

Department/Division:

Project/Program:

Project/Program Lead:

City Manager and City Attorney
Redevelopment Agency Bond Default
Steve Duran/Patrick Tang

Project/Program Description: The Hercules Redevelopment Agency, which as of February 1, 2012 no longer exists, went into technical default on its February 1 bond payment. The bond holders were paid because they are protected by bond insurance from which bond payments may also be drawn. The basic problem was that the Agency had no money and its fund balance was negative, so the City decided to pay back the pooled cash that subsidized the Agency's August bond payment because the City's pooled cash can simply no longer afford to subsidize the Redevelopment Agency. The Redevelopment Agency bond insurer, Ambac, filed suit in Superior Court to force the City to immediately turn over \$4.1 million to the Redevelopment Agency bond trustee and attach certain real property as security. The parties reached a settlement and a stipulation in March, which was approved by and is being overseen by the court and requires that the City sell certain real property assets, known as Parcel C and Victoria Crescent. This outcome will keep the City from having to consider pre-bankruptcy mediation and a potential Chapter 9 bankruptcy protection filing.

Status: Purchase and Sale Agreements for Parcel C and Victoria Crescent are in escrow. State Assembly Bill AB 1484 is creating additional bureaucratic obstacles to completing these transactions. Staff has met with Department of Finance staff in Sacramento to discuss this and other matters and DOF has indicated that they will expedite approvals one AB 1484 requirements are met. However, the Purchase and Sale Agreements for these properties will need to be amended to deal with these delays. Staff has briefed Ambac on these issues and is working with Ambac to accommodate delays caused by AB 1484.

Next Steps:

- Continue to implement the court ordered settlement agreement.

Department/Division:

Project/Program:

Project/Program Lead:

City Manager
Redevelopment Agency Dissolution
Steve Duran/Nickie Mastay

Project/Program Description: The Hercules Redevelopment Agency, along with all redevelopment agencies in the state of California, was legally dissolved as of February 1, 2012. The City Council had the choice to be the Successor Agency for Housing and/or Non-Housing (affordable housing) assets and decided to become the Successor Agency for Non-Housing assets only. The Redevelopment Agency's non-housing funds and assets are, therefore, to be turned over to the City as Successor Agency for Non-Housing Assets and City staff is charged with administering those assets and disposing of them to help pay off debts of the former Agency and return revenues to the local government entities that receive property taxes. The City chose to be the Successor Agency to the non-housing portion of the dissolving Redevelopment Agency in order to ensure effective follow through with existing contractual obligations of the Agency, to complete ongoing negotiations to minimize Agency obligations and liabilities, to ensure that development of sites will be expedited and thus mitigate economic damages to the City and other taxing agencies, to and create jobs and amenities for the community, and to increase the City's tax base expeditiously..

The Redevelopment Agency's affordable housing assets, other than its existing housing fund balance, is to be turned over to a successor housing agency (the "Successor Housing Agency") to continue performing affordable housing activities. The former Redevelopment Agency's affordable housing fund balance will

be used to repay existing housing fund debts and/or remitted to the County Auditor-Controller for distribution to the Taxing Entities. The City chose not to be the Successor Agency for Housing assets and a Successor Housing Agency has not been finally determined.

Status: The transfer of former Redevelopment Agency non-housing assets to the “City as Successor Agency” in accordance with a directive from the State Controller. This will help move the sales forward, as title companies have been asking that this transfer occur. After the transfer of assets is complete, the City as Successor Agency must develop a property management plan that sets forth the proposed use of all former Redevelopment Agency properties. Uses could include sale, lease, or civic uses. Most of the asset listed will ultimately be transferred to the City for civic purposes, as that is their current purpose. Sycamore Crossing, Parcel C and Victoria Crescent are being sold. As far as the Yellow Freight site is concerned, this property was sold and closed escrow in January or 2012. The sales proceeds of approximately \$1,200,000 went to pay back the City for advances to the Agency for bond payments. It appears that the California Department of Housing and Community Development will become the Successor Agency for Housing Assets.

Next Steps:

- Implement the asset transfers.
- Complete asset certification.
- Complete property management plan.

Division: Finance
Project / Program: Budget for FY2012-13 and Quarterly Variance Reporting
Project / Program Lead: Nickie Mastay

Project / Program Description: The goal is to have a budget in place for FY2012-13 by the end of June 30, 2012 and to begin quarterly variance reporting of budget vs. actual for FY2012-13

Status: With the Budget for FY2012-13 adopted on June 26, 2012, the Finance Department has started quarterly variance reporting of budget vs. actual for FY2012-13. First Quarter FY2012-13 (July 1, 2012 – September 30, 2012) quarterly variance report was presented to the Finance Subcommittee and Ad Hoc Citizens Advisory Finance Committee on November 20, 2012. Although expenses are under budget for the first quarter, revenue is not exceeding budget. On December 4 2012, City Council received a presentation on the July 1, 2012 – September 30, 2012 (1st Quarter) quarterly variance report. There was a discussion and status of future revenue opportunities. The discussion informed the City Council and the Community that there is an estimated \$950,000 deficit in the General Fund for FY2013-14 and that we have to start the implementation of future revenue opportunities.

Next Steps:

- The Finance Department will be working on the Mid Year FY2012-13 (July 1, 2012 – December 31, 2012) variance report.

Division:

Finance

Project / Program:

Budget for FY2013-14

Project / Program Lead:

Nickie Mastay

Project / Program Description: The goal is to have a budget in place for FY2013-14 by the end of June 30, 2013. Staff estimates that with Cal PERS and healthcare cost increases, the status quo budget for FY 2013-14 would have a \$1 million to \$1.2 million structural deficit, which is not sustainable.

Status: Staff is working on mid-year budget numbers and revenue enhancement ideas. The City Council will be engaged early in 2013 to review the strategic plan and to set goals, priorities and revenue enhancement measures.

Next Steps:

- Council discussion and direction on revenue enhancement.
- Council discussion and direction on strategic plan, goals and priorities.
- Council discussion and direction on potential ballot measures to increase revenues.

Division:

Finance

Project / Program:

Department of Transportation Pre Award Audit

Project / Program Lead:

Nickie Mastay

Project / Program Description: The Department of Transportation conducted a pre award audit prior to funding for the ITC Bayfront Project to determine if the City's financial management system is adequate to accumulate and segregate reasonable, allowable and allocable project costs.

Status: The auditor was on site June 5, 2012 and June 6, 2012. It was determined that the City's financial system is adequate to accumulate and segregate reasonable, allowable and allocable project costs. There were three findings. Staff is working on clearing the findings.

Next Steps:

- The City will continue to clear the following findings:
 - Finding 1 – Job Cost System. Implement electronic timesheet to projects and assign project numbers in the financial system.
Status: This item was presented to CalTrans in the Corrective Action Plan submittal 12/19/12.
 - Finding 2 – City's Purchasing Guidelines. The City will enhance current purchasing guidelines by including the standards set for by 49 CFR, Part 18 and the Local Assistance Procedures Manual.
 - Finding 3 – City's Record Retention. The City will enhance current record retention by making agreement and program supplement materials available at all reasonable times during the entire project period and for three years from the date of final payment to administering agency under any program supplement.

Division: Finance
Project / Program: RDA/Successor Agency Agreed Upon Procedures Review
Project / Program Lead: Nickie Mastay

Project / Program Description: Contra Costa County has contracted with the accounting firm Marcum LLP to conduct the RDA/Successor Agency Agree Procedures Review per AB1x26.

Status: The auditors were on site June 11, 2012 through June 22, 2012. Although the auditors are no longer on site, the review is continuing via e-mail. With the passage of SB1484 the deadline for this review has been moved from July 15, 2012 to October 1, 2012.

