



ALBANY CITY COUNCIL – MINUTES

City Hall Council Chambers
1000 San Pablo Avenue, Albany, CA
Monday, February 4, 2019

Date Approved February 19, 2019

6:30 p.m.

CLOSED SESSION

1. CALL TO ORDER
2. OPPORTUNITY FOR THE PUBLIC TO SPEAK ON CLOSED SESSION ITEMS

City Council convenes in the Council Chamber and then adjourns to closed session to discuss the following:

2-1. Conference with Real Property Negotiators

Property:	Northeast corner of Washington Avenue and Cleveland Avenue
City Negotiators:	City Manager, Community Development Director, and Planning Manager
Negotiating Parties:	Satellite Affordable Housing Associates
Under Negotiation:	Price and terms of payment for sale of City property

The following person spoke: Allan Maris.

A summary of the comments is as follows: support for affordable housing and a request for transparency regarding the progress of negotiation.

Note: the Council may reconvene to closed session following the regular City Council meeting regarding the above items.

ADJOURNMENT

7:30 p.m.

REGULAR MEETING

1. **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**
Council Member Maass led the Pledge of Allegiance.
2. **ROLL CALL**
Present: Council Members Barnes, Maass, and Pilch, Vice Mayor McQuaid, Mayor Nason
Absent: None
3. **CEREMONIAL MATTERS**
 - 3-1. Certificate of Recognition for Kim Denton upon her thirtieth year of service as City Treasurer

Vice Mayor McQuaid presented a certificate of recognition to Kim Denton.



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4. REPORT ON ACTION TAKEN IN CLOSED SESSION, IF ANY

Mayor Nason reported the Council gave direction to staff.

5. CONSENT CALENDAR

5-1. Minutes, January 22, 2019

Staff recommendation: Approve

5-2. Ratification of Payroll – Payroll Period: 1/18/19; Net Payroll: \$298,146.76; Taxes, Benefits, Withholdings: \$303,758.25; Total: \$601,905.01

Staff recommendation: Ratify

5-3. Ratification of Bills, Claims and Demands – Ratification of bills, claims and demands against the City of Albany in the amount of: \$35.99 (1/15/19), \$158,294.39 (1/18/19), \$27,157.52 (1/25/19)

Staff recommendation: Ratify

5-4. Advisory Body Appointments by Council Members: (a) Charter Review Committee: Lisa Schneider (Pilch), (b) Community Media Access Committee: Nico Lauer (Barnes), George Young (Pilch), (c) Economic Development Committee: Stephanie Sala (Barnes)

Staff recommendation: Ratify

5-5. Amendment No. 1 to Agreement for Legal Services on Labor Relations Matters with the Law Firm of Sloan Sakai Yeung & Wong, LLP

Staff recommendation: that the Council adopt Resolution No. 2019-11, approving Amendment No. 1 to the agreement (C19-31) for specialized legal services in the area of labor relations

5-6. Amendment No. 1 to Agreement for Legal Services on Employment Law Matters with the Law Firm of Liebert Cassidy Whitmore

Staff recommendation: that the Council adopt Resolution No. 2019-16, approving Amendment No. 1 to the agreement (C18-55) for specialized legal services in the area of employment law

5-7. Ratification of Police & Fire Pension Board Payments: \$104,827.77 (November 2018), \$105,011.87 (December 2018), \$105,011.87 (January 2019)

Staff recommendation: Ratify

Mayor Nason asked if anyone wished to remove an item from the consent calendar. No one wished to remove an item.



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MOTION:

Moved by Vice Mayor McQuaid, seconded by Council Member Maass, to approve the Consent Calendar.

AYES: Council Members Barnes, Maass, and Pilch, Vice Mayor McQuaid, Mayor Nason

NOES: None

Motion carried and so ordered.

6. GOOD OF THE CITY/PUBLIC COMMENT

Mayor Nason opened the Good of the City.

