



**MINUTES
CARSON CITY COUNCIL
SPECIAL MEETING
JUNE 26, 2012**

6:00 P.M.

AGENDA POSTED: JUNE 21, 2012

"In accordance with the Americans with Disabilities Act of 1990, if you require a disability related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk's office at 310-952-1720 at least 48 hours prior to the meeting." (Government Code Section 54954.2)

CALL TO ORDER: The meeting was called to order at 6:32 P.M. by Mayor Dear in the Congresswoman Juanita Millender-McDonald Community Center at Carson, Hall C, 801 E. Carson Street, Carson, California 90745.

ROLL CALL: City Clerk Gause noted the following:

Council Members Present: Mayor Jim Dear, Mayor Pro Tem Julie Ruiz-Raber, Council Member Lula Davis-Holmes, and Council Member Elito Santarina

Council Members Absent: Council Member Mike Gipson

Other Elected Officials Present: Donesia Gause, City Clerk and Karen Avilla, City Treasurer

Other Elected Officials Absent: None

Also Present: David Biggs, City Manager, and staff;

Clifford Graves, Economic Development General Manager; Jackie Acosta, Administrative Services General Manager; Ray Cruz, Public Services General Manager; Farrokh Abolfathi, Interim Development Services General Manager; Lisa

Berglund, Principal Administrative
Analyst; and Robert Eggleston, IT
Manager

FLAG SALUTE: MAYOR JIM DEAR

Mayor Dear requested a moment of silence for the fighting men and women who were in the Armed Forces defending our liberties around the world, for those who have lost their lives, who have been injured, and missing in action, and a prayer for our fighting forces who would be safe and be able to come home to their families.

NOTICE TO THE PUBLIC

Public testimony may be given on any agenda item as it is called and will be LIMITED TO THREE MINUTES PER SPEAKER. Please fill out a Speaker Form in order to be identified correctly in the minutes. The forms are provided on the podium in the Council Chambers. All Speaker Forms must be given to the City Clerk at the beginning of the meeting.

UNFINISHED BUSINESS (Item 1)

ITEM NO. (1) FISCAL YEAR 2012/13 CITY MANAGER'S PROPOSED GENERAL FUND BUDGET (CITY MANAGER)

City Manager Biggs summarized the staff report and recommendation.

He referred to his memorandum dated June 25, 2012 to the Mayor and City Council regarding the Budget Referral Updates including the attachments and discussed the following:

- 1) Updated Budget referrals list
- 2) Updated Budget Referral #9
- 3) Budget Referral #23
- 4) Budget Referral #25
- 5) Budget Referral #26

In addition, he provided the Mayor and City Council four additional responses and discussed the following:

- 1) Budget Referral #22
- 2) Budget Referral #16
- 3) Budget Referral #24
- 4) Budget Referral #28

Council Member Davis-Holmes
Inquired into the following:

- 1) Budget Referral #24 - the unrealized revenues for the Community Center were \$657,000 which was too high and that use of the Senior Dominguez Room by the seniors, Monday through Friday, until 5:00 P.M., should not be included.

- 2) Budget Referral #28 - the Early Childhood Program should have a plan of action and that it was very important to gradually reach the 75% cost recovery by increasing fees each year.
- 3) Overtime reimbursed from the developers and referred to the \$230,000 that the line item to charge to reduce amount and had same problem in previous years and should not be that high.

Whereupon, Administrative Services General Manager Acosta stated that she would provide more detailed information on Overtime.

City Manager Biggs

Stated that an update was to be provided on the following:

- 1) Budget Referral # 6
- 2) Budget Referral #10
- 3) Budget Referral #27

Council Member Santarina

Thanked everyone for their responses; referred to the last City Council meeting of June 19, 2012 wherein he provided a copy of his comments and directions of the budget information on his approach to eliminate the deficit and requested to have his suggestions as public record.

Whereupon, City Manager Biggs stated that Council Member Santarina's suggestions was public record and that Administrative Services General Manager Acosta would review his recommendations later in the meeting.

Council Member Santarina

Stated that he wanted to go on record that he did not support the elimination of positions except those that were vacant and was consistent with his colleagues that there should be no layoffs.

Administrative Services General Manager Acosta

Elaborated on the following:

- 1) Budget Referral #24 – unrealized revenues for the Community Center.
- 2) Early Childhood Program and Senior Events – would need more time to provide details.
- 3) Cost Recovery for the Early Childhood Program – that two years ago the City Council agreed to increase the fees 10% for next three years which was done twice and at the same time costs had gone up more and have not reached the 75% cost recovery.

