

“The City With a Heart”



Jim Ruane, Mayor
Rico E. Medina, Vice Mayor
Ken Ibarra, Councilmember
Irene O'Connell, Councilmember
Michael Salazar, Councilmember

MINUTES
SAN BRUNO CITY COUNCIL
&
SAN BRUNO REDEVELOPMENT AGENCY

April 27, 2010

7:00 p.m.

1. CALL TO ORDER: THIS IS TO CERTIFY THAT the San Bruno City Council and San Bruno Redevelopment Agency met in regular session on April 27, 2010 at San Bruno's City Hall, 567 El Camino Real, San Bruno, CA. The meeting was called to order at 7:03 p.m.

Mayor Ruane thanked the **San Bruno Garden Club** for providing the beautiful floral arrangement.

2. ROLL CALL/PLEDGE OF ALLEGIANCE: Presiding was Mayor/Chair Ruane, Vice Mayor/Vice Chair Medina and Council/Agency Members Ibarra and Salazar in attendance. Council/Agency Member O'Connell was excused with notice. Recording by Clerk Bonner. **City Clerk Bonner** led the Pledge of Allegiance.

3. ANNOUNCEMENTS:

Mayor Ruane announced the Annual Operation Clean Sweep Event would be held on Saturday, May 1 beginning at 9:00 a.m. at San Bruno City Park.

Mayor Ruane announced the Farmer's Market would be opening this weekend on Sunday, May 2 at 9:00 a.m.

4. PRESENTATIONS:

Mayor Ruane said Council would receive a Presentation by San Bruno Park School District Representatives Regarding Day of the Child Celebration.

School Board Members Kevin Martinez and Jennifer Blanco gave an overview of last year's day of the child celebration and provided a preview of this year's event to be held on Saturday afternoon, May 8 at the Rotary Pavilion at San Bruno Park between 1:00 p.m. and 4:00 p.m. They gave a short power point presentation.

5. REVIEW OF AGENDA: **Mayor Ruane** pulled Item 10.e. and said it will be presented at the next Council meeting.

6. APPROVAL OF MINUTES: Regular City Council Meeting of April 13, 2010, approved as submitted.

7. CONSENT CALENDAR:

a. **Approve:** Payroll of April 11, 2010.

b. **Approve:** Accounts Payable of April 5 and 12, 2010.

c. **Accept:** Reconciliation of General Ledger to Bank Reports and the Investment Reports Dated March 31, 2010.

d. **Waive:** Second Reading, and Adopt New Chapter 6.54 “Smoking Regulations” to Title 6 (Public Peace, Morals and Welfare) of the San Bruno Municipal Code.

e. **Waive:** Second Reading and Adopt New Chapter 3.38, Additional Provisions, to Title 3 (Revenue and Finance) Requiring Payment of Assessed Taxes Prior to Legal Action.

f. **Waive:** Second Reading and Introduce an Ordinance to Amend Chapter 6.36, Animal Control, of the San Bruno Municipal Code to Clarify Appeal Rights Regarding Dangerous and Vicious Animal Determinations.

g. **Waive:** Second Reading and Introduce Ordinance Temporarily Suspending Liability of Airport Parking Facilities for a Portion of the Airport Parking Facility Tax Provided for by San Bruno Municipal Code 3.16.180.

h. Receive Report on Education and Enforcement Activities for the 2010 Fireworks Season.

Vice Mayor Medina pulled Item 7.h.

M/S Medina/Ibarra to approve the remainder of the Consent Calendar and approved with all ayes. Councilmember O’Connell excused with notice.

Vice Mayor Medina asked for a brief overview of the Education and Enforcement Activities. He wanted the citizens to know the diligence staff is taking to provide a safe and happy 4th of July in San Bruno.

Fire Chief Haag gave an overview of what the police and fire planned for the upcoming Fireworks Season. He said they would be meeting with all the vendors prior to distribution of the fireworks to review the safety aspects. There will also be a public outreach through Cable TV and fliers at all the schools.

