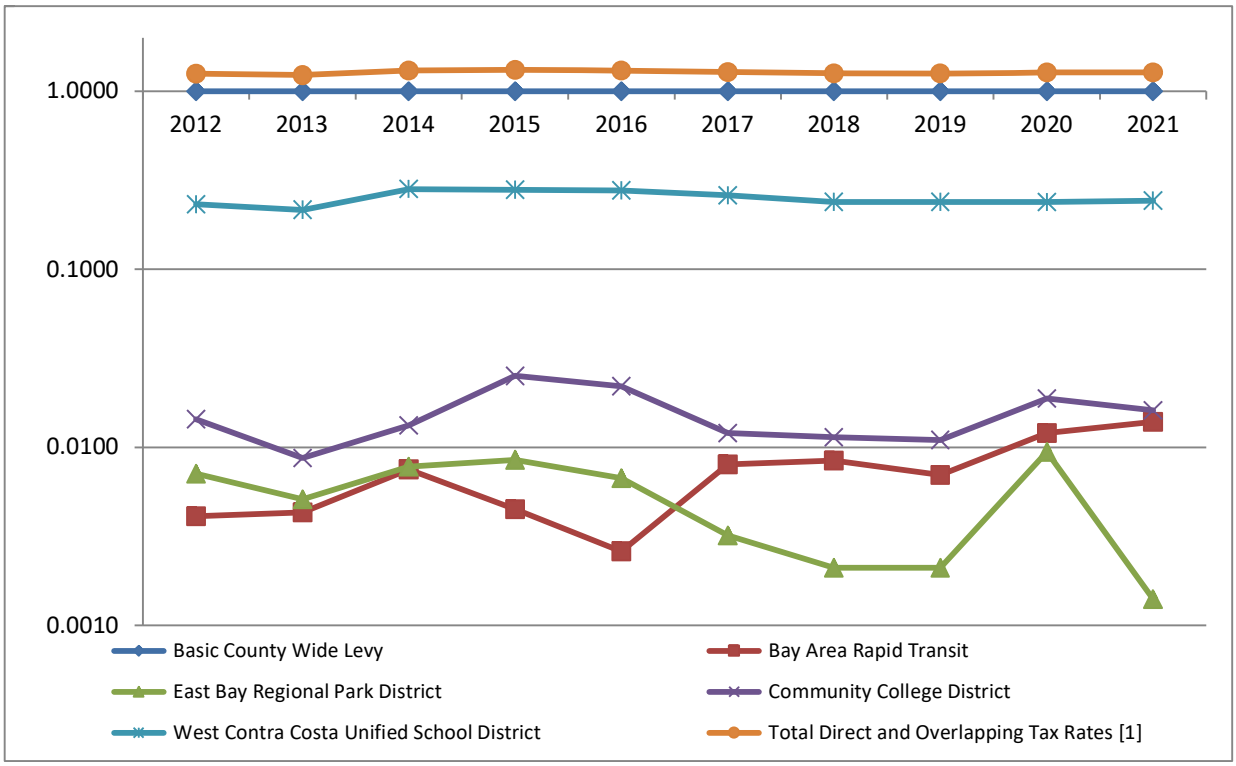
CITY OF PINOLE
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
PER $100 OF ASSESSED VALUE
LAST TEN FISCAL YEARS



Fiscal Year	Basic County Wide Levy	Bay Area Rapid Transit	East Bay Regional Park District	Community College District	West Contra Costa Unified School District	Total Direct and Overlapping Tax Rates [1]
2012	1.0000	0.0041	0.0071	0.0144	0.2322	1.2578
2013	1.0000	0.0043	0.0051	0.0087	0.2157	1.2338
2014	1.0000	0.0075	0.0078	0.0133	0.2818	1.3104
2015	1.0000	0.0045	0.0085	0.0252	0.2803	1.3185
2016	1.0000	0.0026	0.0067	0.0220	0.2781	1.3094
2017	1.0000	0.0080	0.0032	0.0120	0.2604	1.2836
2018	1.0000	0.0084	0.0021	0.0114	0.2397	1.2616
2019	1.0000	0.0070	0.0021	0.0110	0.2390	1.2591
2020	1.0000	0.0120	0.0094	0.0188	0.2379	1.2781
2021	1.0000	0.0139	0.0014	0.0161	0.2432	1.2746

Source : Contra Costa County Auditor-Controller Office

[1] Rates are per $100 of assessed value.

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CITY OF PINOLE
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS PRIOR

	2020-21		2011-12	
Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
1030 Bayview Far Road LLC	$ 16,964,642	0.62%	$ -	
Che Chen and Shu Fen Liu Trust	23,280,749	0.86%	-	
Gateway Pinole Vista LLC	72,481,539	2.67%	-	
Fairfield Bayside LLC	38,672,527	1.42%	-	
Kaiser Foundation Health Plan	38,029,284	1.40%	32,462,762	1.92%
NHI-Reit of Next House LLC	18,820,416	0.69%	-	
Pinole Ridge Mall LLC	20,321,325	0.75%	-	
ROIC Pinole Vista LLC	38,934,952	1.43%	-	
SCG Pinole Valley Shopping Center	42,744,462	1.57%	-	
Target Corporation	19,800,407	0.73%	-	
Alpha Beta Company	-		14,323,779	0.85%
Appian Associates	-		14,809,062	0.88%
Dayton Hudson Corporation	-		16,902,129	1.00%
Jackson Retail Venture LLC	-		15,378,673	0.91%
KW Pinole	-		17,861,368	1.06%
Peter L. Thingpen	-		16,255,388	0.96%
Pinole Vista LLC	-		27,600,000	1.64%
Public Storage Institutional Fund II	-		12,131,935	0.72%
Thomas Fitzgerald Trust	-		11,671,029	0.69%
	$ 330,050,303	12.14%	$ 179,396,125	10.63%

Total Net Assessed Valuation:

Fiscal Year 2020-21	$ 2,717,879,664
Fiscal Year 2011-12	1,687,194,747

Source: Contra Costa County Assessor Combined Tax Rolls-HdL Coren & Cone reports.
Note: Information is shown in alphabetical order.

