



SPECIAL MEETING MINUTES

Date: 6/28/2021

Time: 5:00 p.m.

Location: Zoom

Special Session

A. Call To Order

Mayor Combs called the meeting to order at 5:04 p.m.

B. Roll Call

Present: Combs, Mueller, Nash, Taylor, Wolosin

Absent: None

Staff: City Manager Starla Jerome-Robinson, Assistant City Attorney Tamar Burke, City Clerk Judi A. Herren

C. Regular Business

- C1. Approve resolutions: adopting the fiscal year 2021–22 budget and capital improvement plan and appropriating funds; establishing the appropriations limit for fiscal year 2021–22; establishing a consecutive temporary tax percentage reduction in the utility users' tax rates through September 30, 2022; establishing the salary schedule effective June 20, 2021; and establishing citywide salary schedule effective July 4, 2021 (Staff Report #21-125-CC) (Presentation) – **continued from June 22, 2021**

Assistant Administrative Services Director Dan Jacobson introduced the item.

- Victoria Robledo requested a break down on the holiday light costs and commented on a lack of transparency on the Community Engagement and Outreach Committee.
- N. Ollarvia requested information on equitable budget line items and applying that to the holiday lighting budget.
- Jason Ollarvia spoke in opposition of the holiday lightening budget and requested detail on the cost.

The City Council received clarification on Downtown maintenance staff and salaries, budgeting for lower than anticipated investment returns by CalPERS and use of strategic pension reserve fund, rehiring versus new hire onboarding process and priority on rehiring, and capital improvement projects (CIP).

The City Council discussed excess educational revenue augmentation fund (ERAF) as fully funded assumption, permanent street closures on Santa Cruz Avenue, earmarking excess ERAF funds for education and safety, holiday lights allocation and referring celebration lighting to the Parks and Recreation Commission, emergency preparedness, transportation staff and transportation master plan (TMP), review the financial management organizational resiliency headcount, sustainability staff request, user utility tax (UUT), safe routes to school, the classification of recreation coordinator, budgets for environmental impact report (EIR) to make some part of Downtown street closure permanent, gymnastics, and pay and equity.

The City Council took a recess at 8:20 p.m.

The City Council reconvened at 8:45 p.m.

ACTION: Motion and second (Wolosin/ Combs) to approve resolutions as amended: adopting the fiscal year 2021–22 budget including amendments and addendums updates made by the City Council (attachment) and capital improvement plan and appropriating funds; establishing the appropriations limit for fiscal year 2021–22; establishing a consecutive temporary tax percentage reduction in the utility users' tax rates through September 30, 2022; establishing the salary schedule effective June 20, 2021; and establishing citywide salary schedule effective July 4, 2021, passed 4-1 (Taylor dissenting).

C2. Adopt Resolution No. 6643 accepting fiscal year 2021-22 State Supplemental Local Law Enforcement Grant (COPS Frontline) in the amount of \$100,000; and approve a spending plan (Staff Report #21-136-CC) – **continued from June 22, 2021**

Police Chief Dave Norris made the presentation (Attachment).

- Jason Ollarvia requested statistics on Taser deployment and in support of reallocating these funds to police reform.
- N. Ollarvia spoke in support of the budget addressing equity and requested clarification on the need for funding Tasers.

The City Council received clarification on Taser deployment statistics and defibrillators equipped in police vehicles.

The City Council discussed public outreach and how to reimagine policing and a subcommittee to work with police chief on police reform.

ACTION: Motion and second (Combs/ Taylor) to adopt Resolution No. 6643 accepting fiscal year 2021-22 State Supplemental Local Law Enforcement Grant (COPS Frontline) in the amount of \$100,000; approve a spending plan, staff to provide monthly Taser and license plate reader reports to the City Council, and to equip defibrillators in all marked police vehicles, passed 4-1 (Nash dissenting).

D. City Councilmember Reports

D1. Appoint a representative to the Bay Area Water Supply & Conservation Agency and the Bay Area Regional Water System Financing Authority (Staff Report #21-128-CC) – **continued from June 22, 2021**

ACTION: Motion and second (Taylor/ Wolosin) to appoint Mayor Combs to the Bay Area Water Supply & Conservation Agency and the Bay Area Regional Water System Financing Authority with a term that ending June 30, 2025, passed unanimously.

