Jackson City Council
Minutes
Regular Meeting of October 15, 2013

Patrick Crew, Mayor
Wayne Garibaldi
Connie Gonsalves, Vice-Mayor
Marilyn Lewis
Keith Sweet

Michael Daly, City Manager
Joshua Nelson, City Attorney
Scott Morrison, Police Chief
Mark Morton, Fire Chief
Gisele Cangelosi, City Clerk

COUNCIL MEMBERS ABSENT:

Mayor Crew called the meeting to order at 7:00 p.m.

1. APPROVAL OF AGENDA.

Moved by Councilmember Lewis, and seconded by Vice-Mayor Gonsalves, and unanimously carried to approve the City Council Agenda dated October 15, 2013 as presented.

2. PUBLIC MATTERS NOT ON THE AGENDA.

None.

3. CONSENT CALENDAR.

a. Approval of Minutes of September 23, 2013 meeting.
b. Approval of Expenditure Report for the period of October the amount of $122,505.12.
c. Approval of Salary related items for September amount of $318,288.19.
d. Accept August 2013 Treasurer's Report and Sales Tax Report.
e. Receive Jackson Fire Department Monthly Report for September 2013.
f. Receive Jackson Police Department Monthly Report for September 2013.
g. Receive Building Department Monthly Report for September 2013.
h. Adopt Resolution to Apply for Proposition 84 Funding from Sierra Nevada Conservancy for Abandoned Mine Lands removal action work plan for the Oro De Amador property.
i. Approve Special Event Permit – Lions Club Halloween Parade, October 31.
j. Approve Special Event Permit – American Legion Post 108 Veterans Day Parade, Monday, November 11.

Moved by Vice-Mayor Gonsalves, seconded by Councilmember Garibaldi, and unanimously carried to approve the Consent Calendar as amended and except for.

Mayor Crew abstained on the approval of Check 238201 in the amount of $1,381.64

Councilmember Lewis abstained on the approval of the Minutes of September 23, 2013.

Councilmember Sweet abstained on the approval of Check 238232 in the amount of $570.79.

4. ADMINISTRATIVE REPORTS.

Fire Chief Morton reported on the following:

1. Jackson Fire Department in September 2013 responded to 98 calls last month, 63 medical calls, 15 public assists, 8 fire related, 2 hazardous materials, 10 traffic accidents and 20 of the calls or 20 percent were outside of the city limits for automatic aid to the AFPD.
2. The department donated $1,050.82 to the Amador STARS raised by the sale of 108 pink t-shirts. The department will be wearing the shirts throughout the month of October.
3. Held a field training Amador Transit at Mel's parking lot which included smoke in the bus and how to excavation.
4. Ceremonial at the November 25 meeting for five firefighter that have obtained their engineer status.
5. Last weekend all of the fire hoses were tested – 3 piece failed use as filler line. Replace some hose.
6. Amador Fire Protection Agency meeting is scheduled for Thursday, October 17, Councilmember Gonsalves and City Manager Daly will be attending this meeting.
7. The ISO rating review was held October 7, the current rate is 5.2. As soon as the results are provided they will be submitted to the City Council.

Police Chief Morrison reported the Police Department responded to 592 calls for service for the month of September.

City Manager Daly reported on the following:

1. There is an item on the discussion calendar to appoint Joshua Nelson as City Attorney he will be replacing Andrew Morris who has been City Attorney since 2008.
2. ACRA's HUB will hold an open house for the after school art program on Thursday, October 17.
3. Thurs evening LAFCO meeting working with Roseanne to get info for meeting. County took action Wicklow way sphere. .
4. The LAFCO meeting will be held October 17, 2013 for continued discussion regarding the updated Sphere of Influence (SOI) map for the City of Jackson.
5. Vista Point Bulb Planting will be Saturday, October 12
6. Annual Rotary Bowl-a-thon will be held Saturday, October 12.
7. Jackson Rancheria and Chaw'se Indian Grinding Rock continue to appreciate any volunteers.
8. Pitt Street Bridge refurbish pavement overlay will begin Tuesday, October 22.

5. COUNIL REPORTS.

Vice-Mayor Gonsalves reported on the following:

1. Attended the Amador County of Tourism meeting.
2. Will be attending the Amador Fire Protection Agency meeting on Thursday, October 17.

Mayor Crew reported on the following:

1. Attended the Air Quality Control Board meeting on Tuesday, October 1.
2. Will be attending the LAFCO meeting on Thursday, October 17 at 5:15. P.m.

DISCUSSION CALENDAR

For the record: Action minutes provide the necessary documentation of City Council actions and audio recordings are retained for those desiring more detail on particular agenda item discussion. These audio recordings provide an accurate and comprehensive backup of City council deliberations and citizen discussion.

