

**June 28, 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  
CONTINUED REGULAR COUNCIL MEETING  
JUNE 28, 2005**

**The continued regular meeting of the City Council of the City of Benicia was called to order by Mayor Steve Messina at 6:02 p.m. on Tuesday, June 28, 2005, in the City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.**

**ROLL CALL:**

**Present: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina**

**Absent: None**

**PLEDGE OF ALLEGIANCE:**

**Mayor Messina led the pledge to the flag.**

**ANNOUNCEMENTS/APPOINTMENTS**

**PRESENTATIONS/PROCLAMATIONS:**

**Mayor Messina announced that this meeting was a continuation of the 6/21/05 Regular City Council meeting.**

**ADOPTION OF AGENDA:**

**On motion of Vice Mayor Patterson, seconded by Council Member Smith, the Agenda was adopted as presented, on roll call by the following vote:**

**Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina**

**Noes: None**

**COMMUNICATIONS:**

**WRITTEN:**

**PUBLIC COMMENT:**

- 1. Council Member Whitney discussed the Adult Literacy Program publication put out by the Benicia Public Library. It is a wonderful program. He commended the Library Staff for their efforts.**
- 2. Council Member Smith announced the following upcoming events:**
  - o Community Conversation regarding Benicia Business Park Project at 6:30 p.m. on June 29, 2005 in the Liberty High gymnasium at 350 East K Street**

- 7/1/05 - First Friday on First
- 7/3/05 - Torchlight Parade and Dance in the Park
- 7/4/05 - Picnic in the Park and Fireworks at the Waterfront
- Farmers Market is held on Thursdays from 4:00 to 8:00 p.m.

**CONSENT CALENDAR:**

None

**PUBLIC HEARINGS:**

None

**UNFINISHED BUSINESS:**

Request to support placement of a Benicia Unified School District (BUSD) Parcel Tax Measure on the November 2005 ballot:

Jim Erickson, City Manager, briefly reviewed the Staff report.

Council Member Campbell discussed his reasons for wanting to support placement of a Benicia Unified School District (BUSD) Parcel Tax Measure on the November 2005 ballot. This is a highly critical, very important issue. He does not want Council to meddle in the district's affairs, but Council should prod them along on this issue. Council Member Campbell submitted a revised resolution on this item.

Council Member Smith stated that he supported Council Member Campbell's revised resolution.

Vice Mayor Patterson stated that in the draft Joint Use Agreement (JUA), Council had expressed support of a parcel tax. She has no problem expressing early support for putting this item on the ballot. It would be useful to reaffirm Council's commitment in a formal way at a future date.

Mayor Messina stated that there is not yet a resolution to vote on for this item. He gave direction to Staff to prepare a resolution along the lines of the previous resolution (04-155). Staff should bring something back to Council at the 7/5/05 or 7/19/05 Council meeting to show support, and again later in the year to reaffirm that support.

**Cancellation of the August 2, 2005 City Council Meeting:**

Jim Erickson, City Manager, reviewed the Staff report on this item.

Council Member Whitney stated that in the summer, a large portion of the community would be on vacation. He supports the cancellation of the August 2, 2005 City Council Meeting.

On motion of Council Member Whitney, seconded by Council Member Smith, Council agreed to cancel the August 2, 2005 City Council meeting, on roll call by the following vote:

**Ayes:** Council Members Campbell, Patterson, Smith, and Whitney

**Noes:** Mayor Messina

**NEW BUSINESS:**

**Adoption of the City of Benicia Municipal Budgets for Fiscal Years 2005-2007:**

Jim Erickson, City Manager, and Rob Sousa, Finance Director, reviewed the Staff report. Mr. Sousa reviewed a PowerPoint presentation on the Municipal Budget Workshop (hard copy on file).

Council Member Campbell had a question on expenditures (\$449,000). It looks like we really do not have a balanced budget. Mr. Erickson discussed the issue of impoundment. Council may choose to push some capital projects into the next year. With a list of recommendations from Council on what projects would be held back, Staff could come back with a different picture on balancing the budget. Council Member Campbell had questions on the capital projects, and questions on street projects and add-backs. He wanted to know how much money we are trying to take away from street projects. Mr. Sousa said that ultimately, they would like \$550,000 for Capital Improvement Projects, \$400,000 for General Projects, and \$100,000 for Street Projects. The difference between the \$550,000 and the \$250,000 that we have in the budget right now is the \$335,000 (average for 2 years) listed. Council Member Campbell asked how much the City was going to reduce the Marina Dredging Fund. Mr. Sousa stated that the City currently has \$100,000 in transfers set aside for dredging for both the current and following year. In the 5-year budget model, we had predicted we would transfer \$300,000 this year and \$315,000 in the following year. Council Member Campbell stated that we might as well acknowledge that we will need more money if that is the case. He stated that he thinks the dredging costs will increase. We should increase the transfer amount instead of decreasing it.

