

RESOLUTION NO. 17-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERCULES APPROVING THE FISCAL YEAR 2017-18 CITY OF HERCULES BUDGET PLAN WHICH INCLUDES THE FIRST YEAR (2017-18 FISCAL YEAR) OF THE FIVE-YEAR (2017-2022 FISCAL YEARS) CAPITAL IMPROVEMENT BUDGET, MAKING CERTAIN DESIGNATIONS, AND APPROVING (16) ANNUAL CONTRACTS FOR SERVICES IN THE TOTAL AMOUNT OF \$533,430.

WHEREAS, the City of Hercules (City) has prepared and adopted annually the operating and capital budgets of the various funds of the City with the intent of providing a policy program for City services and a financial system to carry out the planned program of services; and

WHEREAS, the City Manager has prepared and is submitting an operating and capital budget for FY 2017-18; and

WHEREAS, the City Manager and Finance Director has reviewed the proposed budget with the City Council and Finance Commission; and

WHEREAS, those reviews included consideration of the capital projects listed to be funded by the various City funds, and the presentation of individual operating budgets in those funds; and

WHEREAS, the operating and capital budget program reflects cost containment efforts in all departments and funds; and

WHEREAS, the budget, as presented, does not include provisions for any additional State or Federal takeaways or legislation that might adversely affect the proposed budget; and

WHEREAS, all grants received shall be appropriated and spent according to grant guidelines; and

WHEREAS, it will be necessary to carry over certain encumbrances and committed expenditures from FY 2016-17 to FY 2017-18; and

WHEREAS, the City Council has reviewed the proposed budget for FY 2017-18 at Public Hearings on June 13, 2017 and June 27, 2017 held for the purpose of reviewing and discussing FY 2017-2018 operating and capital budgets and providing the opportunity for public input and discussions.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hercules as follows:

1. The City Council hereby approves the FY 2017-18 operating and capital budgets for all City funds as detailed in attachments hereto.
2. The City Council hereby adopts the FY 2017-18 Annual Expenditure Budget for the following funds:

FUND	FY 17-18 EXPENDITURE BUDGET
General Fund	\$13,668,066
Special Revenue Funds	\$6,134,064
Capital Project Funds	\$1,942,018
Debt Service Funds	\$2,109,776
Enterprise Funds	\$20,714,141
Internal Service Funds	\$1,175,718
Trust and Agency Funds	\$24,194,390
TOTAL	\$69,938,173

3. The City Council hereby approves the five year FY 2017-18 through FY 2021-22 Capital Improvement Budget in concept, recognizing that all listed projects may not currently be fully funded, but that staff will pursue any and every funding opportunity that is available to accomplish the desired capital program.
4. The City Council hereby authorizes the use of Available (Unassigned) Fund Balances in those funds where projected expenditures are greater than projected revenues, and that the Treasurer and/or the Finance Director be authorized to make loans during the fiscal year from one fund or entity to another fund or entity as deemed necessary and as appropriate.
5. The City Council hereby authorizes the Treasurer and/or Finance Director and/or his/her designee to carry over from FY 2016-17 to FY 2017-18 any encumbered amounts and associated appropriations, or any other amounts for items that are deemed necessary to the continuity of providing service to the community or are necessary for the initiation and completion of planned projects, programs or services.
6. The City Council authorizes the City Manager, the Treasurer, the Finance Director and/or their designees to approve and make payment for goods and services received by the City in accordance with the City's approved budgets, programs and policies.
7. The City Council authorizes the City Manager and his/her designee to expend budgeted City funds as set forth below without further City Council authorization, such as the purchasing process for Council's award of bid or award of services contract:

CONTRACT TYPE	LIMIT
General Contracts	\$50,000
Public Works Construction Contracts	\$100,000
Fully Reimbursed General Contracts	\$100,000

Except as provided above, all City expenditures shall require the additional City Council authorization.

8. The City Council authorizes the City Manager and his/her designee, without further City Council approval, to expend up to \$50,000 per expenditure, subject to an aggregate limit of \$50,000, for non-budgeted emergency expenses during any fiscal year. However, the City Manager must report any action taken under this paragraph of this Resolution back to the City Council.
9. The City Council authorizes the City Manager and his/her designee, the foregoing notwithstanding and without further City Council approval, to: (1) pay all amounts allowed under contracts approved by the City Council regardless of the amount of any such payment(s) (in the case of the City, any project contracts approved and authorizing the City Manager authority to administer the entire contract, any principal and interest payments on debt issues, and any pass-through's collected for other agencies), (2) make any transfer of funds, or transfer of bond proceeds for capital projects in other funds, as identified in the City budget, (3) authorize change orders for any contract approved by the City Council in an aggregate amount not to exceed \$20,000 or 10% of the contract price, whichever is less, and (4) enter into and bind the City to contracts that are budgeted as set forth in Section 7 above.
10. The City Council hereby makes or confirms the following reserves or designations:

CITY COUNCIL DESIGNATION	AMOUNT
Reserved by City Council June 2014 (Earthquake Insurance Deductible)	\$500,000
Balance in Fiscal Neutrality Reserve	\$2,171,733
Designation for Capital Projects (FY 15/16 & FY 16/17)	\$350,000
Designation for Restricted Planning Funds (through FY 2016/17)	\$550,371
Designation for Re-useable Bags (remaining)	\$19,000
Designation for State Grant Funded Officers (FY 2018/19)	\$200,000
<i>Designations for Prior Year Decision Packages</i>	
DP 16-1 Records Management	\$50,000
DP 16-9 Cost Allocation Model	\$40,000
DP 17-9 Former HMU Customer Light Exchange	\$150,930
DP 17-13 Franchise Fee/UUT Audits	\$40,000
ADP 17-1 Hazard Mitigation Plan Update	\$40,000
ADP 17-4 Investment in Street Maintenance (remaining balance for construction)	\$150,000
BR 17-7 Basketball Court (remaining balance for construction)	\$18,000
BR 17-8 Restroom Facility in Duck Pond Park (remaining balance for construction)	\$121,000
TOTAL DESIGNATIONS	\$4,401,034

11. The City Council hereby approves and authorizes the City Manager to execute the following annual contracts:

FIRM	DEPARTMENT	SERVICE	AMOUNT
AMS.Net	IT	Network Support & Maintenance	\$75,500
City of Pinole	IT	Cable Broadcasting	\$28,000
Sungard	IT	Financial & Business Applications Support & Maintenance	\$56,000
Vision	IT	Website Upgrade	\$37,280
Andre Mechanical Service	Public Works	Lift Station Maintenance	\$10,000
Bay Alarms	Public Works	Alarms	\$27,720
Clean Lakes	Public Works	Lake Treatment	\$12,495
Clean Streets	Public Works	Street Sweeping	\$66,000
County of Contra Costa (confirming the amount)	Public Works	Animal Control	\$150,000
Executive Heritage Janitorial	Public Works	Janitorial	\$15,540
Goats are Us	Public Works	Weed abatement	\$13,300
J.W. Enterprise	Public Works	Holding Tank	\$8,500
Kel Aire	Public Works	Air Conditioning Maintenance	\$11,485
Mission Uniform	Public Works	Uniforms	\$5,147
Terminex	Public Works	Pest Control	\$3,963
Valley Air	Public Works	Co Jen	\$12,500
TOTAL CONTRACTS			\$533,430

The foregoing Resolution was duly and regularly adopted at the City Council meeting of the City of Hercules held on the twenty-seventh day of June 2017, by the following vote of the Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

Myrna de Vera, Mayor

ATTEST:

Lori Martin
Administrative Services Director/City Clerk