City Councilmember Taylor reported out on One Shoreline Climate resiliency district, Menlo Park Community Center subcommittee and Community Amenities subcommittee meetings. City Councilmember Taylor also requested the addition of an agenda item to relocate senior center interim services to the Boys and Girls Club on Pierce Road. The Mayor provided direction for staff to work with the Council subcommittee to further explore.

City Councilmember Mueller announced an event with the Governor.

City Councilmember Wolosin reported on the Assembly and State Senate extending the statewide eviction moratorium.

Vice Mayor Nash reported on the redistricting meeting tomorrow, June 29, 2021.

City Manager Starla Jerome-Robinson reported on the housing workshop on Thursday, July 1, 2021.

E. Adjournment

Mayor Combs adjourned the meeting at 11:01 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of July 20, 2021.

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 closed session and regular meeting
 - Submit a written comment online up to 1-hour before the meeting start time:
menlopark.org/publiccommentJune28 *
 - Access the meeting real-time online at:
Zoom.us/join – Meeting ID 957 0559 2015
 - Access the meeting real-time via telephone at:
(669) 900-6833
Meeting ID 957 0559 2015
Press *9 to raise hand to speak

(670) Written public comments are accepted up to 1-hour before the meeting start time. Written messages are provided to the City Council at the appropriate time in their meeting.

- Watch 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 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.



FISCAL YEAR 2021-22 BUDGET ADOPTION

June 22, 2021

ARRIENGA FAMILY
GYMNASIUM



AGENDA

- Summary of budget changes
- Enabling resolutions
- Final City Council direction and adoption





REQUESTED DIRECTION

- Provide any additional direction for changes to proposed budget
- Adopt resolutions:
 - No. 6633 adopting the fiscal year 2021-22 budget and capital improvement plan and appropriating funds
 - No. 6634 establishing the appropriations limit
 - No. 6635 establishing a consecutive temporary tax percentage reduction in UUT rates through September 30, 2022
 - No. 6636 establishing the salary schedule effective June 20, 2021
 - No. 6637 establishing the salary schedule effective July 4, 2021



SUMMARY OF CHANGES



PROPOSED FISCAL YEAR 2021-22 BUDGET

- **Balanced General Fund budget**
 - \$61.49 million revenues and resources
 - \$61.49 million expenditures and requirements
 - \$0 surplus/(deficit)
 - Includes transfer from American Rescue Plan Act Fund of \$2.91 million



TIER 1 ENHANCEMENTS

- Responsive to interests expressed by City Council during goal setting

Ref. #	Service Level Enhancement	Cost (\$ millions)	FTE
1	Augmentation of contract-supported capacity in the building division	0.45	0.00
2	Improved turnaround time for plan check review and building permit issuance	0.38	3.00
3	Restoration of planning staffing levels	0.30	1.50
4	Heritage tree ordinance implementation and downtown maintenance team	0.63	5.00
5	Increase capacity for transportation capital projects and improve use of mapping tools	0.16	1.00
7	Economic development management	0.25	1.00
8	Sustainability staff capacity for climate action plan implementation	0.15	1.00



CITY COUNCIL ADDITIONS

- Directed by City Council during public hearing

Ref. #	Service Level Enhancement	Cost (\$ millions)	FTE
CC1	Rental and mortgage assistance outreach	0.125	0.00
CC2	Eviction and incidental assistance	0.125	0.00
CC3	Small business relief	0.250	0.00

TIER 2 OPTIONS

- Restoration of services eliminated starting in fiscal year 2020-21

Ref. #	Service Level Enhancement	Cost (\$ millions)	FTE
10	Enhanced police record-keeping, data collection, and quality assurance	0.10	1.00
12	Restoration of library and community services programs and services eliminated due to pandemic	0.60	6.00



