



SPECIAL MEETING AGENDA

Date: 4/28/2020

Time: 4:30 p.m.

Closed Session Location: Teleconference

Special Meeting Location: [Joinwebinar.com](https://www.joinwebinar.com) – ID# 455-111-155

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Teleconference meeting: All members of the City Council, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- How to participate in the meeting
 - Submit a written comment online:
menlopark.org/publiccommentApril28 *
 - Record a comment or request a call-back when an agenda topic is under consideration:
Dial 650-474-4071 *
 - Access the special meeting real-time online at:
[joinwebinar.com](https://www.joinwebinar.com) – Regular Meeting ID 455-111-155
*Written and recorded public comments and call-back requests are accepted up to 1 hour before the meeting start time. Written and recorded messages are provided to the City Council at the appropriate time in their meeting. Recorded messages may be transcribed using a voice-to-text tool.
- Watch special meeting:
 - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto:
Channel 26
 - Online:
menlopark.org/streaming

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City's website www.menlopark.org. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).

According to City Council policy, all regular meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.

Closed Session (Teleconference)

A. Call To Order

B. Roll Call

C. Closed Session

Public Comment on these items will be taken before adjourning to Closed Session.

C1. Conference with Legal Counsel – Anticipated Litigation: Significant exposure to litigation pursuant to § 54956.9(b)
Number of cases – 1

C2. Threat to Public Services or Facilities (Government Code § 54957)

Consultation with: City of Menlo Park Director of Emergency Services and Interim City Attorney

Special Session ([Joinwebinar.com](https://www.joinwebinar.com) – ID# 455-111-155)

D. Call To Order

E. Roll Call

F. Report from Closed Session

G. Presentations and Proclamations

G1. San Mateo County Economic Development Association (SAMCEDA) presentation

H. Study Session

H1. Provide direction on capital improvement plan projects and funding proposals
([Staff Report #20-092-CC](#))

I. Regular Business

I1. Update the City Council and public on COVID-19 health emergency and the City's response
([Attachment](#))

I2. Review projected revenue shortfalls resulting from the COVID-19 emergency, adopt Resolution No. 6556 amending the City Council adopted fiscal year 2019-20 general fund budget, and approve a budget strategy for fiscal year 2020-2021 ([Staff Report #20-093-CC](#))

J. Adjournment

At every regular meeting of the City Council, in addition to the public comment period where the public shall have the right to address the City Council on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Council on any item listed on the agenda at a time designated by the chair, either before or during the City Council's consideration of the item.

At every special meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.org. Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.org/agenda and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 4/24/2020)

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STAFF REPORT

City Council

Meeting Date:

4/28/2020

Staff Report Number:

20-092-CC

Study Session:

Provide direction on capital improvement plan projects and funding proposals

Recommendation

Staff recommends the City Council provide direction on projects in the fiscal year 2019-20 capital improvement plan. Specific direction requested includes:

- Whether to reconsider fiscal year 2019-20 funded projects (current fiscal year or carry-over projects funded in previous fiscal years)
- Confirmation on recommendations for funding levels and proposed sources for future projects

Policy Issues

The City Council typically adopts the capital improvement plan (CIP) as part of the budget adoption process annually in June. The City Council's annual goal-setting process provides clarity on the use of city resources as well as prioritization of services and projects for the upcoming 12 to 18 months. Goals and priorities identified in the City Council's annual goal-setting process are incorporated into the CIP each year.

Background

The City Council's goal-setting process kicked off with the January 14 study session on resource capacity. At their January 28 meeting, the City Council adopted a resolution of intent that prioritizes construction of a new community center and library in the Belle Haven neighborhood. At their January 30 special meeting, the City Council held a goal-setting workshop to hear ideas of priorities for 2020 from the public and share their individual ideas. As part of that meeting, as summarized in the February 11 informational item update (Attachment A,) five infrastructure projects or service initiatives were identified as high priority efforts by the City Council for the year ahead, before the current stay at home order in response to COVID-19:

- Belle Haven community center and library
- Completion of the transportation master plan
- Continued work on the Middle Avenue pedestrian and bicycle rail crossing project
- Continued work on the selection of a preferred alternative for railroad grade separation
- Wireless antennae encroachment permit review process development

On January 30, the City Council also requested a future study session on the current CIP. On February 25, staff provided an informational report (Attachment B) transmitting the 2019-24 CIP, as excerpted from the 2019-20 budget document and providing an overview of the expected content of the study session:

- Summary of the process to develop the annual CIP
- Description of the prioritization process used to deliver CIP projects
- Status updates on all 73 funded projects
- Summary of financials for the major funds supporting CIP projects: general fund capital, water capital,

transportation impact fees, building construction street impact fee, and Measure T recreation bond funds.

On March 3, the City Council held a study session on the CIP and heard a presentation from staff (Attachment C.) The presentation included information on the process to develop the annual CIP, a summary of how projects are prioritized for delivery, and status updates of the 73 currently funded projects. The financial balances remaining for each project as of December 2019 are also summarized in the presentation. Following the presentation and public comment, the item was continued to a future meeting.

Analysis

The City Council requested the project and funding priorities in the CIP be reviewed in light of the current stay at home order in response to COVID-19 and anticipated fiscal impacts. In response, staff has reviewed the CIP, with a focus on projects funded by the City's general fund. The following sections summarize our review and recommendations for the current (fiscal year 2019-20) and proposed (fiscal year 2020-24) plans.

Overview of funding sources

The CIP is funded through a variety of sources. Typically, the City makes an annual transfer of general fund revenue to the capital improvement program of approximately \$3.5 million, which is then distributed to projects as identified each year. In addition, grants from county, regional, state, and federal agencies and other dedicated funding sources such as the water fund, transportation impact fee fund, stormwater fund, and solid waste fund provide resources for specific types of eligible projects. A complete listing of funding sources, including a description of the eligible expenses, fund balances, and estimated expenditures and revenues is provided annually in the City budget (Attachment D.) For purposes of this review, staff has focused on projects funded, wholly or in part, by the general fund CIP.

Review of projects

The attached table (Attachment E) summarizes key details of each existing and proposed project, organized by seven project categories, including:

- Project name
- Priority (Tier 1, 2 or 3)
- Whether the project is requisite:
 - Mandated by law (federal, state or local)
 - Necessary to maintain a City asset to preserve its useful life
 - Repair/replace a deficient condition
 - Leverages other funding sources (such as grants, with expenditure timeline requirements)
- If progress is anticipated in fiscal year 20-21
- Currently available budget as of December 2019
- Funding source(s)
- Funding amounts planned in fiscal year 20-21 per the current budget
- Current status

Staff reviewed each project and developed recommendations for whether the project should advance; whether to maintain the proposed funding levels, or reduce, delay or repurpose funds; and noted a brief rationale for each in the table (Attachment E.) These recommendations all assume that current staffing levels are maintained, existing vacant positions would remain unfilled through fiscal year 2020-21, and no

additional vacancies occur.

Fiscal year 2019-20 project recommendations

While completing this review, staff recognized that all the funded projects are important to move forward. However, given funding constraints in the overall budget, the focus of the review was on meeting the City's highest priority needs in the next two to three years. Projects that are not expected to expend significant funds in that time period were recommended as candidates to return carry-over balances to the general fund capital improvement fund. After which, funds for these projects could be restored when they are needed at a future time. Two projects were identified that fit these criteria:

- Furniture replacement. In the City building and systems category, the project has a carry-over budget of \$400,000. This funding was originally planned to furnish the main library, during consideration of the philanthropic offer to reconstruct the building. At this time, these funds are not anticipated to be needed for this purpose.
- Downtown parking structure study. In the streets and sidewalks category, this project has a carry-over budget of approximately \$720,000. This project would be anticipated to move forward after review of the El Camino Real/Downtown specific plan is completed. The City Council's last discussion of this item identified possible consideration of allowing development (such as housing or entertainment uses) on the existing parking plazas. This discussion is important to occur before developing conceptual designs for a parking structure on the existing plazas since it would require modification to the existing parking assessment district, an El Camino Real/Downtown specific plan amendment and compliance with requirements of the California Environmental Quality Act.

Staff is seeking City Council direction on whether to proceed with returning the carry-over balances for these two projects to the general fund capital improvement fund.

2020-2024 project recommendations

Projects and funds programmed for future years are shown each year in the CIP as part of the budget process. Funds for future years are not appropriated, but the programmed funds show funds anticipated to be prioritized based on information at the time. Each year, staff reviews the CIP to ensure that the funding levels are up-to-date, makes recommendations that are incorporated in the draft budget, and the City Council – through budget adoption – appropriates funds for the current year.

As part of the fiscal year 2019-20 budget, a number of planned future projects were listed in the CIP. These include new projects, additional funds to continue work on future phases of current projects in-progress, and annual programs. Staff has reviewed the planned fiscal year 2020-21 projects and developed recommendations for whether the project should advance; whether to maintain the proposed funding levels, or reduce, delay or repurpose funds; and noted a brief rationale for each in the table (Attachment E.) Similar to the 2019-20 recommendations, these recommendations all assume that current staffing levels are maintained, existing vacant positions would remain unfilled through fiscal year 2020-21, and no additional vacancies occur.

