

**City Council**

Mayor Diana Gardner Rich  
Vice Mayor Stephen Zollman  
Councilmember Neysa Hinton  
Councilmember Sandra Maurer  
Councilmember Jill McLewis



**Agenda Item Number: 1**

**City Manager**

Don Schwartz

[dschwartz@Cityofsebastopol.gov](mailto:dschwartz@Cityofsebastopol.gov)

**Assistant City Manager/City Clerk, MMC**

Mary Gourley

[mgourley@Cityofsebastopol.gov](mailto:mgourley@Cityofsebastopol.gov)

**City of Sebastopol**

**CITY COUNCIL MEETING MINUTES**

Meeting of Tuesday – March 19, 2024

6:00 pm – Meeting Start Time

MINUTES FOR City Council Meeting of March 19, 2024

As Approved by the City Council at their regular meeting of April 2, 2024

Please note that these are action minutes only. Detailed raw transcript is attached to the minutes and made a part of the public record. These action minutes are the City’s record of a summary of actions that took place at the meeting. The vote/action is the required information of the meeting actions that took place. Approved minutes are available on the City Council Meetings page.

The public is advised that pursuant to Government Code section 54957.5 all writings submitted to the City and City Council are public records and will be made available for review.

**6:00 pm City Council Regular Meeting, In Person – Sebastopol Youth Annex, 425 Morris Street, Sebastopol, CA/Virtual Format (Zoom)**

**Call to Order:** Mayor Rich called the Regular Meeting to Order at 6:01 pm.

Mayor Rich made the following comments: Cease Fire Resolution has been removed from the agenda.

**Roll Call:**

**Present:**

Mayor Diana Rich  
Vice Mayor Stephen Zollman  
Councilmember Neysa Hinton  
Councilmember Sandra Maurer  
Councilmember Jill McLewis

**Absent:**

None

**Staff:**

City Manager Don Schwartz  
City Attorney Larry McLaughlin  
Assistant City Manager/City Clerk Mary Gourley  
Administrative Services Director Ana Kwong  
Building Official Steve Brown  
City Engineer Mario Landeros/GHD Engineering  
Interim Fire Chief Todd Derum  
Planning Director Kari Svanstrom  
Police Chief Ron Nelson  
Public Works Superintendent Dante Del Prete

**SALUTE TO THE FLAG :** Mayor Rich led the salute to the flag.

**REMOTE PARTICIPATION UNDER AB 2449 (IF NEEDED):** To consider and take action on any request from a Council

Member to participate in a meeting remotely due to Just Cause or Emergency Circumstances pursuant to AB 2449 (Government Code Section 549539(f)).

Councilmember Maurer stated she would be utilizing AB 2449 due to an illness. She stated she would be participating telephonically shall publicly disclose at the meeting before any action is taken, there are no members 18 years of age or older are present in the room at the remote location; she would be participating from a remote location under the AB 2449 rules for teleconferencing must participate through both audio and visual technology during the entire meeting and will participate with both audio and video capabilities turned on throughout the meeting.

## **INTERVIEWS/APPOINTMENT(S)**

### **Agenda Item Number 1:**

1. Interviews and Consideration of Appointment(s) to the Design Review Board/Tree Board (Responsible Department: Planning Department/City Clerk)

The Council conducted the interviews and then discussed appointments.

### **DESIGN REVIEW BOARD /TREE BOARD INTERVIEW(s)**

#### *Design Review & Tree Board (Three Seats Open)*

6:00 pm	Melissa Hanley	Category A, C
6:10 pm	Christine Level	Category C
6:20 pm	Lars Langberg	Category A, C

Mayor Rich opened for Public Comment(s). The following members of the public spoke:

Linda: Looking at the larger picture, it occurs to me that we need to have people being on the boards and city council, that can see the consequences of the current build mandate. Discussed the City Project (Canopy); drain on our limited water and our infrastructure; need to have people on the board and city councils that not only know about the consequences of their decision, but also know about the consequence is of electromagnetic field.

Chad: There's so much to talk about. It's exciting, and I would also like to bring up a concern. But i really love the infrastructure driven policies and all the sustainability stop and the stakeholders coming in and the speed bumps and all the great new stuff. What design are we really talking about here...

Kyle: I think it's really important thing to be able to have volunteers in our community take on these roles; concerned with some of the statements that were made regarding the need for the design review positions to be held by professionals; discrediting the ability members of our public who are not deeply invested in that profession to be able to keep pace and learn; hope we as a community will continue to support and actively encourage members of the public that are not necessarily just professionals; and encourage members of the public so that is not three candidates for three seats and that we actually have some choice in the matter.

#### City Council Discussion/Consideration:

The council discussed the applicants.

### **MOTION:**

Councilmember Maurer moved and Councilmember McLewis seconded the motion to approve the following

members to the Design Review Board.

Melissa Hanley           Category C  
Christine Level           Category C  
Lars Langberg            Category A

City Council Action: Approved the following members to the Design Review Board.

Melissa Hanley           Category C  
Christine Level           Category C  
Lars Langberg            Category A

Minute Order Number:       2024-047

**PROCLAMATIONS/PRESENTATIONS:**                               None

**STATEMENTS OF CONFLICTS OF INTEREST:** Conflicts of interest may arise in situations where a public official deliberating towards a decision, has an actual or potential financial interest in the matter before the Council. In accordance with state law, an actual conflict of interest is one that would be to the private financial benefit of a public official, a relative or a business with which the Councilmember is associated. A potential conflict of interest is one that could be to the private financial benefit of a Councilmember, a relative or a business with which the Councilmember is associated. A Councilmember must publicly announce potential and actual conflicts of interest, and, in the case of actual conflict of interest, must refrain from participating in debate on the issue or from voting on the issue and must remove themselves from the dais.

Vice Mayor Zollman stated he had a conflict of interest with consent calendar Item Number 5.

**PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA (FIRST COMMENT PERIOD):**

Up to Twenty (20) Minute Time Limit (Two Minutes for up to ten speakers). Additional public comment will be held at the end of the discussion and action items for up to an additional twenty (20) minutes. Mayor has discretion to allow for additional time beyond the 20 minutes allocated for public comment dependent upon the subject matter or number of speakers.

Process for calling on Speakers: Mayor or designee shall ask for public comment as follows: Speakers to be called on in an alternate manner (One speaker in person to be called on first; then one speaker remote to be called on second with additional speakers to be called on in the same manner) based upon the time limit.

Mayor Rich opened for Public Comment(s). The following members of the public spoke:

Cynthia: I believe teenagers need love, respect, boundaries, and consequent. I'm here because our teenagers are being allowed to steal alcohol every time they get out of high school at Safeway, low consequences. Principal does nothing, Safeway does nothing, please do something. You are responsible for public safety, i would like to have a public safety officer in the alcohol aisle when the kids get out of school, because truly they are stealing alcohol every school day. If we do not bring any consequences, then we are teaching our children to steal, and we don't want that kind of community.

Kyle: Discussed Public Comment. Offended having to make a statement and waste my time on public comment. Public meetings are essential for democracy. These forums are disrupted by individuals with racist intentions. The seek to spread hate and insight division. The first amendment text freedom of each, it does not protect actions that disrupt public meetings. Disruptive behavior, such as shunning epithets, and setting violent notice of the conduct of a public meeting can be limited. Disruption of a public meeting is a criminal act. Such actions can be criminal and is important to maintain the integrity of public forums by ensuring they remain open to all the participants.

Mitzzy: I wanted to talk today about women's history month. Perhaps I'm a little biased on the subject, but i do think it's a very important month. I find we are not taught necessarily what we should be taught. I think that also goes to why i personally believe women are underappreciated in our society...

Andy: I have a few things i would like to speak about. Is going unnoticed on a great anti-lights coming from the state local governments. -- such as asylum seekers....

Rebecca: Discussed speaking on the antisemitism that i'm starting to the community due to the Israel palestine conflict....

Kate: Discussed Supervisor Hopkins and stated she use the unilateral authority and her role as supervisor to convert the Sebastopol Inn, Sebastopol's only downtown hotel into homeless housing using HomeKey Funds. Discussed reliance on tourist hotels to generate critical city revenue. Data shows that sales and all categories from retails to restaurant drops since 2021. This impacts Sebastopol's revenue and budgets. Discussed use of doaqrls to fund SAVS/Horizon Shine.

Rob: Commented on persons being kicked out of meetings; deprived of right to free speech because Council does not want to listen. There were three speakers earlier who were given warnings and then asked to come back on. I'm in personal contact with them and the City kicked them out. They do not leave the meeting voluntary. Asked Council to check with City Attorney about breaking City Council rules as well as denying members of the public rights of first amendment speech. There was nothing offensive with those three speakers.

Rex: Discussed concerns of free of speech.

Hank: Discussed speakers comments...

Mike: Discussed freedom of speech and previous speakers.

**CONSENT CALENDAR:** The consent agenda consists of items that are routine in nature and do not require additional discussion by the City Council or have been reviewed by the City Council previously. These items may be approved by one motion without discussion unless a member of the City Council requests that the item be taken off the consent calendar.

The Mayor will read the consent calendar items; ask if a Councilmember wishes to remove one or more items from the consent calendar; and then open public comment to the members of the public in attendance. At this time, a member of the public may speak for up to three minutes on the entire consent calendar and request at that time that an agenda item or items be removed for discussion.

If an item or items are removed from the consent calendar, the item shall be placed at the end of the regular agenda items unless otherwise determined by the Mayor or Mayor Pro Tern.

Councilmembers may comment on Consent Calendar items or ask for minor clarifications without the need for pulling the item for separate consideration. Items requiring deliberation should be pulled for separate consideration and shall be placed at the end of the regular agenda items unless otherwise determined by the Mayor or Mayor Pro Tern.

Mayor Rich read the consent calendar.

Mayor Rich asked if any Councilmember wanted to remove a consent calendar item.

Councilmember's Request(s):

Mayor Rich opened for Public Comment(s). The following members of the public spoke:

Linda: Requested Item Number 4 be removed; discussed Horizon Shine and SAVS

Kyle: Discussed the bike lane item; big project and we really, really fumbled the approach to it; caused massive delays, and it was really not a lot of transparency in terms of the delay process. Those massive delays ends up offsetting the cost of those things at a time in which massive inflation was taking place. If this project had been completed on time, in a timely manner, it would not have been experiencing the massive increase in the cost to

this project; going to be putting ourselves in a situation where we are even more economically at risk of not being able to complete this project in either a timely manner or a fiscally responsible way; wants a commitment by our city that when we do work with contractors in the future that we hold them accountable for mistakes they make in the process and not give blank checks to increases to a pretty massive amount of money.

**MOTION:**

Vice Mayor Zollman moved and Councilmember Hinton seconded the motion to approve Consent Calendar Items 2, 3, 4, and 6.

Mayor Rich called for a roll call vote. City staff conducted a roll call vote.

**VOTE:**

Ayes: Councilmembers Hinton, Maurer, McLewis, Vice Mayor Zollman and Mayor Rich  
Noes: None  
Absent: None  
Abstain: None

**MOTION:**

Councilmember Hinton moved and Councilmember Maurer seconded the motion to approve Consent Calendar Item 5.

Mayor Rich called for a roll call vote. City staff conducted a roll call vote.

**VOTE:**

Ayes: Councilmembers Hinton, Maurer, McLewis, and Mayor Rich  
Noes: None  
Absent: None  
Abstain: Vice Mayor Zollman

**CONSENT CALENDAR:**

2. Approval of City Council Meeting Minutes for Meeting of March 5, 2024 (Responsible Department: City Clerk)

**City Council Action: Approved City Council Meeting Minutes for Meeting of March 5, 2024**

**Minute Order Number: 2024-048**

3. Approval of City Council Special Meeting Minutes for Closed Session Meeting of March 12, 2024 (Responsible Department: City Clerk)

**City Council Action: Approved City Council Special Meeting Minutes for Closed Session Meeting of March 12, 2024**

**Minute Order Number: 2024-049**

4. Approval of Creation of City Council Liaison to the West County Museum/WSCHS and Appointment of Vice Mayor Zollman as Council Liaison(Requestor: Vice Mayor Zollman/Responsible Department: City Clerk)

**City Council Action: Approved Creation of City Council Liaison to the West County Museum/WSCHS and Appointment of Vice Mayor Zollman as Council Liaison**

**Minute Order Number: 2024-050**

5. Approval of Peace Wall Nominees (Responsible Department: Planning)

**City Council Action: Approved Peace Wall Nominees**

**Minute Order Number: 2024-051**

6. Adoption of a Resolution approving a budget amendment to the Fiscal Year 2023-24 Capital Improvement

Program (CIP) Budget for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project CIP #0513-74.09. The proposed budget increase is \$89,588 and would come from the Grant24-OBAG2 Fund; and accepting improvements for public use and authorizing staff to file a Notice of Completion for Budget for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project (Responsible Department: City Engineering)

**City Council Action: Approved Resolution approving a budget amendment to the Fiscal Year 2023-24 Capital Improvement Program (CIP) Budget for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project CIP #0513-74.09. The proposed budget increase is \$89,588 and would come from the Grant24-OBAG2 Fund; and accepting improvements for public use and authorizing staff to file a Notice of Completion for Budget for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project**

**Minute Order Number: 2024-052**

**Resolution Number: 6578-2024**

**INFORMATIONAL ITEMS/PRESENTATIONS: None**

**PUBLIC HEARING(s): None**

**REGULAR CALENDAR AGENDA ITEMS (DISCUSSION AND/OR ACTION) CONTINUED:**

7. City of Sebastopol Budget (Responsible Department: City Manager):
  - a. Presentation by Baker Tilly and Associates, Long Term Financial Forecast and Models
  - b. Preparation for FY 24-25 Budget

City Manager Schwarz presented the agenda item recommending the Council recommending the City Council:

Bob Leland, Baker Tilly, provided a presentation.

Mayor Rich opened for questions from Council. The Council provided questions to the consultant and staff.

Mayor Rich called for a break at 8:07 pm and reconvened the meeting at 8:17

Mayor Rich opened for public comment.

The following member(s) of the public spoke on this item.

Ernie: comprehensive job; problems and solutions; discussed issue with thumbs up/down; asked City Attorney to ask FPPC about voting before hearing from the public.

Kyle: I'm really disappointed in tonight's presentation; have a full economic history of all the recession in the united states over the last 70 years; full understanding of how CalPERS works and has been structured over the last 50 years; hope we have the ability to guide our presenters to conclusion in a timely manner that allows us for informed decision making to happen with public input; presentation is not what we have in our agenda packet this evening; missing lots of the details that were presented; why was our budget subcommittee canceled this month; why was none of this discussed to reduce the cognitive load of what was brought to council this evening; here we are, it's will have 11:00 at night. We don't have public input by any meaningful reasonable way

Myriah: i would first like to thank all of you, councilmembers and city staff for the work through this difficult time and for also being accessible to meet with me and speak with me about the current situation. I see us all as teammates, and i want the best results for both the city and the chamber in our partnership. I'm asking for you to consider the waiving of the fees to the chamber for apple blossom as an investment in our business community. Council support would be sending a message to the business community that you're supporting the business owners.

Kate: Thanked Council for hiring such an amazing city manager; best economic presentation that i've ever seen coming out of this council; very hopeful about the city's prospects; given the kind of dire financial situations, i would hope the city would concentrate on first meeting the basic goals of any city, which is to provide public safety, fire, police, infrastructure like roads; we still need to address the water and sewer fund and water and sewer infrastructure; and would like to see water and sewer have its own advocates because of the misappropriation of water and sewer fees that have been happening for the last ten years.

June: Discussed engagement of community.

Oliver: the two best presentations I've seen in my many years of grinding through these council meetings; great on a microlevel and set the stage for where we've been and the problems we have today and where we could be going; full of fresh ideas; we've got a foundational solid kind of base to work from; and suggest focusing on the basics before we get into any of the details.

Tanya: Appreciate presentation and information; look forward to working with the City to bring in more events and tourism.

Robert: Previously felt frustrated not seeing information; now process is working.

Kenna: discussed committees recommendation; asked for clarity; would like legal counsel at next meeting to understand ramifications.

Linda: Other things to consider; failed leadership; signing off of \$5M loan; wireless meters; empty vacant retail stores; RV Village; look at consequences of decisions

Steve: Informative presentation; need 30 second elevator pitch of why we are here; hard pressed to give answer to that question; complicated; voters will wonder.

City Council Discussion/Deliberations/Direction to Staff:

The Council reviewed staff's recommendations and provided thumbs up/down.

**MOTION:**

Vice Mayor Zollman moved and Councilmember Hinton seconded the motion to provide the following direction to staff:

- \$2.5 M Reduction Annually
- What Services could be restore if any
- Confirm straw vote as slides were presented: Support all options, with staff to return with a additional information, and providing specifics as follows:
  - Suspension of community benefit grants indefinitely but with a minimum of two years;
  - Request Commission, board and committees weigh in on suspending/eliminating/combining committees/boards/commission

Mayor Rich called for a roll call vote. City staff conducted a roll call vote.

**VOTE:**

Ayes: Councilmember Hinton, Maurer, McLewis, Vice Mayor Zollman and Mayor Rich

Noes: None

Absent: None

Abstain: None

City Council Action: Approved direction to staff.

Minute Order Number: 2024-053

Due to council protocols, the following items were not discussed and the meeting was adjourned.

- ~~8. Consideration of Request for Waiver of Fees/Staff Time and Materials for the 2024 Apple Blossom Festival. Waiver Request submitted by the Sebastopol Area Chamber of Commerce for a waiver in the amount of \$14,781.75 (Responsible Department: City Administration)~~

~~City Council Action: None—Item Continued~~

~~Minute Order Number: 2024-054~~

- ~~9. Consideration of Resolution Calling for a Cease Fire (Requestor: Vice Mayor Zollman)~~

~~City Council Action: None—Item Continued~~

~~Minute Order Number: 2024-055~~

~~**ADDITIONAL PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:** Two minutes per speaker for up to twenty (20) minutes total for public comments but can be reduced at Mayor's discretion depending upon the number of speakers or Mayor has discretion to allow for additional time beyond the 20 minutes allocated for public comment dependent upon the subject matter or number of speakers.~~

~~**CITY COUNCIL/CITY STAFF REPORTS/COMMUNICATIONS/ANNOUNCEMENTS/FUTURE MEETINGS:**~~

- ~~10. City Manager and/or City Clerk Reports: (This will be either verbal reports at the meeting, or written reports provided at or prior to the meeting)~~
- ~~11. City Council Reports/Committee/Sub-Committee Meeting Reports: (Reports by Mayor/City Councilmembers Regarding Various Agency Meetings/Committee Meetings/Sub-Committee Meeting /Conferences Attended and Possible Direction to its Representatives (If Needed) on Pending issues before such Boards. ((This will be either verbal reports at the meeting, or written reports provided at or prior to the meeting)~~
- ~~12. Council Communications Received (Information/Meetings/Correspondence Received from the General Public to Councilmembers)~~

**CLOSED SESSION: NONE**

**ADJOURNMENT OF CITY COUNCIL MEETING**

March 19, 2024 City Council Meeting will be adjourned to the City Council Meeting of April 2, 2024 at 6:00 pm.

Respectfully Submitted:

Mary Gourley  
Assistant City Manager/City Clerk

Attachment:  
Raw Zoom Minutes



PLEASE STAND BY FOR REALTIME CAPTIONS.

LEVEL LORD IS MELISSA HANDLING HERE? WONDERFUL. MELISSA, PLEASE GO TO THE PODIUM CLASS I HEAR WHAT YOU? AS A GENERAL OVERVIEW, THIS GOES TO THE PUBLIC IN GENERAL, THE LADIES AND'S GOAL IS APPLICATIONS HAVE BEEN RECEIVED AT THE CITY COUNCIL. YOU CAN ASSUME WE HAVE REVIEWED THEM. WE ARE GOING TO GIVE YOU JUST A FEW MINUTES FOR AN INTRODUCTORY STATEMENT AND THEN WE WILL SOME QUESTIONS TO YOU AND THEN WE WILL GIVE YOU A SECOND TO JUST KIND OF WRAP IT UP. WE WILL INTERVIEW ALL OF THE APPLICANTS. MARY, PLEASE REMIND ME WHEN ARE WE MAKING THE LAST ELECTION.

IT WILL BE RIGHT AFTER THE INTERVIEW.

AND WE HAVE THREE SEATS OPEN, IS THAT CORRECT XE

RECEIPTS OPEN, THREE APPLICANTS. MELISSA HANLEY, COULD YOU GIVE US A BRIEF INTRODUCTION?

THANK YOU FOR HAVING ME HERE, COUNSEL. I'M PLEASSED TO BE HERE. MOST HANLEY. I LICENSE ARCHITECT AND I COFOUNDED THE FIRM STUDIO BLITZ 50 YEARS AGO HAVE A LOCATION AND DIFFERENT CISCO AND LOS ANGELES. I'M A VERY RESIDENT OF SEVASTOPOL. BORN AND RAISED HERE. THE SIXTH -- I LOVE THIS WEIRD TOWN AND OF BEING A PART OF IT. I'VE BEEN ON DRV FOR ABOUT THE LAST YEAR AND A HALF DESIGN WE GORED AND CURRENTLY THE VICE CHAIR.

ANY QUESTIONS? LAST MINUTE ONLY. PAYMENT THANK YOU, MADAM MAYOR. I THANK YOU FOR YOUR APPLYING FOR YOUR TIME TO BE HERE. I WILL ASK THE SAME QUESTIONS FOR YOU AS ANYONE ELSE. IF YOU ARE REAPPOINTED, IT MEANS HE WILL LIKELY SERVE THE SAME MEMBERS. I WANT TO KNOW, JUST OVERALL, HOW DO YOU THINK THINGS HAVE BEEN GOING AND, IN PARTICULAR, DO YOU LIKE PEOPLE STEP UP AND GET BACK? MEANING DO THEY TAKE TIME AND RECOGNIZE THEY TAKE TIME? THEY DO STEP A LITTLE. IS CONCERNED ABOUT FREQUENTLY OR INFREQUENTLY?

WHICH WOULD YOU LIKE ME TO START?

WHICHEVER ONE YOU LIKE.

I FEEL VERY LUCKY WITH THE MEMBERS OF THE DRV. I FEEL WE ARE A DIVERSE GROUP OF PEOPLE AND WE DON'T ALWAYS AGREE ON OUR POINT OF VIEW. I THINK THAT'S VALUABLE TO HAVE A VARIETY OF VIEWPOINTS BROUGHT TO THE TABLE. I DON'T THINK WE'VE EVER NOTCHED REACHED A CONSENSUS ON AN ITEM UP FOR US. SOMETIMES, THE CONVERSATION FEISTY WITH REGARDS TO TREE REMOVAL. THAT IS A HOT IN SEBASTOPOOL. I THINK IT'S RESPECTFUL AND THE GROUP THAT WE HAVE IS A VERY THOUGHTFUL AND DEDICATED GROUP. I'M VERY PROUD TO SERVE WITH THEM.

THANK YOU.

COUNCILMEMBER HILTON.

TO BE HONEST, I DON'T HAVE ANY QUESTIONS. I REMEMBER WHEN YOU WERE APPOINTED AND I SUPPORTED YOU THE LAST TIME. I'M GOING TO SUPPORT YOU THIS EVENING. AND THANK YOU FOR SERVING.

SO, WE HAVE ONLINE, BOTH COUNCILMEMBER MAREN, COUNCILMEMBER McCLUER SCOTT I THINK COUNCILMEMBER MAUER RAISED HER HAND FIRST. GO AHEAD, COUNCILMEMBER MAUER. I THINK YOU ARE MUTED.

CAN YOU HEAR ME? SORRY ABOUT THAT. ACTUALLY DID NOT RAISE MY HAND. I WILL GO AHEAD, BECAUSE I GOT THE FLOOR. I WOULD LIKE TO KNOW, IS BEEN PROPOSED THAT DESIGN REVIEW BOARD MERGED WITH THE COMMISSION. THAT'S A PROPOSAL, IT'S NOT A DONE DEAL. MELISSA, I WOULD LIKE TO KNOW WHAT YOUR THOUGHTS ARE ON THAT. DO YOU THINK THAT IS A WORKABLE SITUATION? WHAT DO YOU THINK?

WE ARE IN PRELIMINARY CONVERSATION. I'VE HAD THE BENEFIT OF HAVING AWFULLY CONVERSATIONS. HUSBAND'S ON PLANNING COMMISSION. ONE OF US IS GOING TO HAVE TO GET OFF THING. I THINK THERE ARE SOME OF TO BE DERIVED BY COMBINING THESE TWO BOARDS. SEBASTOPOOL CANDIDLY IS NOT KNOWN AS A SUPER DEVELOPMENT FRIENDLY TOWN TO WORK IN. I THINK WE CAN CHANGE THAT. I THINK THAT WE HAVE AN OBLIGATION TO BALANCE OUR BUDGET BY BRINGING IN NEW REVENUE THAT CAN BE DERIVED BY BRINGING IN REALLY QUALITY WONDERFUL PROJECTS AND BEING A

FRIENDLY FACE TO DO REALLY BEAUTIFUL AND INNOVATIVE WORK. I THINK BY COMBINING THESE BOARDS, WE CAN DRIVE SOME EFFICIENCIES AND CREATE A PROCESS THAT CAN GET TO SOLUTIONS EARLIEST APPLICANTS, PERHAPS ARE NOT SPENDING HUNDREDS OF THOUSANDS OF DOLLARS ON ARCHITECTURE FEES OR DESIGN FEES FOR BECOMING ONE OF OUR BOARDS. WE ARE GOING TO GET TO A NO, LET'S GET TO KNOW EARLY. IF WE ARE GOING TO GET TO A YES, LET'S GET TODAY YES EARLY.

DO YOU THINK THAT, AND ANYWAY, THE DESIGN WILL BE, OR COULD BE COMPROMISED BY MERGING THE TWO BOARDS?

I THINK IT'S TOO EARLY TO GET TO THAT DECISION. I THINK IT WILL BE SOMETHING TO CERTAINLY AVOID. IF WE STREAMLINE A PROCESS AT THE EXPENSE OF THE DESIGN, THEN WE ARE MISSING IT. I KNOW THERE IS ONE PROPOSAL TO MAKE MORE PROJECTS SUBJECT TO SB 35 TO MAKE THE OBJECTIVE DESIGN STANDARDS MORE UBIQUITOUS. I THINK THAT'S NOT THE ANSWER. I WAS NOT A STRONG SUPPORTER OF THE LDS HAS BEEN PASSED. I THINK WE ABSOLUTELY CAN SACRIFICE THE QUALITY OF OUR TOWN AND THE QUALITY OF OUR PROJECTS.

THANK YOU, MELISSA. GREAT QUESTION.

COUNCILMEMBER Mc LEWIS?

I THINK THE PREVIOUS QUESTION MAY HAVE ARTIE ANSWERED THIS. I'M GOING TO PUT OUT THERE JUST IN CASE THERE'S ANYTHING ELSE. MY FIRST THOUGHT, WAS SINCE YOU'VE BEEN ON SERVING, IS THERE ANYTHING YOU THINK, AND THE PERFECT WORLD WOULD BE A GOOD CHANGE TO MAKE? YOU ADDRESS A LOT OF THAT. BUT JUST IN CASE THERE'S ANYTHING ELSE THAT YOU THINK WOULD BE GOOD FOR US TO UNDERSTAND, THAT COULD CHANGE ? THAT WAS MY QUESTION. BUT IF WE ALREADY COVERED IT, IT'S OKAY AS WELL.

I THINK THAT HAVING THE CONVERSATIONS FOR DERIVING BETTER EFFICIENCIES THROUGH THE PROCESS IS A GOOD PLACE TO START.

THANK YOU.

I THINK YOU ALREADY KIND OF ANSWERED, BUT WHEN WE LOOK AT CITIZEN VOLUNTEERS, LIKE YOURSELF, IS THERE ANYTHING THAT YOU THINK YOU WOULD SUGGEST THE CITY CONSIDERED DOING DIFFERENTLY IN ORDER TO ATTRACT MORE INTEREST THEN SERVING IN THAT ROLE?

ANY POSITION LIKE THIS REQUIRES A TIME COMMITMENT. AT IF YOU'RE GOING TO SIGN UP FOR THAT, YOU RECOGNIZE FORGIVING SIX TO 10 HOURS A MONTH OR WHATEVER IT IS. I THINK THAT IS FINE. IF I COULD ONLY CHOOSE ONE THING, IT WILL BE THE TIME OF THE MEETING MAYBE TO BE AFTER HOURS. I THINK THAT ALSO COULD ENCOURAGE MORE PUBLIC INTERACTION. OUR MEETINGS ARE MIDAFTERNOON, AT THIS POINT. IF APPLICANTS OR MEMBERS OF THE PUBLIC ARE WORKING, THEN THEY CANNOT JOIN US. WE DON'T HAVE TERRIFIC PUBLIC ENGAGEMENT AT DRV, IT WOULD BE NICE TO HAVE MORE PUBLIC ENGAGEMENT.

THANK YOU VERY MUCH. WE WANT TO CLOSE UP WITH ANY COMMENTS?

I WOULD LOVE TO KEEP DOING IT. IT'S A LOT OF FUN. THANK YOU VERY MUCH. THANK YOU. I REALLY APPRECIATE YOUR APPLICATION HERE. OUR NEXT PERSON IS CHRISTINE LEVEL. CHRISTINE, IF YOU COULD COME TO THE PODIUM, THAT WOULD BE TERRIFIC. AND I WILL REMIND THE PEOPLE IN THE ROOM HERE, IT'S HARD TO RESTRAIN YOURSELVES FROM RESPONDING TO WHAT IS BEING SAID, BUT PLEASE DO TRY TO GET THE RESPECT QUIET RECEIPT FOR THOSE WHO ARE SPEAKING. HI, CHRISTINE. THANK YOU FOR BEING HERE.

HELLO. THIS IS WORKING, I PRESUME.

THAT'S GREAT. YOU KNOW OUR FORMAT. A BRIEF INTRODUCTION AND WE WILL PRESENT YOU WITH SOME QUESTIONS. PLEASE GO AHEAD. I'M CHRISTINE LEVEL. I AM A LONG-TERM SEVASTOPOL RESIDENCE. I LIVE MY ENTIRE LIFE IN THE BAY AREA. I GREW UP IN MENLO PARK AND THAT I WANT TO CAL POLY TO GIVE ARCHITECTURAL ENGINEERING DEGREE AND GOT A JOB IN SANTA ROSA AND I HAVE BEEN IN SEBASTOPOOL EVER SINCE 1907. I HAVE BROUGHT THE HOUSE -- MY HUSBAND AND I BOUGHT THE HOUSE WE LIVED IN IN 1989. WE HAVE LIVED EVER SINCE. IT'S JUST OUTSIDE OF TOWN. AND WE RUN A BUSINESS IN SEBASTOPOOL LEVEL STRUCTURE ENGINEERING SINCE 1991. I ALSO SPECIALIZE IN ARCHITECTURAL DESIGN, WHICH I CAN DO INFRASTRUCTURE MANAGEMENT. AND I'VE MANAGED A LOT OF MILLION-DOLLAR CONSTRUCTION.

PROJECTS FROM THE ENGINEERING RESPECT. SO, I'VE BEEN ON THE DESIGN REVIEW BOARD FOR QUITE SOME TIME. I THINK, 10 YEARS, MAYBE. AND I HESITATED THIS TIME TO REAPPLY, BECAUSE I WAS CONCERNED ABOUT TIME. I REALLY TAKE THIS VERY SERIOUSLY. AND I WANT TO MAKE SURE I HAVE THE TIME TO DEDICATE TO DOING THE TYPE OF JOB THAT NEEDS TO BE DONE. BUT, HERE I AM. AND I'M READY TO HEAR YOUR QUESTIONS.

THANK YOU VERY MUCH. I'M GOING TO LOOK AT ONE ZOOM HERE. GO AHEAD, COUNCILMEMBER MAURER.

HI, CHRISTINE. I WANT TO THANK YOU FOR ADMITTING YOUR SERVICE FOR SEBASTOPOOL. MY QUESTION IS GOING TO BE THE SAME ONE THAT ASKED MELISSA. WHAT ARE YOUR THOUGHTS ON THE PROPOSAL TO MERGE THE DESIGN REVIEW BOARD WITH THE PLANNING COMMISSION? WHAT YOU SEE AS THE BENEFITS AND OR THE DOWNSIDES OF DOING THAT? AND DO YOU THINK IT PUT ANY -- IS THERE ANY RISK IN TERMS OF DESIGN QUALITY TO MERGING THOSE TWO BOARDS? THANK YOU.

THANK YOU FOR YOUR QUESTION. THAT'S A GOOD QUESTION. I DISCOVERED, WHEN I WAS SETTING THE OBJECTIVE DESIGN STANDARDS, WHICH, I SPENT MANY MANY MANY HOURS --

CHRISTINE, I'M SORRY, I'M GOING TO DO TO GET CLOSER TO THE MIKE.

I'M SORRY. I WANT TO FACE YOU BECAUSE I'M TALKING TO YOU. I'M SORRY ABOUT THAT. PLANNING, I LEARNED IN DESIGNED ARE REALLY SEPARATE THINGS. I HAD TO SPEND A LOT OF TIME UNDERSTANDING WHAT THE HOUSING ELEMENT WAS AND READING THE NUMBERS AND WHAT PLANNING IS AND WHAT THAT IS. AND THAT'S SORT OF ITS OWN CATEGORY. AND DESIGN IS A DIFFERENT THING. SO, I'M AFRAID THAT THE MERGER OF THE TWO WOULD CAUSE THE DESIGN ASPECT TO BE OVERWHELMED BY THE PLANNING ASPECTS, WHICH, DESIGN IS MORE OF A SUBJECTIVE THING, WHEREAS I LEARNED PLANNING HAS A LOT OF LAWS THAT ARE MANDATED BY THE STATE THAT HAVE COME DOWN AND, IN ORDER TO REALLY PROPERLY ENGAGE I THINK IN THAT AREA, YOU HAVE TO UNDERSTAND THE. AND I, CERTAINLY, UNTIL I STUDIED THE OBJECTIVE DESIGN HUNDRED AND WHAT I NEEDED TO LEARN TO MAKE A JUDGMENT ON THOSE, I HAD TO LEARN A LOT OF STUFF THAT HAD NOTHING TO DO WITH REALLY WHAT I DID IN MY DAY-TO-DAY PRACTICE, WHICH IS DESIGN. I HESITATE TO THINK THIS IS A GOOD IDEA.

OKAY.

THANK YOU FOR YOUR INPUT. I'M GOING TO STICK WITH THE ZOOM COUNCIL MEMBERS. COUNCILMEMBER Mc LEWIS ?

THANK YOU SO MUCH FOR ALL THE YEARS YOU HAVE SERVED. THAT'S A LONG TIME. I CAN CERTAINLY UNDERSTAND THE HESITATION. I'M JUST WONDERING, GIVEN EXPANSE, WHAT DO YOU THINK WE DO WELL AS A CITY, AS FAR AS THE DRV, AND WHAT CAN WE DO BETTER?

I THINK WE HAVE AN EXCELLENT DESIGN REVIEW BOARD. I HAVE BEEN ON A LONG TIME. I HAVE SEEN IT EBB AND FLOW. RIGHT NOW, WE HAVE A REALLY GOOD MIX OF DESIGN PROFESSIONALS. I THINK THAT YOU NEED THAT ON THE BOARD. THERE'S TOO MANY ASPECTS TO DESIGN THAT GO BACK TO UNDERSTANDING OF CODES AND THINGS THAT YOU MUST DO. AND TO HAVE PEOPLE ON THE BOARD THAT YOU UNDERSTAND THAT, I THINK IT'S NOT NECESSARILY PRACTICAL. AND I WOULD LIKE TO SEE AN OPPORTUNITY FOR MORE PUBLIC ENGAGEMENT. AND I AGREE WITH MELISSA. I UNDERSTAND WHY WE HAVE THE MEETINGS WHEN WE HAVE, BUT MEETINGS LATER IN THE DAY, I THINK IT WOULD BE REALLY HELPFUL. AND I REALLY HAVE ALWAYS ENCOURAGED PUBLIC TO PLEASE COME TO THE MEETINGS, UNDERSTAND WHAT'S GOING ON IN YOUR TOWN, BE ENGAGED, AND I WOULD LIKE TO SEE IF THERE'S SOME WAY WE CAN FIND A WAY TO ENCOURAGE PEOPLE TO DO SO. AND I DON'T KNOW IF THAT'S -- MAYBE PEOPLE DON'T KNOW ABOUT THE MEETINGS. EVEN PEOPLE THAT WOULD SIGN UP TO VOLUNTEER ON THE BOARD, MAYBE THEY DON'T KNOW. IT'S A QUESTION I HAVE. CAN WE HAVE MORE OUTREACH?

THANK YOU. DID THAT ANSWER YOUR QUESTION, COUNCILMEMBER Mc LEWIS?

YES. THANK YOU SO MUCH.

COMING BACK TO THE COUNSEL TABLE HERE. VICE MAYOR SOMMER.

THANK YOU, META-MAYOR. I WILL ASK YOU THE SAME QUESTION. THANK YOU FOR YOUR TIME WITH THE ALLEGATION AND BEING HERE. AGAIN, IF YOU ARE RE APPOINTED,

YOU WILL BE SERVING WITH SEVERAL OF THE SAME MEMBERS. JUST GENERALLY, HOW DO YOU THINK THINGS ARE GOING? DO PEOPLE TAKE TIME AND GET THAT TIME PROPORTIONALLY. IT'S CONSISTENCE OF AT FREQUENTLY OR INFREQUENTLY?

I THINK WE HAVE AN EXCELLENT BOARD. I THINK EVERYBODY CAN PORT THEMSELVES WITH GREAT PROFESSIONALISM. AND IT'S RESPECTFUL TO EACH OTHER. THERE ARE DISAGREEMENTS, BUT THERE SHOULD BE. I THINK DIVERSITY OF THOUGHT IS A VERY IMPORTANT THING TO HAVE. AND, I ENCOURAGE IT. AND, I THINK MOST OF THE TIME, THERE IS CONSENSUS. NOW AND THEN, THERE MIGHT BE A REASON WHY SOMEBODY DOES NOT VOTE WITH THE BOARD. MY ATTITUDE IS TO GENERALLY TRY TO VOTE WITH THE BOARD AND UNDERSTAND WHERE THE CONSENSUS IS AND BUT WITH THE BOARD. THERE HAS BEEN AN OCCASION WHERE I ADAMANTLY DISAGREED AND MY VOTE WENT THE OTHER WAY. BUT I THINK ALL IN ALL, I THINK WE HAVE AN EXCELLENT BOARD. AND I THINK THAT IT'S VERY PROFESSIONAL.

THANK YOU. COUNCILMEMBER HENTON.

HOW LONG HAVE YOU BEEN ON BOARD? HOW MANY YEARS?

YOU WERE TO ASK THAT QUESTION.

I'M GOING TO SAY IT'S GETTING CLOSE TO 10.

I'M CURIOUS ABOUT YOUR OPINION ABOUT INTENSIFYING SEBASTOPOOL. THERE SEEMS TO BE'S TO SCHOOLS AT THOUGHT. ONE IS TO ADD MORE HOUSING AND MIX SEBASTOPOOL AT OUR CORE AND MORE DENSIFY, I GUESS WOULD BE THE WORD. AND OTHER PEOPLE, I JUST HAVE MY OWN EXPANSE, HAVE BEEN DESIGNING AND AV YOU NEXT TO MY HOUSE AND SOME OTHER PEOPLE HAVE BEEN FEELING LIKE THAT'S TOO MUCH, THAT'S TOO CLOSE. WHAT YOU'RE FEELING ABOUT THE BALANCE, I GUESS.

I WAS A I DON'T REALLY HAVE AN OPINION ABOUT THAT. I WOULD SAY THERE ARE SOME STATE LAWS RIGHT NOW THAT ARE MANDATING DENSIFICATION. AND, IT'S A HEAVY HAND FROM THE STATE. I KNOW THAT FOR A FACT. IF YOU DON'T MANDATE IS IN SERIOUS FINANCIAL/STATE AND BASICALLY TAKEN OVER BY THE STATE. SO, THE DENSIFICATION THING IS, HIS OPINIONS THIS WAY AND THAT WAY AND I THINK THAT THE CONVERSATION THAT WILL EXCEED WHAT WE CAN DO THAT HERE IN A MINUTE OR TWO OF TIME. WE DO HAVE THE STATE MANDATES AND THEY ALL OWNERS.

THANK YOU.

THE LAST QUESTION. THANK YOU FOR BEING HERE. I HAVE DEVELOPED QUESTION. YOU MENTIONED YOUR CONCERN ABOUT, PLEASE ME TO ASK WHETHER YOU HAVE BEEN ABLE TO FIND THE TIME TO ATTEND THE MEETINGS DURING THE COURSE OF YOUR TIME ON THE DESIGN REVIEW BOARD.

I ALWAYS MAKE IT A PRIORITY TO ATTEND THE MEETINGS. THE ONLY MEETINGS I EVER MISSED, I MUST SAY, EVEN WHEN I WAS AN ALTERNATE, UNLIKE OTHER ALTERNATES OF RECENT TIME, I ATTENDED EVERY SINGLE MEETING, UNLESS I AM OUT OF TOWN.

SO WHEN YOU EXPRESSED THE CONCERN ABOUT TIME COMMITMENT, AT THIS POINT, I KNOW THAT YOU ARE HERE INTERVIEWING AND YOU ARE CONSIDERING REAPPLYING, YOU HAVE REAPPLIED. DO YOU PHILLY WILL BE ABLE TO MAKE THE TIME COMMITMENT? YES, I MAKE THE TIME.

IS AND WANTS THAT IF I COMMIT TO SOMETHING, I MAKE THE TIME. SO, THE QUESTION I WOULD HAVE WOULD BE TO I WANT TO MAKE THAT TIME, ORDER AND MY GOING TO PRIVATIZE MY TIME OTHERWISE. BUT IF I DON'T HAVE THE TIME, I WOULD NOT HAVE COMMITTED TO MAKE THE TIME TO DO THIS.

UNDERSTOOD. YOU SAID, DURING AN ANSWER TO ONE OF THE QUESTIONS, AND I PROBABLY MISHEARD YOU, BUT I THINK YOU SAID YOU FOUND IT DIFFICULT TO WORK WITH PEOPLE WHO DON'T UNDERSTAND THE -- WILL DON'T UNDERSTAND DESIGN, WERE YOU TALKING ABOUT PEOPLE ON THE DESIGN REVIEW BOARD? DIESEL PEOPLE ON THE DESIGN REVIEW BOARD, TO PUT IT DIFFERENTLY, HAVE EXPERTISE THAT THEY NEED TO HAVE IN ORDER TO ADDRESS THE ISSUES THAT COME BEFORE YOU?

HAVE TO QUIT WHAT YOU SAID THERE, WITH ALL DUE RESPECT. I DID NOT SAY I FIND IT DIFFICULT TO WORK WITH THEM. IT IS IMPORTANT TO UNDERSTAND THE DESIGN PARAMETERS. FOR EXAMPLE. WHEN I FIRST WAS ON THE DESIGN REVIEW BOARD, THERE WAS A DISCUSSION ABOUT THE PROJECT THAT'S ACROSS THE STREET FROM WHERE STARBUCKS USED TO BE. THERE'S EIGHT UNITS ON THE BOTTOM AND EIGHT UNITS ON THE TOP. IN THE MEETINGS, THE DESIGN REVIEW BOARD STARTED TO DISCUSS DIVIDING

THAT ONE BUILDING INTO TWO BUILDINGS. AND WE WENT DOWN THE ROAD WITH THIS DISCUSSION. THE PROBLEM WITH THAT, UNDERSTANDING THE DESIGNER IS THEY ARTIE HAD TO MATT. SO, THEY COULDN'T. THAT'S THE PERFECT EXAMPLE OF THE KIND OF THING I'M TALKING ABOUT. THERE'S NO POINT IN HAVING A DISCUSSION ABOUT TAKING A BUILDING WITH THE TENTATIVE MAP WITH EVERY SINGLE BOUNDARY DEFINED AND THEN SPLIT THAT BUILDING IN TWO BECAUSE YOU WOULD BLOW PERSONAL BOUNDARY AND ATTEMPT TO EVERYTHING THAT WOULD BE INVALID AND YOU WOULD HAVE TO START OVER. THAT'S LIKE A PERSON THAT DID NOT UNDERSTAND THAT. I WAS PROPOSING THIS. DID NOT UNDERSTAND THE TENTATIVE MAP. THAT'S JUST A NUANCE OF HAVING A DESIGN EXPERIENCE.

BEST EXPERTISE YOU BRING. THAT PROVIDES AN OPPORTUNITY TO ASK HOW DO YOU, AND THOSE CIRCUMSTANCES, WHICH IS FROM MY PERSPECTIVE REALLY IMPORTANT IN A TEAM AND BOARD WERE IF ONE HAS TO WORK TOGETHER. HOW DID YOU NAVIGATE THAT CONFLICT, POTENTIAL CONFLICT.

JUST BE POLITE.

EVERYBODY ON THE DESIGN REVIEW BOARD NOW IS ON THE DESIGN PROFESSIONAL. THIS WOULD NOT BE AN ISSUE. I'M JUST GIVING THAT AS AN EXAMPLE. DESIGN AND CODES ARE -- THERE'S SO MUCH INVOLVED, YOU ALMOST HAVE TO HAVE AN UNDERSTANDING OF IT BEFORE YOU CAN EVEN APPROACH THE DESIGN.

OKAY. THANK YOU. THAT'S ALL THE QUESTION I HAVE. AND ONE MORE THING. THIS WILL BE ANOTHER PROBLEM WITH THE PLANNING COMMISSION DESIGN REVIEW BOARD COMBINATION. AT ALL THE PEOPLE IN THE PLANNING COMMISSION. PAUL FRITTS CERTAINLY WOULD UNDERSTAND THE DESIGN BACKGROUND OR THE DESIGN ASPECTS. BUT PERHAPS, SOMEBODY ELSE MIGHT NOT, THAT'S ON THE COMMISSION, AND YOU HAVE TO UNDERSTAND, THIS IS A BACKGROUND, THE CODES AND THE PRACTICES OF THE BACKGROUND THAT YOU HAVE IN YOUR MIND FOR UNDERSTANDING DESIGN. YOU HAVE TO.

THANK YOU. PLEASE STAY AT THE PODIUM FOR A SECOND. IF THE DESIGN RIVERA AND THE PLANNING COMMISSION ARE IN FACT COMBINED, WOULD YOU STILL WANT TO SERVE?

I'M JUST GIVING HYPOTHETICALS. I DON'T EVEN KNOW EVERYBODY ON THE PLANNING COMMISSION. I AM JUST SAYING THESE ARE POSSIBLE --

I HAVE NOT BEEN GIVING THE OPPORTUNITY TO CONTEMPLATE WHAT THE COMBINATION MEANS, BECAUSE IT IS IS THE FIRST TIME I HEARD ABOUT IT. 3 IF YOU LIKE TO TAKE A FEW MINUTES TO WRAP UP FOR US, THAT WOULD BE TERRIFIC.

I REPLIED, BECAUSE I'M COMMITTED TO MY TOWN. THIS IS MY TOWN, AND I WOULD LIKE TO SERVE AGAIN.

THANK YOU VERY MUCH. APPRECIATE YOUR TIME.

THANK YOU VERY MUCH.

OUR FINAL APPLICANT IS LAURA LING BURKE, WHO I SEE APPROACHING THE PODIUM NOW. AND WE WILL GET HIS INFORMATION AND ASK QUESTIONS AND THEN WE WILL WRAP IT UP. THANK YOU, LAWRENCE. IF YOU CAN INTRODUCE YOURSELF, AND GO THE QUESTIONS.

THANK YOU, THANK YOU FOR HAVING ME. I'M AN ARCHITECT, I'VE BEEN MY WHOLE LIFE, BASICALLY TO UNDERGRADUATE EDDIE, AND GRADUATE STUDY. I'VE BEEN IN CALIFORNIA SINCE 1989 AFTER GROWING UP IN NEW YORK AND COLORADO. I'VE BEEN IN STONE COUNTY FOR ABOUT 21 YEARS RUNNING MY PRACTICE HERE AND MANY OF YOU POINT AT MY OFFICE SPACE RIGHT DOWNTOWN. I'VE BEEN THERE FOR MAYBE ABOUT 16 YEARS. I DO PRIMARILY RESIDENTIAL'S, SINGLE-FAMILY RESIDENTIAL WORK, BUT ALSO, VARIOUS COMMERCIAL PROJECTS. I WORKED ON THE COLLAGEN CENTER AND ONE OF MY FAVORITE PROJECTS I'M NOW WORKING ON, THE HARBIN HOT SPRINGS, THE FIERY BILLS, WHICH IS A BIG, INTERESTING PROJECT, FOR SURE. I RAISE MY TWO KIDS HERE, WHO ARE NOW IN COLLEGE OR OUT OF COLLEGE. AND, I LOVE THIS TOWN. I'VE BEEN ON THE DESIGN REVIEW BOARD. I CAME IN MIDWAY FILLING A VACANCY IN 2016. I'VE DONE TWO FULL TERMS. I WAS ACTUALLY ON THE DESIGN REVIEW COMMITTEE FOR SIX YEARS.

