

**CITY COUNCIL MEETING  
MINUTES  
June 7, 2022**

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

The City Council Meeting was held in a hybrid format (in-person and 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 5:02 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  
\*Arrived after Roll Call

**B. STAFF PRESENT**

Andrew Murray, City Manager  
Heather Bell, City Clerk  
Eric Casher, City Attorney  
Alex Mog, Assistant City Attorney  
Markisha Guillory, Finance Director  
Chris Wynkoop, Fire Chief  
Sanjay Mishra, Public Works Director  
Lilly Whalen, Community Development Director  
Misha Kaur, Capital Improvement and Environmental Program Manager  
Roxane Stone, Deputy City Clerk

City Clerk Heather Bell announced the agenda had been posted on Thursday, June 2, 2022 at 3:00 p.m. with all legally required written notices. Written correspondence had been received in advance of the meeting, distributed to the City Council and posted on the City website.

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

City Clerk Bell also announced that June 7, 2022 was Election Day and anyone who had not dropped off their vote by mail ballots could do so at the drop off box in front of City Hall on Pear Street located on the left side of the entrance to City Hall. Ballots would be accepted until 8:00 p.m. Ballots may also be dropped off at any official polling location.

Mayor Salimi also clarified with Assistant City Attorney Alex Mog that given the current absence of Council member Tave and with respect to agenda Item 10B, the item required only a quorum of the City Council to be present.

#### **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 Manager Andrew Murray, City Attorney Eric Casher, Assistant City Attorney Alex Mog, Human Resources Director Stacy Shell and Greg Ramirez (IEDA)  
Employee organization: PPEA

#### **PUBLIC COMMENTS OPENED**

Roxane Stone, Deputy City Clerk, reported there were no public comments.

#### **PUBLIC COMMENTS CLOSED**

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

At 5:46 p.m., Mayor Salimi reconvened the meeting into open session and announced there was no reportable action from the 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*

Rafael Menis, Pinole, reported this was Election Day and reminded everyone of the locations to drop off ballots as provided by the City Clerk, which included the Senior Center. He urged everyone to get out and vote. He also reported on the significant increase in cases of COVID-19 in the City over the past two weeks and encouraged residents to take precautions and resume masking, particularly in crowded in-door areas.

#### **7. REPORTS & COMMUNICATIONS**

A. Mayor Report  
1. Announcements

Mayor Salimi announced that Mary-Hellen Banuelos, the mother of former Pinole Mayor Tim Banuelos, had passed away on June 4, left behind many family members and would be missed by everyone. He asked everyone to observe a Moment of Silence in memory of Mrs. Banuelos at this time.

B. Mayoral & Council Appointments

None

C. City Council Committee Reports & Communications

Council member Toms reported the Annual General Association of Bay Area Governments (ABAG) Assembly would be held virtually on June 17, 2022 to discuss a number of Bay Area-wide planning issues of interest. The WestCAT Board would meet on June 9, 2022 to consider a replacement to the current General Manager who had announced his retirement.

Mayor Pro Tem Murphy wished everyone Happy Election Day and urged everyone to submit their ballots. He reported that Marin Clean Energy (MCE) had highlighted Pinole for its sustainability efforts, with more information on the homepage of the City website. He also reminded everyone of the Food Bank drive that was held the second Monday of each month at 9:00 a.m. at the Pinole Senior Center.

Council member Martinez-Rubin provided an overview of the WestCAT Summer Youth Fun Passes program available June 1 through August 31, 2022, with more information on the WestCAT website. She reported on her attendance at a meeting of the West Contra Costa Transportation Advisory Committee (WCCTAC) and briefed the Council on the agenda items that had been discussed.

D. Council Requests for Future Agenda Items

None

E. City Manager Report / Department Staff

City Manager Andrew Murray provided a preview of potential agenda items for the June 21, 2022 City Council meeting. He also announced upcoming community events including Community Service Day scheduled for June 18, 2022, with registration at the Youth Center at 8:00 a.m.; the Annual Pinole Car Show to be held the following weekend; and the Fourth of July celebration with a fireworks display in collaboration with the City of Hercules, and with a community-based informational meet and greet at Fernandez Park to be held from 6:00 to 8:00 p.m. More information was available on the City website and the City's Facebook page.

F. City Attorney Report

City Attorney Eric Casher reported the Municipal Code Update Subcommittee had met on May 23 and had provided direction to bring forward an ordinance codifying the City's Code of Ethics.

The Code of Ethics would become part of the Pinole Municipal Code (PMC), as well as updates and changes to the PMC related to imposing liens on code enforcement related items that would be discussed further by the Subcommittee on June 23, 2022. Once approved, the items would be brought to the full City Council in the form of a first reading.

#### **PUBLIC COMMENTS OPENED**

Roxane Stone, Deputy City Clerk reported there were no public comments.

#### **PUBLIC COMMENTS CLOSED**

Mayor Salimi re-opened public comment for Item 7, Citizens to be Heard at this time.

Ivette Rico, Pinole, reported Mayor Salimi had been inaugurated on Saturday, June 4, at the Bernardo Fernandez Mansion, which had been a lovely event. She added that Pinole for Fair Government would be holding two community conversations during the month of June at Christ the Lord Episcopal Church, on June 11 with guest speaker Pinole Fire Chief Chris Wynkoop, from 1:00 to 2:00 p.m.; and on June 18 with guest speaker Contra Costa County Supervisor John Gioia at the same time and location. On another matter, she requested more information on the Pinole Perks program to be implemented for the small business community.

City Manager Murray explained that the City Council had previously appropriated a portion of its American Rescue Plan Act (ARPA) funds for a community gift card program that required certain criteria to set up and which included participation from members of the small business community. Pinole Perks would be launched in the next week with residents able to purchase community gift cards on-line to be accepted at this time by up to 20 Pinole small businesses, with more information to be provided on all of the City's communication channels in the next week.

Cordell Hindler, Richmond, speaking to Item 7D, requested a future agenda item to invite Sabrina Landreth, General Manager, East Bay Regional Park District (EBRPD) to provide an update on how COVID-19 had impacted park services, and Lavonna Martin, Contra Costa County Health Services Director Health, Housing & Homeless Services to provide an update on homelessness.

Council member Toms reported she had attended the monthly Mayors' Conferences with both speakers having given presentations during those public meetings.

### **8. RECOGNITIONS / PRESENTATIONS / COMMUNITY ANNOUNCEMENTS**

#### **A. Proclamations**

##### **1. LGBTQIA Pride Month**

The City Council read into the record a proclamation recognizing LGBTQIA Pride Month

Mayor Salimi presented the proclamation to Mayor Pro Tem Murphy, and Mayor Pro Tem Murphy wished everyone a Happy Pride Month and emphasized the City Council would continue to advocate for the LGBTQIA community.

## 2. Juneteenth

The City Council read into the record a proclamation recognizing Juneteenth.

### PUBLIC COMMENTS OPENED

Ivette Rico, Pinole, was proud to watch the City Council provide a respectful acknowledgement of the City and its citizens and the recognition of diversity in the community.

Cordell Hindler, Richmond, acknowledged Mayor Pro Tem Murphy as being the first LGBTQIA Mayor Pro Tem. He was also honored that the month of June was known as Juneteenth and he welcomed the Pinole City Council to the City of Richmond's Juneteenth celebration scheduled for June 18, 2022.