City Manager Biggs

Discussed the street sweeping and the recent transfer process of parking citations and would provide a more detailed report on the revenues with an additional Budget Referral.

Mayor Dear

Requested the following:

- 1) An alternative to the City Manager's proposal that would entail no layoff of employees and to bring back within a week that would allow for the City Manager to make adjustments in structure with no elimination of filled positions with the understanding of the natural attrition and movement of employees which could be problematic and that due to the current economy, there should be no employee layoffs; employees provide a good level of customer service to the residents and have good quality staff members; next fiscal year could get by going into the Reserves, if necessary, and not lay off employees.
- 2) Increase budget for Public Safety in response to the Superior Court ruling from the State of California reducing the number of prisoners in prisons being released earlier than their sentence demanded with an estimated 100 residents of Carson who should not be living in the City of Carson, forcing the City to deal with upsurge of crime and that staff come back with a proposal and work with Captain Rivero, Carson Sheriff Station, to formulate a plan on how to invest \$100,000 to \$500,000 to create the safety of Carson to the level it was before the release of the prisoners.

Council Member Ruiz-Raber

Offered the following comments:

- 1) Agreed with her colleagues that there be no layoffs and to try everything possible for no elimination of vacant positions such as the Human Services Manager at the Community Center and that there be no changes in management which was currently well handled.
- 2) Stated that she was not in support of combining commissions but would provide information on cost saving measures to the City Manager.
- 3) That the Planning Commission, Environmental Commission, Beautification Committee, Women's Issues Commission, and the Senior Citizens Advisory Commission remain the same and possibly reduce members and staff time.

Whereupon, City Manager Biggs discussed the Commission, Committee, and Board stipends, cost savings, staff overtime for meeting attendance and that he and Principal Administrative Analyst Berglund were reviewing the Commission, Committee, and Board budgets and O & M, particularly the Planning Commission and the Mobilehome Park Rental Review Board costs, staff time for activities and use of overtime versus comp time.

Council Member Davis-Holmes

Provided the City Manager ten questions and requested them in a Budget Referral format and to keep in mind Mayor Dear and Mayor Pro Tem Ruiz-Raber's suggestions and that spending \$1.9 million to hire staff and \$2.2 million to keep staff and whether reassigning or transferring staff to avoid layoffs.

Whereupon, City Manager Biggs discussed the transfer of employees to other departments, vacancies, Personnel Rules to meet minimum qualifications, demand of services, and would do his best to accommodate the employees for a positive balance.

Council Member Santarina

Suggested that the City Manager prepare a sheet with a table or matrix reflecting the bottom line estimated revenues, expenses, and deficit and to show similar to what he proposed and what was approved by the City Council; inquired if the Per Reorganization Plan dated July 1, 2012 was accurate, which was provided at the June 19, 2012 meeting.

Whereupon, City Manager Biggs stated that there were two versions of the Reorganization Plan in which one was the current organization chart proposed after reorganization which reflected the City Manager's recommended reorganization.

Council Member Santarina

Referred to the Per Reorganization Plan dated July 1, 2012 as follows:

Page 3 – Opposite of what had been discussed

Page 7 – Information Technology Division should not be under the City Manager but rather the Human Resources Division

Page 8 – Left side accurate and the right side not accurate

Whereupon, Administrative Services General Manager Acosta clarified that the Reorganization Chart was updated the last two weeks and that one or two employees had retired, therefore, was not shown and that what was shown were divisions moving for reorganization only and placed on top of cover page the summary division and that all details were still in the current format; there was no time to move the Information Technology Division and all listed in the Administrative Services page; all the rest were in the current Per Reorganization Plan.

City Manager Biggs discussed the goal of the reorganization, combining departments, cross training, and based on the Labor Law would work collaboratively with the bargaining groups to meet and confer on job impacts, impact on the elimination of the Redevelopment Agency, and that employees were also advised in the City Manager Brown Bag meetings.

Public Comments

Kyle Ballard, 242 W. 231st, Carson, California 90745

Offered the following comments: 1) opposed to the reduction or elimination of the Veterans Park Gym; 2) suggested that the City budget be placed on the gym counter for the public view; 3) colored brochures of the gym be placed at the Carson Sheriff Station, City Hall, Community Center, and any public facility to promote membership at the Veterans Park Gym; 4) reduce the firemen free usage of the gym and that arrangements should be made with every hotel and motel in the City for special rates for their guests to use their facilities

and for revenue generation; and 5) tax the casino buses that come to Carson on a daily basis or more than once to pick up Carson residents to take to casinos.