PRIOR TO THAT, AND IN MY TUPLE TERMS, I HAVE BEEN ALSO A MEMBER OF THE PUBLIC ART COMMITTEE. WHICH I AM REALLY ENJOYING WORKING ON THAT PROJECT AND I'VE BEEN ON THE CHAIR OF THE BOARD FOR THE LAST YEAR.

EXCELLENT.

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QUESTION. I'M GOING TO START AT THE COUNSEL TABLE. ANYONE? VICE MAYOR SULLIVAN.

THANK YOU FOR YOUR TIME AND DURING THE APPLICATION AND BEING HERE TONIGHT. THE SAME QUESTION. IF YOU WERE REAPPOINTED, YOU WILL BE LIKELY SERVING WITH THE SAME GROUP. AS A WHOLE, HOW DO YOU THINK THINGS HAVE BEEN GOING BY WAY OF DECISION-MAKING? DO YOU TAKE A LOT OF TIME VERSUS SOME THAT DON'T GET A LOT OF TIME. ALSO, THE CONSENSUS ARRIVED AT FREQUENTLY OR INFREQUENTLY?

WHAT WAS YOUR QUESTION?

BASICALLY THE WHOLE ADDING OF THE PEOPLE STEP UP AND THEY REALIZE THEY'VE BEEN TALKING TOO MUCH AND THEY NOT TALK AS MUCH?

AS CHAIR OF THE BOARD, THAT'S PART OF MY ROLE, IS TO SORT OF REGULATE HOW PEOPLE INTERACT. AND WHAT'S INTERESTING, I THINK ABOUT OUR COMMITTEE AND OUR TOWN. IT'S A SMALL SCALE CATTLE PLACE. SO, I FEEL LIKE I WORK HARD TO STICK TO THE PROTOCOL AND GET THE MEETING MOVING AND YET, BE INFORMED AS NEEDED. THAT CAN OFTEN BE WITH OUR APPLICANTS AFTER THEY HAD GIVEN A PRESENTATION AND A QUESTION COMES UP LATER INSTEAD OF SAYING I'M SORRY, YOU ARTIE HAD YOUR TIME, WE ALLOW THEM TO SPEAK TO THE BOARD AND I THINK IT'S A GOOD BALANCE. PEOPLE, I THINK EVERYBODY PARTICIPATES FULLY. AND AS THEY SEE FIT. AGREEING WITH MY FELLOW BOARD MEMBERS, WE DO ARRIVE AT CONSENSUS MOST OF THE TIME. MOST WITH OCCASIONAL DISSENT. IT'S A LIVELY DISCUSSION FOR SURE.

THANK YOU.

COUNCILMEMBER HINTON CAUGHT ANY QUESTIONS?

I GOT TO SAY, I HAD NOT HEARD BEFORE TONIGHT, ABOUT THE MERGING OF POSSIBLE PLANNING COMMISSION AND THE DESIGN REVIEW. SINCE THAT TENDS TO BE A TEAM AND YOU'VE BEEN AROUND FOR A WHILE, I GUESS I WILL GO AHEAD, BEFORE ONE OF MY COLLEAGUES DOES, ASK THAT QUESTION.

I THINK AT THE LAST MEETING, IT WAS KIND OF FLOATED BY THE HIGHER UP STAFF AS A POSSIBILITY. I'M NOT SO SURE IT'S A GOOD IDEA TO MERGE THEM. THERE ARE DIFFERENT PEOPLE ON BOTH BOARDS. IF WE DID, IF I'M NOT MISTAKEN, THE PLANNING COMMISSION DOES NOT HAVE REQUIREMENTS TO HAVE DESIGN PROFESSIONALS IN THE MEMBERSHIP, AS DESIGNER PEEP DOES. SO IF THEY MERGE, THAT HAS TO BE CLARIFIED, FOR SURE. BUT I THINK THERE'S ALSO THE COMPONENT CHRISTINE MENTIONED OF THE RV AS MUCH MORE FOCUSED KIND OF LIMITED SCALE OF WHAT WE LOOK AT, THE COMMISSION IS MUCH BROADER. SO, I THINK, IF MONEY WAS NOT AN ISSUE, IF THIS WILL NOT, NO, THERE IS A REALLY GOOD PROCESS TO GO THROUGH THAT BOARD AND THIS BOARD AND DIFFERENT ISSUES COME UP WITH DIFFERENT QUESTIONS AND THERE'S TIME FOR EVERYBODY TO THINK ABOUT IT. I LIKE HAVING THE BOTH. I THINK THERE'S A WAY TO DO IT, TO PUT THEM TOGETHER, IF NECESSARY. THE MAC THANK YOU.

COUNCILMEMBER Mc LEWIS, WE WILL GO TO YOU.

THANK YOU SO MUCH FOR SERVING ON THIS FOR SO LONG. I JUST HAVE THE SAME EXACT RUSSIAN. WHAT YOU THINK IS GOING WELL ON THE DESIGN REVIEW BOARD, AND WHAT YOU THINK WE COULD BE DOING BETTER, OR ANYTHING YOU WANT TO COMMUNICATE TO US OTHER THAN TALK ABOUT THE MERGER. THANK YOU.

OKAY. I THINK, TO ME, SOME OF THE BEST DESIGN REVIEW BOARD MEETINGS ARE WHEN AN APPLICANT COMES AS A PRELIMINARY REVIEW, SO THEY ARE NOT ASKED TO SAY YES OR NO OR CONTINUE TO REALLY RULE, BUT RATHER GET FEEDBACK. SO, I COULD SEE THAT PART OF THE PROCESS HAPPENING MORE OFTEN, MUCH SOONER, AND THE PROCESS OF THE PROJECT. SO, THE DESIGN IS NOT ADVANCE. SO FAR DOWN THE ROAD, AND THEN POTENTIALLY RUNNING INTO TROUBLE WHEN IT'S ALREADY KIND OF READY TO MOVE AHEAD TO ITS BUILDING PERMIT. SO, WE'VE HAD SOME OF THOSE MEETINGS, I THINK THEY'VE BEEN THE MOST VALUABLE TO GIVE FEEDBACK TO APPLICANT TO COME ON THAT SIDE OF IT, OF THE BOARD, WHO ARE IN THE AUDIENCE PRESENTING PROJECTS. IT'S A LOT OF TIME AND ENERGY. AND MONEY FOR AN ARCHITECT TO DO THAT WORK. SO, TO HAVE SOME EARLIER PROCESS

THANK YOU.

COUNCILMEMBER MAURER .

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THANK YOU SO MUCH FOR YOUR SERVICE. SO, COUNCILMEMBER HINTON ASK MY QUESTION. SO, I HAVE KIND OF A SUB QUESTION FOR YOU. TWO QUESTIONS, ACTUALLY. WHAT YOU THINK OF THE IDEA OF IF THE PLANNING COMMISSION ARE THE RV WERE MERGED. WOULD IT WORK TO HAVE A SUBCOMMITTEE OF DESIGNERS THAT WORK ON PROJECTS. I DON'T KNOW IF THAT WOULD SAVE ANY RESOURCES, WHICH WOULD HAVE BEEN THE INTENT TO MERGE THE TWO. I WILL ASK THAT QUESTION FIRST.

I THINK ANY COMMITTEE AND SUBCOMMITTEES AS A WAY TO EXPAND THE BREADTH OF WHAT THEY DO AND FOCUS IT OUTSIDE OF THE MAINBOARD. I THINK THAT PROCESS IS TRIED AND TRUE AND WORKS. I DON'T KNOW. HOW THAT COULD BE DONE SPECIFICALLY. AND HOW IN THIS IDEA OF A MERGE BOARD, BUT IT'S MORE TIME FOR THE VOLUNTEERS, BE SURE. I DON'T KNOW ABOUT THAT TIME.

THE SECOND ISSUE IS THAT THE PUBLIC ART COMMITTEE AND THE CAMPAIGN HAS ALSO BEEN A POSSIBILITY THAT THOSE TWO COMMITTEES MIGHT NOT BE STAFFED, NOR BROADCASTED. I'M WONDERING WHAT YOUR THOUGHTS ARE ON THAT.

I THINK THOSE ARE TWO VERY IMPORTANT SUBJECTS IN OUR WORLD. CLIMATE COMMITTEE, FOR SURE IS AN INCREDIBLY PRESSING ISSUE. WE NEED TO KEEP LOOKING AT IT. AND, WE CAN'T MOVE FORWARD WITH THE WORLD WITH OUR PUBLIC ART. SO, I WOULD STRONGLY RECOMMEND TO KEEP BOTH OF THOSE. I UNDERSTAND THERE'S MANY ISSUES AND STAFFING TIME. BUT, I'VE ENJOYED SO MUCH BEING ON THE PUBLIC ART COMMITTEE AND THE WORK WE'VE DONE AND WHAT WE BRING TO THE TOWN.

THANK YOU SO MUCH.

FINAL QUESTION FOR YOU. THANK YOU FOR BEING HERE. THE SAME QUESTION I ASKED FROM OUR FIRST APPLICANT. ANYTHING WE COULD CHANGE, DO YOU THINK IN HOW WE DEAL WITH BOARDS THAT WOULD ATTRACT MORE INTEREST FROM CITIZENS AND PARTICIPATION?

PARTICIPATION AT THE MEETING OR ON THE BOARD?  
ON THE BOARD.

THAT'S A GREAT QUESTION. BECAUSE WE CERTAINLY HAVE NOT BEEN A LOT OF APPLICANTS COME IN. WHENEVER I NEED AN ARCHITECT IN TOWN OR SOMETHING, I TRY TO ENCOURAGE THEM TO JOIN OR AT LEAST APPLY. SO, I WOULD SAY A SIMILAR ANSWER TO THE TIMING IN THE EVENING MIGHT BE EASIER FOR A LOT OF PEOPLE. OTHER THAN THAT, I DON'T HAVE ANY ANSWERS.

THANK YOU. IF YOU LIKE TO JUST GIVE US A FEW MINUTES OF CLOSING COMMENTS. I WOULD JUST SAY I REALLY ENJOY THE WORK THAT I DO ON THE BOARD AND THAT WE DO AS A BOARD. IT'S AN IMPORTANT ROLE WE PLAY HERE IN THE COMMUNITY. I THINK I'M JUST EXCITED TO CONTINUE AND WORK WITH MY FELLOW BOARD MEMBERS AND COUNSEL AND CONTINUING WHAT WE DO.

THANK YOU VERY MUCH. I APPRECIATE YOUR TIME. AT THIS POINT, WE WOULD GO FORWARD AND MAKE A DECISION ON APPOINTMENT, BUT MY INSTINCT IS WE PROBABLY NEED TO GO OUT FOR PUBLIC COMMENT, CORRECT?

YOU ARE CORRECT. YOU CAN DISCUSS THE INTERVIEWS FIRST AND MAKE A DECISION AT THE PUBLIC COMMENT OR YOU CAN GO AHEAD AND OPEN PUBLIC COMMENT NOW. I SEE A LOT OF HAND. I WANT TO MAKE SURE WHAT WE DO PUBLIC COMMENTS, THIS IS ONLY -- IS ME, RIGHT NOW, WE ARE ON ITEM NUMBER ONE, WHICH IS PUBLIC COMMENT ON THE IS OF THE DESIGN REVIEW BOARD. I SEE A LOT OF HANDS. I JUST WANT TO MAKE SURE YOU UNDERSTAND RIGHT NOW, THE PUBLIC COMMENT WITH AEGIS FOR THE APPOINTMENTS TO THE DESIGN REVIEW BOARD. WOULD YOU LIKE ME TO GO AHEAD AND OPEN IT UP FOR PUBLIC COMMENT? THAT I WOULD LIKE TO CHECK IN WITH MY FELLOW COUNCILMEMBERS. IS ANYONE COMFORTABLE WITH MOVING WITH PUBLIC COMMENTS? I'M HEARING NODDING HEAD AND -- SEEING NODDING HEADS, SO YES. PLEASE MOVE FORWARD WITH PUBLIC COMMENT.

THANK YOU COMAIR. AGAIN, THIS IS PUBLIC COMMENT FOR THE APPOINTMENT TO THE DESIGN REVIEW BOARD. SO, IF YOU LIKE TO MAKE AN APPOINTMENT -- OR A PUBLIC COMMENT, I WOULD DO IN CHAMBER FIRST AND THEN WE GO OUT TO ZUNE. IT IS AND WHEN CHAMBERS THAT WOULD LIKE TO MAKE A COMMENT ON THE APPOINTMENT OF THE DESIGN REVIEW BOARD, SEEING NONE, I WOULD GO OUT TO ZOOM LINDA. CAN YOU UNMUTE YOURSELF, PLEASE? THANK YOU. LINDA, CAN YOU HEAR US OKAY?

IN QUEUE, MARY SO MUCH FOR FIXING THE AUDIO FOR ME. AT THIS TIME ANYWAY, I CAN HEAR THE COUNCILMEMBERS AND EVERYBODY VERY CLEARLY, WHICH HAS BEEN AN ISSUE FOR THE LAST RECENT MEETINGS. LOOKING AT THE LARGER PICTURE, IT OCCURS TO ME THAT WE NEED TO HAVE PEOPLE BEING ON THE BOARDS AND CITY COUNCIL, THAT CAN SEE THE CONSEQUENCES OF THE CURRENT BUILD MANDATE. I'M AWARE OF THE STATE MANDATE MORE OR LESS. BUT ANYWAY, I AM VERY CONCERNED, PARTICULARLY ABOUT THE PROJECT, THE COUNTY PROJECT, WHICH IS NEAR ME. IT'S BETWEEN ROBERT AND ONE 16 SQUARE THE ENTIRE, OR THE LAST, AS FAR AS I KNOW, THE ENTIRE AND LAST REMAINING APPLE ORCHARD IN TOWN THAT'S ON THE HIGHWAY THAT BEARS THE APPLES. IT'S GOING TO BE DESTROYED IN REMOVED. AND REPLACED WITH A MONSTROSITY OF 96 UNITS, A THREE-STORY TWO-CAR ALL ELECTRIC PROJECT. WHICH IS GOING TO HAVE A HUGE DRAIN OUR LIMITED WATER AND OUR INFRASTRUCTURE, THE TRAFFIC.

LINDA, YOU HAVE ABOUT 30 SECONDS.

AN ENORMOUS PROBLEM. WE NEED TO HAVE PEOPLE ON THE BOARD AND CITY COUNCILS THAT NOT ONLY KNOW ABOUT THE CONSEQUENCES OF THEIR DECISION, BUT ALSO KNOW ABOUT THE CONSEQUENCE IS OF ELECTROMAGNETIC FIELD, BIOLOGIC THE AND WHAT ALL THE SMART DEVICES ARE DOING TO US. THANK YOU.

THANK YOU, LINDA FOR PUBLIC COMMENT. NEXT, I WILL COME BACK INTO CHAMBERS. IS THERE IS ANYONE THAT WOULD LIKE TO MAKE A PUBLIC COMMENT ON THE DESIGN REVIEW BOARD APPOINTMENT CAUSING NONE, I WILL GO BACK OUT TO ZOOM. CHAD, CAN YOU UNMUTE YOURSELF, PLEASE?

YES, HELLO. CHAD BETTIS WELL HERE. CAN YOU HEAR ME?

I CAN HEAR YOU, CHAD. CAN YOU SEE THE TWO-MINUTE TIMER?

I CAN. GOSH I JUST LOST FIVE SECONDS.

AHEAD WITH THEIR PUBLIC COMMENTS, PLEASE.

THANK YOU. THERE'S SO MUCH TO TALK ABOUT. IT'S EXCITING, AND I WOULD ALSO LIKE TO BRING UP A CONCERN. BUT I REALLY LOVE THE INFRASTRUCTURE DRIVEN POLICIES AND ALL THE SUSTAINABILITY STOP AND THE STAKEHOLDERS COMING IN AND THE SPEED BUMPS AND ALL THE GREAT NEW STUFF.

CHAD, I'M SORRY TO. BUT THIS IS COMMENT ON THE DESIGN REVIEW BOARD APPOINTMENTS.

YES. SPECIFICALLY THE DESIGN REVIEW. WHAT DESIGN ARE WE REALLY TALKING ABOUT HERE? AND REALLY, WHEN IT COMES DOWN TO IS I'M CONCERNED THAT RABBIS ARE CRAWLING OUT OF THE SEWERS.

I'M GOING TO STOP TALKING BECAUSE THIS IS A DISRUPTIVE COMMENT. AND I WOULD LIKE MARY TO PLEASE HOLD HIS TIME AND THEN I'M GOING TO GIVE THIS INDIVIDUAL A WARNING. HAS HE SIGNED OFF, MARY? OR IS HE STILL ON?

LET ME CHECK.

WHILE WE ARE WAITING FOR THAT, JUST OF THE PUBLIC IS AWARE, THE ROUTINE IS IF SOMEONE IS DISRUPTIVE, WE GIVE THEM A WARNING AND ALLOW THEM TO CONTINUE AND HOPE THAT THEY WILL COMPLY WITH OUR RULES REGARDING DISRUPTION OF MEETINGS AND THEN WE CUT THEM OFF IF THEY ARE UNABLE TO DO THAT. MARY, DO WE CONTINUE TO SEE CHAD?

I DO NOT SEE HIM.

AT THE MEETING ORGANIZER HERE, I WILL SADLY START TALKING ABOUT AN OVER PEOPLE IN ORDER TO MAKE SURE THAT OUR ASSISTANT MANAGER HAS THE OPPORTUNITY TO MEET THEM. SO WE CAN GIVE THEM A WARNING.

CAN YOU CONTINUE WITH PUBLIC COMMENT.

AGAIN, WELCOME BACK INTO CHAMBERS. IF THERE'S ANYONE THAT WOULD LIKE TO MAKE A PUBLIC COMMENT? SEEING NONE, I WILL GO OUT TO ZOOM. KYLE, CAN YOU UNMUTE YOURSELF, PLEASE?

YES I CAN.

THANK YOU. CAN YOU SEE THE TIMER?

THAT'S OKAY. I WILL BE VERY QUICK.

GO AHEAD. THANK YOU. I APPRECIATE HAVING THE OPPORTUNITY TO HEAR FROM DESIGN REVIEW BOARD CANDIDATES. I THINK IT'S REALLY IMPORTANT THING TO BE ABLE TO HAVE VOLUNTEERS IN OUR COMMUNITY TAKE ON THESE ROLES. I WAS A LITTLE



CONCERNED WITH SOME OF THE STATEMENTS THAT WERE MADE REGARDING THE NEED FOR THE DESIGN REVIEW POSITIONS TO BE HELD BY PROFESSIONALS. I THINK THAT ONE, IT'S SORT OF DISCREDITING, THE ABILITY MEMBERS OF OUR PUBLIC WHO ARE NOT DEEPLY INVESTED IN THAT PROFESSION TO BE ABLE TO KEEP PACE, KEEP AN UNDERSTANDING, YES THERE'S A LOT OF RULES, I GUESS THERE'S A LOT OF THINGS TO KNOW, BUT THOSE ARE ALL THINGS YOU CAN LEARN. AS A MEMBER OF THE COMMUNITY, AND BRING THAT PIECE TO THE JOB. SO, I REALLY HOPE THAT WE AS A COMMUNITY WILL CONTINUE TO SUPPORT AND ACTIVELY ENCOURAGE MEMBERS OF THE PUBLIC THAT ARE NOT NECESSARILY JUST PROFESSIONALS. IT CAN GET REALLY DANGEROUS WHEN YOU HAVE A BOARD THAT IS SUPPOSED TO BE COMMUNITY DRIVEN THAT IS HELD BY JUST PROFESSIONALS. I HOPE THAT WE RECOGNIZE THE DANGER IN THAT AS WELL AS THE VALUE OF OTHER MEMBERS OF OUR COMMUNITY. THEY ARE NOT NECESSARILY DESIGN PROFESSIONALS SITTING ON OUR DESIGN REVIEW BOARD IN THE FUTURE. HOPEFULLY, WE CAN ENCOURAGE MEMBERS OF THE PUBLIC SO THAT IS NOT THREE CANDIDATES FOR THREE SEATS AND THAT WE ACTUALLY HAVE SOME CHOICE IN THE MATTER. THANK YOU.

THANK YOU, KYLE FOR YOUR PUBLIC COMMENT. AGAIN, I WILL COME BACK INTO THE CHAMBERS. SEEING NONE, I WILL GO BACK OUT TO ZOOM. THIS IS FOR PUBLIC COMMENT ON THE DESIGN REVIEW BOARD APPOINTMENT ONLY.

I HAVE A DR. FRANK. CAN YOU UNMUTE YOURSELF, PLEASE?

YES, HELLO.

CAN YOU HEAR US OKAY?

AND EVERYONE HEAR ME CORRECTLY? YES, I CAN HEAR YOU.

CAN YOU HEAR US OKAY?

YES. I WAS WAITING FOR GENERAL PUBLIC COMMENTS.

WE ARE NOT YET AT THE GENERAL PUBLIC COMMENTS. WE WILL BE DOING THAT AFTER THIS ITEM. IF YOU WANT TO HOLD OFF FOR A FEW SECONDS.

THANK YOU VERY MUCH. I APPRECIATE IT.

THANK YOU. AGAIN, THIS IS FOR PUBLIC COMMENTS FOR THE DESIGN REVIEW BOARD APPOINTMENT ONLY. I WILL GO TO CHAMBERS. SEEING ON. I WILL GO ONE LAST TIME OUT TO ZOOM. SEEING NONE. PUBLIC COMMENT IS CLOSE.

THANK YOU VERY MUCH. WE ARE NOW BACK WITH THE COUNCILMEMBERS FOR DISCUSSION ON THIS ITEM, WHICH IS APPOINTMENT TO THE DESIGN REVIEW BOARD. WE HAVE THREE SEATS OPEN. WE HAVE THREE APPLICANTS. WOULD AND WOULD LIKE TO CONTRIBUTE ANY COMMENTS HERE?

I WANT TO SEND MY APPRECIATION TO ALL THE HAVE APPLIED AND FOR THEIR YEARS OF SERVICE. I DEFINITELY THINK ALL OF THEM HAVE WHAT IS NEEDED AND APPRECIATED FOR THE MEMBERS OF OUR COMMUNITY. I DO HAVE RESERVATIONS. EVERY TIME I HEAR, I HESITATED TO APPLY, AND GLAD SHE WAS ABLE AND HAS BEEN ABLE TO APPLY DUE TO TIME. I APPRECIATE SHE TRIED TO ADDRESS THAT AT THE END, BECAUSE IT IS A HUGE COMMITMENT BEING A PRIOR LIBRARY COMMISSIONER. I'M WELL AWARE HOW MUCH TIME THINGS DO TAKE. OTHER THINGS I HAVE HEARD WERE A BIT TROUBLING. SIMILAR TO WHAT THE PUBLIC COMMENTOR WAS SAYING. THE FACT THEY TAKE WHAT WE NEED TO UNDERSTAND IS GIVEN FIELD IN ORDER TO SERVE. ALSO, THE HESITANCY ABOUT THE POTENTIAL MERGER. IF THAT HAPPENS, IT'S GOING TO BE MUCH LATER ON. WE DO ALL UNDERSTAND THAT WHERE WE ARE, FISCALLY, WE DO HAVE TO MAKE A COMFORTABLE DECISION. WITH THAT, I DO EXPRESS THE BOARD AND ITS LEVELS APPLICATION. THE MAC THANK YOU, VICE MAYOR. ANYONE ELSE, I COUNCILMEMBER Mc LEWIS. PLEASE GO AHEAD.

I JUST WANT TO SAY, I TOTALLY APPRECIATE VICE MAYOR ZOLLMAN'S COMMENTS. BUT AS A PROFESSIONAL UNCLE VOLUNTEER, I UNDERSTAND THE HESITANCY SOMETIMES. IT'S TOUGH TO RAISE YOUR HAND WHEN YOU BEEN DOING IT FOR SO LONG. I TRULY BELIEVE ANYONE WHO'S WILLING TO PUT THEIR HAND UP AND DO IT AGAIN, SHE SOUNDED VERY COMMITTED TO ME. I APPRECIATE THAT. I KNOW IT CAN BE HARD SOMETIME. I DON'T SEE HESITANCE HE AS NOT BEING WILLING TO DO WHAT NEEDS TO BE DONE. THAT'S JUST WHERE I'M AT. I DON'T HAVE ANY HESITANCY. THANK YOU.

I SEE COUNCILMEMBER MAURER. YOUR HAND IS UP.

I LIKE HOW ALL THE APPLICANTS RESPONDED CANDIDLY. I WOULD SUPPORT ALL OF THE CANDACE THESE. ALL THREE.

THANK YOU. ANY OTHER COMMENTS. COUNCILMEMBER HINTON?

I'M SUPPORTIVE OF TWO MEMBERS FULLY. I DO HAVE SOME HESITANCY ALSO ABOUT REDEPLOYMENT OF PRISTINE LEVELS. I DID IN FULL TRANSPARENCY RECEIVE A LETTER FROM A MEMBER OF THE PUBLIC. I DON'T HAVE THE PRIVILEGE OF BEING ABLE TO ATTEND DESIGN REVIEW AND WATCH VERY OFTEN. I'VE BEEN MADE AWARE OF SOMETIMES THAT SHE MAY HAVE ASKED SOME INAPPROPRIATE QUESTIONS. WE'VE HAD THIS ISSUE WITH DESIGN REVIEWS WITH PREVIOUS PEOPLE THAT HAVE SERVED. SO, I'M A LITTLE ON EDGE WITH THAT ONE. I'M GOING TO LEAN TOWARD MY COLLEAGUE ON THESE FINAL DECISIONS. BUT I WOULD BE REMISS IF I DID NOT BRING UP THAT SOMETIMES, THERE'S A COUPLE OF POINTS AGAINST HER. SHE GOT HER APPLICATION IN LATE AND SHE SERVED FOR A LONG TIME AND THEN I RECEIVED THESE COMMENTS. SO, TRANSPARENCY, I DO HAVE SOME RESERVATIONS ON THAT APPOINTMENT. THANK YOU.

THANK YOU VERY MUCH. I'LL BE HERE ON THE THREE APPLICANTS, I WAS IMPRESSED BY ALL OF THEM. AT THE SAME MELISSA HANDLEY WAS ENGAGING, I WAS A COLLABORATIVE. I WAS A WELL-INFORMED AND OPEN TO CHANGE. THOSE ARE ALL INCREDIBLE QUALITIES. LAUREN LINDBERGH CLEARLY LEADERSHIP SKILLS, AGAIN KNOWLEDGEABLE. I UNDERSTAND FROM HIS REPUTATION VERY COLLABORATIVE. AND VERY EQUITABLE. IN HIS ENGAGEMENT WITH OTHER MEMBERS OF THE DESIGN REVIEW BOARD AND ALSO WITH THE PUBLIC. CHRISTINE LEVEL, I'M AWARE OF HER VERY MANY SKILLS AND HER DEEP EXPERTISE. AND I HAVE TO AGREE THAT I HAVE SOME RESERVATIONS. AND THOSE RESERVATIONS HAVE BEEN CONCERNED FOR THE EXPRESS -- BY THOSE WHO WORK WITH HER ON THESE BOARDS. AS A COUNCILMEMBER, I HAVE TO GIVE ATTENTION TO THOSE CONCERNS. I ALSO WAS -- HAD SOME HESITATION AS A RESULT OF HER OWN CONCERNS ABOUT TIME AND THE MERGING OF THE TWO BOARDS ABOUT THE LEVEL OF EXPERTISE, HER EXPECTATIONS OF HER COLLEAGUES. HOWEVER, I THINK EVERY HUMAN BEING HAS THE ABILITY TO LIST WAYS THAT CAN CHANGE WAYS THAT ARE SO DEDICATED TO PUBLIC SERVICE THAT SHE COMES IN HERE AND SUBMITS HER APPLICATION. AND STILL WANTS TO SERVE AND COMMIT HER PRECIOUS TIME TO THIS PROJECT. ON BALANCE, I WOULD SUPPORT MELISSA AND CHRISTINE AND LAURA'S WITH MY PERSONAL MESSAGE. WE TOOK CHRISTINE LEVEL TO BE THAT OF THE THREE, SHE PRESENTS AS THE LEASE COLLABORATIVE AND THE LEAST OPEN TO CHANGE. IT WOULD BE GREAT TO SEE A LITTLE MORE COLLABORATION OPEN TO CHANGE AND TOLERANCE OF AND APPRECIATION OF THE PEOPLE WITH WHOM SHE WORKS. UNLESS WE HAVE ANY OTHER COMMENTS, WE ARE AT THE POINT WHERE WE NEED TO VOTE.

THERE IS A HAND UP. THANK YOU FOR POINTING THAT OUT.

I JUST WANTED TO REITERATE, MELISSA HANDLEY, WHEN SHE WAS ASKED HOW ARE THINGS GOING ON THE BOARD, SHE'S BEEN ON IT FOR A YEAR AND A HALF, SHE SAID SOMETIMES CONVERSATIONS ARE FEISTY AND THEY ARE RESPECTFUL. IT'S A THOUGHTFUL AND EDUCATED GROUP. DEDICATED GROUP. ALTHOUGH IS ON THE BOARD. I WOULD LIKE TO MOVE TO WHAT WE DO, NOMINATE ALL THREE APPLICANTS FOR REAPPOINTMENT TO THE DESIGN REVIEW BOARD.

I WILL LOOK FOR A SECOND. I ALSO SEE COUNCILMEMBER Mc LEWIS HAS CONTRIBUTE. COUNCILMEMBER Mc LEWIS?

I JUST THAT I WILL SECOND.

WE ARE GOING TO SECOND. WE HAVE A FIRST AND SECOND ON THE TABLE. THANK YOU BY THE WAY, TO COUNCILMEMBER MAURER, POINTING OUT THE ADDITIONAL COMMENTS. CAN WE PLEASE DO A VOTE.

THIS IS FOR COUNCILMEMBER MAURER AND SECONDED BY COUNCILMEMBER Mc LEWIS TO INCLUDE DOCUMENT TO THEIR CURRENT APPOINTMENTS. MELISSA HANDLEY, CATEGORY C, CHRISTINE LEVEL, CATEGORY C AND CATEGORY A COUNCILMEMBER HINTON. COUNCILMEMBER MAURER ?

YES.

COUNCILMEMBER Mc LEWIS.

YES.

VICE MAYOR'S OMEN?

YES.

MOTION PASSES UNANIMOUSLY. THANK YOU VERY MUCH TO EVERYONE, INCLUDING THE APPLICANTS. WE ARE MOVING ON WITH THE AGENDA. THANK YOU SO MUCH FOR YOUR WILLINGNESS TO CONTRIBUTE YOUR TIME AND ENERGY AND TO ANSWER QUESTIONS. MOVING ON WITH THE AGENDA, WE HAVE A FULL ONE TONIGHT. WE HAVE NO PROCLAMATIONS OR PRESENTATIONS. STATEMENTS OF CONFLICT OF INTEREST, ANYONE OTHER COUNSEL. VICE MAYOR ZOLLMAN?

CALENDAR NUMBER FIVE, ACTUALLY DID IS THAT -- I DID SO UNDER COLLECTION COMMITTEE. I WOULD NEED TO RECUSE MYSELF.

THANK YOU VERY MUCH. THAT A CONSENT CALENDAR ITEM. ANY OTHER STATEMENTS OF CONFLICTS OF INTEREST. SEEING NINE, WE WILL MOVE ON. NOW, WE'RE TAKING PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA. SO, THOSE WHO ARE INTERESTED IN THE ROOM, PLEASE LINE UP AT THE PODIUM. IF YOU CAN HANDLE PUBLIC COMMENTS NOT ON THE AGENDA. THE MAC AS THE MAYOR STATED, THIS IS FOR PUBLIC COMMENTS NOT ON TONIGHT'S AGENDA. IF THE ITEM IS ON TONIGHT'S AGENDA, -- TO HAVE PUBLIC COMMENTS. PUBLIC COMMENTS.

MY NAME IS CYNTHIA, I LIVE RIGHT ACROSS FROM HIGH SCHOOL. TAUGHT TEENAGERS FOR 29 YEARS. I BELIEVE TEENAGERS NEED LOVE, RESPECT, BOUNDARIES, AND CONSEQUENT. I'M HERE BECAUSE OUR TEENAGERS ARE BEING ALLOWED TO STEAL ALCOHOL EVERY TIME THEY GET OUT OF HIGH SCHOOL AT SAFEWAY, LOW CONSEQUENCES. PRINCIPAL DOES NOTHING, SAFEWAY DOES NOTHING, PLEASE DO NOTHING. YOU ARE RESPONSIBLE FOR PUBLIC SAFETY, I WOULD LIKE TO HAVE A PUBLIC SAFETY OFFICER IN THE ALCOHOL I'LL. WHEN THE KIDS GET OUT OF SCHOOL, BECAUSE TRULY THEY ARE STEALING ALCOHOL EVERY SCHOOL DAY. IT'S UNSTOPPABLE. IN MY DAY, IF YOU GOT CAUGHT STEALING, THE MANAGER HELD AN OFFICE AND YOUR PANTS HAD TO COME GET YOU AND YOU HAD TO APOLOGIZE AND PAY FOR IT. NOW, THEY JUST LET THEM OUT THE DOOR. SO, IF WE DO NOT RING ANY CONSEQUENCES, THEN WE ARE TEACHING OUR CHILDREN TO STEAL, AND WE DON'T WANT THAT KIND OF COMMUNITY. THANK YOU VERY MUCH.

THANK YOU FOR YOUR PUBLIC COMMENTS. NEXT, I WILL GO OUT TO ZOOM. KYLE, CAN YOU UNMUTE YOURSELF, PLEASE?

I CAN.

CAN YOU SEE THE TIMER?

DON'T WORRY ABOUT IT.

GO AHEAD WITH THE PUBLIC COMMENT.

REALLY OFFENDED AND HAVING TO MAKE A STATEMENT AND WASTE MY TIME ON PUBLIC COMMENT. PUBLIC MEANINGS ARE ESSENTIAL FOR DEMOCRACY. THE DIALOGUE AND ENGAGEMENT. HOWEVER, THESE FORMS ARE DISRUPTED BY INDIVIDUALS WITH RACIST INTENTIONS. THE SEEK TO SPREAD HATE AND INSIGHT DIVISION. THE FIRST AMENDMENT TEXT FREEDOM OF EACH, IT DOES NOT PROTECT ACTIONS THAT DISRUPT PUBLIC MEETINGS. ON SUCH OCCASIONS, THE SUPREME COURT AFFIRMED THAT THE FIRST AMENDMENT PROTECTS ACING THE AMOUNT OF VERBAL CRITICISM AND CHALLENGE DIRECTED AT POLICE OFFICERS BUT DOES NOT FOLLOW THE FREEDOM OF SPEECH THAT'S ABSOLUTE. DISRUPTIVE BEHAVIOR, SUCH AS SHUNNING EPITHETS, AND SETTING VIOLENT NOTICE OF THE CONDUCT OF A PUBLIC MEETING CAN BE LIMITED. THE UNITED STATES -- DISRUPTION OF A PUBLIC MEETING IS A CRIMINAL ACT. GRASSLEY WAS FOUND TO BE SOMETHING A PUBLIC MEETING IN VIOLATION OF THE 18 U.S. 1752 A1, WHICH PROHIBITS AMONGST OTHER THINGS KNOWINGLY ENTERING OR REMAINING RESTRICT ABILITY OR GROUNDS WITHOUT LAWFUL AUTHORITY TO DO SO WITH INTENT TO DISRUPT THE ORDERLY CONDUCT OF -- THE FIRST AMENDMENT PROTECTS FREEDOM OF SPEECH DOES NOT PROTECT INDIVIDUALS WHO DISRUPT PUBLIC MEETINGS WITH RACIST INTENTIONS SUCH ACTIONS CAN BE CRIMINAL AND IS IMPORTANT TO MAINTAIN THE INTEGRITY OF PUBLIC FORMS BY ENSURING THEY REMAIN OPEN TO ALL THE PARTICIPANTS. LET ALL BE KNOWN TO THOSE WHO FOLLOW ME ON ZOOM.

THANK YOU, KYLE FOR YOUR PUBLIC COMMENTS. NEXT, I WILL COMBAT THE CHAMBERS. IF THERE'S ANYONE WHO WOULD LIKE TO MAKE A PUBLIC COMMENT FOR AN ITEM NOT ON TONIGHT'S PUBLIC AGENDA. SEEING NINE, I WILL GO OUT TO ZOOM. NEXT SPEAKER I HAVE IS MITZIE. MITZIE, CAN YOU UNMUTE YOURSELF, PLEASE. INDISCERNIBLE ]

YOU ARE KIND OF ECHOING. [ INDISCERNIBLE ]

TRY THAT ONE.

ARE WE GOOD NOW?

I CAN HEAR YOU NOW, BUT HE. GO AHEAD WITH YOUR PUBLIC COMMENT.

FANTASTIC. I WANTED TO TALK TODAY ABOUT WOMEN'S HISTORY MONTH. PERHAPS I'M A LITTLE BIASED ON THE SUBJECT, BUT I DO THINK IT'S A VERY IMPORTANT MONTH. I FIND WE ARE NOT TAUGHT NECESSARILY WHAT WE SHOULD BE TAUGHT. I THINK THAT ALSO GOES TO WHY I PERSONALLY BELIEVE WOMEN ARE UNDERAPPRECIATED IN OUR SOCIETY. FOR A LONG TIME, WOMEN CANNOT EVEN HAVE THEIR OWN BANK ACCOUNTS. IT WAS NOT UNTIL THE 70s THAT WOMAN COULD HAVE HER OWN BANK ACCOUNT. I THINK WE ARE NOT TOO FAR FROM THOSE TIMES TO BELIEVE WE ARE CURRENTLY IN A MORE EQUAL SOCIETY. ONE THING I FIND INTERESTING IS THAT WE ARE NOT TAUGHT WHY WOMEN DID NOT HAVE THE RIGHT TO VOTE. SO, WHEN AMERICA STARTED, HORSE, MEN WERE GIVEN THE RIGHT TO VOTE BECAUSE THEY OWNED LAND. YOUR VOTE COUNTED FOR HOW MUCH LAND YOU OWN. THIS THEN CHANGED, WHEN MEN WERE GIVEN COMPULSORY SERVICE. IF YOU ARE GOING TO DIE FOR YOUR COUNTRY, FORCIBLY, ACTUALLY, HE HAD EVERY RIGHT TO VOTE. AT THAT POINT, WOMEN WERE NOT FIGHTING IN THE WAR, SO THEY DO NOT HAVE THE RIGHT TO VOTE. LATER, IT WAS SAID WOMEN DID NOT HAVE THE RIGHT TO VOTE BECAUSE THEY WERE TOO EMOTIONAL. WOMEN ACTUALLY WERE MORE OF A GRAVE MATTER. GREAT BRAIN MATTER IS USED FOR THE CONSTANT PROCESSES.

MITZIE YOU HAVE 20 SECONDS.

YOU SO MUCH. THE REASON WE HAVE THIS IS BECAUSE ESTROGEN ACTUALLY MAKES IT DITZY, MAKES US UNABLE TO THINK PROPERLY, WHICH IS WHY THE HAVE --

NOW I'M GOING TO BE THIS PERSON UNMUTE, PLEASE IN ORDER TO -- THIS PERSON IS EXITED. THANK YOU, EVERYONE. WE'RE GOING TO MOVE ON WITH PUBLIC COMMENT.

THANK YOU, I WILL GO BACK TO CHAMBERS. IF THERE'S ANYONE IN CHAMBERS THAT WOULD LIKE TO MAKE A PUBLIC COMMENT ON AN ITEM NOT ON TONIGHT'S CALENDAR.

SEEING NONE, I WILL GO BACK OUT. ANDY, CAN YOU UNMUTE YOURSELF, PLEASE?

HELLO, CAN YOU HEAR ME?

I CAN HEAR YOU. CAN YOU SEE THE TIMER.

I DO NOT.

I WILL GIVE YOU A Q WHEN YOU HAVE ABOUT 30 SECONDS LEFT.

TWO MINUTES, OR RIGHT.

THANK YOU.

HAVE A FEW THINGS I WOULD LIKE TO SPEAK ABOUT. IS GOING UNNOTICED ON A GREAT ANTI-LIGHTS COMING FROM THE STATE LOCAL GOVERNMENTS. -- SUCH AS ASYLUM SEEKERS. CRIMINAL SAYS -- AND MURDER BUT THAT GETS CHRISTIANS AT BABY MURDER FACTORS. THE MAC I'M GOING TO INTERRUPT YOU AT THIS POINT. YOUR COMMENTS ARE DISRUPTIVE, MARY, WOULD YOU PLEASE ME THIS INDIVIDUAL.

HOUSE THAT DISRUPTIVE.

PLEASE REMAIN ON BECAUSE WE WANT TO GIVE YOUR COMPLETE TIME. PLEASE BE AWARE OF YOUR COMMENTS AND THE POTENTIAL RACIAL IMPLICATIONS. PLEASE DO COMPLETE YOUR TIME. YOU HAVE ONE MINUTE AND HAVE LEFT. THIS IS YOUR WARNING THANK YOU.

ANDY, CAN YOU PLEASE UNMUTE YOURSELF ?

HE'S GONE.

I WILL GO TO IN CHAMBERS. IF THERE'S ANYONE THAT WOULD LIKE TO MAKE A PUBLIC COMMENT FOR AN ITEM NOT ON TONIGHT'S AGENDA CUSSING ON, I WILL GO BACK OUT TO ZOOM. REBECCA, CAN YOU UNMUTE YOURSELF,?

HELLO, CITY COUNCIL. HI, REBECCA, CAN YOU SEE THE TIMER?

I CAN'T. I WILL BE QUIT. WHAT I'M CALLING IS I WOULD LIKE TO SPEAK ON THE ANTI-SEMITISM THAT I'M STARTING TO THE COMMUNITY DUE TO THE ISRAEL PALESTINE CONFLICT. SO, I AM A TRANSGENDER ISRAELI WOMAN.

I'M GOING TO INTERRUPT YOU, BECAUSE WE DO HAVE THIS ITEM ON THE AGENDA THAT I BELIEVE YOUR BEGINNING TO SPEAK TO. IT IS THE CEASE-FIRE ORDINANCE. IF YOU COULD, INSTEAD REMAIN IN THESE MEETING AND MAKE YOUR COMMENTS WHEN THE

CEASE-FIRE ORDINANCE COMES TO THE COUNCIL, I WOULD APPRECIATE IT. FEMA IS NOT ABOUT THE CEASE-FIRE, ABOUT THE CEASE-FIRE.

AND KEEP GOING ON A NON-CEASE-FIRE TOPIC.

I RECEIVED SOME FLYERS AT MY DOORSTEP AND THEY'RE BASICALLY ACCUSING THE JEWISH COMMUNITY OF A WHOLE LOT OF TRUST OF THESE THAT I WAS NEVER AWARE OF. YOU'RE SAYING THE MEDIA IS OWNED BY THE JEWS. THERE SEEMS JEWISH CORPORATIONS ARE OWNING 96% OF THE MEDIA. THAT THE CORPORATE AGENDA WAS PERPETRATED BY THE JEWS. THEY SAID THE CDC DIRECTOR WAS JEWISH AND THE CHIEF OF STAFF WAS JEWISH AND THE CHIEF MEDICAL OFFICER WAS JEWISH. THEY'RE SAYING THE SLAVE TRADE WAS JEWISH. AND THEN FOUR OUT OF THE FIVE SLAVE OWNERS WERE JEWISH. A SINGLE CONTROL IS JEWISH, CHILD GROOMING THAT'S HAPPENING AT DISNEY IS JEWISH, THEY NEED THIS EEO, THE CHAIRMAN, THERE SAYING ABORTION IS JEWISH AND FEMINISM AND PORNOGRAPHY AND ALL OF THESE THINGS ARE ATROCIOUS AND ALL OF IT IS ACCURATE. WHAT I LIKE TO PROPOSE IS A RESOLUTION. WE REPORT THE JEWS AND GET RID OF THEM ALONG WITH THE OLD --

I'M GOING TO ASK THE INDIVIDUAL BE MUTED.

I ASSUME THEY'RE GOING TO SIGN OFF. I HAVE A SAY -- HAVE TO SAY, FOLKS. IT IS A FINE LINE BETWEEN FREE SPEECH AND DISRUPT THE BEHAVIOR. SO, ALTHOUGH WITH THIS INDIVIDUAL MAY HAVE BEEN PAYING MAY HAVE OFFENDED SOME OF US, IT REALLY GETS TO A LINE THAT IS CLEARLY CROSSED THAT BECAUSE DISRUPTIVE. I DO HAVE TO WAIT UNTIL HE CROSSES THAT LINE. I APOLOGIZE, BUT I DO APPRECIATE EVERYONE BEING PATIENT IN THE SITUATION. MARY, WE HAVE LIMITED TIME FOR PUBLIC COMMENT ON ITEM ON THE AGENDA.

YOU ONLY HAD FOUR SPEAKERS.

YES.

YOU STILL HAVE 12 MINUTES OF PUBLIC COMMENT.

WE NEED TO MOVE ON BECAUSE WE NEED TO RECOGNIZE THERE MAY BE SOME LEGITIMATE COMMENTS FROM PEOPLE WHO ARE MEMBERS OF OUR COMMUNITY. PLEASE HANG IN THERE WITH US AND WE WERE THIS PROCESS.

CAN YOU CONTINUE, PLEASE.

THIS IS FOR PUBLIC COMMENTS FOR ITEMS NOT ON TONIGHT'S AGENDA. IF WE COULD PLEASE BE RESPECT FULL, THERE WILL BE REALLY APPRECIATED.

I -- SEEING NONE, I'M GOING TO GO STRAIGHT TO THE ZOOM AND NOT GO BACK AND FORTH. OWEN, CAN YOU UNMUTE YOURSELF THESE.

THIS IS ACTUALLY KATE, NOT OWEN.

SORRY, KATE.

I WAS UNABLE TO CHANGE MY ZOOM NAME.

GO AHEAD WITH YOUR PUBLIC COMMENTS.

FOUR YEARS AGO, SUPERVISOR HOPKINS OPEN SEVASTOPOL'S WALLET AND TOOK UP HUNDRED THOUSAND DOLLARS. IT HAS BEEN TAKING OUT THAT MUCH EVER SINCE. THAT AMOUNTS TO \$1.6 MILLION. EACH YEAR, SHE TAKES UP HUNDRED THOUSAND DOLLARS. HOW DOES SHE DO THIS? SHE USE THE UNILATERAL AUTHORITY AND HER ROLE AS SUPERVISOR TO CONVERT THE SEVASTOPOL AND AND SEVASTOPOL ONLY DOWNTOWN HOTEL INTO HOMELESS HOUSING ESTATE HOME KEEP FUNDS. SHE DID THIS DESPITE THE FACT THAT IT WAS ECONOMIC SUICIDE FOR SEBASTOPOOL. SEVASTOPOL HAS EXTREMELY LIMITED WAYS TO RAISE REVENUE WITHIN HIS 92 SQUARE MILE CITY LIMITS. WHEN SUPERVISOR HAVE REMOVED THE TOT, THE SALES TAX AND THE TOURIST ASSOCIATED WITH OUR DOWNTOWN HOTEL, SHE REMOVED A VITAL PIECE OF ECONOMIC INFRASTRUCTURE. SMALL TOWNS LIKE OURS RELY ON TOURIST HOTELS GENERATE CRITICAL CITY REVENUE. DATA SHOWS THAT SALES AND ALL CATEGORIES FROM RETAILS TO RESTAURANT DROPS SINCE 2021. THIS IMPACTS SEBASTOPOOL'S REVENUE AND BUDGETS. WE LOST OUR TAURUS AND RAILS FOR OUR VISIT THIS AND OUR OWN CITY BUDGET. SUPERVISOR HOP TO \$1.3 MILLION IN FEDERAL AND THEY TAX DOLLARS TO SUPPORT SAVES THAT NONPROFIT TO MANAGE TO RISE AND SHINE ANSWER LESS THAN 30 PEOPLE OVER A TWO-YEAR PERIOD. ROSIN SIGN HAS BEEN AN UTTER FAILURE VERSACE CLIENT, THE MAJORITY OF WHICH WERE NOT PLACED IN PERMITTED HOUSING. GO TO THE SITE AND LOOK AT THE RV SCATTERED AROUND. YOU PAID FOR THAT ONE \$3 MILLION IN

TAX. THAT'S OVER \$83,000 PER HORIZON RESIDENCE. SUPERVISOR HOP HAS HAD A HUGE  
ROLE IN OUR CURRENT FINANCIAL -- TWO-MINUTE

THANK YOU. THE NEXT THANK YOU FOR YOUR PUBLIC COMMENTS. SPEAKER I HAVE. SO  
WE KNOW HOW THE FIRST PUBLIC COMMENT PERIOD IS 20 MINUTES, WE HAVE THREE  
MORE SPEAKERS. AFTER THE THIRD SPEAKER, YOU DO NOT MAKE A PUBLIC COMMENT,  
YOU BE ABLE TO MAKE A PUBLIC COMMENT AT THE END OF THE MEETING. 2 I WOULD  
ALSO LIKE TO LET THOSE WHO ARE WAITING TO MAKE PUBLIC COMMENTS THAT I AM  
GOING TO BE ESPECIALLY INTOLERANT OF ANY LINES THAT ARE CROSSED FROM HERE ON  
OUT. THANK YOU, MARY.