In summary, modifications to the following projects are recommended. Staff is seeking City Council direction to confirm or modify these proposed modifications to the fiscal year 2020-21 CIP.

City buildings and systems:

- Buildings (minor:) Reduce the fiscal year 2020-21 appropriation by \$250,000.

- New project: Add the Belle Haven Community Center & Library project.
- Remove projects that would be supplanted by the efforts to reconstruct the Belle Haven community center and library (replacing/upgrading the Onetta Harris Community Center gym floor and multipurpose room)

Environment:

- No changes

Parks and recreation:

- Civic center campus improvements: Repurpose \$300,000 in funds to the park playground equipment for Burgess Park.
- Belle Haven pool master plan implementation: Repurpose \$370,000 in funds toward the Belle Haven community center and library pool project.

Stormwater:

- Bayfront Canal and Atherton Channel flood protection: Added anticipated \$1,200,000 request from the multiagency partnership advancing the project.
- Willow Place bridge abutment repair: Delay project to future year, anticipated fiscal year 2022-23. Area will continue to be monitored annually to ensure no immediate safety concerns.

Streets and sidewalks

- Streetlight conversion: Delay \$650,000 in construction funds to a future year. This would result in a smaller construction area to be delivered in fiscal year 2020-21, at lesser anticipated cost. This project would replace series streetlight circuits that exist in 3 Menlo Park neighborhoods: Suburban Park, Linfield Oaks and West Menlo (Cotton St-San Mateo Drive area.) Other neighborhoods in Menlo Park do not have series streetlights.
- Welcome to Menlo Park monument signs: Delay \$400,000 in construction funds to a future year.

Traffic and transportation:

- New project: affordable housing and sustainable communities grant-funded improvements on Willow Road, Newbridge Street and Ringwood Avenue: This project does not require a city-funded contribution other than staff time to complete the project.

Water system:

- Automated meter reading: Increase funding amount by \$775,000 to execute the contract in fiscal year 2020-21.
- Emergency water supply/storage: Project carry-over is sufficient for planned work in fiscal year 2020-21. Delay additional appropriation to fiscal year 2021-22.
- Reservoir No. 2 roof replacement: Increase funding amount by \$1,000,000 to execute contract in fiscal year 2020-21.
- Water main replacements: Keep partial appropriation (\$1,800,000 of \$3,600,000) to support work on Haven Avenue and O'Brien Drive as planned in fiscal year 2020-21.

Based on the modifications proposed above, Table 1 below summarizes the projects for which staff recommends funds be appropriated for fiscal year 20-21. For a full list of carry-over projects that would continue in fiscal year 20-21, see Attachment E.

Table 1: Proposed appropriations for fiscal year 20-21

Project category and name	Funding source	Amount
<u>City buildings and systems:</u>		
Belle Haven Community center and library buildings (minor)	Various (see Att E)	\$3.37m
Information technology master plan implementation	General fund CIP	\$0.25m
	General fund CIP	\$1.25m
<u>Environment:</u>		
Climate action plan implementation	General fund CIP	\$0.10m
Electric vehicle chargers at City facilities	General fund CIP	\$0.40m
<u>Parks and recreation:</u>		
Aquatic center maintenance	General fund CIP	\$0.40m
Bedwell Bayfront Park master plan implementation	General fund CIP/grant	\$1.35m
Park improvements (minor)	General fund CIP	\$0.20m
Park pathways repair	General fund CIP	\$0.50m
Park playground equipment (Willow Oaks and Burgess)	General fund CIP	\$0.80m
Sports fields renovations	General fund CIP	\$0.30m
Tennis court maintenance	General fund CIP	\$0.12m
<u>Stormwater:</u>		
Bayfront Canal and Atherton Channel flood protection	General fund CIP	\$1.20m
San Francisquito Creek upstream of highway 101 flood protection	General fund CIP	\$2.00m
<u>Streets and sidewalks:</u>		
Downtown parking utility underground	Downtown parking	\$0.50m
Downtown streetscape improvement	General fund CIP	\$0.10m
Ravenswood Ave. (Alma St. to Marcussen Dr.) Street resurfacing	Highway users Tax	\$0.85m
Sidewalk repair program	Various (see Att E)	\$0.55m
Street resurfacing program	Various (see Att E)	\$2.03m
Streetlight conversion	General fund CIP	\$0.65m
Willow Rd. (Middlefield Rd. to Bay Rd.) street resurfacing	Construction impact fee	\$1.00m
Willow Oaks bike connector	General fund CIP	\$0.50m
<u>Traffic and transportation:</u>		
Traffic signal modifications	Transp. impact fee	\$0.35m
Transportation (minor)	General fund CIP	\$0.18m
AHSC grant-funded improvements	Grant	If awarded
<u>Water system:</u>		
Automated meter reading	Water fund	\$2.58m
Reservoir No. 2 roof replacement	Water fund	\$1.00m
Water main replacements	Water fund	\$1.80m
Fire flow capacity improvements	Water fund	\$1.00m

City Council direction requested

As summarized above, staff is requesting City Council direction on two topics:

- Whether to reconsider fiscal year 2019-20 funded (current or carry-over) projects? Staff has

recommended two potential projects, furniture replacement and the downtown parking structure study, for reconsideration.

- Confirm or modify modifications to the fiscal year 2020-21 CIP projects and funding proposals? Staff has recommended 14 projects to modify the funding amount or delay the project to a future year and the addition of 2 new projects.

Impact on City Resources

The capital improvement program is adopted annually through the budget adoption process. Specific recommendations to modify funding amounts planned for capital projects are listed above in the analysis section and are detailed in Attachment E. Direction from the City Council would be used to inform possible budget amendments for 2019-20 in light of the City's response to COVID-19 and anticipated fiscal impacts and the 2020-21 proposed budget.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it has no potential for resulting in any direct or indirect physical change in the environment. Individual projects within the capital improvement program would continue to be evaluated individually under CEQA as the projects proceed.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Hyperlink – February 11 informational report to City Council on 2020 goal setting:
menlopark.org/DocumentCenter/View/24243/K3-20200211-CC-Goal-setting-process
- B. Hyperlink - February 25 informational report to City Council on 2019-24 CIP:
menlopark.org/DocumentCenter/View/24339/I2-20200225-CC-CIP-Informational-Item
- C. Hyperlink – March 3 meeting minutes including presentation to City Council on 2019-24 CIP:
menlopark.org/AgendaCenter/ViewFile/Minutes/_03032020-3399
- D. Hyperlink – 2019-24 Capital improvement program funding sources (p. 171-176:)
menlopark.org/ArchiveCenter/ViewFile/Item/9688
- E. Project summary table

Report prepared by:

Christopher T. Lamm, Assistant Public Works Director
Nicole H. Nagaya, Public Works Director

Report reviewed by:

Justin I. C. Murphy, Deputy City Manager

Capital Improvement Program													
City Building and Systems													
Name	Priority	Requisite?	FY 20/21 progress planned?	Status	Carryover Budget (Prior Year + FY19/20 Appropriations)	Available Budget (Dec 2019)	Funding Source 1	Funding Source 2	FY 20/21 Needs (As of FY19/20 Budget)	FY20/21 Source	Recommendations	FY 19/20 Savings	FY 20/21 Savings
Belle Haven Library	Tier 1	n/a	n/a	N/A	\$500,000	\$368,044	Lib. Syst. Imp.		\$1,750,000	General Capital	Was repurposed to BHCCL project per Council action on January 28.		\$1,750,000
Belle Haven Youth Center	Tier 1	n/a	n/a	N/A	\$1,140,425	\$1,138,060	General Capital				Was repurposed to BHCCL project per Council action on January 28.		
New project: Belle Haven Community Center & Library					\$0	\$0				General Capital	Repurpose prior funds from Belle Haven Library, OHCC planned improvements.		-\$2,200,000
---Belle Haven Pool	Tier 1	Yes	Yes	Pre-Design	\$0	\$0				Rec In Lieu	Repurpose prior funds for Belle Haven pool project.		-\$370,000
---Water line replacement					\$0	\$0				Water Fund	Add water fund contribution to replace water line serving OHCC and Senior Center with BHCCL construction		-\$800,000
City Buildings (Minor)	Tier 2	Yes	Yes	Various	\$1,483,604	\$1,271,910	General Capital		\$500,000	General Capital	Reduce FY20/21 appropriation by \$250k		\$250,000
City Buildings HVAC Modifications	Tier 3	Yes	Yes	Design	\$545,000	\$530,300	General Capital						
Cost of Service / Fee Study	n/a	n/a	n/a	Done	\$48,187	\$48,187	General Capital						
Facilities Maintenance Master Plan	Tier 3	No	No	Not Started	\$150,000	\$150,000	General Capital						
Fire Plan and Equipment Replacement for City	Tier 1	Yes	Yes	Design	\$174,625		General Capital						
Mobile Operations Center	Tier 1	Yes	Yes	Construction	\$450,000	\$450,000	General Capital						
Furniture Replacement	Tier 3	No	No	Not Started	\$400,000	\$400,000	General Capital				Return to fund balance.	\$400,000	
Gate House Fence Replacement	Tier 3	No	Yes	Design	\$120,000	\$72,047	General Capital						
Information Technology Master Plan and Imple	Tier 1	Yes	Yes	Study/Plan	\$2,611,973	\$1,779,454	General Capital		\$1,250,000	General Capital	Keep		
Main Library Improvements	Tier 3	No	No	Not Started	\$436,743	\$436,743	Lib. Syst. Imp.						
Police Parking Lot Security	Tier 2	n/a	n/a	Done	\$30,989	\$22,699	General Capital				Project complete. Return balance	\$22,669	
OHCC Gym Floor									\$300,000	General Capital	Remove FY20/21 project. Not needed due to BHCCL Project		\$300,000
OHCC Multi Purpose Renovations									\$150,000	General Capital	Remove FY20/21 project. Not needed due to BHCCL Project		\$150,000
					\$8,091,546	\$6,667,444			\$3,950,000			\$422,669	-\$920,000
Environment													
Name	Priority	Requisite?	FY 20/21 progress planned?	Status	Carryover Budget	Available Budget	Funding Source 1	Funding Source 2	FY 20/21 Needs (As of FY19/20 Budget)	FY20/21 Source	Recommendations	FY 19/20 Savings	FY 20/21 Savings
Climate Action Plan Implementation	Tier 2	n/a	n/a	Done	\$368,684	\$307,980	General Capital		\$100,000	General Capital	Keep; future year, could consider moving to operating budget		
Electric Vehicle Chargers at City Facilities	Tier 2	No	Yes	Design	\$140,933	\$22,391	General Capital		\$400,000	General Capital	Keep		
Heritage Tree Ordinance Program Evaluation	Tier 1	n/a	n/a	Study/Plan	\$66,988	\$29,237	General Capital						
Hydration Stations	Tier 2	No	Yes	Bid/Award	\$350,000	\$340,005	Solid Waste Services						
Sea Level Rise Resiliency Plan	Tier 3	No	No	Not Started	\$150,000	\$150,000	General Capital						
Trash and Recycling Strategic Plan	Tier 1	n/a	n/a	Done	\$59,764	\$59,764	Solid Waste Services				Project complete. Return balance.	\$59,764	
					\$1,136,369	\$909,377			\$500,000			\$59,764	\$0

Parks and Recreation													
Name	Priority	Requisite?	FY 20/21 progress planned?	Status	Carryover Budget	Available Budget	Funding Source 1	Funding Source 2	FY 20/21 Needs (As of FY19/20 Budget)	FY20/21 Source	Recommendations	FY 19/20 Savings	FY 20/21 Savings
Aquatic Center Maintenance (Annual)	Tier 2	Yes		Design	\$725,462	\$646,881	General Capital		\$400,000	General Capital	Keep; ongoing maintenance needs remain.		
Bedwell Bayfront Park Collection and Leachate	Tier 1	Yes	Yes	Design	\$4,140,068	\$4,052,368	Bayfront Park Landfill						
Bedwell Bayfront Park Master Plan Implementa	Tier 2	Yes	Yes	Design	\$150,000	\$150,000	General Capital	Grant	\$1,350,000	General Capital	Keep; project includes \$520k grant. No adjustments recommended for FY20/21		
Civic Center Campus Improvements	Tier 3	No	No	Pre-Design	\$100,000	\$89,952	General Capital		\$300,000	General Capital	Repurpose to Park Playground Equipment (Burgess)		\$300,000
Park Improvements (Minor)	Tier 2	Yes	Yes	Various	\$362,496	\$196,098	General Capital		\$200,000	General Capital	Keep; ongoing maintenance needs remain.		
Park Pathways Repair	Tier 3	Yes	Yes	Design	\$699,257	\$698,111	General Capital		\$500,000	General Capital	Keep; project work proposed at Sharon Park and Nealon Park in upcoming FY for urgent repairs needed.		
Park Playground Equipment	Tier 1	No	Yes	Done	\$991,820	\$0	General Capital		\$500,000	General Capital	Keep funding levels for future playgrounds at Willow Oaks and Burgess; design of both planned for FY20/21. Willow Oaks playground would be coordinated with other Willow Oaks park improvements (restroom, pathway repair, and bike path). Increase funds by repurposing		-\$300,000
Parks and Recreation Master Plan Update	Tier 1	No	No	Done	\$31,627	\$0	Rec In Lieu						
Sports Field Renovations		Yes	Yes	Not Started	\$300,000	\$300,000	General Capital		\$300,000	General Capital	Keep; ongoing maintenance needs remain.		
Tennis Court Maintenance	Tier 2	Yes	Yes	Bid/Award	\$340,405	\$338,610	General Capital		\$120,000	General Capital	Keep; ongoing maintenance needs remain.		
Willow Oaks Park Improvements	Tier 3	No	Yes	Not Started	\$910,829	\$808,830	Rec In Lieu				Park Playground Equipment replacement.		
Belle Haven Pool MP implementation		n/a	Yes						\$370,000	Rec In Lieu	Repurpose to BHCCL Pool Project (see City Buildings & Systems category)		\$370,000
					\$8,751,964	\$7,280,850			\$4,040,000			\$0	\$370,000
Stormwater													
Name	Priority	Requisite?	FY 20/21 progress planned?	Status	Carryover Budget	Available Budget	Funding Source 1	Funding Source 2	FY 20/21 Needs (As of FY19/20 Budget)	FY20/21 Source	Recommendations	FY 19/20 Savings	FY 20/21 Savings
Bayfront Canal and Atherton Channel Flood Pro	Tier 2	Yes	Yes	Design	\$256,293	\$182,295	General Capital		\$1,200,000	General Capital	Anticipated request from multi-agency partnership advancing the project.		
Chrysler Pump Station	Tier 1	Yes	Yes	Design	\$10,916,876	\$10,752,973	General Capital	Grant					
Green Infrastructure Plan	Tier 1	n/a	n/a	Done	\$74,249	\$67,592	General Capital	Storm Drainage			Project complete. Return balance	\$67,592	
San Francisquito Creek Upstream of 101 Flood	Tier 3	Yes	Yes	Design	\$98,882	\$89,841	General Capital		\$2,000,000	General Capital	Place holder for anticipated funds needed in FY20/21		
Stormwater Master Plan	Tier 3	Yes	Yes	Study/Plan	\$341,918	\$39,659	General Capital						
Willow Place Bridge Abutment Repair		No	No	Not Started					\$250,000	General Capital	Delay FY20/21 money to FY22/23. Area being evaluated annually.		\$250,000
					\$11,688,218	\$11,132,360			\$3,450,000			\$67,592	\$250,000

Streets and Sidewalks													
Name	Priority	Requisite?	FY 20/21 progress planned?	Status	Carryover Budget	Available Budget	Funding Source 1	Funding Source 2	FY 20/21 Needs (As of FY19/20 Budget)	FY20/21 Source	Recommendations	FY 19/20 Savings	FY 20/21 Savings
Chilco Street and Sidewalk Installation	Tier 1	Yes	No	Construction	\$43,120	\$34,617	General Capital						
Downtown Parking Structure Study	Tier 2	No	No	Not Started	\$720,718	\$720,718	General Capital				Return current funds to fund balance. Plan future money in FY22/23, assuming completion of ECR/Downtown Specific Plan updates.	\$720,718	
Downtown Parking Utility Underground	Tier 3	Yes	Yes	Pre-Design	\$200,000	\$161,000	Downtown Parking Permits		\$500,000	Downtown Parking Permits	Return to City Council summer 2020 to prioritize undergrounding districts to expend Rule 20A funds, and retitle project if needed. In February 2020, Council established 3 districts: downtown parking plazas and Menlo Avenue, Middlefield Rd, and Alma St.		
Downtown Streetscape Improvement	Tier 3	No	No	On Hold	\$303,288	\$303,288	General Capital		\$100,000	General Capital	Keep; possible improvements in downtown in response to COVID-19.		
Oak Grove SRTS and Green Infrastructure	Tier 1	Yes	No	Construction	\$576,104		Measure A						
Plaza 7 Renovations	Tier 3	Yes	Yes	Not Started	\$200,000	\$200,000	Downtown Parking Permits						
Plaza 8 Renovations	Tier 3	Yes	Yes	Not Started	\$200,000	\$200,000	Downtown Parking Permits						
Pierce Road Sidewalk and San Mateo Drive Bik	Tier 2	Yes	Yes	Design	\$1,207,000	\$1,160,651	TIF						
Ravenswood Avenue (Alma to Marcussen) Stre		No	Yes	Pre-Design	\$100,000	\$100,000	Highway Users Tax		\$850,000	Highway Users Tax			
Santa Cruz and Middle Avenue Resurfacing	Tier 2	Yes	Yes	Bid/Award	\$2,483,580	\$2,219,046	Const. Impact Fee	Grant					
Sharon Road Sidewalk Installation	Tier 2	Yes	Yes	Design	\$935,000	\$899,970	General Capital						
Sidewalk Repair Program	Tier 2	Yes	Yes	N/A	\$557,628	\$456,940	Sidewalk Assessment	General Capital	\$550,000	General Capital	Keep; ongoing maintenance needs remain.		
Street Resurfacing Project	Tier 1	Yes	Yes	N/A	\$6,909,998	\$1,834,450	Const. Impact Fee	Highway Users Tax	\$2,025,000	Highway Users Tax	asphalt; additional funds would need to be identified for noise reduction or alternative pavements.		
Streetlight Conversion	Tier 3	Yes	Yes	Pre-Design	\$75,000	\$75,000	General Capital		\$1,300,000	General Capital	Delay \$650k of FY20/21 construction money out to future year (prioritize a smaller area for construction in 20/21)		\$650,000
Welcome to Menlo Park Monument Signs	Tier 3	No	No	Not Started	\$180,000	\$180,000	General Capital		\$400,000	General Capital	Delay FY20/21 construction money out to future year		\$400,000
Willow Road (Middlefield to US-101) Street Res	Tier 3	No	Yes	Pre-Design	\$150,000	\$150,000	Const. Impact Fee		\$1,000,000	Const. Impact Fee			
Willow Oaks Bike Connector		No	Yes						\$500,000	General Capital	Keep; construct with Willow Oaks Park Improvements and playground equipment replacement.		
					\$14,841,436	\$8,695,680			\$7,225,000			\$720,718	\$1,050,000

