



MEMORANDUM

DATE: July 14, 2011

TO: Mayor Myrna de Vera and City Council Members
City Employees
Members of the Public

FROM: Liz Warmerdam, Interim City Manager
Special Thanks to Anton Jungherr and Lori Chinn for assisting with this report.

SUBJECT: Interim City Manager's Weekly Report

Overview of Report: The following topics are included in this update:

General-Changes in Schedule -----	2
Finance -----	2
Redevelopment -----	2
Independent Audit -----	2
Budget -----	2
Planning and Projects -----	2
Goats R Us -----	2
Intermodal Transit Center -----	2
Bayfront Project -----	2
Duck Pond Park -----	3
Monopine At McLeod Ranch -----	3
Sycamore North -----	3
Red Barn -----	3
Affordable Housing Residential Units -----	3
Wastewater and Sycamore North Town Hall Meeting -----	3
City Attorney Search -----	3
Public Works -----	4
Parks & Recreation Services -----	4
Senior Center -----	4
Dog Park Closure -----	4
Request For Proposals – Before and After School Services -----	4
Police Report -----	5

GENERAL – CHANGES IN SCHEDULE: Please remember that as of July 1, 2011, City Hall will be closed every Friday due to budget cuts. Additionally, the Parks and Recreation Department will be closed every day from 12:00 p.m. until 1:00 p.m. for lunch due to staff reductions.

FINANCE:

Redevelopment: The City received a [presentation](#) from Lynn Hutchins, the City's Redevelopment attorney from the firm Goldfarb and Lipman. Ms. Hutchins discussed the ramifications of ABx1, 26 & 27, which is the Governor's legislation to reform/eliminate Redevelopment, which is now the law. As Ms. Hutchins discussed, the State has suspended the Redevelopment Agency as of 6/30/2011 and will dissolve it by October 2011 unless the City takes affirmative action to "opt in". If the City chooses to continue, it would have to make an additional payment to the State of \$1.48 million. As you may recall, the City was supposed to pay the State Supplemental Educational Revenue Augmentation Fund (SERAF) of \$4.9 million in 2010 and \$1.027 million in 2011, which it never did. Should the City choose not to continue, all Redevelopment assets would transfer to a successor entity and that entity would be charged with liquidating those assets. These activities would be subject to oversight from the County and State. Additionally, all enforceable obligations, such as debt service on outstanding bonds must still be honored. City staff will be working to analyze the cost/benefits of this decision and will be providing more information and analysis to the Council and community as it becomes available.

Independent Audit: The City's external independent audit is completed. Staff is working with the auditor to provide a presentation to the City Council tentatively scheduled for the July 26, 2011 Council Meeting Agenda.

Budget: The Finance staff is working on preparing the final budget book, which when complete, will be posted on the City's website.

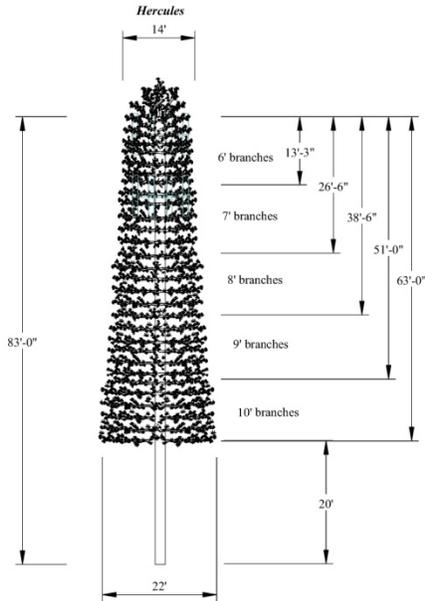
PLANNING & PROJECTS

Intermodal Transit Center (ITC) Environmental Impact Report (EIR): The Planning Commission hearing on the ITC has been postponed until Monday, July 25, 2011. The Commission will be adopting a resolution recommending the Council take action at its regular Council meeting of Tuesday August 9, 2011 on the following items:

- Certify EIR;
- Approve findings of fact and statement of overriding considerations;
- Adopt Mitigation Monitoring & Reporting Program (MMRP); and
- Approve preferred project.

Bayfront Project: Staff is working on reports to the Planning Commission and City Council for the Final Environment Impact Report and Mitigation Monitoring Program for the Bayfront project. We are tentatively scheduling the item to be heard by the Planning Commission on August 1, 2011; however, we still have not received the final EIR from Wagstaff Consulting and final dates will depend on when the document is delivered.

Duck Pond Park: The final phase of this project is under way. The planting of trees commenced earlier this week (approximately 155 trees). After the trees are installed, the remainder of the landscaping materials will be planted. Once the landscaping work is done, hardscape materials, such as a gazebo, picnic tables, benches, and a trellis area will be installed. Ribbon cutting is just around the corner.



Monopine At McLeod Ranch: The Planning Commission is working closely with AT&T representatives to correct the cellular site in faux monopine. The Commission believes that the faux monopine is noticeably too straight and not life-like enough. AT&T is proposing to correct monopine to be more realistic. The cell site is located at 215 Skelly Way on the McLeod's Ranch, which is located at border of Hercules and Pinole and is more visible from Pinole. AT&T has until August 25, 2011 to correct the pine tree to avoid a revocation hearing before Planning Commission.

Sycamore North: The City received a Purchase and Sale Agreement from Bridge Housing on July 6, 2011. The terms and conditions were discussed in closed session on July 12, 2011; however, no decision has been made as to the disposition of that property. There will be a Town Hall meeting on July 21, 2011 at 6:00 p.m. at City Hall to discuss this project. That meeting will start with the discussion on wastewater followed by the topic of Sycamore North.