Council Member Campbell had questions on the BUSD field costs. It was listed at \$545,000. He asked about the waiver of the water bill, and if that was included in the cost. Mr. Sousa stated that the maintenance account includes \$95,000 for water costs.

Vice Mayor Patterson asked to what extent the Internal Services Fund reflects the 20% reserves. Mr. Sousa stated that the Internal Services Funds, by nature would fluctuate. In time, they will reach zero. The workers compensation fund comes closest to having a 20% reserve. It would be prudent to have a 20% reserve in that area. The other funds would relate to a specific reserve target. The budget model is able to predict the amount of reserve that is needed.

Vice Mayor Patterson asked what the rationale was for having a 20% reserve that covers personnel when it is a known cost. Mayor Messina stated that in terms of the reserve, it is the unrestricted amount of money that is available to the city if a disaster occurs. In terms of employee funds, it may not be prudent. Vice Mayor Patterson stated that it is a way of setting yourself up where you have to have more money when there is not a necessity to do that. Mayor Messina asked her if she would be more comfortable if it was a dollar amount instead of a percentage. Vice Mayor Patterson stated that she would like to have policies that go along with the reserve. It is the fact that it is a blanket reserve that troubles her. She would like this issue addressed in the Audit and Finance Committee meetings.

Council Member Campbell stated that the reserve was done as a hedge against what happened with the state. Council could bring it down if they needed to. The number was tossed between 15-20%.

Vice Mayor Patterson supports the idea of having a hedge. However, currently the percentage is arbitrary and may need to be adjusted. Regarding slide #8 (all new programs must be self-supportive) she asked where the policy existed and what the purpose is for it. Mr. Sousa stated that he is not sure there is a policy in existence. What Staff is looking at a mandate that no programs would be introduced at the Staff level unless they are followed by an equal amount in new revenues or offsetting expenditures. Vice Mayor Patterson stated that this is profound. You have to make some investments in long-range economic development planning. If you don't do that, you cannot have a self-supporting economic development plan. Mr. Erickson stated that if we don't hold the line on expenses, we would not have the revenue to cover it. Vice Mayor Patterson stated the statement 'all new programs' is way too sweeping. It ought to be changed if we are going to go forward with the budget. She said Council did not discuss or agree on this. It should be modified. She asked for clarification on slide #8 - the removing the add-backs. What triggers the decision to do anything? Mr. Erickson stated that the trigger is the ability to forecast or project. Our current financial situation is projected. Vice Mayor Patterson stated that when we talk about the Marina Dredging Fund and the loss of revenues, she wants to be consistent and say that it is because of residential development and the park. We put the burden on the park when in fact it is a small piece of what was lost in terms of the revenue source that had been identified when the marina was originally approved.

Vice Mayor Patterson discussed investment in terms of economic development. Certain things are counted as economic development, and other things are not. She requested via phone to have those items tabulated. She thinks that there are comprehensive planning processes that are part of economic development, which were not included. When we look at the budget, we need to think about how much of that we want in economic development so we make a smarter decision about putting such monies out. She is thinking about support for Main Street. There are many benefits for long term planning programs that we need to support. We need to show how we can express that.

Council Member Whitney had questions on the General Fund revenues and the property taxes. He asked if there was a formula given to us by the County. Mr. Sousa explained the process. Council Member Whitney asked how we account for Vehicle License Fees (VLF). Mr. Sousa stated that we are not projecting our vehicle in-lieu fees. The growth will be based on the growth in property tax. This year we are projecting based upon current numbers. This year we should be within 10%. Council Member Whitney asked about capital projects. He stated there were some projects that Council had previously discussed and wanted to know if those projects were in the proposed budget. Mr. Sousa confirmed that the 7th Street and St. Augustine projects are in the budget. The roof at the Camel Barn and the floor repairs at the Camel Barn are not. Staff was not able to get bids from the contractors in time. Council Member Whitney asked if the total amount the Parks and Community Services department was asking for was \$180,000. Mr. Sousa stated that it is in the capital budget. Council Member Whitney is not inclined to transfer any money out of the General Fund to subsidize the Marina Fund. We may need to go cold turkey on this and stop transferring monies from the General Fund to the Marina Fund.

