

MINUTES OF THE
REGULAR MEETING – CITY COUNCIL
June 25, 2013

City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.

I. CALL TO ORDER:

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

II. CONVENE OPEN SESSION:

A. ROLL CALL

All Council Members were present. Vice Mayor Campbell arrived at 6:03 p.m.

B. PLEDGE OF ALLEGIANCE

Sharon Petrellese led the Pledge of Allegiance.

C. REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC.

III. ADOPTION OF AGENDA:

On motion of Council Member Schwartzman, seconded by Council Member Hughes, Council adopted the Agenda, as presented, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

IV. OPPORTUNITY FOR PUBLIC COMMENT:

A. WRITTEN COMMENT

Four items received (copies on file).

B. PUBLIC COMMENT

1. Jim Stevenson - Mr. Stevenson asked Council and Staff to update the City's employee recognition.
2. Donald King - Mr. King discussed concerns regarding noise levels from live music at the Rellik. He hoped Council and Staff would look into the issue prior to the next event scheduled around the Fourth of July. The noise level behind closed doors was 54-60 db.

3. Mayor Patterson - Mayor Patterson reported on her trip to Washington, D.C.

V. STUDY SESSION:

A. BUDGET STUDY SESSION - FIVE YEAR FORECAST AND BUDGET CONTINUATION FOR APPROPRIATIONS AND EXPENDITURES UNTIL JULY 31, 2013

RESOLUTION 13-48 - A RESOLUTION CONTINUING THE FISCAL YEAR 2012-13 BUDGET

Brad Kilger, City Manager introduced the item.

Anne Cardwell, Acting Assistant City Manager, and Brenda Olwin, Interim Finance Director, reviewed the staff report and a PowerPoint presentation.

Council and Staff discussed various points of the PowerPoint presentation.

Council Member Schwartzman stated he didn't have a problem using the reserves down to 15%, but no lower. He was okay with the two-year budget (doing first year, looking at it, then doing second year). He was concerned about the pressure on staff and the possibility of staff leaving. The City needs to focus on core services, Economic Development, and Infrastructure.

Council Member Strawbridge discussed the need to focus on Economic Development. Council needs an inventory of the City's property and buildings. She discussed possibility of public/private partnerships.

Mayor Patterson discussed wanting to focus on the first year of 2-year budget. She would like to see the initial vision of sustainability. It requires integration across a whole system's approach. She discussed Sunnyvale's 20-year long-term plan, budget stabilization fund, looking at non-tax revenues, the need for performance measures (making that a routine part of the budget process), tying performance measures to the City's core missions, look at an expenditure control budget, competition and partnerships, financial incentives, customer service training, entrepreneurial activities, and empowerment of community groups.

Mayor Patterson discussed her 5-point plan: 1) For performance measures, Staff should seek information from others (take advantage of the resources in the County). The performance measures should be reported routinely. 2) There should be comparisons with other organizations. 3) She would like to see incentives. 4) She would like to see competitive bidding. 5) She would like to see the City employees participate in some kind of formal structure to give Council ideas about how we can improve efficiencies and deliver services effectively.

Mr. Kilger discussed the need to address the performance measures when

moving forward into year two of the proposed budget. Staff needs to focus on core services.

Mayor Patterson discussed the need for implementing performance measures and business processes for each department. She did not expect to see it for adoption with the budget in July, but did expect to see it as an identified program that will have support that will produce that. Council has been requesting performance measures for a long time.

Council voted and approved the Resolution, as presented.

Mayor Patterson noted that she forgot to ask for public comment.

Mayor Patterson asked for a motion to reopen the discussion on the item to provide for public input. Council Member Schwartzman made a motion to reopen the discussion, which was seconded by Council Member Hughes, and approved by all Council Members.

Public Comment:

1. Dennis Lowry - Mr. Lowry discussed the need to clarify the resolution by stating that the budget would be adopted on or before 7/31/13, and change the term 'Finance Director' to 'Acting Assistant City Manager.'
2. Sharon Petrellese - Ms. Petrellese asked for clarification when the Human Services Board would be able to notify grantees of funding.

Council Member Schwartzman made a motion to rescind the previous vote, and offer a new motion to amend the Resolution to reflect that the budget would be adopted on or before 7/31/13 and change the Finance Director to the Acting Assistant City Manager language. The motion was seconded by Council Member Hughes, and approved by all Council Members.