Traffic and Transportation													
Name	Priority	Requisite?	FY 20/21 progress planned?	Status	Carryover Budget	Available Budget	Funding Source 1	Funding Source 2	FY 20/21 Needs (As of FY19/20 Budget)	FY20/21 Source	Recommendations	FY 19/20 Savings	FY 20/21 Savings
Bayfront Expressway, Willow Road and Marsh	Tier 2	Yes	Yes	Construction	\$175,346	\$60,440	Measure A						
Dumbarton Rail Corridor Planning Support	Tier 3	No	n/a	Pre-Design	\$20,219	\$0	TIF						
El Camino Real Crossing Improvements	Tier 3	No	No	Design	\$307,087	\$261,401	TIF						
Haven Avenue Streetscape Improvements	Tier 2	No	Yes	Design	\$1,080,138	\$1,067,930	TIF	Grant					
Middle Avenue Caltrain Crossing Study Design	Tier 1	Yes	Yes	Design	\$6,394,957	\$6,137,882	TIF						
Middlefield Road and Linfield Drive, Santa Mon	Tier 3	No	No	Not Started	\$80,000	\$80,000	Measure A						
Oak Grove, University, Crane Bicycle Extensio	Tier 2	No	No	Not Started	\$81,837	\$80,825	General Capital						
Ravenswood Avenue Caltrain Grade Separatio	Tier 1	No	No	Study/Plan	\$295,920	\$295,477	General Capital						
Traffic Signal Modifications	Tier 3	Yes	Yes	Design	\$959,000	\$959,000	TIF		\$350,000	TIF			
Transit Improvements	Tier 2	Yes	Yes	Construction	\$46,570	\$28,788	TIF						
Transportation Master Plan	Tier 1	No	Yes	Study/Plan	\$90,261	\$24,157	General Capital						
Transportation Projects (Minor)	Tier 2	Yes	Yes	Construction	\$888,542	\$505,986	TIF	Measure A	\$175,000	General Capital	Keep; ongoing maintenance needs remain.		
Willow Road Transportation Study	Tier 3	No	No	On Hold	\$159,692	\$159,692	TIF						
Willows Neighborhood Complete Streets	Tier 3	No	No	Not Started	\$300,000	\$300,000	General Capital						
Willow/101 Interchange Improvements	Tier 1	Yes	Yes	Design	\$298,784	\$185,138	General Capital						
New project: Affordable Housing and Sustainable Communities Grant-funded	Tier 1	Yes	Yes	Pre-Design	\$0	\$0	Grant		TBD grant award	Grant	If awarded funds, project would advance.		
					\$11,539,353	\$10,146,716			\$525,000			\$0	\$0
Water System													
Name	Priority	Requisite?	FY 20/21 progress planned?	Status	Carryover Budget	Available Budget	Funding Source 1	Funding Source 2	FY 20/21 Needs (As of FY19/20 Budget)	FY20/21 Source	Recommendations	FY 19/20 Savings	FY 20/21 Savings
Automated Meter Reading	Tier 3	Yes	Yes	Pre-Design	\$1,096,494	\$1,090,680	Water Fund		\$1,800,000	Water Fund	Increase funding amount by \$775,000 to execute contract in FY20/21; work would continue into FY21/22.		-\$775,000
Emergency Water Storage/Supply	Tier 1	Yes	Yes	Construction	\$6,146,279	\$2,152,253	Water Fund		\$2,800,000	Water Fund	Project carryover is sufficient for planned work in FY20/21. Delay additional appropriation to FY21/22.		\$2,800,000
Lead Service Line Replacement Program	Tier 1	n/a	n/a	Done	\$225,000	\$225,000	Water Fund						
Reservior No. 2 Roof Replacement	Tier 2	Yes	Yes	Design	\$4,056,381	\$4,032,685	Water Fund				Increase funding amount by \$1,000,000 to execute contract in FY20/21.		-\$1,000,000
Reservoirs No. 1 and No. 2 Mixers	Tier 2	Yes	Yes	Design	\$98,908	\$98,908	Water Fund						
Urban Water Management Plan	Tier 2	Yes	Yes	Study/Plan	\$140,000	\$140,000	Water Fund						
Water Main Replacement Project (Annual)	Tier 1	Yes	Yes		\$3,641,148	\$2,184,143	Water Fund		\$3,600,000	Water Fund	Keep partial appropriation to support work on Haven Avenue, O'Brien Drive for FY20/21.		\$1,800,000
-- Water Main Repl. - Monte Rosa	Tier 1	Yes	Yes	Construction									
-- Water Main Rep. - Haven Avenue	Tier 1	Yes	Yes	Pre-Design									
Fire Flow Capacity Improvements	Tier 1	Yes	Yes		\$0	\$0			\$1,000,000	Water Fund	Keep; planned work on O'Brien Drive to upgrade fire flow capacity.		
					\$15,404,210	\$9,923,669			\$9,200,000			\$0	\$2,825,000
												TOTAL FY19/20	TOTAL FY20/21
												\$1,270,743	\$3,575,000

DIRECTOR OF EMERGENCY SERVICES/CITY MANAGER EMERGENCY ORDER NO.1

WHEREAS, the Centers for Disease Control and Prevention has stated that based on current information a novel coronavirus named “COVID-19” is a serious public health threat;

WHEREAS, a complete clinical picture of this respiratory disease is not yet fully understood;

WHEREAS, on March 3, 2020, and pursuant to Section 101080 of the California Health and Safety Code, the San Mateo County Health Officer (the “Health Officer”) declared a local health emergency throughout San Mateo County related to the novel coronavirus (“COVID-19”);

WHEREAS, on March 10, 2020, the San Mateo County Board of Supervisors ratified and extended this declaration of local health emergency;

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to help the state prepare for the spread of COVID-19;

WHEREAS, the San Mateo County Health Officer issued a statement on March 10, 2020, that evidence exists of widespread community transmissions of COVID-19 in San Mateo County;

WHEREAS, on March 11, 2020, the World Health Organization declared COVID-19 constituted a world pandemic;

WHEREAS, on March 11, 2020, the City Council of the City of Menlo Park declared a local emergency based on the current COVID-19 world pandemic;

WHEREAS, on March 14, 2020, the Health Officer prohibited all public or private gatherings of 50 or more people and urged the cancelation of all gatherings of 10 or more people in a single confined space;

WHEREAS, on March 16, 2020, the Health Officer issued an order that, among other things, directs all individuals currently living within San Mateo County to shelter in their place of residence (“Shelter-in-Place Order”), and authorizes individuals to leave their residences only for certain “Essential Activities,” Essential Governmental Functions,” or to operate “Essential Businesses,” all as defined in the Shelter-in Place;

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order No. N-33-20 ordering all individuals in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors; and

WHEREAS, the Governor empowered local cities to take actions to preserve and protect the health and safety of their communities in light of their own circumstances;

WHEREAS, building construction requires regular inspection services to ensure that completed work complies with both issued permits and applicable building standards and waiving such inspections increases the risk of defective and unsafe construction;

WHEREAS, the City has extremely limited construction inspection services and protective gear to prevent inspectors from contaminated job sites and the Federal and State governments have requested that such protective gear be preserve for essential health workers;

WHEREAS, the Council desires to do what it can to help slow the spread of COVID-19, reduce the load on local hospitals and emergency rooms, prevent unnecessary deaths and preserve construction inspection services and the related administrative resources for the most critical projects;

WHEREAS, the Council also recognizes that housing is indeed a priority for our community and the region, but the immediacy of curbing the current health emergency must take precedence to prevent further spread of the virus;

WHEREAS, the Council desires to resume housing construction at the earliest opportunity; and

WHEREAS, during the existence of this local emergency, pursuant to Municipal Code Chapter 2.44, the City Manager as Director of Emergency Services is empowered to make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency.