The following person spoke: Preston Jordan.

A summary of the comments is as follows: information regarding racially polarized voting in Albany.

7. COUNCIL MEMBER REPORTS ON STATE/REGIONAL LOCAL MEETINGS ATTENDED AND ANNOUNCEMENT OF FUTURE MEETINGS/CITY MANAGER REPORT/COMMENTS

Mayor Nason reported she attended the Waste Management and Energy Council meeting, constituent meetings regarding conservation of historic resources and nonprofit musical education, the Albany Police Department dinner, a meeting regarding strategic planning, the East Bay Regional Park District Park Advisory Committee meeting, a census webinar, a briefing regarding the future of San Pablo Avenue, and the Alameda County Transportation Commission (ACTC) meeting. Vice Mayor McQuaid and Mayor Nason met with David Ackerly, Dean of the College of Natural Resources; assisted with a point-in-time count of the homeless population; and toured Codornices Creek with Berkeley Council Member Rashi Kesarwani. All Council Members attended a division meeting of the League of California Cities.

Council Member Maass reported he attended the League of California Cities' presentation regarding CASA. The San Francisco Bay Area Planning and Urban Research Association (SPUR) has scheduled a meeting regarding CASA on February 13.

Council Member Pilch reported he attended the California League of Cities meeting and the Police Department dinner.

Vice Mayor McQuaid reported she attended the Police Officer recognition dinner, the City staff recognition lunch, and a quarterly Community Emergency Response Team (CERT) training. In addition, she convened a discussion with business leaders and the Fire Department regarding disaster resiliency.

City Manager Almaguer reported the Planning & Zoning Commission and Traffic & Safety Commission will review a draft Solano Avenue Complete Streets Plan on February 13 and February 28 respectively. Ideally, the Council will review the draft plan in April. Lucas Aguila began working for the City as a Program Aide. Registration for the February 23 American Red Cross shelter management class is underway. Another sandbag filling assistance day is scheduled for February 19. Spaces are available for the spring CERT class.

8. PRESENTATION



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8-1. Annual Financial Statements and Annual Audit for FY 2016-17 and FY 2017-18

Staff recommendation: that the Council

1. Receive presentation of the results from the City's independent auditor's examination of the City's financial reports for fiscal years ending June 30, 2017 and June 30, 2018; and
2. Accept and file the reports.

Finance Director Heather Rowden presented the staff report. The Summary of Net Position reflects a significant decrease in value of the City because it includes the City's pension liabilities, which will be paid over a number of years. The fund balance is approximately 40 percent of expenditures. Staff is drafting a fund balance policy to present to the Council for review. Audit findings relate to fiscal years 2016-17 and 2017-18 specifically, not to current City practices. Prior to issuance of the Auditor's report, steps have been taken to rectify issues addressed. For the current fiscal year, staff has completed bank reconciliations for the main account and retains documentation for journal entries. In addition, staff is reviewing transfers from the main account to ensure funds were allocated correctly. Finance Director Rowden regularly reviews the payroll master file. The office will soon be fully staffed, and a reorganization of the office has been implemented with procedures for each assignment to ensure employees are performing effectively and efficiently.

Ahmed Badawi, Badawi & Associates, reported on the City's basic financial statements, internal accounting controls, and compliance with generally accepted accounting principles. The auditors have determined that they are not in a position to provide an opinion regarding the City's financial statements for fiscal years 2016-17 and 2017-18 because accounts were not timely reconciled and the cash allocation to funds could not be verified due to issues with implementation of the new accounting system, lack of documentation and significant staff turnover. Certain deficiencies in internal controls were identified as material weakness in financial closing and reporting, cash and investments, capital assets, journal entries, and beginning balances. A significant deficiency was identified regarding the payroll master file. Ultimately, City management is responsible for financial statements; establishing and maintaining internal controls; making all financial records available to auditors; informing auditors of all known and suspected fraud; complying with laws and regulations; and taking corrective action on audit findings.

