

Woodland City Council Minutes
Council Chambers
300 First Street
Woodland, California

February 25, 2003

CITY COUNCIL
SPECIAL MEETING/STUDY SESSION

7:00 P.M.

CALL TO ORDER

Mayor Flory called the special meeting of the City Council to order at 7:02 p.m.

PLEDGE OF ALLEGIANCE

Mayor Flory invited all in attendance to join in the Pledge of Allegiance led by Fire Chief Karl Diekman.

ROLL CALL

COUNCIL MEMBERS PRESENT: Martie Dote, Jeff Monroe, Neal Peart, David Flory

COUNCIL MEMBER ABSENT: Matt Rexroad

STAFF MEMBERS PRESENT: Rick Kirkwood, Phil Marler, Karl Diekman, David Loth, Sue Vannucci, Nell Hessel, Greg Robinson, Ernie Fatta, Sal Romero, Margaret Vicars, Jim Burau, John Nail, Curtis Maglinte, Josh Hilliard, Kent Wickstrom, Tim McGrew, Brian Grose, Carey Sullivan, Marvin Hohman

PUBLIC COMMENT

Fire Chief Diekman briefed the Council on the Department efforts in the community to avert the type of fire disasters recently experienced in Rhode Island and Chicago whereby several citizens were killed or injured. The Department will be visiting those sites in the City operating as an assembly, inspect and remind them of the requirements for the safety of the patrons.



COUNCIL/STAFF STATEMENTS AND REQUESTS

Council Member Peart indicated he and the City Manager had attended the Affordable Housing Coalition meeting last Thursday. Senator Steinberg will be presenting a new Bill.

Council Member Dote said the JPA on the Habitat Conservation Program had met and will be interviewing for the Director very soon. The Technical Committee has adopted the criteria for the Swainson's Hawk habitat mitigation easement.

Mayor Flory announced the Fire Department Award's Ceremony will take place on Wednesday, February 26, 2003, 7:00p.m. at the Woodland Hotel. He also asked for reports on the status of the vacant lot on Gum Avenue and East Street, Northeast side, the temporary fencing at Oak Avenue and East Street and further information on the flooding which takes place at the South end of West Street at the City limits.

City Manager Kirkwood said information on affordable housing will be coming before Council on March 4, 2003. The funding and mandates need to be addressed prior to taking a position.

As this meeting is a Study Session, Mayor Flory relinquished the Chair to Council Member Dote for the evening.

REPORTS OF THE CITY MANAGER

BOARD AND COMMISSION APPOINTMENTS

City Clerk Vannucci advised Council this item had come before them at the meeting of February 18, 2003 absent some of the attachments. Mayor Flory indicated one of the applicants for the Traffic Safety Commission, Al Eby, is presently the Traffic Hearing Officer for the City and will need to resign that position in order to accept appointment to the Commission.

On a motion by Council Member Monroe, seconded by Mayor Flory and carried by the Members present, the Council appointed the following candidates to the various Boards and Commission as indicated with the tentative appointment of Mr. Eby to the Traffic Safety Commission upon receipt of his letter of resignation as Traffic Hearing Officer:

Jack Slaven	Parks, Recreation & Community Services Commission
Georgia Cochran	Traffic Safety Commission
Al Eby	Traffic Safety Commission (tentatively appointed)



Mari Alvarez
David Giger

Tree Commission
Tree Commission

FIRE DEPARTMENT FUNDING NEEDS – ASSESSMENT DISTRICT

Fire Chief Diekman indicated MuniFinancial has been assisting in the feasibility of a possible assessment district. He presented a video from the National Fire Prevention Association outlining their standards for Departments and the regulations under NFPA 1710.

Mike McNamara of MuniFinancial indicated Council had been apprised of the shortfall that will be felt by the Department in their funding level. Council had subsequently asked that funding sources be sought to reach the goals of the Department and Council. The goals are to establish five stations to meet the response time as set by the General Plan, develop a Fire/Rescue Training Facility, modernize the fleet, upgrade daily staffing and implement paramedic first level responder, provide a fully integrated Reserve Firefighter program, insure the Fire Prevention program is responsive to the community needs, and insure the Department is capable of meeting response commitments. In order to meet those identified goals, funding through a Fire Assessment District is necessary. Polling efforts to survey citizens on what level of funding they are willing to support and the issues and concerns they wish addressed will assist in the process.

David Metz from Fairbank, Maslin, Maullin & Associates indicated the first survey did not show support for an Assessment District, primarily due to the dollars involved. The second survey was based on funding partly through an Assessment District as a funding source with an associated source via a General Obligation Bond.

