

**Minutes of the Regular Joint Meeting of the Oakley City Council/
Oakley City Council Acting as the Successor Agency to the Oakley
Redevelopment Agency/Oakley Public Financing Authority held
Tuesday, March 14, 2017**

1.0 OPENING MATTERS

***Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley
Redevelopment Agency/Oakley Public Financing Authority***

**1.1 Call to Order and Roll Call of the Oakley City Council/Oakley City Council Acting as
the Successor Agency to the Oakley Redevelopment Agency/Oakley Public
Financing Authority**

Vice Mayor Randy Pope called the meeting to order at 6:30pm in the Oakley City Council Chambers located at 3231 Main Street, Oakley, California. Vice Mayor Randy Pope, Councilmembers Doug Hardcastle, Claire Alaura and Kevin Romick were present. Vice Mayor Pope mentioned Mayor Sue Higgins is excused this evening as she is in Washington, D.C. at the National League of Cities' Congressional City Conference to address local issues.

1.2 Pledge of Allegiance to the Flag led by Avelina Vijil, Iron House Elementary School Student

Iron House Elementary School Student Avelina Vijil led the Pledge of Allegiance.

The City Council thanked her.

**1.3 Proclamation Recognizing March 2017 as American Red Cross Month in Oakley
(Carol Dooley, Red Cross External Relations Liaison)**

Vice Mayor Pope presented the proclamation to Carol Dooley, Red Cross External Relations Liaison.

Ms. Dooley accepted the proclamation and thanked the City Council.

1.4 Update from Ironhouse Sanitary District (Chad Davisson, General Manager)

Ironhouse Sanitary District Board Member Pete Zirkle announced General Manager Chad Davisson is out of town. He introduced himself to the City Council as the ISD liaison and mentioned he will attend all City Council meetings.

1.5 Update from Contra Costa Community College District (Dr. Robert Kratochvil, President, Los Medanos College; Tim Leong, District Director of Communications and Community Relations, Contra Costa Community College District; and Greg Enholm, Board Member, Ward V, Contra Costa Community College District)

Dr. Robert Kratochvil, President of Los Medanos College, introduced Contra Costa Community College District Chancellor, Dr. Fred Wood, and Jacob Neel, a Freedom High School graduate and Oakley resident who is now studying Political Science at Los Medanos College.

Dr. Kratochvil shared information regarding the new Los Medanos College campus site in Brentwood. He mentioned it will be located at Marsh Creek and Vineyard Parkway and is scheduled to be occupied in the Spring or Summer 2020. He shared the site plan, floor plan, and design renderings. He thanked voters who helped passed bond measures to support the project. He introduced Mr. Neel.

Mr. Neel shared his personal educational journey and experience at Los Medanos College.

Dr. Kratochvil thanked the City Council for the opportunity to present the information.

2.0 PUBLIC COMMENTS

Public Comment Cards

None.

Online Comment Forms

None.

3.0 CONSENT CALENDAR

Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority

3.1 Approve the Minutes of the Regular Joint Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency Meeting and Special Meeting of the Oakley Public Financing Authority held February 28, 2017 (Libby Vreonis, City Clerk)

Oakley City Council

3.2 Accept Report Out of Closed Session Memo (Derek Cole, City Attorney)

3.3 Waive the First Reading and Introduce an Ordinance Amending Oakley Municipal Code Section 1.5.209(b) Dealing with Administrative Appeal Hearings (William Galstan, Special Counsel)

**3.4 Adopt a Resolution Accepting Subdivision Improvements Associated with Subdivision 8656, a Six Lot Single-Family Residential Subdivision Located on the North Side of Coventry Drive East of Susie Street
(Kevin Rohani, Director of Public Works/City Engineer)**

Public Comment Cards

Dawn Morrow introduced herself as Field Representative for Supervisor Diane Burgess. She mentioned her areas of focus are public utilities, the Northern Waterfront Economic Development Initiative, animal services, senior citizens, the Oakley Library, East County Veterans, and various other regional constituent issues. She provided her contact information.

Online Comment Forms

None.

