



MEMORANDUM

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DATE: April 22, 2011

TO: Mayor Joanne Ward and City Council Members  
City Employees  
Members of the public

FROM: Fred Deltorchio, Interim City Manager

SUBJECT: Interim City Manager's Weekly Report

**Overview of Report:** The following topics are included in this week's update:

MRG Report, Budget, CAFR, Ad Hoc Committee	1
Grand Jury Report, Growth Management Project Update	2
Police Department Calls of Interest	3

**Municipal Resources Group (MRG) Report:** The [107 page MRG report](#) was completed early this week and is attached. The report is a confirmation of what they presented to Council a few weeks ago and also provides additional detail.

**Budget:** Most of the departments have submitted draft budgets to the Finance department for review. The Finance department is now calculating the gap between projected expenditures and revenue. One of the first steps for the budget process was determining staffing levels for FY 2011. Last Friday, 19 full time and 6 part time employees were issued layoff notices. The 19 FT positions result in an annual savings of \$1.795 million.

**CAFR (Comprehensive Annual Financial Report):** We are very close to completing the 2009/2010 CAFR. Portions of the report were presented to the Ad Hoc Committee on Tuesday. The Auditors have been reluctant to publish the document given the City's financial state, so it has been a challenge for the Finance Department to complete.

**Ad Hoc Committee:** In addition to staff presenting the MRG report to the Ad Hoc Committee, items discussed included the status of City owned properties and the ITC

funding. The Finance department has identified some short term non-general fund funding sources for the project and continues to look for long term funding sources as well. The committee requested that Anderson Pacific provide it with a current business plan for its review.

As for the City-owned properties, the Municipal Services Department is in preliminary discussions with potential buyers for several of the properties. Details on each of the transactions must be approved by Council when the negotiations are complete. Finally, staff presented the Committee with recent downgrades in bond ratings. Specifically, the PFA ratings for the Lease Revenue Bonds (Bio-Rad Project), HMU and Lease Revenue Bonds 2003 were downgraded from A+ to A-. More significantly, but not surprisingly, the Redevelopment Agency's bonds (2005 & 2007) were downgraded again from BB to CCC based on the significant drop in assessed values, the instability of the bond insurer AMBAC, and the continued taxpayer concentration in Bio-Rad laboratories. Additionally, their outlook was negative reflecting the Redevelopment Agency's "overspending" which has led to negative cash balances. Staff has been in contact with the rating agencies as well as bond investors and has outlined the City's steps, to bring its revenues in line with expenses.

The meeting summary is available on [the Finance Sub-committee](#) webpage for individuals interested in more information.

**Grand Jury Report:** The City received a report from [the Grand Jury on City and County Vehicle Maintenance and Usage](#). The city is preparing its response to this report and will post it when completed.

**Growth Management Program:** This week, the Planning department began drafting responses to fulfill the checklist requirements of Measure C, also called the Growth Management Program. When the City completes this task and it is reviewed and approved by Council and the CCTA's Technical Advisory Committee, the City will be eligible to receive approximately \$293,000, which can be used on streets and street maintenance. In order to receive the 18% Local Street Maintenance and Improvement Funds, provided for through Measure C, each jurisdiction in Contra Costa must take the following actions:

1. Adopt a Growth Management Element that sets traffic level-of-service (LOS) and facilitate performance standard.
2. Adopt a development mitigation program.
3. Participate in cooperative planning to reduce traffic impacts, (which is why we are required to attend West Contra Costa Transportation Authority Committee (WCCTAC) meetings, the West Contra Costa Transportation Authority Committee-Transportation Advisory Commission (WCCTAC-

TAC) meetings, and the Contra Costa Transportation Authority (CCTA) meetings.)

4. Develop a five-year capital improvement program.
5. Address housing options and job opportunities.

**Pursuit of a Burglary Suspect:** On April 19, at 11:11 a.m. Hercules Officers were dispatched to the 100 block of Obsidian Way for a report of an attempted residential burglary. The victim reported that an unknown black male, wearing a blue and red ball cap, black T-shirt and jeans came to his door and asked for Jane. He was associated with a silver/blue Honda Pilot with blue paper plates. Officers located the subject and vehicle stopped near 1140 Turquoise. When officers attempted to contact the subject he fled at a high rate of speed down Turquoise toward Sycamore and then W/B on I-80. The pursuit was terminated in the El Cerrito/Albany area when officers lost sight of the vehicle.

**Auto Burglary:** On April 19, at 12:30 p.m. Officers were dispatched to the 100 block of Maritime Terrace for a report of an interrupted auto burglary. The victim reported he had just found a black male, approx. 21 yrs. old, in his vehicle. Investigators are currently following up on leads in this case.

**Residential Burglary:** April 19, 2011 at 8:49 p.m. Officers responded to the 100 block of Oxford for a burglary that just occurred. The resident reported that someone was trying to break in through the front door of the residence. The resident said that he heard a loud “Bang” at the front door and called 911. Officers arrived and saw that the front door had been force open. The suspect fled after the resident yelled.

**Residential Burglary:** On April 19, at 9:12 p.m. Officers responded to the 500 block of Silver Maple for a residential burglary that had just occurred. The victim reported that someone was banging on the front door. The victim yelled out and the suspect fled. The victim heard a car start up and leave the area. Officers arrived and found that the front door was partially forced open.

**Residential Burglary:** On April 19, at 10:43 p.m. Hercules Officers were dispatched to the 100 block of Worthing for a residential burglary that occurred earlier today. The residence arrived home to find that the front door had been forced open.

**Home Invasion Robbery:** On April 21, at 4:30am, Hercules Police responded to a report of a female screaming at the 100 block of Pearce St. Upon arrival, officers made contact with Joseph Turner of Hercules who was in possession of a large container of marijuana. When officers approached the home, they located three victims in the residence with their hands and feet bound. Multiple male suspects forced their way into the house armed with

handguns. The victims were not harmed. Turner was later identified as one of the suspects. He will face multiple felony charges. Investigators believe the victims were targeted due to possible marijuana distribution. Detectives continue to search for additional suspects.

Anyone with additional information is asked to contact Det. Alex Abetkov at 510-799-8279.