Next Steps:

- Staff has contacted Marcum Associates (the auditors assigned by the County) for the status of the Successor Agency Agreed Upon Procedures Review. The Successor Agency Agreed Upon Procedures Review is complete and the document is to be received the beginning of January 2013.

Division: Finance
Project / Program: State Controller's Office Audits and Reviews
Project / Program Lead: Nickie Mastay

Project / Program Description: The State Controller's Office has performed an audit of the Special Gas Tax and Street Improvement Fund; a review of State and Federal Expenditures; a review of Administrative and Internal Accounting Controls; and a review of the Redevelopment Agency.

Status: The City of Hercules received the final reports in May 2012 and September 2012. Staff met with the Finance Subcommittee and Ad Hoc Citizens Advisory Finance Committee on May 24, 2012 and September 27, 2012 to discuss the findings.

Next Steps:

- First priority is to have audited financial statement for FY2010-11 and FY2011-12.
- Start clearing findings from all of the State Controllers reviews.

Division: Finance
Project / Program: IRS-RDA 2007 Bond Review
Project / Program Lead: Nickie Mastay

Project / Program Description: The IRS conducted a review of the RDA 2007Bond.

Status: The IRS was on site from July 23, 2012 through July 26, 2012. The IRS was supplied with all draw down requests, bank statements and reconciliations, and other requested documentation for the RDA 2007Bond. The IRS returned for another on site visit the week of October 22, 2012 through October 25, 2012. At this meeting staff gathered requested invoice backup for 2007 Bond draw downs.

Next Steps:

- City staff is awaiting a formal open items request list from the IRS. Upon receipt of this request, staff will gather and submit the requested information to the IRS.

Division:

Finance

Project / Program:

Audit for FY ending June 30, 2011

Project / Program Lead:

Nickie Mastay

Project / Program Description: The goal is to have audited financial statements for fiscal year ended June 30, 2011 as soon as possible.

Status: The City has hired Gallina LLP as our new audit firm. Gallina has commenced work on the fiscal year 2010-11 audit, with the goal of completion by November 10, 2012. Gallina LPP was at the City of Hercules on September 26 and September 27, 2012 to perform interim audit field work for FY2010-11. Gallina LLP performed on site audit work the week of November 5, 2012 through November 9, 2012. The result of the onsite audit was an extensive list of open items that need to be provided to Gallina LLP. Due to the size of the open items list, the goal of completion of the audit is now scheduled for January 2013. City staff is gathering all information for the open items.

Next Steps:

- Complete FY 2010-11 audit as soon as possible.

Division:

Finance

Project / Program:

Updated Financials for FY2011-12

Project / Program Lead:

Nickie Mastay

Project / Program Description: The goal is to have updated financial information for FY2011-12 as soon as possible.

Status: Cash needs to be reconciled from October 2011 to present. Any and all journal entries related to the reconciliation need to be prepared and posted. After each month of reconciliation, the financial system has to be properly closed and reconciliation verified.

Next Steps:

- Reconcile all cash from October 2011 to present.
- Properly close the financial system each month with reconciliation verified.

Division:

Finance

Project / Program:

RDA/Successor Agency Asset Transfer Review

Project / Program Lead:

Nickie Mastay

Project / Program Description: The State of California State Controller's Office is performing an Asset Transfer Review of the former Redevelopment Agency. The State Controller's Office will be reviewing all Non-Housing and Housing Asset Transfers made after January 1, 2011.

Status: The auditors were on site August 6, 2012 through August 23, 2012. The final report for the RDA/Successor Agency Asset Transfer Review was completed November 2012. There were three findings. Staff is working on clearing the findings.

Next Steps:

- The City will continue to clear the following findings:
Finding 1 – Unallowable asset transfers to the City of Hercules
Finding 2 – The RDA failed to transfer assets (housing assets) to the Successor Agency

Department/Division:

Municipal Services

Project/Program:

Facility Maintenance Identification Program

Project/Program Lead:

John J. McGuire

Project/Program Description: Staff will be conducting safety and maintenance assessments of all city-owned facilities that can affect the public or staff. Once a comprehensive list of all maintenance and safety issues for each facility is completed staff will prioritize it based on exposure to litigation and the city's ability to fund or repair them. Once we establish the lists for each facility we will then begin monthly inspections and follow ups that should allow us to notice problems that arise before they become an issue. The key to protecting the city from liability claims is sound record keeping, regular maintenance records, and repairing what is reasonable and readily achievable.

Status: Staff has begun inspecting beginning with the Hercules Library. Priority list has been developed. Victoria West Grand Staircase and Park inspected with Victoria Homeowners Association. Repairs have been identified. Staff has also begun to address the library maintenance and safety issues. Staff will inspect Swim and Teen Centers in May.

Staff has inspected Refugio Valley Park and found numerous items of concern that relate to safety. Staff has received three estimates for replacing the rubber mats under the play equipment. The estimates were more than was budgeted and will go to Council for consideration on August 28th.

Staff also observed that a portion of the concrete wall near the dam is failing and will need repair. Requests for proposals will be sent out for the work.

Although not one of our facilities, staff has identified sidewalks in front of HMHS that are our responsibility and have begun repairs so they can be completed before the school year begins.

Staff is analyzing a report that was done recently identifying trees that need to be trimmed or removed in Refugio Valley Park including the tennis courts. Staff will determine which trees should be trimmed and/or removed and seek bids for the work. Staff also identified other areas of concern that are being addressed including painting of red curbs to prevent illegal over parking and removal of a wall that is being used as a screen for outdoor restroom activities.

Repair work has begun on the front and wavy wall sides of the library so the work can be completed before the rains arrive.

Staff has received two bids for trimming and/or removing trees throughout Refugio Valley Park and the Tennis Facility. The bids are coming in much higher than expected requiring that trimming and removal

must be considered based on safety priorities rather than aesthetics. Staff will continue to request bids in an effort to reduce costs.

Staff removed one of the rotted walls at the Tennis Facility.

Staff repaired the sidewalks at the Swim Center that were heaving to avoid tripping hazards.

Staff is working on estimates for either repaving or slurry sealing the swim center parking lot to avoid trip hazards and to prolong the life of the lot.

Staff is revisiting the ramps at Hanna Ranch. They were previously treated with a slip-resistant coating but it is not performing as expected. Staff is investigating other products and materials to prevent slip and fall injuries.

Staff has completed refinishing of the basketball courts at the Swim Center.

Staff is obtaining bids for a thorough cleaning of the City Library now that construction is nearly complete.

Next Steps:

- Develop list of all City owned properties and identify the staff person responsible for the facility.
- Inspect the facilities with the employee responsible for the maintenance, the Operations Manager, and the Municipal Services Director.
- Develop a comprehensive list of maintenance and safety issues to be addressed and prioritize it.
- Begin implementation of the work plan as dictated by the list based on ease of completion, cost, liability, and staffing levels.

Department/Division:

Municipal Services

Project/Program:

Contra Costa Clean Water Program

Project/Program Lead:

John J. McGuire

Project/Program Description: This program was developed with 19 other cities to create the Contra Costa Clean Water Program. It is an on-going program designed to meet the requirements of NPDES Permit Number CAS612008 issued by the California Regional Water Quality Control Board, San Francisco Bay Region. The program is designed to address storm water run-off from existing streets and facilities within the City and to address new construction activities that could cause pollutants to drain into our creeks and eventually the bay. There are many timelines that must be adhered to. The City could face penalties for failure to comply with these requirements and therefore it is important that staff stay engaged on a regular basis.

Status: The Annual Report was filed on time. Staff has collected data for Trash Reduction Calculations and submitted it to the Board for review. Staff has completed the Trash Load Baseline requirement due in February of 2012. We will now have to reduce trash loads from that base line by 40% in 2014, 70% by 2017, and 100% by 2022.

Staff was asked to predict future potential development sites. The City did not have any that met the criteria and reported accordingly.

Staff continues to collect data for the 2012 report on 2011 activities. The report is due August 20, 2012.