### PUBLIC COMMENTS CLOSED

#### B. Presentations / Recognitions

None

## 9. 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 May 17, 2022 Regular Meeting
- B. Receive the May 23, 2022 – June 3, 2022 List of Warrants in the Amount of \$401,881.55 and the May 27, 2022 Payroll in the Amount of \$483,532.58.
- C. Resolution Continuing Authorized Remote Teleconference Meetings Pursuant to AB 361 **[Action: Adopt Resolution per Staff Recommendation (Casher)]**
- D. Amendment to the Traffic and Pedestrian Safety Committee (TAPS) Bylaws **[Action: Adopt Resolution per Staff Recommendation (Mishra)]**
- E. Approve a Consulting Services Agreement for Employee Benefits Broker of Record Services **[Action: Adopt Resolution per Staff Recommendation (Shell)]**
- F. Determination of Public Convenience or Necessity (PCN) for East Bay Coffee Company at 2529 San Pablo Avenue (CUP 20-03) **[Action: Adopt Resolution per Staff Recommendation (Hanham)]**

- G. Resolution Approving an Amendment to the On-Call Contract with 4Leaf, Inc., to Add a Task Order and Increase the Budget for Code Enforcement Officer Services by \$57,000 and Appropriating Funding in the Amount of \$23,000 **[Action: Adopt Resolution per Staff Recommendation (Whalen)]**
- H. Approve an Amendment to the On-Call Contract with Metropolitan Planning Group (M-Group) and Issue an Amendment to Task Order Four for Environmental Services for The Pinole Shores II Project **[Action: Adopt Resolution per Staff Recommendation (Hanham)]**
- I. Adopt a Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of the Annual Engineer's Report for the Pinole Valley Road Landscape and Lighting Assessment District (LLAD) for Fiscal Year 2022/23 **[Action: Adopt Resolution per Staff Recommendation (Mishra)]**
- J. Adoption of Sewer System Maintenance Plan 2022 **[Action: Adopt Resolution per Staff Recommendation (Mishra)]**
- K. Resolution Authorizing the City Manager to Execute Agreements with Centralsquare Technologies, Selectron Technologies, Inc., Payments Holdings, Inc., Client First Technology Consulting, and 4Leaf, Inc., for Licensing Access, Maintenance, Support, Migration, Installation, Implementation and Other Professional Services to Support an Upgrade of the Community Development Permit Tracking and Online Application System and Appropriating Funding **[Action: Adopt Resolution per Staff Recommendation (Whalen)]**
- L. Resolution Approving the Final Proposed Long-Term Financial Plan for Fiscal Year (FY) 2022/23 – FY 2026/27 **[Action: Adopt Resolution per Staff Recommendation (Guillory)]**

#### PUBLIC COMMENTS OPENED

Rafael Menis, Pinole, referenced Item 9L and expressed concern the revenue and expenditure figures as shown on Page 234 of the agenda packet and Page 7 of the forecast, did not match the values shown for Agenda Item 11A. He asked staff to provide clarification.

Cordell Hindler, Richmond, echoed the comments related to Item 9L. He otherwise expressed concern with the volume of traffic on Pinole Valley Road, particularly in the daytime, the number of traffic accidents that occurred in the area, and asked why a traffic study had not been done. He also opposed the cost of economies for development and commented on the number of vacant properties in Pinole that were blighted or vandalized impacting potential tenants. He added the budget for the Pinole Police Department should be allocated more funding and with more police officers to be added to the Department.

#### PUBLIC COMMENTS CLOSED

Finance Director Markisha Guillory responded to the public comment and clarified that the actuals matched in the forecast in the budget and the Long-Term Financial Plan (LTFP), and while there appeared to be discrepancies she would have to take a look at them after the meeting.

City Manager Murray advised that Item 9L was not time sensitive and if agreeable the item could be continued to the next City Council meeting to allow staff to provide clarification.

Mayor Pro Tem Murphy also speaking to Item 9L, Page 235 of the agenda packet, and Page 8 of the LTFF, commented that the header around property tax should be clarified by staff.

Finance Director Guillory clarified the different components of the property tax as shown, and the additional revenue that was expected to be passed through to the City's General Fund after the last debt payment had been made for the former Redevelopment Agency. She clarified the bond debt and a loan agreement between the former Redevelopment Agency and the Housing Assets Fund, and a three-year agreement with the third payment to be paid this year. A portion of the funds to be received for the former Redevelopment Agency, that portion that would have gone to the Housing Fund to repay that loan, would just go through to the General Fund and result in additional revenue in the form of property tax into the General Fund as it owed to the Successor Agency for debt service payments. The last payment for the former redevelopment properties would be in Fiscal Year 2023/24.

Council member Martinez-Rubin referenced Item 9J and thanked staff for working with the consultants on the Sewer System Management Plan. She emphasized the importance of how frequent overflows could be mitigated and thanked the Public Works Director for his work on this agenda item.

Council member Tave asked how much revenue the City expected in FY 2023/24 that had not been included in the budget and asked whether that was related to the concerns raised by Mr. Menis.

Finance Director Guillory clarified the two issues were not related. The discrepancies had been more in the historical actuals and the totals in the forecast for FY 2022/23 because the LTFF was typically done before the budget where there had been a couple of adjustments on the revenue and expenditure side. She also clarified pursuant to the Five-Year forecast for the FY 2022/23 budget that the City would have about \$4.8 million in property tax, and for FY 2023/24 that would increase to \$5.6 million.

**ACTION: Motion by Council members Toms/Martinez-Rubin to approve Consent Calendar Items 9A through 9K, as shown.**

<b>Vote:</b>	<b>Passed</b>	<b>5-0</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Martinez-Rubin, Tave, Toms</b>
	<b>Noes:</b>	<b>None</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

## **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.*

- A. Postpone Public Hearing for Consideration of Updated City User and Regulatory Fees to City Council Meeting on June 21, 2022 **[Action: Postpone and Continue Public Hearing per Staff Recommendation (Guillory)]**

**ACTION: Motion by Council member Toms/Mayor Pro Tem Murphy to continue Item 10A, to the Regular City Council meeting of June 21, 2022.**

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

- B. Conduct a First Public Hearing Regarding Proposal for the City of Pinole to Become a Charter City and Review the Content of Proposed Charter **[Action: Conduct a Public Hearing per Staff Recommendation (Casher)]**

Assistant City Attorney Mog provided a PowerPoint presentation which included an overview of City Council direction to staff to schedule a future agenda item to discuss the possibility of becoming a charter city. On March 1, 2022, the City Council directed staff to prepare a draft charter solely authorizing a Real Property Transfer Tax (RPTT), schedule a public hearing and retain a pollster and consultant. On May 31, 2022, the City Council received a presentation regarding the survey results. The purpose of this public hearing was to hear from the public on the proposed draft charter, consider whether to continue with the process for placing a measure on the ballot for voters to decide whether Pinole should become a charter city, and provide direction to staff on the draft charter and related issues.

Assistant City Attorney Mog detailed the differences between a general law versus a charter city and provided examples of municipal affairs and how detailed a charter could be, with any change to the charter requiring voter approval and with the PMC to be maintained. He also provided an overview of RPTTs and RPTT rates in neighboring jurisdictions in the Bay Area. City staff was of the opinion that \$100,000 was a reasonable estimate of the amount of revenue the City would receive from the existing RPTT each year for the next few years. If a RPTT was increased to \$8 per \$10,000 (0.8%), \$1.45 million had been estimated in revenue. If the RPTT was increased to \$12 per \$1,000 (1.2%), \$2.18 million in revenue had been estimated.

Assistant City Attorney Mog highlighted the City's financial considerations and noted an RPTT would create another guaranteed source of local revenue to sustain/improve critical facilities and essential services in the long run. He also walked through the state legal process for a city to become a charter city and stated the current meeting was the first of two required public hearings. A second public hearing had tentatively been scheduled for July 10, 2022 and the deadline for placing a measure on the ballot for November 2022 would be August 2, 2022. Holding this hearing would not commit the City to any process but allowed for public input and direction to City staff.

Assistant City Attorney Mog highlighted the proposed charter included in Attachment A to the June 7, 2022 staff report and clarified the proposed charter provided that the only power of a charter city that Pinole may exercise was the power to enact an enhanced RPTT.



The City would continue to be subject to all other laws governing general law cities, the status quo would be maintained with the exception of the power to enact the enhanced RPTT. All current forms of government would be maintained and the PMC and any future changes would require voter approval. It was also clarified that the proposed charter would not in itself enact the RPTT. The RPTT would be enacted by a separate ordinance that would be approved by the voters as part of the same measure, and if the City Council decided to move forward the draft ordinance would be presented for review at the second public hearing.

Assistant City Attorney Mog added the City may engage in limited education and outreach activities related to the possible transition to becoming a charter city and enacting a RPTT, and those activities would be strictly educational and may not advocate for a potential ballot measure. He provided examples of education and outreach activities that may include social media posts, newsletters mailed to residents and information on the City website.

Assistant City Attorney Mog asked the City Council to provide direction to staff on the following: Whether to move forward with the process and hold a second public hearing and prepare a RPTT ordinance; and whether staff should commence education and outreach activities, provide input on the content of the charter city charter and provide direction on the applicable rate for the proposed RPTT, which discussion could be deferred to the second public hearing.

#### **PUBLIC COMMENTS OPENED**

Debbie Long, Pinole, found the City Council was side stepping and being vague on what a charter city may encompass and was using the RPTT as a red-herring. She stated a charter city had the ability to adopt laws regarding municipal affairs and the constraints of a charter city were only subject to the constitutional limitations of the state, and while municipal affairs were not always straightforward it set out a non-exclusive list of four categories including regulation of police, creation of sub-governments in all or part of the city, choose or modify how city elections were handled, and the manner in which municipal officers were elected. Other areas under the control of charter cities not in conflict with the state constitution included zoning, land use, contracting, taxes, and assessments such as the RPTT under consideration as part of a charter city. Under the Government Code, there were also many chapters and subsections regarding charter cities and when adopting a charter those were the laws that pertained to the charter.