Council Member Peart said on the proposed cuts, land use, planning and permitting is mentioned and asked for clarification on what that means. Mr. Metz said that is language used to describe general planning and permitting functions of City government, while not necessarily a place where many expenditures lie, but typically most Cities provide. Council Member Dote said that the expenditures in each of the "cut" areas are not significant enough to fund the programs suggested for the Fire Department. Percentages of responders that "don't know" is relatively high and she asked if they had received further information from the survey itself and if a significant Public Relations program would they would provide movement in that group. Mr. Metz said the percentages are high and that is not uncommon because the people have little information about the Department and what it does. Should they go forward, it will be necessary to provide an extensive effort in Public Relations.



Mr. McNamara said Option A would require very extensive Public Relations as the indicators at present are that 47% oppose the rate of \$155 per residential parcel. It would generate \$2.01 million annually but is doubtful passage would occur. Option B would generate \$1 million annually, require an extensive Public Relations program and would be moderately successful. This Option would assess at \$80 per parcel. Option C was strongly supported at \$40 per parcel, would generate \$650,000 annually and would require a moderate level of Public Relations. He said Chief Diekman has another Option as a result of the team outcome at \$78 per residential parcel, with \$85 on the commercial. This Option would generate approximately \$1 million annually and would require Public Relations efforts to commence at once. It would create a fourth Engine Company with the ability to respond to all calls and decrease response time. Additional sources of funds will need to be procured for the remaining needs. Council Member Monroe asked if this would reduce response time and Chief Diekman said it would help move more toward the four minute timeframe. The primary cause for inability to meet the response time is the fires and multiple calls. This Option will help that issue.

Council Member Dote said this is \$1 million in Operations and Maintenance and \$1 million in Capital. Chief Diekman said the Capital will be a different strategy. The Department is writing letters to Congress and will be applying for Grants. They will also be looking to the future of large businesses moving to the City with associated tax revenue as a source. There will be a Citizen Oversight Committee. Hopefully, future citizen views regarding the need for this funding will change.

Kathryn Lew, President of Lew Edwards Group, said there are two distinct phases when preparing for finance election. The first is the pre-election phase where City resources are utilized to help determine the need to move forward. Phase two is the campaign phase which will be led by a volunteer committee, without formal oversight by the City. The survey indicates the public needs more education about Fire safety. External influences cause distraction to the constituents which affect the process, their attitudes and degree of support may shift throughout. Key messages which are indicative of public response will be reinforced. Two way communication will be established via informational door-to-door or person-to-person contacts, mailing newsletters that are interactive with return question cards for response. Direct mail is the fastest and most effective way to communicate with the public. Fiscal accountability is crucial and should be reinforced in the plan. Utilizing safety employees to help educate the public is also planned. All materials will be within the parameters of the law to meet the requirements of informational rather than advocacy when utilizing City funds.



Council Member Monroe asked about the cost for mailers. Ms. Lew said at .60 per for a total of \$21,000 to \$28,000 and would be to educate the public. The City Attorney will determine the legal language. Mr. McNamara said the entire program cannot be funded with the Option proposed. The fourth Company is the key proposal. There will not be a fourth person added to the Engine Companies. A Resolution of Intent will come before Council on May 20, 2003. These will be mailed ballots and will be opened on July 15, 2003 at a Public Meeting. The costs are related to the mailings. An additional survey prior to the vote is recommended at a cost of \$15,500, which would bring the total to approximately \$69,000.

Mayor Flory said the Legal Counsel and in house costs should be included. The \$69,000 is a gamble because the money is from the General Fund and there is no guarantee we will receive those funds in return. The additional mailer would be a backup to the second survey to determine the direction to go should results be questionable. Ms. Lew said with external influences at the time of the ballot, we many need the extra mailing. Council Member Dote asked if this money could be used for a nexus study or any other purpose and Finance Director Vicars indicated it could not. Mayor Flory asked if the \$69,000 is for the entire package and the City was to put the money up from the General Fund, where is the incentive for raising money from the community. They need a buy in from the community. City Manager Kirkwood said there could be other interest groups that support and would advocate because City money can only be for information purposes. Ms. Lew said only citizens groups can urge a "yes" or "no" vote. Mayor Flory would like the City Manager to have some control on how this goes forward so that the money spent is monitored. Mr. Metz said that prior to passing the Resolution of Intent the survey would provide information on whether it would be passable.

Council Member Peart said that the Council will have a very good idea on the direction of the vote. The campaign must indicate exactly how funds will be utilized and follow through with those expenditures. He asked Director Vicars what the election would cost. She indicated the utility bill ballot cost was approximately \$11,000. Much of the work was done in-house and took a great deal of time. Mr. Metz said if Council felt they needed to see how the community sentiment was progressing, that opportunity would be provided. Mr. McNamara said they will count the ballots which takes much of the burden off staff.