It was moved by Councilmember Romick and seconded by Councilmember Hardcastle to approve the Consent Calendar. Motion was unanimous and so ordered. (4-0)

4.0 PUBLIC HEARINGS-None

5.0 REGULAR CALENDAR

Oakley City Council

5.1 Consideration of a Resolution Supporting the CyberTran International Rapid Light Rail Transit Proposal (Bryan Montgomery, City Manager)

City Manager Bryan Montgomery presented the staff report and introduced Dexter Vizinou, President of CyberTran.

Mr. Vizinou explained the system is different from other mass transit systems in that it is a vehicle, not a train, which can travel up to 150 mph and offers non-stop direct destinations available on demand for 1/10 the cost of current transportation. He mentioned the system runs on solar and it generates 8 times more energy than it consumes. He shared a conceptual plan for an East Contra Costa County line.

Councilmember Romick thanked Mr. Vizinou for his presentation and inquired if the project would be ready to roll out if funding were available.

Mr. Vizinou responded that he has support from Washington, D.C. and if there ever is a best time for it to happen, it is now.

Councilmember Alaura commented that in 2010 the City Council supported this endeavor. She inquired if technology has changed since then and if examples could be provided.

Mr. Vizinou responded that the prototype is ready to demonstrate. He also mentioned the Federal government has investigated and determined the product viable which it does not do unless it is interested in committing and deploying quickly.

Councilmember Hardcastle commented that faster transport would enhance lives by getting people out of traffic; therefore, he supports adopting the resolution.

Councilmember Romick commented that the system works with BART but should not compete with BART. He mentioned he supports adopting the resolution as the system provides a clean mode of transport and it solves the last mile to-and-from stations issue in that no parking lots would be needed to park and ride.

Councilmember Alaura inquired what work City staff would be expected to undertake if the City Council supports the resolution.

Mr. Vizinou provided detail regarding the cost of implementing different types of track and shared that the cost would be approximately \$600 million for an East Contra Costa County line that would run from Antioch through Oakley and Brentwood to Byron. He added that the track is prefabricated and a quarter-mile of track can be installed per day.

Vice Mayor Pope commented he supports adopting the resolution and the concept of a direct destination mode of transport is brilliant.

Public Comment Cards

None.

Online Comment Forms

None.

It was moved by Councilmember Hardcastle and seconded by Councilmember Romick to adopt the resolution. Motion was unanimous and so ordered. (4-0)

6.0 REPORTS

6.1 CITY MANAGER

(a) City Manager

City Manager Bryan Montgomery announced the two asphalt projects currently in progress at Norcross Lane and O'Hara Avenue and on Laurel Road are nearing completion.

6.2 OAKLEY CITY COUNCIL/OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY

(a) Reports from Council Liaisons to Regional Committees, Commissions and Boards AND Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency Comments

Councilmember Alaura reported she attended the Ironhouse Sanitary District (ISD) meeting in which General Manager Chad Davisson received an award for completing special district administrative training for leadership, operation of the recycled water program was discussed and a public opinion survey should be issued in ISD's April newsletter regarding the program. She added that Jersey Island potential projects were also discussed, including privately owned composting and bio solids; more discussions will occur soon. She mentioned a Bethel Island sewage spill was also discussed which was a result of illegal connections and heavy rains; cease and desist orders are being issued to those residents to help mitigate the problem. She mentioned she won't be able to attend the next meeting but will connect with ISD liaison Pete Zirkle to obtain an update. She also reported that she attended a meeting with the Oakley Union Elementary School District along with Mayor Higgins, City Manager Bryan Montgomery, Chief of Police Chris Thorsen and You, Me, We=Oakley! Project Coordinator Gabriela Banos-Galvan to discuss the vision building process and how the community can support the schools. She mentioned she had a discussion with O'Hara Park Middle School Principal, Colleen Creswell, regarding the proposed Recreation building on O'Hara Avenue and addressed concerns with regard to traffic flow and pedestrian crossing.

Councilmember Hardcastle inquired if ISD plans to manage bio solids.