TIER 3 OPTIONS

- Improvement of customer service and leveraging technology

Ref. #	Service Level Enhancement	Cost (\$ millions)	FTE
13	Enterprise systems optimization	0.37	3.00
14	Financial management organizational resiliency	0.36	2.00



PENDING OPTIONS

- Service level enhancements proposed but requiring additional direction

Ref. #	Service Level Enhancement	Cost (\$ millions)	FTE
16	Gymnastics program delivery options	Unknown	Unknown
17	Restoration of holiday lighting at City parks	0.09	0.00



REVENUE CONSIDERATIONS

- Resource options
 - ARP funds up to full \$8.30 million allowable
 - Excess ERAF assumption, up to \$1.81 million available with 100 percent assumption
 - Utility users' tax temporary rate lapse, up to \$3.0 million available at maximum rate
- Proposed budget includes transfer from American Rescue Plan Act Fund to General Fund of \$2.91 million
- Additional City Council-directed changes to the budget require accompanying resource



ENABLING RESOLUTIONS





RESOLUTION NO. 6633

- Adopts the fiscal year 2021-22 budget and capital improvement plan and appropriates funds
- Authorizes changes directed during adoption and clerical clean-up
- Authorizes payments up to budgeted amounts for:
 - Debt service on currently-issued debt
 - Utilities
 - Employee benefits
 - Inter-governmental agreements
 - City Attorney fees
 - IT ISF hardware and software subscription services



RESOLUTION NO. 6634

- Establishes the appropriations limit at \$71.23 million
- Meets California Government Code requirements
- Appropriations limit calculations
 - Prior year limit, \$67.93 million, plus population and inflation adjustment
 - Proceeds of taxes subject to limit total \$49.44 million
 - Results in appropriations \$21.79 million below limit
- Amounts may be adjusted depending on direction received during adoption



RESOLUTION NO. 6635

- Establishes a consecutive utility users' tax temporary reduction
- 12-month maximum reduction length
- Rate set to 1 percent for all categories, lowered from 2.5-3.5 percent in Menlo Park Municipal Code
- Previous temporary reduction expires on September 31, 2021 if not adopted



RESOLUTION NOS. 6636 AND 6637

- Sets the schedule for pay for all regular classifications
- Resolution No. 6636 – effective date June 20, 2021
 - Implements previously agreed-upon COLA deferred due to effects of pandemic
 - Effective date based on agreements between City and SEIU, AFSCME, and unrepresented confidential employees
- Resolution No. 6637 – effective date July 4, 2021
 - Implements previously agreed-upon differential increase for police sergeants
 - Adds Planning Manager classification, unrepresented division manager position



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THANK YOU



AMERICAN RESCUE PLAN ACT FUNDS

- Stimulus money budgeted in newly-created special revenue fund, American Rescue Plan Act Fund
- Estimated \$8.30 million total Federal stimulus, disbursed in fiscal years 2021-22 and 2022-23
- \$2.91 million budgeted as transfer to General Fund
 - Revenue backfill model allows agencies to use stimulus funds to replace lost revenues
 - Maximum amount, \$11.07 million, exceeds ARP allocation



FUNDED CITY COUNCIL PRIORITIES

- 2020 census redistricting
- 2022 housing element and related zoning code updates and documents
- Caltrain rail corridor quiet zone analysis
- Climate Action Plan
 - No. 1 – explore policy/program options to convert 95% of existing building to all-electric by 2030
 - No. 4b – Middle Avenue rail crossing and complete street
- ConnectMenlo community amenities list update
- Menlo Park Community Campus



UNFUNDED CITY COUNCIL PRIORITIES

- Reimagining downtown
- Reimagining public safety



PROPOSED FISCAL YEAR 2021-22 BUDGET

- Changes to budgeting/accounting
 - One-time Revenue Fund
 - American Rescue Plan Act Fund (\$4.15 million revenue, \$2.91 million expenditures)
 - Bayfront Mitigation Fund (no expenditures)
 - New special revenue funds for grant activities
 - Transparency on pension components
 - Reintroduction of vacancy factor