THE NEXT THREE SPEAKERS I HAVE IS RALPH CAR WRECKS, AND DR. HANK. ROB, CAN  
YOU UNMUTE YOURSELF.

THAT EVENING. AM I COMING THROUGH ALL RIGHT HE  
YOUR, THEY'RE FINE. CAN YOU SEE THE TWO-MINUTE?  
I DEFINITELY CAN.

, PLEASE. PERFECT, I WOULD JUST LIKE TO DIRECT AND OPEN ENDED QUESTIONS TO THE  
CITY COUNCIL. THERE WERE THREE SPEAKERS EARLIER WHO WERE GIVEN WARNINGS  
AND THEN ASKED TO COME BACK ON. I'M IN PERSONAL CONTACT WITH CHAD, T, AND  
ANDY AND THE CITY KICK THEM. THEY DO NOT LEAVE THE MEETING VOLUNTARY. I AM  
ASKED SHOULD CONSULT WITH YOUR CITY ATTORNEY WHILE YOU ARE BREAKING CITY  
COUNCIL RULES AS WELL AS DENYING MEMBERS OF THE PUBLIC RIGHTS OF FIRST  
AMENDMENT SPEECH. THERE WAS NOTHING OFFENSIVE WITH THOSE THREE SPEAKERS.  
AND THEN YOU LIED UNDER THE GUISE OF HAVING THEM A WARNING, KICK THEM OUT  
AND THEN ASKED HIM TO COME BACK IN AND SPEAK WHILE YOUR I.T. PERSON, WHOEVER  
IS MANAGING YOUR RESUME WENT AHEAD AND REMOVED THEM FROM THE MEETING  
AND DEPRIVE THEM OF THEIR FIRST AMENDMENT RIGHT TO FREE SPEECH. AND TO BE  
ABLE TO SPEAK OPENLY AND IN A PUBLIC FORUM, WHICH IS EXACTLY WHAT CITY  
COUNCIL PUBLIC COMMENT PERIOD ARE. IT'S AN OPEN FORM. IF NOT FOR THE PUBLIC TO  
SHARE THEIR VIEWS. THIS IS AN HOMAGE IN THE PUBLIC COMMENT. I SPEAKING ABOUT  
SOMETHING NOT ON THE AGENDA. YOU GUYS NEED TO CONSULT WITH THE CITY  
ATTORNEY BEFORE ONE OF THEM THAT WITH A LAWYER. RECENTLY, IN AND OF THE  
CITY, IT WAS IN SAN FRANCISCO IN CALIFORNIA. A GENTLEMAN SETTLED WITH THE CITY  
COUNCIL OR BOARD OF SUPERVISORS FOR A \$300,000 SETTLEMENT BECAUSE THEY  
DEPRIVED HIM OF HIS RIGHT TO FREE SPEECH. THIS IS OBVIOUSLY DONE BECAUSE YOU  
GUYS DON'T WANT TO LISTEN TO YOUR THAT U.S. AND MEMBERS OF THE CITY. YOU GUYS  
WANT TO DIRECT THE MEETING IN THE WAY YOU WANT IT TO GO. THE PUBLIC HAS A  
RIGHT TO EAT. YOU GUYS NEED TO GET YOUR ACT TOGETHER. OKAY? THIS IS NOT  
PACIFIC, RUSSIA. THIS IS NOT THE UNION. WE ARE NOT AND COMMUNIST CHINA, WE HAVE  
A RIGHTEOUS WEEK, WE WILL NOT BE HEARD. MAYBE NEXT TIME THEY WILL SHOW UP  
ON ZOOM. MAYBE NEXT TIME THEY WILL SHOW UP -- DELAY CROWD OF ANGRY IS A  
MINUTE RIGHT SUPPORTERS OUT SIDE CITY COUNCIL. AGAIN, PLEASE CONSULT WITH  
YOUR CITY ATTORNEY AND MAYBE GET A BETTER CITY ATTORNEY IF SHE'S GOING TO BE  
FEEDING YOU BULLSHIT LIKE THIS. THANK YOU.

THANK YOU, FOR A PUBLIC COMMENT. THIS -- I WOULD APPRECIATE THAT, MARY. I'M  
ASSUMING THIS PERSON SIGNED OFF. REX, THIS IS YOUR WARNING.

YOU ARE A MUTED CAN YOU SEE THE TIME. I CAN YOU GO WITH YOUR PUBLIC  
COMMENTS, PLEASE. I WOULD LIKE TO START WITH I REALLY APPRECIATE KYLE FOR  
STATING SO CLEARLY THAT HE IS --

I'M GOING TO ASK TO PLEASE THIS INDIVIDUAL AND. THANK YOU VERY MUCH. BUT  
CONTINUE THE COMMENTS. THANK YOU.

NEXT PUBLIC SPEAKER IS HANK. CAN YOU UNMUTE YOURSELF, THESE?  
HELLO? AM I COMING THROUGH?

I CANNOT SEE THE TIMER. THAT'S ALL RIGHT.

LIKE TO LIVE IN OUR ONCE GLORIOUS UNITED STATES. EACH OF THIS COUNSEL IS SWORN  
TO UPHOLD AND DEFEND THE CONSTITUTION OF THE USA. I WOULD LIKE TO PROPOSE A  
RESOLUTION FOR THIS COUNSEL TO REFINE THE GUIDELINES OF CONDUCT ARE LOCAL  
GOVERNMENT OFFICIALS AS WELL AS TO MAKE AN ADDENDUM SCHOOL CURRICULUM  
UNDER YOUR JURISDICTION. EVERYONE LIVING HERE MUST BE AWARE OF THE  
CONSTITUTION AND HOW PERSONAL FEELINGS DO NOT SUPERSEDE THE LAW. THE ESSAY

WAS FOUGHT FOR AND SECURED BY THE ARMY UNDER GENERAL GEORGE WASHINGTON AND THE LAWS OF THIS LAND WERE ENSHRINED BY CONGRESS. WE HAVE THESE LAWS FOR A REASON. SHOP IS WERE OCCUPYING HOMES DURING THE AMERICAN REVOLUTION, WHICH IS WHY THE THIRD AMENDMENT WAS PASSED. THE FIRST AMENDMENT WAS PASSED WE HAVE FREE SPEECH. THE SECOND AMENDMENT WAS PASSIVE HAVE A RIGHT TO DEFEND OURSELVES AGAINST THE TYRANNICAL GOVERNMENT IF THEY TRIED TO TAKE AWAY OUR OTHER RIGHTS. LOSS FOR VOLTAIRE ONCE SAID, AND I PARAPHRASE, I MAY DISAGREE WITH LAY MINISTERS DAY, I WILL WRITE TO THE DEATH FOR HIS RIGHT TO SPEAK HIS MIND. THIS MARXIST CANCEL CULTURE AND NURTURING OF CHILDREN TO BECOME WEAKLINGS HAS LED US TO THE CURRENT DATE IN WHICH WE HAD INFANTILIZED FULL ROUND BODIES HAVE MATURED AND WHO STILL IS IT A RATTLE IS THIS MUST BE REVERSED. LESLIE DOOMED FUTURE GENERATIONS TO A LIFE OF INCOMPETENCE AND STOP DRONE. I'M SADDENED TO INFORM YOU ONCE AGAIN OUR BELOVED USA OCCUPIED BY FOREIGN GOVERNMENT REPORTS RESULTS TO BE OUR GREATEST ALLY, BUT THIS IS SIMPLY NOT THE CASE. WHAT AN OUTLINE -- YOU HAVE 22nd.

SELLING INFORMATION TO THE CHINESE WHO ARE SUPPOSED TO BE ANOTHER ENEMY OF US, BUT THEY ATTACKED OUR MOST -- THE ASSESSMENT ONE OF OUR MOST OF IT HASN'T DETECTED USING SPY CRAFT IN APACHE, WITH A DENSITY WITHOUT CELEBRATING ON SEPTEMBER 11th? NO. ISRAEL IS A TERRORIST A AND THEN I A LA.

THAT IS TWO MINUTES. THANK YOU FOR YOUR COMMENTS. I HAVE TWO MORE SPEAKERS AND WE WILL BE DONE WITH PUBLIC COMMENTS. THE SPEAKER I HAVE IS MIKE AND LEVI AND WE WILL BE CLOSING PUBLIC COMMENT AS THAT GOES 20 MINUTE PROTOCOL.

THIS IS MIKE. I WAS GOING TO THE TIMER. WEARS THE TIMER LOCATED?

IT WOULD BE IN YOUR GALLERY? IF YOU DON'T SEE IT, YOU HAVE ABOUT 30 SECONDS LEFT. I SEE IT NOW. GALLERY. THANK YOU. TO THE WHO'S TALKING ABOUT HOW WE DON'T HAVE FREE EACH HE IS GOING TO COME AFTER SOMEBODY FOR SUPPER WHENEVER, THAT IS PRETTY RIDICULOUS THAT YOU GUYS ARE LETTING THESE STRONG ARM INTIMIDATION TACTICS GO. WE SOMEHOW SAY THAT CERTAIN PEOPLE CAN SAY ANYTHING ABOUT JEWS ANYTHING ELSE BUT WHEN THE STOMACH STARTED TO GET PLEASE SPEECH, YOU LET HIM HAVE BEFORE AND THOUGHT, HOW GREAT HE IS. THIS IS A PROBLEM BECAUSE YOU ARE NOT LAYPEOPLE EXPRESS THEIR POLITICAL IDEAS, BUT HOW MANY SILVER HAIR BUT YOU HAVE OUT THAT DRIFTED THIS COUNTRY FOR THE LAST HUNDRED YEARS, TO COUPLE OF YOU HAVE DRIFTED OFF OF THE MONEY PRESS AND THE ECONOMIC POLICY THAT YOU ALL GOT RICH WITH AND THAT'S WHEN WE CAN AFFORD HOUSING OR ANYTHING AND YOU SIT THERE WITH THIS HOLIER THAN THOU MORALITY TELLING US WHAT FREE IS. I THINK YOU HAVE TO COME TO GRIPS WITH YOUR POWER IS WANING IN YOU ALL BE GONE. THANK GOODNESS FOR THIS EARTH, YOUR BOOMER GENERATION WILL BE. FINALLY. BECAUSE OF CAN HAVE A CHANCE TO RUN THINGS. YOU GUYS HAVE BEEN SPELLING IT, SO TO SAY.

, TO INTERRUPT YOU. PLEASE THIS INDIVIDUAL. THIS IS YOUR WARNING, STAY ON, WE WILL GIVE YOU YOUR REMAINING 30 SECOND. THIS IS YOUR WARNING. LANGUAGE LIKE THAT IS NOT ACCEPTED WITHIN THIS MENU. IT'S A DISRUPTIVE.

IS A PG-13 WERE. THE WORD I SAID.

PLEASE REMOVE THIS INDIVIDUAL. I'M SORRY, YOU ARE UNABLE TO COMPLY WITH MY BEST. WE'RE GOING TO MOVE ON.

THE LAST SPEAKER I HAVE IS LEVI. AT ANY PUBLIC COMMENTS THAT WAS NOT MADE WILL BE MADE TOWARDS THE END OF THE MEETING. THE SECOND PUBLIC COMMENT PERIOD LEVI, CAN YOU UNMUTE YOURSELF,? THANK YOU FOR GIVING ME THE OPPORTUNITY TO. CITY GOVERNMENT UNPOPULAR SPEECH, THEY ARE SITTING THIS AND HELD FINANCIALLY LIABLE. THAT \$15,000 -- HOPEFULLY, THESE LOSSES ARE CITY GOVERNMENTS ON THE RIGHT. REGARDLESS IF YOU LIKE THE -- THE SUPREME COURT -- IS THE NAME, THEY CAN HAVE A VOICE. RESTRICTING FREE SPEECH IS A DANGEROUS PATH. HOUSE WILL BE EXPECTED TO ADDRESS THIS. DOING SO IS THE DEBT INCURRED HAD THE ABILITY TO HAVE THE FIRST, TO FOLLOW LAWSUIT THE CITY. CONTACTED LEGAL

EXCUSE ME. LEVI, JUST A MOMENT. MANY PEOPLE IN THE ROOM TO PLEASE MAINTAIN LIGHT. WE ARE NOT GOING TO CRITICIZE OR POST, THEY ARE DISRUPTIVE. I DID NOT HEAR THE LAST COMMENT. LEVI, PLEASE CONTINUE WITH YOUR PUBLIC COMMENTS. THANK YOU, LEVI FOR WAITING. LEVI, CAN YOU YOURSELF. I WILL FINISH UP. -- THE MATTER WITH DUKE, IS EVENTUALLY EXPELLED FROM THE WORLD. --

I'M AND VISUAL DEROGATORY LANGUAGE. EXCUSE. WE DONE WITH THE, I WANT TO MAKE A VERY BRIEF, BECAUSE I HAVE A VERY FULL AGENDA TO THE. I DO APPRECIATE THIS ROOM BEING PATIENT HAS WRITTEN NAVIGATE SOME REALLY SENSITIVE ISSUES, WHICH ARE SPEECH VERSUS DISRUPTIVE BEHAVIOR. I THINK IN THIS ROOM AND WHO HAS SAT THROUGH THESE COMMENTS. WE NEED TO RESPECT EVERY I THINK HAVE BEEN FAIRLY SUCCESSFUL IN WALKING THAT LINE I KNOW IS NONETHELESS COMFORTABLE FOR EVERYONE. PLEASE HANG IN THERE THROUGH OUR AGENDA. GOING ON WITH OUR AGENDA, I WANT TO POINT OUT, THERE IN THE MIDST OF UNPLEASANTNESS, THERE WAS VERY MINIMAL, MEMBERS OF OUR COMMUNITY, SO WE NEED TO BE PATIENT IN ORDER TO PROTECT ABILITY TO SHARE THEIR LEGITIMATE COMMENTS WITH US. WE, IN OUR AGENDA ARE THE THE AGENDA AND WE ARE MOVING ON TO THE CALENDAR. I AM AWARE OF VICE MAYOR ZALMAN FOR THAT I THINK WAS USEFUL NOMINEES BE REMOVED FOR A SEPARATE VOTE. AM I CORRECT, MARY? I'M GOING TO THE LONGER READ THE CALENDAR ITEMS. I'M ASSUMING EVERYONE WILL ON THE CONSENT CALENDAR AND HAS REVIEWED, MY FIRST QUESTION ON THE CONSENT CALENDAR ITEMS IS WHETHER ANYONE ON THE CONSENT -- WOULD LIKE TO HAVE ANY OF THE ITEMS REMOVED FROM THE CONSENT CALENDAR?

[ CAPTIONERS TRANSITIONING ]

THAT IT BE CARVED OUT ON THE CONCEPT CALENDAR FOR A SEPARATE VOTE REGARDING THE CONSENT CALENDAR. AM I CORRECT?

YES, AND THANK YOU COUNCILMEMBER, THANK YOU.

I JUST WANT TO CLAR FIE SO I KNOW WHAT I'M VOTING ON.

I SEE THAT NO ONE IS ASKING TO REMOVE ANYTHING FROM THE CONSENT CALENDAR. DO WE NEED TO GO TO PUBLIC COMMENT BEFORE WE VOTE? OKAY, THANK YOU VERY MUCH.

THANK YOU, MAYOR, THIS IS PUBLIC COMMENT ON CONSENT CALENDAR ITEMS ONLY. IF THERE'S ANYONE IN CHAMBERS? SEEING NONE,LY GO OUT TO ZOOM. LINDA, CAN YOU UNMUTE YOURSELF, PLEASE. THANK, YOU GO AHEAD WITH YOUR PUBLIC COMMENT. CAN YOU HEAR ME?

I CAN HEAR YOU FINE, LINDA, CAN YOU HEAR US?

YES, I CAN.

OKAY, GO AHEAD.

ON NUMBER FOUR, I'D JUST LIKE TO MAKE THE COMMENT I WOULD HOPE THE VICE MAYOR IS MORE EFFECTIVE, MORE INTERACTIVE AND ENGAGED THAN OUR MAYOR, OUR CURRENT MAYOR HAS BEEN WITH THE RISE AND SHINE, WHICH NEEDED TO BE ON THIS, ON THIS AGENDA -- BECAUSE -- I'M SORRY, LINDA, BUT WE'RE HEARING. I DON'T KNOW IF IT'S YOU, BUT WE'RE HEARING WEIRD KNOCKING SOUNDS THAT'S INTERRUPTING OUR ABILITY. I.T., HOLD ON JUST A MOMENT.

THAT WAS NOTHING, I WAS TAPPING ON THE THING.

OH, THEN PLEASE DO NOT TAP, BECAUSE IT'S HARDER TO HEAR YOUR VOICE. SORRY ABOUT THAT.

THE FOAM RUBBER, I WOULDN'T THINK THAT IT WAS, BUT ANYWAY, YEAH, YEAH, MY POINT IS THAT MAYOR RICH, YOU KNOW, WE NEEDED TO HAVE ON THIS -- SPEAKING OF LIAISON, WHICH YOU ARE, APPARENTLY, HAVE BEEN TO THE SAVES AND THE RV VILLAGE, YOU KNOW, VERY INEFFECTIVE, BUT SHOULD HAVE BEEN ON TODAY'S AGENDA BECAUSE THEY'RE STILL THERE AND WE NEED TO THANK THE PEOPLE, MEANING THE POLICE AND THE FIRE DEPARTMENT, WHO HAVE BEEN MOVING THEM ALONG. BUT YOU HAVE BEEN NOWHERE TO BE SEEN, SO I'M HOPING THAT HE WILL BE MORE EFFECTIVE IN HIS POSITION WITH THE MUSEUM THAN YOU HAVE BEEN AS LIAISON TO THIS MILLION DOLLAR FIASCO HERE, THREE PROPERTIES FROM ME. YOU KNOW, AN ABYSMAL FAILURE BECAUSE OF LACK OF OVERSIGHT.

LINDA, YOU HAVE ABOUT 15 SECOND.



THAT'S THE POINT, THANK YOU.

THANK YOU FOR YOUR PUBLIC COMMENT. AGAIN, THIS IS FOR PUBLIC COMMENT FOR THE CONSENT CALENDARS, KYLE?

HI, SO I JUST WANT TO REALLY SPEAK TO THE BICYCLE LANE ASPECT OF THE BUDGET ADJUSTMENT. AS I'VE SPOKEN PREVIOUSLY, THIS WAS A REALLY BIG PROJECT AND WE REALLY, REALLY FUMBLERED THE APPROACH TO IT. IT CAUSED MASSIVE DELAYS, AND IT WAS REALLY NOT A LOT OF TRANSPARENCY IN TERMS OF THE DELAY PROCESS. THE CONTRACTOR WANTED TO DO REPAIRS AND DO TRAFFIC MITIGATION IN A WAY THAT REALLY WASN'T FEASIBLE AND AS A RESULT OF THAT AND MISCOMMUNICATION BETWEEN THAT CONTRACT WITH THE CITY, THERE WAS JUST MASSIVE DELAYS THAT HAPPENED OVER TIME. THOSE MASSIVE DELAYS ENDS UP OFFSETTING THE COST OF THOSE THINGS AT A TIME IN WHICH MASSIVE INFLATION WAS TAKING PLACE. IF THIS PROJECT HAD BEEN COMPLETED ON TIME, IN A TIMELY MANNER, IT WOULD NOT HAVE BEEN EXPERIENCING THE MASSIVE INCREASE IN THE COST TO THIS PROJECT. WHAT THIS DOES AS A RESULT OF DRAWING MORE MONEY OUT OF THE GRANT MONEY THAT WAS BEING USED FOR PHASE ONE IS GOING TO AFFECT FAZ PHASE TWO. AND THE FACT THAT WE'VE DELAYED PHASE ONE AS FAR AS WE HAVE, WHICH FURTHER DELAYS PHASE TWO, WE'RE GOING TO BE PUTTING OURSELVES IN A SITUATION WHERE WE ARE EVEN MORE ECONOMICALLY AT RISK OF NOT BEING ABLE TO COMPLETE THIS PROJECT IN EITHER A TIMELY MANNER OR A FISCALLY RESPONSIBLE WAY. WHEN YOU LOOK AT THE LIST OF THING THIS IS PROJECT HAD AS INCREASE OF COST, UNFORESEEN INCREASE OF COST, THESE ARE ALL THINGS THAT SHOULD HAVE HAPPENED IN THE BIDDING PROCESS. THESE ARE THINGS THAT REALLY SHOULD BE HELD ACCOUNTABLE OF OUR CONTRACTORS. I WANT TO SEE A COMMITMENT BY OUR CITY THAT WHEN WE DO WORK WITH CONTRACTORS IN THE FUTURE THAT WE HOLD THEM ACONTINUABLE FOR MISTAKES THEY MAKE IN THE PROCESS AND NOT GIVE BLANK CHECKS TO INCREASES TO A PRETTY MASSIVE AMOUNT OF MONEY.

THANK YOU, KYLE FOR YOUR PUBLIC COMMENT. I WILL GO BACK OUT TO ZOOM. THIS IS PUBLIC COMMENT FOR ITEMS ON THE CONSENT CALENDAR ONLY. SEEING NO HANDS RAISED, NO VIDEOS, NO ONE TRYING TO GET MY ATTENTION, I'LL GO BACK INTO CHAMBERS ONE MORE TIME FOR PUBLIC COMMENT ON CONSENT CALENDAR ITEM ES. SEEING NONE, PUBLIC COMMENT IS CLOSED.

THANK YOU VERY MUCH. WE'RE NOW BACK AT THE COUNCIL TABLE HERE, AND IS THERE A NEED FOR ANY DISCUSSION? IF NOT, I'LL BE LOOKING FAR MOTION ON CONSENT CALENDAR ITEMS TWO, THREE, FIVE -- I'M SORRY, TWO, THREE, FOUR, AND SIX. VICE MAYOR?

YES, I'LL GO AHEAD AND MOVE CONCEPT ITEMS NUMBER TWO, THREE, FOUR, AND SIX. I'M HAPPY TO SECOND THAT.

THANK YOU, MARY.

THANK YOU, MAYOR. SO MOVED BY VICE MAYOR AND SECONDED BY COUNCILMEMBER HINTON TO APPROVE CONSENT CALENDAR ITEMS NUMBER, TWO THREE, FOUR, AND SIX. COUNCILMEMBER HINTON?

AYE.

COUNCILMEMBER MOWER?

YES.

COUNCILMEMBER McLEWIS?

YES.

VICE MAYOR?

YES.

MAYOR RICH?

YES.

MOTION PASSES UNANIMOUSLY.

WE NOW HAVE CONSENT CALENDAR ITEM NUMBER FIVE, WHICH VICE MAYOR WILL NOT BE WEIGHING IN ON. I'M LOOKING FAR MOTION, YES?

HAPPY TO MAKE A MOTION TO SEND CALENDAR ITEM NUMBER FIVE, NOMINATION OF PEACE WELL NOMINEES. DO I SEE A SECOND? COUNCILMEMBER MAUER?

SECOND.

THANK YOU, MARY.

THANK YOU. SO MOVED BY COUNCILMEMBER HINTON AND SECONDED BY COUNCILMEMBER MAUER TO APPROVE CONSENT CALENDAR ITEM NUMBER FIVE. COUNCILMEMBER HINTON?

AYE.

COUNCILMEMBER MOWER?

YES.

COUNCILMEMBER McLEWIS?

YES.

MAYOR RICH?

YES.

AND VICE MAYOR YOU WILL ABSTAIN. THE MOTION PASSES 4-1 WITH COUNCILMEMBERS HINTON, MAUER, McLEWIS, AND MAYOR RICH VOTING AFFIRMATIVELY AND VICE MAYOR ABSTAINING.

THANK YOU, WE'RE NOW MOVING INTO OUR REGULAR CALENDAR. JUST AS A NOTATION, WE HAVE NO INFORMATIONAL ITEMS OR PRESENTATIONS. WE HAVE NO PUBLIC HEARINGS. WHICH BRINGS US TO OUR REGULAR CALENDAR AGENDA ITEMS, THE VERY FIRST ITEM IS THE CITY OF SEBASTOPOL BUDGET RESPONSIBLE DEPARTMENT IS THE CITY MANAGER, SO WE'LL TURN TO OUR CITY MANAGER JOHN SCHWARTZ TO BEGIN THIS ITEM. CAN I GET ACCESS TO THE VIDEO E?

AND JUST FOR PURPOSES OF THE PUBLIC, THIS IS GOING TO BE A PRESENTATION. IT WILL LIKELY BE RELATIVELY LENGTHY, BUT WE WILL TAKE COMMENT AFTERWARDS. OKAY, I DON'T KNOW WHY I'M ECHOING. SOMETHING ON THE ZOOM I THINK.

OKAY, THANK YOU, GO AHEAD CITY MANAGER DON SCHWARTZ.

THANK YOU, MAYOR, APPRECIATE THAT AND GOOD EVENING. SO TONIGHT WE HAVE A BUDGET DISCUSSION AND FINANCIAL DISCUSSION IN TWO PARTS. THE FIRST PART WILL BE ABOUT OUR LONG-TERM FINANCIAL PROJECTIONS AND HAVING A MODEL EAND A WAY OF PROJECTING THE CITY'S FINANCES FOR A LONG TERM HEALTH OF THE CITY. I CONSIDER OURSELVES VERY FORTUNATE THAT LEADING THIS WORK FOR US OVER THE LAST SIX OR SO WEEKS HAS BEEN MR. BOB LELAND WITH BAKER TILLY. HE'S COME HIGHLY RECOMMENDED BY SEVERAL FOLKS IN CITY FINANCE AND MANAGEMENT POSITIONS THAT I HAVE A TREMENDOUS AMOUNT OF RESPECT FOR. THE MODEL THAT HE'LL EBE PRESENTING TONIGHT IS VALUABLE BECAUSE IT'S FLEXIBLE, ALLOWS US TO MAKE ADJUSTMENTS TO ASSUMPTIONS AND SEE HOW THEY ROLL OUT. HE'S GOING TO START BY PRESENTING PROJECTIONS OVER THE NEXT TEN YEARS BASED ON A VAFRT OF ASSUMPTIONS. IT'S A NEW AND POWERFUL TOOL FOR US, AND ONE OF THE THINGS I'M EXCITED ABOUT IS WE GET TO KEEP IT AND USE IT FOR OURSELF, ALTHOUGH I WILL TELL YOU WE DON'T REALLY EVEN HAVE THE TRAINING WHEELS ON YET. WE MOVE SO FAST. SO HE'S REALLY THE MASTER OF THE TOOL, BUT WE DO PLAN TO TRANSITION SO WE HAVE THE ABILITY TO DO SOME OF THIS WORK OURSELVES. BUT I'M REALLY EXCITED THAT HE'S BEEN ABLE TO JOIN US FOR A WHILE, AND I'M GOING TO TURN IT OVER TO HIM TO PRESENT OUR LONG-TERM FINANCIAL PROJECTION. SO BOB, WELCOME.

THANK YOU VERY MUCH. LET ME GET THIS GEARED UP.

AND BOB, WELCOME, AND THANK YOU FOR BEING HERE. I JUST WANT TO ALERT YOU THAT WITH THIS CITY COUNCIL WE FIND IT VERY HELPFUL IF AT THE END OF EACH SLIDE WE ARE GIVEN THE OPPORTUNITY TO ASK QUESTIONS. SO IF YOU COULD ACCOMMODATE THAT, I'D VERY MUCH APPRECIATE IT.

NO PROBLEM. OKAY. LET ME START OUT BY GIVING YOU A LITTLE BIT OF BACKGROUND ON OUR FIRM AND MYSELF. BAKER TILLY IS THE TENTH LARGEST ACCOUNTING AND CONSULTING FIRM IN THE U.S. OUR PUBLIC SECTOR PRACTICE WORKS EXCLUSIVELY WITH LOCAL GOVERNMENTS NATIONALLY. WE'VE DEVELOPED LONG-RANGE FISCAL MODELS FOR OVER 40 CALIFORNIA CITIES IN THE LAST TEN YEARS. THE BASIS FOR OUR MODELLING APPROACH WAS REALLY DEVELOPED DURING THE EXTENSIVE BANKRUPTCY LITIGATION IN THE CITY OF STOCKTON'S CHAPTER 9 PROCEEDING. AS FAR AS MYSELF, I HAVE 49 YEARS OF EXPERIENCE IN STATE AND LOCAL GOVERNMENT FINANCE. I WAS THE DIRECTOR OF FINANCE FOR THE CITY OF FAIRFIELD FOR 26 YEARS. AFTER I RETIRED THERE I BECAME A CONSULTANT, FIRST WITH MANAGEMENT PARTNERS AND OVER THE LAST TWO YEARS WITH BAKER TILLY. MY MAJOR PROJECTS HAVE INCLUDED THE STOCKTON BANKRUPTCY, A RECOVERY PLAN FOR THE TOWN OF PARADISE. I HAVE 42

YEARS OF HANDS-ON EXPERIENCE WITH LONG-RANGE FORECASTING. I'VE CREATED 126 SEPARATE FORECASTS FOR 45 DIFFERENT AGENCIES. SO I'VE HAD A LOT OF EXPERIENCE IN FORECASTING, AND NO TWO CITIES ARE ALIKE, HOWEVER. AND SO WE'RE GOING TO WALK THROUGH SOME OF THE THINGS THAT MAKE SEBASTOPOL UNIQUE TONIGHT. IF I CAN MOVE ON HERE, THE -- IN TERMS OF LITTLE BIT OF BACKGROUND, THE CITY PREPARES A FIVE-YEAR FORECAST FOR ITS ANNUAL BUDGET DOCUMENT. THE TOP RIGHT CHART SHOWS THE PRIOR CITY FORECAST OF THE NET SURPLUS OR DEFICIT IN EACH FISCAL YEAR FOR EACH OF THE LAST FIVE FORECASTS. SO DIFFERENT COLORS FOR EACH FORECAST. YOU CAN SEE GENERALLY SPEAKING THOSE FORECASTS PROJECTED DEFICITS IN EACH FISCAL YEAR. THE BOTTOM CHART SHOWS THE PRIOR FORECASTS OF THE UNASSIGNED BALANCE. AND SO YOU CAN SEE THAT THE TREND THERE ALSO WAS PRETTY STEADILY HEADING DOWN HILL. EACH FORECAST IS A LITTLE DIFFERENT DEPENDING ON WHAT'S HAPPENING AND, OF COURSE, THE PANDEMIC HAD A MAJOR IMPACT ON THE FISCAL '20 AND '21 FORECASTS REALLY GOING INTO FISCAL '22. THE CITY HIRED NHA ADVISORS LAST YEAR TO PREPARE A FORECAST AND A RANGE OF OPTIONS FOR BALANCING THE BUDGET AND THE NHA PROJECTIONS CONFIRMED THE STRUCTURAL SHORTFALL. THEN THE CITY HIRED BAKER TILLY TO PREPARE A LONG-RANGE FORECAST MODEL TO DEMONSTRATE THE IMPACT OF A RANGE OF FINANCIAL SCENARIOS ON THE GENERAL FUND FOR THE ONGOING USE OF THE CITY.

JUST A MOMENT, PLEASE, DO WE HAVE ANY QUESTIONS FROM COUNCILMEMBERS ON THAT SLIDE? NOT SEEING ANY, COUNCILMEMBER MAUER AND McLEWIS, YOU'RE SIMPLY GOING TO HAVE TO SPEAK UP IF YOU HAVE QUESTIONS. SEEING NONE, PLEASE GO AHEAD, BOB, THANK YOU.

OKAY, SURE. SO WHAT I'M SHOWING YOU ON THIS SLIDE IS A LITTLE BE THE OF THE STARTING AT GROUND ZERO EIN TERMS OF THE FISCAL '24 ADOPTED BUDGET. AND WHAT I'VE DONE HERE IS COMBINE FUNDS 100 AND --

EXCUSE ME, BOB, I'M SOR TROY INTERRUPT, BUT WE'RE HAVING SOME AUDIO PROBLEMS HERE. I.T., IF YOU CAN GIVE US ANY SUGGESTIONS, PERHAPS IT'S ON BOB'S END? OKAY, I'M SORRY, IS I.T. SAYING THAT IT'S -- WE'RE MOVING A SCREEN, OKAY. I.T. -- BOB, THERE IS A LOT OF FUN STUFF HAPPENING HERE.

YEAH.

SO I'M SORRY, QUESTION TO I.T., DO WE BELIEVE THAT THAT'S ON THE SPEAKER'S SIDE? SO -- OKAY. SO, BOB, IF YOU'RE AWARE OF ANY LIMITATIONS ON YOUR SIDE THAT MIGHT CAUSE SOME CRACKLE OUT HERE FOR US, I DON'T KNOW, PLEASE CORRECT THEM, BUT OTHERWISE JUST GO AHEAD.

YEAH, WE'LL PLUNGE AHEAD. THERE DOESN'T SEEM TO BE ANY PROBLEM ON THE INTERNET ON MY END. OKAY.

SO PLEASE GO AHEAD, THANK YOU.

YES. SO WE HAVE FUNDS 100 AND 124. 100 IS THE GENERAL FUND, 124 IS THE LOCAL SALES TAXES. FOR PURPOSES OF THIS ANALYSIS, WE HAVE COMBINED THE TWO BECAUSE THE LOCAL SALES TAXES ARE ALL GENERAL TAXES AND WE WANT TO SHOW THE COMPOSITE IMPACT. SO ON THE LEFT-HAND SIDE OF THIS SLIDE YOU SEE SOME MAJOR REVENUE CATEGORIES, EXPENDITURE CATEGORIES, THE NET IMPACT, AND THE ENDING BALANCE. AND THE ONLY DIFFERENCE BETWEEN WHAT'S LABELED AS FISCAL '24 ADOPTED AND FISCAL '24 REVISED IS THE PROPOSED CHANGE IN TREATMENT FOR THE COST ALLOCATION PLAN IN THE ADOPTED BUDGET IT WAS SET UP AS IT HAS BEEN IN RECENT YEARS AS A REDUCTION IN EXPENSE TO THE GENERAL FUND FROM AN ACCOUNTING STANDPOINT IT'S BEING CHANGED TO A REVENUE. AND SO ALL THAT THESE TWO COLUMNS DO IS SHOW THAT THE CAP CREDITS \$3.35 MILLION GOES TO ZERO, AND THE REVENUE FOR COST PLAN GOES FROM ZERO UP TO THE \$3.35 MILLION. SO THERE'S NO CHANGE IN THE BOTTOM LINE. THE NET REVENUE IN EXPENSE IS STILL A NEGATIVE \$1.7 MILLION. AND BALANCE AS WE'RE PROJECTED IT FOR THE END OF FISCAL '24 IS \$4.13 MILLION OF UNASSIGNED BALANCE.

SO BOB, I'M GOING TO INTERRUPT AND ASK YOU TO PLEASE EXPLAIN IN LAYMAN'S TERMS THE COST ALLOCATION PLAN. WHAT IS THAT AMOUNT OF MONEY THAT YOU ARE REPRESENTING AS \$3.35 MILLION? WHERE IS THAT COMING FROM?

MOST CITIES HAVE A COST ALLOCATION PLAN WHICH TAKES GENERAL AND ADMINISTRATIVE EXPENSES WHICH ARE BORNE BY THE GENERAL FUND, BUT WHICH CAN

FAIRLY BE ALLOCATED OUT TO OTHER FUNDS OF THE CITY. AND SO THAT'S GENERALLY CALLED A COST ALLOCATION PLAN, AND THE GENERAL FUND GETS REIMBURSED EITHER IN THE FORM OF A REDUCED EXPENSE OR IN THE FORM OF A REVENUE WITH MONEY COMING IN FROM OTHER CITY FUNDS. I BELIEVE IT WAS A WEEK OR TWO AGO AT THE COUNCIL MEETING YOU HAD A COST ALLOCATION PLAN STUDY FOR YOUR CONSIDERATION, AND THAT WAS ADOPTED WITH CERTAIN CHANGES. AND SO -- SO BOB, JUST TO SIMPLIFY THAT, \$3.35 MILLION REPRESENTS MONEY COMING INTO THE GENERAL FUND FROM OUR WATER AND SEWER FUNDS?

AND OTHER FUNDS, YES.  
OTHER FUNDS.

YEAH. ANY FUND THAT CAN FAIRLY BE ALLOCATED A SHARE OF THE COSTS BEING BORNE BY THE GENERAL FUND THAT IS INCLUDED IN THAT \$3.35 MILLION.

AND SO WHAT YOU'RE SAYING IS THAT IN THE PAST IT'S BEEN ENTERED IN OUR GENERAL FUND AS A CORRECTING ENTRY ON THE EXPENSE SIDE BUT INSTEAD IN YOUR REPORT IT'S BEING ADDED AS REVENUE COMING IN TO THE GENERAL FUND.

RIGHT. AND MY UNDERSTANDING THIS IS THE DIRECTION THAT THE CITY IS GOING PROBABLY A MAJORITY OF CITIES DO TREAT IT AS REVENUE BY GROSSING UP THAT AMOUNT. YOU DON'T WIND UP WITH THE SOMETIMES ANOMALOUS RESULT OF PARTS OF THE ORGANIZATION HAVING NEGATIVE OPERATING AND MAINTENANCE EXPENSES BECAUSE THE EXPENSE CREDITS FOR THE COST PLAN ARE LARGER THAN THEIR GROSS EXPENSE. SO THIS TENDS TO GIVE A FAIRER PRESENTATION. AND AS YOU NOTICE, THE TOTAL REVENUE GOES FROM \$10.86 MILLION TO \$14.2 MILLION, AND THE EXPENSE GOES FROM \$12.5 MILLION UP TO \$15.9 MILLION, BUT THE BOTTOM LINE IS STILL THE SAME. IT'S STILL A NEGATIVE \$1.7 MILLION, AND SO THIS IS HERE TO SHOW YOU JUST THE DIFFERENCE IN TREATMENT FOR THE COST ALLOCATION PLAN. NOW, HAVING DONE THAT, THE PIE CHARTS SHOW THE BREAKDOWN OF THE REVISED BUDGET REVENUES, AND YOU CAN SEE PROPERTY TAXES 23% OF THE TOTAL, SALES TAX, 34%. THE COST PLAN IS ACTUALLY THE SECOND HIGHEST REVENUE SOURCE THEN AT THIS POINT AT 24%. IT'S ACTUALLY SLIGHTLY BIGGER THAN THE PROPERTY TAX ITSELF. THESE ARE THE MAJOR REVENUE SOURCES AND THEN IN TERMS OF THE EXPENSE, NO LONGER ARTIFICIALLY REDUCED BY THE COST ALLOCATION PLAN CREDITS. YOU SEE THAT PERSONNEL COMPRISES 60% TOTAL, AND YOU CAN SEE THE BREAKDOWN BETWEEN SALARIES, RETIREMENT, HEALTH, AND OTHER BENEFITS. OTHER OPERATING COSTS ACCOUNT FOR 37% AND THEN A LITTLE SLIVER FOR DEBT SERVICE AND CAPITAL. SO ALL OF THE REST OF THE SLIDES WILL BE TREATING THE COST PLAN AS IT WILL BE IN THE FUTURE BUDGETS AS A REVENUE. ANY QUESTIONS ON THIS SLIDE?

YES, VICE MAYOR?

THANK YOU, MADAME MAYOR. SO THIS MIGHT BE A GOOD TIME BECAUSE IT REALLY ILLUSTRATES THE PERCENTAGE THAT GOES TO SALARIES, PT AND O T. I HAVE RECENTLY BEEN AWARE OF A CLASS AND COMP STUDY THAT COULD ACTUALLY HELP US UNDERSTAND WHERE OUR SALARIES, PT AND OT, STAND IN RELATION TO OTHER -- I DON'T KNOW WHAT THAT ECHO IS, BUT PLEASE -- OKAY, WE'RE GOING TO HOLD ON FOR A MINUTE, BOB. THERE'S AN ECHO GOING. WE'RE GOING TO HAVE I.T. TAKE A LOOK AT THIS. GO AHEAD, VICE MAYOR.

YES, SIR, SO DID YOU GET ALL MY QUESTION OR DO YOU WANT ME TO REPEAT IT?

I THINK YOUR POINT WAS IN TERMS OF A COMPARATIVE COMPENSATION STUDY WOULD GIVE YOU A BETTER FEEL FOR HOW YOU STAND AMONG COMPARATIVE CITIES?

YES. SO BASED UPON YOUR EXPERIENCE THAT YOU'VE ALREADY LAID OUT EARLIER TONIGHT, WOULD YOU RECOMMEND US HAVING ONE?

OH, CERTAINLY. IN TERMS OF THE FACT THAT YOUR EXPENSES ARE ABOUT 60% FOR SALARIES, THAT'S NOT ABNORMAL AT ALL, BUT THE REAL ISSUE THERE WITH THE COMP STUDY IS TO SEE HOW YOU COMPARE WITH THE NEIGHBORING JURISDICTIONS IN TERMS OF YOUR COMPETITION IN THE LABOR MARKET. SO IT'S ALWAYS A GOOD IDEA TO KNOW WHERE YOU STAND.

AND HOW OFTEN DOES ONE DO THAT? EVERY YEAR, EVERY FIVE YEARS?

TYPICALLY NOT EVERY YEAR. IT DEPEND ON YOUR NEGOTIATING CYCLE AND YOUR LABOR MEMORANDUMS OF UNDERSTANDING. I THINK MOST CITIES TEND TO DO ONE MAYBE BETWEEN THREE AND FIVE YEARS.

THANK YOU, MAYOR.

*Agenda Item Number: 1*

THANK YOU, AND I DO SEE COUNCILMEMBER McLEWIS HAS HER HAND UP, COUNCILMEMBER McLEWIS?

YES, I THINK I'M UNMUTED. I'M JUST HOPING YOU CAN CLARIFY FOR ME, IS THE COST ALLOCATION THE MONEY COLLECTED BY WATER AND SEWER? I JUST WANT TO MAKE SURE I'M UNDERSTANDING CORRECTLY.

THE COST ALLOCATION REPRESENTS THE OTHER FUNDS OF THE CITY, THEIR FAIR SHARE OF WHAT THE GENERAL FUND IS INCURRING ON THEIR BEHALF. SO FINANCE, HR, CITY MANAGER, ATTORNEY, ALL THOSE GENERAL AND ADMINISTRATIVE COSTS TYPICALLY ARE NOT CHARGED OUT IN LITTLE BITS TO EACH OF THE OTHER FUNDS. THE GENERAL FUND FOR CONVENIENCE ABSORBS THOSE AND THEN A STUDY IS DONE TO INDICATE THE FAIR ALLOCATION. AND THAT IS THE BASIS FOR THE COST PLAN. THE ONE THAT YOU REVIEWED RECENTLY IS -- THERE WAS A REDUCTION IN WHAT THE FAIR SHARE FOR THE UTILITIES WAS DEEMED TO BE. I BELIEVE IT WAS ABOUT \$714,000 REDUCTION. AND SO YOU WOULD HAVE HEARD MUCH MORE ABOUT THAT COST PLAN DURING THAT COUNCIL PRESENTATION, BUT I AM SIMPLY INCORPORATING THE CURRENT CAP PLAN AND THEN THE REVISED AMOUNT THAT WE ANTICIPATE FOR NEXT YEAR.

GO AHEAD, COUNCILMEMBER McLEWIS.

I JUST HAVE ANOTHER QUICK QUESTION. I DON'T KNOW WHETHER THIS IS WITHIN YOUR SCOPE TO ANSWER, BUT LOOKING AT THE PIE CHART, THE. THEO. THE IS 10%, DOES THAT LOOK LIKE A LOW NUMBER, A NORMAL NUMBER IN OUR REGION?

IT'S A LITTLE ON THE LOW SIDE. WE'RE GOING TALK ABOUT THAT. I HAVE SOME SLIDES SPECIFICALLY ON T. O. T. YOU USED TO HAVE ANOTHER HOTEL AND DON'T KNOW. IT IS A LITTLE ON THE LOW SIDE. I KNOW THERE ARE A COUPLE OF HOTELS IN THE PIPELINE, BUT WHEN IT'S BEEN TALKED ABOUT FOR MANY YEARS AND HASN'T COME AND PASS YET. HOPEFULLY THAT WILL HELP RECTIFY THAT.

THANK YOU VERY MUCH, MR. LELAND, WE HAVE A QUESTION FROM COUNCILMEMBER MAURER.

I JUST HAD A COMMENT THAT I SUPPORTED COUNCILMEMBER'S COMMENTS ON A STUDY, THE COMPARATIVE STUDY ON THE SALARIES. THANK YOU.

THANK YOU VERY MUCH. I THINK WE'RE READY FOR THE NEXT SLIDE.

OKAY. ALL RIGHT. SO WHAT YOU'RE LOOKING AT NOW IS A QUICK RECAP OF HOW WE GOT FROM THE ADOPTED BUDGET AND THE \$1.7 MILLION SHORTFALL THERE TO WHAT WE'RE NOW PROJECTING AS AN IMPROVED BUT STILL NEGATIVE \$1.09 MILLION SHORTFALL AT THE END OF FISCAL YEAR '24. SO IN OTHER WORDS, IN JUNE OF THIS YEAR. AND THEN GOING ON THROUGH THE FOLLOWING YEAR WHERE WE EXPECT THE SHORTFALL TO INCREASE TO JUST UNDER \$2 MILLION. SO THE MAJOR CHANGES HERE ARE THAT PROPERTY TAX REVENUE HAS IMPROVED AND IF YOU SEE A NUMBER IN BLACK, THAT MEANS IT'S IN AN INCREASE IN RESOURCES. SO THAT'S A GOOD THING. IF IT'S RED, IT'S A REDUCTION IN RESOURCES. AND IN THE CASE OF SALES TAX, MINOR REDUCTION PROJECTED BY AVENUE INSIGHTS, YOUR SALES TAX CONSULTANT, PRETTY MUCH OF A WASH IN TERMS OF OTHER REVENUE. AND THEN ON THE EXPENSE SIDE ABOUT A \$920,000 SAVINGS. AND THAT IS BROKEN OUT IN THE UPPER RIGHT HAND CORNER HERE WHERE WE ITEMIZE THE VACANCIES, THE SAVINGS FOR EACH OF THESE POSITIONS EXPECTED TO BE REALIZED DURING THE COURSE OF THE CURRENT FISCAL YEAR WITH SOME OFFSET FOR OVERTIME AND PART-TIME COSTS LEADING TO A NET OF \$920,000 IN SAVINGS. SO BASICALLY THIS IS BECAUSE OF VACANCIES THAT THE CITY HAS. THE NET OF ALL THESE CHANGES BRINGS THE REVISED BUDGET SHORTFALL FOR FISCAL '24 DOWN TO JUST ABOUT \$1.1 MILLION SHORTFALL. IN TERMS OF NEXT YEAR, IF REVENUES INCREASED OVERALL AT 2.5% GROWTH, WE WOULD HAVE -- EXCUSE ME -- \$14.7 MILLION IN REVENUE. THE REDUCTION IN THE COST PLAN PER THE RECENT UPDATE WAS \$714,000. SO THAT'S OUT BASICALLY TO \$14 MILLION OF REVENUE. THEN WE'VE ITEMIZED PERSONNEL COSTS WITH A VACANCY RATE WHICH IS LESS THAN THE VACANCY RATE THAN YOU'RE INCURRING RIGHT NOW. 2.5% INCREASE IN O&M COSTS. THE BEGINNING OF A PHASE IN OF ADDITIONAL SPENDING FOR REPLACEMENT AND MAINTENANCE COSTS THAT HAVE NOT BEEN INCORPORATED INTO YOUR CURRENT BUDGET. WE'LL TALK A LITTLE BIT MORE ABOUT THAT LATER, BUT BASICALLY IF YOU LOOK JUST AT THE DEPRECIABLE ASSETS OF THE CITY, THERE IS ABOUT \$900,000 A YEAR THAT IN THEORY YOU SHOULD BE PUTTING

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INTO REPLACING TECHNOLOGY AND VEHICLES AND BUILDING MAINTENANCE AND PARK MAINTENANCE. AND IT'S -- AN INADEQUATE AMOUNT OF MONEY IS BEING PUT IN. THAT'S AN UNMET NEED. SO WE'RE ASSUMING A PHASE IN OVER THE NEXT THREE YEAR, \$300,000 ADDITIONAL AMOUNT EACH YEAR TO GET UP TO THAT \$900,000 AMOUNT TO WHERE YOU - - YOUR CURRENT LEVEL OF SERVICE WILL BE SUSTAINABLE BECAUSE YOU WILL BE MAKING THE KIND OF INVESTMENTS THAT ARE NEEDED IN TECHNOLOGY AND VEHICLES AND EQUIPMENT AND MAINTENANCE TO KEEP THAT -- TO KEEP THAT LEVEL OF SERVICE IN TACT. THEN THERE IS SOME ADDED COST ABOVE JUST THE NORMAL 2.5% GROWTH FOR LIABILITY AND WORKERS COMP. THE INSURANCE INDICATES AT LEAST A 10% WORKERS COMP GROWTH AND A 230% WORKER'S LIABILITY INSURANCE GROWTH NEXT YEAR. SO WE HAVE FACTORED THAT EXTRA INCREASE IN. AND THEN THE DEBT SERVICE AND CAPITAL COSTS FOR NEXT YEAR SO. THAT WOULD BE \$16.3 MILLION AND WOULD RESULT IN THE SHORTFALL OF ALMOST \$2 MILLION NEXT YEAR. SO THAT'S WHERE WE ARE IN TERMS OF OUR IMMEDIATE TERM FORECAST. WE'LL HAVE MORE INFORMATION IN THE -- LOOKING FURTHER AHEAD THAN THAT. ARE THERE ANY QUESTIONS ON THIS SLIDE? GO AHEAD, COUNCILMEMBER MAURER.