6. Award of Services – City Banking.
City Manager Daly reported banking services provided by a financial institution are a critical part of the City's daily operations. Similar to any private business, the City has the option of banking with many institutions represented in the Jackson area. In order to ensure that the City is receiving all services possible from a bank and competitive fees, City staff determined that it was time to give all banks an opportunity to provide their services to the City. In addition, other services such as credit cards and newer electronic services are now available that made this the right time to explore banking services offered by all banks.

Finance Manager Soracco and Finance Assistant Blankenship were present to answer questions of the City Council.

A Request for Proposal (RFP) document was researched through the California State Municipal Finance Officers Association and a format used by several other cities across the state was customized for the City of Jackson's use by staff. On July 24, 2013, the RFP was available to interested banks and copies were delivered to seven banking institutions with offices in the general area of Jackson. The banks included Bank of America, Wells Fargo, El Dorado Savings Bank, Golden 1 Credit Union, American River Bank, Compass BBVA Bank, and Umpqua Bank. A public notice was also published in the Ledger-Dispatch. In response, the City received four proposals by the deadline of August 22, 2013. The very well prepared responses were submitted by Bank of America, Wells Fargo, Compass BBVA and Umpqua. All responses were deemed worthy of further review and the banks were interviewed to discuss their proposals and services from September 10 to 19. The banks were represented by both local and regional municipal banking specialists to provide additional detail and information about their proposals and answer questions from staff.

Based on the current and anticipated services provided by a bank to the City of Jackson, the following evaluation criteria were established and included in the Request for Proposals:

- Understanding of the needs and operation requirements of the City.
- The experience, resources, and qualifications of the financial institution and individuals assigned to this account.
- Relevant experience managing similar account relationships with public institutions and agency clients.
- Bank and branch locations.
- Availability schedule.
- Scope of services offered including degree of automation.
- Financial strength of proposing institution.
- Adequacy of financial controls and protection against loss.
- Quality and scope of conversion plan.
- The value of any new product or service suggestions or other new ideas and enhancements.
- Compliance with the requirements of this RFP and quality of proposals.
- Proposed fees and compensation.

The City's interview team consisted of the City Manager Daly, Finance Manager Soracco and Finance Assistant Blankenship. Each bank brought at least two people and one bank brought five to explain their services and information to the City's team. The three key areas discussed with each group included security, credit card services, and fees. All four banks were well prepared and provided direct responses to all information requested. Choosing the preferred bank was a difficult process and all four are to be commended for their efforts to respond to the City's RFP and for the time spent in the interview process.

All four banks responded with similar information related to security. At this time, this primarily is related to the City's written checks, as it is the most common area of fraud and also something the City had an issue with years ago. The service offered by all the banks is called "positive pay" and allows the City to electronically send a copy of the regular check register to the bank for them to double check and verify every check written on the City account. This helps to protect both the City and the bank from fraudulent activity. It is not currently used by the City.

The City currently only allows credit cards to be used to pay water and sewer bills through the City's website. This is a third party vendor through the City's municipal software vendor and the service fees related to using a credit card online are currently borne by the customer. These vary depending on the amount of the payment. City staff is considering a recommendation to have the City absorb the credit card cost as part of these transactions, as well as other transactions that are anticipated to be possible through a credit/debit card machine at City Hall. More City customers are requesting to be able to pay with a credit or debit card. Though it is difficult to estimate a percentage, it is likely that nearly 50% of all payments for services could be handled through credit card payments. Again, all four banks offered to provide credit and debit card services both online for use with City utility payments, and in City Hall for the convenience of all customers paying for City services (business licenses, building permits, parking tickets, etc.). The main difference was the fees involved.

Fees proposed by each of the banks varied, but were similar in many ways as well. The one bank that clearly stood out was Wells Fargo, as they offered the lowest deposit level require to eliminate the "account analysis" fees generally costing around $500 to $1,000 per month, depending on the bank. The representatives from Wells Fargo Bank indicated at the interview that a maintained deposit of $1.7 million would allow the City to avoid paying the monthly account analysis fees based on current interest rates. If the interest rates climb, then the deposit requirement would be less.

A service offered by Wells Fargo that was not offered by the others included a system that would have the City's utility customers send payments directly to the bank. This would reduce staff time processing utility payments, allow for the quickest deposit of the funds possible, and reduce one opportunity for any calculation errors at the City level (a rarity of course). This service was seen as something that could be implemented once all other banking services are established.