Council Member Smith discussed the full time employee-tracking sheet (on file). He asked about the Internal Services Fund and the employees. Why is the bottom line an uneven number? Mr. Sousa stated that it was an oversight that would be fixed. Council Member Smith asked why the allocation

for the Police staff decreased. Mr. Sousa stated that that the number was previously misquoted. Council Member Smith had questions on the increase in cost for the Police Station Retrofit Project. He asked why the number jumped up 130% (from \$413,000 to \$925,000) in a year and a half. Mr. Erickson stated that there had been no change in the scope for the project. There have been tremendous cost increases in construction costs. Chief Trimble stated that an estimator has not taken a final look at the work, it is just a best-guess estimate done by the architect. Council Member Smith wants to see more detail on how the \$413,000 got to \$925,000. Chief Trimble will work on getting the information. He provided the information because he wanted Council to know about the increases in cost. Council will be seeing a contract soon, with real/actual numbers.

Council Member Campbell asked about the Internal Services Fund. He asked what the initial balance is before the funds are transferred in? Mr. Sousa stated that it would be \$1.9 million dollars. After six years, the Facility Maintenance Fund will be balanced. Mr. Sousa stated that the fund would be declining through the 8th year. The amount remaining after the 8th year is \$180,000. We will have 100% funding for the first 2 years of the budget.

Vice Mayor Patterson commented on how we are transferring money to pay for the storm water funds. One way of getting revenue for this area is to take it to the voters.

Vice Mayor Patterson asked, in terms of the next 2 years, what the flexibility of transfer funds that could cover some costs. Are there other mechanisms that Staff could suggest for Council to consider? Mr. Sousa discussed the Intermodal Fund Reserve. It came into existence as a set-aside to help match potential grant revenues. The project is still on the major projects list. As far as using other sources, the deferral of capital projects has been discussed. We could prioritize the projects and authorize capital expenditures based on need.

Mayor Messina discussed road conditions and what the current target was. Mr. Schiada stated that the current level of paving conditions is 72%, and we are projecting we will go down to 70%. Mayor Messina stated that we are in the top 2% of what other cities do in the County. We will maintain a level of 70% with this budget. Mayor Messina asked, in terms of alley improvements, is there money for alley improvements? Mr. Schiada stated that they have recommended \$20,000 be allocated for alley improvements. Mayor Messina asked Mr. Erickson if there was any money allocated in the budget for agreements such as the BUSD agreement. Mr. Erickson stated that in the proposed budget there is the full cost for maintenance of the four school fields. Mayor Messina asked Ms. McLaughlin how he and Council Member Smith would deal with the budget information on the areas they are conflicted out on. Ms. McLaughlin stated that they would have to abstain from voting on the funds that they are conflicted out on.

Mayor Messina asked Mr. Erickson where the district is at with regards to the JUA. Mr. Erickson stated that all BUSD agendas from this point forward would include the JUA. They thought it would be passed, with amendments at the last district meeting. He thinks it will be brought back soon. Mayor Messina asked about the Utility Users Tax and Valero. Mr. Erickson stated that the amount in the budget has been penciled in the current rate of \$1 million plus the CPI adjustment of \$20,000. Mayor Messina thought Valero agreed in a letter a long time ago to go with CPI increases. Mayor Messina

thought it would be more than \$20,000. Mayor Messina stated that we should start to count it, book it, and collect it. Mr. Erickson stated that Valero is willing to meet with us to discuss this. There are possibilities we will get more than we have budgeted. We have not booked it because we don't want to account for money that is not there.

Mr. Erickson directed Council to the handout that was a point-by-point list of Council's questions regarding the budget (hard copy on file).

2. BUSD (contract labor) - Mayor Messina stated that Council previously gave direction to the revenue committee to address this.

Vice Mayor Patterson stated that this issue should be referred to the Audit and Finance Committee. Mr. Erickson stated that we owe it to the public to look into contract work or the best way this should be done.

Council Member Campbell stated that we should move these costs to our budget. We need to define a revenue source before we define the expenditure.

Council Member Whitney stated that we don't yet have an agreement. We don't want to get into the 'gift of public funds' issue. If we don't have an agreement in place, what do we do? Ms. McLaughlin stated that if there is no agreement in place it makes the 'gift of public funds' much tougher.

Council Member Smith stated that the fields are a community resource and we need to deal with it. It would be irresponsible of Council not to do this.

Mayor Messina stated that we would end up funding the costs for the field maintenance and need to budget accordingly.

Council Member Whitney stated that as long as there is an agreement in place, he is okay with it.

Vice Mayor Patterson suggested having the Audit and Finance Committee look at the contracting issue. They should also take a look at the policies.

5. Fire Rescue Boat - Vice Mayor Patterson suggested working with Valero on this particular cost. The estimate is \$200,000 to \$225,000 for the boat and related equipment. The annual ongoing costs are not available.

Council Member Whitney stated that as a waterfront community, we have zero rescue capability. To him, it is an issue that should be addressed.

