

MINUTES

JOINT GONZALES CITY COUNCIL & REDEVELOPMENT AGENCY
REGULAR MEETING
JUNE 20, 2011
6:00P.M.

CALL TO ORDER

Mayor Orozco called the meeting to order at 6:00p.m.

PLEDGE OF ALLEGIANCE

The flag salute was recited by all present.

1. ROLL CALL-

CITY COUNCIL AND REDEVELOPMENT AGENCY MEMBERS PRESENT:

Mayor Pro Tem Scott Funk, Liz Silva, Jose G. Lopez, Jack L. Reed, and Mayor Maria Orozco.

STAFF PRESENT:

City Manager René L. Mendez, City Attorney Michael F. Rodriguez, Community Development Director Thomas Truszkowski, Administrative Specialist/Deputy City Clerk Mary Villegas, Recreation Coordinator/Administrative Analyst Sara Papineau-Brandt, Building Official/Fire Marshal Michael Lechman, Public Safety Director Paul Miller, Public Works Director Carlos Lopez, and Emergency Services Director/Special Projects Analyst Harold Wolgamott.

* Redevelopment Agency Item

BUSINESS FROM THE PUBLIC

2. Rene Mendez, City Manager informed the Council that there were three borrowed laptops in front of the Council because staff was testing out a paperless agenda, and one of the things staff wanted to do was see if they work. He mentioned that the idea would be that in the future, the Council would download the agenda or received it from staff and then set it up on the laptops or whatever device we use. He indicated that staff was not quite there yet, but thought we would try it out. He stated that some of the savings would go along with the G3 Initiative and hopefully stop all the paper we used for copying. He said that staff would probably test it a few more times with heavy agendas to see how it worked, and hopefully would find good deals in the future on refurbished laptops. He added that he had not figured out how staff was going to fund them, but would see if they worked with the assistance of Special Projects Wolgamott who would be working on that.

Lt. Darren Chamberlain, Correctional Training Facility Public Information Officer, informed the Council about the traveling Vietnam Veterans War Memorial Wall coming to CTF June

22nd, Opening Ceremony at 2pm, which the inmates were putting together. He mentioned that this was the first time that had ever been inside of a prison as well as to Monterey County. He invited the Council and staff to the events. Friday evening they would move the Memorial outside to the main visitor's parking lot, and on the morning of June 25th, they would be doing an opening ceremony at 10am, which was open for the public. He added that so far Councilmembers Silva and Reed were attending, and would also have other dignitaries, as well as the media at this event.

CONSENT AGENDA

3. Approve the June 6, 2011 Joint City Council and Redevelopment Agency Minutes
4. Approve City Accounts Payable Warrants #27147 – 27194
5. Review Building Department Assessor Permit Report for May 2011
6. Departmental Activity Reports
 - a. Building/Fire Marshal Department
 - b. Community Development Department
 - c. Public Safety Department
 - d. Public Works Department
 - e. Recreation Department
7. Consider Approval of Resolution No. 2011-50, A Resolution of the City Council of the City of Gonzales Accepting Completion of the Swim Center Lift Station Project
8. Consider Approval of Resolution No. 2011-51, A Resolution of the City Council of the City of Gonzales Rescheduling the City Council Meeting of July 4, 2011 to July 5, 2011 in Observance of the Fourth of July Holiday
- * 9. Consider Approval of a New Fund Balance Policy, Modified General Reserve Policy Pursuant to Governmental Accounting Standard Board 54, and Updated Long-Term Financial Management Policy

Action: Mayor Pro Tem/Vice Chair Funk made a motion to approve the consent agenda items. Council/Agency Member Lopez seconded the motion. Approved by vote; all ayes.

REGULAR AGENDA

10. G3 Quarterly Update

Special Projects Analyst Wolgamott presented the staff report.

He indicated that G3 Consultant Maury Treleven included an update on the AB 939 Report which was attached to the reports with comments. He mentioned that Gary Parola from Tri-Cities was here to give an update as one of the business partners.