City Manager Nicole Almaguer advised that the City's Finance Department has the appropriate number of staff positions. The City has hired staff who are able to fulfill the responsibilities of their positions.

The following person spoke: none.

A summary of Council comments is as follows: concern about the effects of staff turnover when staff turnover is inevitable; the Council needs to be aware of the ramifications of the audit on funding opportunities.



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MOTION:

Moved by Council Member Pilch, seconded by Vice Mayor McQuaid, to accept and file the City's financial reports for fiscal years ending June 30, 2017 and June 30, 2018.

AYES: Council Members Barnes, Maass, and Pilch, Vice Mayor McQuaid, Mayor Nason

NOES: None

Motion carried and so ordered.

8-2. Proposed Addition of Financial Management Goal to the City Council Strategic Plan

Mayor Nason recommendation: that the Council:

1. Give direction to the City Manager regarding the City Council's objectives for financial management; specifically, that pending adoption of a full set of revisions to the City Council Strategic Plan, the Council add the following Objective and associated set of Strategies under Goal 5, which is "Facilitate Government Accountability:"
 - a. Objective: 5.1 Sound and Transparent Management of City Financial Resources (new objective);
 - b. Strategies: (1) accurate comprehensive annual financial reports will be audited and produced to the Council by December 31st of each year; (2) the City will have a format for the presentation of budgets and budget-to-actual reports that is transparent to the City Council and the public at large, and these documents are accurate and timely produced; (3) a smooth transition will be implemented pursuant to Measure N from the City Treasurer model to a staff-based system of revenue collection and financial management with citizen oversight by a Committee on Budget and Finance; (4) the City Manager will have the capacity to timely respond to reasonable requests for financial information from members of the City Council; (5) the City will adopt and maintain a long-term financial plan that takes into account foreseeable needs, including but not limited to retirement benefits and the maintenance and replacement of infrastructure and other assets, to facilitate planning, to be transparent with the public, and to reduce the risk of financial problems over time and across economic cycles;
2. Direct the City Manager to prepare "action items" to implement the strategies and present them to the Council at the first Council meeting in March.

Mayor Nason recommended the City Council add a Financial Management goal, objective, and strategies to the Strategic Plan when the Council next discusses the Strategic Plan.

The following person spoke: none.

A summary of Council comments is as follows: none.

9. PUBLIC HEARING

- 9-1. Ordinance No. 2019-02, Updating the Name of the Parks and Recreation Commission to the Parks, Recreation and Open Space Commission and Updating the Charge of the Commission to Include Open Space within the City of Albany.



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Staff recommendation: that the Council introduce for first reading Ordinance No. 2019-02, updating the name of the Park and Recreation Commission to the Parks, Recreation and Open Space Commission and updating the charge of the Commission to include open space

City Manager Almaguer presented the staff report. On December 3, 2018, the Council directed staff to amend the name and charge of the Parks and Recreation Commission. At its January 10, 2019 meeting, the Parks and Recreation Commission supported the name Parks, Recreation, and Open Space Commission in place of Parks, Recreation, and Natural Areas Commission because the phrase open space aligns with planning documents and the general definition of open space areas. Open space areas within the City include creeks, Albany Waterfront, and Albany Hill.

The following person spoke: none.

A summary of Council comments is as follows: none.

MOTION:

Moved by Vice Mayor McQuaid, seconded by Council Member Maass, to introduce for first reading Ordinance No. 2019-02, updating the name of the Park and Recreation Commission to the Parks, Recreation and Open Space Commission and updating the charge of the Commission to include open space.

AYES: Council Members Barnes, Maass, and Pilch, Vice Mayor McQuaid, Mayor Nason

NOES: None

Motion carried and so ordered.