Council gave direction to Staff is to hold some conversations with Valero to see if they have some interest in working on this jointly with the City, and report back to Council.

6. Communications/Grand Jury - Council Member Smith asked why we are choosing not to address this issue in this budget. Mr. Erickson stated that we would be getting homeland

security funds that could help this particular area. Chief Trimble stated that they are already working on the equipment issue. Bids have been submitted. It is a County RFP.

Vice Mayor Patterson stated there was a Joint Purchase Agreement (JPA). Marin County has a JPA for this type of thing. This needs to come back to Council for a more in-depth briefing.

7. Frozen firefighter and police officer positions - Mr. Erickson stated that these positions were part of the staff make-up two years ago. Looking forward, he does not see, at the present revenue and expense levels, being in another position than red if the positions were added.

Council Member Campbell wants to fund these positions. He discussed the marina dredging issue. Do we really need to do this every year? Is it feasible to dredge every other year? Mr. Schiada stated that we need to have a routine dredging program. It could be done every two years, but no longer than that. Dredging every three years caused problems in the past. We are currently under a 3-year contract with a 1-year extension. Dredging is dependant on the weather, etc. Council Member Campbell discussed defaulting on dredging contract. The Harbor Corporation would then dredge and send us the bill, which would be less than we actually charge. Ms. McLaughlin stated that the savings might not be so great due to having to pay 'prevailing wages'.

Mayor Messina stated if Council wants to unfreeze the positions, leave the task to the City Manager to come up with options.

Council Member Campbell discussed the Intermodal Transportation Fund. There is approximately \$700,000 in the fund. He does not think the Intermodal Transportation Station will be built in his lifetime. He stated that \$460,000 of the fund has been loaned out to another park fund. Maybe we could close the Intermodal Transportation Station Fund and use the money to fund other services.

Vice Mayor Patterson discussed CEQA and how it applies to this issue. Having \$0 in the fund may cause problems in not being able to get back the million dollars that we have spent so far.

Mayor Messina is concerned with the direction of the budget. The City could use another police beat. We need to start the process now, not in 2 years. He feels the same way with the firefighter position. He fully concurs with the funding of a station, but thinks it should come out of the Seeno project. He would like to see the two positions included in the budget.

Vice Mayor Patterson suggested using the CEQA process that is going on with Seeno to get at some of the costs. Regarding providing 'basic services', community safety is preventative. It is having recreation, arts, performing arts, etc. They are valuable parts of safety in the community. She wants her colleagues to keep that in mind. Chief Trimble stated that community policing has three aspects 'prevention, intervention and enforcement.' If you take one away, the process will not work.

Council Member Smith stated that based on staff's recommendations, he does not see the evidence that supports the need for the positions. Chief Trimble stated that the issue is that having adequate staff is important when the community is expanding. There is a planning aspect to this. It could take him 18 months to 2 years to get someone recruited, hired, trained, and ready for service. Fire Chief Hanley stated that they are preparing for the Seeno Development. They would use the

model of the Southampton station. It would take them approximately 6 months to be up and running.

Council Member Campbell wanted to know why this is being discussed when we don't know what Seeno will build out there. He suggested we fund one police officer this year and one next year. We would also fund the firefighter this year. The Intermodal Transportation Station Fund could be the fund source for this.

Vice Mayor Patterson stated that we are talking about expenditures for police and fire. We are also talking about \$180,000 for the X Park. We are cutting other things that are much more modest. She would like to see a balanced process. If we are talking about transferring funds from the Intermodal Transportation Station Fund, she would like to see funds transferred to other places as well. Council discussed the cost (\$40,000 + vehicle) of a half-time code enforcement officer for a total annual cost of \$55,000 to \$65,000.

Council Member Whitney stated that he is not clear on what the timeline is on the new fire station. Chief Hanley discussed the hotel/motel that has been proposed on East Fifth Street. He would like to see the new fire station up and running when that project is complete. Council Member Whitney asked Chief Trimble what his timeline is for ramping up and staffing for the additional beat. Chief Trimble stated that the timeline is 18 months to 2 years to hire, train, get equipment, etc. He would like to have the officers on board when the Seeno project is completed. Chief Trimble discussed recruitment strategies.

Mayor Messina stated that it is clear that we don't have a need for additional police or fire positions for at least a year.

Vice Mayor Patterson stated discussed the Seeno EIR and the need to have the positions in place in advance.

Council Member Whitney suggested allowing the Chief to present to the City Manager ideas on how to ramp this up.

Mayor Messina asked if Council wanted to unfreeze the two positions. Mayor Messina wants to unfreeze the positions and have the City manager tell them how they will pay for it.

Council Member Whitney agreed with Mayor Messina.