City Manager Kirkwood asked Mr. McNamara to explain the legal process on the ballot. Mr. McNamara said they are based on the assessed dollar valuation, for example, if you have a \$68 valuation, you have 68 votes and a majority of the weighted assessments. Director Vicars said it is a 50 plus 1 affirmative vote required as laid out in Proposition 218.



Loretta Hansen lives in the Sycamore Ranch area. She pays full property tax, Community Facilities District fees, over \$2,300 in taxes per year. She knows we need fire protection but feels it is unfair to have another assessment. Only the homeowners will be paying for this.

Dudley Holman said he recognizes the need for fire protection. Council is saying that in order for people to get this service, they must pay for it. He likes the topic of restructuring government. Safety is where the first dollars should go. If there is anything left over, they could go elsewhere. He asked that other Departments be analyzed on where cuts can be made. The public should know where money is spent and where it is not needed. Safety should be the higher priority. There must be some real indication that City Hall expenditures show where the savings will be. Maybe we cannot afford all the quality we have in the City.

Mayor Flory asked City Manager Kirkwood about a report on cutbacks that would be made before continuing to pursue the Assessment District. City Manager Kirkwood said the issue is part of the budget process and on the next item in the Agenda there are recommendations addressing the information requested by Council. There are a number of threats against the budget that will have an impact of \$2-3 million. The City staff will be asked to identify those revenues generators that cannot be used for General Fund services. Code Enforcement has fees that pay for those mandatory requirements from the State. Making commitment on specific cuts to be made throughout the City to fund this program are not available at this time. Mayor Flory said the issue was that staff come back to Council to meet this proposal with recommendations for cuts in house. City Manager Kirkwood said until we get into the budget process, that information is not available and will be provided when the process moves forward. Mayor Flory said the intent was that information would come forward prior to the request for the Assessment District. Assistant City Manager Marler said the Assessment could be down to whether the voters value the Fire Department and the services provided enough to add the \$6.50 to their tax and not lose other quality of life programs important to them. Council Member Dote said the survey said there was no clear consensus on what the public would give up. City Manager Kirkwood said once opened to the public, with the complexities of the budget, every citizen will have a different view of their needs and desires for the Cities. Council Member Monroe asked if Sycamore Ranch had an assessment included for the Fire Department and Director Vicars indicated in was absorbed by the City. Council Member Dote asked about the Proposition 218 method utilized in the utility bill in increase and Director Vicars said the conduct is prescribed in the law. There were 109 responses out of 13,500 mail outs when the utility increase was proposed. Council Member Dote reminded the citizens this was a citizens' initiative carried by the Jarvis-Gann Association.



Al Eby said this is a band-aid to the problem. He feels that the amount should be higher in order to provide the service needed. There is a shortage in the Police Department. He asked if the City be coming back next year to fund increases in the Police Department or for other Departments need funding.

Colette Stewart said she supports Vice Mayor Rexroad's idea of restructuring government and would like the City to look at all of the City expenditures. When the water and sewer increase was made it was very confusing. This assessment will go out to property owners indicating to mark "yes" or "no" and will be counted in public. This City has a large number of people on fixed income that cannot afford increases. She would like Council to look at ways for seniors and fixed income people to have assistance to pay these costs. The feeling by staff is that this must pass. With the flood issue she felt over informed without a bottom line of facts. We need to make sure the facts are available to all of the citizens. Director Vicars said they are working on a rebate for seniors on their utilities, but it is a very complex issue.

Dudley Holman feels there will be a reduction in growth in the State that will trickle down to the Cities.

Council Member Peart said we are trying to "catch up" because in the past, these issues have not been addressed. There have been no increases in personnel since 1992. Council Member Monroe said there is talk of waste. Past Councils had not addressed some issues this Council must address. As an example, in the Sycamore Ranch, Council had cut the additional Police Officers. The voters must have information honestly about the pros and cons of the proposal. Mayor Flory said he feels that Council needs to approve going forward with the Assessment District because there is a need. Council Member Dote feels they would like to put more on the ballot but feels the survey is accurate on the level of support. She would like to keep the additional survey on the table as it may be valuable.

On a motion by Mayor Flory, seconded by Council Member Peart and carried by the Members present, Council gave direction to move forward with Phase 4 in its entirety, including Phase 5. Also to include oversight by the City Manager and to include the additional survey with the City Manager making the determination of the need and reporting back to Council during the process. City Manager Kirkwood said the since Council Members Dote and Peart have been part of the process, he would like them to be part of the determination process and the report back to the entire Council. Council concurred.

Council recessed at 9:25 and reconvened at 9:35.