YES, THIS CHART SEEMS TO SAY WE'RE MISSING TWO POLICE SERGEANTS AND ONE POLICE OFFICER. IS THAT CORRECT?

YEAH, FOR DIFFERENT AMOUNTS OF TIME ONE SERGEANT IS VACANT FOR MOST OF THE YEAR. ANOTHER SERGEANT FOR A LIMITED PERIOD OF TIME DURING THE YEAR. SOME OF THESE WERE VACANT EARLIER IN THE YEAR. SOME OF THEM ARE VACANT NOW. THEY REPRESENT THE SAVINGS THROUGHOUT THE COURSE OF THE YEAR RELATIVE TO THAT POSITION.

THANK YOU.

MM-HMM.

AND THEN I HAD A QUESTION, CAN YOU DEFINE O&M COSTS FOR US.

YES, OPERATIONS AND MAINTENANCE. THAT IS BASICALLY NONPERSONNEL OPERATING COSTS. SERVICES AND SUPPLIES, INTERNAL SERVICES, THAT SORT OF THING.

OKAY, AND I NOTICE THAT YOU DO CALL OUT A \$900,000 PHASED IN REPLACEMENT MAINTENANCE COST AMOUNT SO IS THE -- IS THE O&M COST 2.5% GROWTH OVER AND ABOVE THEN THE \$300,000 PER YEAR?

YES, THESE ARE ADDITIVES. THE \$7.6 MILLION IS GROWTH IN THE SPENDING YOU ALREADY HAVE. THE \$300,000 RIGHT BELOW IT IS IN ADDITION.

OKAY. AND THEN THE PERSONNEL COSTS, YOU SHOW THAT IT LOOKS LIKE \$8 .6 MILLION SAVINGS? IS THAT --

THIS IS -- THESE NUMBERS REFLECT THE TOTAL COST. SO IT'S \$8.63 MILLION.

I'M SORRY SO. THAT ISN'T A SAVINGS AMOUNT, IT'S A TOTAL COST?

RIGHT. THE NEGATIVES HERE REPRESENT AN EXPENSE. SO THE BLACK IS REVENUE, THE RED --.

I GET IT. OKAY.

-- IS EXPENSE, YEAH.

SO THE CORRECTION HERE -- YEAH, THE CORRECTION IS FROM CURRENT FISCAL YEAR TO -- SO WE'RE GOING TO BE FILLING SOME POSITIONS THERE FOR THE AMOUNT THAT -- OF EXPENSE FOR PERSONNEL COST VACANCIES IS GOING TO DECREASE.

THE VACANCY -- YES, THE VACANCY WILL GO DOWN AS WE FILL THE POSITIONS. NOW, CLEARLY IF YOU NEVER FILLED THE POSITIONS, THEN THE FINANCIAL DIFFICULTIES WOULD BE HELD AT BAY SOMEWHAT, BUT THEN YOU'RE NOT GOING TO GET THE SERVICES PERFORMED. SO AT SOME POINT WHEN YOU DECIDED WHAT THE APPROPRIATE LEVEL OF AUTHORIZED STAFFING IS, YOU'RE GOING TO HAVE TO ULTIMATELY MOVE AHEAD AND FILL THOSE POSITIONS.

GREAT, THANK YOU VERY MUCH, ANY OTHER QUESTIONS? SEEING NONE --

OKAY. SO JUST QUICKLY, THE SAME COMPARISON AS BEFORE, THE FIRST TWO COLUMNS JUST SHOW ADOPTED AND REVISED WITH THE SAME SHORTFALL. THEN YOU SEE OUR ESTIMATE FOR FISCAL YEAR '24, WHICH IS BASED ON THE TRENDS TO DATE. HERE IS YOUR NUMBER, \$1.09 MILLION SHORTFALL. AND YOU JUST SEE THE BREAKDOWN BETWEEN REVENUES AND EXPENSE. AND THEN FINALLY FOR FISCAL '25, AGAIN, JUST TO GIVE YOU A PEEK AT POTENTIAL NEXT YEAR, YOU'VE GOT THE BREAKDOWN BY REVENUES AND THE MAJOR EXPENSE CATEGORIES AND THEN THE SHORTFALL OF \$1.97 MILLION. SO THIS

JUST TAKES THE PRIOR SLIDE AND KIND OF SHOWS IT IN A DIFFERENT MANNER THAT BREAKS OUT THE PROPERTY TAX AND THE SALES TAX AND I WOULD SAY WE CAN PROBABLY MOVE ON UNLESS YOU HAVE ANY QUESTIONS ON THAT.

I JUST, THIS ACRONYM COMES UP REPEATEDLY, ACFR, IS THAT OUR AUDITED -- IS THAT THE AUDIT REPORT?

THAT'S THE ANNUAL COMPREHENSIVE FINANCIAL REPORT.

GREAT, THANK YOU VERY MUCH.

ALL RIGHT. MOST CITIES HAVE AN INTEREST IN LOOKING AT BUDGET TO ACTUAL. AND SO WHAT I'VE DONE IS GO BACK OVER THE LAST SEVERAL YEARS AND I'VE PUT TOGETHER SOME CHARTS FOR THE MAJOR CATEGORIES THAT COMPARE WHAT THE ORIGINAL BUDGET WAS TO THE ACTUAL AMOUNTS. SO IF WE TURN OUR ATTENTION TO THE UPPER LEFT HAND CORNER, THIS IS THE PROPERTY TAX. THE GREEN LINE IS THE BUDGET. THE ORANGE PART OF THE -- THE DARK ORANGE PART OF THE BARS ARE ACTUAL. IN FISCAL '24, THE YEAR THAT WE'RE IN RIGHT NOW, THE DARK ORANGE REFLECTS THE ACTUALS THROUGH THE POINT OF TIME IN JANUARY WHEN THE MOST RECENT YEAR-TO-DATE REPORTS WERE RUN AND MADE A -- COLORED PORTION OF THE BAR IS OUR ESTIMATE OF THE REMAINING ADDITIONAL REVENUE. SO THE TOTAL THEN WILL BE THE COMBINATION OF THE ORANGE AND THE BEIGE RIGHT UP HERE. AND THAT COMPARES TO THE BUDGET. AND YOU'LL NOTICE A LITTLE RED CIRCLE. THAT IS THE SIMPLE YEAR-TO-DATE TREND. SO JUST TAKING THE PERCENTAGE OF THE YEAR ELAPSED AS OF THE POINT IN JANUARY TOWARDS LATE JANUARY WHEN THOSE REPORTS WERE RUN. IF REVENUES WERE RECEIVED ON AN EVEN BASIS THROUGHOUT THE YEAR, THEN YOU WOULD HIT THAT YEAR-TO-DATE TREND. BUT REVENUES AND EXPEBSS DON'T ALWAYS FOLLOW THAT NICE, EASY TREND, SO THIS ISN'T ALWAYS MEANINGFUL, BUT I'VE INCLUDED IT HERE AS A POINT OF REFERENCE. YOU SEE ON THE PROPERTY TAX BUDGET HAS TRADITIONALLY BEEN LOWER THAN THE ACTUALS. NOW STARTING IN FISCAL '22, THE REDEVELOPMENT AGENCY DEBT HAS BEEN REDUCED TO THE POINT WHERE THERE IS A HIGHER RESIDUAL PROPERTY TAX. THAT'S MONEY THAT USED TO GO TO REDEVELOPMENT BUT WHICH IS NOW SHARED WITH THE OVERLAPPING AGENCIES, INCLUDING THE CITY. SO IT WASN'T ANTICIPATED THERE WOULD BE THIS BIG JUMP UP STARTING IN '22, BUT YOU CAN SEE THAT THE REVENUE INCREASE STEADILY BUT SLOWLY OVER SEVERAL YEARS AND THEN HAD THIS BIG JUMP. NOW IT'S CONTINUING FROM THIS HIGHER LEVEL THAT. IS BECAUSE YOUR RESIDUAL REVENUE NOW IS A PERMANENT FISSIONTURE OF YOUR PROPERTY TAX REVENUE, AND YOU'LL BE RECEIVING IT AT THIS HIGHER LEVEL. SO IN THE CASE OF PROPERTY TAX, BUDGET HAS TRADITIONALLY BEEN LOWER THAN ACTUAL. ON SALES TAX, IT'S A REAL MIXED BAG. THERE HAVE BEEN A COUPLE OF YEARS HERE IN FISCAL '18 YOU HIT IT RIGHT ON THE NOSE. THE -- THERE WAS AN ASSUMED REDUCTION IN THE BUDGET, BUT THAT ACTUALS CAME IN QUITE HEALTHY IN FISCAL '19, SO I'M NOT SURE WHAT THE THINKING WAS ON THAT. BUT THE NEXT YEAR THE BUDGET CAME BACK UP TO A REALISTIC LEVEL BUT THEN ALONG CAME THE PANDEMIC. SO THERE WERE SOME LOSSES AT THE END OF FISCAL YEAR '20 CONTINUING INTO '21. SO THE FEELING THEN WAS LET'S COME UP WITH A BUDGET THAT'S MORE CONSERVATIVE. AND SO YOU SEE THE BUDGET DIP. BUT AS YOU RECALL, AFTER THE INITIAL DIFFICULTIES WITH THE PANDEMIC AND THE SHUTDOWN AND PEOPLE STAYING HOME, THEN PEOPLE STARTED ORDERING ONLINE AND SALES TAX REVENUES WOUND UP BEING MUCH HIGHER THAN MOST ANYBODY HAD EXPECTED THEY WOULD BE IN FISCAL '21. THEY CONTINUED TO GROW IN '22, BUT THE BUDGET LAGGED THAT. FINALLY IN '23, THE BUDGET GOT UP TO A LEVEL THAT SEEMED REALISTIC, BUT THE ACTUALS DID LEVEL OFF JUST A LITTLE BIT AT THAT POINT. THAT HAPPENED PRETTY MUCH STATEWIDE. THE BUDGET FOR '24 THEN CAME DOWN, KIND OF -- THAT AND WE'RE EXPECTING THIS YEAR TO PRETTY MUCH HIT THE BUDGET. SO THAT'S FOR SALES TAX. AND AGAIN, THIS IS THE CITY 1% UNIFORM RATE PLUS THE LOCAL MEASURES. IN TERMS OF UTILITY USERS TAX, GENERALLY THE BUDGET HAS ALSO BEEN BELOW ACTUALS. THE BUDGET FOR THIS YEAR FINALLY BOOSTED UP, I THINK, HIGH ENOUGH TO BE REALISTIC AND THAT WE EXPECT TO HIT THAT AMOUNT IN FISCAL '24. IN THE TRANSIENT OCCUPANCY TAX IN THE LOWER LEFT HAND CORNER, AGAIN, KIND OF A MIXED BAG. THE BUDGET HAD GOTTEN HIGH AND THEN, OF COURSE, IN '20 AND '21 WITH THE ECONOMIC SHUTDOWN AND MAJOR CURTAILMENT OF TRAVEL, THERE WERE MUCH LOWER

TRANSIENT TAX REVENUES, AND DURING THIS PERIOD YOU LOST THE HOTEL. THERE HAS BEEN SOME RECOVERY, EVEN THOUGH THE BUDGET HAS BEEN MORE CONSERVATIVE. EVEN THOUGH WE'RE NOW DOWN TO ONE HOTEL, THE PRIVATE RENTALS HAVE TAKEN UP SOME SLACK. AND SO THERE HAS BEEN SOME RECOVERY THERE. AGAIN, WE'RE EXPECTING TO COME PRETTY CLOSE TO THE YEAR-TO-DATE TREND BASED ON A DETAILED LOOK AT THE ONE HOTEL AND THE INDIVIDUAL PRIVATE RENTALS. THE COST ALLOCATION PLAN IS ONE OF THOSE THINGS WHERE YOU DEFINE WHAT THE AMOUNT IS AND SO THE BUDGET SHOULD BE PRETTY CLOSE TO ACTUAL, AND YOU CAN SEE THAT IT HAS BEEN OVER THE PRIOR YEARS. THIS LAST YEAR THE BUDGET WAS HIGHER AND YOU DIDN'T HIT IT FOR WHATEVER REASON. WE'RE EXPECTING TO HIT THE AMOUNT FOR THIS YEAR. AND THEN ALL OTHER REVENUE IN THE LOWER RIGHT HAND CORNER -- AGAIN, THIS IS A MIXED BAG. AND ALL OTHER REVENUE INCLUDES EVERYTHING FROM THE TRANSFER TAX, THE BUSINESS LICENSE TAX, INTERGOVERNMENTAL REVENUES, FRANCHISE PAYMENTS, INTEREST, RENTS, SINCE THERE ARE SO MANY INDIVIDUAL ITEMS, THERE CAN BE FLUCTUATIONS IN THOSE. IN '21 AND '22 ACTUALLY WERE VERY CLOSE. IN '20 AND '23 THERE WERE LARGE ONE-TIME REVENUES THAT WERE SIMPLY NOT ANTICIPATED AT THE BEGINNING OF THE FISCAL YEAR. AND SO THE BUDGETS WERE LOWER AND THE AMOUNTS CAME IN MUCH HIGHER. SO WE'RE ASSUMING THIS YEAR THAT WE WILL BE CLOSE TO THE AMOUNT. WE'RE NOT EXPECTING AN ANTICIPATED ONE-TIME REVENUES. [ CAPTIONERS TRANSITIONING ]

YES, I SEE A QUESTION FROM COUNCILMEMBER McLEWIS .

I MADE, I SUBSCRIBE TO THE PROMISE WE ARE DELIVERING. BUT I AM WONDERING, LOOKING AT THE CHARTS, IF YOU COULD SPECULATE WHY WE CONSISTENTLY, UNDER PROJECT WHAT WE WERE GOING TO DO FOR SALES TAXES ANIMALS WITH UTILITIES. NOT SO MUCH, BUT IF YOU DO SPECULATE WHY WE HAVE THIS CONTINUOUS UNDER PROJECTION FOR THAT, I MEAN, IS IT JUST, I HAVE NO IDEA. I WONDERED IF YOU HAD ANY THOUGHTS ON THAT ARE HOW WE COULD GET BETTER AT PROJECTING WHAT THOSE ARE SO WE CAN HAVE A BETTER IDEA OF WHAT OUR BUDGET LOOKS LIKE. EVERY YEAR, WE ARE CONSISTENTLY ALL-TIME UNDER PROJECTING, WE SHOULD BE ADJUSTING SOMETHING. OR DOES THIS LOOK NORMAL TO YOU?

YOU, THE TWO MOST DIFFICULT TIMES TO PROJECT REVENUES IS ON THE ECONOMY IS IMPROVING AND WHEN THE ECONOMY IS FAILING. IF YOU'RE GOING UP AND DOWN IN THE CYCLE, AND I NOTED A COUPLE OF THINGS HERE. THE PROPERTY TAX THIS YEAR IN 2022, THAT IS BECAUSE THE INCREASE IN RESIDUAL REVENUE WAS NOT ANTICIPATED. FOR THE SALES TAX, THE REVENUE DROPPED DOWN BECAUSE OF A NATURAL TENDENCY TO BE CAUTIOUS BECAUSE NOBODY HAD EVER SEEN ANYTHING LIKE THE PANDEMIC BEFORE. THAT IS UNDERSTANDABLE. YOU ARE NOT ALONE IN THIS OUTCOME. UTILITY USERS TAX, PROBABLY, THAT IS A MORE STABLE SOURCE. SO I THINK IT WAS A LITTLE TOO CONSERVATIVE. THE TL TAX, WE LOST A HOTEL WHICH WAS NOT ANTICIPATED. THERE IS A COMMENT ON THAT EARLIER THIS EVENING. AND SO THERE WAS THE IMPACT OF THE PANDEMIC. THERE TENDS TO BE A DELAYED REACTION IN TERMS OF GETTING REVENUE AND THE BUDGET BACK UP TO WHERE REVENUES ARE LIKELY TO BE. THIS IS UNDERSTANDABLE. THE CROSS PLAN, OF COURSE, IS PRETTY STRAIGHTFORWARD. WE HAVE THE BIG GRANTS THAT WERE NOT EXPECTED. THAT WAS JUST A TIMING ISSUE.

SO I THINK --

HOLD ON JUST A MOMENT. OUR CITY MANAGER HAS A COMMENT.

I WANTED TO CLARIFY COUPLE OF THINGS FERNANDO IS HAS BEEN AN ISSUE OF CONCERN. ON THE PROPERTY TAXES IN PARTICULAR, THERE IS A SLIGHTLY DIFFERENT METHODOLOGY WHICH WE WILL BE ADOPTING. I WANT TO SAY IT IS MORE OPTIMISTIC IS PROBABLY THE BETTER TERM. IT IS MORE REALISTIC BECAUSE IT REFLECTS THAT ONLY THE ANNUAL GROWTH, BUT IT ACCOUNTS FOR THE FREQUENT, WHEN THERE ARE SALES, IT ACCOUNTS FOR THE FACT THAT THE PROPERTY DOLLARS DRAMATICALLY -- BECAUSE THE SALES WERE BASED ON PROPERTY TAX ALLEYS FROM THE 1970s OR 1980s OR LONG AGO. THE CURRENT PROPERTY TAXES ARE SO MUCH HIGHER. THE WAY OF DOING IT IS REALLY MORE REALISTIC. I WILL TELL YOU, WE ARE CONSIDERABLY, IT IS ONLY A PERCENTAGE POINT OR TWO, BUT THAT TRANSFERS THROUGH. MORE OFTEN OUR ESTIMATES FOR SALES TAX IN THE COUNTY THESE DAYS -- ALSO ON THE SALES TAXES, WE ARE CHOOSING FROM AVENUE INSIGHTS, THE SALES TAX CONSULTANT THEY



CONSIDERED THE MOST REALISTIC PROJECTIONS BUT HISTORICALLY, MANY CITIES ARE MORE CONSERVATIVE THAN THAT. WE ARE GOING WITH BASICALLY KIND OF STRAIGHT DOWN THE MIDDLE. THE CITY MANAGER MAKES ME A LITTLE NERVOUS BECAUSE WE'RE NOT PUTTING IN THE KIND OF CUSHION WE MIGHT TYPICALLY PUT ON THESE KIND OF THINGS. GIVEN OUR BEST ESTIMATES OF WHAT IS GOING TO HAPPEN IN THE FUTURE. IF THEY DO NOT GO AS PLANNED, IT WILL BE TIGHT. TRYING TO BE REALISTIC AND PUT EXTRA CUSHION ON IT.

THANK YOU TO OUR CITY MANAGER BUT I THINK WHAT WE ARE GOING TO DO IS BEFORE GOING TO THE NEXT SLIDE, WE WILL TAKE THE BRIEF BREAK. 10 MINUTES. BEFORE THAT, LET'S MAKE SURE WE COLLECT ALL QUESTIONS ON THIS SLIDE AND ANY COMMENTS FROM THE COUNCILMEMBERS. YES, COUNCILMEMBER HINTON?

WHEN WE INVITED THE HOTEL TO THE HOME KEY PROJECT, OUR SUPERVISOR GAVE US TWO YEARS WORTH OF D.O.T. TAXES. AND I AM WONDERING WHERE ON THIS GRAPH DOES THAT APPLY? BECAUSE WHEN I LOOK AT THE D.O.T., AND I SEE THOSE LOWER, WE WERE NOT GETTING THE T.O.T., WE HAD A MAKEUP FOR THAT. SO IS IT ON THE T.O.T. SLIDE OR IS THAT ANOTHER CATEGORY ?

I BELIEVE IT IS THE OTHER REVENUE AS AN INTERGOVERNMENTAL PAYMENT.

SO IF WE WERE TO TAKE THAT MONEY, WHICH I AM LOOK AT A SPIKE IN ' 20. I AM LOOKING AT A LOSS IN T.O.T.. I'M WONDERING IF THAT ONE TIME FEE THAT APPLIED THERE, REALLY THAT THE WAS MEANT TO BRIDGE THOSE TWO OF T.O.T.. THAT IS MY RECOLLECTION ON THAT. WHEN THAT PROJECT CAME IN. WE DID HAVE SOME MONEY COME OUT AND HELP MAKE US WHOLE FOR AT LEAST A COUPLE YEARS.

MY UNDERSTANDING IS SEBASTOPOL ENCLOSED ABOUT JANUARY ' 21. THEY HAD FOUR YOUR REVENUE OF 17 OR 18 OF -- THE ULTIMATE WAS CUT TO ABOUT 77 EXTRA AND THERE IS A PORTION OF FISCAL ' 21. ZERO IN ' 22.

SO TO INTERJECT HERE, WHAT WAS THE TOTAL AMOUNT? IT LOOKS LIKE YOU HAVE THE FIGURES IN FRONT OF YOU. THE TOTAL AMOUNT OF T.O.T. COLLECTED BY THE CITY OF SEBASTOPOL? FOR THE SEBASTOPOL IN ? IN TOTAL, IT WAS PURCHASED BY THE COUNTY. WHAT WAS THAT ANNUAL AMOUNT?

WHAT THE RECORDS SHOW IS \$150,000 IN FISCAL ' 18. \$97,000 FOR FISCAL ' 19. 77,000 IN FISCAL ' 20. AND 36,000 FOR A PORTION OF FISCAL ' 21. SO THE COLLECTIONS WERE HEADED DOWNHILL EVEN BEFORE IT CLOSED. HEART OF THAT, OBVIOUSLY, WAS --

THANK YOU VERY MUCH. ANY OTHER QUESTIONS FROM THE COUNCILMEMBERS? I AM NOT SEEING ANY HERE. GO AHEAD, COUNCILMEMBER McLEWIS .

YOU HAVE IN FRONT OF YOU WHAT THE TOTAL AMOUNT WAS RECEIVED FROM THE COUNTY FOR THAT THAT YOU SAID IS IN THE OTHER?

I THINK IT WAS \$370,000.

OKAY. THANK YOU.

ULRICH. I THINK WERE GOING TO, UNLESS THERE ARE OBJECTIONS FROM COUNCILMEMBERS, TAKE A BRIEF, I WILL KEEP IT ON THE CLOCK. A BRIEF 10 MINUTE BREAK. THANK YOU FOR HANGING IN THERE WITH US. THANK YOU.

[ THE EVENT IS ON A RECESS. THE SESSION WILL RECONVENE IN 10 MINUTES. CAPTIONER ON STANDBY. ]

ULRICH, EVERYONE. RECORDING IT? YOU, EVERYONE, FROM RETURNING FROM THE BREAK SO PROMPTLY. WILL CONTINUE WITH THE PRESENTATION FROM BOB. I BELIEVE HE IS GOING TO SLIDE ALONG QUICKLY. WE WILL FLOAT ON TO THE EXTENT THE CITY COUNCIL MEMBERS HAVE QUESTIONS ON THESE LIGHTS. FOR PURPOSES OF THE RECORDING, IF YOU COULD, EVEN IF YOU'RE NOT COVERING IN DETAIL A PARTICULAR SLIDE, PLEASE MOVE IT FORWARD AND HOLD ON FOR A FEW SECONDS SO ON THE VIDEO, ANYONE WHO LOOKS AT THE VIDEO LATER ON WILL BE ABLE TO LOOK BACK AND SEE THAT SLIDE. THANK YOU.

LET'S PICK UP WHERE WE LEFT OFF. I'M GOING TO MOVE AT A BRISK PACE BECAUSE WE DO NOT WANT TO BE HERE ALL NIGHT. THE SAME COMPARISON NOW FOR EXPENDITURE BUDGET TO ACTUAL. I HAVE TAKEN THREE MAJOR CATEGORIES OF PERSONNEL SALARIES, PART-TIME IN OVERTIME IN THE UPPER LEFT. PENSION HEALTH AND BENEFITS IN THE MIDDLE AND WORKERS COMP ON THE RIGHT . YOU CAN SEE BUDGET HAS ACTUALLY BEEN VERY CLOSE FOR SALARIES INCLUDING PART-TIME AND OVERTIME FOR SEVERAL YEARS. THE LAST COUPLE OF YEARS, THE BUDGET WAS HIGHER BECAUSE THE

VACANCY RATE HAS BEEN SO HIGH. IN TERMS OF PENS AND -- PENSION, HEALTH, AND BENEFITS. THE OPPOSITE IS TRUE FOR A LONGER PERIOD OF TIME. THE BUDGET HAS BEEN HIGHER THAN ACTUAL. I THINK THAT IS PARTLY FROM THE OVER BUDGETING OF HEALTH BENEFITS. ALSO, THERE WERE VACANCIES IN THE LAST COUPLE OF -- NORMAL COST PORTION OF PENSION COSTS WAS LOWER. YOU CAN SEE AGAIN IF THEY HAVE A GAP OVER THE LAST COUPLE OF YEARS THERE. WORKERS COMPENSATION. MOST YEARS IT HAS BEEN PRETTY CLOSE. THE BUDGET HAS BEEN HIGHER. LAST YEAR, WE THINK WILL BE CLOSE TO IT THIS YEAR. SERVICES AND SUPPLIES. AGAIN, SOME OF THE YEARS HAVE BEEN RELATIVELY CLOSE. LAST YEAR, THE TOTALS WERE HIGHER THAN THE BUDGET. WE EXPECT TO BE THE TOTAL A LITTLE HIGHER THIS YEAR IN BUDGET. FINALLY, INSURANCE, UTILITIES, COMMUNITY CONTRIBUTIONS. BASICALLY ALL THE REST OF OPERATIONS. THOSE COSTS HAVE BEEN KIND OF A MIXED BAG AND IT HAS BEEN HIGHER THAN SOME YEAR AND A LOWER THAN SOME YEARS. THE LAST SLIDE FOR TRANSFERS OUT. THE BUDGET TYPICALLY DOES NOT CONTAIN AN ESTIMATE FOR TRANSFERS OUT. YOU CAN SEE FOR THREE YEARS HERE, THERE WERE SIGNIFICANT TRANSFERS THAT WERE NOT BUDGETED. THE BUDGET SHOWS THEY ARE NOBLE OR ZERO. SOMEWHERE PERHAPS ANTICIPATED AT THE BEGINNING OF THE YEAR. THIS IS SOMETHING TO WATCH FOR IN THE FUTURE.

SO ON THIS SLIDE, THE QUICK EXPLANATION FOR WHY THE TRANSFER IS OUT IN 2019 AND WHY THERE WERE SO HIGH?

I WOULD HAVE TO GO BACK AND TAKE A LOOK AT THE SPECIFIC REASON FOR THAT. I DO NOT HAVE IT RIGHT IN FRONT OF ME AT THIS MOMENT. THESE WERE TYPICALLY, THESE TRANSFERS OUT WERE GOING TO BE FOR PROJECTS OR MOVING THE FUNDS TO, WELL, TYPICALLY THEY ARE FOR PROJECTS. I WOULD HAVE TO GO BACK TO GET YOU THE EXACT ANSWER.

THAT'S FINE. THANK YOU. THERE IS A QUESTION, VICE MAYOR?

IF MY MEMORY SERVES ME CORRECTLY, WE DID A WHOLE SERIES OF A COUPLE OF SLIDES ON PENSION AND HEALTH BENEFITS AND WHAT YOUR RECOMMENDATIONS ARE, CORRECT?

CORRECT.

OKAY. THANK YOU.

OKAY, MOVING ALONG. WHAT WE HAVE DONE IS TAKE A LOOK AT THE STUDIES IN SONOMA COUNTY. WE ATTEMPTED TO DO A COMPARISON TO GIVE A BASIC IDEA OF HOW SEBASTOPOL'S ECONOMY COMPARES TO THESE OTHER CITIES. EVERY CITY IS UNIQUE. POPULATIONS VARY. THE WAY THE REVENUE STRUCTURE IS VARIES. THE REVENUE IS VERY GOOD I PICKED SIX CATEGORIES HERE AND TRIED TO GIVE AN INDICATION OF WHERE SEBASTOPOL RANKS FOR THE UPPER LEFT IS THE CITY SHARE OF PROPERTY TAX ALLOCATION. THIS IS A MEASURE OF ALL PROPERTY TAX AS A PERCENT OF ASSESSED VALUE IN THE CITY. SEBASTOPOL ACTUALLY RANKS RELATIVELY HIGH IN THAT REGARD. THE PROPERTY TAX ALLOCATION IS A VESTIGE OF PROP 13 TAX RATES. WHEN PROP 13 PASSED IN 1978, THE STATE USE THE AVERAGE OF THE PRIOR THREE YEARS TO DETERMINE A BASIC RATE FOR PROPERTY TAX. THE AMOUNT OF REVENUE IS THAT OUR GAINED IN THE MEANTIME, REDEVELOPMENT HAD A IMPACT ON THAT. THE LICENSEES WERE CONVERTED TO PROPERTY TAX. THEY USED TO BE ALLOCATED ON POPULATION. NOW THEY ARE PART OF THE ASSESSED VALUE GROWTH. THERE HAS BEEN, YOU KNOW, SOME CHANGE IN PROPERTY TAX ALLOCATION OVER TIME. YOU CAN SEE IT DOES NOT REALLY MATTER WHETHER THEY ARE A LARGE OR SMALL CITY. YOU CAN FOLLOW DIFFERENT PLACES ON THE SPECTRUM. IF YOU TAKE THE PROPERTY TAX PER CAPITA, SINGULARLY, IT RANKS PRETTY WELL. THE SALES TAX PER CAPITA IN THE FAR RIGHT IS NO 1% BRADLEY BURNS TAX ONLY. THAT DOES NOT INCLUDE ANY OF THE ADD-ON TAXES. SEBASTOPOL RANKS JUST ABOVE THE MEDIAN HERE. IF YOU LOOK AT THE ADD-ON SALES TAX PER CAPITA IN THE LOWER LEFT-HAND CORNER, THIS IS FOR THE VOTER APPROVED TAXES ONLY. THIS IS ACTUALLY MEASURING A NUMBER OF THINGS. ONE IS THE POLITICAL WILL OF THE COMMUNITY TO PUT UP MEASURE ON THE BALLOT AND THE WILLINGNESS OF THE VOTERS TO APPROVE IT. THE RATES VARY. YOU CAN SEE WHAT THE RATES ARE AND THE PERCENTAGES AT THE BOTTOM OF THIS CHART. AND THE BARS REPRESENT THE ACTUAL SALES TAX PER CAPITA. SO THE AMOUNT THAT SEBASTOPOL GETS IS RELATIVELY GOOD IN TERMS OF PER CAPITA COMPARISON. THERE WAS A

QUESTION EARLIER ABOUT T.O.T. AND WHAT I'VE DONE HERE IS MAJOR T.O.T. TO 1% RATE PER CAPITA. THAT MEASURE IS TRULY WHAT THE GENERATED CAPACITY IS RATHER THAN THE ACTUAL REVENUE. REALLY, THE CITY HAS HIGH RATES AND A LOT OF HOTELS ARE GENERATING A LOT OF T.O.T. . IN TERMS OF IT CAPACITY TO GENERATE FOR A 1% RATE, SEBASTOPOL IS BELOW THE MEDIAN FOR T.O.T.. FINALLY, TEMPORAL PURPOSE REVENUE PER CAPITA. WE TRY TO DO HERE IS TAKE NOT JUST THE GENERAL FUND, BUT SOME CITIES HAVE GENERAL PURPOSE SPENDING IN THE REVENUES THAT PAY FOR THAT. THAT IS LOCATED IN FUNDS OTHER THAN THE GENERAL FUND. WE TRY TO COMMINGLE THOSE SO WE GOT A BETTER SENSE OF HOW SEBASTOPOL WOULD STAND RELATIVE TO OTHER CITIES. IT COMES IN SLIGHTLY ABOVE THE MEDIAN. SO WHAT WOULD LIKE TO DO IS GO ON TO THE NEXT CHART.

MAY ASK A QUICK QUESTION? WHEN YOU AGGREGATE ALL THIS DATA TO PUT THIS TOGETHER, WHAT KIND OF TIMEFRAME DID YOU LOOK AT? FIVE YEARS, 10 YEARS? NO, JUST THE CURRENT YEAR.

THANK YOU.

TO FINE-TUNE THESE MORE WOULD TAKE A LOT OF WORK. THIS IS WHAT COULD BE GAINED FROM ONLINE BUDGETED MATERIAL AND IT IS AS COMPARABLE AS WE COULD MAKE IT. THE GENERAL CONCLUSION HERE IS THAT EVEN THOUGH SEBASTOPOL IS NOT A LARGE CITY IN TERMS OF THE REVENUE GENERATING CAPACITY FOR WHAT IT HAS GOT, IT IS NOT DOING TOO BADLY. SO IF WE SAY, OKAY, IF THE CITY IS HAVING SOME FINANCIAL CHALLENGES, THEN IT IS NOT ON THE REVENUE SIDE, IS IT ON THE EXPENSE SIDE? WE TAKE A LOOK AT THAT. I HAVE THREE MAJORS HERE. GENERAL FUND PERSONNEL COSTS PER CAPITA. SEBASTOPOL DOES RANK ABOVE THE MEDIAN THERE. GENERAL FUND OPERATING IN MAINTENANCE COSTS PER CAPITA. SIMILARLY ABOVE THE MEDIAN. AND COMBINING THE TWO IN THE LAST CHART WITH PERSONNEL. IT RANKS AS THE SECOND HIGHEST. AGAIN, THE MAJOR CAVEAT IS STAFF AND THE ORGANIZATION ALLOCATION OF COSTS, THE TYPE OF SERVICE, LIKE FIRE SERVICE, CAN VARY SIGNIFICANTLY AMONG CITIES BUT IT WOULD TAKE MORE RESEARCH TO GET SOMETHING MORE MEANINGFUL THAN THIS. THIS IS INTENDED AS A BROADBRUSH LOOK TO SEE IF ANYTHING JUMPED OUT IN TERMS OF PER CAPITA MASERS USING THE PUBLICLY AVAILABLE INFORMATION FOR ALL THESE JURISDICTIONS IN THE CURRENT FISCAL YEAR. OKAY. ANY COMMENTS OR QUESTIONS?

SORRY, I'M ANOTHER QUESTION. WHEN HE PUT THOSE ALL STATED TOGETHER, WE HAVE A LOT OF DIFFERENT CITIES, TOWNSHIPS, WHATEVER. THE POLICE SERVICES, THE FIRE SERVICES ARE NOT PART OF THEIR EMPLOYEE BECAUSE THEY ARE ALL, YOU KNOW, DIFFERENT DISTRICTS OR WHATEVER. IF ANY OF THAT INFORMATION INCLUDED IN HERE? OR IS IT STRICTLY --

IT IS TAKING STRICTLY THE INFORMATION THE CITIES HAVE REPORTED. EXAMPLE OF FIRE, THERE ARE ALL KINDS OF WAYS TO HAVE FIRE. THERE CAN BE A FIRE DISTRICT THAT PAYS FOR IT. YOUR PROPERTY TAX MAY NOT BE AFFECTED AT ALL. OR YOU COULD HAVE THE DISTRICT PAY FOR IT AND YOUR PROPERTY TAX IS LOWER BECAUSE ONCE UPON A TIME, YOUR SHARE OF THE PROPERTY TAX WAS GIVEN TO THAT DISTRICT TO HELP PAY FOR FIRE SERVICE. OR YOU MAY BE CONTRACTING FOR THE SERVICE OR YOU MAY HAVE A PARCEL TAX FOR THE SERVICE. THERE ARE VARIOUS WAYS THAT CAN BE DONE. FIRE IS ONE AREA WE HAVE TO LOOK AT CLOSELY FOR THAT JURISDICTION.

CORRECT. I WANTED TO BETTER UNDERSTAND.

RIGHT, RATES.

I ALSO HAD A QUESTION. I THINK IT HAS BEEN ANSWERED RIGHT YOU JUST NOW. I LOOK AT THESE NUMBERS AND FOR ME, IT IS AN INCREDIBLY BROADBRUSH. THERE HAS TO BE, THIS WOULD BE A QUESTION FOR YOU. THERE HAS TO BE A FIXED COST ASSOCIATED WITH RUNNING ANY CITY. IF WE HAD, IT OH, 1000 PEOPLE IN THIS CITY, THERE WOULD BE A NEXT COST. IF WE HAVE 7500, THEY'RE STILL GOING TO BE SOME FOUNDATIONAL FIXED COST. IT IS NOT AS IF WE CAN REALLY BOIL IT DOWN TO A PER CAPITA COST.

WHAT YOU REALLY HAVE IS SMALL CITIES THAT DO NOT HAVE ECONOMIES TO SCALE. THEY WILL HAVE A CITY MANAGER. THEY WILL HAVE A POLICE CHIEF. THOSE TEND TO BE A LARGER PROPORTION OF THE COSTS THEY INCUR ALONG THE LINES OF WHAT YOU ARE SAYING. IF THERE ARE CERTAIN THINGS THAT ARE FIXED YOU ARE GOING TO HAVE. ESTIMATE THERE ARE VARIATIONS IN THE LEVEL OF SERVICE THAT DIFFERENT CITIES

PROVIDE IN COMPENSATION LEVELS. CONTRACTS THEY MAY OR MAY NOT HAVE. YOU WOULD REALLY HAVE TO DO A LOT OF WORK. SO WHAT I'M SAYING HERE IS, THIS IS INTERESTING INFORMATION, BUT IT IS NOT DEFINITIVE. IN THE END --

SO PLANNING THAT OUT. WHEN I LOOK AT -- WHICH IS A SIMILAR POPULATION AND I LOOK AT THESE NUMBERS, I HAVE TO ASK MYSELF, WHY? AND THAT I ANSWER WITH THE INFORMATION THAT IS ACTUALLY COMING FROM COUNCILMEMBER McLEWIS . FOR EXAMPLE, THEY DO NOT PAY FOR THEIR FIRE SERVICES HERE THAT IS THE -- FIRE SERVICE TO THANK YOU. JUST POINTING OUT THERE MANY VARIABLES HERE. THANK YOU.

YOU'RE WELCOME. MOVING ON. I WILL GET INTO OUR BASELINE REVENUE FORECAST. WHAT WE ARE TRYING TO DO HERE IS MAJOR THE REVENUES THE CITY CAN LIKELY COUNT ON TO MEET THE ONGOING EXPENSES AT THE CURRENT LEVEL OF SERVICE. AND THE FORECAST INCLUDES REASONABLE ASSUMPTIONS OF REVENUE, AS THE CITY MANAGER MENTIONED EARLIER. OUR BIASES TOWARD REALISM. WE THINK IT HELPS THE CREDIBILITY OF THE CITY IN THE LONG RUN TO COME UP WITH REASONABLE ASSUMPTIONS AND BE TRANSPARENT ABOUT THOSE ASSUMPTIONS. THEY MAY OR MAY NOT BE MET IN ANY ONE YEAR. BUT TAKING THE CONTEXT OF BOTH LONG-TERM AND RECENT EXPERIENCE, WE THINK THE ASSUMPTIONS GOING FORWARD IS REASONABLE. THEY ALSO INCORPORATE ECONOMIC CYCLES. YOU HAVE TO REALISTICALLY PORTRAY POTENTIAL STRESS ON FINANCES WHEN YOU FORECAST. THAT DOES ASSUME A MODERATE RECESSION IN FISCAL YEAR 2027 AND EVERY SEVEN YEARS THEREAFTER. WE WILL TALK MORE ABOUT RECESSIONS IN A MOMENT. IF YOU LOOK AT THE CHART IN THE LOWER LEFT-HAND, THE GREEN BARS ARE RECURRING REVENUES. THE RED ARE ONE TIME REVENUES. YOU CAN SEE IN DIFFERENT YEARS, THERE HAS BEEN AN INSIGNIFICANT AMOUNT OF ONE TIME. THE BLUE LINE IS THE RECURRING EXPENSE. THE THING THAT JUMPS OUT TO ME IS IN THE PERIOD AFTER THE GREAT RECESSION DURING THE RECOVERY PERIOD, THE CURRENT EXPENSES WERE KEPT LOW AND REVENUES BEGAN TO RECOVER. DURING THIS PERIOD, THE CITY WAS ABLE TO SOCK AWAY ZEROS. IF YOU LOOK IN THE LAST THREE YEARS, HOWEVER, THE RECURRING EXPENSES HAVE BEEN GREATER THAN THE RECRUITING REVENUE EVERY YEAR. THERE WERE BIG TIME REVENUES THAT HELPED TO GET BY. YOU CAN SEE THERE IS A BIG DIFFERENCE BETWEEN FISCAL 2011 AND ' 19 AND SINCE IT HAS BEEN SINCE FISCAL YEAR ' 20. WHAT WE ARE GOING TO DO NOW IS GO THROUGH SOME CONSIDERATIONS RELATIVE TO REVENUES. IN TERMS OF RECESSIONS, THE CHART IN THE UPPER LEFT SHOWS THE TIME PERIOD OF OFFICIAL RECESSIONS IN THE ORANGE VERTICAL BARS FROM 1927 THROUGH THE PRESENT. FOR ALMOST 100 YEARS, THE RECESSIONS. OVER THAT PERIOD, THEY HAVE OCCURRED ON AVERAGE EVERY 6 TO 8 YEARS. YOU CAN SEE SOME GAPS THAT ARE LARGER THAN OTHERS. THE REDLINE IS THE U.S. UNEMPLOYMENT RATE. NOT SURPRISINGLY, IT CORRELATES VERY STRONGLY WITH OFFICIAL RECESSIONS. IN THE MOST RECENT RECESSION DUE TO THE PANDEMIC, THE SPIKE IN UNEMPLOYMENT ACTUALLY GOT ALMOST AS HIGH AS 15% IN APRIL OF 2020. AT THE PLAY SUBSIDED BACK DOWN TO ABOUT 8%. IN RECENT YEARS, THE UNEMPLOYMENT RATE HAS BEEN THAT LOW. NOT ALL RECESSIONS ARE CREATED EQUAL. AT THE LOCAL GOVERNMENT LEVEL, THE RECESSION IMPACT, THE ADVERSE IMPACT ON THE REVENUES OFTEN IS IN THE OFFICIAL TIME PERIOD OF THE RECESSION. THAT WAS THE CASE WITH THE GREAT RECESSION. THAT LASTED FROM LATE 2007 TWO MID 2009. THE IMPACT ON THE REVENUES LASTED FOR YEARS AFTER THAT. IN TERMS OF THE LOSSES BEING DIFFERENT MAGNITUDES, YOU CAN SEE HERE THERE ARE SEVEN RECESSIONS STARTING FROM THE LATE 1960s THROUGH THE PANDEMIC. FOUR OF THOSE RECESSIONS WERE WHAT I WOULD CALL RELATIVELY MODERATE. GENERALLY, ABOUT FIVE TO 8% REVENUE LOSS. THIS IS BASED ON DATA WE GOT FROM THE STATE COMPTROLLER. THREE RECESSIONS STAND OUT. THE ONE IN THE 1970s AND THE ONE IN THE EARLY ' 90s , AND THE GREAT RECESSION. THE LOSSES WERE MUCH GREATER. YOUR MILEAGE MAY VARY, BUT ON THE OVERALL ASIS, STATEWIDE, THIS IS PRETTY MUCH THE MAGNITUDE OF THE LOSS THAT WAS INCURRED COMPARED TO THE NORMALIZED NO RECESSION STATE WIDE RATE. WHERE DO WE STAND RIGHT NOW IN TERMS OF THE ECONOMY? HERE ARE SIX MEASURES OF THE ECONOMY RIGHT NOW. ALL OF THEM --

I'M GOING TO PAUSE FOR A MINUTE AND CHECK IN WITH COUNCIL MEMBERS, ANY QUESTIONS? OKAY, THANK YOU. GO AHEAD.

THE SIX MEASURES I HAVE HERE ARE INDICATIVE OF A RELATIVELY STABLE ECONOMY, AT LEAST FOR THE NEAR TERM. IN THE UPPER LEFT IS CHANGE IN REAL DOMESTIC PRODUCT. YOU CAN SEE THE DIPS FOR EACH RECESSION. THE RECESSIONS ARE IN THE GRAY BARS. OBVIOUSLY, A BIG DIP DURING THE GREAT RECESSION. AND ALSO A BIG DIP FOR SHORT-TERM DURING THE PANDEMIC, FOLLOWED BY A METEORIC RISE AND BACK TO KIND OF NORMAL IN THE 3% GROWTH RANGE. THAT IS WHERE WE ARE WITH GDP. IN TERMS OF PERSONAL CONSUMPTION EXPENSE, GENERALLY, IT HAS BEEN TAPERING OFF A LITTLE BIT SINCE THE '70s AND '80s, BUT THE CLIP PER YEAR. THERE WAS A DOWNTURN DURING THAT PANDEMIC FOLLOWED BY HUGE INCREASE AND THEN BACK TO ABOUT THE 5% RANGE. THE THIRD CHART ON THE TOP IS THE UNIVERSITY OF MICHIGAN CONSUMER SENTIMENT. THIS TENDS TO BE PEOPLE'S GENERAL OPINION ABOUT HOW THE ECONOMY IS GOING. IT DOES NOT NECESSARILY TRACK WITH ACTUAL DATA BUT WE CAN SEE IT GOING UP AND DOWN. IT WAS DOWN IN '2020 -- 2022 WHEN INCREASE -- INFLATION WAS HIGH AND INCREASING EVER SINCE.

I KNOW IT IS HARD BECAUSE THERE IS A LOT OF DATA HERE. IF YOU CAN SUMMARIZE THE GENERAL CONCLUSIONS FROM EACH OF THE SLIDES, I THINK THAT WOULD HELPFUL BE

YES. THE GDP IS BACK TO NORMAL, ABOUT 3%. THE CHANGE IN PERSONAL CONSUMPTION IS IN THE 5% RANGE. THAT IS PRETTY NORMAL. THE CONSUMER SENTIMENT IS INCREASING. THAT WILL TELL YOU PEOPLE ARE GETTING MORE CONFIDENT AND THAT MAY BE BECAUSE INFLATION IS TAPERING OFF. IT STILL OBVIOUSLY REMAINS HIGHER. IN THE LOWER LEFT-HAND CORNER IS THE RISE IN PERSONAL DEBT OR THAT HAD BEEN A PRETTY STABLE TREND THROUGH THE 1980s AND 1990s. IT DIPPED DURING THE DOT COM. IT DIPPED IN THE PANDEMIC AND THEN SHOT UP AGAIN. ONE WAY TO LOOK AT IT IS PERSONAL DEBT HAS INCREASED SIGNIFICANTLY AND IT HAS RELATIVE TO WHAT IT HAS BEEN RECENTLY. IF YOU LOOK AT THIS OVERALL TREND OVER 40 YEARS, IT IS ACTUALLY NOT OUT OF LINE. THE REDLINE HERE AND SHOWS YOU DEBT AS A PERCENT OF PERSONAL DISPOSABLE INCOME. IT IS AT ABOUT 10% NOW. THAT IS LOWER THAN IT HAS BEEN IN PREVIOUS DECADES. EVEN THOUGH IT DEBT IS HIGHER, INCOME IS UP. THE SHARE OF PERSONAL DISPOSABLE INCOME THAT IS WRAPPED UP IS NOWHERE IT HAS BEEN IN THE PAST. THE NEXT CHART IS THE ANNUAL CALIFORNIA HOUSING UNITS THAT ARE ISSUED PERMITS. IT HAS BEEN ALL OVER THE PLACE IN THE LATE 1980s, IT WAS ABOUT 300,000 IN THE YEAR. DIPPED TO ABOUT 100,000 IN THE 1990s. IT WAS GOING GANGBUSTERS AT THE GREAT RECESSION. IT HAS CLAWED ITS WAY BACK TO ABOUT 100,000 OR A LITTLE BETTER. YOU CAN SEE IT AS KIND OF TAPERED OFF AND HAS PLATEAUED AT THAT LEVEL. IT IS NOT NEARLY AS HIGH AS IT HAD BEEN PRIOR TO THE GREAT RECESSION AND NOT AS HIGH AS IN THE EARLY 1980s. INDIVIDUALLY, CITIES WILL HAVE GREATER OR LESSER GROWTH. THE GROWTH IN SEBASTOPOL IS NOT HIGH. THIS IS A STATEWIDE NUMBER. FINALLY, ST. LOUIS, MISSOURI, HAS A FINANCIAL STRESS INDEX. THAT IS DESIGNED TO BE AT ZERO. IF IT IS RECORDED AS BEING BELOW ZERO, IT MEANS THERE IS LESS STRESS ON THE ECONOMY. IF IT COMES IN ABOVE ZERO, IT MEANS THERE IS MORE STRESS BUT THIS IS A MULTI-INDICATOR INDEX THAT LOOKS AT A WIDE ARRAY OF FACETS OF THE ECONOMY. THE WAY YOU WOULD INTERPRET THIS IS IF YOU LOOK AT THE GREAT RECESSION, THERE WAS A LOT OF STRESS. THERE IS ALSO A LOT OF STRESS DURING THE PANDEMIC GOOD RIGHT NOW, IT IS BELOW ZERO. CURRENTLY, THE INTERPRETATION WOULD BE THAT THERE IS NOT AN IMMINENT RISK OF RECESSION. AGAIN, WE LOOK AT THIS CHART SHOWING OVER 100 YEARS, CHANGES COME EVERY 6-8 YEARS. SO YOU ARE ASSUMING FOR THE SAKE OF JUST DOING A FINANCIAL STRESS TEST, IF THERE WILL BE ONE SEVEN YEARS AFTER THE LAST RECESSION WHICH WAS IN 2020. THE NEXT ONE WILL BE IN 2027.