Maury Treleven, G3 Consultant, provided copies of a coupon page to the Council with the businesses that participated in the community clean up event. She thanked the Gonzales Chamber of Commerce, Ismael Bucio, Gonzales Shopping Center, Shaw Development, Tri-Cities, Subway, Mo. Co. Environmental Health, Auto Zone, SVSWA, Hope Services, and the High School Football Players who received \$500 donation. She provided an update on behalf of Tri-Cities. She also played a Recycling video by Tri-Cities that they specifically developed for South Monterey County and the Tri-Cities service area. The video included a message from Supervisor Simon Salinas. She distributed DVDs to the Council.

In regards to a Facebook page, City Manager Mendez informed that staff would be bringing back policies on that for the Council's adoption.

Public Comment: There was none.

Action: Mayor Pro Tem Funk made a motion to accept the G3 Quarterly Update. Councilmember Silva seconded the motion. Approved by vote; all ayes.

- * 11. Fiscal Year 2010-2011 First and Second Quarters Treasurer Report

City Manager/Executive Director Mendez presented the staff report.

Public Comment: There was none.

Action: Mayor Pro Tem/Vice Chair Funk made a motion to accept the combined First and Second Quarters Treasurer Report. Council/Agency Member Reed seconded the motion. Approved by vote; all ayes.

- * 12. Update on the 2011 Redevelopment Agency (RDA) Refunding Financial Transactions

City Manager/Executive Director Mendez presented the staff report.

Public Comment: There was none.

Action: Mayor Pro Tem/Vice Chair Funk made a motion to accept the report. Council/Agency Member Reed seconded the motion. Approved by vote; all ayes.

- * 13. FY 2011-2012 Budget Workshop

City Manager/Executive Director Mendez reported that this item was to let the Council know about staff's thought of putting together next year's budget and get some direction from the Council to see if he was going on the right track, and if the Council wanted to change things, or consider other things. He mentioned that because of the Redevelopment Agency and estimated General Fund contribution towards that, we were a little off our 3-Year plan. He said we were adding much more of an increase burden on the General Fund. He mentioned we were absorbing Redevelopment Agency expenses to the tune of \$150,000 into the General Fund, and were also absorbing \$100,000 that used to come in for the Community Policing program that was no longer going to be there because all that was being used for debt. He informed that under the Community Policing Program, Public Safety Director Miller provided the hours spent every year. He added that this was in addition to a small increase in PERS cost coming up, increase in health, and a few other things like that were stressing the General Fund.

He mentioned that he looked at the budget alignment strategies which the Council had seen several times, and we were at the second phase of them. The strategies that were recommended for the budget included to: 1) Continue expenditure reductions in all areas where possible; 2) Eliminate contracted custodial services and the payment for the sign off HWY 101 near Chualar; 3) Form a management and employee committee to take a

comprehensive and critical look at the City's health plan and reduce costs by a minimum of \$25,000, with a target to increase these saving to \$50,000 by FY 2012-2013; 4) Ask the employees to contribute 3.5% of the City's 7% costs for the employee share of the PERS retirement cost, which equates to approximately 50% of total costs. He mentioned that discussions had been had with the three represented bargaining units, management, and all the non-represented employees and they recognized that the City was in a challenging budget position and they appreciated that the City to date, had not asked for any employee concessions like many other nearby cities. As part of this, he asked the Council what they thought about going to a 4/10 week to have longer days and possibility closing down on Fridays; 5) Significantly reduce the Street Sweeping Program; 6) Other than providing the insurance coverage, limit or eliminate the City's co-sponsorship of special events and reduce the events offered directly by the City. He said that staff would work with the Parks and Recreation Commission on this issue and possible identify opportunities for increased volunteers and/or transfer the event to other organizations. For example, building on this year's collaboration, staff would work with organizers of the "Day of the Child" to see if they were able and willing to take on the Easter Egg Hunt; and 7) Reduce and restructure recreational and pool/aquatics programming. He explained that this meant that several programs were going to be run with an increase emphasis on volunteers, some programs were going to be dropped because they did not have high participation, and programs offered at the pool were going to be reduced and/or not offered like the Junior Lifeguard Program.