Staff submitted the annual report before the required deadline. Staff continues to answer questions from the Board regarding last year's report.

Staff has submitted additional documentation to the Board for the 2010/2011 report.

Annual reports were filed for Parcel C and Town Centrale bringing them into compliance with the Regional Water Quality Control Board reporting requirements.

Next Steps:

- Continued attendance at meetings by assigned staff.
- Collection of data for next Annual Report.
- Continued monitoring for compliance throughout the City.

Department/Division:

Municipal Services

Project/Program:

Pinole/Hercules Water Pollution Control Plant Upgrades

Project/Program Lead:

John J. McGuire

Project/Program Description: The Pinole/Hercules Water Pollution Control Plant (WPCP) is owned and operated by the City of Pinole under a joint use agreement with the City of Hercules, and operates under Order No. R2-2007-0024 and National Pollution Discharge Elimination System Permit No. CA0037796.

Wastewater treated at the Pinole/Hercules WPCP is currently discharged at two locations: (1) Deep Water Outfall: The effluent pumping station at the WPCP pumps treated effluent flows up to 10.5 million gallons per day (mgd) through the 24-inch-diameter land outfall pipe to Rodeo Sanitary District's WPCP, where treated effluent from the two facilities is mixed and discharged to San Pablo Bay; and (2) Shallow Water Outfall: Flows in excess of 10.5 mgd pass through the shallow water outfall and into San Pablo Bay, near the Pinole/Hercules WPCP.

The Regional Water Quality Control Board (RWQCB) has mandated corrective measures be taken to increase dry and wet weather treatment capacity, eliminate blending of partially-treated wastewater transported to the deep water outfall, and to cease use of the shallow water outfall by June, 2016. In order to satisfy the new requirements, upgrades to the existing facilities will be required including; a new metering vault, a new head works facility, conversion of the existing aeration basins to four, single-pass tanks, and expansion of each tank by 85 feet, addition of two new blowers, addition of three new secondary clarifiers, addition of two new sludge pumps, a new electrical building, and more.

In addition, and of great importance to the City of Hercules, is a new 24-inch forced main line (land outfall) that will extend from the Pinole WPCP through Hercules, through Rodeo, and continuing on to the Rodeo Sanitary District's WPCP.

Status: Pre-engineering has been awarded and plant design is underway. Staff continues to attend monthly progress meetings. Staff continues to meet with the engineers to work on design of the headworks, primary and secondary clarifiers, and possible ultraviolet treatment.

Staff met with the Flood Control District to discuss property line constraints. They are receptive to encroachments as long as measures are undertaken to prevent flooding of the plant such as berms and/or sheet pile walls. Pre-engineering efforts continue to move forward.

Next Steps:

- July through February 2013 – On-going pre-design work.
- March 2013 – begin Water Pollution Control Plant engineering based on previous pre-design work and create documents for construction.

Department/Division:

Municipal Services

Project/Program:

Chelsea Wetlands Restoration Project

Project/Program Lead:

John McGuire / Jose Pacheco

Project/Program Description: The project will restore the Chelsea Wetlands to its original undisturbed condition and provide for additional storage capacity for winter rain. Over the past century the wetland was used for disposal of various types of debris by both the City of Hercules and the City of Pinole. The project will remove approximately four feet from the bottom of the wetland to provide extra storage capacity. At the same time two five foot culvert pipes will be added to allow the wetlands to experience tidal flows. In addition, water run-off will be redirected from a natural drainage channel to a man-made tidal channel approximately 1435 feet in length and connecting to an area that receives run-off from a new overflow weir on the southwest end of the restoration.

Status: The California Natural Resource Department revoked a grant for this project in June. However, staff was able to find a replacement grant recipient and has successfully negotiated to have Ducks Unlimited take on the project. All documents have been negotiated and signed by the City, so Ducks Unlimited will receive the grant and manage the wetlands restoration. The City will be responsible for ongoing maintenance after project completion.

Conditions for development and construction of the project have been transferred to Ducks Unlimited. The existing twenty-five year Operations and Maintenance (O&M) of the Project site will remain with the City. The O&M agreement for the Project site is in the form of a Site Specific Agreement (SSA) between the City and Ducks Unlimited. The SSA will allow Ducks Unlimited to acquire the NRA grant to complete the Project. Within the SSA, Staff also included provisions to allow the City to have input into the development of the final design as well as requirements for approval prior any construction activities.

Next Steps:

- Commence the contaminants testing, design, and permitting for the Project in 2012 and commence Project construction in 2013.

Department/Division:

Municipal Services

Project/Program:

Animal Control Services

Project/Program Lead:

John J. McGuire

Project/Program Description:

Contra Costa County provides animal control services for the City of Hercules. Each month a report is provided showing the number of calls received by activity type and the number of calls/contacts/and/or actions related to activities. Also included is the number of live and dead animals that were handled.

Number of activities by activity type:

Assist police	3
Deceased dogs and cats	1
Deceased – wildlife	10
Investigations – inhumane	1
Investigations – noise	3
Investigations – Ordinance	4
Investigations – rabies (human exposure)	2
Stray animals- dogs and cats	9
Stray animals – other	2
Telephone calls (not resulting in activity)	23
Total	58

Number of calls/contacts/actions related to activities:

Assist police	10
Deceased dogs and cats	1
Deceased – wildlife	11
Investigations – inhumane	2
Investigations – noise	4
Investigations – Ordinance	5
Investigations – rabies (human exposure)	7
Stray animals- dogs and cats	14
Stray animals – other	4
Telephone calls (not resulting in activity)	23
Total	81

Dead animals handled:

Cat	0
Dog	0
Other	4
Total	4

Live animals handled:

Cat	6
Dog	21
Other	1
Total	28

Department/Division:

Planning/Advanced

Project / Program:

Measure C/J Checklist/CCTA/WCCTAC

Project / Program Lead:

Robert Reber

Project / Program Description: In 1988, Contra Costa County passed a half-cent sales tax for transportation programs and projects, such as highways, transit, bus operations, and bicycle/pedestrian trails, titled “Measure C.” A Growth Management Program was included in that ballot measure. To be eligible for sales tax “return to source” funds, each participating jurisdiction is required to take the following actions:

1. Adopt a Growth Management element as part of the General Plan, incorporating traffic level of service standards for basic routes (non-regional routes) and performance standards for fire, police, parks, water, flood control and sanitary sewer;
2. Participate in the multi-jurisdictional planning process through the forum of Regional Transportation Planning Committees (RTPCs);
3. Participate in transportation demand management efforts to reduce dependence on single occupant automobiles;
4. Adopt a five-year capital improvement program to anticipate needed investments;
5. Adopt a mitigation fee program to ensure that development “pays its own way”; and
6. Address housing options and job opportunities at the local, regional, and county-wide levels to reduce the number or length of automobile commute trips.

The Contra Costa Transportation Authority (CCTA) monitors each jurisdiction’s compliance with the Growth Management Program biennially. If a jurisdiction is found to be out of compliance with the program, CCTA may withhold a jurisdiction’s share of the “return to source” sales tax revenues that are allocated for local street maintenance and improvements. The City of Hercules has participated in this Checklist Compliance procedure since fiscal year 1991–92, and has continued to receive progressively increased amounts of funding from participating in this program. In the first funding period, Hercules received \$170,000 for 1992–93; \$293,000 in 2009–10. In 18 years, the City averaged yearly increases of \$6,833 every funding period in Measure C monies. Hercules is dependent on funding for long-range transportation improvements such as the following:

1. Street improvements and overlay projects (Willow Avenue, San Pablo Avenue).
2. San Pablo Avenue traffic signal coordination.
3. Interstate 80 Corridor ramp metering and signage program.
4. State Route 4 Freeway improvements.