SO WE HAVE GOT NO THROUGH, -- IS THE NEXT ONE. I KNOW HAVE AN ADDITIONAL SEVEN OR EIGHT. IT IS A LITTLE -- YET. SO LOOKING AT -- WE MET CAN I ASK SOMETHING? YES, GO AHEAD AND PRINT SIX.

THIS IS QUITE FASCINATING. I WANT TO SAY THANK YOU FOR YOUR PRESENTATION. I AM ENJOYING IT. IT IS VERY INTERESTING TO ME. I'M WONDERING ON THE LAST SLIDE, YOU SHOWED US ALL THIS INFORMATION. I AM WONDERING, YOU KNOW, WHAT YOUR KEY

TAKE AWAY IS FROM LOOKING AT THE CURRENT SITUATION FINANCIALLY? I MEAN, THE GENERAL ISSUES YOU'RE TALKING ABOUT ON THESE SLIDES, WHAT IS THE KEY TAKE AWAY FOR US? I TAKE AWAY IS THE ECONOMY IS RELATIVELY STABLE NOW. IT IS NOT IN -- OF COURSE, ANYTHING CAN CHANGE ON THE INTERNATIONAL LEVEL. BUT THINGS LOOK PRETTY GOOD. MOST COUNTRIES ARE VERY WISTFULLY LOOKING AT OUR RECOVERY. THEY HAVE NOT HAD SIMILAR SUCCESS. WE ARE DOING PRETTY WELL, BUT THAT DOES NOT MEAN THERE WILL NEVER BE A RECESSION AGAIN. AGAIN, IN THE BOTTLE, YOU CAN PICK YOUR TIME OF RECESSION. BUT WE HAVE PICKED A MODERATE RECESSION, KIND OF LIKE THE FOUR THAT WERE OF THE LOWER IMPACT. WE ARE ASSUMING IT WILL BE ONE OF THOSE AND SEVEN YEARS AFTER THE LAST ONE MAKES SENSE GIVEN THE LAST 100 YEARS OF HISTORY. SO WHEN WE TAKE A LOOK AT THESE REVENUE FIGURES, THEY DO INCLUDE A DOWNTURN IN 2027 WITH RECOVERY IN THE NEXT COUPLE OF YEARS.

I THINK THE TAKE AWAY IS WE HAVE SIGNIFICANT FINANCIAL CHALLENGES AND IT IS NOT THE ECONOMY. I WILL ASK BOB, IF YOU COULD JUMP AHEAD PERHAPS TO FLIGHT 18 AND 19? I KNOW YOU HAVE AN AWFUL LOT STILL TO GET THROUGH.

THIS IS SHOWING STABLE GROWTH IN HOUSING. I WANT TO TOUCH ON THIS ONE BECAUSE THESE ARE THE REVENUE TRENDS. THIS SHOWS YOU THE MAJOR CATEGORIES OF REVENUE, THE VERTICAL LINE AND WHERE THEY ARE RIGHT NOW. GOING FORWARD IS THE FORECAST. THE COST PLAN DROPS BY 714,000 AND GOES ON FROM THERE. THE PROPERTY TAX AS THE CITY MANAGER MENTIONED BEFORE, WE HAVE 2% GROWTH A 96% OF EXISTING PARCELS. 4% WHICH REFIGURE ARE THE CHANGES IN OWNERSHIP FOR AN AVERAGE OF ABOUT 40%. THERE IS NEW CONSTRUCTION PLUS -- THAT MEANS I'LL 4% INCREASE IN PROPERTY GROWTH FOR THE SALES TAX IS BASED ON THE NEAR-TERM AND THE INSIGHTS FORECAST. MOSTLY THE OTHER REVENUES WE HEARD ABOUT, 2 1/2% GROWTH. THIS IS IMPORTANT. THESE ARE THE REVENUE TRENDS YOU SEE. IN TERMS OF -- I AM SORRY. GO AHEAD.

IN TERMS OF THE EXPENDITURE, THE SAME TYPE OF THING. THE FORECAST IS LOOKING AT THE ONGOING TREND OF CONTINUING CURRENT WORKFORCE AND SERVICE LEVELS. NOT ASSUMING AN INCREASE IN AUTHORIZED -- NOT CHANGING SERVICE LEVELS. THERE ARE, AGAIN, WE THINK REASONABLE ASSUMPTIONS AS TO THE COMPENSATION AND INFLATION GROWTH. THE MAJOR RISKS, OF COURSE, ARE IF THE CITY ADDS NEW STAFFING. IF COLAS ARE HIGHER THAN THE TWO AND HALF PERCENT WE ARE PROJECTING. IF INFLATION IS HIGHER THAN 2 1/2%. OR IF -- HAS LOWER INVESTMENT WHICH INCREASE LOCAL AGENCY COSTS. THE MOST LIKELY POTENTIAL FORECAST IMPROVEMENT WOULD COME FROM HIRING PROJECTED VACANCY RATES. WE SEE THAT EVERYWHERE. AT SOME POINT, YOU'LL GET A HANDLE ON THAT AND GET POSITIONS FILLED. AT THAT TIME, THE VACANCY SEEMS LIKE IT WILL DROP. THE CHART YOU SEE HERE IS THE INVERSE OF THE OTHER. THE BLUE BARS ARE THE RECURRING EXPENSE. THE RED IS THE ONE TIME EXPENSE. THE GREEN LIGHT IS THE RECURRING REVENUE. AGAIN, THERE WAS THAT PERIOD FROM FISCAL '11 TO '18. THE RECURRING REVENUE IS SIGNIFICANTLY HIGHER THAN WHAT WAS ACTUALLY BEING SPENT. IN THE LAST TWO YEARS, THE RECURRING REVENUE IS LESS THAN WHAT IS BEING SPENT. SOME OF THE FACTORS HERE. INFLATION. THIS CHART SHOWS LONG-TERM INFLATION FROM THE 1960s THAT OBVIOUSLY, IN THE 1970s AND 1980s, IT WAS HIGH. IT IS BEING RELATIVELY STABLE OVER THE LAST 20 YEARS OR SO. THE 20 YEARS PRIOR TO 2022, THE AVERAGE ANNUAL GROWTH WAS ABOUT 2 1/2% IN THE BAY AREA. THAT IS THE BLUE BARS. THE REDLINE IS A COMPOSITE MEASURE, INCLUDING SOME NATIONAL INFLATION FOR THOSE. YOU CAN SEE THE NATIONAL INFLATION IS ACTUALLY HIGHER IN THE BAY AREA. BOTH OF THEM HAVE DROPPED PROPORTIONATELY AND YOU ARE SEEING ONLY 2 1/2%. PENSION COSTS ARE INTERESTING. SO THE INFORMATION I HAVE FOR YOU HERE, IN THE LEFT-HAND CHART, IT SHOWS THE 45 YEAR TREND OF THE PENSION DISCOUNT COLAS. THE DISCOUNT IS THE ASSUMPTION OF THE RATE ON INVESTMENTS. IT WAS AT A HIGH OF SEVEN -- IT IS NOW DROPPED TO 6.18 PER 5% BUT IT IS NOT PERIODICALLY AS THE INEVITABLE CONCLUSION. THE RATE OF RETURN WILL NOT BE AS HIGH AS IT WAS IN THE PAST. IF THIS 45 YEAR TREND CONTINUES OVER THE NEXT 20 YEARS, WE WILL BE AT 6%. IF YOU LOOK AT THE CHART ON THE RIGHT, THIS IS THE ACTUAL RATE OF RETURNS SINCE 1992. YOU CAN SEE IT IS ALL OVER THE BOARD. THERE ARE A FEW YEARS WHERE IT HAS BEEN

ACTUALLY NEGATIVE. OTHER YEARS IT HAS BEEN POSITIVE, BUT ON THE DISCOUNT RATE. THE REDLINE IS THE TREND OF THE RETURN. YOU CAN SEE OVER TIME, THE TREND HAS BEEN HEADING DOWNWARD TOWARD ABOUT 6%. THE 6.8% SAYS IN ORDER TO ACHIEVE THAT RETURN, THEY'RE GOING TO HAVE TO LEVERAGE THEIR INVESTMENTS AND INVEST IN PRIVATE EQUITY WHICH CARRIES A GREATER RISK INVOLUNTARY -- RELATIVITY OF RETURN. THEY FREELY ADMIT THERE IS GREATER RISK INVOLVED WITH RELATIVITY. THEY SAY CHANGING THE CURRENT PORTFOLIO THAT THE FORECAST WOULD LIKELY BE 6.2%. THAT IS CONFIRMED BY MOSER AND ASSOCIATES. THEIR MAIN OUTSIDE INVESTMENT ADVISER. SO WHEN THE TERMS ARE LOWERED, THEN THE LIABILITY COSTS WILL INCREASE TO COMPENSATE FOR THAT LOSS. WHEN THE RETURNS ARE HIGHER, THE OVERALL COSTS ARE REDUCED. AND ALL OF THOSE ARE COMPUTED BY CalPERS . THE NEXT SLIDE SHOWS KIND OF WHAT WE ARE UP AGAINST HERE IN TERMS OF THE RANGE OF ASSUMPTIONS.

I BOYD INTERJECT WITH THE QUESTION HERE. THE UNFUNDED OF LIABILITY COSTS, ARE THOSE AMOUNTS THE CITY IS OBLIGATED TO PAY OUT OF GENERAL FUNDS IN ORDER TO COMPENSATE FOR THE LOWER RETURN WITH CALPERS?

YES . ANY OF THE FUNDS THAT HAVE PEOPLE ARE CHIPPING IN A SHARE BUT THE GENERAL FUND IS PAYING THE LION'S SHARE OF IT.

OKAY, THAT AMOUNT CHANGES ANNUALLY?

IT SURE DOES. THEY UPDATE EVERY YEAR. AND IN THESE YEARS, THE RIGHT-HAND CHART, THE AMOUNTS ARE HIGH. RECENTLY WHEN IT WAS 21.3% AND THE DISCOUNT RATE WAS ONLY 6.8%. THAT SURPLUS RESULTED TEMPORARILY IN REDUCED LIABILITY. BUT THEY HAD AN ALL RIGHT -- AT 61% BUT THAT SHOULD'VE BEEN A POSITIVE 6.8. IT SEEMS LIKE A 13% DECLINE. AND THE NEXT YEAR WHEN IT WAS UP POSITIVE 520%, IT WAS 1% BELOW THE 6.8% RATE. THERE WERE SIX YEARS WHERE THERE WERE LOSSES AND A RECALCULATION AND WHAT CalPERS DOES, MEANS THAT ALL LOCAL AGENCIES AND THE STATE ITSELF WILL PLAY HIGHER IN LIABILITY. IT IS IN CONSTANT ADJUSTMENT. THE PRIOR UNFUNDED LIABILITY, THE DISCRETE BASIS LIKE INDIVIDUAL HOME MORTGAGES. THEY LAST FOR A CERTAIN PERIOD OF TIME. THEY ARE THEN PAID OFF. SO YOU ARE STEADILY PAYING OFF PAST UNFUNDED LIABILITY, BUT ALSO, UNFORTUNATELY, CONTINUING TO ACCRUE NEW UNFUNDED LIABILITY EVERY TIME THERE ARE INVESTMENT LOSSES. SHE MET THANK YOU.

SO NOW TAKING A LOOK AT WHAT THIS MEANS TO YOU IN TERMS OF THE OUTSTANDING PENSION UAL , THE UNFUNDED ACCRUED LIABILITY OVER TIME. THIS CHART ON TOP, THE BLUE IS THE SAFETY PLAN AND THE GREEN IS THE MISCELLANEOUS PLAN. THESE CHARTS ASSUME THAT CalPERS MANAGES TO GET SIX-POINT 8% DISCOUNT RATE RETURN LEVEL EVERY SINGLE YEAR. IF THAT HAPPENS, THERE'LL BE A STEADY PAYDOWN OF UNFUNDED LIABILITY BY 2046. THERE WILL NOT BE ANY LEFT. IDEALLY. THE ACTUAL COSTS EACH YEAR, THE CITY IS PAYING FOR CURRENTLY ACCRUED COSTS, OTHERWISE KNOWN AS NORMAL COSTS. THAT WILL CONTINUE TO GROW OVER TIME AS SALARIES GROW. THE RETIREMENT INCOMES ARE GROWING WITH THE TIME. THE RED IS THE UNFUNDED LIABILITY. YOU CAN SEE HOW HIGH THIS IS. THE PEAK WILL BE OVER 2 1/2 MILLION DOLLARS A YEAR. HOWEVER, IT BEGINS DROPPING OFF AS THE UNFUNDED LIABILITY IS PAID OFF AND THERE IS NO MORE RED. THERE IS JUST THE YELLOW COSTS. YOU CAN SEE THAT BY THE EARLY 2050S, YOU ARE PAYING \$1 MILLION PER YEAR VERSUS 2 1/2 MILLION PER YEAR NOW. THAT IS A HUGE GAIN IN PHYSICAL CAPACITY. WE HAVE TO WAIT A WHILE FOR IT TO MATERIALIZE. ON THE BOTTOM IS A DIFFERENT VIEW OF THE WORLD. IT IS THE ONE WE HAVE BUILT INTO THE FORECAST. THAT IS THE DISCOUNT RATE DOES NOT CHANGE BUT IT DOES NOT AVERAGE MORE THAN 6.2% IN RETURNS. IN THAT CASE, OUTSTANDING LIABILITY WILL DROP, IT WILL DROP. PAST LIABILITY HAS BEEN PAID OFF, BUT YOU'RE BENDING TO ACCUMULATE NEW LIABILITY AND IT REVERSES AND BEGINS CLIMBING AGAIN. SO EVEN WHEN IT CLIMBS, IT IS STILL LOWER THAN IT WAS AT THE PEAK. BECAUSE OF THAT, YOU LOOK AT THE CHART ON THE RIGHT AND YOU HAVE A LOT MORE RED. ALL OF THIS IS UNFUNDED ACCRUED LIABILITY. IT IS NOT QUITE TAPER OFF. IT KIND OF LEVELS OFF AND FINALLY STARTS GROWING AGAIN. SO AGAIN, THE COST IS 2 MILLION PER YEAR AT NEARLY 2050 VERSUS 1 MILLION PER YEAR. THAT IS A BIG CHANGE. BUT IT IS STILL LOWER THAN WHAT IT WOULD BE AT THE PEAK. SO I THINK THE REALITY IS YOU'RE GOING TO BE SOMEWHERE IN BETWEEN. CalPERS HAS NEVER Hired THE ACTUARY

ASSUMPTIONS. THE REALITY IS THIS IS PROBABLY OPTIMISTIC AND CAN DO BETTER THAN SIX BY 2%? MAYBE THEY CAN BID IF THEY DO, THEN THE REALITY WILL BE SOMEWHERE IN BETWEEN. THIS GIVES YOU AN IDEA OF WHAT YOU'RE UP AGAINST OVERTIME. THIS IS NOT SOMETHING YOU CAN CONTROL. IT IS BEYOND YOUR ABILITY TO INFLUENCE IT. THE PENSION COSTS CAN BE OF SIGNIFICANT IMPACT. ANYTHING ON PENSION BEFORE I MOVE ON?

YEAH. I HAD A QUESTION. WE ALSO HAVE RETIRING HEALTH BENEFITS THAT THE CITY PAYS HERE THIS DOES NOT INCLUDE ANY DATA RELATED TO THOSE BENEFITS, CORRECT? NO, THIS IS STRICTLY PENSION. THE RETIREE MEDICAL BENEFITS ARE INCLUDED IN THE PROJECTION OF PERSONAL COSTS.

THANK YOU. YES, VICE MAYOR?

SO DID WE GO THROUGH YOUR RECOMMENDATIONS ABOUT WE, AS A CITY, SHOULD BE DOING WHEN IT COMES TO PENSION? OR ARE THOSE STILL THE COMMON? WELL, IN TERMS OF TONIGHT, I DO NOT HAVE ANY SPECIFIC RECOMMENDATIONS, LET ME JUST MENTION, WHAT SOME CITIES DO, IF THEY HAVE EXTRA MONEY, WHICH THEY DO HAVE SOME MONEY IN UP PENSION TRUST THAT THERE ARE TWO CHOICES AND HOW TO USE THAT. YOU CAN EITHER REIMBURSE THE GENERAL FUND OR A PORTION OF THE PENSION COSTS OF THE GENERAL FUND OCCURS. BASICALLY, WHILE THE MONEY IS IN THE PENSION TRUST, WE CAN EARN A HIGHER RATE OF INTEREST THAN WITH THE GENERAL FUND. WITH THE EXTRA INTEREST EARNINGS, EVENTUALLY PUT IT BACK INTO THE GENERAL FUND TO HELP KEEP IT AFLOAT. THAT IS ONE OPTION. THE OTHER IS YOU CAN PREPAY UNFUNDED LIABILITY OBLIGATIONS TO CALPERS. WHAT THAT MEANS IS YOU WILL SAVE MONEY NOT JUST NEXT YEAR. YOU CAN SAVE IT OVER THE NEXT 25-30 YEARS. THAT MEANS IT IS SPREAD OUT OVER A LONG PERIOD OF TIME IN THE FUTURE. YOU HAVE TO HAVE SOME DELAYED GRATIFICATION THERE. THE SAVINGS IS GOING TO BE A LONG TIME IN THE FUTURE. THERE IS A RISK. THE GREATER THE AMOUNT OF ASSETS YOU HAVE WITH CalPERS , IF THERE IS A DOWNTURN IN THEIR INVESTMENTS, BECAUSE YOU WILL EVER PREPAID THEM AND HEAD GREATER ASSETS ON A CAP WITH THEM, THAT MEANS YOUR LOSS IS GOING TO BE DISPROPORTIONATELY HIGHER THAN IF YOU HAD NOT PREPAID THEM. THAT IS WHY SOME CITIES HAVE DONE PENSION OBLIGATION BONDS AND PAID BIG MONEY TO CalPERS RATHER THAN LOSING A LOT OF MONEY OVERALL. THEIR ASSETS WERE HIGH AT THE TIME WHEN CalPERS LOST MONEY. I WOULD SAY YOU JUST HAVE TO BE CAREFUL IN MAKING A DECISION. IT IS NOT A SLAMDUNK DECISION THAT YOU SHOULD EITHER PREPAY CalPERS OR REIMBURSE THE GENERAL FUND. YOU DO HAVE MORE LIABILITY -- MORE FLEXIBILITY IF YOU DO IT ON YOUR OWN TIMETABLE.

I THINK YOU HAVE A SLIGHT TWIN -- SLIDE 29.

NOT THAT LONG AGO, WE HAD TO POINT IT BILLING WE COULD'VE PUT IN 20115 TRUST BUT I WAS THEN GIVEN WHERE WE ARE FINANCIALLY, YOU WOULD WANT US TO PUT MORE IN THAN THE ONE .6?

KNOW. I WILL SHOW YOU IN OF YOU SLIDES AN OPTION FOR HOW YOU CAN USE THIS.

OKAY, AND ALSO THE INTEREST RATE. WE HAVE A LOT OF DISCUSSION IF THERE'LL BE A FAIR INTEREST RATE WITH CDs VERSUS INTO THE TRUST FOR IT IS THE RECOMMENDATION WE SHOULD --

YEAH, YOU CAN HAVE IN A TRUST BUT I WILL TELL YOU, THE LAST 6-12 MONTHS, THE SHORT, THE CURVE HAS BEEN INVERTED. MEANING YOU WILL GET VERY HIGH RETURNS, ON SHORT-TERM INVESTMENTS AND LOWER RETURNS ON LONG-TERM INVESTMENTS. THE MARKET ASSUMES THAT INTEREST RATES ARE GOING TO DROP. YOU COULD GET 5% ON CDs AND SHORT-TERM TREASURIES. YOU COULD GET THAT RATE WHETHER THE MONEY , JUST BEING IN THE PENSION TRUST. YOU COULD PUT IT INTO THE SHORT-TERM SECURITIES AND MAKE OUT GREAT. MOST CD SET UP PENSION TRUSTS ARE HOPING TO GET IN THE NEIGHBORHOOD OF 4-5%. AND SO MAY BE SPLITTING THE DIFFERENCE, 4 1/2% ON AN ONGOING BASIS IS REASONABLE TO EXPECT FOR ONE INNER PENSION TRUST.

I WILL INTERJECT HERE AND ASK YOU TO MOVE FORWARD THROUGH THE SLIDES SO WE CAN VANISH UP THE PRESENTATION. THANK YOU.

IN TERMS OF FIRE SERVICE. A COUPLE OF NOTES. THE CITY HAS A LOW LEVEL OF FIRE SERVICE. 3 1/2 FULL-TIME EMPLOYEE IS AUTHORIZED WITH RESERVES AND 29 VOLUNTEERS, I BELIEVE. MAJOR CAPITAL H.WILL PROVIDE MONEY STARTING IN EARLY 2025. BASED ON THE MATRIX REPORT FROM JANUARY OF LAST YEAR. THAT WOULD BE



SUFFICIENT TO SUPPORT A THREE PERSON CREW AND SEVEN FULL-TIME EMPLOYEES AND SOME RESERVES AND VOLUNTEERS. MEASURE H REQUIRES THE CITY TO MAINTAIN EFFORT WHICH IS ABOUT -- MILLION. THE CURRENT HIGHER BUDGET IS -- THERE IS ALSO FIRE STATION IMPROVEMENTS BEING EXPLORED. THERE IS A POTENTIAL OF THE CITY MERGING WITH AN ADJACENT FIRE DISTRICT THAT WOULD ALLOW THE DISTRICT PROPERTY TAX REVENUE IN THE CITY. THAT WOULD INCREASE REVENUE BY ABOUT \$1.1 MILLION. SO THE ASSUMPTION HERE IN THIS FORECAST IS THAT NEW REVENUE FROM THESE TWO SOURCES IS GOING TO BE DEDICATED TO IMPROVING FIRE SERVICES. NONE OF IT WOULD BE PART OF THE SOLUTION TO THE CITY'S REVENUE SHORTCUT. THE ONE POTENTIAL WAY IT COULD BENEFIT THE CURRENT SHORTFALL IS THAT SINCE THE MAINTENANCE OF EFFORT IS ONE .2 MILLION AND YOU ARE PAYING OUT OF THE GENERAL FUND FOR ANOTHER 300,000 TO GET TO THE ONE .5 MILLION, YOU COULD POTENTIALLY USE MEASURE H MONEY TO PAY FOR THAT 300,000. YOU WOULD STILL BE AT THE ONE .2 MILLION. THAT IS A DECISION YOU'RE GOING TO HAVE TO MAKE AS YOU GET FURTHER INTO THE WORK IN MEASURE H AND PLANS FOR IMPROVING FIRE SERVICE. IN TERMS OF MAINTENANCE AND REPLACEMENT --

IF YOU COULD HOLD ON JUST A MINUTE. SO THE FIRE SERVICE IS THE TOPIC OF THE FIRE AT HEART. I JUST WANT TO INTERJECT HERE IN TERMS OF THE SAVINGS. MY UNDERSTANDING IS THAT THERE WOULD BE ADDITIONAL POTENTIAL SAVINGS IN THE EVENT OF THE CONSOLIDATION. I WANT TO PUT THAT OUT THERE BUT I THINK IT IS BEYOND YOUR EXPERTISE AND THE SCOPE OF YOUR INQUIRY ON THIS PARTICULAR PROJECT. [ INAUDIBLE - OVERLAPPING SPEAKERS ]

POTENTIAL SAVINGS MIGHT WELL BE THE CASE.

THANK YOU VERY MUCH.

IN TERMS OF THE MAINTENANCE AND REPLACEMENT NEEDS. WE SPOKE EARLIER OF THE DEPRECIATING GOVERNMENTAL ASSETS. THAT IS ABOUT \$900,000 A YEAR. IN THEORY, THAT IS WHAT THE CITY -- CITY SHOULD BE SPENDING ON MAINTENANCE AND REPLACEMENT FOR THAT IS ABOUT 5% OF THIS GENERAL FUND EXPENSE. I JUST PUT A LITTLE CHART HERE THAT SHOWS THE BREAKDOWN FROM THE 2022 AUDIT. THAT'S REGARDING THE ASSETS OF DEPRECIATION FOR BUILDINGS AND STRUCTURES, MACHINERY AND EQUIPMENT, VEHICLES, AND INFRASTRUCTURE. THAT IS SOMETHING THAT SEEMS TO BE AN UNMET NEED. THE CITY HAS NOT FULLY FUNDED THESE TYPES OF EXPENSES IN THE PAST. THAT REQUIRES MORE STUDY. IT IS KIND OF A PLACEHOLDER. WE THINK IT IS APPROPRIATE TO PUT IT INTO THE FORECAST, AND ALLOWANCE THAT REALISTICALLY NEEDS TO BE SPENT IN THE FUTURE. A COMMENT ON STREET MAINTENANCE. PUBLIC WORKS INDICATES IT WOULD TAKE \$7.1 MILLION OVER THE NEXT FIVE YEARS TO INCREASE THE CITY'S CURRENT PAYMENT POSITION IN THE PCI. THAT IS 55 OUT OF A MAXIMUM 100. UP TO A SCORE OF 60. SO KEEP IN MIND, THE STANDARDS FOR PCI SHOW THAT THE 60 IS IN THE MIDDLE OF THE 55-75 RANGE WHERE YOUR STREET TRANSITION IS ONLY CONSIDERED FAIR. NOT GOOD OR EXCELLENT. IF THE CITY WERE TO BE CONTINUALLY PUTTING THAT AMOUNT OF MONEY IN EVERY FIVE YEARS, WE REALLY NEED ONE FOR FREE MILLION DOLLARS EVERY YEAR ON AN ONGOING BASIS. THAT WOULD BE EQUIVALENT TO A \$500 PARCEL TAX WITH THE TWO PERCENT -- NOT RECOMMENDING THE PARCEL TAX. I'M JUST PUTTING THIS IN A CONTEXT FOR YOU. IT IS A SIGNIFICANT AMOUNT OF MONEY. THAT IS SP1 MONEY THAT THE CITY IS NOT SUFFICIENT TO MAKE THIS KIND OF INVESTMENT. THE GENERAL FUND IS THE PLACE OF LAST RESORT IN TERMS OF COMING UP WITH MONEY TO MEET THESE UNMET NEEDS. STREET MAINTENANCE IS SOMETHING WE NEED TO TAKE A HARDER LOOK AT IN THE FUTURE. THE KEY EXPENDITURE ASSUMPTIONS, NO INCREASE IN STAFFING. 2 1/2% COLAS , AND A QUARTER PERCENT OF IMPACT FROM THOSE THAT GET MERIT IN CASES WHERE THAT WOULD BE LIKE A 5% INCREASE. NOT EVERY EMPLOYEE GETS A MERIT INCREASE. AND THAT IS OFFSET BY THE EMPLOYEE TURNOVER SAVINGS. IT WAS, EMPLOYEES LEAVE AND THEY ARE AT A HIGHER -- AND EXPELLED AT A LOWER STEP. WE HAVE FACTORED IN THE SAVINGS FROM THAT KIND OF TURNOVER OVER TIME AND THE NET IMPACT IS ABOUT 2.5%. THE TOTAL IS 2.75. NOW I HAVE TO SAY, CLEARLY, THIS IS A MEET AND CONFER EITHER. NEGOTIATIONS ARE WILLING TO VERY BASED ON THE INDIVIDUAL BARGAINING GROUPS AND THE TIMING AND THE NEEDS AND EVERYTHING ELSE. SOME WE ARE BASICALLY PUTTING A PLACEHOLDER IN THEIR EVEN WITHIN FLUES --

1/2%. THE REVENUES AND OTHER COSTS. WE CANNOT INFLATE LABOR COSTS. THEY ULTIMATELY WOUND UP -- THE HEALTH BENEFITS BUT WE HAVE AN OVERALL 3% INCREASE. WE HAVE THE HIGHER WORKERS COMP AT 2.5% THEREAFTER. VACANCY SAVINGS RATE. YOU DO NOT CURRENTLY BUDGET THAT BUT YOU HAVE A SAVINGS RATE IN ORDER TO COME UP WITH A MORE REALISTIC OUTCOME IN TERMS OF THE PERSONNEL COST . WE ARE ASSUMING 6% IN FY 25 AND 4% THEREAFTER. AND THEN 2.5% FOR O&M, ACCEPT LIABILITY INSURANCE INCREASE OF 20% IN FY 25. AND 900,000 IN ADDITION TO BASELINE BUDGET IN THREE YEARS AND WE TALKED ABOUT THAT. THIS IS THE EXPENDITURE TRENDS YOU SEE FROM PERSONNEL, O&M, AND EVERYTHING ELSE . YOU CAN SEE A DIP IN PERSONNEL COSTS IN THE WAKE OF THE GREAT RECESSION AS THERE WERE MAJOR CUTBACKS. THEY BEGAN TO GROW AND THEY GROW MORE STEADILY. SO BY FISCAL ' 20 THEY GOT CAUGHT UP. AND THEN THERE WAS THE PANDEMIC SO THINGS SLOWED DOWN. NOW THEY HAVE PICKED UP AGAIN. IF YOU TAKE A LOOK AT THIS REDLINE FROM 2005 THROUGH 2033, IT IS PRETTY MUCH A LINEAR TREND, ALLOWING FOR THOSE TIMES IN THE WAKE OF THE TWO RECESSIONS. IN TERMS OF THE OPERATING MAINTENANCE COSTS, THEY WERE STABLE FOR A NUMBER OF YEARS. THEY INCREASES IN EFFECTIVELY OVER THE LAST SEVERAL YEARS. THIS GROWTH IN THE FUTURE INCLUDES THE PHASING OF THE EXTRA \$900,000. AND DOWN HERE, THE GREEN LINE IS TRANSFERS, CAPITAL, AND DEBT SERVICE. YOU CAN SEE THE YEARS WERE THERE HAVE BEEN SIGNIFICANT TRANSFERS OUT. THERE WERE SPIKES IN THOSE AMOUNTS. WE ARE ASSUMING THAT IS RELATIVELY STABLE ON AN ONGOING BASIS. AT THIS POINT, I'M GOING TO GOING TO THE FUND BALANCE AND THAT WILL BE WRAPPING UP THE SLIDES I HAVE GOT. ARE THERE ANY QUESTIONS RELATING TO EXPENDITURES?

I HAD A QUESTION RELATED TO THE PLAN YOU REFERENCED. YOU FOUND 127. THAT IS -- THOSE THAT HAVE A POSITIVE BALANCE IN IT?

THE \$1,039,000 CURRENTLY IS IN AN ASSIGNED RESERVE IN THE GENERAL FUND. MY UNDERSTANDING IS THAT TALKING WITH THE AUDITORS, STAFF IS DECIDED IT MAKES MORE SENSE TO PUT THAT IN A SPECIAL REVENUE FUND. THERE IS NO NET IMPACT IN THE GENERAL FUND. IT IS NOT COMING OUT OF UNASSIGNED BALANCE. IT IS COMING OUT OF A RESERVE BALANCE THAT WAS DEDICATED FOR THAT PURPOSE. TAKING IT OUT MAKES NO IMPACT ON THE BOTTOM LINE FOR THE GENERAL FUND.

MY QUESTION IS, THE PURPOSE OF THAT BALANCE, THE 18 MILLION, THIS MIGHT BE A QUESTION FOR STAFF. IS THAT MONEY THAT IS TIED ONLY TO BE USED FOR -- PURPOSE? IT IS MY UNDERSTANDING IT IS RESTRICTED ESSENTIALLY TO EITHER IMPROVING OR THE FUNDING IN PLACE. ALLOCATION FOR THE COMMUNITY CENTER. THAT IS MY UNDERSTANDING. THE FOLKS HAVE BEEN HERE LONGER.

COULD ALSO BE USED WITH A FLOOD DAMAGE?  
THE COMMUNITY CENTER.

OKAY, THANK YOU. THAT ANSWERS MY QUESTION.

MOVING ON TO FUND BALANCE. THAT IS THE BOTTOM LINE FOR FINANCES BUT AS WE JUST DISCUSSED, NOT ALL FUND BALANCES AVAILABLE. IT CAN BE RESTRICTED, ASSIGNED, NOT SPENDABLE OR COMMITTED. THOSE ELEMENTS OF FUND BALANCE HAVE BEEN OMITTED FROM THIS ANALYSIS SINCE THEY ARE ALREADY EARMARKED FOR SPECIFIC PURPOSES. THERE ARE SOME OCCASIONS WHERE YOU MAY HAVE EARMARKED SOMETHING IN THE PAST, NOT SPENT IT YET, AND IT IS NOT CONTRACTUALLY OBLIGATED. OR YOU MAY HAVE SOME FLEXIBILITY IN ON ASSIGNING IT OR ON RESTRICTING IT. IT COULD BE AVAILABLE. BUT KEEP IN MIND, THAT IS ONE TIME MONEY. THAT IS NOT AN ONGOING RESOURCE. WHAT WE ARE COUNTING ON HERE IS THE ONGOING, GENERAL FUND ASSIGNED BALANCE. AND ALSO THE UNSIGNED BALANCE OF FUNDING IN 2024. THE PENSION TRUST, WE TALKED ABOUT THAT, FUND 105. THAT IS ALSO AVAILABLE BECAUSE IT COULD MEAN THE GENERAL FUND PENSION COSTS. YOU CAN TAKE THE EXTRA INTEREST EARNINGS YOU WILL ABLE TO GLEAN FROM HAVING IT IN THE TRUST AND THEN EVENTUALLY MOVE IT BACK TO THE GENERAL FUND. I WILL SHOW YOU AN EXAMPLE OF HOW THAT WORKS. THE FORECAST MODEL CAN RUN NUMEROUS SCENARIOS TO SHOW IMPACTS ON THE FUND BALANCE. SO LET'S TAKE A LOOK AT THE FORECAST BEFORE ANY CORRUPT ADOPTIONS. THE CHART SHOWS THE REDLINE'S EXPENSE AND THE GREEN LINE IS REVENUE. NOT A GOOD THING THAT THE REVENUE IS BELOW EXPENSE. DOWN BELOW HERE, WE SEE THE SURPLUS OR SHORTFALL IN THE

ANNUAL YEARS AND THE GAP THEORY IS SHOWN BY THE BARS. THE AVERAGE SHORTFALL FROM THE CURRENT YEAR THROUGH FISCAL ' 33 IS TO .9 MILLION. THAT IS THE ONGOING GAP THAT NEEDS TO BE CLOSED. I AM SHOWING REVENUE AND EXPENSE FOR THE NEXT THREE USE -- YEARS HERE. AGAIN, THIS INCLUDES THE ADDITION TO THE BASE BUDGET. THIS COULD BE CURBED BY HIGHER VACANCIES, BUT ONLY IF YOU DO NOT FILL POSITIONS. IF YOU DO NOT FILL POSITIONS, SERVICE LEVELS WILL SUFFER. WHAT DOES THAT DO IN TERMS OF WHERE THE SHORTFALL COMES FROM? WHAT I HAVE SHOWN ON THIS CHART IS THE EFFORT TO SHOW WHAT THE COMPONENTS OF YOUR STRUCTURAL SHORTFALL ARE. THE SHORTFALL IS THE REDLINE AT THE TOP. THE LITTLE AREAS THAT ARE FILLED IN HERE ARE THE DIFFERENT ELEMENTS OF THAT. THE BLUE IS THE IMPACT OF FILLING THE ROUGHLY \$900,000 WORTH OF INTERIM SALARIES THAT YOU HAVE THIS YEAR. IF YOU FILL THOSE POSITIONS, THEN OBVIOUSLY, YOU WILL BE SENDING -- SPENDING MORE MONEY IN THE FUTURE. THOSE POSITIONS WILL COST MORE OVERTIME AT THE COST OF LIVING INCREASES. SO THE BLUE IS ROUGHLY SPEAKING THE CLASS BEFORE THE POSITIONS. THE RED, THE KIND OF SALMON COLORED IS THE IMPACT OF PHASING INTO THE HIGHER REPLACEMENT LITMUS COSTS. THAT IS ALSO ABOUT \$1 MILLION PER YEAR. THEN YOU HAVE GOT A LIGHT BLUE WHICH IS THE LOSS AND THE COST ALLOCATION PLAN. THAT IS ABOUT \$700,000 PER YEAR BASED ON THE C.A.P. PLAN THAT IS ADOPTED. AND THE YELLOW IS THIS RELATIVELY SMALL AMOUNT. THAT IS THE INSURANCE INCREASE THAT KICKS IN NEXT YEAR. THAT WILL BE AN ONGOING IMPACT COST OF GROWTH AT THAT LEVEL. FINALLY, THE GREEN IS THE REMAINING NEXT SHORTFALL. WE JUST DEFINED AS THE SHORTAGE OF REVENUE ON TOP OF THESE OTHER IMPACTS. IT IS RELATIVELY SMALL IN THE NEAR-TERM. YOU CAN SEE IT GROWS IN FISCAL 27 AND 28 WITH THE EXTRA SESSION. IT STARTS DROPPING AS THE RECOVERY KICKS IN AND THE RATE OF GROWTH IS GREATER THAN IT WOULD NORMALLY BE DURING OUR RECOVERY PERIOD. IN THE LONG-TERM, IT IS A RELATIVELY LINEAR MAP. SO THIS KIND OF GIVES YOU A SENSE OF WHAT THE PROBLEM IS. FILLING POSITIONS, MAINTAINING A LEVEL OF SERVICE WITH NEEDED REPLACEMENT AND MAINTENANCE COST, INSURANCE, AND SHORTFALL OF REVENUE. THIS IS WHAT HAPPENS BEFORE ANY CORRECTIVE ACTIONS. WHEN THAT IMPACT OCCURS IN TERMS OF THE SHORTFALL. IF YOU HAVE NO CORRECTIVE ACTIONS, YOU WOULD HAVE A STEADY DECLINE IN FUND BALANCE. THE REALITY IS THIS WILL NOT HAPPEN BECAUSE YOU CANNOT GO INTO DEFICIT LIKE THAT BUT YOU WOULD BE BANKRUPT. HE WOULD TAKE STEPS TO HAD THIS THOUGHT. THIS SHOWS YOU THE MAGNITUDE OF WHAT YOU'RE UP AGAINST BEFORE ANY CORRECTIVE ACTIONS. THE GOAL IS TO GET THE UNASSIGNED BALANCE BACK TO BETWEEN 15-20% OF TOTAL EXPENDITURES. 50% IS YOUR MINIMUM AND 20% IS YOUR EXPRESS GOAL. IT WOULD BE GOOD TO GET TO THAT. THAT IS PART OF YOUR BUDGET POLICY, BUDGET RESERVE POLICY. THIS IS THE WAY IT LOOKS RIGHT NOW. OKAY. WHAT WE DO ABOUT IT? ONE POSSIBILITY IS TO GO TO THE VOTERS AND GET INCREASED LOCAL SALES TAX. THE CHOICES ARE BASICALLY A QUARTER CENT OR A HAVE SENT. EVEN IF YOU GO FOR A HAVE SENT, THERE IS A POSSIBILITY THAT OTHER MEASURES ON THE BALLOT, IF THEY ALSO PASS, COULD WIND UP REQUIRING THE VICTORIOUS AGENCIES TO SPLIT THE AMOUNT OF INCREASED TAX BETWEEN THEM BECAUSE OF THE STATEWIDE CAP THAT APPLIES. SO WHAT HAPPENS HERE IS THAT IF YOU ARE ABLE TO SECURE A HAVE SENT SALES TAX 21, THE CHART ON THE LEFT, THE BLACK BARS, SHOWS IT BEING IN REVENUE. IT WILL OF PHASE AND AT THE END OF FISCAL 2025 AND IT WILL BE UP TO NEARLY SEVEN PER YEAR. THAT WOULD LEAVE AN AVERAGE OF ABOUT 1,000,004 IN AVERAGE SHORTFALL. IN THE CASE OF A QUARTER CENT SALES TAX, WHETHER THAT IS WHAT YOU GO WITH INITIALLY OR IT IS WHAT YOU WIND UP WITH BY DEFAULT, THAT WOULD BE HALF AS MUCH OF A REVENUE GAIN. THAT WOULD RAISE ABOUT \$850,000 PER YEAR. THE AVERAGE SHORTFALL IS HIGHER AT ABOUT \$2.2 MILLION PER YEAR. SO WHAT YOU GET IN TAX IS GOING TO ULTIMATELY INFLUENCE HOW MUCH REMAINING YOU WOULD HAVE TO CUT IF THAT IS THE SOLE INCREASE IN REVENUE YOU ARE GOING TO GET. THE REST WOULD HAVE TO BE CLOSED IN EXPENDITURES. THERE IS THIS OPTION OF DRAWING DOWN THE PENSION TRUST. WHAT YOU SEE ON THE RIGHT, THE ORANGE BARS, THE TRUST HAS GROWN UP TO ABOUT 2.9 MILLION. BASED ON THE ADDED LEVEL THAT IS ABOUT THAT LEVEL IN 2023, WE ARE ASSUMING IT GROWS WITH INTEREST EARNINGS TO BE OVER \$3 MILLION. THE QUESTION IS, WHAT HAPPENS AT THAT POINT? WE CONTINUE

TO GROW IT, OR DO YOU UTILIZE IT? ONE WAY TO UTILIZE IT IS TO REIMBURSE UP PORTION OF THE GENERAL FUND PENSION COSTS. THIS ASSUMPTION IS THAT, ACTUALLY, WE STARTED IN FISCAL 27 DRYING TELNET PENSION. YOU WOULD HAVE IN THE NEIGHBORHOOD OF THE HIGH 400s TO ABOUT \$500,000 PER YEAR. AS THE OF -- AS THE AMOUNT CAME INTO THE GENERAL FUND, YOU WOULD BE DRYING DOWN THE PENSION TRUST. WHEN YOU'RE OFF OF THIS CHART, YOU WOULD BASICALLY BE AT NOTHING. SO WHAT IS THE STRATEGY HERE? IF YOU TAKE A LOOK AT THE PENSION COST GROWTH IN THIS CHART ON THE BOTTOM, THE ORANGE LINE IS THE AMOUNT OF ANNUAL COST. YOU CAN SEE IT PEAKED IN THE MID 30s AND THEN DROPS DOWN AND CONTINUES AT ABOUT \$2 MILLION PER YEAR. THE BARS, THE BLUE BARS ARE THE PERCENT CHANGE EACH YEAR. YOU CAN SEE THE PERCENT CHANGE IS DROPPING AS IT GETS -- GETS TOWARD THE 30s AND IT GOES NEGATIVE. SO IT WOULD SEEM THAT ONE WAY YOU COULD UTILIZE THE TRUST IS TO DROP DOWN, WAIT A FEW MORE YEARS TO GET SOME MORE INTEREST. GRADUALLY DROP-DOWN. PERHAPS REIMBURSING ABOUT 20% OF THE ANNUAL GENERAL FUND PENSION COST EACH YEAR. THAT WILL GRADUALLY DROP-DOWN UNTIL YOU GET PAST THIS HUMP WHERE YOU ARE LEVELING OFF IN THE LATE 30s. THE IDEA IS YOU WOULD PAY OFF A LOT OF THE UNFUNDED LIABILITY. SO THE RISK YOU HAVE IS DRAMATICALLY REDUCED. AND SO AT THAT POINT, IT IS LESS IMPORTANT TO HAVE A PENSION TRUST. IF YOU DECIDE TO GO THIS ROUTE, YOU COULD MAKE THIS PART OF YOUR SUMMATION BY PRUDENTLY DRAWING UPON IT OVER THE THE LATE-20th AND EARLY ' 30s. THAT IS ONE POTENTIAL USE .

I'VE A QUESTION ABOUT THE PENSION TRUST AND NUMBERS WE ARE SEEING HERE. I'M CONFUSED BECAUSE I THOUGHT, WE'RE LOOKING AT BARS THAT INDICATE THERE WAS A SECTION 115 PENSION TRUST IN EFFECT IN 2018. I THOUGHT WE JUST FUNDED A SECTION 115 PENSION FUND TRUST. I DO NOT KNOW WHY WE ARE LOOKING AT A SLIDE THAT SHOWS UP PENSION TRUST THAT WAS FUNDED IN 2018.

[ INAUDIBLE - OVERLAPPING SPEAKERS ] CORRECT ME IF I'M INCORRECT BUT WE MAY HAVE GOT THE TRUST, BUT IT DID NOT GET ESTABLISHED UNTIL LAST YEAR AND FUNDED THIS YEAR. I ASSUME THE OTHER MEMBERS SET ASIDE FROM FUN DOLLARS BUT NOT PUTTING INTO THE TRUST.

IT MAY NOT HAVE BEEN LEGALLY THE 115 TRUST AT THAT TIME.

-- IS WHAT THAT IS.

I UNDERSTAND. THIS IS THE OTHER SIDE OF THE RESERVES WE SET ASIDE, THAT COUNCIL SET ASIDE BACK IN 2018, BUT ONLY RECENTLY A PORTION WAS INVESTED IN THE 115 TRUST?

RIGHT.

AND I SEE COUNCILMEMBER WEIGHING IN HERE.

WHEN I SERVED IN -- ON COLAS AND WE SET THOSE ASIDE BUT WE NEVER LOCKED THEM UP, BASICALLY. THAT WAS OUR PHILOSOPHY AT THE TIME. SHE MET THANK YOU. THANK YOU FOR THE CLARIFICATION. I WOULD BE THRILLED TO KNOW WE ALREADY HAVE -- THANK YOU.

SET ASIDE --

YES, VERY IMPORTANT. THANK YOU.

WE ARE IN THE HOME STRETCH. SO WHAT YOU HAVE GOT IN IS IF YOU HAVE A HALF CENT SALES TAX PLUS THE PENSION TRUST, PLUS 750,000 IN ONGOING EXPENDITURES WHICH WOULD BE A REDUCTION OF 4 1/2%, THE CHART ON THE RIGHT SHOWS THE SMOOTH LANDING BEING THE 20% RESERVE GOAL. SO YOU WOULD HAVE \$750,000 OF ADDITIONAL SAVINGS FROM EXPENDITURE REDUCTIONS THAT YOU WOULD BE DRYING DOWN THE RESERVE AND ULTIMATELY, IT WOULD LEVEL OFF AT THIS 20% LEVEL. IF YOU HAD A QUARTER CENT SALES TAX, PLUS PENSION, YOU TAKE ONE POINT FOR \$5 MILLION IN PENSIONS, THAT WOULD BE ABOUT A .7% REDUCTION. IF THAT HAPPENS, YOU STILL DECLINE AND YOU STILL PRETTY MUCH LEVEL OFF AT THE 20% RESERVE LEVEL. IN TERMS OF HOW ANY OF THESE CUTS WOULD BE ALLOCATED, THAT IS GOING TO DEPEND ON THE BUDGET -- HERE TO TELL YOU WHERE THE CUTS SHOULD BE. THIS JUST GIVES YOU AN EXAMPLE OF A PACKAGE THAT INCLUDES SALES TAX, USING YOUR PENSION, THE TRUST, AND THEN MAKING REDUCTIONS FOR REALIZING SAVINGS OVER TIME. THIS WOULD ULTIMATELY GET YOU TO YOUR RESERVE GOAL OF 20%.

I HAVE A QUESTION.

YES.

*Agenda Item Number: 1*

DO THESE ASSUMPTIONS FACTOR IN ANY OF THE MEASURE H POTENTIAL MONEY THAT WILL GO TO THE GENERAL FUND?

THAT IS A GOOD QUESTION. AS I MENTIONED EARLIER, THE BASIC ASSUMPTION IS THAT MEASURE H AND ANY CONSOLIDATION THAT WOULD OCCUR, THE REVENUES FROM EITHER OF THOSE ELECTION -- ELECTIONS WOULD GO TOWARD IMPROVING FIRE SERVICE BUT HE WOULD GET MORE MONEY IN, BUT THERE WOULD BE A HIGHER LEVEL OF EXPENDITURE SO IT WOULD BE A WASH. THERE IS NO NET AMOUNT THAT WOULD HELP WITH THIS PRE-EXISTING PROBLEM OF THE REVENUE SHORTFALL. I MENTIONED THE ONE POSSIBLE WAY TO MAKE THE ABLE TO UTILIZE SOME OF THE MEASURE H MONEY IS TO JUST SUBSTITUTE CURRENT GENERAL FUND FUNDING ABOVE THE ONE \$.2 MILLION MAINTENANCE BUFFER. THE SUBSTITUTE MEASURES YOU HAVE. THAT SHOULD BE APPROPRIATE UNDER THE MAJOR. THAT'S IT. ANY OTHER MONEY WOULD REALLY NEED TO GO TOWARD IMPROVING FIRE SERVICE AND THAT IS THE GOAL OF THE CITY. BUT IT JUST DOES NOT HELP HERE. SO IF MEASURE H DOES NOT BALANCE THE BUDGET. SHE MET THANK YOU.

