

City of Morro Bay

Citizens Oversight Committee Agenda

Mission Statement

The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.

**SPECIAL MEETING
THURSDAY, JANUARY 23, 2014, 9:00 AM**

**CITY HALL
CONFERENCE ROOM
595 HARBOR STREET, MORRO BAY, CA**

ESTABLISH QUORUM AND CALL TO ORDER

PUBLIC COMMENT PERIOD - Members of the audience wishing to address the Committee on business matters may do so at this time.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Chairperson, please come forward to the podium, and state your name and address for the record. Comments are to be limited to three minutes.
- All remarks shall be addressed to the Committee, as a whole, and not to any individual member thereof.
- The Committee respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commissioner and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the Committee to carry out its meeting will not be permitted, and offenders will be requested to leave the meeting.
- Your participation in Committee meetings is welcome, and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (805) 772-6205. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT CALENDAR

1. APPROVAL OF MINUTES FROM THE 12/12/13 CITIZENS OVERSIGHT COMMITTEE MEETING

B. ADJOURNMENT

DATED: January 21, 2014

Jamie Boucher, City Clerk

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITY ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

Chairman Alexander called the meeting to order at 9:00 a.m.

PRESENT: Homer Alexander Chairman
 Dan Glesmann Member
 Barbara Spagnola Member
 Elaine Giannini Member
 Kathy Thomas Member

STAFF: Susan Slayton Administrative Services Director
 Steve Knuckles Fire Chief
 Amy Christey Police Chief
 Rob Livick Public Services Director
 Bonnie Johnson Support Services Coordinator
 Joe Woods Recreation & Parks Director

PLEDGE OF ALLIANCE

ANNOUNCEMENTS

Chairman Alexander welcomed Kathy Thomas, who is replacing Michael Durick.

Chairman Alexander announced the purpose of the meeting, which is ensuring that the Measure Q funds are spent appropriately (Police, Fire, Streets and Storm Drains).

PUBLIC COMMENT

Chairman Alexander opened Public Comment period. As there were no members of the public wishing to speak, Chairman Alexander closed Public Comment.

A. CONSENT CALENDAR

A-1 APPROVAL OF MINUTES FROM 3/22/13 CITIZENS OVERSIGHT COMMITTEE MEETING

MOTION: Chairman Alexander asked for a motion to accept the minutes. The motion was made by Member Thomas, seconded by Member Giannini, and carried unanimously (5/0).

B. NEW BUSINESS

B-1 REVIEW OF F/Y 2012/13 UNAUDITED TRANSACTIONS FROM THE COLLECTION OF THE GENERAL PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS "MEASURE Q"

Member Giannini spoke with Police Chief Amy Christey on Suspected Abuse Response Team (SART) exams. When the County stopped paying for them in 2011, why didn't this become a General Fund budgeted item. Ms. Christey stated that the 2011 budget had already been adopted when the County made this announcement and since then, the Police Operations General Fund budget has declined, leaving less room to cover this mandated expense. Chairman Alexander asked if Measure Q wasn't available, would Police do SART exams, to which Ms. Christey answered that they would.

Member Giannini questioned the increase in School Resource Officer (SRO) contributions by Measure Q. Ms. Christey explained that the School District had issues with its budget, and needed to reduce the funding for the 2013/14 fiscal year; it had been funded at 25% City, but this year, was 63% City. She hopes that future negotiations will lower the City's contribution to this invaluable resource. Member Spagnola felt that 25% was fine, but more in not a good use of the Measure Q funds, and again referred to the comment made by Chairman Alexander that if Measure Q wasn't available, what the City would do to cover this. She would like to see this amount renegotiated to a lower amount in 2014/15, and wondered if we were in line with what other jurisdictions received; Ms. Christey stated that we were. Member Glessman remarked that Measure is the "icing on the cake," and while the SRO is a valuable position, he feels that this funding outside of a proportionate share does not support the spirit of Measure Q. Chairman Alexander recognizes the SRO is a benefit to the community.

MOTION: Member Giannini moved for approval of the 2012/13 expenditures. That motion was seconded by Member Glessman, and carried unanimously (5/0).

B-2 REVIEW OF F/Y 2012/13 CARRYOVER AND UNALLOCATED CASH FROM THE COLLECTION OF THE GENERAL PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS "MEASURE Q"

Chairman Alexander presented an expanded carryover report to break numbers down. The Committee expressed its belief that the voters want to see results. Chairman Alexander started with Police Communications, and a correction to the budget adjustment that was made at mid-year. Ms. Slayton confirmed that the budget adjustment was made in error; Police Chief Amy Christey will overspend the line item, effectively spending her carryover. Chief Christey spoke about the communication budget, and that all was spent on the tower (\$32,438) and repeaters (\$34,173) for a total of \$66,611; the final bill was paid mid-November (confirmed by Ms. Slayton).

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Chairman Alexander reviewed the Fire carryover allocation. Feels that personnel savings should not be allowed, nor should debt service. Believes that construction is hammers and nails; is it done. Fire Chief Steve Knuckles spoke on the items not covered by ARRA grant or the USDA loan; these are the items that he will purchase with the carryover funds. Member Spagnola asked about the second Certificate of Participation; Ms. Slayton stated that the \$1.5m Certificate will be drawn down, and pay off the second Certificate; we had to take a first draw to activate both issues. Next year's estimate will be the actual amount of the debt service.

