

June 17, 2005

The Benicia City Council meets the 1st and 3rd Tuesday of each month at 7:30 p.m. in the Council Chambers. Copies of Council Agendas are available in the City Clerk's office on the Friday afternoon before the Council meeting.

**MINUTES OF THE
SPECIAL MEETING - CITY COUNCIL
JUNE 17, 2005**

The budget workshop was called to order by Mayor Steve Messina at 5:30 p.m. on Friday, June 17, 2005 in the Dona Benicia Room at the Benicia Library, 150 East L Street, complete proceedings of which are recorded on audiotape.

ROLL CALL:

Present: Council Members Smith, Whitney and Mayor Messina

Absent: Council Members Patterson and Campbell

(Each of the absent council members did arrive subsequent to the roll call - all were present following the pledge of allegiance.)

PLEDGE OF ALLEGIANCE:

Mayor Messina led the pledge to the flag.

BUDGET 2005-07 - WORKSHOP #3

Welcome:

Mayor Messina welcomed Staff and the citizens in attendance. He handed the proceedings over to Jim Erickson, City Manager.

Mr. Erickson provided a brief overview of the previous budget workshops. He summarized the agenda for this meeting, as well as the workshop on June 20, 2005. He suggested that this meeting pick up where the last one left off, which was with questions for the Public Works Director.

Council Member Smith wrapped up his questions from the previous workshop, noting that most of his questions regarding salaries and funding for safe routes to schools had been answered by Mr. Schiada, Public Works Director, already. He did express some reservations regarding whether there is enough funding for the crossing guard program.

Council Member Campbell asked about the Landscaping and Lighting Districts, the five zones, some of which are in the Industrial Park. Mr. Schiada described each of the zones, while Mr. Sousa, Finance Director, flipped through several associated slides (PowerPoint is on file with the agenda packet).

Mayor Messina asked what actions would be necessary to get the levy and cost in balance. Mr. Schiada indicated that it would need to be part of the annual process and different zones would impact different people. Mayor Messina asked how the City would go about raising the levy in order

to achieve a positive balance in each of the zones. This was followed by further discussion on shortfalls and next steps. It was agreed that for the current year, the General Fund would not be impacted, and thus there is time to schedule talks with the district and move toward balancing, should the Council decide that is the direction they wish to go.

Mayor Messina referenced the Debt Service figures and suggested looking at converting the outstanding balance on the State Revolving Fund Loan to debt under the General Obligation Sewer Bonds. Following much discussion of whether use of bonds over loans is feasible, given the terms of the bonds and whether the bond rate would actually be lower, it was decided that Mr. Sousa would look into and come back with additional information for Council's consideration.

Police Department:

Jim Trimble, Police Chief, reviewed a PowerPoint Presentation on the budget for the Police Department (hard copy on file in agenda packet).

Mayor Messina asked about the possibility of adding another beat. What are the pros and cons? Chief Trimble indicated the cost is estimated at \$750,000 and would include four police officers and a supervisor. He also noted that the process can take up to 9-18 months, and ideally, he would need two years lead-time. He said that he anticipates with the Discovery Builders project, crime will increase given the development will result in a lot of people in a small area.

Chief Trimble noted that advantages include more targeted enforcement, and with increased staffing, can focus more on issues and trends in crimes, as well as prevention.

Vice Mayor Patterson commented that staffing of a police department is far more complex than she would have anticipated prior to visiting the department, and expressed an appreciation for the coordination required to maintain. She went on to note her concern about the Seeno/Discovery Builders project and potential increase in crime. She asked if that would be raised in the EIR. Mr. Erickson responded that yes, it will.

Vice Mayor Patterson went on to ask whether the proposed businesses can be required to increase security staffing, so the City will not be hit as significantly with that cost? Chief Trimble indicated that is a legal question, but it's possible an assessment district could pay for additional emergency needs. Vice Mayor Patterson noted the importance of carefully wording that need.

Council Member Smith asked about the cost for the police station upgrade, \$925,000. He indicated that he thought the Council had authorized \$640,000. Chief Trimble noted that costs have gone up approximately 25%, and the number in the budget assumes that percent increase. Council Member Smith expressed concern about continued use of the contracted architect, Beverly Prior, particularly given the increasing costs. Mr. Erickson noted that this is the same project as previously authorized and that the projected figure is only an estimate; the bids may come in lower.