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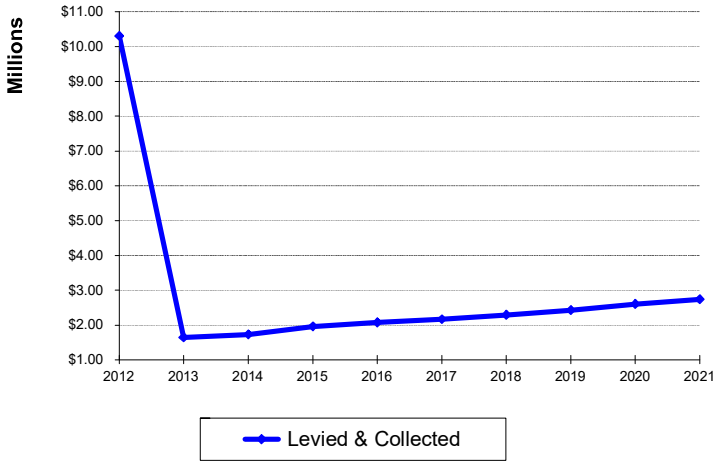
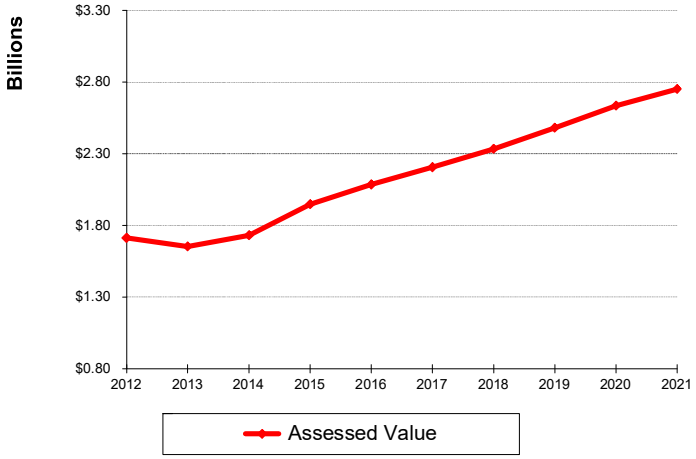
CITY OF PINOLE
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS





Fiscal Year	City Property Tax Levied & Collected	Redevelopment/ Successor Agency Property Tax Levied & Collected		Total Property Tax Levied & Collected	Percent of Levy Collected [3]	Value of City Property Subject to Local Tax Rate	Value of Redevelopment Property Subject to Local Tax Rate	Local Tax Rate Applied to Assessed Value	Effective Taxrate for City Levy	Effective Taxrate for Redevelopment Agency Levy
2012	$ 1,578,328	$ 8,724,669	[1]	$ 10,302,997	100%	$ 859,343,223	$ 853,177,005	$ 1,712,520,228	0.18%	1.02%
2013	1,538,826	105,121	[2]	1,643,946	100%	824,577,292	829,059,723	1,653,637,015	0.19%	0.01%
2014	1,622,419	105,121	[2]	1,727,540	100%	868,918,982	862,888,372	1,731,807,354	0.19%	0.01%
2015	1,856,378	105,121	[2]	1,961,498	100%	990,967,092	956,240,628	1,947,207,720	0.19%	0.01%
2016	1,967,011	105,121	[2]	2,072,131	100%	1,048,130,045	1,037,786,268	2,085,916,313	0.19%	0.01%
2017	2,059,786	104,251	[2]	2,164,037	100%	1,105,435,408	1,100,258,798	2,205,694,206	0.19%	0.01%
2018	2,185,033	104,295	[2]	2,289,328	100%	1,170,940,384	1,162,783,781	2,333,724,165	0.19%	0.01%
2019	2,321,597	104,321	[2]	2,425,918	100%	1,242,741,110	1,238,557,132	2,481,298,242	0.19%	0.01%
2020	2,493,410	104,354	[2]	2,597,764	100%	1,332,924,560	1,302,307,451	2,635,232,011	0.19%	0.01%
2021	2,635,767	104,548	[2]	2,740,315	100%	1,404,588,081	1,346,717,824	2,751,305,905	0.19%	0.01%

Source: Contra Costa County

Notes:

[1] Redevelopment Agency [Component Financial Unit] dissolved effective 02/01/2012 pursuant to State Law (ABx1-26)
[2] The City of Pinole serves as the Successor Agency to the Pinole Redevelopemnt Agency which dissolved effective 02/01/2012 pursuant to State Law (ABx1-26)
[3] Pursuant to Revenue & Taxation Code 4701 all property taxes levied are distributed by County Costa County to the City (reference Footnote 1)

CITY OF PINOLE
TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS YEARS

	2011-12	2012-13	2013-14 [a]	2014-15 [b]	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Major Business Groups										
Autos and Transportation	$ 121,195	$ 127,938	$ 124,234	$ 128,585	$ 143,531	$ 142,634	$ 129,758	$ 149,328	$ 125,285	$ 131,364
Building and Construction	177,786	194,806	205,843	228,851	235,399	256,743	252,433	248,668	240,333	287,086
Business and Industry	90,571	114,078	90,046	74,621	74,664	69,064	68,148	81,173	80,562	66,279
Food and Drugs	322,851	327,071	332,824	369,426	354,347	366,064	376,151	408,251	422,665	467,507
Fuel and Service Stations	392,505	428,169	426,327	431,453	393,583	355,390	362,450	482,117	370,686	412,186
General Consumer Goods	1,147,145	1,182,031	1,182,294	1,229,774	1,298,176	1,343,309	1,347,691	1,323,599	1,110,168	1,299,328
Restaurants and Hotels	533,913	576,500	618,795	660,763	711,659	715,966	715,885	813,411	724,290	741,032
Adjustments & Others	-	-	35,173	(50,925)	24,448	-	506	5,972	1,211	484
Point of Sale s/totals	2,785,966	2,950,593	3,015,536	3,072,548	3,235,807	3,249,170	3,253,022	3,512,519	3,075,200	3,405,266
County Pool Allocations	320,353	311,692	366,939	408,386	431,500	499,708	490,660	519,400	747,782	927,704
State Pool Allocations	1,000	1,571	2,064	2,129	2,400	2,637	1,903	1,829	1,710	2,650
Local Transaction Tax [a]	1,592,160	1,684,995	1,796,832	1,894,578	3,789,711	3,953,872	4,089,586	4,402,698	3,944,917	4,654,311
Administrative Cost - SBE	(48,012)	(49,811)	(54,106)	(58,890)	(82,268)	(95,537)	(90,183)	(87,797)	(79,691)	(62,570)
Fiscal Year Totals	$ 4,651,467	$ 4,899,040	$ 5,127,265	$ 5,318,751	$ 7,377,150	$ 7,609,850	$ 7,744,988	$ 8,348,649	$ 7,689,918	$ 8,927,361
City Direct Sales Tax Rate	1.25%	1.25%	1.25%	1.25%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%

Notes:
[a] "Adjustment" reflects "True-up" reconciliation payment for "Triple-Flip" Reimbursement for State Fiscal Recovery Bond Financing Program.
[b] Effective 04/01/15 additional 1/2% local transaction tax (Measure "S" 2014) authorized

Source: HdL Coren & Cone

CITY OF PINOLE
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS YEARS

	Taxing Jurisdiction / Purpose	2011-12	2012-13	2013-14	2014-15 [c]	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	Overlapping Sales Taxes										
	State General Fund	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
	State Fiscal Recovery Fund	0.25%	0.25%	0.25%	0.25%	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%
	State Education Protection Account	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
	County Health & Welfare Programs	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
[a]	City/County Public Safety Programs	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
	County of Contra Costa Transactions and Use Tax	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.50%
	Contra Costa Transportation Authority	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
	Bay Area Rapid Transit	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
	West County Transit Authority	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
	Overlapping Sales Taxes	7.50%	7.75%	7.75%	7.75%	7.75%	7.50%	7.50%	7.50%	7.50%	8.00%
	City Direct Sales Taxes										
	Bradley Burns Authority	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
[b]	Measure "S" Authority - 2006	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
[c]	Measure "S" Authority - 2014	0.00%	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
	Direct Sales Taxes	1.25%	1.25%	1.25%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
[d]	Total Sales Tax Levy - City of Pinole	8.75%	9.00%	9.00%	9.50%	9.50%	9.25%	9.25%	9.25%	9.25%	9.75%