Ms. Long commented that while Pinole's charter may only be two pages long, it still encompassed all of the rights afforded by the state as described. She suggested that Pinole citizens had been spoon fed about the charter having local control but the charter was not about local control but about everyone elected having the ability to make decisions that would impact residents. While some things may have to come back to the people, not all were required to do so and ordinances would be voted on by the charter/City Council/Commission. If Pinole became a charter city with the argument that people could vote on what they wanted to do or didn't want to do, she expressed concern that voter fatigue may set in.

Ms. Long suggested no need had been established for the RPTT. Home sellers received no value in paying a RPTT given that the seller was already paying taxes as a resident of Pinole. She pointed out the City Council had not cut one dime from the budget in the last three or more years and had increased the General Fund expenditures by \$3 million. She urged a no vote on a charter city and on the RPTT.

When asked by the Mayor, Ms. Long reiterated her comments and advised that some of the information she had provided had been based on information from the League of California Cities.

Assistant City Attorney Mog provided clarification in response to Ms. Long's comments and read into the record Sections 301, Real Property Transfer Tax and 302, General State Laws, as shown in Attachment A of the Draft Charter. If voters wanted to amend the charter in the future voters may add additional powers requiring a future vote of the public. Pinole's proposed charter would not allow sub-governments, would not change how elections were handled, and would not change how municipal officers were elected. Again any changes to the approved charter would require a future vote of the voters.

Eric Meyers, Pinole, Real Estate Broker, Attorney and local business owner, appreciated the job of local government with the exception of the consideration of a charter city and RPTT. If the City were to consider a tax of the citizenry to fund general services, it should be applied to everyone and not just those buying and selling real estate. He pointed out RPTTs were not recession proof and when a recession hit the real estate market was typically significantly impacted with fewer transactions and revenue. He also commented on the affordability problem in the Bay Area, and suggested the philosophy should be to support and value home ownership and not create barriers. When RPTTs were enacted, they were typically borne by buyers and sellers with buyers' one step further from buying in Pinole and with sellers negatively impacted at the time they may need all proceeds from the sale of their home. He too spoke to the unintended consequences of a charter city and noted that general law included a limit on elected officials' salaries while a charter city did not, which may be an issue in the future. He pointed out that of those cities in California that had gone bankrupt, they were charter cities and not general law cities.

Mr. Meyers added that he had submitted an email to all five members of the City Council but had received only one response. He urged the City Council to consider his comments, do what was fair and suggested a charter city and enacting a RPTT was not the way to go.

Assistant City Attorney Mog stated, when asked by the Mayor, that he did not have any information on the correlation between a charter city and a city in California having gone bankrupt.

City Manager Murray confirmed that cities in the State of California that had declared bankruptcy had been charter cities but he was unaware of any research of a causal relationship or seen any analysis that the cause of bankruptcies for those jurisdictions were tied to their charter city status. The scope of the Pinole draft charter was very narrow, would maintain the observation of all rules pertaining to the general law city, with the exception of enacting the RPTT, but the charter may be expanded in the future by an act of the voters.

Assistant City Mog also clarified there was a formula under state law that allowed a general law city to have higher salaries for elected officials but which must be approved by the voters. Pursuant to the draft charter, the City would have to follow that same process, although in the future voters could allow for something different requiring a vote of the electorate.

Rafael Menis, Pinole, stated regardless of the action the City Council took now, a future City Council or members of the public may decide to adopt or amend a specific charter, subject to voter approval. As he had suggested in the past, an Ethics Commission should be considered which would firmly establish part of the charter or rank choice voting as part of the charter, but the City Council was only focused at this time on the enactment of the RPTT.

Mr. Menis read Sections 301 and 302 of the draft charter into the record, and stated they were clear on what was allowed as part of the charter city status. He suggested for all intents and purposes the City would be a general law city with the exception of the enactment of the RPTT. He suggested it would be worthwhile to adopt the draft charter, and while the RPTT would impact buyers and sellers, he found it reasonable that people about to join the community be asked to contribute towards the upkeep and maintenance of the community they were about to join.

Debi Mackey, President, Contra Costa Association of Realtors (CCAR), reported the CCAR was comprised of members in Contra Costa County and the surrounding Bay Area. She commented there had been no discussion on the impacts to the cost of a home in Pinole should a RPTT move forward. She detailed the numerous fees involved in the sale of a home in Pinole, including a newly-instituted balcony inspection fee and sewer lateral video fee. Should the City of Pinole impose an increased RPTT to the sale of Pinole homes, whether at 0.8 or 1.2 percent, it could add upwards of \$5,000 to \$7,000 to the sale of a home during an affordable housing crisis in the state and significantly impact homebuyers.

Ms. Mackey reported that from January 1, 2021 to June 7, 2021, 103 homes had transferred title in the City of Pinole. From January 1, 2022 to June 7, 2022 only 66 homes had transferred title. Ninety percent of her clients were buyers and when informed a jurisdiction had a RPTT, oftentimes the buyers were not interested. She urged the City Council to consider alternative ways to increase its budget and consider another approach such as a bond measure or increasing the User Utility Tax (UUT).

Tyra Wright, a resident of El Cerrito and a member of the CCAR, echoed the comments of the CCAR President and questioned the advisability of adding more money to what a buyer or seller must pay at the time of closing, with the burden oftentimes placed on the seller on top of any other mandates required at the time of sale. She too urged the City Council to consider the current economy, rising costs, and placing a RPTT which would be egregious to buyers and sellers, and which would not help affordable housing. She urged the City Council to consider another approach.

Irma Rupert, Pinole, commented that a charter city had been discussed before. She suggested it was time to put the question to the voters and stated that education and information was important. She understood the charter city and enactment of a RPTT would not result in any changes, as discussed, and she urged the City to be inclusive to taxpayers and voters. She urged the City Council to approve the draft charter and pass a ballot measure on to the voters. She pointed out the RPTT would be a one-time tax and would not affect everyone. She otherwise could not foresee anything wrong with a charter city but wanted more information to be provided to the voters.

Ivette Rico, Pinole, trusted the City's process and suggested the City Council should move forward, educate, and provide outreach to the public on the future needs of the City. She pointed out the devastating impact from the 2008 recession from which the City had not fully recovered, and noted the City had been built on sales tax revenue and at some time the City had to find a steady and reliable stream of revenue. She found that at RPTT would not be that impactful to residents, many homes had a lot of equity, and she emphasized that anything was negotiable in terms of home sales.

Peter Murray, Pinole, stated he had spoken about a potential charter city and RPTT in the past when he had found it was not an equitable tax, would not apply to everyone in the community, and suggested imposing a tax on those leaving the community was egregious. He suggested a sales tax would be more equitable. He too expressed concern with unintended consequences and emphasized the City had worked well under the general law regulations, and the survey also found that the City was working well. The City Council should listen to the results from the survey the City Council had requested and paid for, which had shown a RPTT would not be supported. He questioned the City expending more funds on something the consultants had already stated would not be supported by the voters.

#### **PUBLIC COMMENTS CLOSED**

Mayor Salimi explained that the survey had been based on respondents' satisfaction of the City today and the purpose of a charter city and RPTT was to address future needs and services and capital improvement projects with the intent to invest in the community and ensure the City was viable for years to come. He suggested a rebate should be considered if a RPTT were enacted for improvements to a home, with the possibility for a tax break.

Mayor Pro Tem Murphy requested more information on the types of rebates offered by other jurisdictions.

City Manager Murray advised that staff would be conducting some research on the rebate programs offered by other jurisdictions that had adopted RPTTs. The City of El Cerrito had a rebate program for its RPTT where the new homeowner could receive a rebate for a portion of the RPTT paid for seismic energy and water conservation improvements. The City of Berkeley also provided a rebate to its RPTT for seismic upgrades meant to incentivize homeowners to make improvements, with more information to be provided at the second public hearing.

In response to the Mayor Pro Tem, Assistant City Attorney Mog advised that if the charter city and enactment of the RPTT were approved it would go into effect once certified by the Secretary of State, possibly January 1 of next year.

Council member Toms understood the City needed \$100 million for capital improvements and funds for the sewer system. She asked whether there was any report identifying the costs for capital improvements for the future.