TOLD -- SO JUST TO CLARIFY, THE \$300,000 AMOUNT YOU REFERENCED, IS NOT INCLUDED IN YOUR SANCTIONS AS AN AMOUNT THAT WOULD GO BACK INTO THE CITY'S GENERAL FUND OR NOT?

NO, I HAVE NOT INCLUDED IT. SHE MET THANK YOU.

IT COULD BE PART OF THE -- UNDERSTOOD. THANK YOU.

IF I CAN, SO THIS IS SORT OF THE ART AND SCIENCE WITH SO MANY MOVING PIECES. -- PUT THIS TOGETHER LAST WEEK. HE MENTIONED THE CHANGE IN HOW WE DO THE COST ALLOCATION AND THE GENERAL FUND EXPENDITURES. THE NUMBERS IN THE BUDGET ARE NOT AS PRECISE. WE ARE GOING TO FIX THAT MOVING FORWARD. SO BASED ON THE QUICK AND DIRTY REVIEW, IT LOOKS LIKE THE MEASURE H SAVINGS WOULD BE CLOSE TO 200,000 OR 300,000. THAT IS BEEN IN THE LAST 24 HOURS, ESSENTIALLY, WORKING ON IT. JUST TO LET YOU KNOW.

SO BASICALLY, I AM SORRY. GO AHEAD AND I WOULD NOT GET TOO EXCITED ABOUT ANY OF THESE NUMBERS YET. MORE TO THE POWER OF THIS MODEL IS AS WE FIND THESE SORTS OF THINGS, THEN WE CAN ADJUST THE MODEL. WE WILL HAVE BOB WORK WITH US WHILE WE CONTINUE TO REFINE IT AND UPDATE IT. YOU KNOW, BOB WILL THINK A \$100,000 IS NOT A BREAKER BREAK IN. BUT WE WANT TO BE TRANSPARENT. PART OF IT IS THE NATURE OF AT THIS POINT, THERE ARE MANY MOVING PIECES. ALSO, AS A NEW CITY MANAGER, I AM DISCOVERING THINGS LIKE THINGS IN OUR COUNTY. I WILL GET INTO THIS LATER THIS EVENING. SO I DO NOT WANT TO GET TOO STUCK ON ANY PARTICULAR PIECE BIT AT THE SAME TIME, WE CAN EASILY ADJUST THE MODEL AND WE REALIZE WE HAVE THAT INFORMATION. THAT IS ONE EXAMPLE. THE 200-\$300,000 IS A GOOD EXAMPLE OF BETTER, BUT STILL NOT CONFIRMING. COUNCILMEMBER McLEWIS?

SO TWO THINGS. ONE CLARIFYING PAID DOES THIS INCLUDE THE PAYMENT FOR OUR ROADS? I WANT TO MAKE SURE I AM UNDERSTANDING. THAT COST IS ASSOCIATED?

PART OF THE \$900,000 YOU'RE PHASING INTO OVER THREE YEARS COULD BE USED FOR ROADS. THE NEEDS ARE SO MUCH HIGHER THAN THAT. YOU'RE GOING TO HAVE TO TAKE A HARD LOOK AT THE STREET CONDITION. TO THAT NUMBER TWO. LOOKING AT THIS. BASED ON THESE SCENARIOS AND THE TIME., WE'RE LOOKING AT IT 9-10 YEAR FIX FOR THIS. WITH THE LONG-TERM SOLUTION HERE, RIGHT? OKAY.

THANK YOU. ANY OTHER QUESTIONS FROM COUNCIL AT THIS POINT? I AM NOT SEEING ANY. I THINK WE CAN MOVE ON.

I WANTED TO TOUCH ON A COUPLE OF THINGS THAT WERE RECOMMENDATIONS AND OPTIONS GIVEN LAST YEAR. A COUPLE OF THEM. THE TAX INCREASE, THE TRANSIENT OCCUPANCY TAX INCREASE FOR THOSE ARE NOT BIG INCREASES IN REVENUE. IF THE UUT WAS INCREASED FROM 2.75% TO THE -- TO 5%, THAT WOULD GENERATE ABOUT 330,000 PER YEAR. AN INCREASE IN THE T.O.T.

WE NEED TO GO BACK OUT TO PUBLIC COMMENT AND BRING IT BACK TO FOR DISCUSSION WITH COUNCILMEMBERS.

YES, THAT IS CORRECT.

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PLEASE GO AHEAD.

*Agenda Item Number: 1*

THE PROPOSAL HERE IS WE HAVE TWO BUT OF ITEMS BEING PRESENTED. ONE IS THE SLIDESHOW AND DISCUSSION FROM BOB. ONE WILL BE A FOLLOW-UP REPORT FROM OUR CITY MANAGER. LOOKING FOR DIRECTION REGARDING THE BUDGET. WE CAN GO TO PUBLIC COMMENT AFTER COMPLETION OF THOSE TWO ITEMS. OKAY. HOW LONG DO YOU EXPECT YOUR PRESENTATION TO TAKE, CITY MANAGER?

A FILE.

THANK YOU. FIRST OF ALL, LET'S GET QUESTIONS FROM COUNCILMEMBERS AND THEN WE WILL FIGURE OUT HOW WE WANT TO STRATEGIZE THE PUBLIC COMMENT. GO AHEAD, VICE MAYOR.

WE NEED TO START HAVING AT LEAST -- FROM SOMEWHERE SOMEPLACE. BUT GIVEN WHAT I HEARD ABOUT THE PENSION AND THE ONBOARD RISK AND THE ABILITY ASSOCIATED WITH THAT, COULD WE GET A SCENARIO OFFICER FOR \$2.5 MILLION REDUCTION FROM STAFF GET BACK TO BACK WE CAN CERTAINLY DO WHATEVER THE COUNCIL WOULD LIKE BUT I WILL ASK IS WE GET INTO NEXT YEAR'S BUDGET. WHATEVER YOU WANTED TO DO, I WANT TO SEE IF THERE'S INTEREST FROM THREE COUNCILMEMBERS TO DO THAT SO WE ARE MAKING SURE WE FOCUS -- SO IT IS NOTED, I WOULD LIKE TO HAVE THAT SCENARIO SOONER RATHER THAN LATER. AND I AM SORRY, THE SCENARIO WAS A 2.5 MILLION DOLLARS REDUCTION ANNUALLY? YES AND WHAT SERVICES WOULD ACTUALLY RESTORE TO REDUCE THINGS DOWN AT 2.5 MILLION. WHAT OPTIONS WITH THAT OPEN UP FOR THE COMMUNITY IF WE ACTUALLY/2.5 MILLION. THAT IS THE QUESTION.

WE CAN COME BACK TO THAT. ANY OTHER QUESTIONS? I SEE COUNCILMEMBER MAURER HAS HER HEAD APPEARED ANY ADDITIONAL QUESTIONS THEN WE WILL MOVE ON.

THIS IS A QUESTION FOR BOB. COULD YOU GIVE US YOUR KEY TAKEAWAYS ABOUT HOW YOU SEE SEBASTOPOL'S OVERALL FINANCIAL HEALTH?

WELL, MY SENSE FROM THOSE REVENUE COMPARISON CHARTS TO OTHER CITIES IN THE COUNTY WAS THAT THERE ACTUALLY STRONGER THAN I MIGHT'VE BEEN LED TO BELIEVE IN THE BEGINNING. BUT THERE ARE SOME CONCERNS ON THE COST SIDE. FIRE, YOUR LEVEL OF FIRE SERVICE COULD DEFINITELY BE IMPROVED. THE UNFORTUNATE THING IS IT LOOKS LIKE THERE ARE SOME REVENUE SOURCES TO DO THAT. THAT WILL HELP BALANCE THE REST OF THE BUDGET. YOU HAVE SOME UPSIDE POTENTIAL FOR VISITORS. RADON KIND OF THE PERIPHERY OF ALL THE ACTION WITH WINE COUNTRY AND YOUR PROPOSAL THAT IS BEEN ON THE BOARD FOR SOME TIME IS A NICE PROPOSAL. IT IS KIND OF LIKE THE HOTEL. TWO CORNER THAT SHARE OF THE MARKET AND START BUILDING ON THAT. THAT COULD GENERATE HUNDREDS OF THOUSANDS OF DOLLARS IF IT IS A HIGH END HOTEL AND THEY CAN MAKE IT WORK. YOU CANNOT COUNT ON IT AT THIS POINT, BUT THAT IS DEFINITELY SOMETHING TO WORK TOWARD HER THAT WILL IMPROVE YOUR OVERALL SALES TAX BASE IS OPIATE THAT IS YOUR BEST BET FOR ECONOMIC DEVELOPMENT BUT IT WILL NOT COME FROM HOLDING NEW HOUSES. YOU NEED TO GET A BOOST IN COMMERCIAL --.

THANK YOU. ANY ADDITIONAL QUESTIONS? I'M SORRY, GO AHEAD, COUNCILMEMBER MAURER .

NO, JUST THINK THANK YOU.

ANY ADDITIONAL QUESTIONS FROM COUNCILMEMBERS HERE? I WOULD LIKE INPUT ON THE PROPOSAL WE MOVE FORWARD WITH OUR CITY MANAGER'S PRESENTATION. KIND OF A THUMBS-UP FROM STAFF. COUNCILMEMBERS? ARE YOU COMFORTABLE MOVING FORWARD WITH THE CITY MANAGER PRESENTATION RIGHT NOW? AND THEN COMING BACK FOR PUBLIC COMMENT? I'M SEEING A THUMBS-UP HERE. I AM SEEING THUMBS-UP. SO

THIS WILL HELP US GET TO WHERE YOU WANT US TO GO ON THE BUDGET.

I'M GOING TO INTERRUPT. I AM SORRY BUT I'M LOOKING AT THE TIME AND RECOGNIZING IT IS NOW QUARTER TO 10. 10:30S ARE CUT OFF OPPORTUNITY AND LESS OUR CITY COUNCIL MEMBERS AGREED TO GO BEYOND THAT TIME. I ALSO KNOW WE HAVE TWO OTHER AGENDA ITEMS AND THAT THERE ARE PEOPLE IN THE ROOM WAITING FOR THOSE AGENDA ITEMS. AS A COURTESY, I WOULD LIKE TO JUST CHECK IN WITH STAFF AND GET AN ASSESSMENT ABOUT WHETHER WE ARE LIKELY TO REACH THE FINAL TWO ITEMS ON A REGULAR CALENDAR THAT WOULD BE THE REQUEST FROM THE CHAMBER AND THE

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CONSIDERATION OF THE CEASE-FIRE RESOLUTION. YOU ASKED ABOUT TIME YOU ARE LIKELY TO GO THROUGH 10:30 OR LATER. AM I CORRECT IN THAT ASSUMPTION?

YES.

SO THE REASON I MAKE THIS STATEMENT. I HEAR SOME DISAPPOINTED VOICES IN HERE. I WANT TO MAKE IT HERE -- CLEAR HER NOW THAT PEOPLE ARE WAITING FOR THOSE ITEMS, WE ARE NOT GOING TO GET, THERE IS A POSSIBILITY, BUT I DO NOT EXPECT WE WILL GET TO THOSE TWO ITEMS TONIGHT GIVEN OUR FOCUS ON BUDGETARY ISSUES. YES, COUNCILMEMBER HINTON? REAL QUICK?

I KNOW THE BUDGET IS VERY IMPORTANT FOR US, BUT IS THERE ANY CHANCE WE COULD MAYBE ADDRESS THE CALENDAR HERE? [ INAUDIBLE - LOW VOLUME ] I AM WILLING TO STAY PAST 10:30.

I APPRECIATE THE REQUEST. I SEE A HAND BEING RAISED BY COUNCILMEMBER McLEWIS. YES , PERSONALLY, I AM NOT WILLING TO RUSH THIS BUDGET OR ANYTHING BUT I THINK THIS IS IMPORTANT. IT HAS BEEN WORKED ON FOR EVER. I THINK AS, PERSONALLY, I THINK WE SHOULD CONTINUE AS WE ARE GOING. IF WE BRING THESE OTHER ITEMS FORWARD, IT WILL DELAY THIS EVEN FURTHER AND THEN I DO NOT KNOW THE CITY MANAGER WILL BE ABLE TO FINISH. WE NEED TO DO THIS. THAT IS MY FINAL THOUGHT.

ANY OTHER INPUT? I THINK I WILL GO TO -- WELL, I WOULD LIKE TO FIND OUT ON THIS ONE ITEM, WHETHER ALL FIVE COUNCILMEMBERS ARE AT THIS POINT, WILLING TO COMMIT TO STAY BEYOND 10:30 IF NECESSARY TO COMPLETE THIS ITEM THAT OUR CITY MANAGER HAS PRESENTED? I ASKED THAT. I WILL BE OKAY WITH WHATEVER RESPONSE I GET. ANYBODY CAN SAY THEY DO NOT WANT TO GO BEYOND 10:30. I RESPECT THAT. IS THERE ANYBODY NOT COMFORTABLE GOING BEYOND 10:30 P.M. ON THIS ITEM WE HAVE BEEN GIVEN? I AM NOT SEEING ANY RESPONSES. COUNCILMEMBER McLEWIS . ARE YOU COMFORTABLE GOING BEYOND 10:30 IF IT IS NEEDED FOR THIS ITEM? CEMENT FOR THE BUDGET ITEM, IT IS FINE. I THINK WE NEED TO DO IT.

OKAY. I APPRECIATE THAT COMMITMENT. I DO NOT SEE ANY HESITATION HERE. SO I'M GOING TO HAVE TO TAKE A VOTE HERE. THUMBS UP OR THUMBS DOWN. WHO IS INTERESTED IN MOVING THE CEASE-FIRE ITEM AHEAD OF THE BUDGET ITEM? I HAVE TO SAY, THERE ARE A LOT OF YOU IN THE ROOM. THE PUBLIC COMMENT WOULD BE SUBSTANTIAL AND WILL TAKE A SUBSTANTIAL AMOUNT OF TIME. THAT WILL AFFECT MY PARTICULAR DECISION. I WANT YOU ALL TO KNOW THAT WHATEVER THE DECISION HERE IS ON THIS ITEM, IT IS BECAUSE WE HAVE LIMITED TIME AND THIS IS A HUGE, HUGE IT BUDGET ISSUE FOR US WE HAVE GOT TO ADDRESS. PLEASE DO NOT TAKE IT AS A COMMENTARY ONE WAY OR ANOTHER ON THE CEASE-FIRE ISSUE. SO DOES ANYONE WANT TO GIVE SOME INPUT ON THE COUNCIL HERE? OR DO WE JUST TAKE THUMBS UP OR THUMBS DOWN? DO HAVE SOME SUGGESTIONS?

AS I SAID ALL ALONG, AND NO ONE IN THE ROOM WILL FIND THIS AS A SURPRISE. IT WILL BE SAD, BUT NOT A SURPRISE. WE CAN ACTUALLY -- THE BUDGET. YES, I AM NOT PREPARED TO MOVE ANYTHING.

OKAY.

I WILL ADD WE HAVE THE APPLE BLOSSOM ALSO. WE HAVE TWO ADDITIONAL ITEMS WE NEED TO COVER.

SO I THINK WHAT WE ARE DOING IS WE ARE GOING TO GO FORWARD ON THE BUDGET ITEM TO GO BEYOND 10:30. TO MOVE THE CEASE-FIRE ITEM AHEAD OF THIS BUDGET ITEM, GIVEN OBLIGATIONS. DESPITE MY APPRECIATION FOR ALL THE SPACES HERE, I WOULD NEED A VERY STRONG VOICE FROM AT LEAST THREE COUNCILMEMBERS TO DO THAT. AND STARTING WITH COUNCILMEMBER HINTON, BUT NO ONE ELSE.

IT WAS A SUGGESTION. I HAVE TO DEFER TO THE BUDGET. I FEEL TERRIBLE THAT YOU GUYS HAVE BEEN SITTING HERE ALL NIGHT LONG. WE HAVE AGENDA SETTING TOMORROW MORNING. WE WILL BE ADDRESSING OUR NEXT STEPS FOR VARIOUS CEASE-FIRE ISSUE. WILL ALSO BE ADDRESSING OUR NEXT STEPS REGARDING THE APPLE BLOSSOM WAIVER REQUEST FROM THE CHAMBER. I CAN TELL YOU, BECAUSE I KNOW THE PEOPLE I SIT WITH ON THE CITY COUNCIL, AND I KNOW THOSE WHO HAVE TAKEN TIME TO ZOOM IN DESPITE BEING OUT OF TIME AND ONE BEING ILL, THESE THINGS ARE IMPORTANT TO US. THE CEASE-FIRE ISSUE, THE CHAMBER OF COMMERCE WAIVER

REQUEST. THERE IS -- WE NEED TO GET ON WITH THE BUDGET. I CAN CONFIDENTLY TELL EVERYONE IN THIS ROOM WE ARE NOT GOING TO GET TO THE APPLE BLOSSOM QUESTION

AND WE ARE NOT GOING TO GET TO THE CEASE-FIRE ISSUE TONIGHT. I DO NOT WANT YOU TO HAVE TO SIT HERE ANY LONGER. BUT YOU ARE WELCOME TO BE HERE AND LISTEN ABOUT OUR BUDGETARY ISSUES. SO THANKS YOU FOR BEING HERE. ANY COMMENTS OR CORRECTIONS TO THAT STATEMENT FROM COUNCILMEMBERS? THANK YOU VERY MUCH. THANK YOU, THANK YOU, THANK YOU. THANK YOU FOR BEING HERE. I KNOW MANY OF YOU ARE MEMBERS OF OUR IMMEDIATE LOCAL PUBLIC. WE WILL NOW MOVE FORWARD TO THE CITY MANAGER. THANK YOU, CITY MANAGER FOR GIVING US A FEW MINUTES TO RESOLVE THAT. THAT WAS AN IMPORTANT POINT. THANK YOU.

ABSOLUTELY. WHAT I SUGGEST THE RECOMMENDATIONS ABOUT THE REPORTS TO THE BUDGET. SUGGESTIONS FOR AN ALTERNATIVE APPROACH. WE DO NOT WANT TO WORK ON ISSUES OR PURSUE THINGS UNLESS THERE IS A STRONG ISSUANCE OF COUNCIL. IT IS EVIDENCED BY THE MAJORITY. IF THEY ARE SMALL ENOUGH THINGS THAT DO NOT TAKE A LOT OF TIME, THAT IS A DIFFERENT STORY. THERE ARE MAJOR ITEMS AND THEY WANT TO TAKE CONSENSUS FOR AT LEAST THE MAJORITY. WE ARE NOT LOOKING FOR DECISIONS ON SPECIFIC BUDGET ITEMS THIS EVENING. OKAY. I AM SORRY, GO AHEAD. I DID NOT NOTICE YOUR HAND UP.

THANK YOU. AND I JUST, YOU KNOW, LOOKING AT 7B ON PAGE FOUR, THE FIRST POINT SIZE, PREPARING THE ANNUAL BUDGET TO ENSURE AN ALLIANCE WITH COUNCIL GOALS AND VALUES . THIS COUNCIL GIVE US HAVE BEEN ON COUNCIL FOR A YEAR AND A HALF. WE HAVE NEVER SET GOALS AND VALUES AND THE COUNCIL CHANGES EVERY TWO YEARS . BUT TONIGHT, WE ARE BEING ASKED TO MAKE DECISIONS FOR THE BUDGET. AND I DO NOT KNOW WHAT IS MOST IMPORTANT. TO THE OTHER COUNCILMEMBERS. WE HAVE NEVER SAT DOWN AND DISCUSSED OR CREATED A LIST OF GOALS AND PRIORITIES. FOR THIS COUNCIL. I JUST FEEL HOW ARE WE GOING TO MOVE FORWARD? ARE WE GOING TO BEST MOVE FORWARD WITH THESE BUDGET DECISIONS WE HAVE NOT CREATED A LIST OF THOSE GOALS AND VALUES. SO WHAT I WOULD LIKE TO ASK, AND I DID TALK ABOUT THIS WITH THE CITY MANAGER, IS ARE THERE ARE TWO OTHER COUNCILMEMBERS BESIDES ME WHO WOULD LIKE TO ASK FOR A MEETING WHERE WE DO CREATE OUR ROLES AND VALUES?

SO THANK YOU, COUNCILMEMBER MAURER, FOR PREVENTING -- PRESENTING THAT. I AM THINKING THAT ONE WAY OF NAVIGATING WHAT MAY BE A VARIETY OF QUESTIONS [ CAPTIONERS TRANSITIONING ]

I THINK THE QUESTION BEING RAISED BY COUNCILMEMBER MAURER IS WHETHER WE NEED TO MOVE FORWARD WITH THE DISCUSSION PRESENTED TO US BY THE CITY MANAGER OR THAT WE INSTEAD BELIEVE THAT IT'S NECESSARY TO DELAY THAT CONSIDERATION UNTIL AFTER GOALS AND VALUES DISCUSSION HAS BEEN HELD, AND I THINK WE ALL KNOW THAT SECOND OPTION HAS, UM, IMPLICATIONS IN TERMS OF TIMING. AND BEFORE WE GET TO COUNCILMEMBER MCLEWIS, I'M JUST GOING TO TURN TO CITY MANAGER. I THINK HE'S WANTING TO WEIGH IN HERE.

YEAH, MY SUGGESTION WE HAVE APRIL 2nd AS AN OPTION, BUT I THINK YOU'LL BE IN A BETTER POSITION TO DECIDE THAT ONCE WE GET THROUGH THIS THIS EVENING WHICH IS REALLY THE VALUE OF FISCAL RESPONSIBILITY, AND I TRUST THAT'S ONE OF YOUR VALUES. THAT'S PART OF WHY I'M WORKING HERE. I THINK THIS REFLECTS ACTION AND TO THE EXTENT WE CAN GET FAR TONIGHT IT WILL BE A HUGE STEP FORWARD. A REALLY NECESSARY STEP FORWARD FOR US TO GET THE BUDGET TO YOU IN A QUALITY, TIMELY FASHION.

COUNCILMEMBER MCLEWIS?

YES, I JUST WANTED TO SAY I IN SPIRIT AM WITH YOU COUNCILMEMBER MAURER. I HAVE SAID FROM THE BEGINNING WE NEEDED GOALS. FOR ME, AFTER SEEING THE PRESENTATIONS AND JUST BASED ON OUR GENERAL KNOWLEDGE OF WHAT'S GOING ON, I MEAN, SETTING GOALS RIGHT NOW FOR ME JUST SEEMS LIKE WE NEED TO JUST CONCENTRATE ON THE BASICS OF THE CITY AND, AND YOU KNOW, AND I WOULD PREFER AT THIS POINT JUST TO HEAR THE PRESENTATION AND THEN COUNT OF GO FROM THERE JUST BASED ON ALL OF THE, YOU KNOW EVERYTHING WE HAVE GOING ON. BUT IN SPIRIT I AM THERE WITH YOU, AND I THINK THAT'S AN IMPORTANT POINT. BUT I ALSO KNOW I DON'T FEEL LIKE WE HAVE MANY OF COURSES HERE OTHER THAN TO REALLY CONCENTRATE ON THE BASICS. I'D REALLY LIKE TO HEAR FROM CITY MANAGER AS FAR



AS WHAT HE, WHAT HIS ANALYSIS IS AND RECOMMENDATIONS AT THIS CURRENT POINT RIGHT NOW. Agenda Item Number: 1

OKAY, THANK YOU. AND VASE MAYOR ZOLLMAN?

YES, I DEFINITELY WANT TO HEAR THE SUGGESTION, BUT DID WE GET THE SLIDES BEFORE OR IS THIS THE FIRST RUN?

THIS IS THE FIRST TIME. WE CAN CERTAINLY SHARE THEM AFTERWARDS.

THANK YOU. THAT WOULD BE HELPFUL. SO I THINK COUNCILMEMBER MAURER, WHAT I'M HEARING HERE IS AT LEAST A COUPLE OF COUNCILMEMBERS VERY INTERESTED IN ADDRESSING GOALS AND VALUES AT SOME POINT. A SUGGESTION FROM OUR CITY MANAGER THAT THAT COULD BE CONSIDERED FOR OUR APRIL 2nd MEETING. I WILL TELL YOU THAT AGENDA SETTING IS TOMORROW MORNING, AND VICE MAYOR ZOLLMAN AND I CAN CERTAINLY ADDRESS THAT ALONG WITH OTHER AGENDA SETTING MEMBERS. BUT THE CONSENSUS SEEMS TO BE THAT WE MOVE FORWARD WITH CONSIDERING THE STAFF REPORT THAT'S BEING PRESENTED TO US. ANYTHING TO ADD BEFORE WE GO FORWARD WITH THAT? COUNCILMEMBER MAURER?

OH, NO, I DIDN'T INTEND TO DERAIL IT TONIGHT. I JUST WANTED TO BRING UP THE POINT.

OKAY, BACK TO CITY MANAGER.

OKAY, THANK YOU. WE'RE GOING TO START, IF I COULD WITH THE COST ANALYSIS PIECE. THIS IS ONE OF THE POINTS THAT BOB LELAND MADE. TRYING TO PLUG IN SO I DON'T RUN OUT OF JUICE. WE'LL MAKE IT WORK. SO THE DATA SUGGESTS THAT BOB PRESENTED THAT OUR COST PER CAPITA ARE HIGHER MOST OF THE OTHER SMALL CITIES IN THE COUNTY. MAYOR, AS YOU POINTED OUT, TO SOME DEGREE WE WOULD EXPECT SMALL CITIES TO HAVE HIGHER PER CAPITA COSTS BECAUSE WE'RE SPREADING FIXED COSTS OVER A SMALLER BASE. BUT THERE'S SOME THINGS WE CAN DO, AND ONE IS LOOK AT THE DATA MORE CLOSELY. BOB SUGGESTED THAT MIGHT BE A WISE THING TO DO BECAUSE THE ANALYSIS HE DID IS PRETTY CURSORY. THAT'S ONE THING I WOULD SUGGEST WE DO. I ALSO SUGGEST WE BE OPEN TO DIFFERENT MODELS OF SERVICE. CONSOLIDATION IS ONE EXAMPLE. WE'LL TALK ABOUT OTHER REGIONAL TYPES OF APPROACHES THROUGHOUT THIS EVENING. A THIRD IS TO ENSURE WE'RE PURSUING WHAT I THINK OF AS BEST VALUE PROCUREMENTS. NOT NECESSARILY LOWEST COST, BUT COMPETITIVE PROCUREMENTS WHERE WE'RE GETTING THE BEST VALUE FOR THE DOLLAR. LOOK AT PIGGY-BACKING. THAT MEANS JOINING OTHER CITIES WITH THEIR PROCUREMENTS, IF THEY GOT A GOOD DEAL, WE CAN JUST JUMP ON THAT. ALSO VICE MAYOR ZOLLMAN REFERENCED THIS, COMPARING OUR COMPENSATION WITH OTHER CITIES. WE HAVE SOME INFORMATION AVAILABLE FROM OTHER STUDIES TO USE AS A STARTING POINT. IF WE THINK IT'S APPROPRIATE OR YOU THINK IT'S APPROPRIATE, WE CAN DO A MORE COMPREHENSIVE STUDY. IT'S PROBABLY TIME FOR THAT. I THINK IT'S BEEN THREE TO FIVE YEARS AS BOB MENTIONED. THAT'S WHAT I SUGGEST ON THE COST ANALYSIS PIECE. AND I NORMALLY TAKE SILENCE AS CONSENT, BUT I WANT TO KNOW IF THESE ARE STEPS COUNCIL IS COMFORTABLE WITH US PURSUING.

WITH WE SEE THUMBS UP UNLESS THERE ARE QUESTIONS OR THUMBS DOWN ON THE PROPOSAL FROM THE CITY MANAGER? COUNCILMEMBER MCLEWIS? OH, THUMBS UP, YEAH.

MOVING ON TO THE NEXT ONE LOOKING AT REVENUE OPTIONS. THE REVENUE OPTIONS IN THE REPORT ARE OUTLINED BY A LEVEL OF INTEREST THAT YOU'VE SHOWN BEFORE. I'VE RESTRUCTURED THOSE TO PUT THEM INTO TWO BROAD CATEGORIES. NOT VERY CREATIVE, BUT TOP TIER AND FUTURE. TOP TIER ARE THE THINGS WE WOULD TRY AND MOVE ON RELATIVELY QUICKLY, AND SECONDARY TIER WOULD BE THOSE NOT NECESSARILY GOING AS QUICKLY. WE CONSIDER THINGS LIKE IMPORTANCE AND ABILITY TO GENERATE SIGNIFICANT REVENUE, LEVEL OF EFFORT, THOSE SORTS OF THINGS IN DISTINGUISHING BETWEEN THE TIERS. THE BIGGEST SINGLE ONE IS PURSUING THE SALES TAX MEASURE FOR NOVEMBER. HALF CENT, QUARTER CENT. WE CAN TALK ABOUT THE DETAILS OF THAT AT AN UPCOMING MEETING. BUT WE STRONGLY SUGGEST WE LOOK AT THAT. PURSUING COUNTY SUPPORT. PARTICULARLY, I THINK ABOUT THIS BEING OPPORTUNISTIC. LOOK FOR ONE TIME ASKS. WE'RE PURSUING ONE RIGHT NOW. I DON'T THINK ONGOING SUPPORT WILL BE VERY FRUITFUL AT THIS POINT. BUT I THINK WE NEED TO TAKE ADVANTAGE OF OPPORTUNITIES AND MAYBE PUSH THE ENVELOPE AND CREATE SOME FOR OURSELVES. I'M GOING TO RUN THROUGH THE REST OF THE REVENUE TOP TIER Agenda Item Number: 1  
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OPTIONS IF WE COULD, AND THEN GET A THUMBS UP OR THUMBS DOWN ON ALL OF THEM COLLECTIVELY. Agenda Item Number: 1

YEAH, QUICK QUESTION. AN EXAMPLE OF ONE TIME ASKS? WHAT DO YOU MEAN BY THAT?

FOR EXAMPLE, WE HAVE REASON TO BELIEVE THERE MIGHT BE MONEY AVAILABLE TO HELP BRIDGE THE FULL EXPENSE POTENTIALLY FOR THE SECOND FIRE ENGINEER POSITION BETWEEN ROUGHLY THE SPRING AND THE START OF THE MEASURE H REVENUE COMING IN. THAT WOULD BE ONE TIME MONEY THAT WOULD HELP BRIDGE THE GAP THERE. THAT'S AN EXAMPLE OF BEING OPPORTUNISTIC WHEN WE THINK THERE'S AN OPPORTUNITY. I'VE BEEN TOLD BY THE COUNTY THEY HAVE SUBSTANTIAL AMOUNTS OF FUND BALANCE AVAILABLE. SO CERTAINLY EASIER FOR THEM TO APPROVE ONE TIME MONEYS AS OPPOSED TO SOMETHING ON AN ONGOING BASIS.

THANK YOU --

CAN WE TAKE A VOTE ON THE FIRST TWO BEFORE THE NEXT SLIDE?

WE CAN DO THAT IF YOU'D LIKE. IF IT'S EASIER TO DEAL SLIDE BY SLIDE.

PLEASE LET'S GO BACK, MARY, TO THE PRIOR SLIDE. THUMBS UP OR THUMBS DOWN ON THESE TWO IDEAS. OKAY, THUMBS UP.

VERY GOOD.

THANK YOU.

THE NEXT ONE I THINK IS BASICALLY A SLAM DUNK IS CONTINUING TO WORK ON THE ENHANCED INFRASTRUCTURE FINANCING DISTRICT, EIFD. WE STARTED THAT I GUESS IN DECEMBER, APPROVED IT IN JANUARY, AND WE'LL HAVE A REPORT, STATUS REPORT AT OUR NEXT MEETING. AND THEN A SECOND ONE IS TO LOOK AT OUR LIBRARY LEASE. BASICALLY OUR LEASE SAYS THE CITY PAYS FOR EVERYTHING EXPENSIVE AND THE LIBRARY PAYS FOR EVERYTHING ELSE. THAT'S JUST CALLING IT AS IT IS --

I DIDN'T HEAR THAT. THE CITY? CAN YOU REPEAT THAT?

WE PAY FOR THE EXPENSIVE STUFF. MOSTLY IT'S THINGS WE THINK ABOUT AS THE CORE OF THE BUILDING, THE HVAC, THE ROOF, EXTERIOR PAINTING, PARKING LOT. THOSE KIND OF THINGS. THE LIBRARY PAYS FOR MORE THE INTERIOR, THE AMENITIES, SHELVING, AND THOSE SORTS OF THINGS. WE BASICALLY CARRY A VERY LARGE LOAD OF THE MAINTENANCE COSTS. THIS IS TYPICAL OF HOW THEY'VE DONE MANY OF THEIR LEASES. OTHER CITIES ARE INTERESTED, SOME MORE THAN OTHERS FROM WHAT I CAN TELL, IN REVISITING THIS ISSUE WITH THE LIBRARY, SO WE PROBABLY ARE NOT GOING TO BE ALONE IF WE PURSUE THIS. THROUGH MAYORS AND COUNCILMEMBERS IS ONE AVENUE. I'M SUGGESTING WE DO THIS. IT'S NOT GOING TO MAKE A HUGE DIFFERENCE, BUT I ALSO DON'T THINK IT'S A HUGE LEVEL OF EFFORT AND THEREFORE A WORTH WHILE PURSUIT OF OUR TEAM. I FIRMLY BELIEVE THE LIBRARY CAN AFFORD TO DO MORE THAN THEY'VE BEEN DOING TO HELP US OUT, AND THE LIBRARY JPA IS UP FOR RENEWAL THIS YEAR GIVING US THE OPPORTUNITY TO FORCE THE ISSUE A LITTLE BIT. BECAUSE THE JPA REQUIRES THEM TO HAVE THESE CONVERSATIONS. THEY JUST FOR THE MOST PART HAVE NEVER REALLY HAVE. LET'S ENCOURAGE THE LIBRARY DIRECTORS MORE TO TALK ABOUT IT. I THINK NOW IS A GOOD TIME TO PURSUE THE OPPORTUNITY.

SO TO INTERJECT HERE, IN TERMS OF OUR PROCESS HERE, WE WILL BE TAKING PUBLIC COMMENT ON THIS FULL DISCUSSION, BUDGET DISCUSSION, ONCE WE'RE DONE WITH OUR OWN QUESTIONS HERE FROM COUNCILMEMBERS. WE'RE DOING A THUMBS UP, THUMBS DOWN PROCESS HERE. BUT OUR FINAL, OUR FINAL, PLEASE, OUR FINAL, OUR FINAL VOTE WILL BE AFTER THE PUBLIC COMMENT AND WE'LL COME BACK TO VOTE AND CONFIRM OR NOT CONFIRM THE INDICATIONS THAT WE'VE HAD HERE. DO WE HAVE, BY THE WAY, LARRY MCLAUGHLIN ON ZOOM? I THINK WE DID. IS OUR CITY ATTORNEY THERE?

I AM HERE.

PLEASE, IF YOU COULD WEIGH IN, IF YOU DON'T MIND, CITY MANAGER, I'D LIKE TO ASK THE CITY ATTORNEY TO WEIGH IN ON THE PROCESS THAT WE'RE FOLLOWING AND WHETHER IT IS COMPLIANT WITH OUR OBLIGATIONS TO THE PUBLIC. WE'D LIKE TO DO A THUMBS UP, THUMBS DOWN ON OUR OPINIONS AS WE GO THROUGH THE SLIDES AND THEN TAKE PUBLIC OPINION. THEN WE'LL MAKE A FINAL DECISION ON HOW WE WOULD LIKE TO DIRECT STAFF. IS THAT APPROPRIATE?

YES, YOU HAVE TO TAKE PUBLIC COMMENT ON EACH ITEM, BUT IF YOU DO THAT BEFORE YOU VOTE THEN YOU'RE FINE AS FAR AS THE BROWN ACT GOES. AS FAR AS TAKING WHAT Agenda Item Number: 1  
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I CALL STRAW VOTES AS YOU GO THROUGH THE ITEM, THAT'S QUITE COMMON. THAT'S WHAT I CALL THE THUMBS UP, THUMBS DOWN. EVERYTHING YOU'RE DOING THIS EVENING I THINK IS FULLY APPROPRIATE. Agenda Item Number: 1

OKAY, THANK YOU FOR YOUR INPUT AND THANK YOU FOR BEING HERE TO ANSWER THAT QUESTION. I THINK I SEE COUNCILMEMBER MCLEWIS RAISING HER HAND?

I'M JUST WONDERING NOT BEING IN THE ROOM IT'S DIFFICULT TO UNDERSTAND WHY WE'RE EVEN HAVING THIS QUESTION RIGHT NOW. DID I COME UP SOMEWHERE?

YES, THERE WAS AN OBJECTION RAISED BY AN INDIVIDUAL IN THE ROOM. THANK YOU FOR ASKING THE QUESTION. WE'RE NOW GOING TO MOVE ON. WE HAVE OBTAINED LEGAL COUNCIL. WE'RE NOW ON THIS PARTICULAR SLIDE, AND COULD WE GO BACK THERE?

THANK YOU. I HAD A QUESTION ON THE LIBRARY LEASE. I'D LIKE TO GET VICE MAYOR ZOLLMAN'S INPUT AS OUR LIAISON TO THE LIBRARY. ARE YOU IN SUPPORT OF THE PLAN?

THANK YOU, I'M DEFINITELY IN SUPPORT OF THE PLAN. THE LAST JOINT POWER AUTHORITY REVIEW, UNFORTUNATELY THE LIBRARY COMMISSION TOOK THE POSITION BASED ON STAFF GUIDANCE TO NOT HAVE TO REVIEW THIS YEAR, BUT NONETHELESS IT'S TIME TO PURSUE IT, SO YES.

OKAY, SO THUMBS UP OR THUMBS DOWN ON THIS SLIDE, EIFD AND LIBRARY CONTRACT. I THINK I'M SEEING THUMBS UP FROM COUNCILMEMBERS MAURER AND MCLEWIS? YES, OKAY. ALL THUMBS UP.

VERY GOOD. THE NEXT ONE IS LOOKING AT OUR BUILDING FEES. THE NOTION IS TO ENSURE THEY FULLY COVER THE COSTS ASSOCIATED WITH WHAT WE DO FOR INSPECTIONS, ET CETERA. WE HAVE AN I OTHER -- ITEM WE'RE PLANNING TO BRING TO YOU SOON AND STRONGLY RECOMMEND YOU GIVE THIS ONE A THUMBS UP.

ANY QUESTIONS? IF NOT LET'S SEE THUMBS UP OR THUMBS DOWN? THUMBS UP ALL THE WAY AROUND. THANK YOU.

I'M SORRY, THE BUILDING FEES, IT MAY BE LATE AT NIGHT, BUT WHAT ARE WE TALKING ABOUT?

SO WE CHARGE FEES TO COVER OUR COSTS FOR CERTAIN ACTIVITIES, PARTICULARLY AROUND NEW DEVELOPMENT. SO THAT EXISTING TAXPAYERS ARE NOT PAYING FOR THE COST OF NEW DEVELOPMENT. THIS IS A WAY TO ENSURE THE FEES ARE COVERING OUR ACTUAL COSTS.

GOT IT. YES, DEFINITELY THUMBS UP. IN THE PURSUE LATER CATEGORY, IT'S COMMON, AT LEAST IN SOME CITIES, THAT THERE'S A SMALL FEE TACKED ONTO CABLE BILLS. IN MY RECOLLECTION, IT'S USUALLY BELOW A DOLLAR. AND THE FUNDS CAN BE DEDICATED TO, UM, FUNDING THE BROADCASTING AND PUBLIC ACCESS TO CITY COUNCIL MEETINGS. FOR EXAMPLE, IF WE HAVE WANTED TO UPGRADE OUR TECHNOLOGY HERE, THAT WOULD BE A FUNDING SOURCE FOR THAT. SOME THINK IT'S WORTH PURSUING, I JUST DON'T THINK THE DOLLARS ARE LARGE ENOUGH TO PUT IT ON THE TIER ONE LIST. BUT IF WE CAN GET TO IT SOON, I THINK WE SHOULD. WE DO HAVE AN OVERACHIEVING CITY CLERK, BUT SHE HAS PLENTY OF OTHER THINGS TO DO. YOU TALKED ABOUT POTENTIAL CHANGES TO THE FORMULA BUSINESS ORDINANCE. I THINK THAT'S WORTH PURSUING, BUT NOT AS IMPORTANT AS THE OTHER ITEMS. SELLING CITY PROPERTY. I DON'T THINK IT'S TYPICALLY AS IMPORTANT BECAUSE IN THE LONG RUN IT'S NOT GOING TO SOLVE THE BUDGET PROBLEMS AND WE CAN COME BACK TO THAT LATER. ENFORCING BUSINESS LICENSE FEES. TALKING ABOUT SOME FEES A LITTLE LATER ON IN THE AGENDA. THIS IS PROBABLY WORTH LOOKING AT, BUT I GUESS FOR THE LEVEL OF EFFORT, THE REVENUE IS NOT AS PROMISING AS OTHER OPTIONS WE'RE TALKING ABOUT. AND THEN JUST AS WE'RE LOOKING AT THE COST RECOVERY FOR BUILDING, I WANT TO TAKE A LOOK AT THE SAME THING FOR PLANNING FEES AND FIRE INSPECTIONS AND THOSE SORTS OF THINGS. WE ACTUALLY HAVE THIS ON OUR DEPARTMENT HEAD AGENDA TOMORROW. PENDING THAT DISCUSSION, WE MIGHT TRY AND BE A LITTLE BETTER ADDRESSIVE. BUT FOR NOW I DON'T WANT TO, UM, YOU KNOW, ADD IT TO THE TOP TIER. AND THEN REVIEWING OUR LEASES WITH SOME OF THE NONPROFITS THAT ARE LEASING OUR FACILITIES. I THINK IT'S WORTH DOING, BUT I DON'T THINK THE DOLLARS ARE THERE TO PUT THIS ABOVE THE OTHER ITEMS MENTIONED.

COUNCILMEMBER MCLEWIS?

I'M JUST WONDERING ONE, ARE THESE IN ORDER OF IMPORTANCE, AND JUST AS FAR AS THE ENFORCING BUSINESS LICENSE, I HEAR YOU ON THE MAY NOT HAVE A LOT OF Agenda Item Number: 1

REVENUE TO BRING IN, BUT AS A BUSINESS OWNER WHO PAYS FOR MY LICENSE EVERY YEAR, I'D LIKE TO THINK ALL BUSINESS OWNERS ARE PAYING FOR THEIR LICENSE. IT'S DISTURBING TO ME THAT I KNOW THAT SOME PEOPLE ARE NOT. IT'S NOT JUST A MONEY THING, BUT ALSO A FAIRNESS IF WE'RE GOING TO HAVE BUSINESSES HERE, WE SHOULD ALL BE PAYING OUR FAIR SHARE. BUT MY QUESTION IS IS THIS IN ORDER OF IMPORTANCE OR JUST --

IT'S MORE RANDOM THAN ANYTHING ELSE. ACTUALLY THERE WILL BE ITEMS LATER ON ABOUT REDIRECTION OF STAFF TIME. IF YOU GIVE DIRECTION ON THOSE, THAT SORT OF MOVES UP THE LIKELIHOOD WE COULD GET TO THIS ONE AS AN EXAMPLE. THE COST RECOVERY MIGHT BE ANOTHER ONE. BUT WE'RE MORE LIKELY TO GET TO THEM IF YOU ALLOW US TO REDIRECT STAFF TIME.

SO JUST TO CLARIFY, WHAT YOU'RE ASKING OF US, I THINK, IS NOT A YES, WE WANT YOU TO, YOU KNOW, ADD MONEY ON CABLE BILLS. YOU'RE ASKING US TO AUTHORIZE STAFF TO LOOK INTO EACH OF THESE AREAS AND COME BACK WITH ADVICE AND INFORMATION TO COUNCIL. IS THAT WHAT WE'RE DOING HERE?

CLEARLY MAKING THESE, UNLESS SOMETHING CHANGES THAT I'M NOT AWARE OF THIS EVENING, BUT TO MAKE THEM SECONDARY TO THE TOP TIER ITEMS. MEANING WE'LL GET TO THESE, BUT WE CAN'T DO EVERYTHING AT ONCE. WE FOCUS ON THE REVENUE OPTIONS THAT TO ME, AND I CAN'T GIVE YOU THE FORMULA ON IT, BUT SORT OF BALANCES POTENTIAL REVENUE WITH LEVEL OF EFFORT AND LIKELIHOOD OF GETTING THE MONEY. AND THE TOP TIER ITEMS I THINK ARE MORE PROMISING THAN THE SECOND TIER ITEMS.

I THINK PROBABLY WHAT YOU WANT TO KNOW IS IF THERE'S ANYONE, IF THERE'S AN ITEM HERE WE ALL ARE LIKE NO, DON'T EVEN CONSIDER IT, YOU'D WANT TO KNOW THAT. AND YOU'D ALSO LIKE TO KNOW THAT WE'RE OKAY WITH THESE BEING PURSUED AFTER THE TOP TIER ITEMS?

AFTER THE TOP TIER UNLESS SOMETHING CHANGES. WE'LL BE OPPORTUNISTIC SHOULD OPPORTUNITIES ARRIVE.

ARE THERE OTHER ITEMS ON THE NEXT SLIDE FOR PURSUE LATER --

CAN I JUST JUMP IN REALLY QUICK? SO THE BUSINESS LICENSE, I THINK YOU MIGHT WANT TO EXPLAIN, IT'S NOT YOUR CITY BUSINESS LICENSE FOR THE BUSINESSES, I BELIEVE YOU'RE TALKING SPECIAL -- VENDOR.

THE VENDOR LICENSES. IT'S NOT THE ACTUAL --

I, NO, THAT'S ALL RIGHT. I'M THE NEW GUY HERE, AND I'M TAKING THIS OFF OF OTHER REPORTS I'VE SEEN AND HAVEN'T HAD A CHANCE TO DIG DEEPER. I WAS UNDERSTANDING THIS TO BE THE BUSINESS LICENSES FOR FOLKS IN THE CITY. WE'LL HAVE A LATER CONVERSATION ABOUT THE BUSINESS LICENSES FOR VENDORS AND EVENTS. SO YOU TELL ME WHAT YOUR INTENTION IS AND WE'LL FOLLOW -- MY APOLOGIES.

NO, I APPRECIATE THE CLARIFICATION.

I THINK IT'S IMPORTANT WE ALL UNDERSTAND WHAT IS BEING PROPOSED HERE. COUNCILMEMBER HINTON?

YEAH, I THINK I'VE HEARD COUNCILMEMBER MCLEWIS, AND I AGREE. THE VENDOR THING IS ONE THING, BUT BUSINESS LICENSE AS A WHOLE, CROSS CHECKING TO ENSURE OUR BUSINESSES ARE COMPLYING WITH OUR ORDINANCES IS IMPORTANT TO ME AS WELL. IT MIGHT NOT BE A HUGE REVENUE SITUATION, BUT IT IS A FAIRNESS SITUATION. IF PEOPLE ARE SKATING BY, THEN WE NEED TO FIGURE OUT A WAY TO CROSS REFERENCE.

CAN I SUGGEST WE PUT THIS ONE IN THE PARKING LOT FOR THE MOMENT? I'LL COME BACK TO IT AFTER LATER DISCUSSION ABOUT SHIFTING SOME STAFF TIME PRIORITIES IF THAT'S OKAY.

THAT'S FINE. CAN WE GO BACK THERE JUST FOR A MINUTE. I'D LIKE TO KNOW FROM COUNCILMEMBERS WHETHER THEY FEEL ANY OF THESE ITEMS AT THIS POINT SHOULD BE PRIORITIZED OR, UM, RATHER THAN LEFT IN THE PURSUE LATER LIST? ANYONE WANT TO SPEAK OUT? COUNCILMEMBER MAURER?

YEAH, I'M NOT WILD ABOUT THE IDEA OF CHARGING PEOPLE EXTRA ON THEIR CABLE BILLS BECAUSE WE ALREADY CHARGE A UUT TAX, AND, UM, SO I JUST WANT MORE INFORMATION ON THAT PARTICULAR ONE. SO YEAH.

OKAY. AND I THINK GENERALLY, OKAY. BUT NO ONE LOOKS AT ANY OF THESE SIX ITEMS OR SO AND GOES YEP, THOSE HAVE TO BE PRIORITIZED? GREAT.

AND I ALSO, I MEAN, I THINK IT'S ONE THING WE DO GIVE TO LIKE THE COMMUNITY CENTER AND SENIOR CENTER IS A VERY REASONABLE LEASE. SO I'D LIKE TO MAINTAIN THOSE LEASES AND NOT, UM, NOT CHANGE THOSE. I MEAN, I DON'T, YEAH, NEVER MIND.

YEAH, I THINK THAT WHAT YOU'RE HEARING IS THERE'S AN INTEREST IN RECEIVING MORE INFORMATION ABOUT THE ITEMS, BUT YOU AREN'T NECESSARILY GOING TO GET A FIVE CITY COUNCIL VOTE ON IT. BUT WE WANT INFORMATION.

