

November 9, 2004

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
NOVEMBER 09, 2004**

The special meeting of the City Council of the City of Benicia was called to order by Mayor Steve Messina at 6:32 p.m. on Tuesday, November 9, 2004, 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.

ADOPTION OF AGENDA:

On motion of Council Member Smith, seconded by Council Member Whitney, and unanimously approved, 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:

There were four letters submitted to Council prior to the meeting, all of which are on file.

PUBLIC COMMENT:

1. Council Member Smith made the following announcements:

- **11/10/04 - The Sky Valley Open Space Committee will meet at City Hall in Conference Room 1 at 7:00 p.m.**
- **11/13/04 - The dedication of the Forrest Deaner Native Plant Botanic Garden will be held at the Benicia State Park.**
- **11/13/04 - Benicia Historic Museum will host its Taste of Pasta Dinner and Auction.**
- **11/13/04 - Arts Benicia will host an art exhibit reception called 'Cream III'.**
- **11/14/04 - The San Francisco Guitar Quartet will perform at the Benicia Public Library.**

2. Council Member Campbell stated that a comment that was made at the last Council meeting regarding the East E Street parking lot that he wanted to address. When discussing the outreach program, it was mentioned that a consultant would be hired. He would prefer to keep this in-house rather than hire a consultant.

NEW BUSINESS:

Introduction and first reading of an Ordinance to replace in its entirety Chapter 2.56 of the Benicia Municipal Code to establish the Historic Preservation Review Commission in the City of Benicia and introduction and first reading of one of two Ordinances assigning design review responsibilities to either the Historic Preservation Review Commission or the Planning Commission:

Eric Angstadt, Associate Planner, reviewed the Staff report on this item.

ORDINANCE 04- - AN ORDINANCE AMENDING IN ITS ENTIRETY CHAPTER 2.56 (HISTORIC PRESERVATION COMMISSION) OF TITLE 17 (ZONING) OF THE BENICIA MUNICIPAL CODE TO ESTABLISH THE HISTORIC PRESERVATION REVIEW COMMISSION (HPRC)

ORDINANCE 04- - AN ORDINANCE AMENDING SECTIONS 2.84.010, 2.84.060 AND 2.84.120 OF CHAPTER 2.84 (DESIGN REVIEW COMMISSION) OF TITLE 17 (ZONING) OF THE BENICIA MUNICIPAL CODE

Mayor Messina stated that a lot of work has gone into this project. He stated that he and the Vice Mayor gelled from the get-go when the decision was made to achieve Certified Local Government (CLG) certification. They have tried to work out something that would serve the community and would satisfy the requirements of CLG. He and the Vice Mayor have had meetings with the Office of Historic Preservation. The Office of Historic Preservation was extremely excited about Benicia becoming a CLG. They mentioned different grants and monetary incentives that might come our way if we become a CLG. Mayor Messina stated that they have had a number of meetings with the Planning Commission, the DRC and the HPC. They have ironed out most of the issues. The one big issue before Council tonight is where we want to do the design review for multi-family residential and commercial projects over 2500 square feet.

Council Member Campbell stated that we switched to the Denovo form of process as opposed to being an appellate court sort of approach. He asked what affect this would have as far as the reasoning on why we are taking some duties away from the DRC and giving them to the Planning Commission. Does this make it more likely we want to change it, or does it make it more likely we want to leave it the way it is right now? Mr. Angstadt stated that Council would be getting the changes to all of the appeal processes throughout the City of Benicia on 12/7/04 to move all the Commissions to the Denovo model. Council Member Campbell stated that these are all advisory commissions, and ultimately, the decision is with Council. Ms. Meunier stated that the decision before Council tonight does not change the current way we handle appeals. It handles changing the name and duties of a group. It will change the way we process permits.