City Manager Murray explained that one of the goals of the Strategic Plan was to conduct an assessment of all City capital assets, which had been broken into individual master plans and assessments. At this time there was not a complete view of the condition or deferred maintenance and future needs of all assets. One of the estimates for street repairs was between \$30 and \$40 million to bring all streets to a certain condition and \$100 million was the planning level estimate for the General Fund supported asset classes. The sewer system and the Pinole-Hercules Wastewater Treatment Plant were different since they were enterprises to be self-supported by user fees. While \$100 million was a reasonable planning level estimate, that money had to be invested over a number of years to catch up. While the \$100 million included the sewer system, since the assessments were not complete he could not state at this time how much that represented.

City Manager Murray also defined a General Obligation Bond as another mechanism to acquire and refresh capital assets.

Council member Toms asked of the cost to place a ballot initiative forward. She was uncertain the ballot measure would pass just based on the City's education and outreach efforts alone and whether the City would need some real advocates. She also would like to see the need identified, and while there were various reports pending there was no report to identify the need. Absent that information it was difficult to argue for the need to consider a ballot measure. She also struggled with the proportionality of the RPTT and having a buyer covering closing costs and essentially prepaying property taxes prior to moving into the same residence and pay that tax every fiscal year. Also, there would be seniors possibly selling their homes to move into retirement homes, as an example, and requiring them to pay a RPTT when they needed the funds most was of concern. The proportionality was off because while buyers and sellers would be charged, not all residents would be charged.

Mayor Salimi understood the difficulty in purchasing a new home in the Bay Area and recognized the continued increase in home prices, but he found that Pinole remained affordable as compared to its neighbors. He had conversations with real estate professionals who did not see a RPTT changing the manner in which people were trying to purchase a home in Pinole since homes in Pinole were still relatively affordable but acknowledged a RPTT could be a burden for some homebuyers.

Council member Toms pointed out that was the piece of the home sale that was not financeable, and the buyer would have to come up with the money up front for the home purchase in addition to the RPTT.

Assistant City Attorney Mog understood the RPTT would be part of the closing costs and its payment would depend on the structure of the home loan.

Council member Toms added there were other annual costs if a buyer had less than 20 percent to put into a down payment making it more difficult for someone to get into their first home. The City's current RPTT revenue for this fiscal year was \$119,000 based on 55 cents per \$100,000. If the RPTT was increased to \$8 per \$10,000 (0.8%), \$1.45 million had been estimated in revenue. If the RPTT was increased to \$12 per \$1,000 (1.2%), \$2.18 million in revenue had been estimated. She would like to see what the \$2.18 million pro rata across the board for citizens would be.

Council member Tave appreciated the discussion, recognized the real estate market went up and down, the percentages may change but things were negotiable. He found this was an opportunity for the City to prepare for the future and was a step in the right direction and ultimately would be up to the voters to decide. The survey had shown that respondents were split three ways, the democratic process was at work, and he acknowledged the City had to educate the public. In terms of general obligation bonds, he pointed out that was not free money. The RPTT would be completely open to the market, would fluctuate, and the current RPTT had not been revisited for some time.

Council member Martinez-Rubin suggested the City Council should listen to the results of the survey and polling results as had been presented to the City Council from the consultants on May 31, which findings were reflective of what the City Council wanted to obtain from a representative sample of voters.

The most recent findings from the May 31 presentation and earlier findings from a poll done in November 2019, had shown similar results that likely voters were pretty satisfied with the way things were in Pinole.

Council member Martinez-Rubin understood the Mayor was of the opinion that voters were not considering the future but she disagreed and noted they had considered the time they had spent in Pinole and their contributions via property taxes all along. She concurred with the sentiment this would be a disproportionate tax, and if considering equity a fairly assessed tax should be considered. The proposed RPTT would be focused on a select group of people, was not an equitable tax, other options had not been explored and the estimated revenue from the RPTT could not be guaranteed.

Council member Martinez-Rubin suggested ignoring the consultants' findings was a bad idea. She reiterated that other options about increasing taxes had not been considered for the amount under discussion and what the City could possibly obtain from other possibilities in the narrative of the long-term plan previously presented including an increase in franchise taxes.

Council member Martinez-Rubin cited, as an example, the frequent rate increases from PG&E and there was a possibility to explore those rates with PG&E or explore whether the UUT was acceptable by the electorate. While she recognized the need based on the work presented by staff since 2020, it matched what the focus had been on a very narrow charter and based on getting the money now because they think they can whereas the consultants again found the segment of likely voters indicated this would not likely pass on a ballot measure. Expending more City funds on an educational process that reasonably required more than three or four months, and possibly more consultant costs did not make sense for an informational attempt via a toolkit requiring access to the Internet and social media that a good number of the electorate did not use did not make sense. She suggested the City Council not move forward with the staff options as outlined.

Council member Toms agreed the City Council should not move forward with the staff options as outlined, but if three Council members decided to continue that was not such a bad thing since it would provide education for finding a solution, which she suggested would not be found through this process. By having further dialogue to identify the needs of the City would improve the process. She would not be offended if three Council members decided to continue.

Council member Tave did not want to underestimate residents' ability to understand the RPTT through an educational process. He suggested it was worth it to move the process forward. He understood the comments about the consultants' findings and the timeline but was confident the electorate would understand the process and he would like to move forward.

Mayor Pro Tem Murphy appreciated the dialogue on this topic but wanted to ensure that equality and equity, which were very different, was recognized in terms of taxation. Based on that they had to ensure that those two groups of people had an equal outcome and they had to speak of equitable taxation. As an example, sales taxes placed more of a burden on lower income persons. He was happy to continue the conversation in the hopes it would lead to more education. He supported moving forward to a second public hearing.

Mayor Salimi commented on his background as a real estate agent in the Bay Area and emphasized he wanted real estate agents to be successful in Pinole, but there was a need in the

City to repair roads and infrastructure into the future. While everyone was happy with what they had now he stated the City had to invest money now for its needs in the future, and while he recognized Council member Martinez-Rubin's concerns, he disagreed.

Council member Martinez-Rubin suggested either the City tax everyone equally or it consider taxing a select group of people, which she found to be unfair and unequitable.

Mayor Salimi pointed out that even with the RPTT, the City would be short the estimated amount each year to address the City's needs. Even if a parcel tax or General Obligation Bond was considered the City would be short the money needed. He did not want to wait but plan for the future now in that if nothing was done now, the City would be in bad financial shape.

Council member Martinez-Rubin disagreed and noted that for different projects in the City there were different sources of revenue and not all taxes would alleviate all things. She commented that prior to the start of the meeting, the City Council had received approximately 42 emails from individuals about this topic requesting the City Council consider other ways than the RPTT. She wanted the City Council to explore an increase in taxes not tied to the RPTT.

Mayor Salimi understood the concerns but reiterated the need to move forward and start somewhere and the RPTT was the first step to move forward to being successful.

Mayor Salimi and Council member Martinez-Rubin debated their opinions at length and both reiterated their opinions on this topic.

Council member Tave clarified with the Assistant City Attorney that the current RPTT had been established by state law, and Council member Tave pointed out the current RPTT was an old number, many neighboring cities had improved and benefited from improving their RPTT, and the RPTT was a proven tax within the region and across the state, which was a core element missing from the conversation. He urged the City Council and members of the public to keep that in mind as the City moved forward.

**ACTION: Motion by Mayor Pro Tem Murphy/Mayor Salimi to provide direction to Staff to Schedule a Second Public Hearing to Continue Consideration of a Potential Charter City Measure and Prepare a Real Property Transfer Tax Ordinance.**

<b>Vote:</b>	<b>Passed</b>	<b>3-2</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Tave</b>
	<b>Noes:</b>	<b>Martinez-Rubin, Toms</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

Motion made by Mayor Pro Tem Murphy, seconded by Council member Tave to provide direction to staff to consider all options and to commence education and outreach activities

On the motion, Council member Martinez-Rubin reiterated the consultants had 25 years' experience gauging whether a ballot measure would pass or not.

**ACTION: Motion by Mayor Pro Tem Murphy/Council member Tave to provide direction to Staff to Consider All Options to Commence Education and Outreach Activities.**

<b>Vote:</b>	<b>Passed</b>	<b>3-2</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Tave</b>
	<b>Noes:</b>	<b>Martinez-Rubin, Toms</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

Mayor Salimi requested the creation of a rebate program for seismic upgrades and energy/water conservation as related to the charter city charter, similar to the program offered by the cities of El Cerrito and Berkeley to offset the RPTT.

Assistant City Attorney Mog advised that would be something to be considered in the RPTT Ordinance, not the charter itself. The City Council could decide at its next meeting how to change or adjust that recommendation.

Mayor Pro Tem Murphy requested more information on low income buyers and wanted to know what other cities were doing, and Assistant City Attorney Mog confirmed that information could be provided at the next meeting.