FUNDING THE CIP

- General fund: annual transfer of approximately \$3m
- Other sources:
 - Grants
 - Dedicated sources: water, transportation impact, stormwater, solid waste, etc.
 - Development agreement community benefits (e.g., Downtown amenities fund)
- Prior fiscal years, surplus revenues at the end of the year used to pre-fund CIP projects for the following year:
 - Santa Cruz Avenue Sidewalks (Phase 1)
 - Chrysler Pump Station
 - Nealon Park Playground
 - Sharon Road Sidewalks



RESOURCES

2019-20 ADOPTED BUDGET

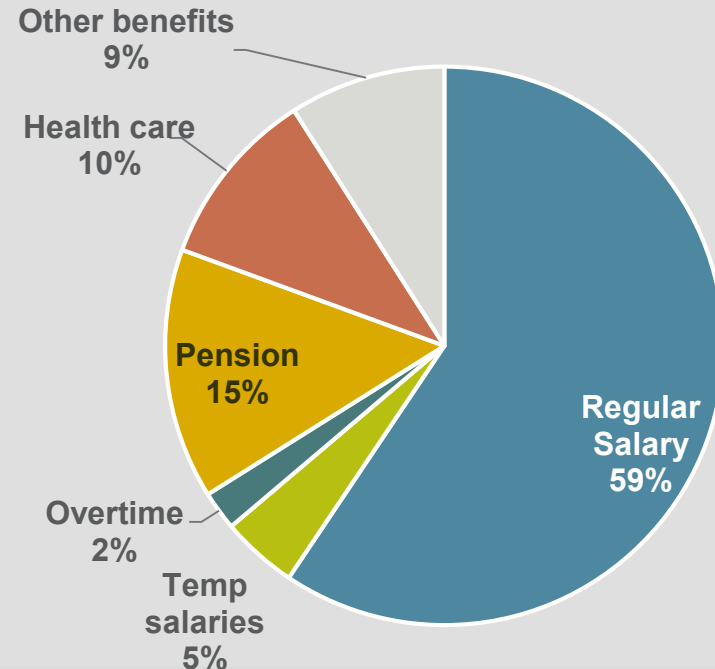
■ Staffing

- 286.75 FTEs
- 28.50 vacant as of January 7
- \$52.33 million salaries & benefits
- 63.3% of General Fund revenue
- Temporary staff = estimated 55-65 FTEs
- 9 Retired annuitants

■ Contract services

- \$13.84 million = estimated 20-30 FTEs

Personnel costs, all funds





HOW HAS OUR STAFFING CHANGED?

2017-18

278 FTEs

+6.0 police personnel, Community Response Team
+1.0 management analyst, housing
+1.0 asst. to the city manager, special projects
+8.0 FTEs, approved June 20, 2017

2018-19

287.25 FTEs

+3.0 library personnel
+2.0 water division personnel
+1.0 code enforcement
+1.0 construction inspector
+1.0 human resources technician
+0.75 gymnastics instructor
+0.50 police dispatcher
+9.25 FTEs, approved June 19, 2018

2019-20

286.75 FTEs

-1.0 red light enforcement officer
+0.5 CIP engineer, provisional
-0.5 FTEs, approved June 18, 2019