Vice Mayor Patterson tried to clarify (for Mayor Messina) Council Member Campbell's comments. She stated that she was hearing that there is some concern that the process could be complicated. Two things that one might want to keep in mind is that the Denovo process is pretty standard operating procedure for most jurisdictions. Part of the cure for this is keeping in mind is that we have the whole

of the project that we are looking at through the process. It makes the process better, because you are looking at the project as a whole.

Public Comment:

1. James Conlow - Mr. Conlow is totally in favor of the HPC joining the DRC. He disagrees with the idea that the Planning Commission is capable of doing design review. He discussed past experiences with various commissions and how they came about. He discussed how Commissioners on the DRC are appointed. He stated that the current DRC can pick up a set of blueprints and have in mind, in 3-D, what the project will look like. Untrained people cannot do this. He would hate to see such a change take place when no such change is necessary.
2. Leanne Taagepera - Ms. Taagepera read a prepared statement (extensive) regarding her concerns with the proposed ordinance for Benicia becoming a CLG (copy on file). Her concerns included 1) There are more than two choices for redistribution of design review for multi-family and commercial projects over 2,500 sq. ft., concerns regarding membership and qualification, terms of office, powers and duties, procedural guidelines, public involvement, decision making, and authority issues.
3. Donnell Rubay - Ms. Rubay discussed the Staff report in the Agenda packet. She stated that option #1 needs clarification. She urged Council to develop some sort of description of the qualifications required based on the CLG requirements. Ms. Rubay reviewed a prepared statement (on file) that listed her concerns with the proposed ordinance. She concluded by asking who in his right mind, would purchase property covered by a law that puts serious restrictions on that property, but does not restrict neighboring properties? And that's not all. It may be that the law restricting the property will be imposed only by individuals who are not impacted by it, do not have to follow it and, even, have incorrectly imposed it in the past. If the City were truly serious about historic preservation, then it would be seeking to create a CLG ordinance that can be embraced by historic property owners. For if property owners cannot embrace this law, they will not invest in the area's historic properties.
4. Mayor Messina reviewed the current appointment process that Council follows.
5. Vice Mayor Patterson stated that the choice of how we are going to do design review has not been settled. She has some ideas that were unfortunately not included in the Staff report. They are good ideas and she would like to put them on the table.
6. Sandra Shannonhouse - Ms. Shannonhouse stated that she supports the comments of Ms. Taagepera and Ms. Rubay. She is stunned. She owns two historic properties in Benicia. She has continued to spend money on the upkeep and restoration of the properties. Today, we mandate 'disneyesque' fake Cape Cod structures. They are ruining our historic area. You can't have a forest if you only protect a tree. We need design review to encompass the entire downtown. We need every structure that is built go through the entire process. We need good architecture. She is completely opposed to building fake old buildings. The structures being built in historic downtown make us a laughing stock. We need to maintain and expand the historic review that we have. We need to have a DRC. This town has an abominable record on historic preservation and design review. We need all the review possible. She stated that

when she talks to the people at BCDC and the Office of Historic Preservation, they all say that the problem with Benicia is that we do not ask for enough, expect enough, or demand enough. We need to take a step back and stop rushing permits through.