Upon inquiry, Public Services General Manager Cruz stated that the Veterans SportsComplex needed more patrons to help offset costs and that Recreation Superintendent Hicks utilized a market plan to obtain more memberships from last year during the budget process.

Miriam Vazquez

Offered the following comments: 1) agreed with Council Member Santarina's recommendations; 2) reminded Mayor Dear that a year increase in electricity and gas tax that was for the police and public safety for seniors and as a property taxpayer did not want any more raise in taxes; and 3) City should take care of business and cut down on expenses.

Mila Boyer, 520 E. Carson Street, No. 40, Carson, California 90745

Offered comments to not remove employees; find ways and means to improve the city budget.

Ricardo Pulido, 22106 Gulf Avenue, Carson, California 90745

Offered the following comments: 1) no elimination of the Environmental Commission and other commissions but reduction was okay; 2) post hard copy of the City budget in the libraries and other areas for those who do not have computers to view online; 3) no reduction in park sports programs; 4) no loss of employees and that they be moved and retrained; 5) agreed that the General Managers become Directors; 6) appoint the Economic Development General Manager to the proposed Assistant City Manager position; 7) increase public safety; 8) merge the Parks and Recreation and Human Services; 9) necessary to add the mental health component for senior citizens under the Parks and Recreation Department; 10) eliminate cell phones; 11) eliminate gas stipends; and 12) eliminate overtime and adjust schedules accordingly.

Jane Osuna, 21207 S. Avalon, No. 144, Carson, California 90745

Offered the following comments: 1) referred to Decision Package #2 Implement the City Manager's Reorganization Plan - not fiscally prude and should transfer over to fill position; 2) suggested to send letters to the commissioners to inform them that the City was struggling and if they would be willing to forego their stipend next fiscal year which could be cost savings; 3) referred to Decision Package #21 Mobilehome Rental Review Process Assessment of \$60,000 - reduction in expenses based on result yet to be completed and until all facts received on the audit then ask questions for budget item; 4) referred to Alternate Decision Package #8 Contract out for graffiti removal services - opposed to limiting in-house graffiti removal thru subcontracting services; reported that in January the graffiti on Avalon and Sepulveda had increased and that the in-house crew were extremely efficient which you would not receive the same level of service with subcontractor; and 5) requested that the City review Business License Renewal expenses - she received four pieces of stationery every year for her Business License Renewal and suggested that the City mail one piece of paper to consolidate and save on printing, postage and processing expenses.

Joseph Pinon, 22628 S. Figueroa Street, No. 11, Carson, California 90745

Offered comments in support of the Environmental Commission.

Pauline Davis, 17701 Avalon Boulevard, Carson, California 90746

Offered the following comments: 1) praised Mayor Dear for the safety of the City; 2) that she lived in a gated community and did not feel safe and that there were young children in the area; 3) underemployment was high; 4) homeless and seniors living in the street; and 5) asked that the Mayor and City Council keep the City going and to keep up the good work.

Jesse Marquez, 1601 N. Wilmington Boulevard, Wilmington, California 90744

Offered the following comments: 1) that the Environmental Commission remain the same who make and save the City money; 2) suggested franchise fees for oil, gas, and pipeline; 3) charge fee from industries with big trucks who impact the city to maintain City streets; 4) negotiate for higher fees for rights for oil drilling; 5) that the Community Center was underutilized – brought two conventions that sold out and that the Port of Los Angeles should use the Community Center for small projects; and 6) buy in Carson.

Janice Schaefer, 21111 Dolores, No. 62, Carson, California 90745

Offered the following comments: 1) concerned with the proposal of commission consolidations and urged the City Council to not make changes at this time; and 2) referred to the commissioner stipends in 2009 that Commissioners, Committee and Board members were asked to consider voluntarily forfeiting their stipends for meeting attendance when the City was facing budget problems and that she signed an agreement to forfeit stipends and received a 1099 Form for miscellaneous income of \$950.00 for year 2010 and as a result, costed her \$332.00 in taxes, therefore, she rescinded her agreement to forfeit the stipend; she requested that the City Council consider her situation and hope to get feedback.

Upon inquiry, City Treasurer Avilla stated that she did not issue Ms. Schaefer a 1099 Form but had discussed with her and referred to the Carson Municipal Code which stated that the City give them a stipend and since the Planning Commission and the Mobilehome Park Rental Review Board stipends increased and meet frequently, therefore, they reached threshold for 1099 which was an IRS code issued by the IRS. Ms. Schaefer received a letter from the City Treasurer thanking her for her donation. Subsequently, the Carson Municipal Code was changed to allow the option for a stipend or not.