Councilmember Alaura commented she is not sure how far ISD is in its discussion; however, it is studying Orange County's handling of bio solids and she will continue to follow the issue and provide updates.

Councilmember Hardcastle announced he attended the East Contra Costa Fire Protection District meeting and Fire Chief Hugh Henderson is scheduled to retire March 31.

Councilmember Romick announced a GoFundMe account has been set up for 13-year old O'Hara Park Middle School student Mya Johnson to help with medical costs related to her ovarian cancer. He reported he attended a town hall meeting in Discovery Bay sponsored by Save the Delta Alliance which provided information supporting to stop the twin tunnels project. He added a Delta Stewardship Council meeting will be held March 23 in Brentwood to discuss a proposal to pursue a dual covenant solution for the Delta.

Vice Mayor Pope inquired what the City can do to support stopping the twin tunnels from being built.

Councilmember Romick suggested inviting resident Roger Mammon to speak and provide more information how the City may provide support.

Vice Mayor Pope reported he attended a Habitat Conservancy meeting yesterday and the Board approved an easement through its preserve to repair bridges to prevent ecological and economic harm.

(b) Requests for Future Agendas

None.

7.0 WORK SESSIONS

Oakley City Council

**7.1 Community Choice Energy (CCE) Work Session
(Joshua McMurray, Planning Manager)**

Planning Manager Joshua McMurray presented the staff report. He introduced speakers Mike Moore on behalf of the Community Choice Energy Ad-Hoc Committee, Jason Crapo, Deputy Director of the Contra Costa County Department of Conservation and Development, Seth Baruch with LEAN Energy US, Albert Lopez, Planning Director for Alameda County and Dawn Weisz, Founding Executive Officer for Marin Clean Energy (MCE). Each speaker was allowed time to provide a presentation to the City Council.

Mike Moore on behalf of the Community Choice Energy Ad-Hoc Committee thanked the City Council for forming the Ad-Hoc Committee and he introduced committee members Yolanda Mendreck and Dian Brennan-Mayor. He reported that the committee accepted the comments made by the City Council at a prior meeting and evaluated the community choice energy (CCE) options with no advocacy or dismissal of any particular option, they reviewed the pros and cons of each option, they sought a cost comparison, and they invited all of the agencies involved to attend this meeting; however, the California Public Utilities Commission respectfully declined but provided some information and PG&E declined.

Jason Crapo, Deputy Director of the Contra Costa County Department of Conservation and Development along with Seth Baruch, consultant with LEAN Energy US, presented that the County conducted a technical study, including the City of Oakley, to analyze the feasibility of creating a new Joint Powers Agreement (JPA) for community choice energy and sent a draft to the County Board of Supervisors; the Board of Supervisors expressed a strong preference to join an existing community choice energy provider, not create a new JPA. He shared findings in result of the study: MCE is well-established in four counties with a strong track record and a large, experienced staff; it would provide the most speedy option; EBCE's program has not yet launched which may provide an opportunity for agencies joining to participate and influence the organization with key decisions; remaining solely with PG&E has pros and cons; and there is some risk with starting a new community choice energy program. He mentioned findings of the technical study will be presented to the Board of Supervisors on March 28. He explained the voting power structure of both MCE and EBCE. He discussed legislative and regulatory risks including the Power Charge Indifference Adjustment (PCIA) which is volatile and has increased lately. He mentioned benefits will include job creation, lower greenhouse gas emissions and higher levels of renewable energy content.

Mr. Baruch added that the enrollment periods for both MCE and EBCE are set to expire soon; therefore, they are presenting the findings of the County study to as many cities as possible that have not joined a CCE before the enrollment deadlines.

Albert Lopez, Planning Director with Alameda County shared that in January 2017 EBCE held its first meeting and 11 cities chose to join the JPA. He mentioned EBCE is currently enrolling customers and expect to be fully operating in Spring 2018. He added that if Oakley joins, EBCE will be the largest program in California; however, a decision must be made by June 30, 2017 for inclusion in 2018.

Councilmember Hardcastle asked Mr. Lopez to clarify a point in his presentation regarding repayment of a loan to the County.

