

# City Council Minutes

## June 11, 2014

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The City Council met in regular session at the hour of 9:00 A.M. in the Council Chamber, City Hall, on the day above written.

### 9:16 A.M. ROLL CALL

Present:	Oliver Baines III	Acting Council President
	Lee Brand	Councilmember – arrived shortly thereafter
	Paul Caprioglio	Councilmember
	Clinton Olivier	Councilmember
	Sal Quintero	Councilmember – arrived shortly thereafter
	Blong Xiong	Councilmember
	Steve Brandau	Council President

Also Present:	Bruce Rudd	City Manager
	Renena Smith	Assistant City Manager
	Doug Sloan	City Attorney
	Todd Stermer	Assistant City Clerk

### **SCHEDULED COUNCIL HEARINGS AND MATTERS CONTINUED**

### 9:00 A.M. FISCAL YEAR 2014-2015 BUDGET HEARINGS (SUBJECT TO CHANGE)

Councilmember Brand entered the Council Chamber at 9:17 A.M.

#### 1. Public Utilities

Budget Manager Sumpter provided a summary of the Public Utilities Department budget which included the following: the budget total was 351 million dollars and was mostly capital; the department was primarily an enterprise department with some internal services; solid waste and water rates were based on existing rate structures; water rates included the 25% rate increase consistent with the four year rate plan adopted by Council; there were minor expenditure increases for the Employee Satisfaction and Engagement Survey and for the utilities brochure; additional postage and printing costs for the Utilities Billing and Collection Division had been budgeted; the Water Division budgeted an increase for utility expenses due to rising electricity costs to pump water; Water Division purchases were \$500,000 lower than budgeted for Fiscal Year ("FY") 2014 but are essentially status

quo; since the fire hydrant inspection fees were decreased the department cost for that service has decreased by \$500,000; the Solid Waste Division budget was status quo budget and included well rehabilitation at the landfill and tipping fees; \$100,000 was budgeted for a Solid Waste rate study; the budget included Solid Waste Division vehicle replacement funds; the final settlement of the payment with Sunset was budgeted; Wastewater Management made technical and equipment replacement requests; 19 additional positions were proposed in the budget throughout the Department including a Department Director; the Solid Waste division defunded nine vacant Lead Waste Collector positions.

Councilmember Quintero entered the Council Chamber at 9:35 A.M.

The following member of the public spoke on this issue: Marina Magdaleno.

Councilmember Brand discussed the following with Assistant Direct Hogg, Assistant Director Querin and City Manager Rudd: authorized positions and staffing levels; the adequacy of staffing levels; the competitiveness of City salaries; reclamation goals for the Water Division; Water Division cash flow issues; the effects of the proposed rate change and the effect on bonds; the possible results of rescinded rates and the effect on bonds.

Councilmember Brand discussed the following with City Manager Rudd and Assistant Director Schuber: the effects of not raising rates for residential solid waste customers; reserves for residential solid waste; money lost by the Solid Waste Division; actions required to avoid a crisis in the Solid Waste Division; the expiration of the contract with Sunset Waste.

Acting President Baines discussed the following with Assistant Director Hogg and City Manager Rudd: details on the proposed Community Coordinator position; coordination with council offices on outreach efforts; status and cost of the downtown recycle wastewater system; the status of the recruitment for the Department Director; details of the Employment Satisfaction and Engagement Survey; methods and programs for obtaining feedback from the public; changes implemented as the result of public feedback. Acting President Baines requested to see the last six Employment Satisfaction and Engagement surveys and information regarding changes made based on the surveys.

Councilmember Caprioglio discussed the following with Assistant Director Hogg and Assistant Director Schuber: potential savings by issuing surveys online; the need for a survey consultant since survey questions have remained constant over the years; the possibility of eliminating paper brochures for information published on the web; savings for the Utilities and Billing Division by moving online; new position costs and funding sources; the necessity of a Community Coordinator for Public Utilities.

Councilmember Xiong discussed the following with the City Manager: community outreach policies; the requirements for companies performing outreach on behalf of the City to report back to the Council; making outreach reporting part of the RFP process; spending outreach money directly in communities. Councilmember Xiong requested a policy or work plan on outreach deliverables from all City Contractors and requested consolidated reports on the deliverables be presented to Council.