He said that similar to No. 6, staff would work with the Parks and Recreation Commission on a thorough review of the recreational programming, and in particular for the pool, because of changes in Federal regulations, it was going to be very expensive to undertake the necessary upgrades and/or retrofits needed next year to keep the pool open. He mentioned that staff realized that the pool was our most valuable recreational asset, but unless fiscal conditions changed, there would be no funding available for the retrofit or needed capital improvements. He added that staff would work with the Park and Recreation Commission to begin to tackling this issue and develop a plan to address the short and long term viability of the Pool.

He mentioned that the final piece of the proposed strategy was the creation of a Budget Committee. He said that the committee proposed by staff would include two Council Members, two representatives from businesses, two key community leaders, two representatives from local community organizations, and a representative from the School District. He indicated that it was envisioned that the committee would work with the City Manager to take a critical look at all aspects of the budget and look at ways to improve and/or reduce costs, as well as identify and develop new revenue sources. He added that the committee would provide a new set of eyes.

He asked the Council to look at the expenditure reductions and adopt the 5-Year Budget Forecast, which was also explained. He mentioned that some of the numbers would change based on a final tweak on the RDA. He told them that if they were comfortable with the Budget Committee, they could appoint two members and then sit down to discuss how they wanted to approach it and then move forward.

Mayor Orozco commented that this Council had always being very proactive in terms of looking at trying to keep ahead. She said we were not in a crisis yet, and it was important

for us to acknowledge that it was not as bad as the surrounding communities, because we had always been one step ahead of the game and staff had done an excellent job in bringing the information to the Council early enough, so that we could be prepared to deal with a worse case scenario. She said we just needed to look at what other opportunities existed for example for custodial services, street sweeping, etc. She said maybe we could use inmate crews as a possibility to do these things. She told City Manager Mendez he did a great job explaining everything.

Councilmember Reed asked if they were going to be able to work on some of these issues next week at the special meeting.

City Manager Mendez responded that he would be presenting the budget at that meeting reflecting whatever direction he received tonight. He said this was the way he was approaching the budget, and if the Council wanted to give him some other direction, it would be reflected in the budget.

In regards to Strategy No. 4, Councilmember Reed asked if staff was clear about picking up the 3.5% now and may end up having to pick up the full 7% in the future.

City Manager Mendez responded that he told staff that the 3.5% was a start. He said he put the 7% in case we could not figure it out, so there was another potential to use. He said he told staff that if we could come up with other things to align the budget whether it was increase in revenue, reducing costs, or transfers. He added that staff was provided with the last payroll a model of what the 7% would be. He shared with them what would be sort of the worst, but he was going to try to build the budget with the 3.5%. He said that some came to him with some suggestions and talked about what would or would not work.

In regards to Strategy No. 5, Councilmember Reed asked if we had another position for the part time employee who ran the sweeper.

City Manager Mendez responded no. It would just be less hours. He mentioned that staff talked to him, as well as the contracted custodian, about a possibility of doing that and it was not done until the Council approved it.

In regards to the 4/10 workweek, Councilmember Reed asked if that would apply to all departments or just some.

City Manager Mendez responded that it would not apply to the Police Department because they already had their schedules, but the idea was to be applied to everybody else. He said he still needed to bring it back to the Council.

Mayor Orozco commented that was one of the things he needed to bring back to see if there was going to be savings and if so, how much of a savings would be by going in that direction, because one of the things we do pride ourselves was providing excellent customer service, and if we closed on a Friday, that would be one less day that we could offer those services. She stated that even though it was early in the morning and late in the afternoon that would be open, it was one of the things that the City Manager could bring back in terms of cost savings because it would not only be City Hall, but Public Works, the pool, etc.

City Manager Mendez mentioned that one of the things that he thought about as far as when the committee was formed, was that we could do a survey and ask people.