In follow-up to the interviews, staff contacted references and were very pleased with the comments received regarding Wells Fargo services. This is the bank currently used by the cities of Ione and Plymouth, and a reference for another similar sized city, Fort Bragg, California, was also provided. In all cases, the comments were very positive, including an emphasis on the level of communication that occurred during the transition process between banks.

Should the City Council confirm the recommendation by staff, the transition process will begin. It is anticipated that all services would be transferred to Wells Fargo by January 1, 2014.

Councilmember Sweet asked City Attorney Nelson if a Councilmember banked with Wells Fargo would that be considered a conflict of interest. City Attorney Nelson stated it would not be a conflict according to the Brown Act.

Mayor Crew opened the public discussion. Hearing no comments from the public, Mayor Crew closed the public discussion.

After considerable discussion among the City Council and staff the following motion was made.

Moved by Vice-Mayor Gonsalves, seconded by Councilmember Lewis, and unanimously carried to approve the recommendation of City staff to change the City's Banking Services from Bank of America Merrill Lynch to Wells Fargo Bank.

7. City Attorney Agreement.
City Manager Daly reported in 2005, City Attorney Dennis Crabb resigned his position with the City of Jackson. After a request for qualifications was issued, the City Council selected the firm of Best Best & Krieger (BB&K) and designated Tom Gibson as the City Attorney. In January 2008, City Attorney Gibson notified the City that he was leaving BB&K and taking a deputy counsel position with the Department of Fish and Game. He recommended Andrew, Morris from BB&K to replace him and the City Council agreed. The contract was amended to reflect this change and Andy has been a great City Attorney as his replacement. After five-plus years in this position, City Attorney Morris announced to the City Council that he has taken the Town Attorney position with the Town of Truckee and will be resigning from BB&K at the end of the calendar year. He strongly recommended that the City hire Joshua Nelson from BB&K as his replacement, and was also recommended removing the retainer language that requires the City to pay for at least 20 hours of City Attorney services each month since that has not been the practice.

A copy of Mr. Nelson's biographical information from the BB&K website was provided. He is very familiar with activities in Jackson due to his previous work on Jackson issues with Mr. Morris and is greatly looking forward to working in this position.

Mayor Crew opened the public discussion. Hearing no comments from the public, Mayor Crew closed the public discussion.

After considerable discussion among the City Council and staff the following motion was made.

Moved by Councilmember Lewis, seconded by Councilmember Sweet, and unanimously carried pass a motion adopting the attached amendment to the City Attorney agreement with Best Best & Krieger for City Attorney services, and designating Joshua Nelson as the new City Attorney.

8. ACES Request for 1.76% Rate Increase.
City Manager Daly reported ACES was awarded the City's solid waste collection franchise in 1998. They began providing solid waste collection and recycling services to residents and businesses in July, 1998. The franchise agreement contains specific language regarding rate increases. The franchise agreement with ACES runs through June 30, 2014, and discussion have started regarding a possible extension. At the November 23, 2009, City Council meeting a revised rate adjustment methodology similar to the rate system used by other ACES franchisers in Amador County was approved. The proposed increase is the regular annual increase request based on the rate indices established in the franchise agreement. It calculates to a 1.76% increase effective January 1, 2014. The provided letter from Paul Molinelli, Sr. details the calculations going into the 1.76%. Based on the calculations submitted with the request, this increase appears to be correct. A 1.76% rate increase raises the cost of typical residential account (one 96 gallon cart) from $17.70 per month to $18.01 per month. A 10% senior discount is available. Staff will mail out the Proposition 218 protest notices to the appropriate parties Thursday, October 23 and adoption at the December 9 City Council meeting. Paul

Molinelli Jr., and Joe Assereto, ACES were present to answer questions of the City Council.

Councilmember Garibaldi stated the City voluntarily agree to comply with the Proposition 218 required and that this does not set a precedent for future ACES request for a rate increase/

Mayor Crew opened the public discussion. Hearing no comments from the public, Mayor Crew closed the public discussion.

After considerable discussion among the City Council and staff, it was the consensus of the City Council to authorize City staff to send a Proposition 218 protest notice to the appropriate parties and set a protest hearing date of December 9, 2013 for a 1.76% increase in residential and commercial rates.

City Manager Daly report the Closed Session was cancelled.

9. CLOSED SESSION

a. Conference with Labor Negotiator. Agency Representative, Michael Daly, City Manager. Employee Organization: Jackson Police Officers Association (Pursuant to Government Code Section 54957.6).

10. ADJOURNMENT

Adjourn 7:30 p.m.

ATTEST:

Gisele L. Cangelosi

Gisele L. Cangelosi, City Clerk

Date Approved: October 28, 2013