On motion of Council Member Schwartzman, seconded by Council Member Hughes, Council adopted Resolution 13-48, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

On motion of Council Member Schwartzman, seconded by Council Member Hughes, Council rescinded the previous adoption of Resolution 13-48, and approved Resolution 13-48, as amended, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

B. PRESENTATION OF FUNDING RECOMMENDATIONS FROM HUMAN SERVICES BOARD AND BENICIA ARTS & CULTURE COMMISSION

Anne Cardwell, Acting Assistant City Manager, reviewed the staff report.

Council Member Hughes and Staff discussed the non-profit status of grant applicants.

Council Member Schwartzman was not in support of changing the allocations at this time. Council Member Schwartzman, Mayor Patterson, and Staff discussed the issue referenced in the Arts & Culture Commission's minutes regarding fiscal sponsors. He provided Union Pacific's contact information regarding non-profit grants.

Council Member Strawbridge and Staff discussed the minutes of the Human Services boards, where several motions failed regarding groups that had lost their non-profit status. She discussed the need for a formal class for the non-profit groups so they get the information necessary to comply with non-profit regulations. Ms. McLaughlin noted that the Open Government Commission was looking into that issue.

Mayor Patterson gave direction to Staff to do the fiscal agent assessment.

Vice Mayor Campbell and Staff discussed whether or not the groups receiving funding had to be non-profit organizations.

Public Comment:

1. Jim Stevenson - Mr. Stevenson discussed support for grant funding for Benicia Literary Arts.
2. Lois Requist - Ms. Requist discussed support for grant funding for Benicia Literary Arts.
3. Larry Lamoreaux - Mr. Lamoreaux discussed support for grant funding for Benicia Community Garden.
4. Sheila Clyatt - Ms. Clyatt discussed Benicia Community Garden's reinstatement of non-profit status. She spoke in support for reinstating the grant funding to Benicia Community Gardens.
5. Mike Kaplan - Mr. Kaplan discussed the Human Services Board's process for determining which groups should receive funding. He discussed how and why the board came to the decision not to provide funding for the Benicia Community Garden.
6. Larnie Fox - Mr. Fox spoke in support for grant funding for arts and culture groups.
7. Dalene Waranietz - Ms. Waranietz discussed the loss of non-profit status of the Benicia Ballet. She asked for Council's leniency with time, as the IRS is backlogged by 12-16 months.
8. Roy Stutzman - Mr. Stutzman discussed support for grant funding for the Benicia State Parks Association.

9. Sharon Petrellese - Ms. Petrellese discussed the hard work that went into the recommendations made by the Human Services Board and Arts & Culture Commission.
10. Sheila Clyatt - Ms. Clyatt clarified the number and spaces in the garden donated to those in need in the community.
11. Bob Surratt - Mr. Surratt discussed support for funding for the arts and culture groups.

Council Member Strawbridge, Mr. Lamoreaux, and Ms. Clyatt discussed the issue of private and corporate sponsors and possible funding from the Good Neighbor Steering Committee.

Council Member Schwartzman provided all the groups in Benicia with the following information: Liisa Lawson Stark, Director of Public Affairs, Union Pacific Railroad llstark@up.com and suggested they contact her regarding funding.

Mayor Patterson discussed how the Benicia Community Garden was relevant to the City's General Plan. She recommended the Benicia Community Garden go back to the HSB to clarify issues and request reconsideration. She discussed that the board's recommendation had a lot of merit and carried a lot of weight.

Mayor Patterson stated the following direction to Staff: 1) do additional work on the issue of fiscal agents (and how it could find solutions for the groups that lost their non-profit standing with the IRS), 2) recommendation for providing a hands on instruction class for the non-profit organizations, 3) there was also a request for Staff to look into whether the groups receiving funding had to have non-profit status, and 4) there was a desire to have the audit program available to Council.

Mr. Kilger asked if that was Council's direction to Staff. Mayor Patterson noted there were no objections.

Council Member Hughes noted that the key words were to keep this simple. Council was looking for simple answers.

Vice Mayor Campbell asked for clarification on the audit issue. He thought there was already a procedure in place. He did not want Staff to go overboard.

Mayor Patterson emphasized what Council Member Hughes indicated, and to keep it sweet and simple.

VI. ADJOURNMENT:

Mayor Patterson adjourned the meeting at 9:19 p.m.

Lisa Wolfe, City Clerk