Lyn Jensen, 21425 Avalon Boulevard, No. 49, Carson, California 90745

Offered the following comments: 1) keep the Women's Issues Commission separate; 2) have no objections to make the Beautification Committee and the Environmental Commission part of the Planning Commission; 3) make the Parks and Recreation Commission responsible for the Youth Commission; 4) change the Human Relations Commission to Community Relations; 5) suggested an Equal Opportunity Commission or Fair Employment Housing Commission for representation from each protected group; and 5) in favor of keeping stipends or reducing and not eliminating.

City Manager Biggs noted and made correction as discussed at prior budget meetings that there was no proposal to combine the Youth Commission with the Senior Citizens Advisory Commission and the Veterans Affairs Commission and that the Youth Commission to remain the same.

Jenny Vazquez

Offered the following comments: 1) agreed with Council Member Santarina's budget proposal; and 2) requested an explanation of Budget Referral #9.

Whereupon, City Manager Biggs stated that the City Council instructed that certain Kids Club Site programs be 75% cost recovery of direct costs, therefore, provided that for each Kids Club Site for five years to show four years and to show whether or not that was achieved, expenses versus revenues and also to show each for all Kids Club Sites for each year to see if whether or not achieved that 75% goal.

Ronald Shimokaji, 1502 E. Carson Street, No. 135, Carson, California 90745

Offered the following comments: 1) referred to Decision Package #14 Consolidate Commissions, Boards, and Committees – surveyed the Carson Municipal Code that the seven commissions were created by ordinance and before the City Council make any changes that they amend or rescind the Carson Municipal Code, 2) cost recovery of the Community Center – witnessed staff in action and suggested that the City Council take a close look at how the Community Center operated before making any changes; and 3) discussed with Transportation Department staff on ways to increase revenue.

Dr. Rita Boggs

Offered the following comments: 1) referred to the 30 Redevelopment employees and that the City work out by the time incorporate to City staff pension, health care, salary at \$200 each value of employees to \$6 million; 2) make greater effort to bring in more jobs in the city and work with Watson Land Company, Amazon and Best Buy Distribution Center; and 3) bring in businesses to help people with skills to do well.

Whereupon, City Manager Biggs stated that it was discussed at a couple of prior meetings that the 28 Redevelopment employees were funded by Redevelopment and discussed use of Redevelopment funds, balance of funds to be paid out from the Carson Successor Agency and the Carson Housing Authority money by end of June or beginning of July once clarity received from the State.

Richard Vaughn, 415 E. Centerview Drive, Carson, California 90746

Offered the following comments: 1) thanked City Manager Biggs regarding clarification of the Youth Commission; 2) referred to the Citywide Advisory Commission who obtained Federal and State grants with non-profit groups that do good for the City; 3) referred to the Human Relations Commission who obtained donations and grants; 4) referred to the Veterans Affairs Commission who have benefits to better pay its constituents and was puzzled why the Veterans Affairs Commission was not allowed to have dinners to raise funds to help others; 5) appreciated the statements made by Mayor Pro Tem Ruiz-Raber that consolidation was not best and should be other ideas; numbers of commissioners and let public know if community support can aid in final budget; 6) hoped that the difficulty in new commission replacements would pass and use commissions as present, stipends and actual cost; and 7) was asked by Council Member Gipson to appear on a flyer when Measure C took place which was intended to replenish the Emergency Fund and that the Board was set up for Mayor and City Council to refer to the commission if funds would have to come from the Emergency Fund in the future and that it was never used for that set

up in the General Fund instead and if used the way as told to the public, then would not have difficulty than what presently have now.

There being no other speakers, Mayor Dear closed the Public Comments.

Administrative Services General Manager Acosta

Provided the Mayor, City Council, and staff the handout, Recommendations from the Utility Users Tax Citizens Budget Oversight Committee (UUTCBOC) FY 2012/13 and discussed their recommendations. She referred to Decision Package #14 Consolidate of Commissions, Boards, and Committees that the UUTCBOC supported if could be modified that the Youth Commission stay separate which was not intended to be combined with the other commissions and all non-required stipends should be eliminated.

Upon inquiry, City Manager Biggs stated that it was approximately \$68,000 per year for all Commission, Committee, and Board member stipends.