NOW, THEREFORE, the City Manager does hereby make the following order:

1. Effective immediately and until this order is terminated by the City Manager, all construction activity in the City of Menlo Park shall be temporarily suspended.
2. The City Manager will regularly review the need for this order to be in place and may elect to modify it should local circumstances or applicable law change.
3. Upon approval of the City Manager, construction activity in the government facilities and water and wastewater systems sector may be performed provided adequate social distancing mitigation measures can be achieved during both construction and inspection work.
4. The City Manager or designee may authorize limited exceptions to Section 1 of this order to protect life, health or safety provided they are consistent with Executive Order No. N-33-20 and/or subsequent applicable State or County orders.

Dated: 3/23/2020

DocuSigned by:
Starla Jerome Robinson
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City Manager

**CITY OF MENLO PARK DIRECTOR OF EMERGENCY SERVICES/CITY MANAGER
EMERGENCY ORDER NO. 2**

WHEREAS, the Centers for Disease Control and Prevention has stated that based on current information a novel coronavirus named “COVID-19” is a serious public health threat;

WHEREAS, a complete clinical picture of this respiratory disease is not yet fully understood, though it is highly contagious;

WHEREAS, on March 3, 2020, and pursuant to Section 101080 of the California Health and Safety Code, the San Mateo County Health Officer (“Health Officer”) declared a local health emergency throughout San Mateo County related to COVID-19;

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to help the state prepare for the spread of COVID-19;

WHEREAS, the Health Officer issued a statement on March 10, 2020, that evidence exists of widespread community transmissions of COVID-19 in San Mateo County; WHEREAS, on March 10, 2020, the San Mateo County Board of Supervisors ratified and extended the declaration of a local health emergency;

WHEREAS, on March 11, 2020, the World Health Organization declared COVID-19 constituted a world pandemic;

WHEREAS, on March 11, 2020, the City Council of the City of Menlo Park declared a local emergency based on the current COVID-19 world pandemic and empowered the Director of Emergency Services to take all necessary actions;

WHEREAS, on March 14, 2020, the Health Officer prohibited all public or private gatherings of 50 or more people and urged the cancelation of all gatherings of 10 or more people in a single confined space;

WHEREAS, on March 16, 2020, the Health Officer issued an order that, among other things, directs all individuals currently living within San Mateo County to shelter in their place of residence (“Shelter-in-Place Order”), and authorizes individuals to leave their residences only for certain “Essential Activities”, “Essential Governmental Functions,” or to operate “Essential Businesses,” all as defined in the Shelter-in Place Order;

WHEREAS, Government Code Section 8634 empowers the Director of Emergency Services to promulgate orders and regulations necessary to provide for the protection of life and property;

WHEREAS, during the existence of this local emergency, pursuant to Municipal Code Chapter 2.44, the City Manager as Director of Emergency Services is empowered to

make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency.

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order No. N-33-20 ordering all individuals in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors;

WHEREAS, the Governor empowered local cities to take actions to preserve and protect the health and safety of their communities in light of their own circumstances;

WHEREAS, the City Council desires to do what it can to help slow the spread of COVID-19, reduce the load on local hospitals and emergency rooms, prevent unnecessary deaths, and preserve limited resources in order to allocate them to the most critical projects; and

NOW, THEREFORE, the City Manager as the Director of Emergency Services does hereby make the following order:

1. Public Facilities Closures. For the duration of the local emergency, the following public facilities shall be closed to the public: City Hall; Arrillaga Family Recreation Center; Arrillaga Family Gymnasium; Arrillaga Family Gymnastics Center; Burgess Pool; Belle Haven Pool; Onetta Harris Community Center; Menlo Park Senior Center; Menlo Park Main Library and Belle Haven Branch Library; all public restrooms and playgrounds located in all public parks; Burgess Park skate park; all public tennis courts, and all public basketball courts.

2. Effective date. This order shall be effective immediately and shall terminate upon the earlier of (1) Director of Emergency Services order or (2) cessation of local emergency.

3. Enforcement. This order shall be enforceable as a misdemeanor as provided in Menlo Park Municipal Code Section 2.44.110.

Dated: 3/27/2020

DocuSigned by:

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 Director of Emergency Services

Approved as to form:

DocuSigned by:

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 Interim City Attorney

**CITY OF MENLO PARK DIRECTOR OF EMERGENCY SERVICES/CITY MANAGER
EMERGENCY ORDER NO. 3**

WHEREAS, the Centers for Disease Control and Prevention has stated that based on current information a novel coronavirus named “COVID-19” is a serious public health threat;

WHEREAS, a complete clinical picture of this respiratory disease is not yet fully understood, though it is highly contagious;

WHEREAS, on March 3, 2020, and pursuant to Section 101080 of the California Health and Safety Code, the San Mateo County Health Officer (“Health Officer”) declared a local health emergency throughout San Mateo County related to COVID-19;

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to help the state prepare for the spread of COVID-19;

WHEREAS, the Health Officer issued a statement on March 10, 2020, that evidence exists of widespread community transmissions of COVID-19 in San Mateo County;
WHEREAS, on March 10, 2020, the San Mateo County Board of Supervisors ratified and extended the declaration of a local health emergency;

WHEREAS, on March 11, 2020, the World Health Organization declared COVID-19 constituted a world pandemic;

WHEREAS, on March 11, 2020, the City Council of the City of Menlo Park declared a local emergency based on the current COVID-19 world pandemic and empowered the Director of Emergency Services to take all necessary actions;

WHEREAS, on March 14, 2020, the Health Officer prohibited all public or private gatherings of 50 or more people and urged the cancelation of all gatherings of 10 or more people in a single confined space;

WHEREAS, on March 16, 2020, the Health Officer issued an order that, among other things, directs all individuals currently living within San Mateo County to shelter in their place of residence (“Shelter-in-Place Order”), and authorizes individuals to leave their residences only for certain “Essential Activities”, “Essential Governmental Functions,” or to operate “Essential Businesses,” all as defined in the Shelter-in Place Order;

WHEREAS, Government Code Section 8634 empowers the Director of Emergency Services to promulgate orders and regulations necessary to provide for the protection of life and property;

WHEREAS, during the existence of this local emergency, pursuant to Municipal Code Chapter 2.44, the City Manager as Director of Emergency Services is empowered to

make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency.

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order No. N-33-20 ordering all individuals in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors;

WHEREAS, on March 31, the County Health Officer extended the Shelter in Place order to May 3 and issued additional restrictions regarding construction activity, recreational activity and other essential services;

WHEREAS, the Governor empowered local cities to take actions to preserve and protect the health and safety of their communities in light of their own circumstances;

WHEREAS, the City Council desires to do what it can to help slow the spread of COVID-19, reduce the load on local hospitals and emergency rooms, prevent unnecessary deaths, and preserve limited resources in order to allocate them to the most critical projects; and

NOW, THEREFORE, the City Manager as the Director of Emergency Services does hereby make the following order:

1. Public Facilities Closures. During the pendency of the local emergency, the following additional public facilities shall be closed to the public: Bedwell Bayfront Park (including trails, parking lot and other areas).
2. Effective date. This order shall be effective immediately and shall terminate upon the earlier of (1) Director of Emergency Services order or (2) cessation of local emergency.
3. Enforcement. This order shall be enforceable as a misdemeanor as provided in Menlo Park Municipal Code Section 2.44.110.

Dated: 4/17/2020

DocuSigned by:
Starla Jerome Robinson
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 Director of Emergency Services

Approved as to form:

DocuSigned by:
Cara E. Silver
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 Interim City Attorney



STAFF REPORT

City Council

Meeting Date:

4/28/2020

Staff Report Number:

20-093-CC

Regular Business:

Review projected revenue shortfalls resulting from the COVID-19 emergency, adopt Resolution No. 6556 amending the City Council adopted fiscal year 2019-20 general fund budget, and approve a budget strategy for fiscal year 2020-2021

Recommendation

City staff recommends that the City Council review a projected \$20.7 million revenue shortfall, spanning two fiscal years, resulting from the COVID-19 emergency, adopt Resolution No. 6556 amending the City Council adopted fiscal year 2019-20 general fund budget, and approve a budget strategy for fiscal year 2020-21, as follows:

1. Adopt Resolution No. 6556 amending the City Council adopted fiscal year 2019-20 budget amendments as summarized in table 1; and
2. Approve a budget strategy to guide preparation of the city manager's proposed fiscal year 2020-21 budget as summarized in table 6.

Policy Issues

The City Council delegates authority to the city manager to prepare a balanced budget. The fiscal year 2019-20 City Council adopted budget, approved June 18, 2019, was balanced and has subsequently experienced dramatic reductions in revenue resulting from the COVID-19 pandemic. City staff estimates that revenue and expenditure require modification to ensure the organization's long-term fiscal sustainability.