Status: City was awarded \$293,000 for the 2010–11 funding period. Next year, Hercules should receive approximately \$301,000. Planning staff continues to participate in regional transportation meetings including:

1. The West Contra Costa Transportation Authority Commission-Technical Advisory Committee monthly meetings in the City of San Pablo to discuss funding and grants available for cities on the west side of San Pablo Bay.
2. The Contra Costa Transportation Authority / Planning Directors meets quarterly to develop and to recommend long-term development goals to the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission on regional-wide issues, such as impacts of greenhouse gases, and Sustainable Communities Strategies. Funding for the development of the Intermodal Transit Center and early release of Subregional Transportation Mitigation Program (STMP) fee monies were approved by continued participation and support by WCCTAC-TAC members.

Next Steps:

- Continue to participate with the WCCTAC-TAC and the CCTA with the goal of actively seeking available transportation funding for various projects.
- In order to be eligible for One Bay Area Grants offered through MTC/ABAG, staff will be presenting to the Council at its January 22 meeting a resolution to adopt a “complete streets” policy, which the Planning Commission endorsed at its January 7, 2013, meeting.

Department/ Division:
Project/Program:
Project/Program Lead:

Planning/Advanced
Growth Management Element
Robert Reber

Project/Program Description: In 1988, the voters in this county approved the “Contra Costa Transportation Improvement and Growth management Ordinance (Measure C).” This measure intended to improve the quality of life in the County by reducing congestion on major streets and highways, and by keeping new growth in balance with the capacity of public facilities. Measure C increased the County-wide sales tax by ½ cent, and allocated the revenue from this increase to a specified list of transportation improvement projects and programs. It also included an innovative program to upgrade maintenance of local streets and to promote growth management. The Growth Management Element is one of the adopted elements of the City of Hercules General Plan, and required for funding of the voter-approved Measure C/J grant funding. The adopted City’s Growth Management Element was adopted on September 22, 1998.

Status: The next round of Measure J “Return to Source” monies is dependent on the City of Hercules successfully revising its Growth Management Element to conform to the new qualifications of Measure “J,” and the State of California Housing and Community Development’s (HCD) housing element guidelines.

Next Steps:

- Revise the existing Growth Management Element according to the Contra Costa Transportation Authority’s (CCTA) recommendations.

Department/Division:
Project/Program:
Project/Program Lead:

Planning/Advanced
Housing Element
Robert Reber

Project/Program Description: Every jurisdiction in California must have a General Plan, which serves as a “constitution” for development in the city. It is a long-range planning document that describes goals, policies and programs to guide development decision making. One element of the General Plan is the Housing Element. State law specifies what the Housing Element must contain: An assessment of housing needs and an inventory of resources and constraints relevant to meeting these needs; and a statement of the community’s goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing; a program which sets forth a five-year schedule of actions to implement the policies and achieve the goals and objectives. Most importantly, the Housing Element must: Identify adequate sites with appropriate zoning densities and infrastructure to meet the community’s need for housing (including its need for low and very low income households, mobile homes, farm-worker housing, and homeless shelters); and address and, where appropriate and legally possible, remove governmental constraints” to housing development.

Status: In December, staff finished revising the prior draft Housing Element update from 2010 to reflect policy and development changes that have occurred over the past two years (e.g., previous estimates of affordable housing units, the dissolution of redevelopment as a source of affordable funding, and the suspension of the City’s inclusionary housing requirement).

Although no City action was required prior to resubmitting the Housing Element to the California Department of Housing & Community Department (HCD), staff presented the Housing Element to the Planning Commission at its regular meeting on Dec. 3 and to the City Council at its Dec. 11 meeting.

Staff incorporated comments by the City Council into the revised Housing Element before resubmitting the Housing Element on December 18 to the HCD.

Next Steps:

- HCD has 60 days from December 18 (until February 18) by which to respond to the resubmitted Housing Element. Concurrent with HCD's review, staff will prepare the requisite California Environmental Quality Act (CEQA) documentation. Presuming and after HCD certifies the Hercules Housing Element as complying with state requirements, staff will schedule Planning Commission and City Council hearings to adopt the revised Housing Element. Having a current certified Housing Element will ensure the City's eligibility to apply for certain grant funding opportunities.

Department/Division:
Project/Program:
Project/Program Lead:

Planning/Advanced
Hilltown
Robert Reber

Project / Program Description: The Hilltown property is a 44-acre parcel located on the east side of San Pablo Avenue, north of Hwy 4/John Muir Parkway. The property is owned by Santa Clara Valley Housing Group (SCVHG). In 2007 the Planning Commission approved an Initial Planned Development Plan (IPDP) for the site that included 640 multi-family residential units and approximately 4,000 square feet of commercial space. The City subsequently evaluated the proposed IPDP land uses in the Environmental Impact Report done for the 2009 Updated Redevelopment Plan; the City also rezoned the property from Industrial to Planned Commercial-Residential.

Status: SCVHG has approached the City about developing the site at a significantly reduced scale than in the IPDP previously approved by the Planning Commission in 2007. The current proposal is for approximately 200 single family residential units, substantially less than the 640 units proposed in the prior IPDP.

Next Steps:

- SCVHG has requested that the staff-recommended community workshop (to discuss project concepts and to hear feedback from the community prior to committing to detailed design and further environmental review) be postponed to an as yet undetermined date. Once SCVHG indicates it would like to proceed with the workshop and a date is determined, staff will ensure ample public notification and advertising is done to promote the community workshop and to include as many members of the community as possible.

Department/Division:
Project/Program:
Project/Program Lead:

Planning/Advanced
Planning Fees Project
Robert Reber

Project / Program Description: The City Council requested staff conduct a focused study of planning fees in adjacent cities in the Bay Area to determine if the cost of the application fees were competitive with other cities.

Status: At its June 26 meeting, the City Council approved a new Master Fee schedule that included recommended changes to all Planning fees, including charging actual costs, plus a 20% administration fee, for most major applications and services. The new fees took effect on July 1, 2012.

As part of the development agreement with Hercules Bayfront, the City Council in November, 2011, adopted Resolution 11-132 reduced various impact fees city-wide. Included in those fee reductions were the Art in Public Places Fee and the General Plan Update Recovery fee, which were reduced from 1% to 0% of project valuation. The City Council resolution directed the City Manager to initiate an updated Development Impact Fee Nexus Study to return recommendations to the City Council for the Council to consider a new updated development-related fee schedule.

Next Steps:

- Staff will issue a request for proposals (RFP) to conduct the required nexus study for Planning fees.

Department/Division:

City Manager/Real Estate Transactions

Project/Program:

LED Signage in Hercules

Project/Program Lead:

Steve Duran/Robert Reber

Project / Program Description: The City Council has directed staff to look into the feasibility of selling or leasing City-owned property for an LED (light-emitting diode) freeway sign (aka “digital billboard”).

Status: At the regular City Council meeting on January 8, 2013, Silicon View (which operates an LED billboard on private property in San Carlos, adjacent Highway 101), presented its proposal to lease a City-owned parcel immediately adjacent Interstate 80, between Sycamore Avenue and the Creekside Shopping Center, for the purpose of installing a freeway-oriented LED billboard. The LED would be 19-ft. high by 34-ft. wide and mounted on a mast sufficiently tall to be viewable to freeway motorists. Silicon View has obtained from Caltrans a letter of conformance for the proposed location, indicating the location meets state and federal highway standards for electronic billboards. Silicon View estimates that, under the terms of a possible 20- to 30-year lease agreement, such a billboard could generate \$200,000–\$300,000 of revenue for the City.

Next Steps:

- Based on the Council’s request for additional information on the visual impacts of an LED billboard at the proposed location, staff will ask that Silicon View provide further information on light and aesthetic impacts of the proposed LED billboard.
- Staff will schedule a future agenda discussion for the Council to decide whether or not to direct staff to issue a formal and competitive request for proposals for leasing City-owned property for commercial LED billboards.