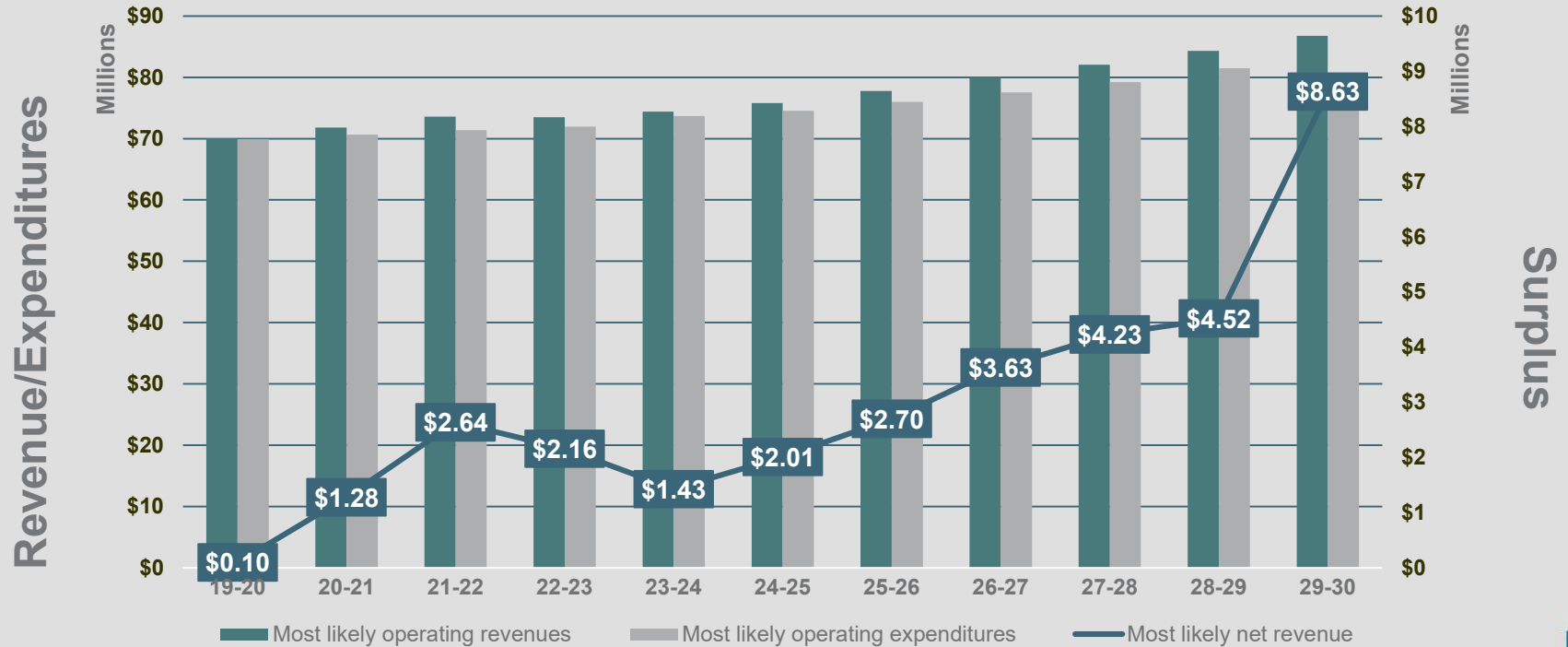


2019-20 AUTHORIZED FULL-TIME EQUIVALENT (FTE) PERSONNEL

Department	Regular FTEs	Provisional FTEs	Total FTEs
City Council & Attorney	6.00	--	6.00
City Manager's Office	10.00	--	10.00
Administrative Services	20.75	2.00	22.75
Community Development	31.00	--	31.00
Community Services	52.75	--	52.75
Library	18.25	--	18.25
Police	76.50	--	76.50
Public Works	69.00	0.50	69.50
Total	284.25	2.50	286.75



