

### Agenda item number 5 : RFP IT Assessment

- The proposal sent out was for a combination of “business” process assessment and technology audit. The process consulting may have been outside the scope of the companies receiving the RFP limiting the responses. The respondent seems to have excluded the process assessment and limited it to IT related services. A large consulting firm like Accenture would have the capacity and expertise to do both but at a substantially higher cost to the city.
- Everything on the RFP is important to the effectiveness and efficiency of government operations. With the increase in technology options to improve efficiency the city should have at least one person with some technological background.
- **Consider outsourcing the water billing to save rate payers money (currently costing\$360,000) and repurpose the positions being billed to rate payers to accommodate at least one person with some technological knowledge and experience.**

### Agenda items 6 and 7

- The climate action request to provide Letters of support for initiatives that have little to nothing to do with the City issues and priorities again raises the question about the cost of having a Climate Action Committee that is out of touch with the immediate challenges the city is facing. What is the purpose of a letter from a city council with a view that is not supported by the population of the city. Citizens who are concerned should mobilize write and call.
- The “Mayors for ERA is another example of something that city has not prioritized. This is reflected in the goals attributed to the item. How does this letter represent a High Performance Organization, how does it restore public trust or improve public communication. **This letter from the mayor is not improving roads, fixing silted storm drains or reducing the number of homeless people in the city.**
- **FISCAL IMPACT: It is annoying to see so many agenda items that say no fiscal impact. Every item on this agenda has a staff report and recommendation. Someone took some time to write the report, there were staff meetings to analyze the issue and discuss and agree on a recommendation. Every agenda item should include an estimate of the number of staff hours spent on the item and the estimated \$ cost based on weighted average salary and benefit costs.**

### Agenda Item 11: Budget at a glance format

- The format is probably fine for general consumption.
- **If you are going to show data labeled the same in two places then the numbers should be the same.** At the top you show Wastewater and Water Fund Revenue and expenses in a horizontal bar chart. At the bottom you show water and wastewater sources and expenses but the numbers are different. If indeed they need to be different then there needs to be notes explaining.
- **To say there is no fiscal impact is again a misunderstanding of the economics of the city.** This chart has to be updated, the data needs to be checked and it needs to be posted to the website. That is all staff time and likely involves not only the person who creates the chart, but supervisors at one or two levels reviewing the charts to ensure they are correct. This is staff time.
- **Staff time is the scarcest resource the city has right now.** Every dollar is paid for by tax payers and contribute to the financial health of the city.
- **It is also Finance Admin staff time which is the most expensive the city has.** The city would not be able to afford this department if they were not passing off \$900,000 of the cost to water rate payers to do bimonthly billing and presumably accounting for the Enterprise Funds.
- Please be realistic about the cost of staff time and review of the document and consider whether the cost is worth the effort to maintain it.

### Agenda Item 12 HomeFirst Coordinated Entry

- **I hope one of you will challenge the presenter with the following:**
  - The “Vision” – transparent, person-centered, equitable and trauma informed way possible – ***How does that translate to Elderberry situation where children are housed with hard core drug users passed out on the property and next door (on each side) to an active prostitute where they could hear the activities through the walls? Seems like the vision and reality are different.***
  - Elderberry example: ***how did they “assist with problem solving referrals not working out”?*** What happened to Michael and his daughter?
  - The presentation does not discuss a pathway to get homeless on Sebastopol streets into housing now being built in Sebastopol. How many of the people on their list are now living in Sebastopol or have been living here in the last year. With up to 100 on our previous list you would think there would be a number of them on their list

- Who is not put on their list? Do they screen for current warrants, child abuse history etc. How many homeless people in Sonoma County do not qualify for housing first due to prior issues?

### Agenda item 13 MST

- It was a surprise to see that MST was in Sebastopol so many times last year and it did not come to the attention of the city council, the mayor or the police? The mayor was highly supportive of incorporating Sebastopol into the SAFE program which is now in flux due to possible fraud. It is good we are learning more about the system. ***It would be good to know if our police dispatchers are trained in the program and making appropriate referrals.***
- **There may be interest in replacing police with MST. This could be created by the data showing that many MST calls require no law enforcement presence.**
  - Not included in the presentation is how many of the calls that did not require law enforcement would have been answered by law enforcement if MST was not there.
  - **MST states clearly that co-response with law enforcement will be required if safety is an issue. If that is the case then we continue to need at least the basic level of police service we have now.**