Department/Division:

City Manager/Real Estate Transactions

Project/Program:

Intermodal Transit Center

Project/Program Lead:

William Silva/Steve Duran

Project / Program Description: The Intermodal Transit Center (ITC) and other public improvements, including the extension of John Muir Parkway and the construction of a major Bay Trail segment are the

City's portion of the Hercules Waterfront District master Plan (WDMP) area with the "Hercules Bayfront Project," a transit-oriented, mixed-use neighborhood that includes a variety of dwelling unit types with businesses, an associated system of walkable streets, pedestrian interconnections, and public plazas with bay views. The landside parcels will host the initial train station, which will include bus service, as well as a bay trail, connecting right of way improvements and creek restoration improvements. The waterside parcels will include a park and the future ferry terminal, which will connect to the train station to complete the Intermodal Transit Center.

Status: The California Transportation Commission granted a request by the City to extend the deadline for release of bid documents for the first phase of the ITC path to transit scope of work from early December 2012 to early March 2013. This was very important in that the original bid deadline was extremely tight and the quality of the bid package would have been less than we would have liked had the extension not been granted.

Staff is consulting with Bio-Rad and the East Bay Regional Park District on the relocation of underground fuel lines, which are proposed to be under the Bay Trail. The fuel lines must be at least 25 feet from the rail line and, with the addition of the necessary third rail for the train station, these fuel lines must be relocated.

Next Steps:

- Advance and finalize permitting efforts for the ITC Project.
- Finalize design for the initial ITC construction package.
- Finalize location for fuel lines to be relocated.

Department/Division:

City Manager/Real Estate Transactions

Project/Program:

Bayfront Development

Project/Program Lead:

William Silva/Steve Duran

Project / Program Description: This project proposes to develop over 40 acres of the City of Hercules Waterfront District master Plan (WDMP) area with the "Hercules Bayfront Project," a transit-oriented, mixed-use neighborhood that includes a variety of dwelling unit types with businesses, an associated system of walkable streets, pedestrian interconnections, and public plazas with bay views. This development will surround and support the Intermodal Transit Center (ITC), which the City is advancing.

Status: All development entitlements were approved by the City in March, 2012. The Developer is planning to bring a portion of the site forward for development in early 2013. City staff and Project Manager met with Jim Anderson in November and December to discuss future plans and project coordination.

Next Steps:

Meet at least quarterly with developer and continue project coordination.

Department/Division: City Manager/Real Estate Transactions
Project/Program: Sycamore North
Project/Program Lead: Steve Duran

Project / Program Description: Sycamore North is a mixed use residential and retail project, planned to include 96 apartments over approximately 40,000 sq.ft. of retail space. The original project is a failed project. The City and Redevelopment Agency tried to develop and fund a project that no developer would touch and could not be financed because the cost to construct greatly exceeds the value when completed. As late as six month ago, the City was considering demolishing the structure, lopping off two stories or and selling it to an affordable housing developer for a 100% low income project. These were all bad options. The project was then declared failed and marketed as a market rate project. The proposed development by Presidio Partners will be approximately 140 market rate apartments and about 10,000 square feet of retail/restaurant space.

Status: On October 23, the City Council approved a set of entitlement actions for the Town Centrale project, which were previously approved on October 8 by the Planning Commission. The second reading of the Development Agreement Ordinance is scheduled for the City Council meeting of November 13. These approvals allow the developer to resume and complete construction of the former Sycamore North project. As part of a purchase and sale agreement approved earlier this year by the City Council, Presidio Development Partners proposes to finish construction on the project as a pair of mixed-used buildings with approximately 140 apartments, four live-work units, and approximately 12,000 sq. ft. of ground-floor retail space, with 166 on-site parking spaces. If all goes well, escrow should close in February, with construction re-commencing this spring.

Next Steps:

- Assist with buyer due diligence and close escrow.

Department/Division: City Manager/Real Estate Transactions
Project/Program: Sycamore Crossing
Project/Program Lead: Steve Duran

Project / Program Description: A Purchase and Sale Agreement (PSA) was entered into Property Development Centers (DPC) in January. PDC is a wholly owned subsidiary of Safeway and plans to build a 55,000 to 65,000 Safeway store and gas station near the southwest San Pablo Avenue edge of the site, with restaurants at the corner of San Pablo Avenue and Sycamore, and two or three story residential units on Sycamore facing Sycamore North.

Status: Staff and legal counsel continue to work on removal of the deed restriction and had a court ordered mediation session in November. Some progress was made and the court has approved the parties continuing mediation. A second mediation session is scheduled for January 11. City legal counsel and PDC legal counsel concur that the deed restriction does not impact the smaller 3+ acre portion of the site on the east side of the creek at the corner of San Pablo and Sycamore, which is a separate parcel. Thus, PDC is developing an alternative plan for the site. One plan is for a traditional one story Safeway close to Tsushima Drive and the other is for a more urban Safeway in either a podium style or roof-top parking style on the corner three acre site that is not subject to the deed restriction. With the podium style, the store is on the second level with parking at street level below the store. With the roof-top parking style, parking is on the roof with the store on the first level off a smaller parking lot on the ground level. If the

deed restriction can be removed, the traditional store provides more flexibility for leasing, but either plan will work for Safeway.

Final site plans will be influenced by the status of the deed restriction, key tenants, and the design review and entitlement process. DPC is actively seeking tenants that will compliment the Safeway supermarket. Two or three story residential units on Sycamore facing Sycamore North are being considered for the site, but there is a potential for a 100% retail project. The project will need to go through the normal Planning Commission review and approvals. Staff will be engaging the Planning Commission design review sub-committee throughout the design phase of the project. A mediation session was held in November with Save-Mart, the holder of the deed restriction on three quarters of the site and progress was made toward a settlement. A second mediation session is scheduled for January 11, 2013.

Next Steps:

- Continue efforts to remove deed restriction through mediation.
- Work with Safeway and PDC on site plan options and cost issues.
- Engage Planning Commission Design Review Committee when Safeway has one or more site plans ready to move forward.

Department/Division:

City Manager/Real Estate Transactions

Project / Program:

Market Hall Development Site

Project / Program Lead:

Steve Duran

Project / Program Description: This approximately 6.5 acre site, which is under a Disposition and Development Agreement (DDA) with the Redevelopment Agency, was planned to be a high density mixed-use project. However, the original developer was not able to put a viable project together. Retail developers and brokers consider this one of two prime undeveloped retail sites in Hercules.

Status: Palo Alto based McNellis Partners, led by John McNellis, has purchased the Market Hall/Red Barn Site bordered by Interstate 80, Highway 4, San Pablo Avenue and Sycamore. McNellis is a well regarded developer of retail centers and is one of several developers that were vying for this site. You can find out more about McNellis Partners at www.mcnellis.com. Staff will be involved in discussions regarding development concepts and business terms for moving forward with development entitlements for this site, which is encumbered by a Disposition and Development Agreement (DDA) to which the Successor Agency to the Hercules Redevelopment Agency is a Party. A community meeting is scheduled for Saturday, January 12, to discuss ideas and feasibility for the tenant mix and design of the site.

Next Steps:

- Monitor progress of developer.
- Negotiate an amendment to the DDA to accommodate a viable retail development.

Department/Division

City Manager/Real Estate Transactions

Project / Program:

Big League Dreams

Project / Program Lead:

Steve Duran

Project / Program Description: Staff is pursuing reimbursement of deposit paid to “Big League Dreams” to establish the recreation facility on the property currently owned by Conoco Phillips.

Status: Big League Dreams is refusing to reimburse City their \$450,000 refundable deposit. The City Attorney is researching the file in anticipation of negotiations or a possible legal action. A demand letter has been sent to Big League Dreams (BLD) and staff has discussed this matter with BLD management. A meeting with the Big League Dreams CEO has been scheduled for January to include the City Manager and the City Attorney. A meeting with Big League Dreams is scheduled for January 24, to include their CEO, the City Manager and City Attorney.