7. **John Van Landschoot** - Mr. Van Landschoot gave Council a handout (on file). He reviewed the concerns regarding Benicia's CLG listed on the handout. He stated that the thing Benicia is noted for is our historic downtown. He discussed the historic overlay district, guidelines for single-family homes, new HPC Board, expertise, solutions, and his concerns over money.
8. **Council Member Whitney** - Council Member Whitney asked the City Attorney to explain how we would deal with 'conflicted out' in the new Commission. Ms. McLaughlin stated that if people are required, as part of being appointed to have specific qualifications, they could get an exemption. We will write the FPPC to confirm this.
9. **Reg Page** - Mr. Page stated that he has served on the HPC and DRC for the last 18 months. He reviewed a letter he submitted to Council (on file). He stated that the appointment of members who hold rigid views with respect to preservation standards could easily result in a commission that obstructs preservation work. He urged Council to adopt the more flexible wording, verbatim, from the state's application procedures regarding member qualifications. He stated that changing the process for design review outside of the Historic District would result in projects that are unattractive and insensitive to the community's concerns. He urged Council to vest design review authority for all such projects with the new HPRC. He urged Council to avoid making changes that could hurt our preservation work or produce undesirable consequences.
10. **Bonnie Silveria** - Ms. Silveria stated that she is speaking as a member of various commissions for the past 20 years. She is excited about Benicia becoming a CLG. She would like Council to step back and have a vision of what we want to see in 3-5 years. She asked about historic homes outside of the Historic District. When they want to make changes, would they come under the new HPRC for review? We need to look beyond the Historic District. Mayor Messina stated that the proposal before Council tonight does not address this. Ms. Silveria stated that this is something that needs to be looked at. She stated that we need to take the historic preservation and restoration and put that to the new commission.
11. **Vice Mayor Patterson** asked Staff to address the questions Ms. Silveria raised regarding historic homes outside the Historic District. Ms. Meunier stated that tonight we are setting up a body. There are a lot of other issues in town having to do with historic preservation that this does not address. When we are doing the update to the survey work for our downtown conservation plan, it includes surveying well outside the district to see if we need to bring in individual resources or just the boundaries. That is how we will protect those resources. Ms. Meunier stated that again, we are setting up a body tonight that we can work with. There are improvements that need to be made in our local land use controls and in our identification of resources that need to be protected. Ms. Meunier stated that it is not appropriate to place that into the ordinance that establishes the commission.
12. **Alan Schwartzman** - Mr. Schwartzman stated that he is curious to know if there are any other reasons, besides streamlining, to combine the commissions. He stated that the commissioners

for the new commission should be residents of Benicia. He also stated that if the new commission comes to be, and Council decides to give design review to the Planning Commission outside of the Historic District, they (Planning Commission) should be able to take that on.

13. Pat Donahue - Mr. Donahue stated that he is confident that Council will select the right people for the new commission.

Council Member Smith stated that he does not agree with the recommendations and choices presented by Staff in their report. He is glad we are finally pursuing becoming a CLG. He thinks the best way to do this is have a stronger qualified HPC. The one established a few years ago was compromised and not effective. He does not understand why the Staff report lists only two options. To limit ourselves to those two choices would not be doing justice to the expertise we currently have on the two commissions. To effectively use that expertise, we need to retain the DRC. He asked Staff to respond to the statement 'a member that fits the definition of more than one qualification should be counted for all qualifications they exhibit.' Ms. Meunier stated that if somebody was a resident they could be counted for that. They could also be counted for meeting one of the other qualifications since there is strong encouragement that we have at least two members that are qualified by profession. Council Member Smith asked for clarification on one of the speakers question on whether the Historic Conservation Plan trumps the zoning ordinance for concerned properties within the district. Ms. Meunier stated that she has had this discussion with Mr. Van Landschoot in the past. She does not see this as in conflict. What zoning generally controls is what kind of uses may be made of the property development standards. Neither of those is inconsistent with historic preservation.

Council Member Campbell asked if Council Member Smith wanted 2.56.030d (with regards to one qualification covering all) stricken from the document. Council Member Smith confirmed that was correct, as he does not see what purpose it serves. Council Member Campbell asked if there was any support within the Council for making the committee a 9-member committee as opposed to a 7-member committee. Vice Mayor Patterson stated that it depended on what was done with the Design Review Commission. Council Member Campbell asked for clarification on option #1 in the Staff report. Mayor Messina stated that initially it was discussed to merge the DRC and HPC. Rather than have two commissions, we would have one. Once we talked about having just the one commission, we looked at all of the duties in the basket of that commission and the question arose that should we give some of those duties to another commission as not to overload the new commission. Council Member Campbell stated that he does not support taking anything away from DRC and giving it to the Planning Commission. He prefers leaving the DRC with the same level of jurisdiction as it has right now.