Notes:
[a] Effective 01/01/94 SCA-1 (Proposition-172) additional 1/2% statewide sales tax restricted to public safety programs
[b] Effective 04/01/07 additional 1/2% local transaction tax (Measure "S" 2006) authorized
[c] Effective 04/01/15 additional 1/2% local transaction tax (Measure "S" 2014) authorized
[d] The City direct sales tax rate may only be changed with ratification by the electors of the City. The maximum levy permited by the State Legislature for combined direct and overlapping sales tax is 10.25%

Source: California Department of Tax and Fee Administration

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CITY OF PINOLE
TOP 25 SALES TAX PRODUCERS
YEAR ENDED JUNE 30, 2021

BUSINESS NAME	BUSINESS CATEGORY
APPIAN CHEVRON	SERVICE STATIONS
BEST BUY	ELECTRONICS/APPLIANCE STORES
BEVMO	CONVENIENCE STORES/LIQUOR
BURLINGTON COAT FACTORY	FAMILY APPAREL
CENTRAL CONCRETE SUPPLY	BUILDING MATERIALS
DOLAN'S PINOLE LUMBER	BUILDING MATERIALS
FOOD MAXX	GROCERY STORES
IN-N-OUT BURGER	QUICK-SERVICE RESTAURANTS
MICHAELS ARTS & CRAFTS	ART/GIFT/NOVELTY STORES
O'REILLY AUTO PARTS	AUTOMOTIVE SUPPLY STORES
PETSMART	SPECIALTY STORES
PINOLE CHEVRON	SERVICE STATIONS
PINOLE FLYERS	SERVICE STATIONS
PINOLE SHELL	SERVICE STATIONS
PINOLE VALLEY ARCO	SERVICE STATIONS
SAFEWAY	GROCERY STORES
SMART STOP	SERVICE STATIONS
STAPLES	OFFICE SUPPLIES/FURNITURE
TARGET	DISCOUNT DEPARTMENT STORES
TJ MAXX	FAMILY APPAREL
TRADER JOES	GROCERY STORES
ULTA BEAUTY	SPECIALTY STORES
VALERO CORNER STORE	SERVICE STATIONS
WALGREENS	PHARMACIES AND DRUG STORES
WESTLAKE ACE HARDWARE	BUILDING MATERIALS

PERCENT OF FISCAL YEAR TOTAL PAID BY TOP 25 ACCOUNTS = 61.26%

Source: State Board of Equilization (HdL Companies)

Note: Information is shown in alphabetical order.

CITY OF PINOLE
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS YEARS

	Governmental Activities				Business-type Activities				
Fiscal Year	Redevelopment Bonds	Pension Obligation Bonds	Notes and Mortgages	Capital Leases	Wastewater Revenue Bonds	Clean Water State Revolving Fund	Total Primary Government	Percentage of Personal Income	Per Capita
2012	$ 45,315,000	$ 5,047,180	$ 987,385	$ 296,925	$ 9,420,000	$ -	$ 61,066,490	7.3%	$ 3,308
2013	[a]	4,750,189	[a]	259,630	9,220,000	-	14,229,819	1.7%	762
2014	[a]	4,478,467	[a]	608,209	9,005,000	-	14,091,676	1.7%	755
2015	[a]	4,206,695	[a]	506,973	8,775,000	-	13,488,668	1.4%	718
2016	[a]	3,941,977	[a]	402,514	8,251,000	-	12,595,491	1.3%	665
2017	[a]	3,686,615	[a]	294,724	7,866,000	6,786,599	18,633,938	1.7%	982
2018	[a]	3,436,175	[a]	183,490	7,576,000	15,164,357	26,360,022	2.3%	1,370
2019	[a]	3,194,853	[a]	68,695	7,278,000	21,741,571	32,283,119	2.6%	1,656
2020	[a]	2,961,839	[a]	-	6,968,000	25,456,833	35,386,672	2.5%	1,814
2021	[a]	2,734,450	[a]	-	6,650,000	24,773,976	34,158,426	2.2%	1,764

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
[a] Due to the dissolution of Revelopment Agencies effective February 1, 2012, these bonds and notes were transferred to the Successor Agency to the Pinole Redevelopment Agency.

Sources:
City of Pinole Finance Department
State of California Department of Finance
US Department of Commerce, Bureau of Economic Analysis

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CITY OF PINOLE

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING,
LAST TEN FISCAL YEARS YEARS

	General Bonded Debt Outstanding						
Fiscal Year	Redevelopment Bonds	Pension Obligation Bonds	Bonds Paid with Restricted Redevelopment Tax Increments	Total - Net of Bonds Paid with Restricted Tax Levies	Percentage of Taxable Value of Property		Per Capita
2012	$ 45,315,000	$ 5,047,180	$ (45,315,000)	$ 5,047,180	0.59%	[a]	$ 272
2013	[b]	4,750,189	-	4,750,189	0.58%	[a]	254
2014	[b]	4,478,467	-	4,478,467	0.52%	[a]	238
2015	[b]	4,206,695	-	4,206,695	0.42%	[a]	222
2016	[b]	3,941,977	-	3,941,977	0.38%	[a]	210
2017	[b]	3,986,615	-	3,986,615	0.36%	[a]	210
2018	[b]	3,436,175	-	3,436,175	0.29%	[a]	179
2019	[b]	3,194,853	-	3,194,853	0.26%	[a]	164
2020	[b]	2,961,839	-	2,961,839	0.22%	[a]	152
2021	[b]	2,734,450	-	2,734,450	0.19%	[a]	141

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

[a] Based on Assessment Value net of restricted Redevelopment Tax Increment

[b] Due to the dissolution of Revelopment Agencies effective February 1, 2012, these bonds and notes were transferred to the Successor Agency to the Pinole Redevelopment Agency.

