

CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL

Mayor Schroder called the meeting to order at 7:10 p.m. in the Council Chambers.

PRESENT: Lara DeLaney, Councilmember, Janet Kennedy, Councilmember, Mark Ross
Councilmember, and Rob Schroder, Mayor.

EXCUSED: Michael Menesini, Vice Mayor.

ABSENT: None.

PRESENTATION(S)/PROCLAMATION(S)

A. Presentation by the Martinez Historical Society.

John Curtis, President of the Historical Society, introduced Kathy Yates, Richard Patchin, and Paul Kraitz. Mr. Curtis discussed their recently published book "To All Inquiring Friends..." having to do with letters from Nantucketers in Martinez and San Francisco, between the years of 1851-1863. He also mentioned other books published by the Society and noted copies were available for sale. Copies of the newest book were distributed to the Council.

B. Budget Presentation.

City Manager Phil Vince introduced the proposed 2009-2011 balanced budget. City Manager Vince stated that the 8% of the property tax share that is being taken by the State (roughly \$847,000) will be covered from the General Fund Reserves. He recapped 2007-2009 accomplishments, grant opportunities, budget adjustments, and highlights.

Assistant City Manager Lianne Marshall presented 2009-2011 General Fund Revenue Projections, Property Tax, Sales Tax and Franchise Fees, Expenditure Projections, General Fund Summary, and Summary of all Fund Expenditures. Ms. Marshall reviewed the Administrative Services Department 2009-2011 Key Objectives.

Planning Manager Terry Blount presented the Community and Economic Development Department 2009-2011 Key Objectives; City Engineer Tim Tucker presented the Capital Improvement Program and Enterprise Funds.

Chief of Police Tom Simonetti presented the Police Department 2009-2011 Key Objectives.

Public Works Director Dave Scola presented the Public Works Department 2009-2011 Key Objectives.

Staff also responded to questions/comments from the Council, as follows:

Councilmember Ross asked if green building practices and energy efficiencies would be implemented even before the ordinances are enacted. Mr. Scola confirmed that was one of department's priorities.

Councilmember DeLaney asked about funding for the General Plan update; City Manager Vince stated that \$600,000 has been allocated for Mr. Blount's time and for EIR costs. Councilmember Delaney also asked about the historic inventory project and development of the Mills Act project. City Manager Vince stated that the Mills Act funding will help pay for 630 Court Street along with seismic upgrade funding. He indicated that the draft historic inventory is almost finished, although the Unreinforced Masonry Ordinance would be a higher priority.

Councilmember DeLaney asked about future staffing needs that are currently being met through contract staff, particularly related to the marina. Staff confirmed there was funding for a part-time position, although the enterprise fund could be used to pay for future marina staffing. She also commented on impacts from reduced sales tax revenue. Mayor Schroder noted that a replacement business will probably be moving into the City, which should equalize the tax revenues.

Councilmember Kennedy asked when the amount of the one-time offsets would be known.

Mayor Schroder opened public comment on the item.

Kristin Henderson asked how community development block grant funding was projected to be used for redevelopment education. She also commented on green building practices and the historic building inventory.

Mike Alford asked why staff didn't get a \$1 million grant for the train station and funding from Measure WW. Mr. Alford also questioned why redevelopment was still listed as a goal of the Economic Development Department rather than revitalization.

Paul Wilson asked why City staff will be spending time helping RCD, a private developer, especially given the opposition to the project by the neighbors. He questioned continued focus on developing a railroad quiet zone because a train operator is required to sound his horn upon entering and leaving a station, and he asked about projected sales tax from a new business coming into town.

Donald Pallotta representing the Park, Recreation, Marina, and Cultural Commission, asked whether a letter from the Commission related to allocations made by the Commission in the past was received by the Council. He asked the process for asking for the funding to be reinstated.

Phil Ciaramintaro provided a revised Marina improvement list to the City Manager and asked for funding for the improvements. Mayor Schroder asked if the Council would be willing to expend staff resources to work with Mr. Ciaramintaro.

Councilmember DeLaney said she would be interested in hearing staff's input on the matter. She also asked for more information on the Shell Oil climate planning allocation.

Mr. Pallotta discussed the possibility of using Measure WW funding, but not for two years. He encouraged the Council to consider allowing staff to work with Mr. Ciaramintaro. Mr. Vince indicated willingness to investigate the project list. Mayor Schroder deferred the issue to the Park, Recreation, Marina, & Cultural Commission for input to the Council.