Next Steps:

- Continue to engage Big League Dreams regarding the reimbursement.

Department/Division:

City Manager/Real Estate Transactions

Project/Program:

Parcel C Disposition

Project/Program Lead:

Steve Duran

Project / Program Description: Marketing and selling Parcel C (AKA the Wal-Mart Site) on John Muir Parkway. A Purchase and Sale Agreement (PSA) was executed in June with DeNova Homes, which is proposing up to 350 high-quality, high-amenity residential apartments with a condo map and is also considering some retail on the site, which would reduce the number of residential units. This transit oriented development will provide support for the Intermodal Transit Center and the planned retail/restaurant node on Bayfront Boulevard adjacent to the ITC. This site was marketed for several months to retail, office/R&D and residential developers; however, the market will only support residential development at this location. No non-residential offers were received. Retail brokers and developers have expressed much interest in Sycamore Crossing and the Market Hall/Red Barn sites and have advised that the Parcel C and Victoria Crescent site are not competitive retail sites.

Status: The property will be transferred and the Purchase and Sale Agreement (PSA) with DeNova Homes will be assigned to the City as Successor Agency to the Hercules Redevelopment Agency. DeNova is proposing up to 350 high-quality, high-amenity residential apartments with a condo map and is considering the feasibility of some retail on the site. Two to three acres of the site will be used for a bio-retention area and a sewer lift station. This transit oriented development will provide support for the Intermodal Transit Center and the planned retail/restaurant node on Bayfront Boulevard adjacent to the ITC. The PSA is currently in its due diligence phase.

Staff and legal counsel are working to remove and modify certain outdated easements that encumber this property and other properties, including a number of Bayfront-ITC parcels, and to deal with impacts of AB 1484, which places additional administrative burden on the disposition of former redevelopment agency properties. These issues require the extension of the Feasibility Period, which has already extended to February 1, 2013. Staff is negotiating for an additional extension to deal with AB 1484 and the Ambac stipulation. Parcel C and Victoria Crescent are the two properties being sold under a court approved \$6.5 million writ of attachment to settle the Ambac lawsuit, so time is of the essence in order to fulfill the requirements of the court sealed settlement to pay Ambac, as well as to pay Oliver & Company nearly \$2 million secured by Parcel C. The Oliver payment is due by March 31, 2013. Staff is in discussions with Oliver to renegotiate the schedule.

Next Steps:

- Continue due diligence, including the removal of outdated easements in favor of Bio-Rad.
- Negotiate second amendment to PSA to deal with AB 1484 delays.
- Assist with the design review and entitlement process.

Department/Division:

City Manager/Real Estate Transactions

Project/Program:

Victoria Crescent Disposition

Project/Program Lead:

Steve Duran

Project / Program Description: Marketing and selling the Victoria Crescent site on San Pablo Avenue. A Purchase and Sale Agreement was executed in June with SummerHill Homes, which was proposing detached single family homes for this site. However, SummerHill has dropped out of escrow and our brokers are soliciting updated and new offers for the site. Staff is now in negotiations with City Ventures, which has also proposed single family residential homes. This site was marketed for several months to retail, office/R&D and residential developers, however, the market is only supporting residential development at this location. No non-residential offers were received. Retail brokers and developers have expressed much interest in Sycamore Crossing and the Market Hall/Red Barn sites and have advised that the Parcel C and Victoria Crescent site are not competitive retail sites.

Status: The City Council has approved a Purchase and Sale Agreement (PSA) with City Ventures, who is proposing single family for-sale housing for the site. Since this is a property that will be transferred to the City as Successor Agency to the Hercules Redevelopment Agency, the City, the City as Successor Agency and the Redevelopment Oversight Board was asked to and did approve the PSA in November. City Ventures is planning its first community meeting in December or January. Staff will be recommending an extension of the feasibility period through March of 2013 to deal with issues related to AB 1484 and the Ambac stipulation.

Next Steps:

- Facilitate due diligence process.
- Assist with the design review and entitlement process.

Department/Division:

City Manager/Real Estate Transactions

Project/Program:

Sala Restaurant/Civic Arts Building

Project/Program Lead:

Steve Duran

Project / Program Description: Sala Restaurant is failing and the tenant is not able to meet its financial obligations. The future use for the facility must be determined and implemented

Status: A community meeting to get input on future uses of 1991 Railroad Avenue, also known as the Civic Art Building or Sala Restaurant, was held at the City Council Chamber on November 29th. The meeting was fairly well attended and about 25 community members provided ideas, insights and thoughtful questions regarding the future use or uses of this facility. Most felt that an experienced restaurateur could succeed at the location and several types of food venues were suggested. Other ideas included: culinary arts that also provided a restaurant; an event facility; daycare, pre-school or private educational facility. One theme was that the location is not optimum for a restaurant and that some way finding signage is needed to direct people to waterfront district restaurants, shops and businesses. This issue will be scheduled for City Council discussion and direction on the January 22 City Council agenda.

Next Steps:

- Get direction from City Council.

Department/Division: City Manager/Hercules Municipal Utility
Project / Program: Pinole/ Hercules WPCP Retention Rate
Project / Program Lead: Liz Warmerdam

Project / Program Description: Pinole/ Hercules Water Pollution Control Plant (WPCP) desires electric rate certainty through any HMU sale process and beyond should some utility other than PG&E be the successful purchaser. WPCP accounts for approximately 20% of HMU's total revenue, load and usage.

Status: Hercules Municipal Utility (HMU) Operations Manager/Consultant is working with Pinole/ Hercules Water Pollution Control Plant (WPCP) on development of a retention rate to provide WPCP with electric rate certainty:

1. through any sale of the HMU process, and
2. on-going after any sale for a period of one year, only if HMU is sold to a Utility other than PG&E.

This proposed rate agreement is a retention rate at current levels and is not a discounted or reduced negotiated rate.

3. HMU prepared the draft "Interim Agreement between City of Pinole and the HMU for Retention of Electric Service", incorporated HMU legal counsel edits, and provided draft Agreement to Pinole on March 26, 2012 for their review. Staff awaits response from the City of Pinole.

Next Steps:

- Upon Pinole revisions (if any) and final legal review, HMU staff will prepare Resolution to City Council.
- Upon Council approval, Agreement will be tendered to Parties for full execution.

Department/Division: City Manager/Hercules Municipal Utility
Project / Program: HMU Sale Update
Project / Program Lead: Liz Warmerdam

Project/Program Description: Sale or lease of the HMU.

Status: With the passage of Measure O, the City now has the authority to sell the utility. As outlined in the Public Utilities Code, Section 100057 and 10006 the sale must be done through a public bidding process. To assist in this effort, HMU has retained the services of Bodington and Company, an investment banking firm that specializes in providing advisory and brokering services to small electricity utilities and generators throughout the United States. The City Council has approved the proposed timeline and appointed Vice Mayor Delgado and Councilmember Wilkins as the City Council Temporary Advisory Committee (TAC). This committee will serve as an ad hoc committee for the sole purpose of providing oversight to staff and consultants in the disposition of HMU.

On September 12, 2013, staff released a Request for Qualifications to solicit interest in the sale of the Utility. On October 31, 2012 a number of Statements of Interest were submitted to the City. Staff, our consultant and Vice Mayor Delgado and Councilmember Wilkins met to review the submittals and determined that all the parties had the experience and financial resources to undertake the proposed transaction which would be acceptable to the City. The next step is to release a more formal Request for

Proposals on November 14th. Proposals are tentatively due January 9, 2013 subject to City Council approval.

Next Steps:

- Staff will be working with the City Council Ad Hoc Committee, consultants and legal counsel on disposition of HMU.