Background

On March 11 the City Council ratified a proclamation of local emergency issued by the city manager on that same day, in accordance with Menlo Park Municipal Code Chapter 2.44. With direction from the City Council to prioritize social distancing for members of the public and city staff, the City suspended all but essential services by the close of March 13. The precautionary measures recommended to control the COVID-19 pandemic will impact city services through most of fiscal year 2020-21.

Analysis

The unprecedented suspension of city services March 13, and the loss of tax revenue resulting from the COVID-19 pandemic is anticipated to impact the city's financial condition for the period beginning March 13 through June 30, 2021. With the City's fiscal year ending on June 30, the financial crisis impacts two fiscal years that require immediate attention to ensure the organization long-term fiscal sustainability.

Fiscal year 2019-20

While the City Council adopted a balanced budget for the current fiscal year, the unpredictable financial impacts of COVID-19 require budget amendments to maintain a balanced budget for fiscal year 2019-20. If the City Council takes no action, the City's general fund will reflect a deficit of \$2.32 million for the fiscal year ended June 30.

Table 1 summarizes the recommended amendment. Subsequent tables include details of the summary numbers included below and a brief narrative.

Table 1: Fiscal year 2019-20 General Fund budget amendment			
	Adopted	Year-end estimated	Recommended 4/28 amendment
Revenue			
Taxes	\$ 45,415,319	\$ 42,089,400	\$ (3,325,918)
Franchise fees	2,067,466	1,883,956	(183,510)
Permits and licenses	4,586,000	3,703,377	(882,623)
Charges for services	12,429,950	9,517,730	(2,912,220)
Other	3,715,746	3,004,744	(711,002)
Subtotal revenue	\$ 68,214,481	\$ 60,199,208	\$ (8,015,273)
Expenditures			
Personnel	\$ 44,689,302	\$ 42,430,100	\$ (2,259,203)
Operations	22,639,570	19,205,718	(3,433,851)
Subtotal expenditure	\$ 67,328,872	\$ 61,635,818	\$ (5,693,054)
Revenues less expenditures	\$ 885,609	\$ (1,436,610)	\$ (2,322,219)
Transfers			
Transfers in	\$ 547,200	\$ 547,200	\$ -
Transfers out	(3,179,900)	(3,506,100)	-
Subtotal net transfers	\$ (2,632,700)	\$ (2,958,900)	\$ -
Use of fund balance*	\$ 1,845,411	\$ 2,073,291	\$ 2,322,219
Net revenue	\$ 98,320	\$ (2,322,219)	\$ 0

Table 2 details revenue shortfalls totaling \$8.01 million.

Table 2: Fiscal year 2019-20 General fund revenue budget			
Revenue	Adopted	End-of-year estimate	Recommended amendment
Taxes			
Property	\$ 27,591,314	\$ 28,240,638	\$ 649,324
Sales	6,361,440	5,361,440	(1,000,000)
Transient Occupancy Tax	10,251,565	6,751,565	(3,500,000)
Utility Users' Tax	1,211,000	1,735,758	524,758
Franchise fees	2,067,466	1,883,956	(183,510)
Permits and licenses	4,586,000	3,703,377	(882,623)
Charges for services		-	-
Community Services	5,163,600	3,078,218	(2,085,382)
Community Development	1,448,150	1,084,300	(363,850)
Other	5,818,200	5,355,212	(462,988)
Other revenues	3,715,746	3,004,744	(711,002)
Subtotal revenue	68,214,481	60,199,208	(8,015,273)

The categories which are likely to see the largest impairment include transient occupancy tax (TOT or hotel tax,) revenue derived from charges for services, and permits related to development activity. During the stay at home order, several hotels have ceased operations while others are experiencing record lows in occupancy and room rates. In addition, the return to providing services is uncertain and may extend beyond the relaxation of the stay at home order. Combined with the decline in travel which preceded the stay at home order results in a TOT collection from March-June which is estimated to be 10 percent or less when compared to prior years.

Programs provided by the community services department, such as gymnastics classes, child care and sports leagues, are also heavily impacted by the stay at home order and have ceased revenue generation for the current fiscal year. Even with a relaxation of the stay at home order, these services have extremely low prospects of being utilized during the remainder of the fiscal year due to the congregate nature of the programming and the anticipated need for continued social distancing.

Finally, the cessation of development and building projects during the stay at home order impairs the collection of building and other categories of permits. The relaxation of a stay at home order does provide the prospect of some future collections within the current fiscal year but will be substantially impacted by the extended period of closure. Other revenues which will experience an impact, albeit of lesser magnitude, include land development charges, fines, and the likely loss of child care grant monies due to not providing services.

Table 3 details than budgeted personnel cost savings for fiscal year 2019-20 as the result of vacant positions, \$2.26 million. The City's vacancies fluctuate and the adopted budget includes a vacancy factor to allow for better use of limited resources. The savings below reflects projected personnel costs savings through June 30, above the assumed vacancy factor. While the savings help to offset the revenue loss in fiscal 2019-20, the current vacancies will remain budgeted unless the city manager recommends, and the City Council approves, elimination of positions.

Department	Adopted total	End-of-year estimate	Recommended amendment
Police	17,077,068	16,084,501	(992,567)
Public Works	7,035,067	6,452,027	(583,040)
Community Services	7,211,837	6,772,788	(439,049)
Library	2,934,759	2,815,884	(118,876)
Community Development	4,945,704	4,176,967	(768,737)
City Manager's Office	2,348,184	2,014,083	(334,101)
Administrative Services	2,311,853	2,298,922	(12,932)
Non-departmental	824,830	1,814,929	990,099
Subtotal personnel	44,689,302	42,430,100	(2,259,203)

The City budgeted \$1.20 million in vacancy savings for the current fiscal year, recorded as a negative expenditure, utilizing the non-departmental budget in recognition of the uncertainty of where actual vacancies would be realized. The recommended amendment reallocates that vacancy factor to departments based on actual vacancies and incorporates the higher-than-expected true vacancy rate based on experience throughout the year. As indicated, some areas such as community development have seen vacancy rates which are closer to 30 percent than the budgeted 4 percent. Other areas experiencing above-expected vacancies are the transportation section of public works and the sworn officers in the Police department.

Table 4 summarizes lower than budgeted non-personnel operating costs resulting from deferral of one-time expenditures, reductions in services provided to the community as a result of the COVID-19 pandemic, and deferral of training, totaling \$3.43 million.

Table 4: Fiscal year 2019-20 General Fund non-personnel budget			
Department	Adopted	End-of-year estimate	Recommended amendment
Police	\$ 4,051,565	\$ 4,059,027	\$ 7,463
Public Works	6,335,592	6,454,918	119,326
Community Services	2,985,093	2,177,104	(807,989)
Library	1,003,717	1,003,717	-
Community Development	3,591,490	2,777,127	(814,363)
City Manager's Office	1,623,782	1,450,317	(173,465)
Administrative Services	1,293,161	1,028,338	(264,823)
Non-departmental	1,755,170	255,170	(1,500,000)
Total non-personnel	\$ 22,639,570	\$ 19,205,718	\$ (3,433,851)

Major reductions occur in the departments whose services are no longer offered to the community during the stay-at-home order or which must be deferred due to that order. In community services, these include child care fees, contracted classes, gymnastics, and events and concerts, all of which are anticipated to be closed through the end of the fiscal year.

In community development, changes include El Camino Real/Downtown specific plan review deferral and reduced need for contract planning support. In Public Works, reductions in contract plan review, inspections, and deferred streetlight painting are offset by the regular annual amendment to incorporate the fund balance assigned to encumbered funds at the end of the prior fiscal year. These encumbered funds are obligations the City has made in prior fiscal years but which may not be fully paid in those fiscal years primarily due to the timing of accounting processes.

The largest single category, non-departmental, reflects the release of the \$1.50 million contingency fund adopted with the budget to account for service level considerations after the beginning of the fiscal year. This appropriation was not earmarked for specific projects and the expenditure will therefore not be realized.

Table 5 identifies three scenarios for use of reserve funds to balance the fiscal year 2019-20 general fund budget. The COVID-19 pandemic continues to impact operations and the reductions outlined above can easily change based on the City's response to COVID-19. With two full months of the fiscal year remaining, city staff recommends that the City Council authorize the use of up to \$2.9 million of the economic stabilization reserve to balance the general fund budget. Only the amount needed will be used and staff will report to the City Council any material expenditures that might impact the need to use reserve funds.

Table 5: Fiscal year 2019-20 Use of economic stabilization reserve			
	Pessimistic*	Most likely	Optimistic
Beginning reserve balance, July 1, 2019	\$ 14,000,000	\$ 14,000,000	\$ 14,000,000
Use of reserve (budget amendment)	(2,902,773)	(2,322,219)	(1,857,775)
SAMCEDA - SMCCounty Strong		(70,000)	
Ending reserve balance, June 30, 2020	\$ 11,097,227	\$ 11,607,781	\$ 12,142,225

*recommended amendment, however staff will only use the amount required to closed the General Fund deficit.