Council member Toms pointed out if an affordable property and the sales price was reduced the RPTT would be reduced, such as for a restricted/affordable unit.

Council member Tave suggested a complete sewer lateral replacement should be included for a possible rebate from the RPTT as well and City Manager Murray noted there was a new requirement that new homeowners inspect to verify the sewer lateral was in serviceable condition or had been upgraded, although the City did not provide a financial incentive or subsidy.

Assistant City Attorney Mog confirmed that had been spelled out in the current PMC but it would be possible to consider that as one of the eligible expenses for a rebate. He noted the rebates for El Cerrito and Berkeley had been capped at one third of the RPTT paid. The City Council could consider the type of rebate to be considered and that decision could be made at a later date.

Council member Martinez-Rubin requested information on the income levels that could be eligible for the rebates, which information could provide data on the number of people who could be helped by the City, and City Manager Murray advised that information could be gathered from peer jurisdictions that had enacted rebates to their RPTTs.

Council member Martinez-Rubin added that term limits on the improvements to be made and who followed up on those improvements should also be clarified, and City Manager Murray understood that typically the full RPTT was paid up front, and later evidence and documentation was provided that the improvements had been made and a rebate would then be provided for that amount. The onus was on the homeowner to make the improvements rather than on the City to enforce.

Assistant City Attorney Mog reiterated the potential rebate items would not be part of the draft charter but the Draft RPTT Ordinance.

**ACTION: Motion by Mayor Salimi/Council member Tave to provide direction to Staff to Return with Information for Possible incorporation into the Draft Real Property Transfer**



**Tax Ordinance, Rebate Programs Related to Seismic Upgrades, Sewer Lateral, Energy (including solar and water) as well as Information on Low Income Exemptions.**

**Vote:**           **Passed**           **3-2**  
                  **Ayes:**           **Salimi, Murphy, Tave**  
                  **Noes:**           **Martinez-Rubin, Toms**  
                  **Abstain:**       **None**  
                  **Absent:**       **None**

As to the rate of the enhanced RPTT, Mayor Salimi, Mayor Pro Tem Murphy and Council member Tave supported a rate of 0.8 percent while Council members Martinez-Rubin and Toms did not support an enhanced RPTT.

Mayor Pro Tem Murphy preferred the conversation of the RPTT rate be deferred to the second public hearing.

**ACTION: Motion by Council member Tave/Mayor Salimi to set the Applicable Rate for the Proposed Real Property Transfer Tax (RPTT) at \$8 per \$1,000.**

**Vote:**           **Passed**           **3-2**  
                  **Ayes:**           **Salimi, Murphy, Tave**  
                  **Noes:**           **Martinez-Rubin, Toms**  
                  **Abstain:**       **None**  
                  **Absent:**       **None**

Mayor Salimi thanked the City Council for the respectful dialogue on this agenda item.

**11. OLD BUSINESS**

**A. Revised Proposed Fiscal Year (FY) 2022/23 Operating and Capital Budget  
[Action: Review and Provide Direction (Guillory)]**

Finance Director Guillory provided a PowerPoint presentation of the Revised Proposed Fiscal Year (FY) 2022/23 Operating and Capital Budget, and asked the City Council to review and provide direction to staff on any changes.

Mayor Salimi declared a recess at 9:12 p.m. The City Council meeting reconvened at 9:28 p.m. with all Council members present via Zoom or in-person.

**PUBLIC COMMENTS OPENED**

Rafael Menis, Pinole, assumed that the values given in the revenue and expenditure summaries were more current than the forecast values. He praised the Finance Department for the charts on Pages 32 and 33 of the Operating and Capital Budgets, which had been well done and which had been needed for some time, but asked whether the budget had been structurally imbalanced in Revised FY 2021/22, since having an ongoing use of fund balances for an ongoing expenditure in one year was one thing but multiple years in a row was a concern.

Referring to Page 414 of the agenda packet, Mr. Menis asked for clarification of the reference to "*anent readiness*" as shown in the second bullet point under the heading FY 2022/23 Key Priorities

and Projects and commented that several segments of the agenda packet had been left blank. He asked whether that was deliberate, and if so stated it was a waste of paper. He also referenced Page 515 of the agenda packet and the information shown related to Major Non-Personnel Expense Details and suggested the values shown did not appear to be plausible and should be clarified, with the values shown on Page 517 to be more reasonable.

Finance Director Guillory clarified the FY 2022/23 budget versus what was in the Five-Year Forecast included some updates, with the Five-Year Forecast including an estimate of the fund balance in the amount of \$405,000, and with staff estimating as part of the current presentation \$482,000 based on some adjustments to the revenues and expenditures since the Five-Year Forecast had been completed. For the FY 2021/22 structural imbalance, the Revised Budget had shown the use of a fund balance of about \$6.4 million, which had been revised, with the majority related to one-time items and included capital improvement projects that had not been completed in FY 2021/22 that had been carried forward to FY 2022/23. Staff had now estimated the use of \$3.4 million in FY 2022/23, as reflected on Page 338 of the agenda packet.

Fire Chief Chris Wynkoop clarified the definition of *anent readiness* was related to putting monies into Fire Station No. 74 with regard to getting it ready for reoccupation by fire crews.

Finance Director Guillory added the blank pages were intended to make the budget document more user friendly, with changes to be made to the formatting to ensure there were not as many blank pages. In addition, with respect to the values shown on Page 515 of the agenda packet, she clarified that PCTV had been changed from one division to three different divisions to better account for the services provided. That budget continued to be vetted and once a PCTV Master Plan had been completed the values would be squared away.

Cordell Hindler, Richmond, spoke to the one-time projects and was pleased that diversity, equity and inclusion had been included and was a big component of City government. He suggested the cost for a consultant was reasonable. He also suggested there was not enough funding for economic development given small businesses continued to suffer hardships due to the pandemic.

Irma Rupert, Pinole, stated she had provided to the City Council excerpts from an editorial published on November 2, 2020 from Bay Area News Group, which were relevant to agenda items 11A and 11B. She asked the City Council to take the editorial seriously and realize that any action to non-prioritized non-essential budget expenditures would be fiscally irresponsible and beyond the scope of good accounting practices. She urged the City Council to exclude any budgetary item that was unnecessary to keep the City afloat during this economic crisis due to the pandemic. She reported the country was heading into a recession and when the City had gone through the prior recession it had been ambitious spending money but the City had lost many members of its personnel. She urged care with the expenditures in the budget. She otherwise asked that the budget include a mental health expert who could provide services to the City, the community and Public Safety Officers.

Debbie Long, Pinole, understood the General Fund balance had been accumulated from previous years and carried over but asked how that had evolved and what part of the balance was still slated for other funds.

With respect to Pages 25 and 54 of the budget related to the 115 Trust, which was intended to offset any increases from the California Public Employees' Retirement System (CalPERS) as well

as help City employees by freezing their increased share of the employer contribution, Ms. Long stated that Page 54 had shown the contribution to the Trust had increased dramatically for this fiscal year and had been transferred into the General Fund to balance the budget. She asked if part of that increase was due to the entire cost of new employees and/or the City's contribution or to pay off the CalPERS General Obligation Fund, which had increased year after year, and if so whether the formation of the Trust had left the City with a larger deficit in the future when the money dried up. She requested a complete breakdown/audit of the Trust contribution, including how it had been used, and a breakdown by employee for which the transfer had been attributed.

Ms. Long also stated with respect to Measure S funds that they had not been broken down by year (2006 and 2014) with no line items for expenditures for each of the measures and no category to break down how other funds had been funded with Measure S funds.

Finance Director Guillory clarified that Page 338 of the agenda packet had shown FY 2022/23 Operating and Capital Budget Revenue and Expenditure Summaries – All Funds, which she walked through at this time and which included the General Fund and Measure S funds. The transfer for the Trust had been based on a formula the City had established when the Trust had been created, which formula was detailed at this time. The Trust had not been used to pay any of the 2006 Pension Obligation Bonds. Through negotiations, employee contributions to the employer portion of the CalPERS contribution had been lowered, adding to the increased cost.

Finance Director Guillory confirmed Ms. Long's understanding that using the figures for FY 2018/19 any new employees that raised the ceiling for CalPERS had then been included in the Trust to pay for new employee/employer contributions of General Fund funded positions, but Ms. Long reiterated that was not the intent of the use of the Trust.

City Manager Murray clarified the policy that had been implemented since his time with the City of Pinole where the Trust was to be used to hold stable the General Fund operating funds contribution to CalPERS for employees and the amount calculated to be transferred from the Trust was the amount the City needed to pay to CalPERS in the base year minus the difference between that and what the City was required to pay in the current budget year, which was the amount of the transfer. He had not read anything that distinguished between the different tenures of employees whether new employees or not. The City did not have a funded actuarial liability for new employees including for California Public Employees' Pension Reform Act (PEPRA) employees and there was no way to forecast the future value of the Trust.

