



City of Stockton

City Council/Successor
Agency of the
Redevelopment
Agency/Public Financing
Authority/Parking Authority
Concurrent Agenda

Meeting Agenda - Final

City Council/Successor Agency to the Redevelopment Agency/Public Financing Authority/Parking Authority Concurrent

Anthony Silva, Mayor/Chair
Christina Fugazi, Vice Mayor/Vice Chair (District 5)
Elbert H. Holman Jr. (District 1)
Daniel R. Wright (District 2)
Susan Lofthus (District 3)
Michael C. Blower (District 4)
Michael D. Tubbs (District 6)

Tuesday, June 28, 2016

4:00 PM

Council Chamber, City Hall, 425 N. El Dorado
Street, Stockton CA

**** SPECIAL MEETING ****

1. **CLOSED SESSION CALL TO ORDER/ROLL CALL**
2. **ADDITIONS TO CLOSED SESSION AGENDA**
3. **ANNOUNCEMENT OF CLOSED SESSION**
- 3.1 [16-2808](#) **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

Number of Cases: Four

Name of Case: Wells Fargo Bank v. City of Stockton (San
Joaquin County Superior Court Case No.
39-2012-00277662)

Name of Case: Wells Fargo Bank, National Association, as
Indenture Trustee v. City of Stockton (San
Joaquin County Superior Court Case No.
39-2012-00280741)

Name of Case: In re City of Stockton, California - Debtor (United
States Bankruptcy Court, Eastern District of
California Case No. 2012-32118)

Name of Case: Richard Price, et al. v. City of Stockton,
Redevelopment Agency, et al. (United States
District Court, Eastern District Case No.
CIV.S-02-0065 LKK JFM)

This Closed Session is authorized pursuant to Section 54956.9(a) of the Government Code.

Department: City Attorney

3.2 [16-2809](#) CONFERENCE WITH LABOR NEGOTIATOR

Recommended Action: Agency Designated Representative: City Manager Kurt Wilson

Employee Organizations: Unrepresented Units, Stockton City Employees' Association, Operating Engineer's Local 3, Mid-Management/Supervisory Level Unit, Unrepresented Management/Confidential, Law Department, Stockton Police Management Association, Stockton Firefighters Local 456 International Association of Firefighters, Stockton Fire Management, Stockton Police Officers' Association (SPOA)

This Closed Session is authorized pursuant to Section 54957.6(a) of the Government Code.

Department: City Attorney

3.3 [16-2810](#) PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Recommended Action: City Manager

This Closed Session is authorized pursuant to Government Code Section 54957.

Department: City Attorney

3.4 [16-2811](#) CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Number of Cases: One

Based on existing facts and circumstances, there is significant exposure to litigation pursuant to Government Code Section 54956.9(c).

Department: City Attorney

4. PUBLIC COMMENT*

5. RECESS TO CLOSED SESSION

6. REGULAR SESSION CALL TO ORDER/ROLL CALL

7. INVOCATION/PLEDGE TO FLAG

8. REPORT OF ACTION TAKEN IN CLOSED SESSION

- 9. ADDITIONS TO REGULAR SESSION AGENDA**
- 10. PROCLAMATIONS, COMMENDATIONS, OR INVITATIONS
- 11. CITIZENS' COMMENTS, ANNOUNCEMENTS, OR INVITATIONS*
- 12. CONSENT AGENDA
- 12.1 [16-2653](#) APPROVE BY MOTION THE SECOND AMENDMENT TO THE
AGREEMENT WITH CB MERCHANT SERVICES

Recommended Action:

RECOMMENDATION

It is recommended that the City Council adopt a motion to:

- 1. Approve the findings for exemptions from competitive bidding requirements to extend the Agreement with CB Merchant Services; and
- 2. Authorize the City Manager to execute the Second Amendment to the Agreement with CB Merchant Services to provide collection services through September 30, 2017.

It is further recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of the motion.

Department: Administrative Services

Attachments: [Attachment A – Agreement with CB Merchant Services](#)
[Attachment B – 1st Amendment to the Agreement with CB Merchant Services](#)
[Attachment C – 2nd Amendment to the Agreement with CB Merchant Services](#)
[Attachment D – Addendum to the Agreement with CB Merchant Services](#)

- 12.2 [16-2731](#) AMEND CITY COUNCIL POLICY CHAPTER 3.02 CITY COUNCIL AND
MAYORAL APPOINTMENTS TO BOARDS, COMMISSIONS, AND
COMMITTEES AS IT RELATES TO THE APPOINTMENT PROCESS

Recommended Action:

RECOMMENDATION

Accept by motion action, suggested changes to the board and commission appointment process as reviewed and recommended by Council Legislation Environmental Committee at their March 9, 2016 meeting.