Sources:

City Finance Department

Contra Costa County Office of the Auditor-Controller

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CITY OF PINOLE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2021

2020-21 Assessed Valuation: $ 2,775,957,905

OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/2021	[1] % Applicable	City's Share of Debt 6/30/21
Bay Area Rapid Transit District	$ 1,871,890,000	0.324%	$ 6,064,924
Contra Costa Community College District	596,325,000	1.231%	7,340,761
West Contra Costa Unified School District	1,214,983,000	7.863%	95,534,113
West Contra Costa Healthcare District Parcel Tax Obligations	51,237,000	7.386%	3,784,365
East Bay Regional Park District	133,170,000	0.519%	691,152
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			113,415,315
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Contra Costa County General Fund Obligations	$ 254,570,000	1.227%	$ 3,123,574
Contra Costa County Pension Obligation Bonds	44,925,000	1.227%	551,230
Contra Costa County Fire Protection Pension Obligations	26,670,000	0.011%	2,934
West Contra Costa Unified School District Certificates of Participation	7,105,000	7.863%	558,666
City of Pinole Pension Obligation Bonds	**2,734,449**	**100.000%**	**2,734,449**
Alameda-Contra Costa Transit District Authority	11,655,000	0.034%	3,963
GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			$ 6,974,816
Less: Contra Costa County obligations supported from revenue funds			849,852
NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			$ 6,124,964
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	$ 11,915,000	100.000%	$ 11,915,000
TOTAL DIRECT DEBT			**$ 2,734,449**
TOTAL GROSS OVERLAPPING DEBT			$ 129,570,682
TOTAL NET OVERLAPPING DEBT			$ 128,720,830
GROSS COMBINED TOTAL DEBT			$ 132,305,131 [2]
NET COMBINED TOTAL DEBT			$ 131,455,279

Ratios to 2020-21 Assessed Valuation:

Total Gross Direct and Overlapping Tax and Assessment Debt.....	4.09%
Total Direct Debt ($2,734,449).....	**0.10%**
Gross Combined Total Debt.....	4.77%
Net Combined Total Debt	4.74%

Ratios to Redevelopment Successor Agency Incremental Valuation ($1,346,717,824):

Total Overlapping Tax Increment Debt	0.88%

Notes:
[1] The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
[2] Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source : California Municipal Statistics, Inc.

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CITY OF PINOLE
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

ASSESSED VALUATION:		
Secured property assessed value, net of exempt real property	$ 2,751,305,905	
BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) [a]		$ 103,173,971
AMOUNT OF DEBT SUBJECT TO LIMIT:		$ 2,734,450
LEGAL BONDED DEBT MARGIN:		$ 105,908,421

Fiscal Year	Total assessed value of all real and personal property	Debt Limit [a]	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net Debt applicable to the limit as a percentage of debt limit
2012	$ 1,712,520,228	$ 64,219,509	$ 5,047,180	$ 59,172,329	7.86%
2013	1,653,637,015	62,011,388	4,750,189	57,261,199	7.66%
2014	1,731,807,354	64,942,776	4,478,467	60,464,309	6.90%
2015	1,947,207,720	73,020,290	4,206,695	68,813,595	5.76%
2016	2,085,916,313	78,221,862	3,941,977	74,279,885	5.04%
2017	2,205,694,206	82,713,533	3,686,615	79,026,918	4.46%
2018	2,333,724,165	87,514,656	3,436,176	84,078,480	3.93%
2019	2,481,298,242	93,048,684	3,194,854	89,853,830	3.43%
2020	2,635,232,011	98,821,200	2,961,839	95,859,361	3.00%
2021	2,751,305,905	103,173,971	2,734,450	100,439,521	2.65%

Note:

[a] California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25 % of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

Source: City of Pinole Finance Department

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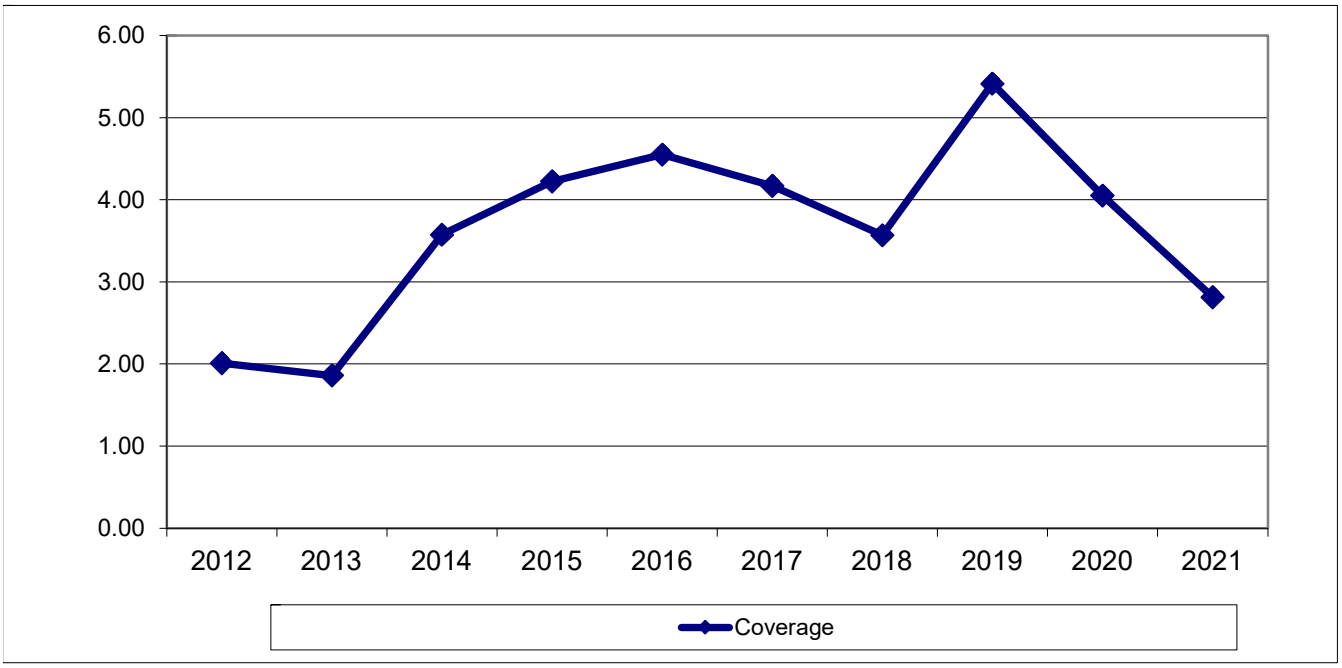
CITY OF PINOLE
REVENUE BOND COVERAGE
WASTEWATER REVENUE BONDS
LAST TEN FISCAL YEARS



Fiscal Year	Gross Revenue [a]	Operating Expenses [b]	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage
2012	$ 5,633,904	$ 4,369,206	$ 1,264,699	$ 200,000	$ 428,973	$ 628,973	2.01
2013	5,961,605	4,806,424	1,155,182	200,000	420,973	620,973	1.86
2014	6,473,147	4,232,789	2,240,358	215,000	411,329	626,329	3.58
2015	6,912,213	4,253,609	2,658,605	230,000	399,648	629,648	4.22
2016	7,541,964	4,688,712	2,853,252	240,000	387,310	627,310	4.55
2017	6,315,563	4,055,187	2,260,376	385,000	157,267	542,267	4.17
2018	6,524,537	4,676,225	1,848,313	290,000	227,770	517,770	3.57
2019	7,211,834	4,413,017	2,798,818	298,000	219,097	517,097	5.41
2020	7,093,734	4,986,437	2,107,297	310,000	210,129	520,129	4.05
2021	7,527,056	6,067,198	1,459,858	318,000	200,866	518,866	2.81