Council Member Campbell stated that Council should come up with a way to fund the positions. Mr. Erickson stated that he had no problems with the task of coming up with alternatives for Council to fund the three positions (2) police and (1) fire.

Vice Mayor Patterson stated that there were other services that are appropriate that were not addressed in the budget. She would prefer to unfreeze (1) police officer position, (1) firefighter position, and (1) code enforcement officer this year and (1) police officer position next year.

Council Member Smith stated that the appropriate place to find the money to fund the positions is the additional cost (\$285,000) for the police station upgrade.

8. West 7th Street - Mr. Schiada stated that this project is on board and Staff is working with the City Attorney's office on the issues.

Public Comment:

1. Mary Frances Kelly-Poh - Ms. Kelly-Poh stated that at an earlier meeting, Council Member Whitney was not able to taste the cobbler that her boss made. She has been waiting almost three hours to let Council know that she brought cobbler for them to snack on.

Mayor Messina called for a 5-minute break at 9:07 p.m.

The meeting resumed at 9:17 p.m.

9. Safe Routes to Schools - Council Member Smith wanted to address crossing guards. The amount budgeted remains unchanged since 2003. The amount we pay is unrelated to whether we can fill the positions. He is very concerned, especially with the school closing. If the positions go unfilled, could we raise the amount they are paid in order to get more applicants? Chief Trimble stated that there was no one at the district managing the program. That is more of a problem than the rate of pay. Mr. Schiada stated that it is difficult to recruit for the positions. The City provides great support in the program, but the overall legal responsibility resides with the district. Chief Trimble stated that he is working with Ms. Dennis (Superintendent) on the Safety Plan, which this issue is part of.
13. Community Grants - Mayor Messina stated that Council substantially increased ArtsBenicia's amount a few years ago, and they were supposed to increase their presence on First Street. They have not done that yet.

Council Member Smith asked why the Youth Action Task Force is by far the largest grant and why it is the only one increasing in 2006-2007. Chief Trimble stated that the increase is due to the Alcohol, Tobacco, and Other Drug grant that they are getting. They will be getting a counselor for that program. Also, there are substantial funds going toward Second Step, Special Friends, etc. The grant is 100% matched.

Council Member Smith disagreed with the Mayor's statement regarding increasing funds to some of the recipients. Mayor Messina reiterated his understanding that ArtsBenicia was supposed to increase its presence on First Street, in the form of a storefront. Council Member Smith suggested that the City restore some of the grants to the 2003-2004 levels; in particular, ArtsBenicia, Benicia Community Arts, Benicia Old Towne Theatre Group, and the Benicia Historical Museum. The total cost to restore the grant funds for the above groups would be \$4,830.00. He would prefer it be done for 05-06, but urged it be done by 06-07.

Mayor Messina stated that regarding Families in Transition - the Human Services Fund should address this and come back with recommendations for Council. Regarding the Benicia Historical Museum, Mayor Messina does not have a problem with that particular increase.

Council Member Campbell stated there was a request from BPAF for \$7,500 in grant funds. He would like that reconsidered. He discussed ArtsBenicia's request. He listed the places where they have exhibited art in the Downtown area. The City is not holding up our end of the bargain. He suggested doubling ArtsBenicia's grant.

Council Member Whitney asked about Families in Transition. Mr. Andy O'Dell, Human Services Fund Board, described what Families in Transition does. They assist with utilities, rent, etc to a maximum of \$500 per family. They are asking for an increase of \$10,000. The Human Services Fund Board will be asking for \$7,500. Mr. O'Dell is comfortable with the \$7,500 grant for Families in Transition.

Mayor Messina suggested giving the additional money to the Human Services Board Fund and let them dole it out as they see fit. Mary Frances Kelly-Poh discussed what the Community Action Council (CAC) does.

Vice Mayor Patterson stated that it should be clear that as a policy, the groups should not go directly to Council asking for money. She stated that BPAF has a wonderful presence and do a lot for the community. She supports BPAF's request for grant funds. She stated that ArtsBenicia does have a presence on First Street. ArtsBenicia is a part of our economic development. They bring the 'lion's share' of visitors to Benicia. She supports their request for funding a program director for one year.

Mayor Messina stated that he is not happy with the way that ArtsBenicia has come forward. He is not opposed to ArtsBenicia overall. They have come forward and asked for funding to fund positions for one, two, or three years, with the thought that they would become self-funding. They keep coming back and asking for more. In terms of a presence on First Street, they were supposed to have a physical presence (in the form of a rented building). The increase in dollars was to support their ability to pay rent on First Street. These facts raise concerns with him.