Vice Mayor Patterson stated that the Mayor gave a fair representation of the merging of the two commissions, but then that was where they diverged. She agrees with Council Member Campbell that each commission has specific functions. When they were talking about other ways to handle design review, she could not support design review functions being handled by the Planning Commission. After hearing the testimony and discussion in the past months, she thinks we need to have the DRC. She also proposed to expand the responsibility of the DRC. She wants this debated and discussed. She is in concurrence with Council Member Campbell that we separate the duties. Neither of tonight's options is appropriate.

Council Member Campbell stated that 7 members on the new commission would be too small. He asked about the term of office. Regarding the residency issue, he believes the commissioners should be Benicia residents. He would like this added to the requirements. He then stated that the sentence in 2.56.030c should be rewritten. It is too loose or too big of a net for him. It is too confusing. He discussed the possibility of people on the commission being conflicted out on important issues. Ms. McLaughlin stated that if Council decides to go ahead with the requirement that the commissioners need to be Benicia residents, she will need clarification on whether they will need to be residents and meet the other requirements, or just meet the residency requirement. Vice Mayor Patterson suggested inserting into paragraph 2.56.030a after 'preservation review commission' the following 'shall be Benicia resident and have demonstrated interest.'

Council Member Whitney stated that the issue of conflict of interest is kind of a bogus issue. He is glad this is being resolved so residents that live in the Historic District can serve. We can craft it to make it work. As far as city residents, he is okay with that. He has concerns that when we start appointing people, sometimes we want to take up sides. We can get down the slippery path of political correctness. Our primary concern should be appointing qualified individuals. He stated that the DRC seems to be working. It makes sense to keep it in place. He feels that when you get beyond 7 members, it is like herding cats. He prefers keeping it at a 7-member commission. The new HPRC should focus on Historic District areas.

Vice Mayor Patterson stated that the process has been rewarding. Regarding the ordinance, she supports the suggestion of adding the residency requirement. Regarding paragraph 2.56.030a, she suggested inserting after the word demonstrated 'special interests.' Then on the following paragraph 'c', have it read 'at least two members shall be property owners within the Historic District, of which one may be a business person with an office or other business property within the Historic District.' That will give us a guaranteed residential resident and a permissive business property owner. Mayor Messina stated that it should read 'one member shall own a residence in the Historic District and one member shall own a business or a residence'. Council agreed that would be an appropriate change. Vice Mayor Patterson then stated that paragraph 2.56.030d would be stricken, and then on 2.56.040, the term of the office is 4 years, and strike the remainder so that the Mayor does appoint. On term limits, she is uncomfortable with this. You can lose a lot of talent when people just serve two terms. She is not sure if she would support a term limit. Mayor Messina stated that if it is left the way it is, it leaves the decision to the Council, which is the way it should be. Vice Mayor Patterson stated that she would like to address the comment that 'the opening would be filled within 60 days.' She would like to indicate the intent on this. Council agreed that the appointments would be made within 60 days. Vice Mayor Patterson then discussed Ms. Taagepera's concern about making sure that the DRC was reviewing and approving. She wanted to affirm that the DRC was doing. Ms. McLaughlin confirmed that was correct, the DRC was doing this. Vice Mayor Patterson stated that the way the ordinance is written, there is no provision for them to consider structures that have a potential listing that would potentially be covered by a historic overlay district. There is a solution to that which is similar to what CEQA provides that if a structure has a potential of being listed, is shall be treated as a historic resource and evaluated accordingly. She asked if it was possible to make this provision. She would like to see further discussion from Council on this. Mayor Messina stated that this should be addressed,

but not in this particular ordinance. Ms. McLaughlin confirmed that the details of this belong somewhere else. Ms. McLaughlin stated that Council could direct Staff when they are considering Title 17 to write provision for that. Vice Mayor Patterson stated that the way to deal with that is to take a look at the Resolution and give direction through the Resolution that we would be looking at Title 17 to address that specific concern. She then addressed the issue of having a 9-member commission. She stated that this could be looked at. She would like to hear further discussion from Council on that issue.