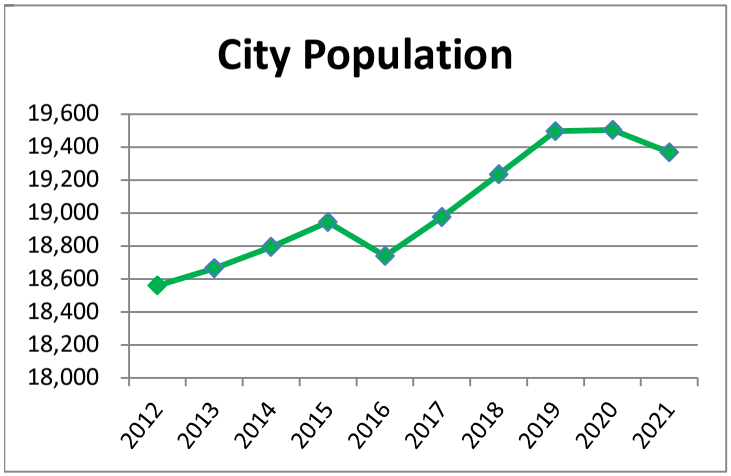
Notes:

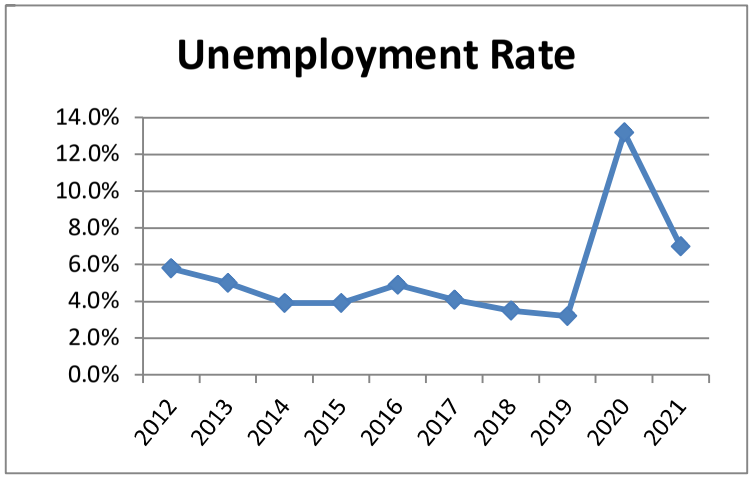
[a] Includes all wastewater operating revenue, non-operating interest revenue, connection fees and other non-operating revenue.

[b] Includes all wastewater operating expenses less depreciation.

Source: City of Pinole Finance

CITY OF PINOLE
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS





Fiscal Year	City Population [a]	Personal Income [b]	Median Household Income [c]	Per Capita Personal Income	School Enrollment [d]	Unemployment Rate [e]
2012	18,560	1,029,430,400	93,500	55,465	3,543	5.8%
2013	18,665	1,064,110,315	93,500	57,011	3,603	5.0%
2014	18,794	1,158,424,572	93,500	61,638	3,483	3.9%
2015	18,946	1,207,845,392	93,500	63,752	3,348	3.9%
2016	18,739	1,007,052,599	93,600	53,741	3,260	4.9%
2017	18,975	1,069,696,650	97,400	56,374	3,192	4.1%
2018	19,236	1,150,235,856	104,400	59,796	3,190	3.5%
2019	19,498	1,239,234,386	111,700	63,557	3,255	3.2%
2020	19,505	1,419,281,325	119,200	72,765	3,463	13.2%
2021	19,369	1,579,580,688	125,600	81,552	3,498	7.0%

Data Sources:
(a) State of California Department of Finance, estimated population.
(b) Bureau of Economic Analysis, U.S. Department of Commerce.
(c) State of California, Department of Housing and Community Development, Division of Housig Policy Development.
(d) State of California Department of Education.
(e) State of California Employment Development Department

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CITY OF PINOLE
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO

	2021			2012	
Employer	Employee Count	Percentage of City Total	Employer	Employee Count	Percentage of City Total
West Contra Costa USD	201	2.07%	West Contra Costa USD	277	2.92%
Target	178	1.84%	Lucky's / Food Max	169	1.78%
Kaiser Health Center	142	1.46%	Target	136	1.43%
City of Pinole	124	1.28%	City of Pinole	101	1.06%
Sprouts Farmers Market	120	1.24%	Best Buy	108	1.14%
Lucky	103	1.06%	K-Mart	103	1.08%
In-N-Out Burger	101	1.04%	Safeway	78	0.82%
MV Public Transportation, Inc.	100	1.03%	Trader Joe's	71	0.75%
Trader joe's	99	1.02%	Burlington Coat Factory	69	0.73%
Best Buy	91	0.94%	Round Table Pizza	65	0.68%
Top 10 Employer Count	1,259			1,177	
Total Workforce	9,700	12.98%		9,500	12.39%

Data Sources:
- City of Pinole (Business Licensing)
- California Department of Education
- Employment Development Department

CITY OF PINOLE

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS YEARS

Function / Program [a]	[b] 2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Administration	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.5	5.5	6.5
Finance	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Planning	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building	1.0	1.0	2.0	2.0	2.0	2.5	3.5	3.5	4.0	4.0
Other	2.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	2.8	2.8
Police										
Sworn	28.0	27.0	27.0	27.0	27.0	27.0	28.0	28.0	28.0	28.0
Non-sworn	13.0	13.0	13.0	13.0	14.5	14.5	17.5	18.0	18.5	18.5
Fire										
Sworn	15.0	15.0	15.0	15.0	15.0	14.0	14.0	14.0	14.0	14.0
Non-sworn	-	-	-	-	0.5	1.0	1.0	1.0	1.0	1.0
Public Works										
Engineering	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Maintenance	6.0	6.0	6.0	6.0	10.0	10.0	10.0	10.0	11.3	11.3
Redevelopment	3.0	-	-	-	-	-	-	-	-	-
Parks and recreation	8.0	8.0	11.0	11.0	13.0	13.0	13.0	13.0	11.5	11.5
Wastewater collection and treatment	13.0	13.0	13.0	13.0	10.5	10.5	10.5	10.5	10.5	10.5
Total	101.5	99.5	103.5	103.5	108.0	108.0	113.0	114.0	114.4	115.4

Notes:

[a] Paid employees only (excluding reserves and volunteers)

[b] Redevelopment Staffing eliminated effective 02/01/2012, following dissolution of Agency pursuant to new State Legislation (ABx1-26)

Source: City of Pinole Annual Budget Documents

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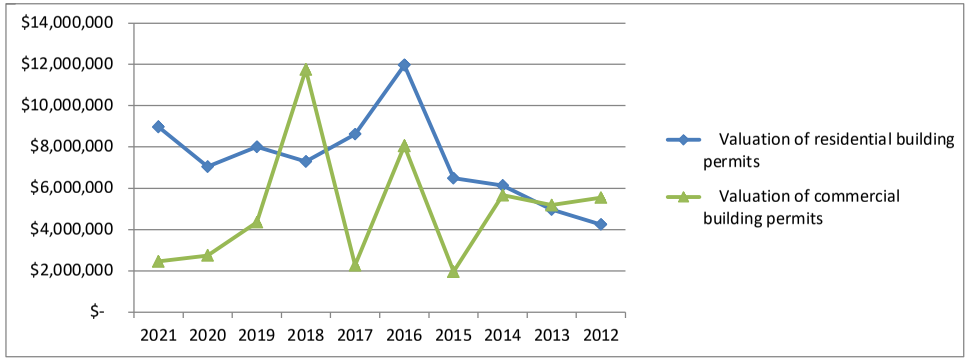
CITY OF PINOLE
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