Finance Director Guillory added that Page 337 of the agenda packet included a breakdown of the Measure S 2006 and 2014 funds.

Ms. Long reiterated the two Measure S measures were not to be lumped together and had always been separate.

City Manager Murray commented that the two Measure S measures had been separated into separate funds in the budget document but had been lumped into the General Fund for accounting purposes.

Finance Director Guillory reiterated that Page 337 of the agenda packet included the revenues and expenditures for both measures but they could be separated between Measure S 2006 and

Measure S 2014 for clarity. Also, Page 338 of the agenda packet had shown the revenues and expenditures for both Measure S 2006 and Measure S 2014 separately.

#### **PUBLIC COMMENTS CLOSED**

Mayor Pro Tem Murphy asked whether or not reopening Fire Station No. 74 would result in an adjustment to the budget, and City Manager Murray explained it was uncertain whether the City would enter into a contract with the Contra Costa Fire Protection District (Con Fire) for services. The proposed budget had been formatted to assume the City would continue to run the Fire Department for the remainder of the year with the exception of a small expenditure to improve the readiness of the station for reopening. The premise of reopening the station with Measure X funds was that there would be no cost to the City.

Council member Toms shared the concerns with the increase in drawing on the 115 Trust which was to get the City over the period of escalation, which was not sustainable for the General Fund, and the City had to be cautious not to draw down that balance to ensure it lasted for the intended period of time.

City Manager Murray reiterated the City Council had established the policy for the Trust, which policy was again detailed. The City had been fortunate to receive substantial one-time funds as a result of the sale of redevelopment properties. Those funds had been deposited into the Trust, to be used to offset the significant increases in CalPERS contributions. Forecasts had been made on how long the Trust would last in that CalPERS changed its rates each year and there were a number of things related to CalPERS where the City had no control and was required to contribute. He reiterated the Trust was being used to pay for the delta between what the City paid to CalPERS for employee pension contributions in the base year and what was owed today. He highlighted the numerous changes that CalPERS had made over the years in contributions and stated there was a significant Trust balance, the City was not at risk of fully depleting the Trust, but if the City Council wanted to consider a policy change that could be considered.

Council member Toms recalled that although it was the base year, at that time there was not a big hiring phase as the City had experienced in the past two years, and the Trust was not intended to supplement new hires' base pay and pension costs, and City Manager Murray clarified that all employees whether new or not, whether CalPERS (classic) or PEPR, had the same required contributions. He reiterated that the City Council may consider a change to its Trust policy.

Finance Director Guillory added the total cost at the end of the year was evaluated and the transfer was based on the actual cost. The amount related to any vacancies that were not filled that were not contributing to the cost of the CalPERS contribution would not be transferred and there could be some savings at the end of the year with the transfers.

Mayor Salimi asked the City Manager to advise the City Council when or if a policy change should be considered for the Trust.

As to when the Trust would be depleted and in response to the Mayor, City Manager Murray stated that would require an actuarial report and could be considered as a future agenda item.

In response to Council member Tave, Finance Director Guillory clarified why staff was of the opinion the budget was appropriate and prudent despite using the General Fund balance to cover

ongoing expenditures for the reasons outlined on Page 285 of the agenda packet. If a proposed budget was structurally imbalanced, the City's Structurally Balanced Budget Policy directed that staff should develop a plan to create a structurally balanced budget for the subsequent fiscal year. If the City Council did not want to use \$481,861 of the General Fund balance to cover ongoing expenditures, it could eliminate any of the items from the Revised Proposed budget or eliminate any other ongoing General Fund expenditures or an equivalent amount as shown on Page 286 of the agenda packet.

Mayor Salimi offered a motion, seconded by Mayor Pro Tem Murphy to approve the report for the Revised Proposed Fiscal Year (FY) 2022/23 Operating and Capital Budget.

City Manager Murray explained that staff was asking the City Council to receive the Revised Proposed Fiscal Year (FY) 2022/23 Operating and Capital Budget and provide direction on any changes the Council would like to see in the document, with the final document to be presented to the City Council for action on June 21, 2022.

Council member Toms understood there were some placeholder items related to PCTV and some basic additions to be provided, and City Manager Murray reiterated that PCTV had been changed from one division to three different divisions to better account for the services provided, and that budget continued to be vetted. He detailed the services provided by PCTV and the need to better understand the budget to be allocated for those services, with the percentages to be fine-tuned.

In response to Council member Martinez-Rubin, City Manager Murray advised the City Council may receive the Revised Proposed Fiscal Year (FY) 2022/23 Operating and Capital Budget and incorporate any additional information. The Finance Director would clarify all of the questions asked and staff would return with a Final Proposed document at the June 21 meeting. If during the discussion of Item 11B the City Council directed staff to make changes to the budget based on the discussion of the CIP that would also return to the Council in the form of the Final Proposed Budget at the June 21 meeting.

**ACTION: Motion by Mayor Salimi/Mayor Pro Tem Murphy to receive the Revised Proposed Fiscal Year (FY) 2022/23 Operating and Capital Budget, as presented.**

<b>Vote:</b>	<b>Passed</b>	<b>5-0</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Martinez-Rubin, Tave, Toms</b>
	<b>Noes:</b>	<b>None</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

**B. Revised Proposed Fiscal Year (FY) 2022/23 through 2026/27 Five-Year Capital Improvement Plan [Action: Receive Report and Provide Direction (Kaur)]**

Capital Improvement and Environmental Program Manager Misha Kaur provided a PowerPoint presentation of the Revised Proposed Fiscal Year (FY) 2022/23 through 2026/27 Five-Year Capital Improvement Plan.

Ms. Kaur asked the City Council to review the Plan and provide feedback and direction for the preparation of the final version to be adopted by the City Council on June 21, 2022.

## PUBLIC COMMENTS OPENED

Irma Ruport, Pinole, expressed concern with the recommendation for improvements to the Faria House, which project was on the Unfunded List, was a low priority, and had been discussed at great length at prior meetings. She stated the project was not a necessity or a priority, the country was in a recession, and she recommended instead that a mental health specialist be funded. She reported she had requested a breakdown of the total costs the City had expended since the onset of the topic of the Faria House which information still remained to be provided to the public. She asked the Mayor to get to the bottom of the matter.

City Manager Murray recalled there had been a Public Records Act request for information related to City expenses incurred in relation to the Faria House and City records had been provided to Ms. Ruport. He confirmed, when asked by the Mayor that the Faria House was City property.

Rafael Menis, Pinole, referred to the planning level estimate for the solar carport at the Senior Center parking lot, specifically the double cantilevered solar canopy, as shown on Page 542 of the agenda packet, and asked why using the Pinole Senior Center as a cooling center would lead to increased demand. He also asked for more detail on the cost estimates for Phase 1, Hazard Remediation for the Faria House as shown on Page 544, and asked if Phase 1 was not completed whether it would lead to further expenses for whatever use was chosen for the Faria House.

Ms. Kaur explained that if the Senior Center was used as a cooling center it may exceed the capacity at the building. If the building was used for a long period of time as a cooling center or offered energy storage beyond a day, it would increase the amount of storage for the solar panels. The estimate had been based on past consumption data but if the desire was to understand the net-zero status if used as a cooling center and require energy storage lasting multiple days additional investigation would be required.

Community Development Director Lilly Whalen detailed the work that would be involved in the Phase 1, Hazard Remediation scenario for the Faria House. She did not see any negative implications for the structure in the short term if the work was not done at this point since the purpose of the remediation was to remove asbestos, lead paint and hazardous materials.

City Manager Murray suggested if the remediation was not done it would not lead to the continued deterioration of the structure since the materials were inert but the hazardous materials must be removed and remediated prior to any future habitation of the structure.

Community Development Director Whalen also clarified the cost estimate for the lower-level office and the upper-level warm shell for the Faria House, estimated at \$420,000 and as shown on Page 544 of the agenda packet. The purpose for the work was to consider a commercial/office use and not a residential use.

Tony Gutierrez, Pinole, questioned the potential expenditures for the hazard remediation and other improvements for the Faria House. He wanted to know the total scope of the project and expressed concern with the potential for project "creep" given the lack of identified reasons for any of the work.

Mr. Gutierrez suggested there should be no problem leaving the property as is until a future use had been considered and suggested a future enterprise should pay for the expenditures since the building would have to be catered to a potential future use anyway. He also asked of the annual

projections of funds for the CIP projects and whether the City had the personnel for the projects identified in the Five-Year CIP.