Department/Division:

City Manager/Hercules Municipal Utility

Project / Program:

Sycamore North Electric Work

Project / Program Lead:

Bob Streich

Project/Program Description: Contracting to perform electric engineering, procurement and construction work and services required to provide electric service to Sycamore North project.

Status: HMU staff is working with Presidio Partners to ensure power delivering by the time the project is ready for leasing. HMU staff is drafting an RFP to solicit offers from entities to perform professional electric engineering services. Once engineering is complete, the project will be put out to bid for construction.

Next Steps:

- Analyze revised Planned Use and Load Calculations
- HMU staff to issue RFP to qualified electric engineering firms.
- HMU staff and engineering firm to develop and release bid package for construction
- Award construction contract

Department/Division:

City Manager/Hercules Municipal Utility

Project / Program:

Solar Installations

Project / Program Lead:

Liz Warmerdam/Bob Streich

Project / Program Description: Reprogram solar meters to ensure accuracy and capability with HMU's billing system.

Status: HMU Operations Manager/Consultant has reprogrammed most of the malfunctioning ITRON solar meters. The meter reads were indecipherable and incompatible with our billing system; however, all data usage was captured. Most solar customers received an updated bill on September 19th along with a letter of explanation. .

Next Steps:

- Continue to monitor the solar meter reads to ensure proper billing.

Department/Division: Parks & Recreation
Project/Program: Current Activities
Project/Program Lead: Pedro Jimenez

Project / Program Description: The Parks and Recreation Department leads or is involved with many community activities and events. It also collects fees for various classes and services it provides to the community.

Status: For the month of December the department has brought in \$69,105 in revenue. Year to Date the department has brought in \$716,116 in revenue. For December the monthly attendance was 10,688 participants. Banner Reservations were fully booked for December and brought in \$1,340.00

Next Steps:

- Continue to work on items related to the library, recreation, parks, and community services programs, including the general use of park and facilities.

Department/Division: Parks & Recreation
Project/Program: Community & Library Services Commission
Project/Program Lead: Pedro Jimenez

Project / Program Description: The Community and Library Services Commission provides information to and advises the City Council on items related to the City's library, recreation, parks, and community services programs, including the general use of park facilities and matters relating to the community's recreational and service needs.

Status: Currently the Commission is working on the following topics: The Non Profit Recognition Program, Park Rental fees and reservation procedures, Banner Program, possible future events and evaluating Parks & Recreation Programs.

Next Steps:

- Continue to provide staff support to the Commission.

Department/Division: Parks & Recreation
Project/Program: Hanna/Lupine/Ohlone Child Care
Project/Program Lead: Ambra Bonham

Project / Program Description: Before & After School Licensed Childcare (K-5th Grade) Program operates September–June and Summer Camp operates June – August. Children are well supervised in a safe environment with a variety of recreational activities, including; crafts, games, sports, and a fun fitness program. There is a short time allotted each day for homework, however, this is a recreation program with the emphasis on socialization and keeping the children active. Child Care facilities are located adjacent to Lupine Hills Elementary School, Ohlone Elementary School and Hanna Ranch Elementary School.

Status: For the month of December the Child Care programs brought in a total \$21,026 in revenue. Day Camp – \$3611.52; Hanna Child Care- \$9,108; Lupine Child Care- \$6,491 and Ohlone \$5,427. Currently the school year child care has 58 participants at Hanna, 44 for Lupine and 44 for Ohlone.

Next Steps:

- Evaluate the programs and the needs of staff and maintenance of facilities.
- Continue to evaluate programs, revenues and expenditures to ensure cost effectiveness.

Department/Division: Parks & Recreation
Project/Program: Tiny Tots Program Little Learners & Pre-Kindergarten
Project/Program Lead: Ambra Bonham

Project / Program Description: The Tiny Tots Program introduces children to their “First Learning Experiences.” They make their first school friends, learning through play, games, arts, crafts, and healthy snacks. Our qualified staff will guide them with socialization and self-help skills. Our program runs along with the school year from September-June.

Status: For the month of December Tiny Tot Programs brought in \$6,039 in revenue. Tiny Tots has 2 classrooms running at Hanna with a total of 46 for MWF and one class for T/Th with 22 participants; Winter Holiday Camp had 42 participants.

Next Steps:

- Continue to evaluate programs, revenues and expenditures to ensure cost effectiveness.
- We are currently updating our safety procedures and disaster plan for each site.

Department/Division: Parks & Recreation
Project/Program: Aquatics
Project/Program Lead: Greg Dwyer

Project/Program Description: The Hercules Swim Center is a place that provides valuable resources to the community of Hercules, by providing a place for families, adults, teens and children to recreate! The Swim Center’s programs specialize in fostering human development, strengthening safety and security, promoting health and wellness, and providing recreational experiences.

Status: Classes & programs offered include: The East Silver Dolphin Swim Team year round swimmers – 74 enrollments; Fall Membership 30 participants; Lap Swimmer – 2 to 5 swimmers per day. For the month of December Aquatic programs brought in \$8,452 in revenue.

- Come and experience this wonderful Hot Roasted Garlic Crab Feed it includes hot roasted garlic crab, pasta, and salad. Drinks are available for purchase at the bar. No outside beverages are allowed. Tickets are not sold at the door, please purchase them in advance. Help support the Parks & Recreation East Bay Silver Dolphins and Piranhas Swim Teams. Enjoy an evening filled with dinner, dancing, and fun! Music by DJ Tommy T. Doors open at 5:00pm for auction review and bidding and event ends at 10:00pm.
- Upcoming Programs: EBSD High School Swim Clinics, EBSD Monthly Swim Clinics, EBSD Spring Membership, Hercules Piranhas, Individual Swim Lessons & Aqua Zumba.

Next Steps:

- Continue to evaluate programs, revenues and expenditures to ensure they are cost effective.

Department/Division:

Parks & Recreation

Project/Program:

Recreation Classes

Project/Program Lead:

Andrea Mendez

Project/Program Description: The Recreation division offers a wide variety of recreation classes that cater to all ages and help to promote a healthy lifestyle. The classes provide a great opportunity to have fun and exercise while interacting with others in a safe environment.

Status: For the month of December Recreation Classes brought in \$2,368 in revenue.

Next Steps:

- Continue to sell ads in Activity Guide in order to Print and mail out again to Hercules households.
- Now taking registrations for classes: Zumba, Gymnastics, Karate, Table Tennis, Tiny Tot Sports, Math Tutoring, Dog Obedience, Guitar, Oil Painting, Intro to Microsoft Excel and Belly dance.
- Continue to evaluate programs, revenues and expenditures to ensure they are cost effective.

Department/Division:

Parks & Recreation

Project/Program:

Sports

Project/Program Lead:

Greg Dwyer

Project/Program Description: The Recreation Department is proud to offer sports and other positive leisure activities for patrons of all ages. Our recreational programs help promote a healthy lifestyle, while providing an environment in which people can enjoy themselves.

Status: Classes & program offered include: Table Tennis-5 enrolled; Basketball League 100 enrolled; Tiny Tot Sports -4; and Open Gym Basketball & Volleyball averages 10-20 player per day. For the month of December Sports brought in \$8,764 in revenue.

Next Steps:

- Continue to evaluate programs, revenues and expenditures to ensure they are cost effective.

Department/Division:

Parks & Recreation

Project/Program:

Teen/Youth

Project/Program Lead:

Greg Dwyer

Project/Program Description: The goal of this program is to provide foster human development, promote health and wellness, and increase cultural unity with life experiences. As our youth grow into teens, we want to give them a sense of belonging to the community and ownership. Youth & Teens come out and enjoy the programs and activities at the Teen Center "T.H.E. S.P.O.T." (Teens of Hercules Empowering through Spirit, Perseverance, Outreach, & Teamwork). The Teen Youth Council (T.Y.C.) supports and assists with Community activities and Special events. This energetic group of 6th-12th grade teens and youth demonstrate leadership skills through their participation at City Council meetings,

interaction with the Hercules Senior Center, and the planning of Teen/Youth Special occasions. This successful program recruits active members from the Hercules Community, and the Hercules Middle and High School.