Mayor Messina stated that he likes the idea of merging the two commissions (DRC/HPC). We need to address the overlay district and what should and should not be in it. He is in favor of everyone on the commission being a Benicia Resident. We have to provide some opportunity for someone that has a historic property in town that cares about historic preservation. A little bit of flexibility would not hurt us. He would like to see an 'opening for an individual.' In terms of the other comments regarding membership qualifications, he does not have any problems with what has been suggested. In terms of the term, he is more comfortable with Council addressing the term limit question. He likes the idea of a member serving until his or her successor is appointed. In terms of making the appointment within 60 days, he prefers to lift the language verbatim from the CLG draft document. In terms of the powers and duties, we need to be clear that this body is a decision making body. It will take action on design review. It will make findings with regards to CEQA documentation. In terms of the others, a lot of this will be Staff driven with oversight by the committee. With regards to design review outside of the district, he is leaning towards leaving it with the design review group. We should focus the Planning Commission on land use decisions and land use variances. In terms of design review, it has been working. In terms of the other duties, he is comfortable with the way we have laid them out. There were a lot of questions raised that we need to address with regards to how the plans fit together. We need to double our efforts to review those and make sure we are not presented with a problem. At some point we will need to review the Downtown Historic Conservation Guidelines and make sure they are on point and they reflect what the community desires. Mayor Messina asked the City Attorney if, due to all of the changes, the revised item would need to be brought back to Council after the requested changes are made.

Council Member Smith stated that we have not addressed the question of the Mills Act and whether this body would have approval over Mills Act applications. Ms. McLaughlin stated that they would have the ability to oversee the program, but the Council has the ability to approve the application. They would make recommendations, oversight, annual reviews, etc. Vice Mayor Patterson stated that the fix for this issue would be to add to paragraph J 'pursuant to (list the specific program).'

Vice Mayor Patterson offered a motion directing Staff to make the following changes to the proposed Ordinance and bring it back for a first reading at the next Council meeting:

1. On page 2, paragraph 2.56.030, insert after commission 'shall be a Benicia resident and have demonstrated special interest.'
2. On paragraph C of the same paragraph the two-part solution that we had.
3. On paragraph 2.56.040 - it will be subject to the 60-days.

4. Indicate by Resolution that we will address the historic structures and sites that may be outside the Historic District but could be reviewed by the DRC and that has to be addressed through the overlay district.
5. On paragraph 2.56.140, the second line from the bottom it talks about decisions by specific findings as detailed in the relevant sections of the Benicia Municipal Code as amended from time to time. She would like to make sure that the specific findings apply to the Secretary of Interior Standards as well as the relevant Benicia Municipal Codes.
6. The minor change on page 4, paragraph J (pursuant to (list the specific program.)).
7. Provide both options of having and not having the requirement of the commissioners be residents of Benicia.

Council Member Campbell asked for Council's thoughts on the 9-member commission as opposed to the 7-member commission. Council Member Whitney stated that he prefers to start out with a 7-member commission. If we need to, we could go back and increase the size of the commission.

Council Member Smith stated that he agreed with the Mayor's argument that we could be ruling out someone that could be qualified to serve, who is not a resident.

Vice Mayor Patterson agreed to amend her motion to direct Staff to provide both options to Council (Staff direction #7 above).

On motion of Vice Mayor Patterson, seconded by Council Member Whitney, Council approved the above direction to Staff on roll call by the following vote:

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

Noes: None

Vice Mayor offered a second motion to retain the DRC as constituted. In the future, we look at additional duties for the DRC. This would be added to Council's priorities list for consideration of expansion of those duties and the budget discussion for 2005. Mayor Messina clarified that what the Vice Mayor is proposing is that we don't combine the DRC and HPC, but keep what we have and change the structure of the HPC. Vice Mayor Patterson stated that this Ordinance would add to the responsibilities, duties and approval process of the HPC. Then, we retain the DRC with its truncated duties and responsibilities. Mayor Messina clarified that we would end up with three commissions, the DRC, HPC, and the HPRC. Council Member Campbell stated that the DRC would handle things outside the Historic District, and HPC would handle things inside the Historic District.