## 2. Development and Resources Management ("DARM")

Budget Manager Sumpter provided a summary of the DARM budget which included the following: the total budget was 43.8 million dollars and was down slightly due to a decrease in HOME funds; the Department was primarily funded by the general fund and special revenue funds; \$200,000 was budgeted for a technology development study; \$300,000 of general fund money was budgeted by the Community Revitalization Division for City wide demolition on high priority nuisance properties; \$10,000 was budgeted for asbestos abatement and ceiling tile replacement at the Veterans Memorial Building; numerous grants and grant matches existed in the department; money had been budgeted for credit card fees; outside legal services had increased but were based on actuals; new equipment funds were budgeted in the General City Purpose department for oversight purposes; HOME funds were being reduced because the carry over was being used; the Community Revitalization Division was being reorganized due to a review by HUD; all appropriations for CDBG would be received by the new HUD Division in DARM but the effected departments would have operational control of the funds; two additional GIS Specialist positions had been requested; two temporary labor positions had been converted to permanent positions; employee services expenses had increased because positions had been refunded; all CDBG funded positions were now under the HUD Division for tracking and reporting purposes; several positions were moved to more accurately reflect the duties performed and the people reported to.

Acting President Baines discussed the following with Director Clark and City Manager Rudd: creation of the HUD Division; the reason CDBG funds remained with DARM; management of the HUD Division; isolation of the HUD Division accounts within DARM; status of the Housing Manager recruitment; HUD input on the HUD Manager qualifications; skills lacking in candidates for the initial Housing Manager recruitment; assurances of a new Housing Manager by the fall; remaining money owed to HUD and the reason the figure has not been confirmed; housing element updates; the possibility of eliminating credit card fees from the budget; equipment purchases and uses;

Councilmember Caprioglio discussed the following with Director Clark: code enforcement cost recovery; the fairness, effectiveness and cost of code enforcement policy changes. Councilmember Caprioglio stated, for the record, that he believed the federally funded holistic effort to remove neighborhood blight requires too much time, effort and energy with lesser results when compared to

traditional code enforcement methods. Councilmember Caprioglio further discussed the following with Director Clark: grant funding; new grant funded positions in the Community Revitalization Division; the number of field personnel and the need for additional code enforcement personnel in the field; the net effect of the conversion of the Community Revitalization funding sources and the long and short term goals of the change; the purpose of the transfers to the Planning Division; reorganization of the code and the need to include Councilmembers in the process; code enforcement staff working with Councilmembers to better serve the city.

Councilmember Brand discussed the following with Director Clark and Assistant City Manager Smith: the status of the RFP for parking services; the status of the HOME Program repayment; administration of the new HUD Division; debt remaining after the transition from an enterprise department to a general fund department; new opportunities for the NSP program; staff retained from the Downtown Community Revitalization Department.

Councilmember Quintero discussed the following with Director Clark: the large number managers and supervisors resulting from the reallocation of staff. Councilmember Quintero requested an organizational chart detailing management and staff relationships. Councilmember Quintero further discussed the following with Director Clark: the effects of moving some code staff to the federally funded holistic neighborhood revitalization effort to remove blight; the number of code enforcement personnel in the field and the numbers assigned to neighborhood revitalization; violation types not well covered by code enforcement; code enforcement efforts available on the weekends; the status of the Measure "A" abandoned vehicle abatement. Councilmember Quintero requested a map of the area covered by the Code Enforcement Specialists in the Building Neighborhood Capacity program.

Acting President Baines discussed the following with Director Clark: the reasons there was no code enforcement on the weekends; the possibility of permanent weekend code enforcement. Acting President Baines motioned for permanent weekend code enforcement in the City. Councilmember Quintero seconded the motion. Acting President Baines further discussed the following with Director Clark: the neighborhoods are targeted for revitalization; the formation of a Council subcommittee to work with the department on reorganization of the code; methods used for blight removal; Acting President Baines requested that Councilmembers receive regular updates about revitalization actions in the City. Acting President Baines further discussed the following with Director Clark: the need for both a supervisor and manager in the new Community Revitalization unit; the status of Community Development Housing Organization's in the City; the status of the lead abatement programs; affordable housing projects completed in Fiscal Year 2014; alternatives for the matching funds from the failed Sustainable Community Grant application. Acting President Baines motioned to move Proposition 84 Sustainable

Community Grant funding budgeted at \$100,000 to the Planning Division. Councilmember Xiong seconded the motion.

Councilmember Xiong asked Director Clark to provide a tray memo on the effectiveness of the weed abatement program.

President Brandau discussed the following with Director Clark: confusion over the name of the code enforcement division / Community Revitalization Division; the status of the new hires. President Brandau requested an organizational flow chart for Code Enforcement.