In regards to the Attachment C of the staff report under "Net Employee", Councilmember Reed asked if that was supposed to be abbreviated for contribution.

City Manager Mendez responded yes.

Councilmember Reed asked what went into that because he noticed it went from \$67,000 to \$217,000.

City Manager Mendez responded that he separate the health savings and PERS contribution so it was visible, and if this was adopted it would be reflected up in the expenses.

Councilmember Silva asked if it was possible to attach a number of what the savings would be if we were to significantly reduce the Street Sweeping Program, and also put if it was due to an aging machine. She said that once things were decided by the Budget Committee, she hoped that we would at least inform the people so we do not have them calling and saying they did not know about this.

City Manager Mendez responded that all of that was doable. He said that staff had to give the Council a balanced budget and could also do a continuous resolution if we needed more time. He said that staff could provide all that, and the Council would see in the Budget next week as far as what was saved and what was reduced. He mentioned that if the Council wanted to hold off in making final decisions on those things while the Budget Committee looked at stuff, then the Council would get that Budget if that was the direction they wanted to give him.

Mayor Orozco concurred with Councilmember Silva's questions about informing the public. He said that whether we were reducing services or extending or reducing office hours, it was always very important to get the information out to the public. She said she was glad the Newspaper Reporter Lauren Diephof was here because certainly we could count on the newspaper to do a press release on what we were facing.

City Manager Mendez indicated that it was important to reiterate that none of this was done, we were just getting some thoughts and ideas to the Council.

Mayor Orozco agreed.

City Manager Mendez said that he would continue to work on the budget and his approach was to work for the next meeting after talking to the Mayor, to have two Councilmembers on the Budget Committee and begin to see who should be invited to help us. He said we had some time on some of the events.

Mayor Orozco mentioned that it was important to put them all on a list and see how we could work with that.

City Manager Mendez indicated that it was going to be harder to have business as usual for the foreseeable future.

He asked the Council if they were ok with these strategies.

Mayor Orozco responded yes.

City Manager Mendez mentioned that he would isolate those things. He believed the work on the pool was good for the overall budget because we had to have some important decisions we had to make moving forward. He believed the City had done a great job with the pool, but we are required to upgrade it. He said we also had strict coverage standards but it was a requirement.

Councilmember Lopez asked if there was a partnership possibility with the School District.

City Manager Mendez responded that staff floated it out and they clearly had their own challenges as well. He informed them there would be a joint meeting next week at 6:00pm to continue to work on certain things.

Recreation Coordinator Papineau mentioned that our pool was not really conducive to having things like a school swim team or other things the school would be interested in because of the odd shape of the pool.

Public Comment: There was none.

City Manager Mendez indicated that staff was using the Vision and Mission as the jumping point. He said the pool was a very key component of what we offered, and some of the events were key components of what the community was about.

Action: It was the Council's consensus to direct staff to move forward.

BUSINESS FROM CITY COUNCIL

14. City Council Board/Committee Reports

- a. League of California Cities Monterey Bay Division – Councilmember Lopez reported on an email he received from the League acknowledging Assemblymember Alejo and Senator Canella as strong supporters of RDAs. City Manager Mendez added on a press release put on by Mayor Pro Tem Funk thanking our legislators for their courageous leadership.
- b. Association of Monterey Bay Area Governments – Mayor Pro Tem Funk reported on the AB375 which was moving forward.
- c. Transportation Agency for Monterey County – Councilmember Lopez reported on the strategic plan.
- d. Mayor Selection Committee – Nothing to report.
- e. Salinas Valley Solid Waste Authority – Councilmember Silva reported on the Conversion Technology Conference she attended in Philadelphia June 7 – 10th along with Susan Warner from the Authority where there were different conversion technology methods discussed. She said the Plasma gasification was one of the technologies currently being looked at to provide a sustainable energy source to our landfill. She reported on the SVSWA meeting topic which was the budget, especially

with regards to the operating capital improvements adjustments. She also reported on a committee to review possible consolidation options between the SVSWA and the Monterey Regional Waste Management District. No meeting of the Authority in July. On another note, she thanked the residents of Gonzales, the High School Football Team, and the staff who helped out with the clean up day on Saturday. She invited everyone to the Vietnam Memorial this weekend.

