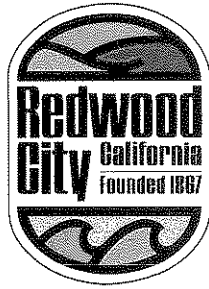


COUNCIL MEMBERS

MAYOR, ROSANNE FOUST
VICE MAYOR, DIANE HOWARD
COUNCIL MEMBER, ALICIA C. AGUIRRE
COUNCIL MEMBER, IAN BAIN
COUNCIL MEMBER, JIM HARTNETT
COUNCIL MEMBER, JEFF IRA
COUNCIL MEMBER, BARBARA PIERCE



MINUTES

**CITY COUNCIL
CITY OF REDWOOD CITY
1017 MIDDLEFIELD ROAD · P.O. BOX 391
REDWOOD CITY, CALIFORNIA 94064-0391
www.redwoodcity.org
CITY COUNCIL CHAMBER**

**CITY COUNCIL
SPECIAL MEETING
June 15, 2009
7:00 P.M.**

**** The reception in Recognition of Mayor Foust being named one of the Most Influential Women in Business in the Bay Area (by the *San Francisco Business Times*) at 6:30 p.m. in the City Hall Foyer was postponed due to the loss of a City Hall employee.****

1. CALL TO ORDER

2. ROLL CALL – All Council Members present

Staff present: City Manager Ingram, City Attorney Yamamoto, City Clerk Vonderlinden, Deputy City Clerk Wong, Deputy City Manager Gonzalez, Fire Chief Skinner, Fire Battalion Chiefs Balton, and Maupin, Public Works Director Barwacz, Assistant City Manager and Human Resources Director Bell, Parks, Recreation, and Community Services Director Centeno, Parks, Recreation, and Community Services Superintendents Beth and Hover, Community Development Services Director Chang, Human Services Manager Chin, Police Chief Cobarruviaz, Police Captain Hernandez, Public Works Superintendents Ezell, Gibbons, and Harang, Management Analyst Nahara, Director of Finance and Financial Planning Ponty, Financial Services Manager Freeman, Senior Accountants Kyaw, Lucas, and Sewak, Library Director Genesy, Library Division Manager Kramer, Library Services Supervisor Meeks, Librarian II Spore-Alhadeh, Senior Library Assistant Suarez, Building & Inspection Manager La Torra, Senior Management Analyst Mc Laurin, Fleet Manager Kyaw, Housing and Redevelopment Manager Webb, and Administrative Analyst Weiss.

Others Present: Housing and Human Concerns Committee Chair Brosseau, Housing and Human Concerns Committee Members Bondonno, Richardson, and Wright, Civic Cultural Commission Chair Dale, and Library Board President Madrigal.

**DRAFT –
NOT FOR CITATION**

3. **PLEDGE OF ALLEGIANCE** – Diane Howard, Vice Mayor
4. **INVOCATION** – Pastor Rick Carbonneau, Redeeming Grace Church
5. **SPECIAL ORDERS OF THE DAY**

Mayor Foust acknowledged the loss at City Hall, of Hector Magaña, a City employee and for this reason she decided not to have a celebration this evening.

- A. Award/Recognition: Mayor Foust named one of the Most Influential Women in Business in the Bay Area – Vice Mayor Diane Howard.
- B. Certificate of Achievement for Excellence in Financial Reporting – Mayor Rosanne Foust presenting to Financial Services Manager Alison Freeman.

Alison Freeman, Financial Services Manager, was joined by Mayor Foust at the podium to receive an award of recognition for the work the Finance Department does.

6. **ORAL COMMUNICATIONS AND CONSENT CALENDAR**

MOTION: Waive reading of the Consent Calendar except the ordinances by title, adopt the resolutions and the ordinances, and approve other items.

M/S Howard/Ira to approve the items on the Consent Calendar with one deletion on the minutes for the meeting of June 1, 2009 (deletion of one sentence on page 7). **Motion carried unanimously by electronic vote.**

6.1 Section - Motions

- A. Approve the Regular City Council meeting minutes of June 1, 2009 as submitted.
Minute Order 09-109

- B. Set Public Hearing for Adopting Fiscal Year 2009-10 Budget.

Recommendation:

Set the date of July 13, 2009 for formal action on the budget for FY 2009-10.

Minute Order 09-110

- C. Investment Policy.