Chairman Alexander discussed storm drains; the budget is \$70k for Storm Drain Master Plan, and would like a status report. Public Services Director Rob Livick stated that his department has been working on other Council priorities, and not on the Storm Drain Master Plan. Mr. Livick stated that it should cost about \$86k for the update. The Plan has to be done to feed into the General Plan/Local Coastal Plan update. Mr. Livick can put out an RFP in the spring with spending to carryover into 2014/15; plan not anticipated to be complete in 2013/14. Chairman Alexander will add this to the Committee's report.

Mr. Livick gave an update on the ongoing streets projects. Last year, streets received an allocation of \$757,557. In October 2013, Sousa Construction was awarded a contract for \$402,500, and in November 2013, American Asphalt was awarded a \$250,000 contract. Need to do materials testing, surveying and design for about \$76,000 as outside contact. Received a CalRecycle grant for about \$35,000 because we are putting tire rubber in the asphalt. We are spending about \$774,060 on streets. The City's Water enterprise fund will be participating in the street repairs (Kings Street). Complete by mid-January. The remainder of the funds will be for pothole patching.

Chairman Alexander commented on carryover related to personnel. Thought that General Fund had a policy to not carryover personnel savings; Ms. Slayton stated that the General Fund does not carryover. Committee can make the decision to recommend to the Council that personnel costs be separated from capital costs and not carried over. Member Spagnola thought wondered if it was appropriate to carryover personnel savings; savings to go back into unallocated. Chief Christey just wants to make sure that the SRO MOU allocation is fully paying for that position. Chairman Alexander commented that she has been very close to spending her budget each year. Chief Knuckles is concerned with the variables in his business that make estimating difficult. Chairman Alexander's concern is that the carryover continues to accumulate. Ms. Slayton mentioned that former Fire Chief Mike Pond expressed the desire to keep his personnel carryover to cover overtime in drought years; she suggested allowing carryover for one year at a time. Member Glesmann said this sounded like a cap. Chairman Alexander liked a "not to exceed." Member Giannini sees both sides, and thinks a cap may be best. Chief Knuckles will sit down with Ms. Slayton and review this. Committee likes this.

MOTION: Member Spagnola moved for the approval of the Measure Q Carryover and Unallocated Cash reports with amendments, pending City Council approval and pending the meeting between Ms. Slayton and Chief Knuckles. That motion was seconded by Member Thomas, and carried unanimously (5/0).

B-3 REVIEW OF F/Y-T-D 2013/14 TRANSACTIONS FROM THE COLLECTION OF THE GENERAL PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS "MEASURE Q"

Chairman Alexander spoke about staffing in Fire and Police Department, and the fact that the voters did not want to pay for staff and neither did the Committee. Council deliberated on the Fire Department staffing and asked Committee to make a recommendation. Committee did agree that staffing would be allowed, but it was to be the entry-level person (Chairman Alexander's interpretation is the least expensive person). Not paying for a School Resource Officer, but the least expensive Police Officer; essentially, a cap. Chairman Alexander mentioned that Fire personnel costs have gone up greatly, whereas the SRO costs have not. Chief Knuckles stated that the Vacation Relief person was the one approved for Measure Q, which may not be the least expensive person due to the requirement that the Vacation Relief "floater" has to be fully trained and able to cover shift work. Cheapest person may not be qualified to be that floater. Also, overtime and benefits are more expensive. Measure Q pays for the Vacation Relief person, overtime to maintain the 4-person staffing.

Chairman Alexander asked Mr. Livick about \$70,000 for New Phase II MS4 Storm Water permit requirements and when will he spend this. Mr. Livick believes consultant costs were spent, and will research where those expenses were coded. Chairman Alexander also commented on outreach program, and also that the program is mandated. Mr. Livick stated that City Council approved this as a reasonable expense for Measure Q.

MOTION: Member Glesmann moved for the approval of the 2013/14 Measure Q transactions with any amendments made, pending Council approval. That motion was seconded by Member Giannini, and carried unanimously (5/0).

B-4 DISCUSSION OF PRESENTATION OF COMMITTEE RECOMMENDATIONS TO CITY COUNCIL AND SET DATE FOR APPROVAL OF 12/12/13 MINUTES

Chairman Alexander mentioned that last year, the report was divided up, each member wrote up a paragraph and Member Spagnola compiled it for presentation to Council, and suggested that it be done like this again. Member Spagnola volunteered to put it all together again. Member Glesmann will take the SRO. Chairman Alexander stated that the \$30,000 unallocated communication budget be mentioned. Chairman Alexander mentioned the mandated storm water permit being spent out of Measure Q, and that Council needs to be reminded that mandates should be paid for with General Funds. Member Spagnola feels that although it is not an appropriate use of Measure Q funds, it should not be allowed to slide, but should be properly addressed with the Committee's recommendation to the Council to reverse the charges, and place the allocation back into the unallocated mix. Member Giannini feels that as an oversight committee, it is our responsibility to bring it to the Council's attention. Member Spagnola will write the storm water part of the

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recommendation. Member Spagnola asked about comments about Fire personnel. Chairman Alexander will wait for the meeting between Chief Knuckles and Ms. Slayton.

Ms. Slayton reminded Chairman Alexander about setting a time for the meeting to approve the minutes. Chairman Alexander asked if the approval could be by e-mail. Ms. Slayton said she would have to speak with the City's legal counsel, and make sure that could be done.

C. ADJOURNMENT

The meeting was adjourned at 10:14 a.m.