AND THAT'S PART OF THE REASON I'M SUGGESTING LEASES BE SECONDARY IS BECAUSE IN SOME CASES I DON'T THINK THE LEASE AMOUNT IS THE ISSUE. IT'S THE AMOUNT OF SUPPORT YOU WANT TO SUPPLY TO THESE ORGANIZATIONS. THAT'S THE DECISIONS YOU'LL HAVE TO MAKE THROUGH THE BUDGET PROCESS, AND I DON'T THINK LEASES ARE THE BEST WAY TO MAKE THAT DECISION.

OKAY, NEXT SLIDE AND WE'LL COME BACK. YOU DON'T WANT A THUMBS UP OR DOWN ON THIS?

PARTICULARLY ARE YOU OKAY LEAVING THE BUSINESS LICENSE ISSUE OUT OF THIS FOR THE MOMENT WITH US PUTTING THESE ON THE BACK BURNER UNLESS THERE'S OPPORTUNITIES WE DISCOVER TO MOVE THEM FORWARD MORE QUICKLY THAT SORT OF RISES TO THE LEVEL OF PUTTING IT ON THE TIER ONE LIST. OTHERWISE WE WON'T BE WORKING ON THESE, AT LEAST NOT UNTIL WE GET TO THE OTHER PRIORITIES.

I PERSONALLY WOULD NOT NEED THE BUSINESS LICENSE TO BE PRIORITIZED ALONG WITH THE TOP TIER ITEMS. I THINK IT'S IMPORTANT, BUT NO, I DON'T THINK IT NEEDS, I THINK IT CAN WAIT UNTIL LATER. SO BUSINESS LICENSE, CAN IT WAIT UNTIL LATER? SHOULD IT BE PRIORITIZED? OKAY, I SEE, CAN IT WAIT UNTIL LATER? THE BUSINESS LICENSING QUESTIONS? YES, YES?

YEAH, I THINK IT CAN. I THINK IT'S IMPORTANT TO THE CITY MANAGER. SO ALL OF THOSE CAN BE PURSUED LATER.

OKAY, THANK YOU. SO THAT'S THE FIRST SET OF QUESTIONS FOR YOU. THANK YOU FOR HELPING US DETERMINE HOW TO PROCEED. THE SECOND SET IS IN THE AGENDA REPORT IT TALKS ABOUT POTENTIAL SHORT TERM CHANGES. WHAT I MEAN BY SHORT TERM, THESE ARE THINGS WE'D BE WORKING ON IN THE RELATIVELY NEAR FUTURE AND THE CHANGES WE'D HOPE TO MAKE IN THE, YOU KNOW, NEXT --

I'M SORRY TO INTERRUPT, BUT IS THERE ANY WAY TO ZOOM IN ON THIS BECAUSE IT'S REALLY HARD TO SEE. OR MAYBE YOU COULD REFER US, IT PROBABLY IS ON A PARTICULAR --

YOU KNOW, IT'S IN THE STAFF REPORT.

POTENTIAL SHORT TERM CHANGES. OKAY, SO GOT IT. OKAY SO THIS IS PAGE 3 OF 7 I THINK IS THE POTENTIAL SHORT TERM CHANGES DISCUSSION.

AND THIS DOES FOLLOW, I BELIEVE, THE ORDER IN WHICH THEY'RE PRESENTED IN THE REPORT IF THAT HELPS.

OKAY, THANK YOU.

SO THE FIRST TWO, WHICH I'M COMBINING HERE IN THE REPORT AS WELL IS TO LOOK AT ELIMINATING CITY STAFF SUPPORT AND CITY EXPENSES FOR THE CLIMATE ACTION AND PUBLIC ART COMMITTEES. THE REAL WIN HERE, IF YOU WILL, IS CHANGING THE FOCUS OF THE STAFF TIME TO LOOK AT THE COST RECOVERY. THIS IS WHERE IF WE HAD MORE TIME, WE COULD LOOK AT THE BUSINESS LICENSE ISSUE AND WORK ON OTHER PROJECTS. THE CITY EXPENSES ARE PRIMARILY AROUND BROADCASTING. THEY'RE AROUND \$1,500 A YEAR PER COMMITTEE, SO THEY'RE NOT SUBSTANTIAL. THE AMOUNT OF STAFF TIME IS REALLY THE SIGNIFICANT ISSUE HERE. AND I'M, THIS IS A, IF YOU'RE GOOD WITH THIS, IT WOULD BE GO BACK AND LOOK AT WHAT THE STAFF TIME IS WE'RE TALKING ABOUT, TALK TO THE FOLKS INVOLVED SO WE CAN COME WITH A MORE FULLY FORMED PROPOSAL FOR YOU TO APPROVE OR TURN DOWN --

SO JUST TO MAKE SURE I UNDERSTAND THE, UM, THE MATH HERE. RIGHT.

YOU'RE, IT SOUNDS LIKE YOU'RE ASKING, YOU'RE TRYING TO FREE UP STAFF TIME IN ORDER TO DO OTHER TASKS. ARE THE OTHER TASKS THE ITEMS LISTED IN THE -- LET ME GO THROUGH THEM HERE. PART OF CONTEXT ON THE CLIMATE ACTION IN PARTICULAR IS THIS IS, I REALIZE IT'S A REALLY IMPORTANT ISSUE AND SOME PEOPLE ARE TREMENDOUSLY PASSIONATE ABOUT IT FOR GOOD REASON. WE DO HAVE REGIONAL BODIES WITH RESOURCES TO DO WORK IN THE AREAS. WE'RE PART OF THE BODIES, HELP FUND THE BODIES. WE HAVE, THROUGH THE COUNCILMEMBER REPRESENTATION ON THE BOARDS OF THOSE BODIES. SO IT'S NOT LIKE WE'RE IGNORING THE ISSUE IF WE DON'T DO SOMETHING OURSELVES. THAT INCLUDES THE REGIONAL CLIMATE PROTECTION AUTHORITY, SONOMA CLEAN POWER, AND ZERO WASTE SONOMA. ON THE PUBLIC ARTS, AND I'VE NOT EXPLORED THIS WITH THEM, BUT THE SEBASTOPOL CENTER OF THE ARTS, I'VE HEARD FOLKS SAY MAYBE A GOOD HOME FOR ANY PUBLIC ARTS RELATED ISSUES. WE COULD POTENTIALLY RESTRUCTURE THE COMMITTEES. WE HAVE MODELS THAT DON'T REQUIRE STAFF TIME, BUT DO PROVIDE VALUE TO THE CITY. THE PEACE BALL COMMITTEE IS AN EXAMPLE. THAT WAS ON THE AGENDA EARLIER THIS EVENING. THE LIBRARY BOARD IS AN EXAMPLE. PRIMARILY FOR THE LIBRARY ADVISING, BUT COULD ADVISE THE CITY AS WELL. PEOPLE CAN ENGAGE AND PARTICIPATE AND MAKE CONTRIBUTIONS BUT DON'T REQUIRE CITY STAFF TIME. WE'D INVOLVE THE COMMITTEES IN THIS PROCESS, BUT WOULD WANT YOUR DIRECTION IF THIS IS SOMETHING WE'RE SERIOUS ABOUT PURSUING. AGAIN, REDUCING THE BROADCASTING COSTS. IN THE RELATIVELY SHORT RUN WE'RE CONSIDERING HIRING A PLANNING DIRECTOR, AND IF WE DON'T NEED THE SUPPORT OF COMMITTEES MAYBE WE WOULDN'T PAY HIM FOR QUITE AS MANY HOURS UNTIL WE FILL THAT POSITION. THAT'S A MODEST AMOUNT OF SHORT TERM SAVINGS. THEN WE'D REDIRECT STAFF TIME TO OTHER PRIORITIES SUCH AS THE EIFD WORK. WE NEED TO FIND SUPPORT FOR THAT. THE COUNTY IS HOLDING DISCUSSIONS ABOUT POTENTIALLY ALLOCATING IF THE BAY AREA HOUSING FINANCE AUTHORITY MEASURE PASSES WHICH WOULD GENERATE BILLIONS FOR HOUSING. NEXT YEAR, RIGHT NOW I DON'T FEEL WE HAVE THE STAFF TIME TO PARTICIPATE IN THAT IN A MEANINGFUL WAY. I THINK THE COUNTY WILL GIVE US AM GRACE, BUT I THINK BEING AT THE TABLE IS BETTER THAN NOT IF WE CAN FIND THAT TIME. LOOKING AT ECONOMIC DEVELOPMENT ACTIVITY, AND THEN LOOKING AT SOME OF THE REVENUE OPTIONS WE'VE TALKED ABOUT. SO THIS IS WHAT I MEANT BY PUT THE BUSINESS LICENSE ISSUE ON THE PARKING LOT BECAUSE IF WE'RE ABLE TO FREE UP THE STAFF TIME, THAT'S ONE OF THOSE THINGS WE MIGHT BE ABLE TO GET TO OR MORE LIKELY TO GET TO IF WE'RE NOT SPENDING AS MUCH TIME SUPPORTING THE COMMITTEES. I CAN'T TELL YOU THAT'S DEFINITELY WHICH PROJECTS WE WOULD WORK ON, BUT I WANTED TO GIVE AN EXAMPLE OF HOW WE'D INVEST ANY TIME SAVINGS WE GET BY REDUCING TIME SUPPORTING THE COMMITTEES.

COMMENTS ON THIS TOPIC? COUNCILMEMBER HINTON?

YEAH, SO I'M GOING TO HAVE QUESTIONS AND THEN I HAVE COMMENTS. SO I WOULD NOT BE OPPOSED TO CONSIDERING, FOR EXAMPLE, CLIMATE ACTION TO GO DOWN TO LESS PEOPLE. WE HAVE SOME OPENINGS. BUT AS I SERVE ON THE RCPA, I DO NOT BELIEVE IT'S THE SAME AS OUR OWN CLIMATE ACTION COMMITTEE. I WOULD, I KNOW THAT JUST GOING BACK TO MY INSTITUTIONAL MEMORY, WHEN WE HAD HELP DURING COVID WITH THE COMMITTEES, MANY OF THE COMMITTEES, AND I CAN THINK OF THE BUSINESS COMMITTEE BECAUSE, UM, THEY RAN IT THEMSELVES AND DID NOT USE STAFF TIME. I THINK THAT'S AN OPTION. I THINK OUR CITIZENS THAT ARE PASSIONATE MIGHT BE WILLING TO STEP UP AND RUN THESE AND SUBMIT MINUTES OR SOMETHING FOR THE PUBLIC WHERE WE DON'T HAVE TO ASSIGN STAFF TO THE COMMITTEES. SO I, AM, I FEEL THE SAME WAY ABOUT THE PUBLIC ARTS COMMITTEE WHICH IS VERY PASSIONATE AND INVOLVED IN THIS TOWN. SO THOSE TWO THINGS SPECIFICALLY, ONE AND TWO, I'VE GOT TO SAY I'M INTERESTED IN A RESTRUCTURE AND TALKING TO THEM, BUT I'M NOT INTERESTED IN TOLDING -- FOLDING THESE INTO REGIONAL COMMITTEES IF THAT'S THE SUGGESTION.

IT IS NOT.

OKAY, JUST WANTED TO MAKE SURE.

I SEE COUNCILMEMBER MAURER AND MCLEWIS. DON'T KNOW WHO PUT THEIR HAND UP FIRST, BUT YOU PROBABLY KNOW. WHOEVER WAS FIRST, PLEASE SPEAK UP. OKAY, COUNCILMEMBER MAURER GO AHEAD.

YEAH, I'M JUST WONDERING DO YOU HAVE AN ESTIMATE ABOUT THE NUMBER OF HOURS THAT WOULD BE SAVED?

YOU KNOW, IF CARRIE IS STILL ON THE LINE, SHE COULD GIVE YOU THAT BETTER THAN I COULD. IT'S NOT GOING TO BE HUGE, BUT SHE COULD ANSWER THAT QUESTION. CARRIE? I SEE YOUR HAND UP, SO PLEASE --

YES, THANK YOU. I THINK WHEN I HAD ESTIMATED IN THE PAST IT WAS ABOUT 1% OF STAFF TIME AS A PERCENTAGE, BUT JUST LOOKING AT THE, IT'S PROBABLY ABOUT, UM, 40 HOURS OF STAFF TIME FOR THE CLIMATE ACTION COMMITTEE, AND PROBABLY ABOUT THE SAME FOR THE PUBLIC ART COMMITTEE --

IS THAT JUST YOUR TIME OR IS THAT JOHN JAY AND SUSIE?

I'M NOT INVOLVED IN CLIMATE ACTION, SO THAT'S SUSIE AND JOHN'S TIME.

AND THAT'S 40 A YEAR?

I WOULD SAY 40 TO 50. IT'S GENERALLY THE MEETING TIME, AND THEN PRETTY MINIMAL STAFF TIME. ESPECIALLY FOR THE CLIMATE ACTION COMMITTEE. THEY DO, YOU KNOW, THEY DO THEIR OWN ACTION MINUTES. FOR THE PUBLIC ART COMMITTEE, THAT WOULD BE MYSELF AND SUSIE'S TIME. AND ONE OF THE THINGS I AM LOOKING AT IN THE BUDGET IS BECAUSE THEY HAVE, UNDER ORDINANCE WE HAVE A 1% FEE, AND WE CURRENTLY HAVE ANOTHER CALL UNDERWAY, AND HOW WE COULD SUPPORT THAT IS THE FUNDING FOR THAT COMING OUT OF THE PUBLIC ART BUDGET FOR THE STAFF TIME FOR THAT. I WOULD SAY THE MEETINGS FOR THE PUBLIC ART COMMITTEE, FOR BOTH MYSELF AND SUSIE ARE PROBABLY ABOUT 40 HOURS PER YEAR, AND THEN THERE'S PROBABLY ANOTHER 20 OR SO BETWEEN THE TWO OF US FOR EITHER COMMUNICATIONS THAT SUSIE IS DOING OR CONTRACT MANAGEMENT I'M DOING.

SO I'M GOING TO INTERJECT HERE. I THINK WE HAVE A GENERAL SENSE OF THE TOTAL TIME THAT'S INVOLVED. I THINK WE NEED TO WEIGH IN ON WHETHER QUESTION WANT OUR CITY MANAGER TO LOOK INTO, UM I THINK DISBANDING FOR NEXT FISCAL YEAR THE CLIMATE ACTION COMMITTEE AND WHAT WE'D LIKE TO APPROVE HIS PURSUING IN TERMS OF CLIMATE ACTION COMMITTEE AND PUBLIC ARTS COMMITTEE. I SEE COUNCILMEMBER MCLEWIS WITH HER HAND UP.

YEAH, I JUST WANTED TO WEIGH IN BEFORE WE ALL -- SURE.

I JUST, I JUST WANT TO SAY THAT I FULLY SUPPORT THE CITY MANAGER'S PROPOSAL IN EXPLORING THESE OPTIONS. I THINK JUST HAVING THAT LAST PRESENTATION, I MEAN IT'S A REALITY CHECK FOR ALL OF US. WHILE I AGREE THAT BOTH OF THESE ITEMS, I MEAN, OUR CLIMATE IS ALL IMPORTANT, BUT I ALSO HAVE FAITH IN THESE COMMITTEES THAT THEY'RE STRONG ENOUGH THAT IF WE DID NOT HAVE CITY STAFF THERE THAT THEY'D BE JUST AS EFFECTIVE AND IMPACTFUL, AND COMING BACK WITH QUARTERLY REPORTS OR SOMETHING TO THAT MATTER AND I JUST, I JUST THINK THAT THEY'RE STRONG ENOUGH AND PASSIONATE ENOUGH THAT THEY COULD DO THIS. AND I THINK WE'RE LOOKING AT UNPRECEDENTED, AN UNPRECEDENTED SITUATION HERE. I MEAN, WE'RE LOOKING AT A TEN-YEAR PLAN TO FIGURE THIS OUT. JUST THE IDEA, AND I PERSONALLY THINK THAT MIGHT BE A LITTLE UNDERESTIMATE OF THE NUMBER OF HOURS. BUT EVEN IF WE'RE LOOKING AT 80 HOURS, THAT IS TWO FULL WEEKS OF A PERSON WORKING ON, YOU KNOW, ECONOMIC DEVELOPMENT, REVENUE OPTIONS. JUST THINK ABOUT WHAT SOMEONE WOULD ACCOMPLISH, ONE FULL EMPLOYEE FOR TWO FULL WEEKS, IN PURSUING THESE ITEMS AND SPENDING MORE TIME WITH THE COUNTY ECONOMIC DEVELOPMENT BOARD AND THE IDEAS AND ACTIONS THAT COULD COME OUT OF THAT AMOUNT OF TIME. AND I UNDERSTAND THAT'S SPREAD OVER A YEAR, BUT WHEN LOOKING AT TRYING TO BRING IN REVENUE, I THINK IT SHOULD BE ALL HANDS ON DECK AND LOOKING AT HOW TO BRING MONEY IN, NOT HOW TO SPEND MORE STAFF TIME ON ITEMS WE CLEARLY KNOW THEY'RE GOING TO, YOU KNOW, THE COMMITTEES WILL STILL MEET AND KNOW WHAT WE DO EVEN WITHOUT STAFF TIME THERE. I FULLY SUPPORT THIS. I THINK IN THE SHORT TERM, CERTAINLY EVERYTHING, WE CAN LOOK AT THINGS AND RE-EVALUATE THEM, BUT IF WE'RE GOING TO GET SERIOUS ABOUT THIS, WE NEED TO

BUCKLE DOWN AND FIGURE IT OUT. \$2 MILLION. EVERY LITTLE THING WHICH I AMS  
AWAY OF THIS --

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THANK YOU --

NO, PLEASE DON'T INTERRUPT ME. JUST BRINGING IN THE REVENUE I THINK IS SUPER IMPORTANT.

OKAY. THANK YOU VERY MUCH. ANYONE ELSE WANT TO WEIGH IN ON THIS TOPIC. COUNCILMEMBER ZOLLMAN?

CAN I JUST DO A FOLLOW UP COMMENT?

YES, JUST BE BRIEF.

AGAIN, I AM FOR, JUST TO BE CLEAR, NOT DISSOLVING THE COMMITTEES WHICH SEEMS TO BE, ALTHOUGH IT WAS CLARIFIED MAYBE NOT, BUT ALSO I AGREE NOT STAFF TIME. COMMITTEES CAN DRIVE THEMSELVES. I SEE SANDY HAS HER HAND UP TOO.

YES, GO AHEAD COUNCILMEMBER MAURER.

YEAH, BEFORE I CAN EVEN DO A STRAW VOTE ON THIS, I'D REALLY WANT TO BRING IT UP AS A DISCUSSION AND DISCUSS IT WITH BOTH THE COMMITTEES.

THANK YOU.

SO PERSONALLY I AM INTERESTED IN, I WOULD PERSONALLY BE INTERESTED IN LEARNING WHETHER THERE ARE METHODS SHORT OF DISBANDING THE CLIMATE ACTION COMMITTEE OR PUBLIC ARTS COMMITTEE THAT WOULD REDUCE THE EXPENSES AND STAFF TIME ASSOCIATED WITH SUPPORTING THOSE COMMITTEES. I HAVE AN INITIAL QUESTION, ARE WE STILL DOING ZOOM ON THOSE COMMITTEES? OKAY, SO I'D BE INTERESTING IN HEARING IF THERE WAS A WAY TO REDUCE THE EXPENSES AND STAFF TIME TO SUPPORT THOSE COMMITTEES. I THINK THAT WAS A PROPOSAL FROM ANOTHER COUNCILMEMBER. I WOULD BE REALLY LOATHE TO SUPPORT A COMPLETE DISBANDING OF THE COMMITTEES. BUT IF THERE WERE A HUGE AMOUNT OF SAVINGS AND IT WERE ESSENTIAL FOR OTHER PURPOSES, I WOULD, IN A HESITANT WAY, CONSIDER IT. ANYONE ELSE, DO YOU FEEL YOU HAVE ENOUGH INFORMATION?

I JUST WANT TO MAKE CLEAR ON THE SLIDE, I APOLOGIZE IF IT'S NOT CLEAR IN THE REPORT, BUT ONE OF THE OPTIONS WE WOULD LOOK AT IS TO POTENTIALLY RESTRUCTURE THEM TO BE MORE LIKE OTHER COMMITTEES WE HAVE THAT ROLES IN THE CITY SUCH AS THE PEACE BALL PROPOSAL WE HEARD TODAY, BUT THEY DON'T REQUIRE STAFF TIME OR DOLLARS. THERE'S A CONTINUUM BETWEEN WHAT WE DO NOW, SO I'M ASKING IF THIS IS SOMETHING YOU'RE INTERESTED IN, WE'LL GO ENGAGE THEM IN CONVERSATIONS AND COME BACK WITH STAFF ESTIMATES AND COSTS FOR YOU TO MAKE A DECISION. WE'RE NOT ASKING FOR A FORMAL YES DO THIS WITH THEM OR NO, BUT WE'RE SEEING THIS IS SOMETHING YOU WANT US TO EXPLORE IN MORE DETAIL AND THEN COME BACK TO YOU. IF IT IS, WE'LL DO THAT. IF IT'S NOT OF INTEREST OF YOU, I DON'T WANT TO WASTE OUR TIME.

OKAY, SO THUMBS UP OR THUMBS DOWN TO EXPLORING THE VARIOUS OPTIONS AND WHAT COST AND BENEFITS MIGHT BE INVOLVED. YES? THUMBS UP TO EXPLORING? ALL RIGHT.

THANK YOU. SO THE NEXT ONE IS ONE I REFER TO, I'M SORRY, YEAH, WE TALKED ABOUT IT EARLIER TONIGHT. THAT'S POTENTIALLY CONSOLIDATING THE PLANNING COMMISSION AND DESIGN REVIEW BOARD. IT'S A COMMON MODEL. IT'S CERTAINLY NOT UNIVERSAL. WHAT WE DO IS NOT COMPLETELY UNIQUE. COULD LEAD TO SOME STREAMLINING AND EASIER BUSINESS RECRUITMENT BECAUSE THERE'S FEWER STOPS ALONG THE APPROVAL PATH. WE'D HAVE TO CHANGE THE CITY CODE. WHAT WE WOULD WANT TO KNOW IF THIS IS A CONVERSATION THAT YOU'D LIKE US TO ENGAGE THESE BODIES IN TALKING ABOUT POTENTIAL CONSOLIDATION. IF SO WE'LL HAVE THE CONVERSATIONS AND BRING THE FINDINGS BACK TO YOU FOR YOUR DECISION ON HOW TO PROCEED. IF YOU WANT TO KEEP THEM SEPARATE, THAT'S OKAY TOO. WE'LL NOT HAVE THOSE CONVERSATIONS.

ANY COMMENTS OR THUMBS UP, THUMBS DOWN? GO AHEAD COUNCILMEMBER HINTON? I JUST WANT TO COMMENT I THINK THERE'S INTEREST IN EXPANSION OF THE PLANNING COMMISSION BECAUSE WE CUT IT BACK TO FIVE FROM SEVEN. IF WE WERE TO GO BACK TO SEVEN, IF WE'RE ROLLING THE DESIGN REVIEW BOARD IN AND HAVING A NIGHT MEETING SO THE PUBLIC COULD PARTICIPATE MORE, THAT MAKES A LOT OF SENSE TO ME AS A CONSIDERATION. I JUST WANTED TO MAKE THAT SPECIFIC COMMENT.  
ANY OTHER COMMENTS? OH, I'M SORRY.

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I JUST WANT TO SAY, I AGREE WITH COUNCILMEMBER HINTON. I THINK THAT MAKES A LOT OF SENSE, THE EVENING MEETINGS. IT SEEMS LIKE WE'D GET MUCH MORE PARTICIPATION AND COMMUNITY INVOLVED. I AGREE.

OKAY, SO COUNCILMEMBER MAURER?

YEAH, I DO REMEMBER WHEN THE PLANNING COMMISSION WAS MUCH LARGER THAN IT IS NOW. BUT I WOULD, SINCE WE JUST APPOINTED THREE PEOPLE AND THERE ARE FOUR PEOPLE ON THE DESIGN AND REVIEW BOARD, YEAH, IT WOULD BE GREAT TO HAVE NINE PEOPLE ON THE PLANNING COMMISSION, BUT I'M WILLING TO MOVE IN FORWARD.

OKAY. THUMBS UP OR THUMBS DOWN FOLKS? THUMBS UP TO EXPLORE IT. THANK YOU.

OKAY, THANK YOU. THE NEXT ONE IS ON THE BUSINESS LICENSES FOR VENDORS AT EVENTS. SO I'VE DONE A LITTLE BIT OF LOOKING AT THIS. WE GET A LITTLE OVER 6,000 IN REVENUE FOR THESE. THE STAFF TIME TO PROCESS THESE, FROM WHAT I'VE BEEN TOLD, IS LIKELY NOT WORTH IT ESSENTIALLY. THAT THE STAFF TIME COSTS MORE THAN THE REVENUE WE GET. CONSISTENT ENFORCEMENT IS VERY DIFFICULT, AND IF WE WERE TO GO WITH A CONSISTENT ENFORCEMENT ON THIS, THE STAFF TIME COSTS WOULD CERTAINLY DRAMATICALLY OUTWEIGH THE REVENUE. I'VE BEEN TOLD BY THE BUSINESS COMMUNITY THAT OUR REQUIREMENTS ARE UNCOMMON, SO I HAVEN'T VALIDATED THAT. IT MAY BE TRUE. WE WOULD NOT IMPACT OR TOUCH THE COLLECTION OF SALES TAXES, THAT WOULD ESSENTIALLY REMAIN AS IS. ANOTHER OPTION IS TO LOOK AT CENTRALIZED COLLECTION. SO EVENT SPONSORS WOULD ESSENTIALLY PAY WHATEVER THE BUSINESS LICENSE FEES ARE FOR ALL OF THE VENDORS INSTEAD OF A, TRYING TO DO IT VENDOR BY VENDOR, OR B ELIMINATING IT ALL TOGETHER. A MORE STREAMLINED APPROACH MIGHT MAKE THE MOST SENSE HERE. AND THE BARLOW AND CHAMBER AND DOWNTOWN ASSOCIATION SAY THEY LIKE THE NOTION OF EXPLORING THIS. AND PART OF THE REASON IS TO TRY AND BRING MORE VISITORS HERE. IT'S ACTUALLY A SMALL REVENUE REDUCTION, BUT IN THE LONGER RUN IT MIGHT BE A REVENUE GENERATOR AS WE GET MORE EVENTS AND SPENDING HERE WE COULD MAKE IT UP ON SALES TAXES. WE ALSO HAVE MAYBE NOT A SO FRIENDLY BUSINESS REPUTATION. I THINK THAT IN THE LONG RUN WILL HELP OUR FINANCES OUT. IT'S PARTLY SYMBOLIC, MAYBE LARGELY SYMBOLIC.

ANY COMMENTS FROM COUNCILMEMBERS? I'M SEEING THUMBS UP.

I WAS JUST GOING TO SAY, I TOO HAVE HEARD FROM THE BUSINESS COMMUNITY THAT IT'S MORE OF A HURDLE THAN ANYTHING ELSE. WE DEFINITELY NEED, YOU KNOW, TO BE PRO BUSINESS OR BUSINESS FRIENDLY THE BETTER TERM.

OKAY, THANK YOU. THE NEXT ONE IS JUST TO FORMALIZE THE SUSPENSION OF THE COMMUNITY GRANTS PROGRAM FOR THIS YEAR. I BELIEVE IT WAS 100 OR 150,000 IN FUNDING THE CITY PROVIDED BEFORE. IT CREATES SOME UNCERTAINTY TO LEAVE THE QUESTION OUT THERE ANNUALLY. EXCUSE ME. I DON'T SEE US, IF IT WAS LAST YEAR, I JUST ASSUMED IT WAS NOT SOMETHING YOU'D WANT TO REFUND THIS YEAR GIVEN OUR SITUATION. I THINK MANGING IT CLEAR THIS IS GOING AWAY FOR THE FORESEEABLE FUTURE HELPS REDUCE THE AMOUNT OF UNCERTAINTY. AND THIS IS, BY THE WAY COMPLETELY UNRELATED TO THE SUPPORT FOR SENIOR CENTER, COMMUNITY CENTER WE PROVIDE. NOT THROUGH THIS PROGRAM, BUT IN OTHER WAYS. JUST TRYING TO CREATE SOME CERTAINTY AROUND THIS. IF YOU'D LIKE US TO DO IT, WE'LL DO IT. IF YOU WANT TO LEAVE IT OPEN FOR PART OF THE BUDGET CONSIDERATION, WE CAN CERTAINLY DO THAT AS WELL.

VICE MAYOR ZOLLMAN?

YEAH, I'M NOT REALLY KEEN ON FORMALLY ELIMINATE THING. CAN IT JUST STAY THE WAY IT IS NOW WHICH IS SUSPENDED?

SUSPENDED UNTIL FURTHER NOTICE --

WEIGHING IN, I'M SORRY, I THINK COUNCILMEMBER HINTON WAS NEXT?

I AGREE WITH VICE MAYOR ZOLLMAN. I THINK SUSPENDED IS A BETTER TERM, AND I HAVE HIGH HOPES THAT EVENTUALLY WE CAN BRING IT BACK. I ALSO WANTED TO NOTE THAT ON THE BOTTOM LINE, THE THREE WE HAVE CONSISTENTLY DONE IS THE SENIOR CENTER, THE COMMUNITY CENTER, AND THE CHAMBER WITH SUPPORT OF APPLE BLOSSOM. THE CHAMBER IS MISSING ON THAT BOTTOM LINE. I JUST WANT TO MAKE SURE, I THINK THOSE ARE STILL OPEN AND WE'LL HEAR FROM THE THREE ORGANIZATIONS IS MY UNDERSTANDING.

COUNCILMEMBER MCLEWIS?

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I JUST WONDERED IF YOU'RE SAYING SUSPENDED, IS IT DIFFICULT TO ACTUALLY RESURRECT THIS? AND TWO I APPRECIATE THE THOUGHTFULNESS OF MANAGING THE EXPECTATIONS FOR NONPROFITS. IF THEY CONSISTENTLY EACH YEAR WONDER IF THEY'LL BE DOING THIS OR NOT, IT CREATES A LEVEL OF UNCERTAINTY THAT REALLY I JUST FEEL LIKE WE NEED TO BE STRAIGHT FORWARD IF THERE'S A WAY FOR US TO JUST SAY OR SAY FOR THE TERM OF THE NEXT FOUR YEARS, WHATEVER IT IS THE CITY STAFF WOULD DETERMINE THAT WE'RE NOT GOING TO PURSUE THIS JUST TO GIVE THE NONPROFIT SOME SORT OF CERTAINLY THAT THEY KNOW THEY WON'T HAVE THIS AS AN OPTION THE NEXT FEW YEARS. EVEN IF IT'S FOR THE NEXT TWO YEARS, THREE YEARS, JUST GIVING THEM SOME LEVEL OF CERTAINLY THAT IT'S NOT GOING TO HAPPEN SO THEY DON'T WONDER AND TRY TO PUT THIS INTO THEIR BUDGET AND BECOME DISAPPOINTED BECAUSE IT'S A DISAPPOINTMENT FOR THEM CONTINUOUSLY.

I FEEL LIKE UNTIL FURTHER NOTICE IS MAYBE WHAT WE SAY.

THE OTHER THOUGHT I HAD IS JUST MOVING FORWARD FROM COUNCILMEMBER MCLEWIS' COMMENT, I HAVE TO SAY I'M NOT COMFORTABLE FORMALLY ELIMINATING THE COMMUNITY GRANTS PROGRAM. I UNDERSTAND WE MAY HAVE TO DO THAT. IT BREAKS ME HEART, BUT I UNDERSTAND WE MIGHT HAVE TO DO THAT. I'D BE MUCH MORE COMFORTABLE AT THIS POINT WITH SUSPENDING IT. I'M THINKING SUSPENDED FOR A MINIMUM OF TWO YEARS IN ORDER TO PROSIDE -- PROVIDE SOME SENSE OF CERTAINTY SO IT'S NOT EVERY YEAR. I DON'T KNOW HOW THE OTHER COUNCILMEMBERS WOULD FEEL ABOUT THAT. SUSPENDING FOR A MINIMUM OF TWO YEARS, BECAUSE IT COULD BE LONGER THAN THAT. ANY INPUT? COUNCILMEMBER MAURER?

I GUESS THE ONLY CONCERN I HAVE IS LOOKING AT THAT NUMBER OF A TEN-YEAR PROJECTION. I'M NOT SAYING TEN YEARS, BUT THAT TEN-YEAR PROJECTION IS A LITTLE DAUNTING. BUT I AGREE WE NEED TO GIVE SOME SORT OF TIME FRAME. TWO OR THREE YEARS, WHATEVER IT IS. THEN IT WILL COME BACK FOR EVALUATION BY CITY STAFF. THAT WOULD BE MY RECOMMENDATION.

OKAY, IS EVERYONE OKAY WITH THAT? I THINK THAT THAT I DID THINK AGAIN, SUSPENDING IT INDEFINITELY, BUT CREATING A MINIMUM OF TWO YEARS SORT OF MESSAGING. OKAY. SO WE'RE GOOD THERE. AND ALSO, FOR PURPOSES OF FUTURE CONSIDERATION UNRELATED TO SUPPORT FOR SENIOR CENTER AND COMMUNITY CENTER, JUST LISTENING TO THE COMMENT FROM COUNCILMEMBER HINTON TO THE EXTENT THOSE TWO ENTITIES ARE MENTIONED, THE CHAMBER NEEDS TO BE MENTIONED ALSO.

OKAY. ALL RIGHT, THANK YOU. SO THIS IS AN ITEM THAT WE TALKED ABOUT WITH BOB LELAND, AND I'M FRANKLY NOT ENTIRELY SURE HOW I THINK ABOUT IT IN TERMS OF IF IT'S SOMETHING WE SHOULD OR SHOULD NOT DO. BUT I THINK IT'S WORTH LOOKING AT. THIS IS POTENTIALLY SHIFTING THE REMAINING MILLION OR SO IN ASSIGNED FUND BALANCE OVER TO THE TRUST. THEY'VE MOVED ABOUT 1.8 MILLION. IT DOES GREAT POTENTIALLY HIGHER RETURNS, ALTHOUGH THE SHORT TERM RETURNS AS YOU MENTIONED ARE PRETTY GOOD NOW. I WOULD WANT TO CONSULT WITH OUR FINANCIAL ADVISOR AND GET THEIR OPINION ON THE WISDOM OF DOING THIS. I BASICALLY WANT TO PUT IT OUT THERE FOR DISCUSSION AS OPPOSED TO THE MILLION DOLLARS SITTING WHERE IT IS WITHOUT US THINKING ABOUT IT. AND BOB MENTIONED THERE IS ANOTHER OPTION. IT'S PROS AND CONS, BUT, UM, IF WE ACTUALLY PAY DOWN SOME OF THE PERS COSTS NOW INSTEAD OF INVESTING IT FOR LATER, THAT COULD CREATE ONE TIME MONEY TO CREATE ONGOING CAPACITY IN THE BUDGET. AS BOB SAID, IT MIGHT NOT COME FOR QUITE AWHILE, BUT THINKING ABOUT THE LONG RUN. I THINK IT'S AT LEAST WORTH EXPLORING. THAT'S REALLY ALL I'M ASKING FOR IS PUTTING IT ON THE TABLE FOR US TO EXPLORE WITH A FINANCIAL ADVISOR AND GET THEIR THOUGHTS ON THIS. COUNCILMEMBER HINTON?

I DON'T, I MEAN IN MY EXPERIENCE I DON'T TRUST CAL PERS AT ALL. I'D RATHER EXPLORE THE OTHER OPTIONS FIRST. SHORT TERM IS AT LEAST 5.5. I JUST REALLY WORRY ABOUT TRUSTING, I THINK ALL THE CITIES IN THE STATE OF CALIFORNIA TRUSTED THEM, AND NOW LOOK WHERE WE ARE --

MY UNDERSTANDING OF THE WAY THIS WORKS, ALTHOUGH I WILL NEVER PROCLAIM TO BE AN EXPERT ON THIS, IS THAT IF WE, BOB TALKED ABOUT HAVING THE FUND

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MORTGAGES, IF YOU WILL. AND THIS WOULD TAKE THE MILLION DOLLARS AND SEE IF THERE'S A MINI MORTGAGE OR PORTION OF ONE WHERE YOU PRE-PAY IT. YOU PRE-PAY IT AND THE OBLIGATION IS GONE. IT'S NOT A MATTER OF TRUSTING THEM TO HANDING YOUR MONEY, IT'S A MATTER OF, IN A WAY IT'S SHOWING YOUR DISTRUST BY NOT BEING SUBJECT TO THE VOLATILITY OF THEIR RETURNS IF WE PRE-PAY IT.

I TRUST YOU. THIS IS WHY WE HIRED YOU. I'M COOL WITH EXPLORING IT, I JUST MAKE THAT COMMENT.

AND I ASK MARY GOURLEY WHEN WE ABSOLUTELY HAVE TO BE OUT OF THIS ROOM? THERE'S A FINAL TIME?

11:00 IS WHEN WE SHOULD BE OUT OF HERE. 11:15 AT THE MAX.

SO I'M LOOKING AT THE SLIDES AND SEE 15 OF 30. LET'S SEE IF WE CAN DO THUMBS UP TO EXPLORE THIS. IS EVERYONE THUMBS UP TO EXPLORE THIS? THANK YOU. NEXT SLIDE.

I'M JUST GOING TO SKIP THE NEXT ONE BECAUSE SOME ARE MORE IMPORTANT. ON THE 24/25 BUDGET PREPARATION, ONE OF THE ITEMS THERE IS TO DEVELOP IT IN ALIGNMENT WITH COUNCIL GOALS AND VALUES. YOU LAST DID THAT IN 2019, SO I'M NOT PLANNING ON USING THAT AS THE FOUNDATION FOR THIS. WE'LL MAKE BEST EFFORTS TO REPRESENT THE GOALS AND VALUES. WE WELCOME COUNCIL DIRECTION. NOT MUCH TIME FOR THAT, BUT MAYBE WE COULD DO A SHORT GOAL SETTING SESSION AT THE NEXT MEETING. BUT I SUGGEST STARTING WITH THE ITEMS THAT FOLLOW. NEXT SLIDE. BASICALLY PLANNING TO RECOMMEND A BALANCED BUDGET AT THE HEARINGS WHERE ONGOING REVENUES MATCH ONGOING EXPENSES. THAT'S MY STARTING POINT GOING INTO THIS. THIS WOULD INCLUDE \$300,000 TO PRESERVING OUR ASSETS WHETHER IT'S STREETS, BUILDINGS, PARKS, ET CETERA. BUT ENSURING, TRYING TO MITIGATE AND STOP THE DETERIORATION OF THOSE IMPORTANT COMMUNITY ASSETS. SO, UM, YOU KNOW, I DOUBT THIS WILL CHANGE, BUT I WANTED TO PUT THIS OUT THERE AND THAT'S WHERE I'M SUGGESTING WE GO. VICE MAYOR ZOLLMAN SAID IN RECOMMENDED BUDGET MEETINGS BASED ON THE MODEL \$2 MILLION IN REVENUE OR REDUCTIONS. IF YOU WANTED TO SEE THAT \$2.5 MILLION LOOKS LIKE, IF THERE'S THREE OF YOU THAT WANT US TO DO THAT, WE CAN COME WITH PROPOSALS THAT DO THAT AS WELL.

COUNCILMEMBER ZOLLMAN?

YEAH, I WANT THE 2.5 PROJECTED OUT THERE. THAT'S MY HOPE.

AND THE DIFFERENCE WOULD BE THE REDUCTION IN EXPENSES, SO FILLING THE GAP? 2 MILLION IS WHAT WE HEARD IN THE PRESENTATION FROM BOB LELAND THAT WOULD THEN DRIVE THE BALANCED BUDGET EQUATION AND WHAT COUNCILMEMBER ZOLLMAN IS SUGGESTING IS THAT WE WOULD ALSO GET A \$2.5 MILLION CUT --

IF WE CAN FIND OTHER REVENUES TO HELP BALANCE IT OUT, YES.

OKAY. AND IS THAT, WHAT WOULD BE THE IMPLICATIONS FOR STAFF TIME? DO YOU HAVE CONCERNS ABOUT BRINGING BOTH OF THOSE FORWARD?

TO SOME EXTENT I HAVE CONCERNS ABOUT THE WHOLE BUDGET PROCESS BECAUSE I'M SO NEW AND TRYING TO UNDERSTAND THE CITY'S BUDGET. BUT I HAVE CONFIDENCE IN OUR DEPARTMENT HEADS TO HELP ME OUT ON THAT, HINT, HINT. SO WHAT IT WOULD MEAN IS WE WILL BE PRESENTING YOU WITH OPTIONS THAT IDENTIFIES THE CUTS, THE DOLLAR AMOUNT, PERCENTAGE OF GENERAL FUND, AND IMPLICATIONS, THE SUMMARY LEVEL IMPLICATION. THAT MEANS THE LIST WILL BE LONGER. IT'S PROBABLY MORE WORK, BUT WE'RE HERE, SO IF THERE'S SOMETHING YOU WANT US TO DO, I BELIEVE WE'LL BE ABLE TO DO IT.

AND THE GOAL, COUNCILMEMBER ZOLLMAN, COULD BE NOT TO PROVIDE EXTRA PADDING, BUT IN ORDER TO FREE UP MONEY FOR ROADS? WHAT WOULD YOUR THOUGHT?

FREE UP MONEY FOR ROADS. THERE ARE OTHER INFRASTRUCTURE NEEDS AND POTENTIALLY DOING SOMETHING WITH THE PENSIONS. IT'S JUST TO PROVIDE OPTIONS OF WHAT MORE WE CAN DIG INTO SOONER.

OKAY. ANY COMMENTS FROM COUNCILMEMBERS ON THAT? AND COUNCILMEMBER MCLEWIS SAYS YES.

SORRY, I HIT THE WRONG BUTTON. I JUST HAD A QUICK QUESTION. I KNOW THAT YOU ARE CONCERNED WITH THE AMOUNT OF TIME THAT YOU HAVE TO DO THIS THOROUGHLY, AND I JUST WANT TO KNOW IF WE'RE ASKING YOU FOR THIS ADDITIONAL OPTION, IS THAT GOING TO, IT SEEMS LIKE THAT WOULD FURTHER IMPACT YOUR ABILITY

TO SPEND TIME ON THIS. I MEAN, I KNOW YOU'RE HERE TO SERVE ~~WHATEVER WE WANT.~~ I JUST WANT TO --

I, I, OKAY, MAYBE IT'S THE OVERACHIEVER THING, BUT I CAN WE CAN DO THIS IF YOU WANT US TO DO IT. IT WILL NOT BE PRETTY. BUT 2 MILLION ISN'T GOING TO BE PRETTY EITHER. IT WILL BE ANOTHER DOSE OF UGLINESS. BUT I BELIEVE WE'LL BE ABLE TO GET THIS TO YOU. HERE'S MY PROMISE. WITH THE DIRECTION YOU PROVIDE, WE'LL MAKE EVERY REASONABLE EFFORT TO GIVE YOU THOSE OPTIONS.

I SEE, I'M SORRY, ASSISTANT CITY MANAGER MARY GOURLEY, DID YOU WANT TO ADD SOMETHING?

NOT TO THE PRESENTATION. THE ONLY THING I WANTED TO ADD IS BEFORE WE GIVE FORMAL DIRECTION, WE HAVE TO OPEN PUBLIC COMMENT. 11:30 IS OUR DROP DEAD, BUT I JUST WANTED TO MAKE SURE THAT FORMALLY WE CAN'T DO ANYTHING UNTIL WE ACTUALLY OPEN IT UP FOR PUBLIC COMMENT.

EXCELLENT, THANK YOU FOR THE REMINDER. SO ARE WE THUMBS UP ON BRINGING BACK A PROPOSAL THAT WOULD BE BOTH \$2 MILLION PER YEAR CUT AND A \$2.5 MILLION CUT? THUMBS UP? PROBABLY WITH THE CAVEAT THAT IF OUR CITY MANAGER IS UNABLE TO DO THAT, WE TRUST HIM TO EXPLAIN WHY.

THE OTHER THING IS BUDGETING TENDS TO BE, BUDGETING IS NOT STABLE. WE CAN ALWAYS COME BACK WITH SOMETHING ELSE.

OKAY, THANK YOU VERY MUCH.

THE NEXT SLIDE IS JUST AN EXAMPLE OF WHY WE NEED TO PUT MONEY INTO PRESERVING OUR ASSETS. THESE ARE RECENT IVES PARK PHOTOGRAPHS. EVERY PRESENTATION SHOULD HAVE SOMETHING BESIDES WORDS ON A SLIDE.

I'LL JUST ASK A QUESTION MORE OF MARY GOURLEY THAN ANYONE ELSE. DO YOU THINK WE NEED TO PAUSE AND COLLECT PUBLIC NOW AND COME BACK TO FINISH THE SLIDES? I'M WONDERING ABOUT OUR TIMING.

I WOULD SAY IF THERE'S MORE DIRECTION, YOU PROBABLY WANT TO GO THROUGH THE SLIDES FIRST.

OKAY.

AND THEN HAVE, I MEAN, YOU DON'T WANT TO OPEN PUBLIC WITHOUT THEM SEEING THE REST OF THE SLIDES. I THINK WE NEED TO GO THROUGH THE SLIDES, GET THE PUBLIC COMMENT.

OKAY. LET'S TRY AND MOVE THROUGH JUST AS QUICKLY AS WE CAN AS CITY COUNSEL PEOPLE DO THE THUMBS UP AND THUMBS DOWN THING SO THAT OUR CITY MANAGER CAN COMPLETE HIS MANAGER. GO AHEAD VICE MAYOR ZOLLMAN.

MY ONLY CONCERN IS IF WE DON'T TIME THIS RIGHT WE'LL HAVE TO REDO ALL THIS ALL OVER AGAIN WHAT WE ALREADY DID TONIGHT IF WE DON'T HAVE ENOUGH TIME FOR PUBLIC COMMENT ON THE FULL SIDE DOC.

YOU WOULDN'T HAVE TO GO THROUGH THE WHOLE PRESENTATION AGAIN. LET'S JUST SAY WE GET THROUGH THE PRESENTATION AND IT'S 11:30, YOU WOULD CONTINUE THE ITEM TO EITHER A SPECIAL MEETING AND THEN TAKE IT UP FROM THAT POINT. YOU WOULDN'T NEED TO WHOLE PRESENTATION ALL OVER AGAIN.

SO LET'S MOVE THROUGH THE SLIDES AS QUICKLY AS YOU CAN.

OKAY, SO THIS IS IN A WAY THE FLIP SIDE OF THE BALANCED BUDGET. IT'S LIMITING THE USE OF ONE-TIME FUNDS TO ONE TIME EXPENSES. THAT INCLUDES FUND BALANCE. WE'LL BE LOOKING AT THE ASSIGNED RESERVES. IT MIGHT BE SOMETHING WHERE WE TRANSITION TO A NEW SERVICE MODEL AND USE THE ONE TIME FUNDS TO HELP MAKE THE TRANSITION. SO THIS IS, AS A POLICY MATTER, THE PRINCIPLE IS WE'RE NOT GOING TO USE ONE TIME FUNDS FOR ONGOING EXPENSES.

THUMBS UP, THUMBS DOWN? THUMBS UP. WE'RE GOOD.

THE NEXT ONE IS POTENTIAL ONE TIME INVESTMENTS AND HIGH LEVERAGE OPPORTUNITIES FOR EFFICIENCY OR COST SAVINGS. AN EXAMPLE IS TECHNOLOGY INVESTMENTS. I UNDERSTAND WE HAVEN'T MADE MANY OVER THE YEARS. I KNOW THE CLERK'S OFFICE IN PARTICULAR, WE'RE WAY OUT OF DATE OF STANDARD TECHNOLOGY AND CAN REALLY MAKE THINGS MORE EFFICIENT. IT MIGHT BE PUTTING SOME MONEYS INTO OUR BUILDING OR INFRASTRUCTURE. MORE OF A PREVENTIVE NATURE LIKE REPAIR OR REPLACE THE ROOF BEFORE IT STARTS LEAKING AND LEADERSHIP DEVELOPMENT. THOSE ARE JUST EXAMPLES, BUT IF YOU'RE OPEN TO IT I'D LIKE TO KNOW

YOU'D LIKE TO KNOW IF WE'RE IN SUPPORT OF EXPLORING AND COMING BACK TO US WITH IDEAS. COUNCILMEMBER HINTON, DID YOU HAVE A COMMENT?

I MEAN, THEY'RE NOT AS IMPORTANT TO ME AS OTHER THINGS, BUT SURE.

I WOULD AGREE WITH THAT, BUT IN TERMS OF EXPLORING, YES. FIVE THUMBS UP.

