

MINUTES - MORRO BAY CITY COUNCIL
BUDGET MEETING – MAY 6, 2009
VETERANS MEMORIAL HALL - 6:00 P.M.

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

PRESENT:	Janice Peters	Mayor
	Carla Borchard	Councilmember
	Rick Grantham	Councilmember
	Noah Smukler	Councilmember
	Betty Winholtz	Councilmember
STAFF:	Andrea Lueker	City Manager
	Bridgett Bauer	City Clerk
	Rick Algert	Harbor Director
	Bruce Ambo	Public Services Director
	Janeen Burlingame	Management Analyst
	John DeRohan	Police Chief
	Rob Livick	City Engineer
	Mike Pond	Fire Chief
	Christine Rogers	Housing Programs Coordinator
	Susan Slayton	Administrative Services Director
	Joe Woods	Recreation & Parks Director

ESTABLISH QUORUM AND CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT PERIOD - Members of the audience wishing to address the Council on the City budget may do so at this time.

Claire Grantham requested the City Council consider public safety, especially the requests made by the Police Department, when considering the budget.

Joan Solu read an email message from her husband John Solu regarding the possible action taken by the City Council on the allocation of funds from the Morro Bay Tourism Business Improvement District towards tourism promotion efforts. The message states that such action would be in violation of the understanding that the lodging industry has as to the purpose and function of the advisory board as well as the intended purview of these private sector funds. Ms. Solu requested the City Council consider the fact that the Tourism Business Improvement District has not yet collected funds and encouraged the City's continued support in promoting tourism.

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Virginia Hiramatsu requested Council's careful consideration towards public safety when reviewing the budget.

Steve Burns, Interim Executive Director for County Visitors and Conference Bureau, provided the City Council with copies of the new strategic plan of the VCB.

Harold Biaggini stated the 3% Business Improvement District assessment fee is to go directly towards the benefit of the hotels in Morro Bay, and will be designated by an advisory board chosen by the hoteliers.

Mayor Peters closed the public comment hearing.

2009/10 BUDGET PRESENTATION

Finance Director Susan Slayton reviewed the 2009/10 Operating Budget using a Power Point presentation.

COUNCIL QUESTIONS AND DISCUSSION

Councilmember Winholtz stated she would like to eliminate Council contingency funds, and limit Council health insurance to the minimum plan offered.

MOTION: Councilmember Winholtz moved the City Council receive no further contingency funds. The motion was seconded by Councilmember Borchard and carried with Councilmember Grantham and Mayor Peters voting no. (3-2)

MOTION: Councilmember Winholtz moved the City Council receive the minimum health insurance plan available. The motion was seconded by Councilmember Smukler and carried with Councilmember Grantham and Mayor Peters voting no. (3-2)

Council discussed funding for the San Luis Obispo County Visitors and Conference Bureau (VCB).

Mayor Peters stated the VCB has an impressive and productive plan this year, and the City has \$10,000 funded at this time. She said she does not support funding the VCB from the Visitor Center and the Community Promotions budgets, and asked Council what their thoughts were on funding the additional \$22,000 for full funding benefits with the VCB.

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Councilmember Borchard stated she is willing to consider the budgets of the Community Promotions Committee, the Visitor Center and the Tourism Business Improvement District to fund the VCB; she does not want to consider funding the VCB from the General Fund or Measure Q this year.

Councilmember Smukler stated he is comfortable with the current \$10,000 funding, and setting a goal in obtaining full participation with the VCB in the future. He said the Community Promotions Committee funds might be the most appropriate funding source to obtain the full funding level.

Councilmember Grantham stated the City receives very little from the VCB unless the full amount is funded.

Councilmember Winholtz stated she supports maintaining the current \$10,000 funding with the intent of finding the funding for full privileges.

Council continued discussion on funding for the VCB to a time uncertain.

Councilmember Winholtz requested information on the General Government Equipment Replacement.

Chief DeRohan reviewed the Police Department Vehicle Depreciation Plan.

MOTION: Mayor Peters moved the City Council accept the General Government Equipment Replacement Fund budget as presented. The motion was seconded by Councilmember Grantham and carried with Councilmember Smukler and Councilmember Winholtz voting no. (3-2)

Mayor Peters called for a break at 8:11 p.m.; the meeting resumed at 8:18 p.m.

The City Council reviewed and asked questions of staff on several portions of the proposed budget without action being taken.

Discussion on Measure Q Funds

Mayor Peters stated she supported allocating \$114,020 towards the Fire Department request for the reserve firefighter; funding the full Police Department request, the full Dial-a-Ride request, the full Recreation & Parks request; and, \$497,170 towards the Public Services request.

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Councilmember Grantham stated he supports funding the Fire Department's request for a reserve firefighter and a ladder truck; the Police Department requests are necessary and considered a morale issue. He said he would eliminate Saturday service with Dial-a-Ride. Councilmember Grantham stated the Morro Bay Community Foundation should consider supporting Morro Bay Recreation and Parks programs.

Councilmember Winholtz stated she is opposed to eliminating Saturday Dial-a-Ride service. She said instead of receiving dollar amount programs from the departments, she would prefer to go back to percentages.

Councilmember Borchard stated she is going to support the terms of the Measure Q requirements, which begin with fire, paramedics, streets, potholes, storm drains, and police. She said she does not support the Recreation & Parks request, and suggested Friends of the Police/Fire Department could help fund the Safety Camp. Councilmember Borchard stated she does not support funding the Dial-a-Ride request with Measure Q funds, and said she would prefer keeping the Dial-a-Ride buses running instead of purchasing a third trolley. Councilmember Borchard stated she supports \$53,000 of the Police Department funding requests. She said she is not interested in another debt service at this time, and is also not interested in funding the Fire Department ladder truck; she would rather fund a full-time paramedic/firefighter through the General Fund. Councilmember Borchard stated she supports the full funding for street and storm drain repairs not including the Storm Water Management Plan.

Councilmember Smukler stated the street and storm drain repairs are important to fund. He said he supports full staffing for the Fire Department through the General Fund. Councilmember Smukler referred to the ladder truck and stated he would prefer to utilize any remaining funds into an accumulation fund and build towards this purchase. He said the Police Department request was open to discussion. Councilmember Smukler stated he supported funding the complete request for Dial-a-Ride. He said the Recreation & Parks request is a good concept but not an essential need for the community.

MOTION: Mayor Peters moved the City Council direct staff to work out the percentages based on the following: Public Services \$425,000; Police Department \$60,300 plus their previous vehicle funding; Dial-a-Ride \$46,210; Fire Department \$191,121 plus the previous allocation for the construction of the Fire Department; and, further directed staff to submit these percentages to the Measure Q Sub-Committee for their review, and return to the City Council by the next budget meeting on May 13, 2009. The motion was seconded by Councilmember Winholtz and carried with Councilmember Grantham voting no. (4-1)

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Councilmember Borchard requested a discussion on directing the City Manager to bring back cost saving options related to but not limited to early retirement, tiered benefits for new hires, alternative work force outsourcing with the exception of public safety, with references in Goals A (2,7,8) and B (1-5) of the 2009 Management Partners Workshop outcome.

ADJOURNMENT

The meeting adjourned at 10:11 p.m.

Recorded by:

Bridgett Bauer
City Clerk