Public Works Director Sanjay Mishra explained that the cost estimates for the Faria House were estimates only based on current information available at the staff level and in response to City Council direction. Staff had not been directed to consider any options for the use of the Faria House at this time.

City Manager Murray confirmed the City had neither defined a scope of work for the Faria House nor selected an ultimate use for the building. An architect had provided detailed drawings for a specific use that had been proposed in 2021 but that had not moved forward. The City had enough funds in the General Fund balance to pay for the estimated renovations for the Faria House as shown in the staff report. He also clarified that some of the CIP projects were unfunded and not all CIP projects had detailed estimates.

#### **PUBLIC COMMENTS CLOSED**

Council member Tave clarified with Ms. Kaur the CIP projects that had been carried over from previous years and the summary of new CIP projects, as shown in the PowerPoint presentation and as presented for the Revised Proposed CIP list, which comprised 35 planned public improvement projects, all described in detail in the staff report.

City Manager Murray explained in response to Council member Tave the budgeting practice was to fund the project in the year it was first approved, with the funding encumbered for the projects approved by the City Council in the year approved, and if the funds were not expended and the project for whatever reason did not move forward, the City Council may reprogram those funds which would be rolled over to the next year's budget.

Council member Toms clarified with City Manager Murray that adding staff for the CIP projects was in the budget as part of Item 11A, and included a new Associate Civil Engineer as well as a Public Works Specialist, and when the budget was formally approved by the City Council those positions could be filled. She also clarified with respect to the discussion around the Faria House that tenants typically conducted tenant improvements and not hazard improvements.

Assistant City Attorney Mog confirmed that would be typical for a lease situation. If the City were to sell the Faria House, as an example, the City may consider selling the property as is.

Council member Toms stated the rear of the Faria House had a park that was not used and at some time the City Council may want to consider a scope of improvements to allow that area to be used by the community if the City retained the ownership of the property.

Mayor Pro Tem Murphy referenced the solar carport at the Senior Center parking lot and the information provided in the staff report. He clarified with Ms. Kaur the details and estimate of \$500,000 and that staff had estimated the energy uses of the building and what it would require to meet that demand along with backup battery storage to meet the current needs of the building. Mayor Pro Tem Murphy clarified that the \$500,000 estimate shown for the upcoming fiscal year was for the design work to finalize the plans and did not include solar. To make the parking lot solar ready including the construction of the lot, the cost estimate was \$588,000 and the

installation of the canopies and selecting a design would be in addition to the figures shown in the budget.

**ACTION: Motion by Mayor Pro Tem Murphy/Council member Martinez-Rubin to extend the City Council meeting to 11:30 p.m.**

<b>Vote:</b>	<b>Passed</b>	<b>5-0</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Martinez-Rubin, Tave, Toms</b>
	<b>Noes:</b>	<b>None</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

Ms. Kaur also highlighted the analysis for net-zero status with net-zero status achieved when the amount of electricity produced by the system was roughly equal to the amount of electricity used by the building. If building out the parking lot at the Senior Center, the Building Code automatically triggered the requirement for the installation of five Level Two Electric Vehicle (EV) Charging Stations placing an additional electrical demand on the building and on the electrical system. Staff was exploring running new electrical service simply for the EV charging stations at the Fowler Lot only and not place demands on the existing system at the Senior Center. She clarified that staff would consider all effective options. She explained that the system would be designed in a manner where it would collect the solar energy during the day and then conserve it in the battery backup storage during the night. The options identified in the staff report were again highlighted and would be sufficient at this time.

Ms. Kaur also highlighted the single rather than double cantilever solar canopy option, and the possibility of supplementing solar panels on the Senior Center roof. The intent was to design a system that provided the average 24-hour demand. If the double cantilever solar canopy and backup battery storage option was installed that should be sufficient for 24-hour usage without accessing the grid, providing the net-zero status. She reported the double cantilever solar canopy with battery backup system option and any associated costs with that would run about \$500,000. If demands increased uses at the Senior Center or if the City Council decided to allow nighttime events, an upsized system would have to be designed with additional solar panels, as an example. Solar could be used to offset the demand but did not have to necessarily be net-zero status.

Mayor Pro Tem Murphy wanted to discuss this subject further including possible cost savings but given the lateness of the hour would defer at this time. As to CIP # FA2401, Plum Street Parking Lot Improvements, there was limited information on what the improvements would entail and he asked that when the CIP was next presented the improvements be flushed out more and whether the parking lot would be accessible to the public clarified. Also, CIP #PA2101, Installation of high-capacity trash bins, he asked that the number of trash bins be identified in the description of the project for the benefit of the public.

Ms. Kaur clarified with respect to CIP #PA2101, a recommendation had been made by the Beautification Committee and staff had estimated the number of trash bins needed.

Ms. Kaur added that the idea was to issue Request for Proposals (RFPs) and see how many trash bins could be provided and once that process was done and a contract awarded that information could be clarified. At this time, the cost estimate was preliminary in nature.



Council member Martinez-Rubin suggested the PowerPoint presentation previously presented to the City Council from Friends of Pinole Creek Watershed may also serve as a piece of information that could help to determine the location of the high-capacity trash bins.

As to the number of staff who had worked on CIP program management, City Manager Murray clarified the number of personnel who had worked on capital projects equated to less than two Full-Time Equivalent (FTE) staff persons compared to the 26 CIP projects identified and nine infrastructure assessments for FY 2022/23. He explained that there had been a rigorous effort to ensure the availability of staff for these projects which was why the proposed budget included the addition of two FTE staff positions, as earlier described. He suggested the two additional staff was a step in the right direction and the right amount for the City at this time.

Council member Tave clarified with the Public Works Director and the City Manager the two additional positions would help with much of the work being done in-house with some outsourcing still required for certain specialized work. He suggested the two new positions would work out well and there should be gains over the years with the ability to complete projects.

Council member Toms expressed interest in moving towards having the Faria House either have some remediation or a basic lower-level office, upper-level warm shell renovation as estimated in the staff report. She supported that renovation given that the Faria House was a City-owned building currently unusable with a nice park at the rear, an asset the community was currently unable to enjoy.

Mayor Pro Tem Murphy wanted to see the net-zero status solar carport project at the Senior Center parking lot move forward but he recognized that staff still had work to do. He also referenced the other projects related to the Senior Center as identified in the CIP, emphasized the Senior Center was a well-used asset of the City, and recognized the intent to modernize that asset and expand the public space with respect to the parking lot. He wanted more information on the potential savings with reduced energy usage and creation of sustainable public buildings, and he was specifically focused on the net-zero status, again understanding more work needed to be done to take it to the next level. He wanted to see that work be integrated into the action plan between the four projects with respect to the Senior Center as had been identified in the Five-Year CIP.

City Manager Murray explained that the Senior Center projects would naturally be integrated and more study would be needed to implement solar improvements and battery storage. The Senior Center CIP projects were more about aesthetics and he did not foresee any overlay with those specific projects. As to the net-zero status, the goal was to determine the total cost and scope for net-zero, to be defined as per normal operations and not unusual circumstances, and he suggested that information could be provided at the June 21 City Council meeting. Direction to staff for that additional information was all that was needed at this time. As to potential funding sources, the funds could come from Measure S or the General Fund and staff would identify the potential funding sources and whether the upfront costs would be offset by future savings.

Mayor Pro Tem Murphy also referenced the cost estimate of \$85,000 for CIP #PA2201, Pocket Parks – Galbreth Avenue. He found the cost to be a concern and he wanted a broader conversation on the project at the next City Council meeting.

Ms. Kaur clarified the cost estimate for CIP #PA2201, was not just for the addition of trash receptacles but a previous estimate of \$65,000 had been based on one pocket park and a bench. Staff had later understood it was two pocket parks, two benches and possibly two Lot Line Adjustments (LLAs). The project had been estimated at a higher amount and if possible staff would attempt to do the project for \$65,000 but if the project expanded into the next fiscal year, \$85,000 had been projected to make that possible.

Mayor Salimi found the cost estimate for CIP #PA2201 to be expensive and he was not opposed to removing the project from the CIP List.

City Manager Murray advised that staff would review the numbers for the project.

Council member Martinez-Rubin spoke to the volume of public input related to the Faria House and the lack of appreciation for the City-owned property for the entire community as a cultural destination. She offered a motion to integrate the costs associated with the renovation of the Faria House with an elevator since the City, as a public agency, must comply with Americans with Disabilities Act (ADA) requirements.