Vice Mayor Patterson stated that she understands the Mayor's concerns. However, there are ways to deal with this. She suggested having a standardized audit of all organizations across the board that we give grant money to. It is important for us to develop the standard of protocol. Salaries need to be shown so we know how the money is being sent. We can also constrain the release of funds until the director position (in the case of ArtsBenicia) is filled.

Mayor Messina stated that this was similar to what the Human Services Fund Board Fund is doing. Maybe we should broaden the Human Services Fund Board to include some of the cultural groups. Vice Mayor Patterson suggested calling it a 'community fund.' She stated that she had discussed this possibility with the City Manager and would be glad to bring the Mayor up to speed on their conversations. Vice Mayor Patterson discussed the General Plans reference to an Arts Commission or Cultural Commission. Mayor stated that he would like to get some input from the Human Services Fund Board before making any decisions. He will attend a meeting Human Services Fund Board meeting to discuss this.

Council Member Smith discussed the presentation by ArtsBenicia at the 6/1 budget workshop.

They did more than anyone else did with regards to presentation materials, list of accomplishments, exhibits, etc. ArtsBenicia is a prominent reason Benicia was ranked number 7 best city in the nation for its size for being an arts town. He stated that regarding the Human Services Fund Board; he thinks the Families in Transition funding is correct. He suggested spreading the other dollars (through the Human Services) a little thinner. He regrets that the Community Garden funding is only getting \$1,600 and that the Affordable Housing Affiliation funding is being cut entirely. Mr. O'Dell discussed the cuts that were imposed last year. We would be restoring part of the \$50,000 that was cut last year. He discussed the Human Services Fund Board's financial situation. Mr. O'Dell will let Mayor Messina know when the next Human Services Fund Board meeting is so that he (Mayor) can attend to discuss the suggested additional responsibilities.

Mr. Sousa recapped what Council suggested:

- BPAF - 2 years at \$7,500
- ArtsBenicia - increasing its allocation amount to the 2002-2003 amount. And for next year increase it by \$25,000
- Benicia Community Arts - Increasing its allocation amount to the 2002-2003 amount.
- Old Towne Theatre Group - Increasing its allocation amount to the 2002-2003 amount.
- Benicia Historical Museum - Increasing its allocation amount to the 2002-2003 amount.
- Human Services Fund - Add \$2,500 to the transfer to the Human Services Fund for each of the two years.

Mayor Messina stated that the only change he would suggest is to put more to the Human Services Board Fund and let them do the work.

Vice Mayor Patterson discussed Mr. O'Dell's discussion on their current financial status. We should encourage the Human Services Fund Board to go for private funding in addition to the grant funds from the City. Let us focus on the things that the private sources would never fund. She suggested increasing the Human Services Fund Board's allocation by \$2,500. She clarified that ArtsBenicia would be getting an additional \$50,000. (allocated \$25,000 plus adding an additional \$25,000 suggested by Council Member Campbell).

Mayor Messina stated that giving ArtsBenicia that much more rather than increasing the Human Services Board Fund is sending the wrong message to the citizens.

Vice Mayor Patterson stated that it is ArtsBenicia is part of our economic development. The two groups are not competing. Let's not pit the cultural investments against the Human Services investment. We are making an investment in something that has a return to the community. Mayor Messina stated that putting the money towards the Human Services Fund would be investing in the community as well.

Council Member Whitney asked Vice Mayor Patterson to review the steps of holding ArtsBenicia

accountable for the additional funds. Vice Mayor Patterson stated that all organizations would be held accountable. Being able to see the benefits and return of the money invested is the key. If we fund ArtsBenicia's program director, we need to tie some strings to the funds. The increase for ArtsBenicia would be a one-time increase.

15. Marina Fund Deficit status - Vice Mayor Patterson stated that the EDB has been tasked with expanding the enterprise zone and possibly working out some development project with the property owner. That is on hold since we lost Karen Majors and will be on hold until Staff is available to work on it. That needs to be supported. We can support the continuing of the gathering of information.

Mayor Messina does not want to subsidize the Marina Fund from the General Fund. Vice Mayor Patterson stated that the idea of a citywide assessment district had been discussed. Mayor Messina stated that going after the berthers for the cost would be better than going after a parcel tax.

Vice Mayor Patterson stated that the Marina is a benefit to the City of Benicia. Council needs to have a discussion on this issue. She discussed the fact that there is an added value of \$50,000 (per the Economic Development Director) to the condominiums for the Marina.

Mayor Messina stated that in terms of the budget, he and Council Members Campbell and Whitney (majority) do not want to continue to subsidize the Marina Dredging Fund with the General Fund.