Recommendation:

By motion, approve the City of Redwood City investment policy as amended.

Minute Order 09-111

- D. Agreement for Third Party Administrator (TPA) for Worker's Compensation Administration Services.

Recommendation:

By motion, authorize the City Manager to enter into an agreement between the City of Redwood City and Athens Administrators to act as Third-Party Administrator for the City's self-insured workers' compensation program effective July 1, 2009 through June 30, 2010.

Minute Order 09-112

E. 2009-2010 Tree Preservation and Sidewalk Repair Program.

Recommendation:

Approve by motion the contract documents, accept the bid, and award the contract for the 2009-2010 Tree Preservation and Sidewalk Repair Program to SpenCon Construction Inc., of Foster City, CA, for the amount of \$712,920.00 and authorize the City Manager to increase the contract amount, if necessary, up to 10% of the amount awarded, and reject all other bids.

Minute Order 09-113

6.2 Section – Resolutions

A. Annual Tax Levy for the Redwood Shores Traffic Improvement District.

Recommendation:

Adopt a resolution authorizing the levy of special taxes for Fiscal Year 2009-10 in the amount of \$837,364.64 on the parcels within the Redwood City Community Facilities District 99-1 (Shores Traffic Improvement District) to be used to pay the principal and interest payments on bonds issued to finance certain transportation system improvements within the district.

RESOLUTION NO. 14941 OF THE COUNCIL OF THE CITY OF REDWOOD CITY ACTING AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 99-1 AUTHORIZING THE ANNUAL LEVY OF SPECIAL TAX FOR FISCAL YEAR 2009-10

B. Annual Appropriations Limit for Fiscal Year 2009-10.

Recommendation:

By resolution, establish the appropriations limit for Fiscal Year 2009-10.

RESOLUTION NO. 14942 ESTABLISHING APPROPRIATIONS LIMIT FOR FISCAL YEAR 2009-10

C. Reaffirmation of membership in the San Mateo County Pre-Hospital Emergency Medical Services Group and authorization to continue participation in the County of San Mateo's Automatic Aid Agreement for Fire Response.

Recommendation:

By Resolution:

1. Reaffirm membership in the San Mateo County Pre-Hospital Emergency Medical Services Group, a Joint Powers Authority.

RESOLUTION NO. 14943 OF THE CITY OF REDWOOD CITY REAFFIRMING MEMBERSHIP IN THE SAN MATEO COUNTY PRE-HOSPITAL EMERGENCY MEDICAL SERVICES GROUP

2. Authorize continuance of the Automatic Aid Agreement for Fire Responses.

RESOLUTION NO. 14944 OF THE CITY OF REDWOOD APPROVING AND AUTHORIZING THE CONTINUANCE OF THE AUTOMATIC AID AGREEMENT FOR FIRE RESPONSES

6.3 Section – Claims and Warrants

- A. Approve warrants dated through June 15, 2009 and usual and necessary payments through June 22, 2009. **Minute Order 09-114**

7. BUDGET STUDY SESSION

- A. FY 2009-2010 Budget Study Sessions **Minute Order 09-115**

Mayor Foust made some opening remarks regarding core services and core purpose and how these need to remain the foci of these discussions in order to reach financial sustainability. She also commented that the strategic initiatives were placed in existence to align resources with the City mission. Mayor Foust extended words of gratitude to the labor groups for their concessions in the area of salary freezes. Regarding a recently released Grand Jury report, she added that the city is not reacting to it because the city had already begun the process of addressing some of the findings in such report.

City Manager Ingram provided a presentation to Council (on file). He covered the agenda and the plan for both Budget Study Sessions. He thanked Mr. Ponty, Finance staff and Deanna La Croix, Executive Assistant to the City Manager for their hard work. He explained the current situation is a shared crisis and all are aware of its reality from the Executive Team to the Boards, Commissions and Committees to the greater community.

Mr. Ponty, Director of Finance, provided an overview of the General Fund Revenues (on file). One Council Member provided details on Proposition 1A and its implications. Mayor Foust acknowledged sending a letter opposing the Local Gas Tax Diversion that is now being proposed in Sacramento. It was suggested that Senator Joe Simitian receive a copy of the letter. **Council consensus was to send a copy of the letter to Senator Simitian.** City Attorney Yamamoto said that there was a request by the League to have City Attorneys unite and consider litigation against the state. Council consensus was to give City Attorney Yamamoto authority to join in these efforts.