FISCAL YEAR 2003-04 PRELIMINARY BUDGET

City Manager Kirkwood said the State budget will have a tremendous impact on our level of service. The City has not been able to provide the revenue sources to provide the level of services the General Plan requires. The economic growth and development of our community directs how we provide service. Energy costs are affecting the decisions of businesses as to whether they will stay in this State. The Council has decided to provide the State with facts on how their spending affects this City. Our local government is very conservative. We want to be sure decisions made today will shape the future of the City and the ability to pay for the services. With our slim reserve, should there be a major problem within the City, we have limited resources to fund. Last year there were few material additions to the budget. Our budget reflects public safety as the number one priority. The two major sources of revenue we have, property tax and sales tax, equal the budget spent for public safety. Fees that are collected in various Departments are spent by those Departments. We have also have fees collected on new development that pay for these costs. The Council has said they need more public outreach on how the City spends money.

Director Vicars said this is the first step in identifying the potential loss and lack of revenue gains. We continue to maintain an 8% operating reserve, which will cover only a one month period. The potential loss of \$2-3 million from the State is a 9-13% hit on the General Fund. The recommendation of a status quo budget is before the Council. There will be no requests for new personnel, personnel upgrades or reorganizations. Operations and Maintenance will maintain the 3% annual increase. However, with the extensive increases in power costs, those O & M increases will be nullified. Labor negotiations continue to be our concern. No requests for Capital Outlay will be granted.

City Manager Kirkwood said to retrieve the information the Council has requested, he has directed staff to review each level of service. We have not been able to meet the needs as outlined in the General Plan. Council and the public must now determine how, or if, those needs will be met. Programs that can be quantified as a reduction will be identified. Programs and services will be identified and prioritized. Programs and services with a specific revenue source should show the associated costs. He is requesting staff to provide as much information as possible so he can make decisions on how and if the programs will be kept. We continue to deliver services with staff we had since 1992.

Director Vicars provided a background on the budget reductions the City has suffered at the hands of the State over the past several years. Some new businesses will provide additional revenue over the next year, i.e., Home Depot. City Manager Kirkwood said he is seeking early guidance from Council on the direction to take with the budget. To "move forward in an uncertain world",



Council must provide information to the citizens to help them understand the challenges facing our community. Council may wish to hold special televised meetings to keep the public apprised of the potential shortfall in our budget as information comes forward from the State. This would provide a mechanism for feedback from the citizens. Any budget put before the Council will be very preliminary. It is very uncertain when the budget information will come from the State to the City. The impacts are unknown at this time. There may be some gain in revenue, but that must be protected until the full effects of the State budget are known. It will be a long time before the State is out of the deficit. The City needs local control on the funding.

Council Member Monroe said public safety is vital to the community. The Police Department is working long hours and are asked to pull extensive overtime. Assuming 56% of the discretionary dollars to be lost, safety should still be the high priority even if other Departments must suffer. He wants to add ten officers. Public safety directly impacts the quality of life in the City. City Manager Kirkwood said 65% of the budget is for personnel. To add 10 officers we would need to lay off 13 other employees. Mayor Flory said those are the types of recommendations that come from the City Manager and Police Chief. Council Member Monroe said the Fire and Police Chiefs should work with the City Manager to find a balance. Council Member Peart said we have been in the deficit on revenue since 1992 due to ERAF. We must have balanced services for the community. Council Member Monroe said that laying off people would not be his recommendation, but would be through attrition.

Council Member Dote asked that when the information returns to Council, she would like to see the programs, the revenues sources, which are restricted and those that are General Fund. If revenue is attached to a program which is cut, you then cut the revenue as well. As 60% of our budget is in safety, we would have to severely cut or eliminate many programs. Should the State reduce the revenue to the City by the \$2-3 million and the Assessment District not pass, that reduces the budget by 20%, leaving 20% to run the rest of the City. To consider restructuring City government is a lengthy process and requires a great deal of information. Our staffing levels are very low in comparison to other Cities and State averages, there is no excess in staffing in this City. Council Member Peart said that some services help generate their own income. Council Member Dote said in individual programs within the City, there is not enough money to make up the difference to fund public safety without destroying many programs entirely. Council Member Peart said the General Plan provides goals. It may be that the community needs to see those goals cannot no longer be met.



On a motion by Mayor Flory, seconded by Council Member Peart and carried by the Members present, Council accepted the preliminary budget direction and guidance to preparation as presented.

Council Member Dote reaffirmed she would like the data to return Council with the programs, revenues sources, restricted funds and those that are General Fund.

ADJOURN

On a motion by Council Member Monroe, seconded by Council Member Dote and carried by the Members present, Council Member Dote the Special meeting of the Council at 10:17 p.m.

Respectfully submitted,

Sue Vannucci, CMC, City Clerk