Mr. Lopez explained that the loan is for initial start-up; the rate payers repay the loan, not the cities.

Dawn Weisz, Founding Executive Officer of MCE provided a cost comparison between MCE and PG&E. She shared rate options and a sample outreach plan. She mentioned MCE minimizes financial risk by placing 4% in reserve each year, with about 24 projects in its portfolio. She provided information regarding the Feed-in-Tariff (FIT) program, recent community partnered projects, and the residential solar rebate program.

Mr. McMurray invited Mr. Moore to present the Ad-Hoc Committee's findings to the City Council.

Mr. Moore explained the options presented at a previous Council meeting were to join an existing CCE, join an entity in formation, develop a new County CCE, develop a new sub-regional CCE or stay with PG&E. He further explained that MCE is the only option currently in operation and accepting new members with comparable data. The Ad-Hoc Committee recommended the City join MCE.

Mr. McMurray thanked the Ad-Hoc Committee for their work and then shared an example of a project that was recently approved but cannot be executed because PG&E requirements make it impracticable. He mentioned economic development is impacted by the status quo and if no other energy choice is offered, the impact should be considered further as the City already struggles to attract businesses. He mentioned the closing period to join MCE is May 31, 2017 and if the City should choose this option, staff would hold a community meeting on April 5 followed by presenting findings to the City Council at its meeting to be held April 11. He mentioned the closing period to join EBCE is June 30, 2017.

Public Comment Cards

Michael Dupray commented on data transparency and referred to an annual report to the Energy Commission. He explained that in 2015, MCE documented unspecified power which equates to fossil fuels and nuclear unbundled renewable energy credits much of which is from out of state. He added that none of the CCE's currently have any

plans for any facilities in our area; however PG&E provides such facilities. He recommended the Council require any of the chosen CCE's to provide local living wage career jobs with defined benefit plans, a community benefit in the form of revenue, no unbundled renewable energy credits, and a long-term plan to construct a renewable energy facility in Oakley or Contra Costa County.

Online Comment Forms

One comment card was submitted online by Michael Dupray who requested to speak (see comments-supra).

Councilmember Romick commented that in his experience, green jobs are typically overstated. He inquired besides construction, how the CCE's will help Oakley with economic development.

Ms. Weisz responded that there are a modest number of jobs that would be created that would not be long-term, but that jobs created with PG&E will continue; however, the real economic development benefit to local projects will be revenue to the community. She mentioned she is conservative on the number of estimated jobs created which is approximately 800 within the State; most of the procurement occurs within the State. She added that energy efficiency jobs are not as short-lived as construction jobs.

Councilmember Romick inquired how the CCE's plan to incentivize projects in Oakley. He mentioned Oakley's largest acreage is on the DuPont property, but other large-acreage sites do not exist.

Ms. Weisz responded that other areas would be reviewed such as rooftops and parking lots and possibly water areas. She added some landowners have already approached MCE with interest in the FIT program.

Mr. Lopez commented that a local development business plan is included and lots of jobs could be created through aggregated rate savings which would allow money to flow back through the local economy. He also provided examples of projects on the Altamont Pass and a proposed project near Mountain House which will create jobs.

Councilmember Romick commented the State is already requiring renewable standards by specified dates and he inquired what other incentive is available besides going green.

Mr. Lopez explained that renewable standards result in rates being reduced in which more money can flow through the local economy.

Councilmember Alaura commented that in providing a CCE choice, it does not eliminate PG&E as an option. She thanked the Ad-Hoc Committee for its work. She mentioned that CCE rates may be lower than PG&E; however, the PCIA fee is volatile and concerns her as no control is in place for it yet. She inquired how many MCE jobs are outside of Richmond.

Ms. Weisz responded that a high percentage of MCE staff live in other parts of Contra Costa County and that Richmond is the earliest member therefore time has allowed projects to develop in that City; there are sites being explored in other cities for projects and it can take a few years to perform all the necessary steps to develop those sites.

Councilmember Alaura inquired what percentage of members opt out of MCE after the opt-out periods.