Department: City Clerk

Attachments: [Attachment A - Redline Council Policy Chapter 3_02](#)
[Attachment B - Process Survey](#)
[Attachment C - Redline Council Policy 3_02_030](#)
[Attachment D - Proposed Council Policy Chapter 3_02](#)
[Attachment E - Proposed Council Policy Chapter 3_02_030](#)

**12.3 [16-2746](#) AWARD A CONTRACT FOR ANNUAL AUDIT SERVICES TO THE
PUN GROUP, LLP FOR THE FISCAL YEARS 2015-16, 2016-17, AND
2017-18 WITH TWO ONE-YEAR OPTIONS TO EXTEND**

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a motion authorizing the City Manager to award and enter into an agreement for annual audit and report preparation services with the firm of The Pun Group, LLP, for an amount not to exceed \$942,726 for the three (3) fiscal years ended June 30, 2016, 2017, and 2018. The proposed contract includes the option of two one-year contract extensions for audits of the fiscal years ending June 30, 2019, and 2020. The combined five year contract award is for an amount not to exceed a total of \$1,619,289.

It is further recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of the motion.

Department: City Manager

Attachments: [Attachment A - Professional Services Contract for Audit Services](#)

**12.4 [16-2801](#) AWARD A CONTRACT FOR MEASURE A ADDITIONAL AUDIT
SERVICES TO EADIE AND PAYNE, LLP**

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a motion authorizing the City Manager to award and enter into an agreement for Measure A additional audit services with the firm of Eadie and Payne, LLP, for an amount not to exceed \$86,000 for the three (3) fiscal years ended June 30, 2015, 2016 and 2017. The proposed contract includes the option of two one-year contract extensions for audits of the fiscal years ending June 30, 2018 and 2019. The combined five-year contract award is for an amount not to exceed a total of \$146,000.

It is further recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of the motion.
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Department: Administrative Services

Attachments: [Attachment A - Measure A Audit Services](#)

**12.5 [16-2788](#) STATE OF CALIFORNIA BOARD OF STATE COMMUNITY
CORRECTIONS GRANT AWARD**

Recommended Action:

RECOMMENDATION

It is recommended that the City Council approve a resolution:

1. Authorizing the acceptance of grant funding from the State of California Board of State Community Corrections Strengthening Law Enforcement and Community Relations Grant; and
2. Authorizing the allocation of a grant funded Administrative Analyst position to the Police Department's Fiscal Year 2016-17 Budget; and
3. Authorizing all required appropriations in compliance with and for the purposes stated in the project agreement including appropriations in the amount of \$600,000 from the Grant Revenue budget,\$19,000 from the General Fund Match Budget, and \$101,000 as part of the Police Department annual budget development; and
4. Authorizing the City Manager to execute, on behalf of the City of Stockton, all required contracts or agreements with the granting agency, provide additional information and furnish such documents as may be required, execute all documents and amendments or extensions pertaining to the grant project, and take any and all necessary and appropriate actions to carry out the purpose and intent of the resolution.

Department: Police

Attachments: [Proposed Resolution - BSCC Grant](#)

[Attachment A - BSCC Standard Agreement - Strengthening Grant](#)

12.6 [16-2790](#) APPROVE RESOLUTION AUTHORIZING THE CITY ATTORNEY TO ENTER INTO AN AGREEMENT FOR LEGAL SERVICES WITH THE FIRM OF HERUM/CRABTREE/SUNTAG

Recommended Action:

RECOMMENDATION

It is recommended that the City Council adopt a resolution approving an Agreement for Legal Services with Herum/Crabtree/Suntag.

Department: City Attorney

Attachments: [Proposed Resolution - Legal Services Agreement](#)

[Exhibit 1 - Legal Services Agreement - Herum Crabtree Suntag](#)

12.7 [16-2791](#) AUTHORIZE RATIFICATION FOR AN INCREASE OF \$42,000 FOR SERVICES RENDERED IN PURCHASE ORDER VALUE AND AN ALLOWANCE OF \$30,000 WITH WEST COAST ARBORISTS, INC. FOR EMERGENCY TREE SERVICES (PURCHASE ORDER NO. 190497)

Recommended Action:

RECOMMENDATION

It is recommended that the City Council approve a motion authorizing the City Manager to:

1. Authorize a ratification for an increase in the value of Purchase Order (PO) No. 190497 with West Coast Arborists, Inc. (WCA) for emergency tree services by \$42,000 for services rendered.

2. Authorize an additional allowance of \$30,000 for anticipated emergency tree service requests through June 30, 2016 for a total increase of an additional \$72,000 to PO 190497.

It is further recommended that the motion authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Department:

Public Works

12.8 [16-2818](#) **APPROVAL OF CITY COUNCIL MINUTES**

Recommended Action:

Approve minutes from the City Council meeting of May 24, 2016.