M/S Howard/Ira to have City Attorney Yamamoto join the League of California Cities attorneys' group and act on behalf of the city. **Motion carried unanimously by voice vote.** **Minute Order 09-116**

Council discussed having Redwood City unite with other cities in San Mateo, joining forces and possibly taking some action against state legislators and communicate with congressional representatives. There was also a suggestion to have the County/City Managers Association look at issues such as sales transactions over the internet and impacts on revenues.

City Manager Ingram summarized the recommended budget cuts. He explained that these cuts build on accumulated cuts of \$11 million that took place between 2002 and 2006. Consequently, he said the current base is smaller and that represents 40 to 50 less

positions and this means the organization is already spread thin. The City Manager referred to the budget memo and how it expands on the internal budget process leading to these recommendations. He provided an overview of the 53 vacancies being held across the City. Mr. Bell, Human Resources Director said that there are 52.8 citywide vacancies of which 14.2 of the vacancies are recommended for elimination and 16.2 additional positions are being cut, some through the Exit Incentive Program.

City Manager Ingram covered what each of the cuts represents for each department percentage wise so that Council could see the relativity impact. Chief Skinner provided additional information on Engine Nine and a possible side letter with the labor union. Council was pleased with this possibility and thanked Chief Skinner for his efforts. Mr. Ingram explained that 86% of the proposed cuts are in salary and benefits and he said such ratio will probably continue because supplies and services have stayed flat. The options put forth by the City Manager for City Council consideration were discussed. These were created prior to the possibility of the state invoking Proposition 1A. The City Manager believes that these might be looked at on September 14, 2009 if Council so agrees. Mr. Ingram said that he sees the next year as a continuation of current discussions and possibly providing Council quarterly updates or briefings on the financial state of affairs since this is not a fait accompli. Mayor Foust thanked City Manager Ingram opining that this was a sound budget proposal. She then opened the public comment period.

Public Comment

Warren Dale, Chair of the Civic Cultural Commission, thanked the Council for trying to work through some tough issues. He mentioned the various awards that the City receives and expressed his optimism in the Redwood City community. He asked Council to consider how they are partners in providing grants that benefit the community and these include benefits to schools, music in Courthouse Square, youth, seniors and others.

Denise Brosseau, Chair of the Housing and Human Concerns Committee (HHCC), stated that the HHCC realizes that it is a challenge to try to deliberate and allocate funding. She expressed her hope that the funding for HSFA (Human Services Financial Assistance) would be maintained and said that the initial investment of funds by the City would be leveraged many times over in light of increasing needs for services to provide for basic human survival. Her examples of such providers included Meals on Wheels and the Salvation Army.

Anna Olsen, with the Second Harvest Food Bank, an eight-year resident of the City, asked that the Council not reduce the grants to this organization. She said they have seen an increase of 46% in calls to the center. She mentioned the benefits of such assistance and how the need for food seems to be increasing.

Mayor Foust called for a 10-minute break at 9:05 p.m. The Council resumed at 9:16 p.m.

Various Council Members stated that they wanted to move forward with the budget and hold off on the options. Some wanted staff to look at core services and the long-term impacts of the vacancies and cuts. One Council Member would like a more proactive versus reactive attitude and a more premeditated approach. Overall Council Members

concurring and appreciating all those who made a lot of compromises for these recommendations to be on the table. One Council Member would like to have a discussion on what the state budget reform could entail and he supports a strong look and review of economic development strategies in the city.

In general, all Council Members supported the City Manager's recommended budget cuts and holding off on the options until September 14, 2009. Some Council Members would like to understand the short term and long term implications of these cuts and getting information on sun setting certain initiatives. **Council consensus was to have staff investigate the costs of the following items for the meeting of September 14, 2009: costs associated with the Tree Board, information on the parking fund, how to increase revenues, and evaluate retiree benefits.** One Council Member would like to build organizational capacity by possibly capitalizing on volunteers.

One Council Member thanked City Manager Ingram for his leadership and for the work of the Department Heads. She said this was easy to follow and acknowledged this is a larger issue than our city, our region, and our state. She thanked prior Councils' that built reserves for a rainy day and made sure there were enough funds for the future - which is today. One Council Member appreciated the various issues that Council Members brought up. He suggested that in September it might be necessary to look at additional options due to the seriousness of the situation. Staff commented that at that time there will be more information on the state finances as well.