Councilmember Kennedy expressed support for improvements to the Marina, but she indicated that Measure H was more of a priority. She agreed it should go to the PRMCC first.

Seeing no further speakers, Mayor Schroder closed public comment on the item.

Councilmember Kennedy said she would like more information on how the funding from Measure H and Measure WW can be used.

Councilmember DeLaney asked for clarification on the projected PERS increases, and she asked about the funding level for retiree medical benefits.

Councilmember Ross commented on the City's foreclosure rate, noting it is half the countywide rate and should not affect property tax revenues in the short term but may in the long term. He also noted there is still a 25% reserve for the next two fiscal years, which is commendable.

Mayor Schroder asked for input from the Council regarding Mr. Pallotta's request to reinstate the \$5,000 funding for the PRMCC to allocate for small projects. Councilmember DeLaney indicated agreement with the recommendation from the Budget Subcommittee.

Councilmember Kennedy agreed, although she noted that past allocations from the Commission were very conservative. She indicated support for the Commission to serve in an advisory capacity for future requests.

Councilmember Ross expressed that \$5,000 seems small compared to the money the state will be taking. He asked for more information on the process. Mayor Schroder said he thought the budget should be left as it is since the Council can decide in the future to allocate the \$5,000 to the Commission if it seems prudent.

The Council expressed appreciation to the staff for their work on the budget.

PUBLIC COMMENT

(COMPLETE SPEAKER CARD AND GIVE TO CLERK) Reserved only for those requesting to speak on items not listed on the Agenda.

Michael Alford responded to a past question from the Mayor regarding why the doctors do not come to the Council directly and state their concerns regarding upper respiratory health problems. He also stated that he is doing a study on how much soot the switching engines are pumping, which he will be present to the Council in the future.

Rich Verrilli spoke on increased traffic on Alhambra and Bertola and requested a flashing crosswalk and signage be installed.

Tom Lewis commented on the proposed Pacheco annexation and wanted to know what the City and property owners would gain from annexing. Mayor Schroder briefly responded. Mr. Lewis asked why the City would agree to keeping the zoning as it is. Mayor Schroder deferred to Mr. Vince, who agreed to meet with Mr. Lewis privately.

Paul Wilson also commented on the proposed Pacheco annexation and spoke on a disturbing incident which happened to him recently while driving home after dark. He expressed concern about public safety in his neighborhood.

Seeing no further speakers, Mayor Schroder closed public comment.

CONSENT CALENDAR

MOTION WAIVING READING OF TEXT OF ALL RESOLUTIONS AND ORDINANCES.

1. Motion approving City Council Minutes of April 29, and May 6, 2009. [M.Cabral]
2. Motion approving Check Reconciliation Registers dated 05/21/09 and 05/27/09.[C.Heater/02.01.01]]
3. Resolution No. 047-09 adopting the City's Climate Action Plan.[M.Chandler/]
5. Resolution No. 049-09 finding a severe fiscal hardship will exist if additional local property tax funds are seized and additional unfunded mandates are adopted by the State of California; and authorizing the Mayor to send letters of protest.[M.Chandler/].

Councilmember Ross asked that Item 4 be pulled for further discussion.

Mayor Schroder opened public comment on Items 1, 2, 3 and 5 of the Consent Calendar.

Paul Wilson commented on Item 5, asking whether the Council wanted to secede from the state and its programs. He thought the language was too strong.

Michael Alford asked about the Climate Action Plan that was proposed, which Councilmember Ross discussed. Mr. Alford agreed with Mr. Wilson regarding the strong language in the proposed protest letter.

Rich Verrilli said he thought the letter proposed for Item 5 was very appropriate.

Kathi McLaughlin noted there is a meeting in Sacramento in July to address funding issues for school districts and cities. She encouraged the Council to attend also.

Seeing no further speakers, Mayor Schroder closed public comment on the Consent Calendar.

Councilmember DeLaney asked that the minutes in Item 1 be separated since she was not in attendance at the May 6 meeting.

On motion by Mark Ross Councilmember, seconded by Janet Kennedy, Councilmember, to approve Items #2, #3, #5 of the Consent Calendar. Motion unanimously passed 4 - 0. Yes: Lara DeLaney, Councilmember, Janet Kennedy, Councilmember, Mark Ross Councilmember, and Rob Schroder, Mayor, Absent: Michael Menesini, Vice Mayor.

On motion by Lara DeLaney, Councilmember, seconded by Mark Ross Councilmember, to approve City Council Minutes of April 29, 2009 Motion unanimously passed 4 - 0. Yes: Lara DeLaney, Councilmember, Janet Kennedy, Councilmember, Mark Ross Councilmember, and Rob Schroder, Mayor, Absent: Michael Menesini, Vice Mayor.