Since 2011, the City Council has held a fund balance policy for the general fund which establishes reserves for use in specific circumstances and allows the City flexibility when dealing with extraordinary events. The policy includes categories for emergency contingency, economic stabilization and strategic pension funding, recorded for accounting purposes as committed fund balances. The most applicable to the current situation, the economic stabilization reserve, has the following description in the City Council’s reserve policy:

The City of Menlo Park’s general fund balance committed for the purpose of stabilizing the delivery of City services during periods of severe operational budget deficits and to mitigate the effects of major economic uncertainties resulting from unforeseen change in revenues and/or expenditures is established at \$8,000,000. The City Council may wish to increase or decrease this amount, with the goal of providing an amount equivalent to 20-25 percent of the City’s annual operating budget for the general fund. This range serves as a sufficient cushion, safeguarding the City’s fiscal health against fluctuations in revenues and costs due to economic volatility. City Council approval shall be required before expending any portion of this committed fund balance. Access to these funds will be reserved for economic emergency situations.

Examples of such emergencies include, but are not limited to:

- An unplanned, major event such as a catastrophic disaster requiring expenditures which exceed the general fund emergency contingency reserve
- Budgeted revenue taken over by another entity
- Drop in projected/actual revenue of more than 5 percent of the general fund’s adopted revenue budget

The City Council retains full discretion over the use of these committed fund balances and, as such, must take affirmative action to appropriate them for use.

In addition to appropriating reserves, the City Council may consider support for small businesses in Menlo Park. On April 14, the San Mateo County board of supervisors approved a plan for the distribution of grants to small businesses through the San Mateo County Strong fund. The San Mateo County Strong business grant program offers a relatively easy vehicle for cities in the county to distribute grant money to struggling small businesses in their community without establishing their own program which would take longer and expend significant resources to administer. The County funded the small business program with \$1 million of seed money from Measure K funds with the hope that private and public entities would further bolster the fund with donations. That initial contribution by the county will be allocated to businesses by each jurisdiction’s population which means that Menlo Park businesses are expected to have \$43,720 of the \$1,000,000 available to them. With a maximum grant amount of \$10,000, this could result in as few as 5

small businesses benefiting from the grant program. To date, Redwood City, San Mateo and San Carlos have made contributions restricted to businesses in their communities while many others are considering a similar action. The City Council could consider a similarly geo-targeted donation to assist small businesses in Menlo Park.

Fiscal year 2020-21 budget strategy

To develop the city manager's proposed budget for review and adoption by June 30, 2020, staff requires City Council policy direction on how to offset the anticipated impacts of the COVID-19 pandemic on revenue in fiscal year 2020-21.

Given the extraordinary circumstances, unprecedented in modern times, and without clear indication that there will be federal support for local governments, the City must undertake a comprehensive evaluation of the baseline services offered in order to balance current needs with long-term fiscal sustainability.

With City Council direction, the following principles will guide the city manager's recommended budget for fiscal year 2020-21:

1. The City's long-term fiscal sustainability will continue to be the primary consideration in evaluating changes in revenue and expenditure. This includes:
 - a. A balanced budget where on-going operating revenue meet or exceed proposed operating expenditure to achieve a balanced budget;
 - b. The COVID-19 pandemic rises the occasion to utilize the economic stabilization reserve as a last resort; and
 - c. The medium-term economic impacts of the COVID-19 pandemic are unknown and use of the economic stabilization reserve must be measures to protect against additional negative information
2. The shock to city revenues resulting from the COVID-19 pandemic will require structural changes to all aspects of City expenditure which will ultimately reduce services to the public.
3. With personnel expenditure comprising the largest expenditure, the City desires to collaborate with employees to identify cost savings. Specifically:
 - a. Unrepresented management staff will lead by example and take reductions greater than what is asked of represented employees;
 - b. The City prefers to negotiate reductions in personnel cost with all represented units expected to contribute to the revenue shortfall; and
 - c. The nature of this fiscal crisis requires expedient action to prevent long-lasting damage to the City's fiscal health and may require layoffs if negotiations to reopen the closed contracts is unsuccessful.

Table 6 below outlines the summary recommendations which are followed by more detailed discussion of each component.

Table 6: Fiscal year 2020-21 General Fund budget strategy			
	Baseline	Recommended changes	Recommended strategy
Revenue			
Taxes	\$ 45,415,319	\$ (6,874,062)	\$ 38,541,256
Franchise fees	2,067,466	-	2,067,466
Permits and licenses	4,586,000	(747,290)	3,838,710
Charges for services	12,429,950	(5,066,991)	7,362,959
Other	3,715,746	-	3,715,746
Subtotal revenue	\$ 68,214,481	\$ (12,688,343)	\$ 55,526,137
Expenditures			
Personnel	\$ 44,689,302	\$ (4,570,057)	\$ 40,119,245
Operations	22,639,570	(6,100,000)	16,539,570
Subtotal expenditure	\$ 67,328,872	\$ (10,670,057)	\$ 56,658,815
Revenue less expenditure	\$ 885,609	\$ (2,018,286)	\$ (1,132,677)
Transfers			
Transfers in	\$ 547,200	\$ -	\$ 547,200
Transfers out	(3,179,900)	-	(3,179,900)
Subtotal net transfers	\$ (2,632,700)	\$ -	\$ (2,632,700)
Use of reserves or capital improvement funding	\$ 1,845,411	\$ 1,919,966	\$ 3,765,377
Net revenue	\$ 98,320	\$ (98,320)	\$ -

City staff want to emphasize that there is no historical analog in the modern economy to the COVID-19 pandemic and the prolonged stay-at-home order. It is highly likely that additional revenue impacts, either positive or negative, will be known at the end of the 2020 calendar year. Further, the impacts of the COVID-19 pandemic on financial markets will likely impact CalPERS investment returns resulting in increased pension costs in years following fiscal year 2020-21. City staff recommends extraordinary prudence in the creation of new on-going programs or services in light of uncertain impacts of the COVID-19 pandemic on city revenues and expenditures.

Revenue reductions

Table 7 details initial projected revenue reductions from the baseline set in the fiscal year 2019-20 adopted budget. Based on information available to staff as of the preparation of this report, fiscal year 2020-21 projected revenues are \$12.69 million, 18.6 percent, below baseline revenues. To provide perspective of the range of possibilities, staff identified pessimistic, most likely, optimistic estimates for the most significant revenues subject to COVID-19 pandemic induced volatility.

Revenue	Pessimistic	Most likely	Optimistic
Property taxes	\$ (293,715)	\$ -	\$ 293,715
Hotel taxes (TOT)	(7,691,119)	(5,534,568)	(3,378,018)
Sales taxes	(1,674,368)	(1,339,494)	(1,004,621)
Liscenses and permits			
Building	(901,923)	(409,965)	-
Engineering	(674,650)	(337,325)	-
Charges for services			
Planning	(438,916)	(199,507)	-
Gymnastics	(1,426,500)	(1,069,875)	(713,250)
Pre-school childcare	(2,244,000)	(1,683,000)	(1,122,000)
Contract classes	(737,500)	(553,125)	(368,750)
School-age childcare	(556,000)	(417,000)	(278,000)
Sports (youth & adult)	(743,700)	(557,775)	(371,850)
Rentals	(370,000)	(277,500)	(185,000)
Events & concerts	(106,000)	(106,000)	(106,000)
Other community services	(270,946)	(203,209)	(135,473)
Other revenue	(800,000)	-	400,000
Total revenue	\$ (18,929,337)	\$ (12,688,343)	\$ (6,969,247)

While the economic fallout from the COVID-19 pandemic may adversely impact property values, property tax is unlikely to experience a material negative decrease year-over-year in fiscal year 2020-21. A combination of annual inflation adjustments allowed under proposition 13 and a slowdown in real property improvements resulting from the economic uncertainty is most likely to impact fiscal years 2021-22 and beyond.

Hotel tax (transient occupancy tax or TOT) is the most volatile category, given its reliance on business and leisure travel. With major regional employers announcing cancellation of large events through June 30, 2020, it is unlikely that the demand for rooms at historic rates will return in 2020-21. The pessimistic outlook assumes approximately 10 percent of historical collections in the first quarter and never rising above 40 percent even by fourth quarter of the fiscal year. The optimistic outlook assumes a fairly quick bounce back

with revenue at 40 percent of historical in the first quarter and nearly recovered at 90 percent by fourth quarter of the fiscal year. The middle of those scenarios has about a 67 percent drop across the full year, considering the seasonality.

Land development related permits and charges for services (planning, building and public works) are all assumed to experience modest declines compared to baseline. To the best of staff's knowledge applicants continue to request the opportunity to submit improvements and building applications.

Of note is the revenue impacts projected for the community services department. While city staff anticipates a relaxation of certain stay-at-home orders, every indication is that extreme social distancing measures will severely limit or prohibit congregation events, classes, programs. With this in consideration, the pessimistic view is that the vast majority of community services will not reopen in fiscal year 2020-21. The optimistic estimation has community services reopening in January 2021 and the most-likely assumes April 2021.