Ms. Weisz explained that MCE sees an approximate 10% opt out rate after the 6 month enrollment period; thereafter a small fee applies to opt out.

Councilmember Alaura shared that she appreciates that EBCE's focus is on the East Bay and she believes it would know the area better and job focus may be within Contra Costa County, it would provide the City of Oakley to be connected from the ground level with voting input not based on load, and the City may have more influence on decisions.

Councilmember Hardcastle expressed concern that EBCE cannot currently provide a rate fee and he inquired if MCE customers would be required to purchase renewable energy from 50% now to 75% later on.

Ms. Weisz responded that it is projected to be 80% by 2025, but with the assumption that its rates would be competitive with PG&E.

Councilmember Hardcastle inquired how someone can opt out of the program.

Ms. Weisz explained a resident can opt out of MCE's program by phone call or online; however, MCE does not provide a mail-back option as it is unreliable.

Councilmember Hardcastle inquired if MCE offers Spanish-speaking assistance for residents.

Ms. Weisz confirmed MCE offers bilingual mailers and staff to assist.

Vice Mayor Pope commented that the program the City chooses must be more economical for residents. He explained the drawback to EBCE is that there is no rate plan whereas MCE has history to reference. He inquired what the financial impact would be to the City and its residents if the City joins a CCE program and later decides to leave.

Ms. Weisz explained the cost of power is volatile and MCE enters into long-term agreements to procure power to keep rates stable; therefore, it would require a long-term commitment from the City to help keep rates affordable. She added any separation from a CCE could result in a credit risk to the CCE. She explained for these reasons, it is possible to include a separation provision in the JPA agreement, but costs in the community would have to be accounted for; therefore, it is not a realistic option.

Mr. Lopez responded that EBCE has similar language in its JPA agreement regarding separation and long-term agreements (20 years) are common. He mentioned he believes that EBCE could provide more competitive rates than MCE at this time as market rates are good for purchasers.

Vice Mayor Pope inquired how insulated the City would be from PG&E rate increases if a CCE is chosen.

Ms. Weisz explained that MCE is not in control of PG&E gas rates and that PG&E changes its rates on average 3-4 times per year and can notify customers of rate increases one day that are effective the following day without public input. She further explained that MCE can control the generation rate and MCE adjusts its rates one time per year which is done through a public process.

Vice Mayor Pope inquired how the CCE rate plans are affected by time of use.

Ms. Weisz responded that MCE is assessing and engaged in pilot programs providing extra incentives or rate shifting for time of use. She mentioned MCE is buying energy during high/peak use hours. She also mentioned MCE has been pushing PG&E to use a rate calculator to show the impact of time of use rates before customers sign up and a commission has mandated PG&E to now show it on customer bills.

Mr. Lopez responded that storage of unused power during off hours is the next frontier in which EBCE is engaged in its local development plan.

Vice Mayor Pope inquired if storage of unused power would be for industrial or residential.

Mr. Lopez confirmed EBCE is looking at both.

Vice Mayor Pope inquired how insulated the City and its residents would be from brownouts.

Ms. Weisz replied that customers are still susceptible to brownouts; however, MCE tries to match load with resources by connecting the time of delivery of power with the time customers use the grid; therefore, there is some mitigating benefit. She mentioned a battery storage incentive program is available for both residential and commercial.

Vice Mayor Pope inquired if MCE is outgrowing its name as it is expanding and if there has been any discussion of a new name.

Ms. Weisz explained MCE has entered 4 counties and that outreach to each community is prefixed by "MCE" followed by the city name, for example, "MCE Oakley". She mentioned some discussion has occurred regarding "MCE" representing "My Clean Energy".

Vice Mayor Pope commented that he likes the idea of being the biggest CCE if the City decided to go with EBCE; however, there is a delay in implementation whereas MCE is known and ready.

Councilmember Romick commented the Council can staff to continue CCE research and provide the community meeting on April 5 or stay with PG&E. He mentioned it would benefit the community to provide the meeting on April 5. He also mentioned he doesn't see a significant change that would happen on the bill, PG&E rates continue to rise, and if a CCE is chosen, the amount would be transparent on the bill.