18. Community Development - Vice Mayor Patterson discussed form-based zoning. It would cost \$50,000 to \$90,000 and would take 6-9 months to get underway. We would be well advised to pursue this. She believes that we can address 'developing sustainable criteria' as a community. She would be happy to suggest ways of doing that later. She encouraged Council to find out how to get form-based zoning underway. We will have 'money in the bank' if we do this.

Council Member Smith stated this issue was worthy of budgeting money for it.

Mayor Messina directed Staff to put a placeholder in the budget for \$50,000 and an increase on the fees. Staff will explore this issue and do a timeline on the fees.

21. General Fund Imbalance - Council has given Staff ideas on how to address this. Mr. Erickson stated that Council has tasked Staff with finding revenue alternatives.

Vice Mayor Patterson stated that she is concerned that when the assessment district approach is looked at, it is as broad as it can be. When the committee looks at this, they just might care. She asked if the unofficial appointed persons could keep this in mind and look at other things that the joint committee may not be interested in. She wants to make sure that things that would benefit the City do not fall off.

Mayor Messina stated that Council has given Staff a number of changes, but he still wants a balanced budget. He directed Staff to do some squeezing and adjusting and come back to Council with ideas.

Council Member Campbell complimented Staff on being able to stay above 20% reserve. He is amazed at how far they have come.

Mayor Messina suggested taking a vote to implement the changes and incorporate the information passed on to Staff tonight. Mr. Erickson estimated the changes would take a couple of weeks to make.

Mayor Messina suggested adopting one month of the budget and giving Staff time to rework it. Ms. McLaughlin stated that there is no guarantee, with the suggested changes, that the budget would be balanced. So, Council could not vote on the overall budget as a whole.

Council Member Smith does not want to vote blind. He wants the documentation in front of him before he votes.

Mr. Erickson suggested giving Mr. Sousa 15 minutes to rework the numbers so Council would have something to vote on. Ms. McLaughlin stated that could be done.

Mayor Messina suggested moving on to the next Agenda so that Staff can rework the changes to the budget.

#### **REPORTS FROM CITY COUNCIL COMMITTEES:**

- 1. Mayors' Committee Meeting - Mayor Messina - Next meeting date: July 20, 2005**
- 2. Arsenal Restoration Advisory Board - Council Member Campbell - Next meeting date: June 22, 2005**
- 3. Association of Bay Area Governments (ABAG) - Vice Mayor Patterson - Next meeting date: October 27, 2005 - Vice Mayor Patterson would like to be able to provide reports from the Cal Fed-ABAG water forum. She wondered if there was a way to provide the written reports to the public. Mayor Messina stated that there could be a note on the committee reports directing people where to go (website) to review the information. If that does not work, we can try something different.**
- 4. Audit & Finance Committee - Council Members Campbell and Patterson - Next meeting date: July 8, 2005 - Mayor Messina asked the committee to come up with incentives for 'green' buildings, possibility through the Utility Users Tax. Other communities are doing this.**
- 5. Carquinez Strait Preservation Trust - Council Member Smith - Next meeting date: Not scheduled**
- 6. First Street Revitalization Committee - Council Members Campbell and Smith - Next meeting date: June 22, 2005**
- 7. League of California Cities - Council Member Smith - Next meeting date: August 4, 2005**
- 8. Police Station and Civic Center Restoration Committee - Mayor Messina and Council Member Smith - Next meeting date: Not scheduled**

9. School District Liaison - Council Members Smith and Whitney - Next meeting date: To be determined
10. Sky Valley Area Open Space - Council Members Patterson and Smith - Next meeting date: July 20, 2005
11. Solano EDC Board of Directors - Vice Mayor Patterson - Next meeting date: July 28, 2005
12. Solano Transportation Authority (STA) - Mayor Messina - Next meeting date: July 13, 2005
13. Solano Water Authority/Solano County Water Agency - Mayor Messina - Next meeting date: July 14, 2005
14. Sunshine Committee - Council Members Campbell and Patterson - Next meeting date: Not scheduled - Vice Mayor Patterson suggested sunsetting the committee.
15. Traffic, Pedestrian and Bicycle Safety Committee - Council Members Campbell and Patterson - Next meeting date: July 21, 2005 - Mayor Messina discussed the recent meeting with Will Travis, BCDC. Grandville Island (Vancouver, B.C) has implemented the concept of 'no sidewalks.' He would like the committee to take a look at this. Vice Mayor Patterson stated that this is actually a new 'old' thing.
16. Tri-City and County Regional Parks and Open Space - Council Member Whitney - Next meeting date: September 12, 2005 - Council Member Whitney stated that the joint meeting with the Solano Board of Supervisors took place. They need the support of the Board of Supervisors. There was some decent dialogue. They are currently 'stymied' but will continue to work on this.
17. Valero Citizens Advisory Panel (CAP) - Council Member Whitney - Next meeting date: August 4, 2005 - The cold eye review came back. The panel made more suggestions/revisions and sent it back. The report was general and narrative. The subcommittee and consultants agreed to send it back to be fleshed out to show the findings. They are back on track and hope to get the report soon.
18. Youth Action Task Force - Council Member Whitney - Next meeting date: June 22, 2005

Mayor Messina called for a 10-minute break at 10:50 p.m.

