



Public Works Department

# Summary Minutes

## REGULAR MEETING OF THE CITIZEN STREET OVERSIGHT COMMITTEE

**Monday, January 28, 2013, 7:00 p.m.**  
**El Cerrito City Hall**  
Hillside Conference Room  
10890 San Pablo Avenue

**Call to Order** at 7:00 p.m.

### 1. Roll Call

**Present:** Chair Al Miller, and Vice Chair Liz Ozselcuk, Committee Member Thomas Miller, Aurelia Schultz and Lynne Kessler

**Absent:** none

**Other Attendees:** Staff Liaison Jerry Bradshaw, Public Works Director/City Engineer  
Yvetteh Ortiz, Engineering Manager  
Mary Dodge, Finance Director  
Amy Meyer, City's Consulting Auditor

### 2. Comments from the Public

None.

### 3. Approval of Minutes

Comment by Chair Al Miller – page 3-3, Item 4, second paragraph, first line: "...sewer later..." should be changed to "...sewer lateral..."

Committee Member Kessler asked about mention on page 3-2 of the City Council approving re-allocation of Measure A money to neighborhood traffic projects. Liaison Bradshaw explained that traffic projects are eligible for Measure A money. Committee member Thomas Miller expressed his displeasure that Measure A money is being diverted in this manner since Measure A was primarily voted on as being devoted to pavement rehabilitation as well as curbs and gutters. Committee Member Al Miller agreed with the sentiment, but re-iterated that such allocations are within the purview of the City Council as long as it complies with Measure A.

**Action taken:** M/S Thomas Miller/Ozselcuk to approve minutes as corrected. Approved unanimously.

#### 4. Review Fiscal Year 2011-12 Audit and Auditor's Report

Liaison Bradshaw gave an overview of pages 4-1 through 4-9. Page 4-1 is the cover of the City's Comprehensive Annual Financial Report (CAFR). This cover page is customized each year with some sort of theme, which was focused on recent awards given to the City. One of the three awards shown is for "Most Improved Roads", which is apropos to the business of the Committee. Pages 4-2 and -3 are each a composite of two pages from the actual CAFR. This was done in order to show the columns of interest next to the row labels. Pages 4-5 through 4-9 are the Agreed Upon Procedures Report (AUPR).

Finance Director Dodge explained that the AUPR is required by the bond covenants.

Auditor Meyer explained that the AUPR is not the audit; the CAFR is the audit and the AUPR goes beyond the CAFR with additional tests and examinations. She went on to summarize their accounting activity in preparing the AUPR.

Committee Member Thomas Miller asked what a parity obligation was. Meyer explained that any subsequent bond issuance would have to be structured to be in parity (equal standing with the existing bonds), subordinate (of lesser standing), or senior (with greater standing). The standing refers to which bond holders would have equal, lesser or greater call on the proceeds of Measure A. This issue is not applicable at this time since the City has not issued any subsequent bonds against Measure A.

Liaison Bradshaw pointed out that some of the final audited figures were different than what was presented at the September meeting. On page 4-3, the first number under revenues (\$1.546 M) was different than the \$1.483 M reported earlier. That happened because there was one final payment of \$63k from the State after the September statements. The only other discrepancies occurred when staff showed some reimbursements as negative expenses, and the audit showed them as revenue.

Comment by Chair Al Miller – page 4-3, right hand column, Revenues: What does "Other" mean? Those are revenues collected from permittees who are required to install a slurry seal remediation who choose to pay cash to the City in exchange for the City performing the slurry seal work.

The draft annual report was mislabeled as page 6-1 in the packet.

**Action taken:** M/S Kessler/Ozselcuk to approve annual report. Approved unanimously.

Question from Committee Member Thomas Miller – is the revenue stream of Measure A sufficient to take care of debt payments and the needs of the streets? Liaison Bradshaw stated, "Generally, yes", and he would go into that more in the next agenda item.

Dodge & Meyer left the meeting

## 5. Staff Liaison Report

Staff Retirement: Liaison Bradshaw announced that he retired from the City in November. He is continuing on a part-time basis while the City fills the vacancies. Ms. Ortiz will be taking over the liaison role for the Committee.

Pavement Condition Index (PCI): The City has received its draft PCI report which shows that the City's average PCI remains at 85 (out of 100). This is the same level as it was in the 2010 report. Bradshaw stated that this was good news in light of the way the 2010 report was developed which included some "negotiated" PCI levels for streets that had received the Asphalt Rubber Cape Seal treatment (AR Cape). The StreetSaver software was not prepared to adequately anticipate the PCI for streets with the AR Cape treatment, so City staff and the pavement consultant manually input PCI values for those streets. The risk was that this would initially over-inflate the PCI value only to see it dramatically decline in the following years. This new 2012 report shows no degradation of those streets, thereby providing an early validation of the "negotiated" PCI values. Bradshaw stressed that it is still early in the life of these streets; it should be watched for a few more 2-year cycles.

The bi-annual PCI report work costs approximately \$25,000. The City received a grant from MTC for all but \$4,000 to pay for that work. The \$4,000 is funded from Measure A as part of the planning and engineering function in maintaining the streets.

The draft report estimates that in order to make the streets the best they can be, it would take \$4.37 M over the next five years. The 2010 report estimated that 5-year figure to be \$2.6M. Since the streets are in about the same condition, the factor that has changed since 2010 is the cost of doing pavement work.

This report is preliminary, so these figures could change before the report is finalized. In addition several financial scenarios will be developed.

Chair Al Miller asked if the City Council set a goal of what PCI level we want our streets at. Bradshaw stated, "No."

Council Appointments: A list of recent appointments to boards, commissions and committees was not available before the meeting.

Council Strategic Planning: Liaison Bradshaw briefed the Committee on the recent work done by the Council on the Strategic Plan with input from Committee Member Al Miller who attended the recent Saturday meeting.

## 6. Election of Committee Officers

Al Miller has been the Chair since the Committee's inception in 2008. He has made known his wish for someone else to take on the Chair role so that no one person becomes too entrenched in the role. The Standing Rules support that concept.

Liaison Bradshaw reviewed the duties of the Chair: Primary responsibility is to run the meeting. The Chair would not have to know any more about the subject matter than any other member. The Chair might have more contact with the Liaison in developing agendas.

Liaison Bradshaw declared the seat of Chair open, and asked for nominations.

Kessler nominated Schultz for Chair, and Schultz nominated Kessler for Vice Chair.

M/S Thomas Miller/Al Miller to close nominations. Approved unanimously.

**Action taken:** M/S Al Miller/Thomas Miller to approve both nominations. Approved unanimously.

#### 7. **Committee Standing Rules**

Liaison Bradshaw noted that the only recent revision to the rules was to include a version number. The current version is 2012 – 2.

There were no comments on the rules and no action was taken.

#### 8. **Future Agenda Items and Meeting Schedule**

The next regular meeting is scheduled for September 23, 2013.

The November meeting is scheduled for November 11<sup>th</sup>, which might be a holiday conflict. That can be addressed at the September meeting.

The January meeting would be on January 27, 2014.

Potential items for the next agenda include:

- a review of committee members terms and limits if applicable
- review of the Brown Act and procedures
- preliminary revenues and expenditures
- review of the process of how money gets allocated and approved for projects

#### 9. **Adjourned** at approximately 8:24 p.m.