Department:

City Clerk

Attachments:

[2016-05-24 Minutes for Approval](#)

13. **ADMINISTRATIVE MATTERS**

14. **UNFINISHED BUSINESS**

15. **NEW BUSINESS**

15.1 [16-2755](#) **AUTHORIZE THE STOCKTON PUBLIC FINANCING AUTHORITY (“SPFA”) TO SELL LOCAL AGENCY REVENUE BONDS (“REVENUE BONDS”) IN AN AMOUNT NOT TO EXCEED \$42,000,000, THE PROCEEDS OF WHICH WILL BE USED TO REFUND 2005 REVENUE BONDS AND TO ACQUIRE THE RELATED TRANSFERRED LOCAL OBLIGATIONS AND TO PURCHASE REFUNDING LOCAL OBLIGATIONS ISSUED BY THE CITY OF STOCKTON TO REFUND BONDS ISSUED FOR OTHER LAND SECURED DISTRICTS OF THE CITY.**

AUTHORIZE THE CITY OF STOCKTON TO SELL REFUNDING ASSESSMENT AND SPECIAL TAX BONDS FOR CERTAIN SPECIAL DISTRICTS AND TO SELL THE REFUNDING BONDS TO THE SPFA AS DESCRIBED ABOVE.

Recommended Action:

RECOMMENDATION

Adopt six resolutions of the Stockton City Council and one resolution for the Stockton Public Financing Authority ("SPFA") approving the issuance of the Revenue Bonds in the aggregate principal amount not-to-exceed \$42,000,000 and taking all necessary actions and approving all documents in connection with the refunding program for several land secured districts of the City of Stockton:

1) City Council: Adopt a resolution of intention to levy reassessments and to issue refunding bonds upon the security thereof for the City of Stockton Reassessment District No. 2016-1 (March Lane/Holman)

2) City Council: Adopt a resolution adopting reassessment report, confirming and ordering the reassessment pursuant to summary proceedings and directing actions with respect thereto for the City of Stockton Reassessment District No. 2016-1 (March Lane/Holman)

3) City Council: Adopt a resolution of intention to levy reassessments and to issue refunding bonds upon the security thereof for the City of Stockton Reassessment District No. 2016-2 (Waterford Estates East Phase II)

4) City Council: Adopt a resolution adopting reassessment report, confirming and ordering the reassessment pursuant to summary proceedings and directing actions with respect thereto for the City of Stockton Reassessment District No. 2016-2 (Waterford Estates East Phase II)

5) City Council: Adopt a resolution authorizing the issuance and sale of special tax refunding bonds for four community facilities districts, and approving and authorizing related documents and actions.

6) Stockton Public Financing Authority: Adopt a resolution of the Board of Directors of the Stockton Public Financing Authority authorizing the issuance and sale of its local agency revenue bonds in one or more series, and approving and authorizing related documents and actions.

7) City Council: Adopt a resolution authorizing the issuance and sale of Refunding Bonds, and directing the execution of Fiscal Agent Agreements and an Escrow Deposit and Trust Agreement, and approving and authorizing related documents and actions.

Department:

Administrative Services

Attachments: [Proposed City Resolution - Reassessment for District 2003-01](#)
[Proposed City Resolution - Reassessment Report for District 2016-1](#)
[Proposed City Resolution - Reassessments for District 2003-03](#)
[Proposed City Resolution - Reassessment Report for District 2016-2](#)
[Proposed City Resolution - Sale of Refunding Bonds for Reassessed Districts](#)
[Proposed City Resolution - CFD LOB Issuances](#)
[Proposed SPFA Resolution - Issuance of Revenue Bonds](#)
[Attachment A - Stockton Indenture JPA Bonds](#)
[Attachment B - Bond Purchase Agreement for Revenue Bonds](#)
[Attachment C - CFD Refunding Bonds Purchase Agreement](#)
[Attachment D - Refunding Assessment Bond Purchase Agreement](#)
[Attachment E - Preliminary Official Statement](#)
[Attachment F - Escrow Deposit and Trust Agreement](#)
[Attachment G - AD Fiscal Agent Agreements](#)
[Attachment H - CFD Fiscal Agent Agreements](#)
[Attachment I - Continuing Disclosure Certificate](#)
[Attachment J - Savings Summary](#)
[Attachment K - Reassessment Report - March Lane-Holman Dist 2016-1](#)
[Attachment L - Reassessment Report - Waterford East II Dist 2016-2](#)

**15.2 [16-2686](#) REFUNDING OF SUCCESSOR AGENCY TO THE FORMER
REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, CITY OF
STOCKTON ENFORCEABLE OBLIGATIONS THROUGH THE ISSUANCE
OF ONE OR MORE SERIES (NOT TO EXCEED \$130,000,000 AGGREGATE
PAR AMOUNT) OF SUCCESSOR AGENCY 2016 TAX ALLOCATION
REFUNDING BONDS**