City Manager Bryan Montgomery commented that CCE rate savings and better solar sell back programs would encourage jobs and economic development in Oakley.

Councilmember Romick commented economic development benefits of CCE's provide additional incentive to bring businesses to Oakley.

Councilmember Hardcastle inquired how a CCE will benefit the City.

Mr. Montgomery responded that the City is a large power user; therefore, there would be a significant savings to taxpayers over time.

Councilmember Alaura commented that the discussion should continue as the decision will be permanent and the Council owes it to the residents to make a good decision that will have a long-term impact. She mentioned she would prefer to give time to ECBE to develop rates, jobs and benefits to have two CCE options. She added that MCE is a good program, but ECBE could be better.

Vice Mayor Pope commented he agrees the City Council should make a well-informed decision as its impact will be long-term.

Councilmember Romick commented that staff should proceed with the April 5 community meeting for public input.

Vice Mayor Pope commented he loves the concept of both options. He thanked the Ad-Hoc Committee for its report and recommendation.

Mr. McMurray indicated staff will proceed with the April 5 community meeting followed by another work session at a future Council meeting.

No action was required of the City Council. Direction was provided to staff.

Vice Mayor Pope announced a break at 9:46pm. The City Council reconvened at 9:55pm.

7.2 Park and Traffic Impact Fee Updates Work Session (Joshua McMurray, Planning Manager)

Planning Manager Josh McMurray and Public Works Director/City Engineer Kevin Rohani presented the staff report.

Victor Irzyk, Senior Principal of Goodwin Consulting Group provided his presentation regarding park fees. He reviewed existing structures and future build-out, General Plan standards, and explained at build-out, the City will require 400 acres of park land which will cost approximately \$160 million.

Chris Kinzel, Vice President of TJKM provided his presentation regarding the traffic impact fee. He explained how the fee is calculated and provided the average cost per household which is approximately \$12,000.

Public Comment Cards

Lisa Vorderbrueggen, Bay Area East Bay Executive Director for Government Affairs, Building Industry Association (BIA), commented that BIA is committed to work with the City toward the most financially advantageous fee level to ensure housing continues to be affordable to purchase in Oakley.

Online Comment Forms

None.

Councilmember Romick commented next steps would be to return with firm numbers for consideration of approval.

Vice Mayor Pope inquired where the numbers originate with regard to single family and multi-family homes.

Mr. McMurray responded that the numbers are included in the City's General Plan which originate from the U.S. Census.

Vice Mayor Pope inquired if the amounts are calculated per capita.

City Manager Bryan Montgomery responded that there are different calculations on parks and transportation.

Councilmember Hardcastle inquired how more parks are not needed when the City's parks are currently full with league rentals.

Mr. Montgomery explained that the City will continue to need fees for parks to continue to be built.

Councilmember Hardcastle inquired what grade City streets have received.

Mr. Rohani responded that City streets are in a good category.

Mr. Montgomery added that City streets are at almost an 80 on the Pavement Management Index.

Councilmember Hardcastle commented that there are plenty of street projects that require money.

Vice Mayor Pope commented that 2003 was the last adjustment (14 years ago) with a 1% per year increase. He inquired how inflation and the Consumer Price Index (CPI) impacts builders.

Mr. McMurray responded that fees are adjusted annually taking into account the CPI.

Vice Mayor Pope inquired what the industry standard is with regard to an interval.

Mr. Rohani responded that he prefers every 5 years; however, there is no required period.

Vice Mayor Pope commented he agrees with that and suggested the City adopt a policy or practice.

Mr. Montgomery responded that when staff returns with firm numbers, staff can include a policy or practice.

Vice Mayor Pope commented when staff returns with firms numbers, he would like to see the cost the City is incurring and adopt a policy or procedure.

Mr. Rohani recognized staff member Billilee Saengchalern's work on the traffic impact fees.

8.0 CLOSED SESSIONS-None

9.0 ADJOURN

There being no further business, the meeting was adjourned at 10:13 p.m.

Respectfully Submitted,

Libby Vreonis
City Clerk