- f. Monterey Salinas Transit – Councilmember Silva attended the meeting for the Mayor and reported that the Board approved a contract for transit services within CSUMB free for students, staff and faculty. She also reported on a Hartnell student who spoke at the meeting regarding Hartnell’s contribution which was also unanimously approved. On another note, she hoped to see everyone at the 4th of July event.
- g. City & School Joint Steering Committee – City Manager Mendez announced the Joint meeting with the City and School Board for next Tuesday at 6:00pm.
- h. Citizens Advisory Committee – Community Development Director Truskowski announced he was working on setting up a meeting.
- i. Community Center Committee – City Manager Mendez reported that staff was working with the architect to present to the Council what the plan was now, and visited the Castroville Resource Center where they discussed maximizing usage in our community center.
- j. Economic Development Committee – Community Development Director Truskowski reported on business forums.

15. Oral Communication

Mayor Orozco invited everyone to the 4th of July Parade and festivities. She also congratulated all the graduates, especially Jesus Garcia who was the recipient of the Matsui Scholarship. She said he had been the MC of the Dia Del Nino events the last few years. She also congratulated all the scholarship recipients. She thanked all the ones that contributed to the scholarships as well.

Councilmember Reed thanked and congratulated the graduates from Somavia, Fairview and Gonzales High Schools. He also thanked Assemblymember Alejo and Senator Canella for their opposition to elimination of RDAs. He reported on the meeting he had with Assemblymember Alejo in regards to his experience in conversion technology. He also reported on a meeting he had with representatives from Green Action and Global Alliance for Incinerator Alternatives where he shared his discontent with the way they portrayed their literature here in the City. On another note, he announced he would be attending the Redistricting meeting this Wednesday in Soledad at 6:30pm.

BUSINESS FROM CITY MANAGER

16. Oral Communication

City Manager Mendez added that he was Supervisor Salinas appointee as well as Erica Padilla Chavez from Soledad to the Redistricting Committee. He said this was the South County meeting from the Redistricting team, and the idea was to present the information and process on the County’s Redistricting. He elaborated on the plan. On another note, he reported on a CSUMB Economic Development Summit scheduled for June 29, 2011 at 9am.

* **BUSINESS FROM EXECUTIVE DIRECTOR**

17. Oral Communication

Executive Director Mendez reported that there was still no State Budget.

Department Head Updates

Community Development Director Truskowski reported on a site plan permit for the Health and Wellness Center.

Special Projects Analyst Wolgamott reported on the electronic agenda packets plan.

Public Works Director Lopez reported on the Seal Pavement Project which would be starting tomorrow, and the Treatment Plant Project which should be completed before the end of June.

Public Safety Director Miller reported on a presentation to the Chamber of Commerce regarding crimes, which were down 32%.

Building Official Lechman reminded everyone that the City only allowed safe and sane fireworks.

Recreation Coordinator Papineau reported on the Co-ed Softball games, pool activities, and the Environmental Leadership Academy.

Mayor Orozco asked about the Arts Camps.

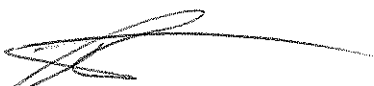
Recreation Coordinator Papineau responded that the Arts Camp was Monday, Wednesday, and Friday; and the Music Camp was Tuesdays and Thursdays free for all ages 8 – 14. She said the projects would be displayed at the Monterey Bay Aquarium in October.

ADJOURNMENT

Mayor Orozco made a motion to adjourn. Mayor Pro Tem Funk seconded the motion. Approved by vote; all ayes.

The Joint City Council and Redevelopment Agency meeting was adjourned at 7:43pm.

ATTEST:



René L. Mendez, City Clerk