Red Barn: Staff continues negotiations with Red Barn LLC to facilitate a sale to a new buyer/developer that will seek new entitlements at the property and terminate our relationship with Red Barn. Several proposals from both the City and Red Barn have been discussed. No settlement has been reached to date.

Affordable Housing Residential Units: Seven of the eight available homes have closed escrow and one property, which was delayed by an eviction, is now available for sale and is expected to sell quickly.

WASTEWATER AND SYCAMORE NORTH TOWN HALL MEETING: A Town Hall meeting to discuss wastewater is scheduled for Thursday, July 21, 2011 at 6:00 p.m. at City Hall. If residents have questions they would like staff to address, please let us know and we will be sure to include those issues as part of the presentation and discussion. This meeting will be followed by a discussion on Sycamore North.

CITY ATTORNEY SEARCH: The City received 19 proposals from firms or individuals wishing to become the new City Attorney. The first rounds of interviews are underway and

should be completed by July 27, 2011. Once this round is complete, the selected candidates will be interviewed by the City Council.

PUBLIC WORKS

Goats R Us: The goats are back!! You can find them currently at the corner of Sycamore and Lupine.

In early summer, the goats are part of the City Firebreak/Weed Abatement program. They are generally rotated between 3 locations: Lupine between Sycamore and Violet, Refugio Valley Slope from the Tennis courts to the Swim Center, and the Foxboro area around Canterbury. The goats do complete clean outs of areas and help to keep down the poison oak. In the past, we have found that if used in same area every year there is a possibility of erosion issues so they are rotated on an annual basis between the sites listed above. Normally the work takes 2-4 weeks depending on herd size. The cost to the City is about \$12,000.00 which is funded by Lighting and Landscaping Districts. This year's firebreak program ran a little late because of unseasonal rains.

During the Fall, Winter and Spring months goats are here for open area grazing and fire fuel reduction. In this case, there is no cost to the City. During these months the goats are in various locations around city depending on plant growth.

The benefits of the goats is that they reduce fire fuel sources in open areas such as Ohlone Canyon and they reduce poison oak that when burned gives off an oily smoke that can be hazardous to Firefighters and residents. They also reduce the amount of weeds that need to be cut during weed abatement program.

PARKS & RECREATION SERVICES

As of Friday, July 1, 2011 Park & Recreation Offices are closed every Friday. In addition, effective Monday, August 1, 2011, fees for many city services, programs, and activities will increase.

Senior Center: The Senior Center/50+ Adult Activities hours of operation are now from 10a.m. -2 p.m. For more detailed program times, please visit <http://www.ci.hercules.ca.us/index.aspx?page=174>

Dog Park Closure: The Dog Park will be closed from July 11- July 17, 2011 for maintenance. If you have any questions, please contact the Parks and Recreation Department at (510) 799-8291.

Request for Proposals for Before and After School Services: The City is requesting proposals for Before and After School Program Providers to service three (3) elementary schools. Qualified applicants can apply by completing the Request for Proposal. Proposals must be submitted no later than July 29, 2011. Questions may be directed to Pedro Jimenez, Interim Parks & Recreation Director, by phone at (510) 799-8228 or email at pjimenez@ci.hercules.ca.us.

POLICE REPORT

Driving Under the Influence: On July 8, 2011 at 12:35 a.m., officers responded to the 1100 block of Tsushima for an unwanted subject. Oliver Harrison, from San Francisco, was found in possession of an open 40 oz bottle of Old English while seated in his car with the keys in the ignition. Harrison was arrested for DUI and transported to County jail.

Driving Under the Influence Collision: On July 9, 2011 at 11:51 p.m., officers responded to Carson at Refugio Valley for a sound of a crash. Officers found an unoccupied vehicle which had crashed into a tree. An area check for the driver was conducted and Nicholas Guillen, from Hercules, was located walking toward the car. Guillen was arrested for DUI.

Driving Under the Influence: On July 9, 2011 at 3:45 a.m., an officer stopped a vehicle on Willow at I-80 and arrested Shaine Jackson, from Pinole, for DUI. He was transported to County jail.

Structure Fire: On July 10, 2011 at 4:25 p.m., Rodeo-Hercules Fire and the Hercules Police Department responded to Canterbury for several reports of smoke in the area. Officers found heavy smoke coming from a residence in the 1000 block. The origin of the fire appeared to be in the chimney area. Neighbors were already at the residence assisting with evacuation. Citizens were treated at the scene for minor smoke inhalation.

Possession of a Controlled Substance/Warrant Arrest: On July 10, 2011 at 8:29 p.m., an officer stopped a vehicle on Willow at I-80. The driver, Jose Contreras, from Richmond, was cited for driving with a suspended license. His passenger, Heather Gomez, from Richmond, had three misdemeanor theft warrants for her arrest. She also had a small bag containing methamphetamine. Gomez was arrested and transported to County jail.

Auto vs. Pedestrian: On July 11, 2011 at 7:33 p.m., officers responded to Victoria Crescent West at Regatta Point for an auto vs. pedestrian collision. A vehicle was driving on Victoria Crescent West when a 28-year-old skateboarder failed to yield and collided into the right front passenger side of the car. The driver of the car stopped and rendered aid to the skateboarder. The skateboarder was transported to a hospital with cuts to his head, leg, and arms. He was discharged three hours later.

Residential Burglary: On July 12, 2011 at 3:14 p.m., a resident in the 200 block of Scotts Valley reported his residence was burglarized sometime between 1:45 and 3:00 p.m. Entry was achieved by prying the rear sliding door. Electronic equipment and jewelry were stolen from the residence.

Driving Under the Influence: On July 12, 2011 at 12:02 a.m., an officer stopped a vehicle on San Pablo at Highway 4 and arrested Adrienne Hunt, from Hercules, for DUI.