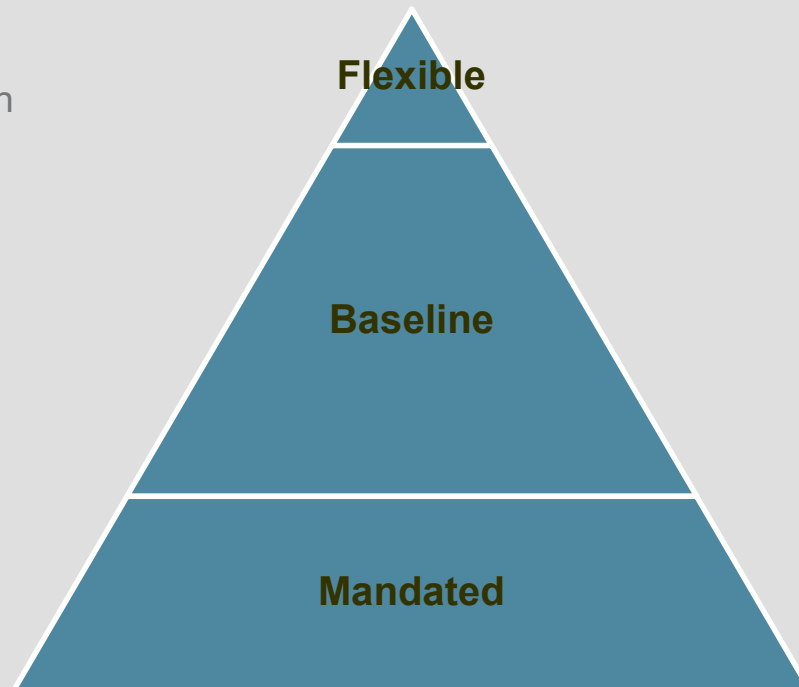
GENERAL FUND 10-YEAR FORECAST



HOW ARE STAFF RESOURCES ALLOCATED?



- **Mandated**
 - Federal, State law; potential risk for violation
 - Municipal Code; City Council discretion
- **Baseline**
 - Mission critical services
 - Day-to-day programs
- **Flexible**
 - Projects oriented
 - Not mission critical



COMMUNITY DEVELOPMENT FUNCTIONAL AREAS



Ref #	Community Development	% of available hours												31.00
		0	25	75	100									
10	Planning	[Bar chart showing 13.90 hours: 12 red, 1 yellow, 1 green]												13.90
11	Building - inspections	[Bar chart showing 6.30 hours: 6 red, 1 yellow, 1 green]												6.30
12	Building - plan checks	[Bar chart showing 1.30 hours: 1 red, 1 yellow]												1.30
13	Building - permitting	[Bar chart showing 6.30 hours: 5 red, 1 yellow, 1 green]												6.30
14	Housing	[Bar chart showing 2.15 hours: 2 red, 1 yellow, 1 green]												2.15
15	Economic development	[Bar chart showing 1.05 hours: 1 yellow, 1 green]												1.05

January 7 vacancy rate = 17.7%

COMMUNITY DEVELOPMENT FUNCTIONAL AREAS



Functional area	FTEs	Mandated	Baseline	Flexible
Planning	13.00	75%	20%	5%
Building – inspections	6.30	80%	20%	--
Building – plan checks	1.30	75%	25%	--
Building – permitting	6.30	90%	10%	--
Housing	2.15	25%	50%	25%
Economic development	1.05	--	35%	65%
Total	31.00			

January 7 vacancy rate = 17.7%



PLANNING DIVISION

Mandated activities

- Development review
- Building permit review
- Planning Commission meetings
- Housing Element/Update
- Code updates for compliance with State law
- Sign Permit review
- Special Events permit review
- PRAs

Baseline activities

- Public information counter
- Handouts
- Website maintenance
- Zoning Compliance Letters
- Business license review
- Code enforcement assistance
- Development Review Team (DRT)/pre-application

Flexible

- GIS/Data/Graphics
- Community events (e.g. Facebook festivals)
- Menlo Perk initiatives
- City teams (Communications Team, Branding Team, Employee Recognition)
- Specific Plan revisions
- General Plan revisions
- Professional development

2020 COMMUNITY DEVELOPMENT PROJECTS

- Carryover projects
 - El Camino Real/ Downtown Specific Plan update
 - Single-family residential design review
 - Implementation of the new land management system
 - Zero waste ordinance implementation
 - Energy reach codes implementation
 - Heritage tree ordinance implementation
- New projects
 - Belle Haven Community Center and Library project support
 - ConnectMenlo community amenities list update
 - Secondary dwelling units ordinance update
 - 2022 Housing Element, zoning code update and related work



CHALLENGES IN 2020

- Too many or unclear City Council priorities
- Lack of transparency in ad hoc requests submitted to staff
- Inconsistent expectations of advisory bodies
- Employee retention



NEXT STEPS

- January 28
 - City Council acceptance of the BHCCL proposal
 - Staff report, published 1/23
- January 30
 - Goal-setting session
 - Staff report, published 1/23
- February 25
 - Adopt 2020 City Council priorities and work plan
 - Adopt 2020-21 budget principles



THANK YOU