### Agenda Item 14 Crime statistics

- The broad view is that crimes that can be charged are down substantially since 2015, but police activity remains elevated. The Chief points out Community Expectations as one reason for the increase. Although several laws reduced the number and types of crimes that can be charged, there is still a community expectation that something should be done. **If a business owner experiences continuous shop lifting and loss of inventory the owner expects the police to do something even if it is no longer against the law.**
- California passed Proposition 47 Safe Neighborhoods and Schools Act which recategorized some non-violent offenses and misdemeanors rather than felonies. One goal was to lower the number of individuals in prisons and pass the cost savings to schools and cities to make everyone safer. **The net result is our police now do the job once done by prison guards and parole officers, but the “prison grounds” are our streets and parks. The State was supposed to transfer money to the cities, did that happen?**

- **Not highlighted in this presentation are categories that make up violent and property crimes.** The data is available from the FBI and the California DOJ databases. Sebastopol has a low but significant number of violent and property crimes. The rates of property crimes is declining as it is in other small cities in the county. Violent crimes while the numbers are low seem to be increasing since 2021. Sebastopol has a higher rate of property crime and violent crime per 100,000 people compared to other cities in Sonoma County. It is not a crisis but it does highlight why having a highly functioning police force is important even to a small town like Sebastopol.

#### **Agenda Item 15: Fire Service Report**

- It is good that there is a report out on the transition the response times look great. Hopefully the focus on volunteers means they are adapting to there new “home”. I know many are still unhappy with the way it was handled. It is good to see that initial oversight regarding staffing for fire prevention and construction plan review was identified and addressed. They seem to have made the fire station work for 24 hours scheduling. Gives a good feeling that our fire service is being managed by professionals.

#### **Agenda Item 16: FY 24-25 Quarter 4 Financial Update Enterprise Funds**

- **The most critical financial issue facing the Enterprise funds in 24-25 was restoring the reserve funds which had been depleted** and in the case of Wastewater actually \$1MM in deficit. ***Yet there is no report here on the status of reserves?***
- Expenses are down and explained as: “Department transitions that temporarily slowed activity in certain categories”. First the salaries and benefits for the departments are pretty much on budget suggesting that “staff changes” related to water and wastewater were very small or not at all. The cost allocation plan is right on budget (it should reflect actual G&A but does not), *so we must assume the city staff was providing all expected services and supervision.* The Department head was there most of the year but he is only allocated 5% to water and wastewater. The assistant supervisor is 95% allocated and he and his staff were there for the year. **Rate payers deserve a more realistic explanation for the underspending or possibly just padded budgets. If bureaucracy is slowing things down then processes need to be examined and revised to make the enterprise operations more efficient. Rate payers deserve this.**

- **There were three reasons for substantial rate increases that continue into 25-26. First** was balancing revenues and expenses that were in deficit for the last five years. **Second** was to restore the depleted reserves to allow funding of critical capital projects like the Well 4 restoration which was described as urgent.
- We are almost halfway into 25-26 and still have no discussion of well 4, what needs to be done and if legal settlement or loans will be required to do the required work. It has been a year since the Water Infrastructure master plan was first discussed. It is still not complete and yet you are again raising water rates without any rationale for how you are going to spend the surpluses. Your analysis of underspending suggests that you don't have the staff to do the basic services let alone a massive infrastructure initiative. It seems like the water and wastewater enterprises need more focused effort on priorities and not be distracted by what is going on in the rest of the city. **Water and Sewer should be the highest priority in the city and yet continues to be treated as an afterthought.**

#### **Agenda Item 17: General Fund Financial Update**

- **The number one financial issue facing the city is declining sales tax revenue and the failure of overall revenue to grow as fast as some of the largest expense items like Salaries and Benefits.**
- Although the chart on page 3 suggests that legacy sales tax categories (Bradley Burn,T and Q) are all growing again the comparison is against the budget and not historical actual. **Compared to actual 23-24 Bradley Burns is up 2.2%, which is an improvement, but all other categories remain in decline.** This nuance will be lost as the topline sales tax number is up substantially due to the tax increase. **The city needs to continue to look for ways to grow sales tax revenue in order to remain financially viable.**
- **TOT tax is down 7.5%. Why?** Is the Fairfield Inn having problems? Are Air B&B revenues down? Are we not getting the dollars owed by the County/State? While the city staff spends lots of time managing expenses, ***someone needs to focus on what is happening to revenues and why.***
- The Cost allocation plan remains the main issue with the General Fund budget. **The amounts being charged to rate payers are well above anything that can be justified as critical to providing water and wastewater services.** Obviously, if that problem is corrected then you have a deficit in the General Fund.