Recommended Action: RECOMMENDATION

Adopt a resolution of the Successor Agency to the former Redevelopment Agency of the City of Stockton ("Successor Agency") authorizing the taking of all necessary actions and approving all documents in connection with the refunding of enforceable obligations currently payable from tax increment revenue of the Successor Agency, as set forth below, authorizing the issuance and sale of Successor Agency's 2016 Tax Allocation Refunding Bonds (the 2016 "Bonds") in one or more series not to exceed \$130,000,000 (current issuance estimate of \$113,085,000), including the approval of the form of an indenture of trust, escrow agreement, bond purchase contract, certain refunding agreements, the modification of adopted budgets to accommodate the refunding, and authorizing certain other actions in connection therewith.

Department: Administrative Services

Attachments: [Attachment A - Savings Analysis Presentation](#)

[Attachment B - Indenture of Trust, Bond Purchase Contract, Escrow Agreement](#)

[Attachment C - Complete set of Bond Numbers](#)

[Proposed Resolution - Stockton RDA 2016 Refunding Bonds](#)

- 15.3 [16-2821](#) **CONSIDER PLACING BEFORE THE VOTERS AT THE NOVEMBER 8, 2016, ELECTION TWO MEASURES THAT WOULD OVERTURN THE CURRENT BAN ON MEDICAL CANNABIS DISPENSARIES AND CULTIVATION AND WOULD INCREASE THE BUSINESS LICENSE TAX ON MEDICAL CANNABIS BUSINESSES**

Recommended Action: RECOMMENDATION

It is recommended that the City Council consider placing before the voters at the November 8, 2016 election two measures that would overturn the current ban on medical cannabis dispensaries and cultivation and would increase the business license tax on medical cannabis businesses.

Department: City Attorney

Attachments: [Proposed Resolution - Medical Marijuana Measure](#)

[Exhibit 1 - Proposed Ordinance Medical Cannabis Cultivation](#)

[Proposed Resolution - Calling Election for Med Marijuana Tax Measure](#)

[Exhibit 1 - Proposed Ordinance Medical Cannabis Business](#)

16. **HEARINGS******

- 16.1 [16-2742](#) **PROPOSITION 218 PUBLIC PROTEST HEARING TO CONSIDER WATER RATE INCREASES**

Recommended Action: RECOMMENDATION

At the conclusion of the Public Hearing, it is recommended that the City Council adopt a resolution that does the following:

1. Adopts the final May, 2016 Water Rate Study as prepared by HDR Engineering, Inc.;
2. Approves the water rates adjustments as identified in the Report, and amends the City of Stockton 2016-2017 Fee Schedule to reflect those adjustments for the current fiscal year if less than 50% of the affected record owners of any parcel upon which the water service charges are proposed for the imposition or tenants who are directly responsible for the payment of water service charges have submitted written protests, as tallied by the City Clerk;
3. Declares and adopts a Stage 1 Drought Surcharge; and
4. Authorizes the City Manager to take all appropriate and necessary actions to carry out the purpose and intent of the resolution.

Department: Municipal Utilities

Attachments: [Proposed Resolution - 2017 Water Rate Adjustments](#)
[Exhibit 1 - Stockton MUD - 2016 Water Rate Study Final Report](#)

17. COUNCIL COMMENTS

18. ADJOURNMENT

INFORMATIONAL ITEMS

CERTIFICATE OF POSTING

**I declare, under penalty of perjury, that I am employed by the City of Stockton
and that I caused this agenda to be posted in the City Hall notice case on June
23, 2016, in compliance with the Brown Act.**

Bonnie Paige, CMC

By: _____

Deputy

**Members of the public may only comment regarding items on this agenda.*

All proceedings before the City Council are conducted in English. The City of Stockton does not furnish language interpreters and, if one is needed, it shall be the responsibility of the person needing one.

In accordance with the Americans With Disabilities Act and California Law, it is the policy of the City of Stockton to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, or an agenda and/or agenda packet in an appropriate alternative format; or if you require other accommodation, please contact the Office of the City Clerk located at 425 North El Dorado Street, Stockton, California 95202 during normal business hours or by calling (209) 937-8459, at least 5 days in advance of the hearing/meeting. Advance notification within this guideline will enable the City/Agency to make reasonable arrangements to ensure accessibility.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at the Office of the City Clerk located at 425 North El Dorado Street, Stockton, California 95202 during normal business hours or by calling (209) 937-8459. The Agenda is available on the City of Stockton Website: www.stocktongov.com.

CHALLENGING CITY DECISIONS: The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Stockton, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.