The meeting resumed at 11:09 p.m.

Mr. Sousa passed out an updated 'Budget Adjustment' sheet (hard copy on file). Mr. Erickson reviewed the proposed adjustments. Moving forward would allow Staff to get on with projects.

Mayor Messina asked if borrowing from one of the funds was in keeping with a 'balanced budget?' He would like to see a situation where expenditures equal revenue.

Council Member Smith reiterated his concerns with the cost increase to \$925,000 for the Police Station Retrofit Project. Chief Trimble estimated that they would have a bid on the project by third week in October 2005.

Vice Mayor Patterson stated that the overall budget seems to be good accounting and there is a good audit trail. It is a conservative approach.

Mayor Messina stated he would feel comfortable adopting a one-month budget and giving Staff 30 days to implement the suggested changes.

Vice Mayor Patterson suggested adopting a policy dealing with changes to the Intermodal Transportation Station Fund. Staff stated that it could not be done. It would take Staff a minimum of 60 days to implement all of the changes that Council has suggested tonight.

Council Member Campbell asked Ms. McLaughlin what the effect the budget not passing tonight would have. Ms. McLaughlin stated that the budget adoption resolution was divided into five separate resolutions, one on the overall budget, and one for each separate BUSD field.

Council discussed the benefits of a two-year budget.

**RESOLUTION 05-102 - A RESOLUTION ADOPTING THE MUNICIPAL BUDGETS FOR FISCAL YEARS 2005-2006 AND 2006-2007 EXCEPT FOR THE PORTIONS RELATED TO BUSD FIELD MAINTENANCE**

On motion of Council Member Campbell, seconded by Vice Mayor Patterson, the above Resolution was adopted, on roll call by the following vote:

**Ayes: Council Members Campbell, Patterson, Smith, and Whitney**

**Noes: Mayor Messina**

**RESOLUTION 05-103 - A RESOLUTION ADOPTING THE MUNICIPAL BUDGETS FOR FISCAL YEARS 2005-2006 AND 2006-2007 PERTAINING TO FIELD MAINTENANCE AT SEMPLE SCHOOL**

On motion of Council Member Smith, seconded by Vice Mayor Patterson, the above Resolution was adopted, on roll call by the following vote:

**Ayes: Council Members Patterson, Smith, Whitney, and Mayor Messina**

**Noes: Council Member Campbell**

**RESOLUTION 05-104 - A RESOLUTION ADOPTING THE MUNICIPAL BUDGETS FOR FISCAL YEARS 2005-2006 AND 2006-2007 PERTAINING TO FIELD MAINTENANCE AT MILLS/LIBERTY SCHOOLS**

On motion of Vice Mayor Patterson, seconded by Council Member Whitney, the above Resolution was adopted, on roll call by the following vote:

**Ayes: Council Members Patterson, Whitney, and Mayor Messina**

**Noes: Council Member Campbell**

**Abstain: Council Member Smith**

**RESOLUTION 05-105 - A RESOLUTION ADOPTING THE MUNICIPAL BUDGETS FOR FISCAL YEARS 2005-2006 AND 2006-2007 PERTAINING TO FIELD MAINTENANCE AT BENICIA HIGH SCHOOL**

**On motion of Council Member Smith, seconded by Council Member Whitney, the above Resolution was adopted, on roll call by the following vote:**

**Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina**

**Noes: None**

**RESOLUTION 05-106 - A RESOLUTION ADOPTING THE MUNICIPAL BUDGETS FOR FISCAL YEARS 2005-2006 AND 2006-2007 PERTAINING TO FIELD MAINTENANCE AT HENDERSON SCHOOL**

**On motion of Council Member Smith, seconded by Council Member Whitney, the above Resolution (Henderson) was adopted, on roll call by the following vote:**

**Ayes: Council Members Patterson, Smith, and Whitney**

**Noes: Council Member Campbell**

**Abstain: Mayor Messina**

**Review of the Benicia Transit Short Range Transit Plan (SRTP) for Fiscal Years 2005-2010:  
Continued to the 7/5/05 meeting**

**REPORTS FROM THE CITY MANAGER:**

**None**

**ADJOURNMENT:**

**Mayor Messina adjourned the meeting at 11:38 p.m.**

**Lisa Wolfe, City Clerk**