RECESSED 11:47 A.M. to 1:36 P.M.

### 3. CDBG, HOME, NSP

Budget Manager Sumpter provided a summary of the CDBG budget which included the following: the entitlement was slightly lower than FY 2014; some program income was anticipated; there was carryover from projects that were not yet finished but the money could not be re-allocated; there was a decrease in code enforcement due to the split in the unit and the movement of some activities back to the general fund; Section 108 loan repayments had been budgeted; 1.4 million dollars in CDBG funds and \$600,000 in general funds were allocated to neighborhood street improvements for a total of 2 million dollars; park facility improvements had been budgeted as well as carry over for old projects; the budget was under the regulatory cap of 1.3 million dollars for planning and administration as well the \$981,000 regulatory cap on public service.

Acting President Baines discussed the following with Director Clark and Assistant City Manager Smith: the purpose of CDBG grants and the number of grants provided to community groups; future plans to grant CDBG funds to community groups; the timing for completion of the 2015 Consolidated Plan.

Councilmember Caprioglio discussed the following with Director Clark, Budget Manager Sumpter and Assistant City Manager Smith: details on the HOME Assistance Grant Program and the number of District Four recipients; the formulation used to determine funds for community centers; how CDBG target areas are determined; the funding sources for neighborhood street improvements;

Acting President Baines discussed the following with Director Clark, City Manager Rudd and Management Analyst Smith: the process used by community groups to apply for CDBG funds; the rankings of the community group applications; the reasons community groups were not funded this year; the need for dialogue when it comes to distribution of CDBG funds; the need for balance between government and community use of CDBG funds. Acting President Baines requested to see the rankings of the community group applications for CDBG funds this year.

President Brandau discussed the following with Director Clark: CDBG funds used or requested in the community of Pinedale. President Brandau asked for Council be kept abreast of upcoming CDBG application deadlines so Councilmembers could discuss applications with community groups.

#### 4. Emergency Solutions Grant ("ESG")

DARM Director Clark provided a summary of the ESG budget which included the following: the grant was a federal formula program designed for outreach and targeted investment in getting homeless off the street and into supportive and permanent housing; there were caps on the program for housing, outreach and interim solutions; the city was working with "Continuum of Care" as a service provider to get the funds spent for the intended purposes; \$100,000 of current ESG funding has been committed to match the funds from the community.

Councilmember Xiong discussed the following with Director Clark and City Manager Rudd: the relationship between ESG and the Homeless Task Force; the capacity of the City and County to direct the funds; discussed the efforts of the Homeless Task Force. Councilmember Xiong requested information regarding the impact of the City's homeless efforts on support funding.

#### 5. Mayor/City Manager's Office

Budget Manager Sumpter provided a summary of the Mayor/City Manager's Office budget which included the following: there was a substantial decrease to the department because CDBG and NSP revenues had been moved to DARM; Revenue and expenditures for the Enterprise Zone reflect the program expiration date in December 2014; the Economic Development Director and other positions were fully funded; the Emergency Manager position was transferred to the Fire Department.

Councilmember Brand discussed the following with City Manager Rudd, Budget Manager Sumpter and Chief of Staff White: the location of the Call Center, NSP and the Emergency Manager; the status of the Enterprise Zone and the effects of defunding at the state level; staffing levels for the department; the status of the Economic Development Director and his staff; the focus, overlap and staffing of the Downtown Community Revitalization Department as compared to the Economic Development Division; metrics detailing the success of the Economic Development Division; the advertising budget for the Economic Development division and the possibility of advertising in magazines; the status of businesses relocated by the High Speed Rail; City interaction with the EDC; Fresno City and County funding of the EDC.

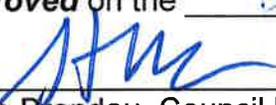
Councilmember Caprioglio discussed the following with Chief of Staff White and Budget Manager Sumpter: the cost for the Community Coordinator and the split between DPU and the City Manager's Office; the cost for the Director of

Communication; the necessity for both a Community Coordinator and a Director of Communications; the availability of the Director of Communications for Councilmember issues; funding options for the Community Coordinator position; methods to track the Community Coordinator time on different projects; the status of the Enterprise Zone and the status of the Emergency Manger.

**Action Taken:** HELD

**ADJOURNED – 2:53 P.M.**

Approved on the 26<sup>th</sup> day of June, 2014.

  
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Steve Brandau, Council President

ATTEST:   
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Todd Stermer, Assistant City Clerk