

RESOLUTION NO. 20-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERCULES APPROVING THE FISCAL YEAR 2019-20 CITY OF HERCULES BUDGET PLAN WHICH INCLUDES THE FIRST YEAR (2019-20 FISCAL YEAR) OF THE FIVE-YEAR (2019-2024 FISCAL YEARS) CAPITAL IMPROVEMENT BUDGET AND MAKING CERTAIN DESIGNATIONS, CONFIRMING THE CITY MANAGER'S CONTRACT AUTHORITY, AND APPROVING (22) ANNUAL CONTRACTS FOR SERVICES IN THE TOTAL AMOUNT OF \$3,473,640

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 2019-20; and

WHEREAS, the City Manager and Finance Director have 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 2018-19 to FY 2019-20; and

WHEREAS, the City Council has reviewed the proposed budget for FY 2019-20 at Public Hearings on June 11, 2019 and June 25, 2019 held for the purpose of reviewing and discussing FY 2019-20 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 2019-20 operating and capital budgets for all City funds as detailed in attachments hereto.
2. The City Council hereby adopts the FY 2019-20 Annual Budget for the following funds:

FUND	FY 19-20 EXPENDITURE BUDGET
General Fund – Ongoing	\$16,158,069
General Fund – One Time	\$1,168,878
Special Revenue Funds	\$5,567,831
Capital Project Funds	\$2,369,000
Debt Service Funds	\$1,887,474
Enterprise Funds	\$12,097,144
Internal Service Funds	\$1,940,615
Trust and Agency Funds	\$8,280,952
TOTAL	\$49,469,963

3. The City Council hereby approves the five-year FY 2019-20 through FY 2023-24 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 2018-19 to FY 2019-20 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 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 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 Designations	FY 18-19	Updated	FY 19-20
Reserved by City Council June 2014 (Earthquake Insurance Deductible)	500,000		500,000
Balance in Fiscal Neutrality Reserve	3,797,650	236,867	4,034,517
Designation for Capital Projects	450,000		450,000
Designation for Restricted Planning	699,174	125,826	825,000
Designation for Building	21,800		21,800
Designation for Reusable Bags (remaining)	19,000		19,000
Designation for PEG Revenues	70,000		70,000
<i>Designations for Prior Year Decision Packages</i>			
DP #16-1: Record Management	50,000		50,000
DP #18-10: Implement a Citywide Cash Receipt System and Training	25,000		25,000
DP #18-12: Naviline Financial System Upgrade	40,000		40,000
DP #19-4: Comprehensive Class & Comp Study Implementation	60,000		60,000
DP #19-14: Update of Personnel Rules	30,000		30,000
DP #17-1: Hazard Mitigation Plan and Climate Adaptation Strategy	40,000		40,000
TOTAL DESIGNATIONS	5,802,624	362,693	6,165,317

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 and Maintenance	\$85,800
CCTV	IT	Cable Broadcasting	\$25,000
Granicus	IT	Software Annual License & Maintenance	\$40,500
SunGard	IT	Financial & Business Applications Support & Maintenance	\$81,300
Taser	IT	Bodycam Annual License & Maintenance	\$28,700
S&SRV	Police, Public Works, and Parks & Rec	Auto Repairs	\$25,000
Andre, Mechanical Service	Public Works	Lift Station Maintenance	\$12,000
Andre, Mechanical Service	Public Works	Electrical trouble shooting	\$10,000
Bay Alarm	Public Works	Alarms	\$35,000
Clean Lakes	Public Works	Lake Treatment	\$13,000
Clean Streets	Public Works	Street sweeping	\$70,620
Executive Heritage Janitorial	Public Works	Janitorial	\$15,540
Executive Heritage Janitorial	Public Works	Janitorial	\$28,800
Goats are Us	Public Works	Weed Abatement	\$13,000
Kel Aire	Public Works	AC Maintenance	\$12,000
Mission Uniform	Public Works	Uniforms	\$5,000
New Image	Public Works	Landscaping	\$19,800
Pacific Site Maintenance	Public Works	Landscaping	\$561,580
Terminix	Public Works	Pest Control	\$4,000
City of Pinole	Public Works	Sewer Plant Engineering Services	\$2,200,000
Executive Heritage	Public Works	Janitorial Supplies	\$25,000
Contra Costa County	Public Works	Animal Control	\$162,000
TOTAL			\$3,473,640

The foregoing Resolution was duly and regularly adopted at the City Council meeting of the City of Hercules held on the twenty-fifth day of June 2019, by the following vote of the Council:

AYES:

NOES:

ABSENT:

Dan Romero, Mayor

ATTEST:

Lori Martin
Administrative Services Director/City Clerk