Status: Staff provides arts and crafts, sports, and a variety of activities and events catered exclusively for 6th, 7th, and 8th graders. Currently there are 23 enrolled for the month of December the Teen Center brought in \$8,568 in revenue.

Next Steps:

- Continue to evaluate programs, revenues and expenditures to ensure they are cost effective.

Department/Division:

Parks & Recreation

Project/Program:

Senior Center

Project/Program Lead:

Greg Dwyer

Project/Program Description: Friends, food, fun and companionship is what the Hercules Senior Center is all about. This program and supported services are available to adults 50 and over. We strive to ensure a physically and emotionally comfortable environment for all, and encourage socialization with peers.

Status: Classes and Programs offered include: Zumba Gold; H.I.C.A.P.; Legal Assistance; Computer Class; Blood Pressure; Pool Table; Meals on Wheels; Day Trips; Contra Costa Café; Daily Activities; and Tea Dance. For the month of December the Senior Center brought in \$1,769 in revenue. Highlights include:

- The Senior Center had a Holiday Luncheon with 95 people that attended the event. The event had special performances and entertainment provided by some of our very own seniors. We also had an appearance by Mr. & Mrs. Santa Claus. There were raffle prizes and Christmas Caroling and a gift exchange as well. The event was a huge success thanks to all the volunteers as well as the Friends of the Hercules Seniors. A special thanks to Lori Han, as she was one of the main reasons the event was a success.

Next Steps:

- Continue to evaluate programs, revenues and expenditures to ensure they are cost effective.

Department/Division:

Parks & Recreation

Project/Program:

Facilities/Rentals

Project/Program Lead:

Andrea Mendez

Project/Program Description:

The City of Hercules offers many of the City's facilities for rent when not being used for City sponsored programs or services.

Status: For the month of December, facility rentals brought in \$7,980 in revenue.

Next Steps:

- Continue to promote facility for rentals and evaluate revenues and expenditures to ensure they are cost effective.

Division: Police Patrol
Project / Program: Community Outreach- Crosswalk Enforcement
Project / Program Lead: Sergeant Earnest Taylor

Project / Program Description: In a continuing effort to improve pedestrian safety, the Hercules Police Department is increasing crosswalk enforcement throughout the city. Enforcement will occur during both day and night with an emphasis placed in high traffic areas i.e. San Pablo Avenue and Sycamore Ave, Sycamore Ave and Willow Avenue.

Status: With schools back in secession Police personnel conducted crosswalk enforcement in the area of the school other locations throughout the city. For the most part drivers are doing a good job yielding to the pedestrians and Officers issued only a few citations.

Next Steps:

- Continue to conduct these operations in specified location throughout the city when personnel are available.
- Prepare an education piece for the city website and other news outlets.
- Deadline: Ongoing monthly evaluation.

Division: Police Administration
Project / Program: Reserve Police Officer Recruitment
Project / Program Lead: Sergeant Ruben Rodriguez

Project / Program Description: The Hercules Police Department is currently recruiting Reserve Police Officers. These are volunteer positions which assist the department in all areas including patrol and investigations. This year's goal is to recruit and hire 4 Reserve Officers.

Status: The department has received numerous applications and will establish a pool of qualified applicants.

Next Steps:

- Hold oral board and establish a list of applicant that will move on to the next phase.
- Deadline: Ongoing recruitment, funding availability

Division: Police Patrol
Project/Program: Community Outreach /Wire Theft Prevention
Project/Program Lead: Commander Thomas Koepe

Project/Program Description: The city has experienced an on-going theft of copper wire. The police and public works departments are working together to develop a strategy to harden the theft target locations and prevent the theft of wire.

Status: On October 4, 2012, at 12:36 p.m., AT&T site supervisor and called to report that someone stole 250 ft. of copper wire from the area of Sycamore Avenue at Claeys Ranch. The suspect(s) somehow climbed an 18 ft. utility pole and removed the wiring sometime between 2:00 a.m. and 4:00 a.m. the previous night. Cost for repair to the damaged wiring is estimated at \$15,000.

Next Steps:

- Continue to theft proof the junction boxes
- Conduct extra patrol in the high risk areas.
- Deadline: Ongoing prevention program

Division:

Police Patrol

Project / Program:

Selective Enforcement

Project / Program Lead:

Commander Koeppe

Project/Program Description: Selective enforcement: The goal is to deter speeding and stop sign violators. The Public Safety Subcommittee identified streets in the city that required additional traffic enforcement due to speeding vehicles and stop sign violation. The locations are: Turquoise, Pheasant, Partridge, Falcon and Carson.

Status: On daily basis patrol personnel are enforcing vehicle code violations in these specific areas as well as other identified areas in the city. With school back in secession, extra enforcement actions will be in the area of the schools.

Next Steps:

- Continue enforcement when personnel are available.
- Deadline: On going

Division:

Police Administration

Project / Program:

COPS Hiring Grant

Project / Program Lead:

Chief Goswick and Sergeant Rodriguez

Project/Program Description: Research and submit an application for two separate COPS Hiring Grants that will increase the number of sworn personnel. The goal is to add at least 5 officers, four from a COPS Community Policing Grant and one from School Resource Officer Grant. The term of the grant is 3 years with no matching funds.

Status: We received information that the 2012 COPS grant is restricted only to agencies that applied last year and did not receive the full amount of officers and/or monies they requested. We called USDOJ and explained our situation (past and current layoffs) and were told we were not eligible to apply.

Next Steps:

- Monitoring GRANTS.GOV and USDOJ for any other grants that may be out there.

Department/Division:

City Manager/Police Administration

Project/Program:

Emergency Services

Project/ Program Lead:

Chief Goswick

Project / Program Description: California law specifies that all government employees are disaster service workers. Additionally, there are two mandated systems for regulating emergency response. The Federal system called the National Incident Management System (NIMS) and the State system called the

Standardized Emergency Management System (SEMS). These systems are complimentary and have been adopted by County of Contra Costa for managing response to multi-agency and multi-jurisdictional emergencies. The City must follow SEMS and NIMS guidelines to continue to be eligible for State and Federal relief funds. Ongoing training for management and field-level employees is necessary to prepare them for their roles in the City's Emergency Operations Center (EOC) or on-site incident management.

Status: The City Manager/Emergency Services Director lead responsibility for coordination of emergency preparedness activities and maintenance of the EOC to the police department. Staff reductions and personnel changes have created the need for revisions to EOC assignments.

Next Steps:

- On-going maintenance of all Emergency Services vehicles and equipment
- Update EOC Roster
- Plan for an EOC Workshop or Table Top Exercise (TTX) –Pending
- Emergency Operations training for the City Council
- Completion of on-line course for city staff

Division:

Police Patrol

Project / Program:

Parking Enforcement

Project / Program Lead:

Commander Koeppe

Project/Program Description: Parking enforcement: The goal is to deter abandoned vehicle and enforce all Hercules Municipal Codes and the California Vehicle Codes that are applicable to parking issues. This program will be performed by trained Hercules Police Department volunteers.

Status: The police department has implemented a volunteer parking enforcement program. The volunteers in this program will assist patrol personnel in the enforcement of parking problems and complaints, abandoned vehicles, and towing and storing vehicles. The police department currently has only one volunteer performing these duties.

Next Steps:

- Continue to recruit volunteers to perform parking enforcement duties.
- Conduct background check and live scan.
- Train volunteers in parking and abandoned vehicles laws.
- Train volunteers the procedures in towing and storing vehicles.
- Train volunteers in the safety aspects of this position.
- Deploy volunteers through the Patrol Division Watch Commander.
- Dead Line: Ongoing.