OKAY, THANK YOU. THIS IS I GUESS MORE A POINT OF INFORMATION THAN ANYTHING ELSE, BUT THERE'S A POLICY DECISION HERE TOO. YOU HAVE TO HAVE SOME LEVEL OF FUNDAMENTAL BASICS IN ON ORGANIZATION FOR US TO SUCCEED. THIS KIND OF COMES BACK TO WHY SMALLER CITIES HAVE HIGHER PER CAPITA COSTS. AT SOME POINT YOU REDUCE TOO DEEPLY AND CAN'T FUNCTION EFFECTIVELY. IT'S BEEN LESS THAN THREE MONTHS, BUT MY ASSESSMENT IS WE MAY BE AT OR NEAR OR EVEN PAST THAT POINT AT CERTAIN PLACES IN THE ORGANIZATION, PARTICULARLY ADMINISTRATIVE SERVICES, BUT I'M NOT SURE THAT'S THE ONLY ONE. AISLE CONTINUE TO ASSESS THE ORGANIZATION, IT'S PART OF WHAT CITY MANAGERS DO. BUT I'M NOT PLANNING TO PROPOSE EQUAL REDUCTIONS ACROSS THE BOARD BECAUSE THERE ARE SOME PARTS OF THE ORGANIZATION THAT CAN'T TAKE IT. FIRE IS ANOTHER EXAMPLE, BUT WE HAVE THE MEASURE H MONEYS THAT PROBABLY MAKE THAT A NON-ISSUE FOR THE MOST PART. I JUST WANT TO LET YOU KNOW I'M NOT PLANNING TO DO ACROSS THE BOARD CUTS, AND IF YOU'RE UNCOMFORTABLE WITH THAT I'D LIKE TO KNOW NOW, BUT I THINK WE NEED TO BE MORE STRATEGIC THAN SIMPLE.

YEAH, MY ONLY COMMENT WOULD BE THAT CERTAINLY IN TERMS OF ADMINISTRATIVE FOUNDATION, I AGREE, I'M THUMBS UP. I'M NOT NECESSARILY IN AGREEMENT WITH OTHER DEPARTMENTAL GROUPS SUCH AS FIRE SERVICES. BUT IN TERMS OF ADMINISTRATIVE FOUNDATION, I GET IT.

OKAY.

AND I'M SORRY, COUNCILMEMBER MCLEWIS AND MAURER? YOU'RE ON BOARD? OKAY. THANK YOU VERY MUCH.

THANK YOU. THIS IS NOT GUILTY -- NOT SO MUCH A BUDGET ISSUE, BUT ABOUT THE HEALTH OF ORGANIZATION. BASICALLY TO QUOTE PETER DRUCKER THAT CULTURE EATS STRATEGY FOR BREAKFAST. HE DIDN'T ACTUALLY SAY THAT, BUT EVERYONE THINKS HE DID. BUT IT'S SAYING IF WE CAN CREATE THE RIGHT KIND OF CULTURE IN THE CITY, AND I'M NOT SAYING IT'S WRONG, BUT WHEN EMPLOYEES ARE ENGAGED THEY'LL BE MORE PRODUCTIVE AND WE'LL GET MORE VALUE FOR THE DOLLARS AND TIME WE SPEND. IT'S AGAIN, NOT REALLY A BUDGET ISSUE. IT MIGHT BE INVESTING IN LEADERSHIP DEVELOPMENT HELPS WITH THIS OR INVESTING IN TECHNOLOGY. BUT JUST KIND OF FROM A CULTURAL PERSPECTIVE THAT WE NEED TO DO THE BEST WE CAN TO ENGAGE OUR EMPLOYEES IN WHAT WE DO. I GUESS THAT'S NOT REALLY A POLICY DIRECTION AS MUCH AS A MANAGEMENT PHILOSOPHY. ECONOMIC DEVELOPMENT, IT CAN HELP.

ON THE LAST SLIDE, EVERYONE OKAY WITH THE PRINCIPLES OUTLINED? YES? OKAY, THANK YOU.

FOR ECONOMIC DEVELOPMENT, I'M NOT PROPOSING ANYTHING IN PARTICULAR HERE, BUT BEING OPEN TO THIS IS WHERE SHIFTING SOME OF THE STAFF TIME AND SKILL SET, LOOKING AT POTENTIALLY HIRING A COMMUNITY DEVELOPMENT DIRECTOR TO REPLACE THE PLANNING DIRECTOR POSITION IN PART BECAUSE ECONOMIC DEVELOPMENT MIGHT BE PART OF THAT SCOPE. MAYBE LOOK AT SOME SELECTIVE INVESTMENTS. LOOKING AT CHANGING THE VENDOR FEES WE TALKED ABOUT. COMBINING THE PLANNING COMMISSION AND DESIGN REVIEW BOARD. IT'S MORE PHILOSOPHICAL THAN ANYTHING ELSE. BUT I'LL TELL YOU WHERE DEFINITELY THE NEW HOTELS, THE QUESTION WE WANT TO ASK THEM IS WHAT WE NEED TO DO TO HELP YOU OPEN AND SORT OF ADOPTING THIS IS A PHILOSOPHY TO TRY AND BE A BUSINESS FRIENDLY ORGANIZATION THAT DOESN'T COMPROMISE OUR STANDARDS SO THEY'RE NOT OPPOSITE VALUES AND WE CAN DO BOTH. IF YOU'RE COMFORTABLE REFLECTING ON OUR PRACTICES AND POTENTIALLY IN THE BUDGET DOING SOME OF THIS WE'D LIKE TO KNOW.

FIVE THUMBS UP.

WONDERFUL. PROMOTING TRANSPARENCY. AGAIN, SHARING INFORMATION WITH THE PUBLIC WE'VE TALKED ABOUT CHANGING OUR ACCOUNTING AND REPORTING PRACTICES, AND I LIST SOME OF THEM HERE TO TRY AND MAKE THINGS A LITTLE MORE TRANSPARENT AND EASIER TO MANAGE. YOU KNOW, WE'LL JUST CONTINUE DOWN THIS

PATH. WHETHER THE NEWS IS GOOD OR BAD TO SHARE THE NEWS IN A TRANSPARENT FASHION. Agenda Item Number: 1

THUMBS UP.

LEVERAGING OPPORTUNITIES FOR SHARED SERVICES. WE ALREADY DO SOME. SANTA ROSA SEWAGE TREATMENT PLANT, REDCOM, BUT PHILOSOPHICALLY ASK YOU BE OPEN TO US EXPLORING OTHER OPPORTUNITIES. I THINK THERE'S OTHERS OUT THERE WE NEED TO LOOK AT.

YES, EVERYONE? THUMBS UP? YES.

CONSULTANTS AND CONTRACTORS. I KNOW THAT'S A HOT BUTTON ISSUE FOR SOME. REASONS WE WOULD USE THEM REALLY ARE TWOFOLD. THE NEED EXCEEDS THE AVAILABLE STAFF TIME IN A PARTICULAR PERIOD OR WE LACK THE EXPERTISE. I THINK OUR PRACTICES ARE VERY MUCH IN LINE WITH OTHER CITIES IN USING SUBJECT MATTER EXPERTS WHERE THERE'S HIGH VALUE. BOB LELAND'S MODEL IS AN EXAMPLE. HIRING R3 AS THE HAULING CONTRACTOR. I THINK IT WILL GET US BETTER RATES AND ULTIMATELY IS IN OUR BEST INTERESTS. JUST LETTING YOU KNOW, CONTINUE TO USE THEM, BUT SELECTIVELY AND ONLY REALLY FOR THOSE TWO REASONS, ONE OR BOTH OF THOSE.

ANY CONCERNS? THUMBS UP WITH THAT? OKAY. THANK YOU.

ON THE TIMING, ITSELF, I DON'T HAVE A DEFINITIVE TIMELINE FOR YOU YET. WE'RE WORKING ON THAT. PLANNING TO BRING PROPOSALS TO THE BUDGET COMMITTEE FOR THEIR PREVIEW, IF YOU WILL, OF THE RECOMMENDATIONS BEFORE THEY GET TO COUNCIL. WE'LL INCORPORATE UPDATED INFORMATION AS WE GO. THAT'S JUST INFORMATIONAL FOR YOU. BECAUSE I KNOW THERE'S BEEN A LOT OF COMMUNITY INTEREST, I THOUGHT I WOULD PROVIDE INFORMATION ABOUT WHAT WE DO FUND IN THIS YEAR'S BUDGET FOR THE SENIOR CENTER AND COMMUNITY CENTER. COMMUNITY CENTER TOTALS THERE \$135,000 TOWARDS OPERATIONS AND PROGRAMS, 138,000 FOR MAINTENANCE AND UTILITIES, AND \$50,000 FOR AN ACT -- ARCHITECT. I PUT A HOLD ON SPENDING FOR THE ARCHITECT. I WON'T GET INTO THAT NOW. AND THE SENIOR CENTER IS AROUND 69,000 ALL TOGETHER. AND IN CONCLUSION, THE WAY I'M THINKING ABOUT THIS IS ALL OPTIONS ARE ON THE TABLE. WE'LL TRY AND AVOID LAY OFFS BECAUSE IT'S NOT ONLY PAINFUL FOR INDIVIDUALS IN THE ORGANIZATION, BUT DEFINITELY REDUCES SERVICES. BUDGETING IS ABOUT CHOICES AND TRADE OFFS. IT'S HARD. CHOICES AND TRADE OFFS, IT'S HARD IMPACTS ON PEOPLE. I DON'T WANT TO MINIMIZE THAT. AND THE CRITERIA I USE TO EVALUATE OPTION IS WHAT WE THINK IS IN THE BEST LONG TERM INTERESTS OF THE RESIDENTS OF SEBASTOPOL, BUT THAT'S REALLY YOUR DECISION TO MAKE. WE'LL TRY AND COME UP WITH A BUDGET THAT REFLECTS THAT. AND THEN FURTHER COUNCIL DIRECTION THIS EVENING OR AT THE NEXT MEETING. THAT'S IT, THANK YOU.

OKAY, ANY FINAL COMMENTS FROM COUNCIL? I THINK WE WANT TO GO TO PUBLIC COMMENT AS SOON AS POSSIBLE. I DON'T SEE COUNCILMEMBER'S HANDS RAISED -- I DO.

OH, SORRY.

NO, I CAN'T GET MY VIDEO TO RESTART. I JUST HAD A QUESTION ON THE SLIDE BEFORE THAT WITH THE, WITH THE NONPROFITS WITH THE COMMUNITY CENTER AND SUCH. I WAS JUST WONDERING AS WE EVALUATE THIS IF IT'S POSSIBLE TO OBTAIN INFORMATION FROM THEM TO GET THE FACTS AS FAR AS, YOU KNOW, REVENUE GENERATED EXPENDITURES AND THEN RESERVES. NOT NOW, BUT CLOSER TO BUDGETING TIME. I THINK IT'S IMPORTANT FOR US TO UNDERSTAND THE NEEDS ASSOCIATED WITH THESE ORGANIZATIONS. THAT'S JUST THE ONE QUESTION I HAVE.

ANY OTHER QUESTIONS OR COMMENTS BEFORE WE GO TO PUBLIC COMMENT? AND WE'LL BRING IT BACK TO THE COUNCILMEMBERS BEFORE DISCUSSION AFTER THAT. BUT WE'VE GOT PUBLIC THAT'S BEEN WAITING AN AWFULLY LONG TIME. MARY, IF YOU COULD HANDLE THAT, I'D APPRECIATE IT.

THANK YOU, MAYOR. THIS IS FOR PUBLIC COMMENT ON THE BUDGET PRESENTATION. IF YOU'D LIKE TO MAKE A PUBLIC COMMENT, WE GO TO IN CHAMBERS FIRST AND THEN TO ZOOM.

THANK YOU, ERNIE CARPENTER, SEBASTOPOL. I THINK YOU'VE DONE A VERY COMPREHENSIVE JOB OF PRESENTING THE PROBLEMS THAT SEBASTOPOL HAS AND I THINK I HEAR SOLUTIONS COMING THROUGH THIS, AND I APPRECIATE YOUR DILIGENCE. Agenda Item Number: 1  
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WITH THAT BEING SAID, I WANT TO GO ON RECORD SAYING THAT THE THUMBS UP, THUMBS DOWN CONSTITUTES A VOTE. I BELIEVE IT'S A VIOLATION OF THE BROWN ACT. I HEARD WHAT YOUR ATTORNEY SAID. I ASK YOU TO SUBMIT THAT TO THE POLITICAL PRACTICE COMMISSION TO ASK ABOUT THUMBS UP AND THUMBS DOWN. I'LL DO SOME RESEARCH MYSELF. IF YOU DON'T RECORD IT, WHAT'S THE PURPOSE. IF YOU DO RECORD IT, IT'S A VOTE. YOU'RE KIND OF HOISTED ON YOUR OWN PITARD. THERE ARE RULES ON TELECOMMUNICATION THAT WHEN PEOPLE ARE NOT HERE, YOU HAVE TO WRITE DOWN YOUR VOTES. YOU'RE GETTING TO THE POINT OF VOTING BEFORE EVER HEARING FROM THE PUBLIC. THAT'S A PROBLEM. I HOPE YOU DO A LITTLE MORE THINKING. FINALLY, YOU CAN SAY DOES ANYONE OBJECT, DO YOU HAVE COMMENTS, BUT WHEN YOU VOTE, YOU'RE VOTING. IT'S A VOTE. YOU HAVE TO HAVE THE PUBLIC INPUT BEFORE YOU VOTE. THANK YOU FOR YOUR PUBLIC COMMENT. NEXT OUT TO ZOOM. FIRST PERSON I HAVE IS KYLE. KYLE, CAN YOU UNMUTE YOURSELF PLEASE?

YES, I CAN.

CAN YOU SEE THE TIMER?

I CAN.

OKAY, GO AHEAD WITH YOUR PUBLIC COMMENT.

I'M REALLY DISAPPOINTED IN TONIGHT'S PRESENTATION. YOU KNOW, LET'S JUST START WITH THE FIRST AGENDA ITEM THAT WE HAVE, THE FISCAL IMPACT IS NONE, YET IT WAS CLEARLY A PAID CONSULTANT WHO SPOKE LIKE A PAID CONSULTANT FOR SUCH A LONG PERIOD OF TIME. I HAVE A FULL ECONOMIC HISTORY OF ALL THE RECESSION IN THE UNITED STATES OVER THE LAST 70 YEARS. I HAVE A FULL UNDERSTANDING OF HOW CAL PERS WORKS AND HAS BEEN STRUCTURED OVER THE LAST 50 YEARS, AND I DO NOT BELIEVE IN ANY WAY THAT ANY OF THAT WAS NECESSARY, AND I WOULD HOPE THAT WE HAVE CONTROL OVER OUR OWN MEETINGS AND THAT WE HAVE THE ABILITY TO GUIDE OUR PRESENTERS TO CONCLUSION IN A TIMELY MANNER THAT ALLOWS US FOR INFORMED DECISION MAKING TO HAPPEN WITH PUBLIC INPUT INSTEAD OF ALLOWING WHAT'S HAPPENED TONIGHT TO HAPPEN. SECONDLY, THE PRESENTATION AS IT WAS PRESENTED IS NOT THE PRESENTATION THAT WE HAVE IN OUR AGENDA PACKET THIS EVENING. THE AGENDA PACKET WE HAVE THIS EVENING IS MISSING LOTS OF THE DETAILS THAT WERE PRESENTED BY THE, BY THE SPEAKER THIS EVENING. SIMILARLY WITH THE SECOND AGENDA ITEM, I'VE GOT THIS KIND OF NICE PARAGRAPH LIST, BUT THAT'S FAR, FAR DIFFERENT FROM THE POWER POINT SLIDE SHOW WE SAW TONIGHT FROM OUR CITY MANAGER. SECONDLY, WE HAVE A BUDGET SUBCOMMITTEE. WHY WAS OUR BUDGET SUBCOMMITTEE CANCELED THIS MONTH? WHY WAS NONE OF THIS DISCUSSED TO REDUCE THE COGNITIVE LOAD OF WHAT WAS BROUGHT TO COUNCIL THIS EVENING. THE MASSIVE AMOUNT OF INFORMATION BROUGHT THIS EVENING IN TERMS OF TRYING TO WORK THROUGH WHAT THE LONG TERM FINANCIAL PROJECTIONS OF THE CITY ALONG WITH ADJUSTMENTS WE'LL BE MAKING WITHIN THE NEXT FISCAL YEAR OUTSIDE OF THE BUDGET SUBCOMMITTEE PROCESS WE HAVE, I DON'T UNDERSTAND. HERE WE ARE, IT'S WILL HAVE 11:00 AT NIGHT. WE DON'T HAVE PUBLIC INPUT BY ANY MEANINGFUL REASONABLE WAY --

KYLE, THAT'S TWO MINUTES. THANK YOU FOR YOUR PUBLIC COMMENT --

I HAVE A QUESTION PROCEDURALLY. I SEE THAT OUR CITY ATTORNEY HAS HIS HAND RAISED. WOULD IT BE APPROPRIATE TO ALLOW HIM TO COMMENT? OKAY, THANK YOU. LARRY MCLAUGHLIN, CITY ATTORNEY, COULD YOU PLEASE SHARE WITH US YOUR THOUGHTS?

WHAT YOU'VE DONE IN THE PAST WITH REGARD TO STRAW VOTES IS ANY TIME YOU HAVE A LENGTHY SERIES OF DOCUMENTS OR SERIES OF TOPICS TO GO THROUGH, YOU GO THROUGH THE DOCUMENT OR THE TOPICS AND INDICATE BY A STRAW VOTE YOUR SUPPORT OR LACK OF SUPPORT FOR ALL THE VARIOUS SUB TOPICS. WHAT YOU DO AT THE END OF THAT IN THE SAME AGENDA ITEM, IS YOU THEN HAVE A FORMALIZED VOTE TO ADOPT YOUR PREVIOUS DIRECTION GIVEN BY MEANS OF A STRAW VOTE. NOW, I WILL ALSO COMMENT THAT NONE OF THE THINGS YOU DID TONIGHT ARE FINAL ACTION. THE ONLY DIRECTION YOU'VE GIVEN SO FAR IS THAT YOUR CITY MANAGER CONTINUE TO WORK IN THESE VARIOUS AREAS. IF THE COUNCIL IS CONCERNED ABOUT ANY OF THIS IN TERMS OF A FORMAL VOTE, THEN I SUGGEST YOU ADOPT YOUR PREVIOUS DIRECTION BY A VOTE BEFORE THIS ITEM IS CONCLUDED THIS EVENING.

THANK YOU. THANK YOU FOR THAT INPUT. CITY MANAGER, COMMENT? OKAY, BACK TO PUBLIC COMMENT. Agenda Item Number: 9

BACK TO PUBLIC COMMENT IN CHAMBERS IF THERE'S ANYONE IN CHAMBERS THAT WOULD LIKE TO MAKE A PUBLIC COMMENT ON THE BUDGET PRESENTATION. SEEING NONE, I WILL GO BACK OUT TO ZOOM. MYRIAH, CAN YOU UNMUTE YOURSELF PLEASE? YES, HELLO.

CAN YOU SEE THE TIMER?

I CANNOT, BUT I DON'T THINK I'LL USE ALL THE TIME.

OKAY, GO AHEAD.

YEAH, I HAD A STATEMENT PREPARED, UM, AS OUR APPLE BLOSSOM ITEM WAS ON THE AGENDA, AND I'LL JUST GO AHEAD AND READ IT. I WOULD FIRST LIKE TO THANK ALL OF YOU, COUNCILMEMBERS AND CITY STAFF FOR THE WORK THROUGH THIS DIFFICULT TIME AND FOR ALSO BEING ACCESSIBLE TO MEET WITH ME AND SPEAK WITH ME ABOUT THE CURRENT SITUATION. I SEE US ALL AS TEAMMATES, AND I WANT THE BEST RESULTS FOR BOTH THE CITY AND THE CHAMBER IN OUR PARTNERSHIP. I'M ASKING FOR YOU TO CONSIDER THE WAIVING OF THE FEES TO THE CHAMBER FOR APPLE BLOSSOM AS AN INVESTMENT IN OUR BUSINESS COMMUNITY. THE MONEY EARNED BY THE CHAMBER FROM APPLE BLOSSOM WILL GO DIRECTLY INTO PROMOTING OUR BUSINESS COMMUNITY THROUGH MARKETING CAMPAIGNS, EVENTS, CONCERTS, SIDEWALK SALES, AND MORE. THIS WILL PRODUCE MORE SALES TAX REVENUE THAT WILL GO BACK TO THE CITY AND BE A PIECE OF THE PUZZLE IN HELPING THE CITY TO GET BACK INTO A HEALTHY FISCAL SITUATION. I LEARNED TONIGHT THAT THE HIGHEST PERCENTAGE OF REVENUE FOR THE CITY IS SALES TAX REVENUE AT 34%. I DIDN'T KNOW KNOW THAT. SO THIS IS EVEN MORE IMPORTANT. AND YOUR SUPPORT, ALSO, WOULD BE SENDING A MESSAGE TO THE BUSINESS COMMUNITY THAT WE ARE NOT, AS THE CITY MANAGER MENTIONED, WE HAVE A NON-BUSINESS FRIENDLY REPUTATION. I SPEAK TO OUR BUSINESS OWNERS ON A REGULAR BASIS, AND I DO GET THE FEELING FROM THEM THAT THEY DON'T FEEL SUPPORTED. I THINK BY SUPPORTING THE CHAMBER AND SUPPORTING APPLE BLOSSOM, YOU'RE SUPPORTING THE BUSINESS OWNERS. I THINK THAT'S ALL I GOT. AND THANKS AGAIN, THIS HAS BEEN A LONG ONE. I'M TIRED. IT WAS A LONG DAY, I'M SURE ALL OF YOU ARE TOO. I APPRECIATE YOU.

THANK YOU MYRIAH FOR YOUR PUBLIC COMMENT. NEXT SPEAKER I HAVE IS KATE. CAN YOU UNMUTE YOURSELF PLEASE?

YES.

CAN YOU SEE THE TIMER?

I CAN, THANK YOU. I JUST WANT TO THANK THE COUNCIL FOR HIRING SUCH AN AMAZING CITY MANAGER. THIS HAS BEEN THE BEST ECONOMIC PRESENTATION THAT I'VE EVER SEEN COMING OUT OF THIS COUNCIL, AND I'VE BEEN WATCHING THESE MEETINGS AND LOOKING AT THE FINANCES FOR A LONG TIME. SO THREE CHEERS FOR DON AND THREE CHEERS FOR OUR COUNCILMEMBERS WHO TOOK THE STEP IN THIS GREAT DIRECTION, AND I FEEL VERY HOPEFUL ABOUT THE CITY'S PROSPECTS AS WE CLEARLY ARE MOVING TOWARDS A TIME PERIOD WHERE WE HAVE MUCH MORE ACCURATE DATA TO MAKE DISCUSSIONS FROM. SO I'M VERY HAPPY WITH TONIGHT'S PRESENTATION. I WOULD LIKE TO SAY GOING BACK, YOU KNOW, WHEN YOU WERE THINKING ABOUT THE GOALS FOR THE CITY. GIVEN THE THE KIND OF DIRE FINANCIAL SITUATIONS, I WOULD HOPE THE CITY WOULD CONCENTRATE ON FIRST MEETING THE BASIC GOALS OF ANY CITY, WHICH IS TO PROVIDE PUBLIC SAFETY, FIRE, POLICE, INFRASTRUCTURE LIKE ROADS, AND START THERE AND SEE HOW FAR YOU CAN GET FROM THAT POINT AND THEN MOVE FORWARD. THE LAST PART OF MY COMMENT IS WE STILL NEED TO ADDRESS THE WATER AND SEWER FUND AND WATER AND SEWER INFRASTRUCTURE WHICH ALSO HAS A HUGE OUTSTANDING NEED. I PERSONALLY WOULD LIKE TO SEE WATER AND SEWER HAVE ITS OWN ADVOCATES BECAUSE OF THE MISAPPROPRIATION OF WATER AND SEWER FEES THAT HAVE BEEN HAPPENING FOR THE LAST TEN YEARS. THE REALLOCATION STUDY SHOWED THAT OVER \$700,000 HAD BEEN MISAPPROPRIATED, AND WE CONSIDER THAT'S AT LEAST A DEBT THAT'S TEN YEARS OLD AND IN DIRECT VIOLATION OF STATE PROP 219 OR 218. BUT I LIKE THE DIRECTION THINGS ARE GOING IN. THANK YOU.

THANK YOU, KATE, FOR YOUR PUBLIC COMMENT. NEXT I'LL COME BACK INTO CHAMBERS IF THERE'S ANYONE IN CHAMBERS WHO WOULD LIKE TO MAKE A PUBLIC COMMENT. Agenda Item Number: 1  
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HI, JUNE BERSHEARS. THERE WAS A LOT OF INFORMATION, A LOT I LIKED AND SOME I SAW THAT I HAD QUESTIONS ABOUT. I MIGHT LIKE TO ENGAGE IN THAT AND PROVIDE WHAT I THINK SEBASTOPOL'S CULTURE IS AROUND THAT TOPIC THAT'S HARD TO DO. THERE'S NO WAY IN TWO MINUTES TO COVER AND REALLY ENGAGE AROUND IT. I DON'T KNOW IF THERE'S A BUDGET MEETING COMING UP. I WOULD JUST LIKE TO FIGURE OUT A WAY THAT WE CAN, AS A PUBLIC, GET OUR QUESTIONS ANSWERED MORE DEEPLY AND HAVE MORE ENGAGEMENT. LATE AT NIGHT NOW IS NOT THE TIME. WHEN COULD THERE BE AN OPPORTUNITY FOR THE PUBLIC TO GET A LITTLE MORE ENGAGEMENT ON IT. I'M JUST LOOKING FOR THAT. THANK YOU.

THANK YOU, JUNE, FOR YOUR PUBLIC COMMENT. NEXT OUT TO ZOOM. OLIVER, CAN YOU UNMUTE YOURSELF PLEASE?

YES, I CAN. CAN YOU HEAR ME?

I CAN. CAN YOU SEE THE TIMER?

YEAH, BUT I'LL BE REALLY QUICK BECAUSE IT'S LATE. TERRIFIC. THE TWO BEST PRESENTATIONS I'VE SEEN IN MY MANY YEARS OF GRINDING THROUGH THESE COUNCIL MEETINGS. TREMENDOUS. I THOUGHT BOB LELAND'S PRESENTATION WAS GREAT ON A MICROLEVEL AND SET THE STAGE FOR WHERE WE'VE BEEN AND THE PROBLEMS WE HAVE TODAY AND WHERE WE COULD BE GOING. I THOUGHT DON, THE CITY MANAGER'S PRESENTATION WAS EXCELLENT AND FULL OF FRESH IDEAS. I FEEL VERY PLEASED ABOUT THE WHOLE THING. I FEEL LIKE WE'VE GOT A FOUNDATIONAL SOLID KIND OF BASE TO WORK FROM. AND I'D ECHO WHAT KATE JUST SAID. WE HAVE TO FOCUS ON THE BASICS BEFORE WE GET INTO ANY OF THE DETAILS. I FEEL LIKE WE'RE DOING THAT. SO CONGRATULATIONS TO THE CITY MANAGER AND STAFF AND COUNCIL. IT'S GREAT. I FEEL REALLY PLEASED. THANK YOU.

THANK YOU, OLIVER FOR YOUR PUBLIC COMMENT. NEXT BACK INTO CHAMBERS.

HI, I'M TANYA SIERRA. I'M THE ACTING EXECUTIVE DIRECTOR OF THE SEBASTOPOL COMMUNITY CULTURAL CENTER AND ALSO THE PROGRAM AND EVENTS MANAGER. JUST WANTED TO, UM, BRIEFLY SAY I REALLY APPRECIATE THE PRESENTATION TODAY AND ALL THE INFORMATION TO GET AN UNDERSTANDING OF WHAT THE CITY IS WORKING WITH. I LOOK FORWARD, MYSELF AND THE MEMBERS OF THE COMMUNITY CENTER LOOK FORWARD TO WORKING WITH YOU ALL ON THIS. ONE TAKE AWAY THAT I GOT, I THINK ESPECIALLY IS A GREAT OPPORTUNITY FOR REVENUE IS OF COURSE BRINGING IN PEOPLE AND BRINGING IN TOURIST MONEY OR ENTERTAINMENT, AND I THINK THAT'S ONE THING THAT WE CAN PROVIDE HERE AS WELL AS OPPORTUNITIES FOR THE COMMUNITY IN TERMS OF CLASSES THAT THEY CAN HOST HERE AS WELL AND A PLACE FOR THEM TO RENT. SO I THINK THERE'S A FEW KEY PLACES THERE. WE HAD A CONCERT IN FEBRUARY WHERE WE DID AN INFORMAL POLL OF PEOPLE WHETHER THEY CAME FROM THE AREA. WE HAD ABOUT HALF THE ROOM THAT ACTUALLY CAME IF OUTSIDE, OF, UM THE COUNTY EVEN, WHICH WAS EXCITING FOR THAT EVENT. SO YEAH, JUST WANT TO SAY REALLY APPRECIATE THE INSIGHT AND WORKING WITH YOU ALL TOGETHER ON THIS. THANK YOU.

THANK YOU FOR YOUR PUBLIC COMMENT. NEXT OUT TO ZOOM. ROBERT, CAN YOU UNMUTE YOURSELF PLEASE?

YES, CAN YOU HEAR ME?

YES, CAN YOU SEE THE TIMER?

YES, I'LL BE QUICK. IT'S TOO LATE. I JUST WANT TO SAY HISTORICALLY I'VE WRITTEN PAGES AND PAGES, DONE SPREAD SHEETS AND ANALYSIS BECAUSE I FELT VERY FRUSTRATED THAT THE COUNCIL WASN'T SEEING INFORMATION THAT THEY NEEDED TO SEE, THAT THE PROCESS WAS BROKEN. I WAS CRITICAL. TONIGHT I WANT TO SAY I SUPPORT EVERY SLIDE, 30 SLIDES, EVERY BULLET, EVERY WORD ON EVERY SLIDE. THERE IS NOTHING WRONG WITH THIS PRESENTATION AND THIS PROCESS THAT'S BEING PROPOSED. I HOPE THE COUNCIL WILL SUPPORT THE CITY MANAGER AND THAT THIS WILL PUT US ON A MUCH BETTER PATH GOING FORWARD. THANK YOU.

THANK YOU, ROBERT FOR YOUR PUBLIC COMMENT. NEXT I'LL COME BACK TO CHAMBERS. ANYONE IN CHAMBERS? SEEING NONE I'LL GO BACK OUT TO ZOOM. KENNA, CAN YOU UNMUTE YOURSELF PLEASE?

HI, YES, THANK YOU SO MUCH. I CAN SEE THE TIMER. I AM AGAIN VERY BRIEFLY WANT TO SAY THAT THIS WAS AN AMAZING PRESENTATION. VERY GREATFUL FOR THE DEPTH

AND BREDTH OF IT AND UNDERSTANDING. HELPING THE CITIZENS UNDERSTAND WHAT THE DECISIONS MADE MADE ARE REALLY ABOUT AND I JUST APPRECIATE THE CITY MANAGER'S APPROACH AND THE COUNCIL FOR YOUR STAMINA. I'M APPRECIATIVE THAT THE CLIMATE ACTION COMMITTEE IS BEING GIVEN A CHANCE TO WEIGH IN ON WHAT THE DECISION MIGHT BE REGARDING THE CLIMATE ACTION COMMITTEE AND OUR NEXT MEETING IS APRIL 9th. I WOULD HOPE THAT EITHER BEFORE OR AT THAT MEETING, THERE CAN BE SOME REAL CLARITY ABOUT THE REMOVAL OF STAFFING FROM THE COMMITTEE MEETINGS WOULD MEAN IN TERMS OF OUR STATUS IN REGARDS TO THE CITY AND THE BROWN ACT. I DON'T KNOW IF CITY MANAGER OR CITY, UM, ATTORNEY, OR WHO WOULD BE NEEDED TO HELP US REALLY UNDERSTAND THE ACTUAL RAMIFICATIONS OF DIFFERENT COURSES OF ACTION, BUT I THINK WE WANT TO SUPPORT THE CITY IN WHATEVER WE NEED TO KEEP OUR BUDGET GOING AND WANT TO UNDERSTAND THE IMPLICATIONS OF OUR OWN DISCUSSIONS AND RECOMMENDATIONS. THANK YOU.

THANK YOU, KENNA. BACK TO CHAMBERS. SEEING NONE, LINDA, CAN YOU UNMUTE YOURSELF PLEASE? THERE YOU GO. GO AHEAD WITH PUBLIC COMMENT, LINDA.

FIRST OF ALL, BEFORE YOU START TO TALK, I WANT TO VOLUNTEER, MARY WASN'T IT SO MUCH BETTER TONIGHT WITH THE AUDIO WITH NO PROBLEMS? THAT'S BECAUSE MARY DID A TEST 15 MINUTES BEFORE IT STARTED. I'M VOLUNTEERING INTO THE FUTURE FOR IT DOESN'T HAVE TO BE YOU, MARY, BUT SOME OF THE TECH PERSONS THERE TO CONTACT ME 15 MINUTES AHEAD OF TIME TO DO A TEST SO THAT EVERYTHING WILL GO SMOOTHLY AUDIO-WISE. IT'S JUST A, IT'S SO MUCH BETTER THAN HAVING TO WAIT 45 MINUTES OR 20 MINUTES YOU KNOW TO GET THE MEETING STARTED BECAUSE OF POOR AUDIO. BUT NOW CAN I HAVE MY TWO MINUTES PLEASE?

YOU CAN GO AHEAD WITH YOUR PUBLIC COMMENT. GO AHEAD.

ANYWAY, OKAY, SO THERE ARE OTHER THINGS THAT NEED TO BE CONSIDERED, YOU KNOW, HOW WE GOT TO THE PLACE WHERE WE ARE WITH THIS LARGE DEFICIT AND THE CONTRIBUTING FACTORS. PART OF IT IS A FAILED LEADERSHIP. YOU KNOW, HERE IN THE RECENT PAST, OUR MAYOR, THEY WERE UNAWARE OF SIGNING OFF ON A \$5 MILLION LOAN. THEY DIDN'T KNOW WHAT WAS IN IT. THEY WERE FORCED INTO DOING IT AT THE LAST MINUTE ON DECEMBER 7th OF 2021 WHICH INCLUDED THE \$2.2 MILLION STUPID STUFF FOR THE WIRELESS WATER METERS. SO THERE'S THAT. THE OTHER THING, WE NEED TO HAVE SOME NEW LEADERS THAT KNOW WHAT THEY'RE DOING BECAUSE THESE APPEAR UNEDUCATED. THERE'S ALSO THE LACK OF REVENUE. THERE ARE FOUR EMPTY VACANT RETAIL OUTLETS ACROSS FROM THE RV VILLAGE, AND MARY'S PIZZA SHACK CLOSED UP AFTER 37 YEARS SHORTLY AFTER THE RV VILLAGE GOT STARTED THERE.

LINDA, YOU HAVE JUST A FEW MORE SECONDS.

THERE ARE THESE VACANCIES THAT CONTRIBUTE TO LACK OF REVENUE THAT NEED TO BE REMEDIED. YOU NEED TO LOOK AT THE CONSEQUENCES OF THE DECISIONS THAT YOU MAKE LIKE HAVING THE RV VILLAGE THERE. THANK YOU.

THANK YOU, LINDA FOR YOUR PUBLIC COMMENT. NEXT SPEAKER I HAVE IS STEVE.

YES, THANK YOU. AND I CAN SEE THE CLOCK. I'LL BE QUICK. THAT WAS AN INFORMATIVE PRESENTATION TONIGHT. I DO WONDER, AS WE NOW APPEAR TO HAVE SOME CONSENSUS FROM COUNCIL THAT WE'LL GO AHEAD AND PROCEED TRYING TO PASS A SALES TAX MEASURE, IF YOU WERE TO GIVE SOMEBODY A 30 SECOND ELEVATOR PITCH ON WHY WE GOT WHERE WE ARE, I THINK YOU'D BE HARD PRESSED FROM TONIGHT'S PRESENTATION TO GIVE A CONCISE ANSWER TO THAT QUESTION. IT'S COMPLICATED. AND VOTERS WILL WONDER WAIT, CLOVERDALE DOESN'T HAVE THESE ISSUES. WHY DO WE? I THINK IT'S THAT KIND OF SIMPLE THING WE NEED TO COME ACROSS WITH SOME COMMUNICATION OF WE KNOW THINGS ARE BAD, WE DEFINITELY NEED THIS MONEY, BUT WE NEED SOME EXPLANATION OF HOW WE GOT HERE. JUST A POINT OF INFORMATION, THERE ARE APPARENTLY LIKE FIVE OR SIX CITIES THAT HAVE 10.75% SALES TAX RATES. I DON'T THINK THAT THERE'S ACTUALLY AN ISSUE THAT WE WOULD FACE IF WE GO FOR A HALF CENT SALES TAX AND COMPETING WITH OTHER MEASURES THAT WOULD BE ADDING TO THAT WITH THE CHILD CARE TAX. I THINK THAT TAKES A LITTLE MORE EXAMINATION ON THE TAX RATES AND APPLICABLE LIMITS THAT CITY'S FACE. CERTAINLY SOME CITIES HAVE GOTTEN OVER THOSE LIMITS WITH 10.75% SALES TAX. THAT'S ALL. THANK YOU.

THANK YOU, STEVE, FOR YOUR PUBLIC COMMENT. NEXT I'LL COME BACK INTO CHAMBERS IF THERE'S ANYONE THAT WOULD LIKE TO MAKE A FINAL PUBLIC COMMENT

ON THE AGENDA ITEM? SEEING NONE, I GO BACK OUT TO ZOOM ONE LAST TIME TO SEE IF THERE'S ANYONE ELSE. SEEING NONE, PUBLIC COMMENT IS CLOSED.

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THANK YOU VERY MUCH. WE'RE BACK AT THE COUNCIL TABLE HERE. THERE ARE A COUPLE OF, UM, ITEMS WE HAVE TO TAKE CARE OF. FIRST IS TO CONFIRM THE STRAW VOTE WE TOOK AS THE SLIDES WERE BEING PRESENTED TO US. THEN, IN ADDITION, PRECEDING THAT IS ANY DISCUSSION BY COUNCILMEMBERS BEFORE WE GET TO THAT POINT. ANY COUNCILMEMBER COMMENTS, DISCUSSIONS, CONTRIBUTIONS AT THIS POINT? NOT SEEING ANY HANDS RAISED. THEN I THINK I'M LOOKING FOR, HELP ME PHRASE THIS, MARY. I THINK WHAT WE'RE LOOKING FOR IS A MOTION TO CONFIRM AND APPROVE THE RESULTS OF OUR STRAW VOTE OVER THE COURSE OF OUR DISCUSSION. IS THAT SUFFICIENT ENOUGH OR DO WE NEED TO BE MORE SPECIFIC?

I THINK YOU NEED TO BE MORE SPECIFIC.

OKAY, SO THEN I THINK WE PROBABLY NEED TO, DO YOU HAVE A PROPOSAL MARY ON HOW WE MIGHT STRUCTURE THIS?

I WOULD BASICALLY GO BACK THROUGH THE SLIDES AND SAY, YOU KNOW, COUNCIL -- THAT WAS MY THOUGHT.

DIRECTING STAFF TO REVIEW THESE ITEMS.

OKAY.

THEN DO A FORMAL VOTE.

OKAY. I THINK WE CAN DO THAT. IT WILL TAKE US A FEW MINUTES, BUT LET'S GET THE SLIDES BACK UP. THESE WERE THE SLIDES PRESENTED BY THE CITY MANAGER. WE'LL WALK THROUGH THEM. I THINK IN GENERAL MY RECOLLECTION IS WE WERE THUMBS UP ON MOST OF THE SLIDES, SO WE CAN PROBABLY RUN THROUGH THEM QUICKLY. MY THOUGHT IS WE START WITH THE SLIDES AND CONFIRM THUMBS UP THAT WE ARE VOTING TO SUPPORT EACH OF THOSE SLIDES. I THINK IT WILL BE MORE OBVIOUS ONCE MARY GETS THEM UP. COUNCILMEMBER HINTON, DID YOU HAVE A PROPOSAL?

WELL, IT'S ALSO THE TIME TO MAKE COMMENTS, SO WHILE WE WAIT FOR THEM TO COME UP, I JUST WANTED TO THANK THE CITY MANAGER, AND IT'S NICE TO HEAR FROM THE PUBLIC THAT WE'RE ON THE RIGHT PATH AND THAT WE'RE LOOKING AT THIS AND COMING OUT IN FRONT OF IT. I APPRECIATE YOU BROUGHT ALL OUR THOUGHTS TOGETHER IN THIS PRESENTATION FOR US. NOW WE HAVE TO GO THROUGH THEM FORMALLY AS SOON AS THEY'RE ON THE SCREEN, BUT IT'S THE TIME TO MAKE COMMENTS, SO THOUGHT WE SHOULD DO THAT AS WELL.

THANK YOU FOR THAT. AND I WILL ASK THAT THE SLIDE SET THAT WAS PRESENTED BY BOB LELAND BE POSTED ON THE WEBSITE BECAUSE THAT WAS IN FACT A DIFFERENT SLIDE SET FROM THE ONE THAT WAS DISTRIBUTED ORIGINALLY. THERE WERE SOME CORRECTED SLIDES. IF WE COULD MAKE SURE THAT'S TAKEN CARE OF, I'D APPRECIATE IT. AND SECONDLY THAT, UM, THE SLIDE SET THAT OUR CITY MANAGER PRESENTED TO US BE POSTED ON THE WEBSITE UNLESS THAT WOULDN'T BE APPROPRIATE FOR SOME REASON.

THAT WAS ALREADY POSTED TO THE WEBSITE, AND THE COUNCIL HAS ALREADY, IT WAS POSTED RIGHT AT THE BEGINNING OF THE MEETING WHICH IS WHY YOU PROBABLY DIDN'T SEE IT. I'VE ALREADY E-MAILED IT TO THE CITY COUNCIL AS WELL.

OKAY. AND IN TERMS OF THE ORIGINAL SLIDE SET, IF STAFF NEEDS SOME CONFIRMATION, PLEASE REACH OUT TO ME, BUT THE SLIDE SET WE SAW TONIGHT WAS DIFFERENT IN A NUMBER OF WAYS THAN THE ONE THAT WE HAD IN OUR PACKET. ANY OTHER COMMENTS FROM COUNCILMEMBERS BEFORE WE WALK THROUGH? NO --

I WAS JUST GOING TO SAY A QUICK THANK YOU FOR THE HARD WORK THEY'VE PUT INTO THIS.

AND I JUST WANT TO, YES, I APPRECIATE DON DOING THIS. THIS WAS A GREAT PRESENTATION. BOB HAD A GREAT PRESENTATION. I HATE TO BE THE BEARER OF BAD NEWS, BUT WE HAVE FIVE MINUTES.

YEAH, LET'S GET THROUGH THIS.

IF NOT IT'S CONTINUED UNTIL ANOTHER MEETING.

WE'LL WALK THROUGH THIS QUICKLY. WE'RE LOOKING AT THE SLIDE. THUMBS UP, IS EVERYONE IN AGREEMENT ON A FORMAL VOTE THAT THEY ARE SUPPORTING THIS? HOW DO YOU WANT TO DO THIS? SIMPLY THUMBS UP ON A FORMAL VOTE? WHAT'S YOUR PROPOSAL, MARY?

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WHAT I WOULD LIKE TO DO IS GO THROUGH EACH ONE, LET ME EDIT SO IT'S CLEAR FOR THE PUBLIC WHO IS SUPPORTING AND NOT. THEN IF WE CAN COME BACK AND DO ONE FORMAL VOTE BASED ON WHAT I'M PUTTING ON THE SLIDES.

PLEASE LEAD US THROUGH IT.

ITEM NUMBER, UM, THE STARTING POINT LONG TERM PROJECT DEFICIT, WE DON'T NEED ANYTHING ON THIS ONE.

I WOULD START AT SLIDE SIX WITH THE COST ANALYSIS. SECOND HALF OF THAT.

OKAY, THANK YOU. SLIDE SIX --

WE WERE IN SUPPORT OF THIS SLIDE. DO YOU WANT US TO CONFIRM THAT?

SHE'S TYPING.

OKAY, THANK YOU.

PAGE 7.

WE WERE ALL IN SUPPORT OF THIS.

THIS IS JUST DIRECTION TO STAFF. THIS IS JUST TO BRING BACK THE INFORMATION.

YES, WE WERE IN SUPPORT OF THIS BEING A TOP TIER ITEM AS PROPOSED BY OUR CITY MANAGER. AND PLEASE, OTHER COUNCILMEMBERS INTERRUPT IF I MISREPRESENT YOU? THE REVENUE OPTIONS ON PAGE 8.

ALL IN SUPPORT.

REVENUE OPTIONS ON PAGE 9.

ALL IN SUPPORT. AND I DON'T KNOW WHY IT SAYS COMING SOON, BUT WE WON'T WORRY ABOUT IT.

BECAUSE THAT'S A USER FEE SCHEDULE THAT WOULD BE COMING BACK. IT'S A PUBLIC HEARING. PAGE 10, REVENUE OPTIONS PURSUING LATER.

ALL IN SUPPORT. OR LATER. THIS WAS ALL IN SUPPORT OF EXPLORING IT FOR LATER. SHORT TERM CHANGES.

THIS WAS THE CLIMATE ACTION COMMITTEE. I WOULD CHARACTERIZE THIS AS -- DISCUSS WITH COMMITTEES.

YES, ALL IN SUPPORT OF EXPLORING COST SAVING MEASURES AND REQUIRING THAT ANY CHANGES BE DISCUSSED WITH EACH OF THE COMMITTEES PRIOR TO COUNCIL BEING INFORMED OF THE COST AND BENEFITS OF THESE OPTIONS. DOES THAT CHARACTERIZE IT APPROPRIATELY?

YES. YES.

OKAY, THANK YOU.

PAGE 12, CONTINUATION OF THE SHORT TERM CHANGES.

ALL IN SUPPORT OF EXPLORING THIS OPTION.

PAGE 13, THE POTENTIAL SHORT TERM CHANGES.

ALL IN SUPPORT OF EXPLORING THIS OPTION.

PAGE, SHORT TERM CHANGES?

ALL IN SUPPORT OF A, UM, SUSPENDING, NO SUSPENDING THE COMMUNITY GRANTS PROGRAM INDEFINITELY FOR A MINIMUM OF TWO YEARS.

AND ADDING THE CHAMBER.

AND ADDING, WE'LL WAIT UNTIL MARY'S CAUGHT UP. FOR A MINIMUM OF IN SUPPORT OF SUSPENDING INDEFINITELY FOR A MINIMUM OF TWO YEARS AND ALSO ADDING THE CHAMBER TO THE LAST BULLET ITEM.

PAGE 15.

ALL IN SUPPORT OF EXPLORING THE OPTIONS.

PAGE 16. WE ACTUALLY DIDN'T GET TO THIS ONE. IT WILL NOT BE HEARD.

OKAY.

ALL IN SUPPORT OF THE GOAL.

PAGE 18.

ALL IN SUPPORT OF THE BALANCED BUDGET. YES, ALL IN SUPPORT OF THIS GOAL.

PAGE 20.

ALL IN SUPPORT OF THIS PRINCIPLE.

PAGE 21.

IN SUPPORT OF EXPLORING THESE OPTIONS AS A TIER 2.

PAGE 22.

ALL IN SUPPORT OF THIS PRINCIPLE. ALL IN SUPPORT OF THIS PRINCIPLE.

PAGE 24.

ALL IN SUPPORT OF THIS PRINCIPLE.

PAGE 25.

ALL IN SUPPORT OF THESE PRINCIPLES.

PAGE 26.

ALL IF SUPPORT OF THESE PRINCIPLES. OR THIS PRINCIPLE SINCE IT'S THE SINGULAR.

PAGE 27.

ALL IN SUPPORT OF THIS PRINCIPLE.

THERE'S NOTHING ON PAGE 28 BECAUSE THIS IS THE SCHEDULE FOR BUDGET COMMITTEES. PAGE 29 IS JUST NOTES ON INFORMATION ON THE COMMUNITY CENTER AND SENIOR CENTER.

OKAY.

AND THAT'S IT.

OKAY, SO WE NEED A MOTION TO APPROVE THESE CHANGES IN A SECOND. MARY, DO YOU NEED FORMALITIES BEYOND THAT?

NO, JUST APPROVING THE EXPLORATION OF STAFF LIKE WE JUST WENT THROUGH.

SO MOVED.

SECOND.

SO MOVED BY VICE MAYOR ZOLLMAN AND SECONDED BY COUNCILMEMBER HINTON TO DIRECT STAFF TO EXPLORE THE OPTIONS HAS JUST GONE THROUGH THE THROUGH THE PRESENTATION. COUNCILMEMBER HINTON?

AYE.

COUNCILMEMBER MAURER?

YES.

COUNCILMEMBER MCLEWIS?

YES.

VICE MAYOR ZOLLMAN?

YES.

MAYOR RICH?

YES.

MOTIONS PASSES UNANIMOUSLY.

UNLESS THERE'S ESSENTIAL REPORTS --

WE HAVE TO GO. 11:30 IS OUR CUT OFF.

ALL RIGHT, MEETING ADJOURNED. THANK YOU EVERYONE FOR YOUR PATIENCE. [Event Concluded]