Personnel cost reductions

The personnel costs for fiscal year 2020-21, salaries, wages and benefits, total \$44.24 million. Given the revenue shortfall anticipated in 2020-21, and the absence of clarity in the economic impacts resulting from the COVID-19 emergency, staff recommends a reduction to personnel costs of \$4.57 million, in fiscal year 2020-21. As demonstrated in table 8 below, which focuses on the most flexible categories of salaries and pension costs, these savings would follow guiding principles in order to achieve the recommended savings.

Table 8: 2020-21 General Fund personnel budget*	
Employee group	Baseline budget
City Council	\$ 43,536
Unrepresented management	4,573,182
Police Sergeants' Association	2,728,446
Police Officers' Association	8,031,365
AFSCME Local 829	4,697,220
SEIU Local 521	12,715,408
Unrepresented confidential	715,275
Subtotal personnel	33,504,432
Recommended change	(4,570,057)
Recommended strategy	\$ 28,934,375
*Includes negotiated inflation adjustments scheduled for July 2020, CalPERS pension increases, temporary employees, and overtime. Does not include internal service charges, medical, dental, vision, and other fringe benefits.	

Non-personnel cost reductions

In addition to personnel cost reductions, a comprehensive fiscal year 2020-21 budget strategy includes a reduction in non-personnel operating costs. Table 9 below outlines the baseline operating budget by department and category.

Department	Baseline	General operating	Utilities	Services	Fixed assets and capital outlay	Travel	Repairs and maintenance	Special projects
Police	\$ 4,051,565	\$ 2,120,328	\$ 167,908	\$ 934,687	\$ 83,261	\$ 3,500	\$ 392,801	\$ 349,080
Public Works	6,335,592	1,259,672	1,085,620	3,123,100	127,300	27,620	363,950	348,330
Community Services	2,985,093	1,329,429	481,604	987,700	77,060	28,000	72,100	9,200
Library	1,003,717	606,376	79,251	33,520	63,370	3,700	217,500	-
Community Developer	3,591,490	758,740	-	2,772,000	7,000	25,100	8,750	19,900
City Manager's Office	1,623,782	317,522	19,760	818,000	4,000	88,500	-	376,000
Administrative Services	1,293,161	418,353	16,308	828,000	3,000	27,100	400	-
Non-departmental	1,755,170	255,170	-	1,500,000	-	-	-	-
Total	\$ 22,639,570	\$ 7,065,590	\$ 1,850,451	\$ 10,997,007	\$ 364,991	\$ 203,520	\$ 1,055,501	\$ 1,102,510

The requested direction includes a total of \$4.1 million in non-personnel operating cost reductions with an additional \$2.0 million in potential reductions in order to offset the anticipated revenue shortfall.

Use of reserves and capital funding monies

The final lever available to achieve a balanced fiscal year 2020-21 budget in the face of the anticipated revenue shortfall is the use of reserves or capital funding monies. The aforementioned economic stabilization reserve is one available resource for use in fiscal year 2020-21. In addition, the general fund makes a regular transfer to the general capital improvement fund for use in capital projects. This transfer could be reduced or suspended in fiscal year 2020-21 and some monies transferred in prior years could be returned if projects were defunded or deferred into future years.

Summary

The unprecedented response to the COVID-19 pandemic has impacted households, businesses, nonprofits, and local governments in ways previously unimaginable. With the best information available to staff, for the period beginning March 2020 through June 2020, revenue is projected to decrease by \$20.7 million. No one area of the City can absorb a loss of this magnitude. The recommendation contained in this report represents a balanced approach whereby the \$20.7 million revenue loss is offset, in approximately equal parts by personnel cost savings, non-personnel cost savings, and use of reserves or unused capital improvement funds that originated in the general fund.

As we have grown begrudgingly accustomed, the circumstances surrounding the impacts of the COVID-19 pandemic change rapidly. Sadly, staff anticipates that the economic condition in fiscal year 2020-21 has potential to grow worse with few possibilities of returning to pre-COVID-19 operations. At midyear, January 2021, the City will have much more information from which to begin evaluate reversal of austerity measures recommended in this report.

In order to balance the City's fiscal year 2019-20 general fund budget, City staff recommends budget amendments impacting revenues and every City department. Those reductions, however, are insufficient to offset the estimated \$8.01 million shortfall. The City is currently in closed labor contracts with bargaining units and does not have time to negotiate a reopener to reduce employee compensation by the end of the

fiscal year, June 30. To that end, the recommended budget amendment includes use of the economic stabilization reserve.

In order to prepare a balance fiscal year 2020-21 general fund, staff recommends additional cuts to personnel costs, non-personnel costs and use of reserves of unused capital improvement funds that originated from the general fund.

Impact on City Resources

The recommended action is that the City Council:

1. Adopt Resolution No. 6556 amending the City Council adopted fiscal year 2019-20 budget amendments as summarized in table 1 with the following changes:
 - a. Reduce the general fund revenue budget by \$8.01 million (table 2;)
 - b. Reduce the general fund personnel budget by \$2.26 million (table 3;)
 - c. Reduce the general fund operating budget by \$3.43 million (table 4;)
 - d. Appropriate up to \$2.9 million from the economic stabilization reserve to balance the fiscal year 2019-20 budget (table 5;) and
 - e. Consider additional appropriation from the economic stabilization reserve to fund a request from San Mateo County Economic Development Association (SAMCEDA) for Menlo Park small business relief.
2. Approve a budget strategy to guide preparation of the city manager's proposed fiscal year 2020-21 budget as summarized in table 6 and contains the following elements:
 - a. Direct the city manager to reduce personnel costs, through negotiated concessions or layoffs, by \$4.57 million to offset the projected \$12.69 revenue shortfall in fiscal year 2020-21;
 - b. Direct the city manager to identify \$4.1 million, in non-personnel operating budget reductions for fiscal year 2020-21, plus an additional \$2.0 million for City Council consideration (table 9;) and
 - c. Direct the city manager to identify up to \$4.1 million in use of reserves and funding for capital improvement program to balance the fiscal year 2020-21 general fund budget.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Resolution No. 6556

Report prepared by:

Dan Jacobson, Assistant Administrative Services Director

Nick Pegueros, Assistant City Manager

RESOLUTION NO. 6556

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
AMENDING THE FISCAL YEAR 2019-20 GENERAL FUND BUDGET**

WHEREAS, on June 18, 2019 the City Council of the City of Menlo Park adopted the fiscal year 2019-20 budget and appropriated funds; and

WHEREAS, on March 11, 2020, the City Council of the City of Menlo Park declared a local emergency based on the current COVID-19 world pandemic; and

WHEREAS, on March 16, 2020, the San Mateo County Health Officer issued an order that, among other things, directs all individuals currently living within San Mateo County to shelter in their place of residence (“shelter-in-place order”), and authorizes individuals to leave their residences only for certain “essential activities,” essential governmental functions,” or to operate “essential businesses,” all as defined in the shelter-in place; and

WHEREAS, the local emergency has resulted in closure of services and resultant loss of charges for services revenue and general tax revenues are expected to be substantially impaired in multiple categories; and

WHEREAS, the resultant loss of revenue necessitates an amendment in general fund appropriations in order to balance the fiscal year 2019-20 budget;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Menlo Park does hereby resolve to:

- 1) Adopt the amendments to the budget outlined in Exhibit A, including the appropriation adjustments; and
- 2) Appropriate the use of fund balance in the general fund economic stabilization reserve committed fund balance in an amount not to exceed \$2,900,000.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-eighth day of April, 2020 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this twenty-eighth day of April, 2020.

Judi A. Herren, City Clerk

Exhibit A: Fiscal year 2019-20 General Fund budget amendment			
	Adopted	Year-end estimated	Amendment
Revenue			
Taxes	\$ 45,415,319	\$ 42,089,400	\$ (3,325,918)
Franchise fees	2,067,466	1,883,956	(183,510)
Permits and licenses	4,586,000	3,703,377	(882,623)
Charges for services	12,429,950	9,517,730	(2,912,220)
Other	3,715,746	3,004,744	(711,002)
Subtotal revenue	\$ 68,214,481	\$ 60,199,208	\$ (8,015,273)
Expenditures			
Personnel	\$ 44,689,302	\$ 42,430,100	\$ (2,259,203)
Operations	22,639,570	19,205,718	(3,433,851)
Subtotal expenditure	\$ 67,328,872	\$ 61,635,818	\$ (5,693,054)
Revenues less expenditures	\$ 885,609	\$ (1,436,610)	\$ (2,322,219)
Transfers			
Transfers in	\$ 547,200	\$ 547,200	\$ -
Transfers out	(3,179,900)	(3,506,100)	-
Subtotal net transfers	\$ (2,632,700)	\$ (2,958,900)	\$ -
Use of fund balance	\$ 1,845,411	\$ 2,073,291	\$ 2,322,219
Net revenue	\$ 98,320	\$ (2,322,219)	\$ 0