Council appreciated the option of being kept informed through quarterly checks or updates. One Council Member was pleased with the vacancy management program and he mentioned that on the matter of wages and benefits he believes the Grand Jury report should be addressed with real data that relates to Redwood City. He also questioned if private sector positions should be part of the analysis. He suggested a committee of former mayors (five or seven) who are active in the community and that they be given accurate data and possibly make recommendations to the Council on the matters brought forth by the Grand Jury report. One Council Member emphasized that business is good and benefits every community member. Comments were made about the reduced resources and its impacts on the residents' quality of life.

Vice Mayor Howard thanked City Manager Ingram and the Department Heads for their work. She acknowledged the toughness of the process. She supports a more proactive approach and maybe a start is to send a letter to the League and Council of Cities to invite them to come and discuss the matter. Mayor Foust offered that there are two bills on budget reformation and it would be good to follow these closely. Mention was made of an upcoming meeting of the League of California Cities in July and the need for a Council Member to attend. Vice Mayor Howard would like to get more information on this event.

Council engaged in some discussion about the HSFA grants and the Civic Cultural Commission. Director Centeno provided information and explained that the HSFA grants could not be cut in September because the contracts would be at mid-year then. As far as the Housing and Human Concerns Committee is concerned Council asked for some future understanding on how administrative costs compare to the money being given out. Ms. Centeno provided some details on the matter. One Council Member suggested having the

newsletter move to electronic format, and this item is to come back in September. One Council Member would like to have donations be allowed at concerts as a revenue stream because in her opinion in hard times people want to be part of the solution. Four Council Members opposed cuts to the HSFA and the Civic Cultural Commission at this juncture. One Council Member added that these do not need to be on the table now but can be looked at in September for a review if indeed these are part of the core services. One Council Member would like to see a split between the two and an assessment of each one and how much staffing time is spent on these.

Council consensus was to address the following items as part of leveraging opportunities at the September 14, 2009 budget follow-up discussions: PAL (Police Activities League) and Parks and Recreation Services assessment of what is provided by each; HSFA and Civic Cultural Commission evaluating if these are long term sustainable initiatives; costs associated with the Tree Board; CERT (Community Emergency Response Team) and the costs associated with providing it; possibility of sponsors for certain events; looking at the newsletter in electronic format; revenue enhancements and creativity on the issue of wages and benefits.

Mayor Foust mentioned economic development and looking at the strategic initiatives as a way of restructuring and realigning. She wants to see a push on economic development to assist in future budget discussions. She supports new businesses and more green industries. She provided a list of what businesses bring to the community. **Council consensus was to conceptually approve the City Manager's recommended budget as proposed and in September 14 look at the other items discussed throughout the evening.** The strategic plan will be addressed in more detail at next week's second Budget Study Session and the Council confirmed the agenda for the evening.

(The above mentioned item lasted between 7:15 p.m. and approximately 10:18 p.m. For the full content of the discussion please view the archived web stream for the meeting of June 15, 2009 at http://www.redwoodcity.org/government/council/agendas/2009/mov_090615.html select the correct agenda item).

8. MATTERS OF COUNCIL INTEREST

- A. Legislation (information only)** - This sub-section involves possible discussion of City Position on Proposed Legislation described in the League of California Cities City Advocate Weekly Issue No. 20-2009 and 21-2009. Council may direct staff to act on positions taken by Council. (Copies of League of California Cities Priority Focus available in City Clerk's Department).

Two Council Members reported on the following items:

- Council Member Pierce announced an all day forum on the Grand Boulevard Initiative that will take place at the Little Fox Theater from 9 a.m. to 3 p.m. on June 20, 2009.
- Council Member Bain announced that he took part on a fundraiser for pediatric cancer research and he was glad he did it. The website is <http://www.stbaldricks.org/> The Mayor complimented Council Member Bain on his gesture of support.

9. ADJOURNMENT - M/S Hartnett/Aguirre to adjourn the meeting at 10:25 p.m. in memory of Hector Mangaña who was a city employee and passed away over the weekend. **Motion carried unanimously by voice vote.**

Respectfully submitted,

Silvia Vonderlinden,
Certified Municipal Clerk

Submitted for approval at the City Council Meeting of June 22, 2009.