Public Comment:

1. Donnell Rubay - Ms. Rubay asked for clarification on the resident requirements within the district.

Mayor Messina stated that he was disappointed that the commissions would not be combined.

Council Member Campbell stated that we are basically stripping the DRC of some of its authority.

Mayor Messina stated that his fear is that Staff will now be burdened more with the way it is being suggested. Ms. Meunier stated that there could be challenges in finding qualified people willing to serve that have the expertise in these areas. Her concern is that we may have to choose which commission gets the expertise.

Public Comment:

1. Dan Clark - Mr. Clark is a current member of the HPC. He fully supports the CLG proposal. He thought the point was to combine the commissions. He suggested retaining a 5-person DRC; add on top of that a 4-person commission that is CLG oriented with the training and expertise that is necessary. That 9-person commission would meet to study everything within the Historic District. If it were outside the Historic District, the 4-person CLG group would drop off and let the other members pursue the discussion.
2. Council Member Whitney stated that we may want to consider setting it up so that we review this in a specific time period.
3. Council Member Campbell stated that he does not have a problem combining the commissions as long as we increase the membership and qualifications. He supports the original option A.
4. Council Member Smith clarified that no one would have to go before both commissions.
5. James Conlow - Mr. Conlow stated that he agrees with Mr. Clark. We currently have Mr. Page and Mr. Delgado on the DRC. There are already three members who would be qualified for the HPRC. He thinks that we can work together. We can accomplish more as one commission rather than split up as two. He would be happy with either 7 or 9 members. He encouraged combining the two commissions.

Vice Mayor Patterson clarified her motion. She stated that the motion is that we are creating a HPC that includes the duties of design review, CEQA, etc. We are retaining the DRC with its limited jurisdiction, and we are not doing anything to the Planning Commission. She agrees with Council Member Whitney's suggestion of adding a review period to this. Vice Mayor Patterson stated that putting a 12-month review period on the set up. Staff is to bring the changes to the Ordinance at the next Council meeting.

On motion of Vice Mayor Patterson, seconded by Council Member Smith, Council agreed to make the changes listed above to the Ordinance and bring it back to Council for review at the next meeting, on roll call by the following vote:

Ayes: Council Members Patterson, Smith and Whitney

Noes: Council Members Campbell and Mayor Messina

Mayor Messina called for a 5-minute break at 9:08 p.m.

The meeting resumed at 9:15 p.m.

Oral Presentation from the City's compensation specialist to review benchmark and labor market

concepts.

Diane O'Connell gave a verbal Staff report on this item. Ms. O'Connell reviewed how we got to this point. She reviewed prior Staff presentations to Council regarding the accomplishments of the Employee Compensation Committee. She reviewed the 'philosophy' of how the City would look to compensate its employees in the future that was presented at the September Council meeting. She stated that it is hoped that Council will give Staff direction to begin working with the bargaining groups over the next few months to identify and agree to a labor market and benchmark positions. Once a labor market and benchmark positions are agreed to through this meet and confer process, the City will then be able to complete a salary survey, which is the precursor to the upcoming contract negotiations.

Jean Sullivan, Consultant, gave a brief presentation on the classifications and compensation process (see handout).

Council Member Smith asked Ms. Sullivan to explain Internal Relationship Guidelines. Ms. Sullivan stated that the Internal Relationship Guidelines give you percentages that you call out ahead of time. If you have the percentages, you can set an entire pay plan. It is usually 10% from entry level to journey level.