On motion by Janet Kennedy, Councilmember, seconded by Mark Ross Councilmember, to approve City Council Minutes of May 6, 2009. Motion passed 3 - 0. Yes: Janet Kennedy, Councilmember, Mark Ross Councilmember, and Rob Schroder, Mayor, Absent: Michael Menesini, Vice Mayor, Recuse: Lara DeLaney, Councilmember.

4. Resolution No. 048-09 authorizing the filing of a grant application for the Energy Efficiency and Conservation Block Grant Program as a part of the American Recovery and Reinvestment Act of 2009 to fund the purchase of new LED and solar street and parking lot lights and conversion of existing lighting to LED and solar technology.[M.Chandler/]

Councilmember Ross noted that this was part of the stimulus funding, and he noted that the new lights would be more energy efficient.

Mayor Schroder opened public comment on the item.

An unidentified member of the public encouraged the Council to find American-made lighting.

Seeing no further speakers, Mayor Schroder closed public comment on the item.

On motion by Lara DeLaney, Councilmember, seconded by Janet Kennedy, Councilmember, to approve Resolution No. 048-09 authorizing the filing of a grant application for the Energy Efficiency and Conservation Block Grant Program as a part of the American Recovery and Reinvestment Act of 2009 to fund the purchase of new LED and solar street and parking lot lights and conversion of existing lighting to LED and solar technology. Motion unanimously passed 4 - 0. Yes: Lara DeLaney, Councilmember, Janet Kennedy, Councilmember, Mark Ross Councilmember, and Rob Schroder, Mayor, Absent: Michael Menesini, Vice Mayor.

PUBLIC HEARING(S)

CITY MANAGER

6. City Manager Comment(s)/Update(s)/Report(s).

City Manager Phil Vince updated the Council on the City's progress indicating that much of staff efforts were in putting the budget together, focusing on the marina entitlements and working on trying to attract as much private investment as we can.

7. Chief of Police Comment(s)/Update(s)/Report(s).

Chief Simonetti commented that he was late tonight because he was presenting the Tarantino Starzyk Scholarship to John Del Fiorentino, Senior at Alhambra High School.

APPOINTMENTS TO COMMISSIONS AND/OR AGENCIES

CITY COUNCIL

8. Consider the Martinez Unified School District request for financial support in fiscal years 2009/10.[P.Vince/6.10.01]

Rami Ruth, Superintendent of Martinez Unified School District presented the School District's request, focusing on a comparison of the budget before and after the special election. She and Liz Robbins, the Chief Budget Official for the District, also responded to questions from the Council, as follows:

Councilmember DeLaney asked for clarification on the District's restricted and unrestricted reserves. She questioned whether the restricted reserves would be available for the District's use, given that this is a financial crisis for them. Ms. Robbins confirmed that the reserves could be used, but then would need to be re-funded before the next budget year, which would not be possible.

Councilmember Ross asked for more information on the State qualification process for the District's budget, which Ms. Robbins discussed. She also expressed concern about the District's need to have funds in case of a lawsuit, which Councilmember DeLaney noted is a necessity for the City as well.

Mayor Schroder commented on the consequences of the District using the restricted reserves. Ms. Muth said the District would like to do whatever is necessary to avoiding additional personnel cuts to the schools this year.

Councilmember Ross asked what other school districts have faced consequences from the County. Ms. Robbins mentioned West Contra Costa, Knightsen, and John Swett. He also asked what class size the District was targeting and how many teacher jobs could be saved with the assistance from the City. Ms. Muth said the goal was 25:1 student:teacher ratio, and 7 teacher jobs could potentially be saved. As a graduate of the District, Councilmember Ross expressed his support for the District, noting that students cannot be rebuilt like roads and other infrastructure. He was interested in seeing some conditions to the City's assistance, however.

Councilmember DeLaney asked about the COLA built in to the budget. Ms. Robbins said there is none for the employees. She acknowledged that the state applied an 11% COLA to the revenues, but then deficiated the District 13% so there is a net loss.

Councilmember Kennedy asked about the impacts of the parcel tax that the voters passed. Ms. Muth said they would not be funded until the next budget cycle, and they are specified for smaller class sizes, libraries, etc.

Mayor Schroder opened public comment on the item.

Richard Verrilli expressed full support for the City helping the School District.