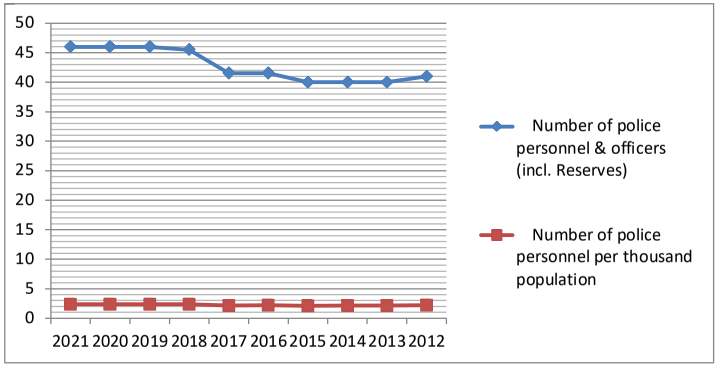
Date of Incorporation	1903
Form of Government	Council-Manager
Number of Employees(including police & fire)	
Full-time	86
Part-time	30
Area in square miles	5 square miles

Statistics by Fiscal Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fire Protection :										
Number of fire personnel & officers (incl. Reserves)	15	15	15	15	15	15	15	17	15	15
Number of calls answered	2,086	2,574	2,493	2,515	2,647	2,406	1,908	2,205	2,250	2,000
Number of inspections conducted	375*	231	168	89	45	404	60	7	48	55
Number of building plan reviews	35	29	28	21	34	66	50	25	32	61
Number of fire investigations	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available	2	Not Available	Not Available	51
Police Protection :										
Number of police personnel & officers (incl. Reserves)	46	46	46	45.5	41.5	41.5	40	40	40	41
Number of police personnel per thousand population	2.37	2.36	2.36	2.37	2.19	2.21	2.11	2.13	2.14	2.21
Community Development:										
Number of residential building permits	905	843	749	690	777	1027	1061	800	651	608
Valuation of residential building permits	$ 8,978,646	$ 7,043,338	$ 8,012,647	$ 7,293,429	$ 8,613,376	$ 11,969,126	$ 6,485,860	$ 6,140,140	$ 4,974,080	$ 4,240,627
Number of commercial building permits	45	43	153	84	92	46	22	43	59	46
Valuation of commercial building permits	$ 2,453,802	$ 2,749,091	$ 4,354,070	$ 11,752,779	$ 2,275,774	$ 8,053,064	$ 1,961,346	$ 5,671,577	$ 5,187,465	$ 5,547,362
Sewer System:										
Daily average treatment in gallons	2,553,562	2,255,055	2,277,331	2,151,096	2,914,000	2,381,151	2,449,863	2,579,625	2,776,986	2,907,205
Maximum daily capacity of treatment plant in gallons	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000

Source: City of Pinole Finance

*A contributing factor to the increase is the implementation of the Fire operation permit.





Return to Agenda

CITY OF PINOLE
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

City Streets:

Miles of streets	63
Number of street lights	373 (city owned)
	971 (electric & private utility)

Statistics by Fiscal Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fire Protection :										
Number of stations	1	1	1	1	1	1	1	1	1	1
Police Protection :										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	13	13	13	13	13	13	13	13	13	13
Number of security units	2	2	2	2	2	2	2	2	2	2
Recreation and culture :										
Swim Center	1	1	1	1	1	1	1	1	1	1
Community Theater	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Youth Center	1	1	1	1	1	1	1	1	1	1
Pre-school Center	1	1	1	1	1	1	1	1	1	1
Number of parks & park acreage	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres
Sewer System:										
Sanitary sewers	50 miles	50 miles	50 miles	50 miles	50 miles	50 miles	50 miles	50 miles	50 miles	50 miles
Miles of storm drains	34 miles	34 miles	34 miles	34 miles	34 miles	34 miles	34 miles	34 miles	34 miles	34 miles
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of service connections	5,416	5,416	5,416	5,416	5,416	5,416	5,416	5,414	5,414	5,423
Schools:										
Elementary-public	5	5	5	5	4	4	4	4	4	4
Elementary-private	1	1	1	1	1	1	1	1	1	1
Junior High School-public	1	1	1	1	1	1	1	1	1	1
High School-public	1	1	1	1	1	1	1	1	1	1

Source: City of Pinole Finance

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City of Pinole

Pinole, California

Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

For the year ended June 30, 2021

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
of the City of Pinole
Pinole, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pinole, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 30, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Address: 2855 Telegraph Avenue, Suite 312 Berkeley, CA 94705 • Phone: 510.768.8251 • Fax: 510.768.8249

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Badawi & Associates

Badawi & Associates, CPAs
Berkeley, California
December 30, 2021

Return to Agenda

City of Pinole

2006 Measure S Fund

Pinole, California

Independent Accountants' Report on Agreed-Upon Procedures Applied to Schedule of Measure S Revenues and Expenditures

For the year ended June 30, 2021

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Pinole
Pinole, California

We have performed the procedures enumerated below on the attached schedule of 2006 Measure S revenues and expenditures (Schedule) for the year ended June 30, 2021. The City of Pinole (City)'s management is responsible for the Measure S revenue and expenditures.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the City with respect to the Schedule for the year ended June 30, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Verify that Measure S transactions were accounted for separately in the accounting records to allow for accountability.

   Finding: No exceptions were noted as a result of our procedures.

2. Verify that Measure S tax revenue was deposited in total into the City's accounts by obtaining remittance advices from the State of California for amounts deposited into the Measure S Fund.

   Finding: No exceptions were noted as a result of our procedures.

3. Review salary reports and expenditure details to verify that the Measure S Fund was charged for the purpose that was specified to the registered voters of the City through election materials and City resolutions distributed to the voters.

   Finding: No exceptions were noted as a result of our procedures.

4. Compare actual revenues and expenses to budgeted amounts to determine that variances were appropriate.

   Finding: No exceptions were noted as a result of our procedures.

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To the Honorable Mayor and Members of the City Council
of the City of Pinole
Pinole, California

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Schedule for the year ended June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City, and is not intended to be and should not be used by anyone other than these specified parties.

Badawi & Associates

Badawi & Associates, CPAs
Berkeley, California
January 13, 2022

Return to Agenda

City of Pinole 2006 Measure S Fund
Schedule of Revenues and Expenditures
For the year ended June 30, 2021

REVENUES:		
Sales and use taxes	$	2,309,123
Investment earnings		4,346
Other revenue		187,120
Total revenues		2,500,589
EXPENDITURES:		
Salary		1,174,498
Benefits		631,361
Insurance		62,672
Professional Services		11,955
Admin expense		20,549
Total expenditures	$	1,901,035

*This schedule is prepared using the modified accrual basis of accounting.