Assistant City Attorney Mog clarified the City must comply with the Historic Building Code, which was slightly different and depended on the potential use of the property, which the City Council had yet to determine.

Council member Martinez-Rubin again offered a motion to renovate the Faria House with an elevator and approve a Memorandum of Understanding (MOU) between the City of Pinole and the Pinole History Museum, regarding the renovation of the Faria House and lease to the Pinole History Museum. The details on use and design may have to be updated, but all information previously presented during a City Council meeting in November 2020 was available for reference.

**ACTION: Motion by Council members Martinez-Rubin/Toms to extend the City Council meeting to 11:45 p.m.**

<b>Vote:</b>	<b>Passed</b>	<b>4-1</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Martinez-Rubin, Toms</b>
	<b>Noes:</b>	<b>Tave</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

Assistant City Attorney Mog advised that a potential MOU with any organization was not on the agenda for consideration and it was not appropriate to discuss at this time, although the other aspects of the motion would be acceptable for the City Council to consider.

Mayor Salimi suggested the City Council first consider approval of the CIP as presented and then consider whether to add individual items for consideration.

**ACTION: Motion by Council member Toms/Mayor Pro Tem Murphy to approve the Revised Proposed Fiscal Year (FY) 2022/23 through 2026/27 Five-Year Capital Improvement Plan, as presented.**

<b>Vote:</b>	<b>Passed</b>	<b>5-0</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Martinez-Rubin, Tave, Toms</b>
	<b>Noes:</b>	<b>None</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

Mayor Pro Tem Murphy offered a motion to add the Solar Carport at the Senior Center Parking Lot Project as an additional project in the Five-Year Capital Improvement Plan, and include a \$500,000 planning level estimate.

Ms. Kaur explained that the \$500,000 planning level estimate was for a double cantilevered canopy enough to meet the current demands of the building. In terms of analyzing the payback period, an energy audit would be required. For the Senior Center Auxiliary Parking Lot, the plan was to finalize the design and construction of the lot which would not occur until 2023/24. She asked whether the motion would add funds for the auxiliary parking lot or whether the intent was for a separate project and whether the estimate of \$500,000 would be programmed for the year planned for construction of the Senior Center auxiliary parking lot, or a standalone project.

Mayor Pro Tem was uncertain and sought direction from staff.

Public Works Director Mishra proposed the \$500,000 be part of the construction for the next fiscal year and could then be programmed only for the next year, and staff could complete the design and necessary estimation of the net-zero status design and assessment for this year.

**ACTION: Motion by Mayor Pro Tem Murphy/Council member Toms to add the Solar Carport at the Senior Center Parking Lot Project as an Additional Project in the Five-Year Capital Improvement Plan for FY 2022/23 through 2026/27, with the addition of the \$500,000 estimate added to the Year 2023/24.**

<b>Vote:</b>	<b>Passed</b>	<b>5-0</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Martinez-Rubin, Tave, Toms</b>
	<b>Noes:</b>	<b>None</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

Mayor Pro Tem Murphy offered a motion, seconded by Council member Martinez-Rubin to eliminate CIP #PA2201, Pocket Park – Galbreth Avenue from the Five-Year Capital Improvement Plan for FY 2022/23 through 2026/27.

Council member Toms understood that staff proposed to return at the June 21 City Council meeting to provide additional information on the project and she would like to hear that information prior to eliminating the project from the CIP.

Mayor Pro Tem Murphy as the maker of the motion and Council member Martinez-Rubin as the second agreed to withdraw the motion. The motion was withdrawn. Council member Toms reiterated her recommendation that the estimates for the Faria House, described as the installation of basic improvements, be approved.

Council member Martinez-Rubin reiterated the Faria House property was City-owned and as a public building should provide access for the first and second floors, and an elevator was warranted. She proposed direction to staff to move forward with the planning level estimate in addition to the costs associated with providing access to the second level.

Mayor Salimi noted the City Council had previously approved the CIP as presented, which included cost estimates for the Faria House.

City Manager Murray advised the cost estimates as part of the staff report related to modifications to the Faria House and were not part of the original approval of the CIP, as presented.

In response to the Mayor, Assistant City Attorney Mog advised that the Fair Political Practices Commission (FPPC) had advised the Mayor could participate in a discussion that did not involve decisions about any use of the Faria House, renovation of the building, or decision or discussion of the use of the building as a potential History Museum. The Mayor may participate in the discussion of the cost estimates for the minimal renovation work of the Faria House, as reflected in the staff report.

Council member Martinez-Rubin reiterated a motion for the City Council to move forward with the renovation estimates for the Faria House as shown in the staff report, with staff to come back with cost estimates for an elevator/lift and integrate the costs into the Five-Year CIP.

Mayor Salimi suggested consideration of an individual motion for each improvement item as shown in the staff report for the Faria House.

Council member Martinez-Rubin offered a motion, seconded by Council member Toms to integrate the Lower-level office, upper-level warm shell, planning level estimate of \$420,000 for the Faria House into the Five-Year CIP.

Mayor Salimi clarified with Assistant City Attorney Mog the entire City Council may take action on the motion and that the scope of work was broad and did not include any identified usage. Again, pursuant to an advice letter from the FPPC to him, he could vote on projects to renovate the Faria House building without a use attached since that would not impact his relevant interest if and when a use was assigned, which would have to be evaluated separately.

**ACTION: Motion by Council members Martinez-Rubin/Toms to integrate the Lower-Level Office, Upper-Level Warm Shell, Planning Level Estimate of \$420,000 for the Faria House into the Five-Year Capital Improvement Plan for FY 2022/23 through 2026/27.**

<b>Vote:</b>	<b>Passed</b>	<b>3-2</b>
	<b>Ayes:</b>	<b>Salimi, Martinez-Rubin, Toms</b>
	<b>Noes:</b>	<b>Tave, Murphy</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

**ACTION: Motion by Mayor Salimi/Council member Martinez-Rubin to extend the City Council meeting to Midnight/12:00 a.m.**

<b>Vote:</b>	<b>Failed</b>	<b>2-3</b>
--------------	---------------	------------

<b>Ayes:</b>	<b>Salimi, Martinez-Rubin</b>
<b>Noes:</b>	<b>Murphy, Tave, Toms</b>
<b>Abstain:</b>	<b>None</b>
<b>Absent:</b>	<b>None</b>

Mayor Salimi advised that due to the failed motion to extend the City Council meeting, the City Council had three minutes remaining to complete the meeting agenda.

Assistant City Manager Mog asked the City Council to consider a motion extending the meeting six minutes to allow two speakers waiting to speak under Item 13.

**ACTION: Motion by Council member Toms/Mayor Salimi to extend the City Council meeting six minutes to allow public comments under Item 13.**

<b>Vote:</b>	<b>Passed</b>	<b>5-0</b>
	<b>Ayes:</b>	<b>Salimi, Murphy, Martinez-Rubin, Tave, Toms</b>
	<b>Noes:</b>	<b>None</b>
	<b>Abstain:</b>	<b>None</b>
	<b>Absent:</b>	<b>None</b>

## 12. NEW BUSINESS

None

## 13. CITIZENS TO BE HEARD (Continued from Item 6) (Public Comments)

*Only open 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 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.*

Tony Vossbrink, Pinole, spoke to the ongoing COVID-19 pandemic. He asked whether the City had considered using the Pinole-Hercules Wastewater Treatment Plant to assist Contra Costa County and the cities of Pinole and Hercules to provide a more accurate reading of the pandemic's effects on West County. He asked whether the numbers could be broken up by City since he understood several cities in Contra Costa County were doing this research and some of the numbers had been inflated. He urged the City to be forthright and transparent. He otherwise requested an update on the Pinole bowling alley shooting incident that had occurred two and a half months ago, and requested the City Council and Contra Costa County consider a reward to help apprehend the shooter. He expressed concern with the increase in crime in Pinole and in the County.

Tony Gutierrez, Pinole, described a number of illegal activities occurring in Pinole Valley Park. He asked the City to consider signage or additional trash cans for the park and expressed concern with respect to public safety. He questioned the priorities of the City Council and asked how pet

projects governed the way the City operated citing the Pinole History Museum as an example. He emphasized the need to stop pet projects which were causing the City to become a ghetto.

**14. ADJOURNMENT** to the Regular City Council Meeting of June 21, 2022 in Remembrance of Amber Swartz and Mary Ellen Banuelos.

At 11:51 p.m., Mayor Salimi adjourned the meeting to the Regular City Council Meeting of June 21, 2022 in Remembrance of Amber Swartz and Mary Ellen Banuelos.

**Submitted by:**



---

**Heather Bell, CMC**  
**City Clerk**

**Approved by City Council:**