Kristin Henderson asked about administrative costs to reinstate employees that are laid off now, and whether the District would be forever set at a 25:1 class size. She also noted that there are economic stresses throughout the State currently, and others will be affected by the Council's

decision tonight. She asked about impacts from ERAF. Ms. Muth said that keeping class sizes small is a firm goal of the District, but administrative costs would be minimal. Ms. Robbins indicated that ERAF is calculated in the property taxes, but does not affect District funding.

Megan Johnson read a letter from Jenny, a first grade teacher at Morello Park Elementary regarding the impacts on students in the community. Ms. Johnson cautioned that teachers will lose their jobs if the City does not help the District. She urged the Council to approve the grant.

Tom Lewis asked the Council to do its best to help the District, noting that the students are one of the most valuable resources the City has.

Bob Wolfsinger, parent and teacher, commented on the practical aspects if the District uses its reserve. He also discussed social impacts if jobs are lost. He asked the Council to consider the partnership between the City and the District. He agreed with Councilmember Ross that there should be some trade-offs.

Mike Alford commented on the money the City has spent on consultants. He expressed support for the funding assistance, and he did not think there should be any conditions imposed.

Paul Wilson agreed that the City should help the District, noting the benefits to be gained from smaller class sizes.

George Griffin, Labors Local 324 representing City workers, encouraged the Council to help the District, perhaps in the form of a loan. He mentioned other areas that should be looked at in the District's budget; to be sure the City's investment is well-used. Ms. Robbins and Ms. Muth responded to Mr. Griffin's concerns about the District's past spending.

Seeing no further speakers, Mayor Schroder closed public comment on the item.

Mayor Schroder discussed his experience in visiting different classrooms recently. He was fully supportive of funding schools at the \$500,000 level, in the form of a grant, in order to preserve smaller class sizes. He acknowledged that some students in Martinez go to school in the Mount Diablo School District, but he noted that the President of that District indicated that although their budget cuts have been drastic, he would not ask for anything from the City of Martinez except that the crossing guards for Hidden Lakes School continue to be funded. He also noted that the Mount Diablo School District is investigating the possibility of mixed use facilities as a way to generate income for the District.

Councilmember Ross confirmed that \$503,000 would secure 20:1 class sizes. He asked if the City allots \$360,000, could the District find \$140,000. Ms. Muth said she couldn't guarantee that until the full State budget impacts are known. He suggested the City grant \$370,000 to the District.

Councilmember DeLaney expressed sympathy for the financial plight of the District, noting that the County has also faced cuts and layoffs recently. She would support funding the whole deficit facing the District, but she did not think it would serve the fiduciary responsibilities of the Council towards the City. She was also concerned about possible precedent. She suggested a loan in the amount of \$200,000, with possibly forming a joint Corp Yard between the two agencies.

Councilmember Kennedy noted that a quality public education increases property values, and she discussed her experiences with the Martinez School District. She also commented that investing in the schools is an investment in the community and in the students. She agreed with Councilmember Ross that there could be some trade in terms of future facility usage. She also agreed that aiming for a 20:1 class size was a good goal.

As a real estate professional, Councilmember Ross acknowledged that quality schools raise property values.

Mayor Schroder proposed a grant of \$250,000 with a loan for \$250,000 with a future joint capital project or facility use agreement.

After further discussion, the Council directed the City Manager to work with the School District and come back with a loan agreement and other options in the amount of \$370,000.

9. City Council Comments.

Councilmember Janet Kennedy stated that she and Councilmember Ross both attended the ABAG Regional Planning Committee Meeting where they discussed long term disaster recovery in relation to hospitals and public health. Councilmember Kennedy also announced that Saturday night is the Boys and Girls Club Auction.

Councilmember Lara DeLaney announced the Public Safety Subcommittee meeting on June 15th at 5:30 pm in the Council Chambers.

Councilmember Mark Ross said he would like to see a poetry reading contest based on Twitter, as one of the first uses of the Performing Arts Center. He also expressed his feelings to Denise and her family.

Mayor Rob Schroder announced that the meeting of June 17th has been cancelled and changed to June 24th. Mayor Schroder asked that the meeting be adjourned in memory of Jim Vince, father of City Manager Phil Vince.

ADJOURNMENT

Adjourned at 10:42 p.m. in memory of Jim Vince, and then adjourned to an Adjourned Regular Meeting on June 24, 2009 at 7:00 p.m. in the Council Chamber, 525 Henrietta Street, Martinez, CA.

Approved by the City Council,

Rob Schroder, Mayor

Mercy G. Cabral, Deputy City Clerk – 6/3/09