Return to Agenda

City of Pinole

2014 Measure S Fund

Pinole, California

Independent Accountants' Report on Agreed-Upon Procedures Applied to Schedule of Measure S Revenues and Expenditures

For the year ended June 30, 2021

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Pinole
Pinole, California

We have performed the procedures enumerated below on the attached schedule of 2014 Measure S revenues and expenditures (Schedule) for the year ended June 30, 2021. The City of Pinole (City)'s management is responsible for the Measure S revenue and expenditures.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the City with respect to the Schedule for the year ended June 30, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Verify that Measure S transactions were accounted for separately in the accounting records to allow for accountability.

   Finding: No exceptions were noted as a result of our procedures.

2. Verify that Measure S tax revenue was deposited in total into the City's accounts by obtaining remittance advices from the State of California for amounts deposited into the Measure S Fund.

   Finding: No exceptions were noted as a result of our procedures.

3. Review salary reports and expenditure details to verify that the Measure S Fund was charged for the purpose that was specified to the registered voters of the City through election materials and City resolutions distributed to the voters.

   Finding: No exceptions were noted as a result of our procedures.

4. Compare actual revenues and expenses to budgeted amounts to determine that variances were appropriate.

   Finding: No exceptions were noted as a result of our procedures.

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To the Honorable Mayor and Members of the City Council
of the City of Pinole
Pinole, California

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Schedule for the year ended June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City, and is not intended to be and should not be used by anyone other than these specified parties.

Badawi & Associates

Badawi & Associates, CPAs
Berkeley, California
January 13, 2022

Return to Agenda

City of Pinole 2014 Measure S Fund
Schedule of Revenues and Expenditures
For the year ended June 30, 2021

REVENUES:		
Sales and use taxes	$	2,314,438
Investment earnings		13,877
Other revenue		1,532
Total revenues		2,329,847
EXPENDITURES:		
Salary		324,805
Benefits		141,053
Improvements		885,087
Insurance		13,580
Professional Services		31,396
Admin expense		193,107
Travel and training		20,740
Total expenditures	$	1,609,768

*This schedule is prepared using the modified accrual basis of accounting.

Return to Agenda

City of Pinole

Pinole, California

Auditors' Communication with Those Charged with Governance

For the year ended June 30, 2021

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

December 30, 2021

To The Honorable Mayor and Members
of the City Council of the City of Pinole
Pinole, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pinole, California (City) for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated April 20, 2021, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning internal control.

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involves judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the city and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

We performed the audit according to the timing previously communicated to you on the engagement letter.

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Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the City changed accounting policies related to financial reporting by adopting the following Statements of Governmental Accounting Standards (GASB Statement) in 2021:

- GASB No. 84, *Fiduciary Activities*
- GASB No. 90, *Majority Equity Interests*
- GASB No. 93, *Interbank offered rates (except LIBOR removal and lease modifications)*
- GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*
- GASB No. 98, *The Annual Comprehensive Financial Report*

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- Depreciable lives and estimated residual value of property and equipment
- Investment valuations
- Allowance for uncollectible accounts
- Accumulated depreciation
- Pension plans (actuarial assumptions)
- Net Other Post-employment Benefits (OPEB) plan (actuarial assumptions)

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements were:

- Summary of Significant Accounting Policies
- Cash and Investments
- Long Term Debt
- Capital Assets
- Employee Retirement Plans
- Other Postemployment Benefits (OPEB) Plan
- Commitments and Contingencies
- Successor Agency
- Prior Period Adjustment

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in aggregate, to each opinion unit's financial statements as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 30, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and budgetary comparison schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content,

and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and statistical section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Badawi & Associates

Badawi & Associates, CPAs
Berkeley, California
December 30, 2021

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City of Pinole

Pinole, California

Independent Accountants' Report
For the year ending June 30, 2022

BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

City of Pinole

Appropriations Limit Schedule

For the year ending June 30, 2022

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BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REPORT

To the Honorable Mayor and City Council
of the City of Pinole
Pinole, California

We have performed the procedures enumerated below on the accompanying Appropriations Limit Schedule of the City of Pinole (City) for the fiscal year ending June 30, 2022. The City's management is responsible for the accompanying Appropriations Limit Schedule.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the requirements of Section 1.5 of Article XIII-B of the California Constitution. Additionally, the League of California Cities (as presented in the publication entitled Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution) has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings are described below:

1. We obtained the completed worksheets used by the City to calculate its appropriations limit for the fiscal year ending June 30, 2022, and determined that the limit and annual calculation factors were adopted by resolution of City Council. We also determined that the population and inflation options were selected by a recorded vote of City Council.

   Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Schedule, we added the prior year's limit to the total adjustments, and agreed the resulting amount to the current year's limit.

   Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit Schedule to corresponding information in worksheets used by the City.

   Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Schedule to the prior year appropriations limit adopted by the City Council during the prior year.

   Finding: No exceptions were noted as a result of our procedures.

Address: 2855 Telegraph Avenue, Suite 312 Berkeley, CA 94705 • Phone: 510.768.8251 • Fax: 510.768.8249

To the Honorable Mayor and Members of City Council
of the City of Pinole
Pinole, California

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Appropriation Limit Schedule. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Badawi & Associates

Badawi & Associates, CPAs
Berkeley, California
January 13, 2022

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City of Pinole

Appropriations Limit Schedule

For the year ending June 30, 2022

	Amount	Source
A. Appropriations limit for the year ended June 30, 2021	$ 138,723,892	Prior year schedule
B. Calculation factors:		
1. Population increase ratio	1.0035	State Department of Finance
2. Inflation increase ratio	1.0573	State Department of Finance
3. Total adjustment factor ratio	1.0610	B1 * B2
C. Annual adjustment increase	8,462,234	[(B3-1)*A)]
D. Other adjustments	-	N/A
E. Total adjustments	8,462,234	(C+D)
F. Appropriations limit for the year ending June 30, 2022	$ 147,186,126	(A+E)

City of Pinole
Notes to Appropriations Limit Schedule
For the year ending June 30, 2022

1. PURPOSE OF LIMITED PROCEDURES REVIEW

Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIIIB, the annual calculation of the appropriations limit is subject to this agreed upon procedures engagement.

2. METHOD OF CALCULATION

Under Section 10.5 of Article XIIIB, for fiscal years beginning on or after July 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-1987, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

3. INFLATION FACTORS

A California governmental agency may use as its inflation factor either the annual percentage change in the 4th quarter per capita personal income (which percentage is supplied by the State Department of Finance), or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City of Pinole for the fiscal year 2021-2022 represents the percentage growth in the State of California per capita personal income.

4. POPULATION FACTORS

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population, or the annual percentage change in population in the County where the jurisdiction is located. The factor adopted by the City of Pinole for fiscal year 2021-2022 represents the population change for the County of Contra Costa during calendar year 2020.

5. OTHER ADJUSTMENTS

A California government agency may be required to adjust its appropriations limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. There were no adjustments made for the fiscal year ending June 30, 2022.