10. UNFINISHED BUSINESS

10-1. Council Statement on City Council Agenda

Vice Mayor McQuaid recommendation: that the Council consider a revision to the City Council Statement on City Council Agendas

Vice Mayor McQuaid reported the City Council Statement began in 2016 in order to reassure community members that they were welcomed and valued in the City. In response to public comment, she proposed changes to the Statement. A member of the public requested the Statement include housing status; however, housing status could be considered a part of economic status.

The following person spoke: none.

A summary of Council comments is as follows: the Statement seems to be a reaction to the Federal Administration; the Statement is meant to be poetic rather than literal; a preference for a values statement rather than the City Council Statement.



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MOTION:

Moved by Vice Mayor McQuaid, seconded by Council Member Barnes, to accept the revision of the City Council Statement on City Council Agendas effective immediately.

AYES: Council Members Barnes, Maass, and Pilch, Vice Mayor McQuaid, Mayor Nason

NOES: None

Motion carried and so ordered.

10-2. City Council Appointments to the Alameda County library Advisory Commission (ACLAC) and the Board of Police and Fire Pension Fund Commissioners

Staff recommendation: that the Council:

1. Appoint Amy Apel from the Albany Library Board as the City of Albany representative on the Alameda County Library Commission; and
2. Revise the appointments for the Board of Police and Fire Pension Fund Commissioners per City Charter Section 9.01

City Clerk Anne Hsu presented the staff report. In December 2018, the City Council appointed Vice Mayor McQuaid as the appointee and Council Member Maass as the alternate appointee to the Board of Police and Fire Pension Fund Commissioners. However, City Charter Section 9.01 specifies the Mayor will be the appointee. The Council should appoint an alternate appointee.

The following person spoke: none.

A summary of Council comments is as follows: none.

MOTION:

Moved by Vice Mayor McQuaid, seconded by Council Member Pilch, to appoint Amy Apel from the Albany Library Board as the City of Albany representative to the Alameda County Library Commission and to appoint Mayor Nason as the appointee and Vice Mayor McQuaid as the alternate appointee to the Board of Police and Fire Pension Fund Commissioners.

AYES: Council Members Barnes, Maass, and Pilch, Vice Mayor McQuaid, Mayor Nason

NOES: None

Motion carried and so ordered.

11. NEW BUSINESS

12. OTHER BUSINESS, ANNOUNCEMENT OF EVENTS/FUTURE AGENDA ITEMS

Council Member Pilch reminded Council Members to submit their appointments to the Charter Review Committee. Mayor Nason noted the Charter Review Committee will not meet unless and until the Council discusses a potential ballot measure and suggested appointments could wait until a ballot measure is under discussion.

Mayor Nason reported future agenda items relative to grant funding, an audit by the State, or the City's credit rating may result from financial management issues.



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12-1. Upcoming City Events

East Bay Electrification Expo, Thursday, February 7, 2019, 3 PM – 8 PM, Ed Roberts Campus, 3075 Adeline Street, Berkeley, CA

Chinese New Year Celebration, Thursday, February 7, 2019, 3:30 PM – 5 PM, Albany Community Center

Sandbag Filling Assistance Days, Saturday, February 9, 2019, 10 AM – 1 PM, Ocean View Park

12-2. Upcoming City Meetings

Social & Economic Justice Commission, Tuesday, February 5, 7:30 PM, City Hall Council Chambers

Economic Development Committee, Thursday, February 7, 5 PM, City Hall Council Chambers

Arts Committee, Monday, February 11, 7 PM, City Hall Council Chambers

Planning & Zoning Commission, Wednesday, February 13, 7 PM, City Hall Council Chambers

City Council, Tuesday, February 19, 7:30 PM, City Hall Council Chambers

13. ADJOURNMENT

9:00 p.m. There being no further business before the City Council, Mayor Nason adjourned the meeting.

Minutes submitted by Anne Hsu, City Clerk.

Rochelle Nason
Mayor

Attest:

Anne Hsu, City Clerk