Mayor Pro Tem Ruiz-Raber

Offered the following comments:

- 1) Issue with park staffing who were part time any way and do not make much money.
- 2) Thanked everyone who spoke tonight for their good suggestions.
- 3) Did not appreciate individuals pointing fingers at the City Council when they were trying to work with everyone.
- 4) No conspiracy on commissions and that the City Manager offered his suggestions to the Mayor and City Council and appreciated his hard work.
- 5) Appreciated Council Member Santarina's suggestions.
- 6) Spent many hours on the Redevelopment budget.
- 7) Appreciated constituents who came and were interested.
- 8) Did not believe in taking away stipends from the Commissions, Committees, and Boards and that \$35.00 was very little.
- 9) Concerned of public safety, senior services, jobs, children, and youth which was a priority and would do everything to keep in place.
- 10) Appreciated the City Manager, staff, and City Council for working hard.

Mayor Dear

Offered the following comments:

- 1) Great deal of work for staff and the City Council.
- 2) Suggested the two-year budget as in the past which was no longer due to recession and staff to consider, if helpful.
- 3) Thanked the public who spoke and gave their ideas.
- 4) That the budget process was very important.
- 5) Complimented staff for their work.

City Manager Biggs announced that there would be a continued Budget Public Hearing on July 3, 2012.

Administrative Services General Manager Acosta

Provided to the Mayor, City Council, and staff the handouts and discussed the following:

- 1) Proposed Budget Adjustments with Councilman Santarina's Recommendations FY 2012/13 – similar format as the Recommendations from the UUTCBOC and that the difference was that she listed all the Decision Packages and put red dollar amounts of the City Manager Decision Package recommendation amounts that Council Member Santarina recommended and if there was not a dollar amount, then he did not support those Decision Packages; showed amounts on the City Manager Alternate Decision Packages but not part of Council Member Santarina's recommendations

Whereupon, City Manager Biggs stated that Council Member Santarina's suggestions in the red amounts was approximately \$1 million shortfall and that the remaining shortfall be funded as an option with the Fund Balance for next fiscal year.

- 2) Budget Balancing Decision Packages FY 2012/13

Mayor Dear

Referred to the Alternate Decision Packages which he would oppose that would directly eliminate positions and inquired into areas to keep individuals employed.

City Manager Biggs referred to the Recommendation from the UUTCBOC handout and that there was a typographical error under the Revised revenue projections, after adjustments by staff that should read, Revised expenditure budget after UUTCBOC recommendations, and not Councilman Santarina's recommendations and that he would provide the correction later.

Council Member Davis-Holmes

Referred to the following Decision Packages which would impact elimination of staff:

- 1) Decision Package #18 Modify Warehouse/Purchasing operations
- 2) Decision Package #19 Reorganize Human Resources

City Manager Biggs stated that based on his recommendations, Administrative Services General Manager Acosta's outline, Council Member Santarina's recommendations, and the UUTCBOC recommendations that could work with and manipulate to come to a consensus.

Mayor Pro Tem Ruiz-Raber

Reported that she and City Treasurer Avilla applied for a scholarship with NALEO who paid their way for their trip to Orlando, Florida this week at no cost to the City.

Council Member Santarina

Offered the following comments:

- 1) Avoid employee layoffs.
- 2) Offered his recommendations to propose a balanced budget.
- 3) Thanked staff for their hard work.

City Manager Biggs

As an example, referred to Mayor Dear's request for a Budget Referral on what to do with Public Safety Services and would consult with Captain Rivero, Carson Sheriff Station, three options of A, B, and C level of services at \$100,000, \$250,000, and \$500,000 and if brought back as a Budget Referral, which was an important service with increased costs then would have to choose other items to bring budget down or could use more Reserves but would be the City Council's decision of what was best.

Mayor Dear

Offered the following comments:

- 1) Thanked staff for their diligence.
- 2) Thanked the public for their participation.
- 3) Thanked his colleagues for their hard work during the budget preparation process.
- 4) Do not spend any more money than we take in but if an emergency situation such as the State taking Redevelopment Agency funds away with impact of \$4 million to \$5 million, then may have to use Reserve funds to get by.

RECOMMENDATION for the City Council:

1. CONDUCT a study session of the proposed FY 2012/13 General Fund Budget.

ACTION: The City Council held the Budget Study Session.

ADJOURNMENT

The meeting was Adjourned at 9:17 P.M. by Mayor Dear.

Mayor Jim Dear

ATTEST:

City Clerk Donesia L. Gause