Council Member Smith asked about employees and the number needed, referencing specifically the 2.5 figure. Chief Trimble noted that 1.5 positions are grant-supported, while the other, one is restoring

a position, not a new one.

Vice Mayor Patterson noted her support of the proposed reorganization at the Police Department.

Mayor Messina commented that he still feels we need to look at adding another beat and moving in that direction. This was followed by a discussion of how to proceed on this topic given that another beat is not currently one of the prioritized projects in the City's work program. It was suggested by Vice Mayor Patterson that this topic be discussed further at a later date.

Council Member Campbell asked if the proposed reorganization would drive up costs later on. Chief Trimble noted that it results in one less manager, four instead of five, with each of the four picking up more responsibility. Mr. Erickson noted that Human Resources is looking into this and doing an analysis. He indicated that staff is asking Council to bless the plan, with the understanding that staff will come back with exact titles and salaries for further consideration.

Council Member Campbell inquired about the cost of one officer. This was followed by a discussion of various variables that impact that estimated cost, including overtime, other vacancies, etc. The issue of whether overall overtime costs will be reduced by the addition of another officer was also discussed. Vice Mayor Patterson suggested adjusting the budget to reflect hiring and training of a new officer. It was then noted that the unfrozen position would be funded by the reorganization. It was agreed that staff would gather additional numbers on this topic, and further address at Monday night's meeting.

Vice Mayor Patterson asked about vehicles, and whether it makes sense for certain officers to drive more cost effective vehicles. Chief Trimble explained the current process with vehicles; those, which are used, are somewhat dependent on what recommendation the California Highway Patrol makes regarding vehicles for police service. Older vehicles are rotated to staff that do not require the use of a vehicles for day-to-day police work, such as the Chief. Mayor Messina noted that perhaps the Vice Mayor's suggestion would be more applicable to some of the other departments.

Community Development:

David Golick, Interim Community Development Director, reviewed a PowerPoint Presentation on the budget for the Community Development Department (hard copy on file in agenda packet, along with several handouts).

Council Member Campbell asked about the requested vehicle, what exactly is it used for and can it be a cheaper one? Mr. Golick indicated that, yes, it can be, and talked about some of the options other cities use.

Regarding the proposed two additional staff, Mr. Erickson noted that he is recommending an allocation of funds for these additional staff, but that the department wait until the new Community Development Director can make a recommendation regarding specific staffing changes. He also noted that some additional staff is needed, in the interim, to meet needs on a temporary basis.

Council Member Campbell asked why expenditures in the department are fluctuating up and down. Mr. Sousa noted that, due to contract staff recently shifting to full time staff, there is that pattern. A discussion followed as to how to determine the best approach, contractors vs. full time staff. Colette Meunier, former Community Development Director, spoke to some of the pros and cons of contractors over permanent staff, as well as past patterns in the department. She also spoke to the reasons why she felt that the addition of another administrative position and a building permit technician would be helpful for the department.

Vice Mayor Patterson referred to the 8% recovery noted in the narrative and asked if that is typical. Mr. Golick responded that he is not sure if that is a typical rate, as the rate across cities really varies. He summarized some various approaches and then noted that with significant developers, they are likely more concerned about receiving fast service and no surprises, as opposed to cost.

Vice Mayor Patterson asked if, in Concord, developers are charge fees based on actual costs, and if the City builds in a subsidy for individual homeowners. Mr. Golick indicated yes, that is his understanding of that City's practice. Vice Mayor Patterson noted she is disappointed with the department's budget. If there were an increase in fees, it would increase the quality of planning and result in an increase in economic development. She indicated the need for a City planning cultural change. She said she would like to see an alternative budget with the recovery of more costs from larger developers and the needed staffing to make that happen. She also noted that form-based zoning would save money, and requested that be included in the alternative as well.