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CITY COUNCIL REPORT

11D

DATE: **FEBRUARY 1, 2022**

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **MARKISHA GUILLORY, FINANCE DIRECTOR**

SUBJECT: **DEVELOPMENT PROCESS FOR THE FISCAL YEAR (FY) 2022/23 OPERATING AND CAPITAL BUDGET AND THE LONG-TERM FINANCIAL PLAN**

RECOMMENDATION

Staff recommends that the City Council approve the development process for the Fiscal Year (FY) 2022/23 Operating and Capital Budget and the Long-Term Financial Plan.

BACKGROUND

The City goes through an annual process of developing a budget for the upcoming fiscal year that covers July 1st through June 30th. The City's budget development process is considered an "incremental" budget process, meaning that the budget for the upcoming year is developed based on the current year's budget. In preparation for the upcoming fiscal year, staff prepares a budget development schedule that is used to guide the budget process.

City staff takes the following steps to create the Final Proposed budget:

- Finance Department uses the current budget, which incorporates any mid-year changes approved by the City Council, as the starting point;
- Finance Department creates a "baseline" budget by taking the ongoing revenues and expenditures included in the current budget and factoring in known or assumed changes to revenues and expenditures (i.e., forecasted changes to different revenue streams, general inflation, known changes to debt service, etc.);
- Departments review and confirm the known and assumed changes incorporated into the baseline budget;
- Departments submit requests for changes to the baseline budget to address proposed special projects or increased service levels;
- Finance Department and City Manager consider department requests for changes to the baseline budget and prepare a Preliminary Proposed budget for the Finance Subcommittee's consideration;

- Finance Department incorporates changes and prepares the Revised Proposed budget for the Finance Subcommittee's consideration;
- Finance Department and City Manager incorporation changes and submit the Final Proposed Budget to the City Council for adoption.

In spring 2021, prior to the development of the FY 2021/22 budget, the City created a long-term financial plan (LTFP). The LTFP is a forecasting and planning mechanism that identifies the major opportunities and challenges that the City is likely to face over the five-year time horizon and enables the City to proactively address opportunities and challenges through the annual budget process.

During adoption of the FY 2021/22 Operating and Capital Budget, the Council approved some specific appropriations requested by Council Members that were funded by unassigned fund balance (available reserve funds) in the General Fund and Measure S 2006 and 2014 Funds. That process was curtailed due to time constraints. Staff is proposing a budget development process for FY 2022/23 that will provide an opportunity for Council Members to make specific budget requests earlier in the development process. Additionally, the City received funding from the federal government from the American Rescue Plan Act (ARPA). The Council allocated a portion of the funding in FY 2021/22 to meet some immediate needs of the community. Plans for allocating the remaining funds will also be addressed through the FY 2022/23 budget process.

REVIEW AND ANALYSIS

Staff has prepared the following schedule of key dates and actions to guide development of the FY 2022/23 Operating and Capital Budget and the LTFP. As explained above, in addition to the normal development activities, the process will include developing the expenditure plan for the ARPA funding as well as considering Council Member requested initiatives.

February 15, 2022: Staff will propose mid-year adjustments to the FY 2021/22 budget. The mid-year budget will serve as the baseline for the FY 2022/23 budget and the LTFP.

March – April 2022: Staff will organize a special City Council meeting to present information on the City's current revenue streams, particularly local taxes. Staff will complete internal activities related to the development of the LTFP and FY 2022/23 budget. Activities will involve formulating revenue and expenditure assumptions, conducting budget meetings with the City Manager, Finance Director, and Department Heads to review department budgets and new requests, updating the five-year financial forecast, and preparing the preliminary LTFP and budget to be presented to the Finance Subcommittee.

April 4 - 18, 2022: Staff will launch a survey to get input from the community and gauge its priorities for the LTFP and budget. Results of the survey will be shared with the City Council for its consideration.

April 14, 2022: Staff will present the Preliminary Proposed Long-Term Financial Plan, including the five-year financial forecast, to the Finance Subcommittee for review and direction. Staff will make updates to the plan based on Subcommittee direction.

April 26, 2022: Special City Council meeting (workshop) to review the Revised Proposed Long-Term Financial Plan. The meeting will also be an opportunity for Council Members to request that staff analyze potential new items for incorporation into the Preliminary Proposed budget.

May 5, 2022: Staff will present the Revised Proposed Long-Term Financial Plan, Preliminary Proposed FY 2022/23 Operating and Capital Budget, and Preliminary Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP) to the Finance Subcommittee for review and direction. Staff will make updates to the documents based on Subcommittee direction.

May 17, 2022: Staff will submit the Final Proposed Long-Term Financial Plan to the City Council for adoption.

May 25, 2022: Staff will present the Revised Proposed FY 2022/23 Operating and Capital Budget and Revised Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP) to the Finance Subcommittee for review and direction. Staff will incorporate any changes and prepare the final budget and CIP for Council adoption.

June 7, 2022: Staff will present the Revised Proposed FY 2022/23 Operating and Capital Budget and Revised Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP) to the City Council for review and direction. Staff will incorporate any changes and prepare the final budget and CIP for Council adoption.

June 21, 2022: Staff will submit the Final Proposed FY 2022/23 Operating and Capital Budget, the FY 2022/23 Five-Year Capital Improvement Plan (CIP), and the FY 2022/23 Appropriations Limit to the City Council for adoption. If the Council does not adopt the budget at this meeting, a special City Council meeting will need to be convened the following week.

The table below summarizes the proposed timeline and activities for the development process.

Date	Action/Activity
February 15, 2022	City Council Meeting • FY 2021/22 Mid-Year Budget Review

Date	Action/Activity
March – April 2022	Special City Council Meeting • Presentation on revenue streams, particularly local taxes Internal Activities, including: • Revenue and expenditure assumptions formulated • Department budget meetings held • Preliminary budget, CIP, and long-term financial plan prepared
April 4 – 18, 2022	Community Survey launched
April 14, 2022	Finance Subcommittee Meeting • Preliminary Proposed Long-Term Financial Plan
April 26, 2022	Special City Council Meeting (Workshop) • Revised Proposed Long-Term Financial Plan • Council Member requested budget additions
May 5, 2022	Finance Subcommittee Meeting • Revised Proposed Long-Term Financial Plan • Preliminary Proposed FY 2022/23 Operating and Capital Budget • Preliminary Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP)
May 17, 2022	City Council Meeting • Adopt Final Proposed Long-Term Financial Plan
May 25, 2022	Finance Subcommittee Meeting • Revised Proposed FY 2022/23 Operating and Capital Budget • Revised Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP)
June 7, 2022	City Council Meeting • Revised Proposed FY 2022/23 Operating and Capital Budget • Revised Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP)

Date	Action/Activity
June 21, 2022	City Council Meeting Adopt: • Final Proposed FY 2022/23 Operating and Capital Budget • Final Proposed FY 2022/23 Five-Year Capital Improvement Plan (CIP) • FY 2022/23 Appropriations Limit

FISCAL IMPACT

There is no fiscal impact as a result of agenda item.

ATTACHMENTS

None