Council Member Whitney discussed 'defining the universe'. Ms. Sullivan stated that there needs to be a solid rationale for this. What tends to happen is that groups start to shop agencies. 80% of her clients use the same labor market for everyone. Council Member Whitney stated that it is an issue of getting the buy in from everyone involved. Ms. Sullivan stated that we should do our market surveys for all positions periodically enough so that we do not fall too far behind; the usual is every 3-5 years. . Then we deal with the market fluctuations annually. When we are recruiting, we should then be okay and have up to date information.

Vice Mayor Patterson asked why total compensation was not included in the scope. Ms. Sullivan stated that the only number that most employers care about is salary. The benefits are a piece of it, but it is not the driver. While total compensation is important in negotiating, it does not usually come into play when doing a salary survey. Vice Mayor Patterson asked Ms. Sullivan if she looked at the hidden assets of a community that would add to the benefits of a job. Ms. Sullivan stated that the problem is that you cannot, within a reasonable range, create a standardized process to determine the benefits of a community's hidden assets.

Mayor Messina asked what internal changes we would need to make to classify things according to the various levels, classifications, etc. Ms. O'Connell stated that we currently have some levels that fit nicely, such as journey level, etc. If we find that we are totally out of sync, we may have to do some work in getting to a more consistent percentage. We basically have a system that would fit nicely into this. Mayor Messina discussed the past practice of looking at a basket of cities as a benchmark. Ms. Sullivan discussed how we could go about setting our parameters of cities that we would look at when doing a survey. Geography is a factor when setting parameters. Usually people take 10-15 cities into account when setting parameters. Mayor Messina asked how to deal with total compensation. She discussed listing the cost for employees so they can see the value of total compensation. In terms of

the survey, if we are truly benefit rich, it may be of value to do a total compensation survey.

Council Member Smith clarified that there are three main criteria when doing a salary survey which are geography, population size and services.

Council member Campbell discussed the fact that we have the information on why people leave their positions here. We have the information back to 1995. We also have information on where we are as an aging workforce. Ms. O'Connell reviewed the information presented to the Employee Compensation Committee with regards to the number of employees that are eligible for retirement.

Council Member Smith asked Ms. O'Connell if there is a benefit to the City to lower the retirement age. Ms. O'Connell stated that it is beneficial to have the people stay on longer is the level of their expertise and knowledge of our systems. It saves on recruitment costs. Council Member Smith asked Ms. Sullivan if the level of injury or disability plays a role when people are considering potential employers. Ms. Sullivan stated that she has never been asked this question before. She personally has never heard a candidate ask this question of an employer before.

Council Member Whitney stated that we have touched on the benchmarking, statistical needs, and the policy (philosophy) that we will put in place. Ms. Sullivan stated that the next step is implementing the philosophy, implementing the parameters, etc. This will set us off into a course of handling about 1/3 of the contentiousness that happens around compensation because everyone agrees, and it is set.

Ms. Sullivan stated that the usual time people tend to do the surveys approximately 2-4 months before negotiations begin. Ms. O'Connell stated that the contracts expire in June 2004, and our negotiations are due to start sometime very soon, as soon as next week.

Vice Mayor suggested giving direction to Staff to review and pursue benchmark and labor market concepts.

Council Member Campbell asked if negotiating with all Unions at one time was a good or bad idea. Ms. O'Connell stated that it will be quite interesting but it relieves us of having the groups identify with what has gone on ahead of time with another group. It allows the City to treat the groups as part of a big family. We all go in together and try to decide the best way of divvying up the pie.

Mayor Messina asked how many benchmark jobs Ms. Sullivan would be looking at when doing the survey process. Ms. Sullivan stated that she would be looking at 10-15 jobs, or 1/3 of the job classes. We have approximately 30 or 40 job classes. Mayor Messina stated that we would need total compensation numbers for at least some of the job classes.

ADJOURNMENT:

Mayor Messina adjourned the meeting at 10:15 p.m.

Lisa Wolfe, City Clerk