Mayor Messina noted some of the challenges with maintaining staff in relation to larger projects, given those types of projects come and go. He noted that perhaps the department could use the City Attorney's Office as a model; keep permanent staff numbers low and get help from outside as needed. Permanent staff can be responsible for coordinating with contractors and pulling everything together.

Vice Mayor Patterson noted that in concept she agrees, but that Staff still needs to look at what the applicant pays and that fees need to reflect costs and our fee schedule should be adjusted as soon as possible. She suggested teasing out what is internal versus not. Mayor Messina asked how to approach this, given the interim situation? Mr. Erickson indicated that how the department is operating is not entirely inconsistent with the suggested approach regarding staffing. Further, in terms of the fee study, staff will be coming back to Council soon regarding the rate structure. He estimated 60 days to come back on that topic.

Vice Mayor Patterson asked about code enforcement. Mr. Golick indicated that if funds are available for the new positions, the department could use half of one position to start a modest code enforcement program. He went on to describe the process for implementing a modest program, including different approaches for implementing and how it might change over time. He recommended a modest program in the beginning, due to costs and to see how it is received by the community.

Council Member Smith noted the he endorses the idea of holding off and letting the new Community Development Director decide on the department staffing additions. He referenced the General Plan, noting that development should pay its own way. He commented that the 8% recovery rate is disgraceful and that, in his opinion, the priority project, Development of Sustainable Criteria, is one where a consultant is justified.

Vice Mayor Patterson inquired about the timing for bringing the new director on board. Mr. Erickson noted the panel interviews are currently scheduled for July 8, 2005. He noted that most likely a candidate would be identified two weeks after that date. Vice Mayor Patterson asked if it would be a professional peer review panel. Mr. Erickson responded yes.

Mayor Messina asked about the consultant vs. increased in-house staffing, and how this issue will impact the choice of a new director. Mr. Erickson noted it is a factor, including how the new director will fit with the Benicia environment. He said that if a contractor approach is the way the City is heading, and then this will be an area where the new director will need to be experienced. This was followed by further discussion regarding obtaining Council consensus on the staffing approach of the department. Vice Mayor Patterson noted that she sees it as less of an issue; the new Community Development Director needs to be an excellent project managers regardless of whether he or she uses Staff or consultants.

Council Member Campbell asked about the code enforcement program and easing into a modest program, will that approach impact the proposed numbers? Mr. Golick noted that expected costs of a smaller program would be around \$50,000 or so. He went on to note the benefits of having a dedicated person do code enforcement.

Vice Mayor Patterson asked about recovery in terms of code enforcement. She discussed the fact that the ordinance needs to be updated to provide for administrative costs and the ability to put a lien on property. She asked for follow up on this. Ms. Meunier noted that one way is penalty fees and fines. Implementation of these can contribute to cost recovery. She noted that a significant part of a code enforcement program is the setting of priorities on which things are focused. Council Member Campbell commented that perhaps part of two employees could be for code enforcement.

He asked about the cost of doing fees and processing permits. Ms. Meunier responded 8%, fully loading all associated costs. This was followed by further questions on cost recovery and the need for a cost recovery analysis. It was agreed Mr. Golick would provide a chart for Monday's meeting regarding fee comparisons.

Human Resources

Diane O'Connell, Human Resources Director, reviewed a PowerPoint Presentation on the budget for the Human Resources Department (hard copy on file in agenda packet).

Ms. O'Connell responded to questions regarding workers compensation costs and adjustments with this budget as to how those costs will be represented by department. Also, a rise in costs was noted in

2004-05 due to the recruitment for the Community Development Director.

Mayor Messina commented on the priorities listed for Human Resources, and that document imaging should be higher on the list. He noted that there needs to be something in the budget to further this goal. He also expressed concern with utilizing a utility billing program. He suggested using an outside resource for this.

Council Member Smith commented that the functional space priority is missing. Ms. McLaughlin noted it is addressed under her department, and that this is funded.

Public Comment

- 1. Ann Hansen: Ms. Hansen returned to the topic of the Police Department's needs in relation to the Discovery Builders project. She noted the need for the City to bill businesses for services and serve as a funding source for the community.**

ADJOURNMENT:

Mayor Messina adjourned the meeting at 8:40 p.m.

Lisa Wolfe, City Clerk