Vice Mayor Medina asked for the City Manager to explain the charges that are charged by the City for the fire works.

City Manager Jackson said the City does not benefit from firework’s sales. The booths are operated by community organizations. The City does charge the direct cost of oversight, public education, and event-day management of the allowed use of fireworks in San Bruno. Police and Fire staff up and costs are incurred for safe practices; all direct charges are recovered directly from the firework’s booths.

M/S Medina/Ibarra to approve 7.h. and passed with all ayes. Councilmember O’Connell excused with notice.

8. PUBLIC HEARINGS: None.

9. PUBLIC COMMENT ON ITEMS NOT ON AGENDA: No one wished to speak.

10. CONDUCT OF BUSINESS:

a. Receive Quarterly Investment Report from the City Treasurer.

City Treasurer Marty gave an overview of the staff report and asked for questions.

b. Receive Quarterly Financial Report as of March 31, 2010 for the 2009-10 General Fund, Special Revenue Funds, Enterprise Funds, Redevelopment Agency and Capital Improvement Program Budgets.

Finance Director Suen gave a power point presentation on the quarterly financial report for all the funds, including the Redevelopment Agency. He said things were flat and his comparisons were based on figures from one year ago to get a better understanding.

Finance Director Suen, in response to Vice Mayor Medina's question, said Non-Departmental at 120% means those charges get redistributed to the various departments and while this figure is less than last year, he will be monitoring it going forward.

Councilmember Ibarra asked about the 1.9 million the State will keep? **Suen** said there would be less money for redevelopment to spend. **Councilmember Ibarra** asked if it would affect the on going programs coming up? **Suen** said no. **City Manager Jackson** said this is a serious issue for redevelopment agencies up and down the State including San Bruno. We are unique in that San Bruno Redevelopment is relatively young. Rather than being immediate, it limits our future capacity. She added the State is not withholding this from receipts, it actually will be required if a ruling goes against redevelopment agencies.

Councilmember Ibarra asked about the 8.5% unemployment? **Suen** said the employment development agencies gather statistics both locally and regionally, a combination of payroll data and this is information available at the employment development website. **Councilmember Ibarra** asked the areas most heavily effected? **Suen** said he didn't have the info which areas were most affected.

Vice Mayor Medina said May 4 there will be a ruling from the Court and he asked if they do not get it, what would they have to do to balance their budget? He also wanted to know how San Bruno would look on June 30, as far as the budget was concerned? **Suen** said he felt comfortable the numbers would be met and we would see some stabilization.

c. Adopt Resolution Approving Third Quarter Budget Amendment for the 2009-10 General Fund, Special Revenue Funds, Enterprise Funds, and Capital Improvement Program Budget.

Finance Director Suen gave a power point presentation, which summarized the third quarter budget amendments and asked for questions.

Councilmember Ibarra asked about the \$500,000. for the Catalpa lot? He said they had approved \$50,000 for Catalpa and \$200,000 for the Lions Field study, where did the additional \$250,000 come from? **City Manager Jackson** said this is a new appropriation. **Suen** said two funding sources, in-lieu fees and the capital project fund. **City Manager Jackson** clarified there is only one \$250,000. **Suen** said the monies are coming from the park-in-lieu fund going into the capital project fund, making only one \$250,000.

Councilmember Ibarra introduced the resolution for adoption and passed with a unanimous vote. Councilmember O'Connell excused with notice.

d. Receive Report on Development of a Policy for Maintenance and Use of General Fund and Equipment Replacement Reserves and FY 2010-11 Budget Preparation.

City Manager Jackson said there are two parts to this report and she asked the Finance Director to begin.

Finance Director Suen talked about the development of the reserve policy. He said the City should set their standards to a 50% level, which he felt would be sufficient to meet our needs.

Mayor Ruane said the City has about \$300,000. more than the policy recommends in the General Fund and about \$1.3 million dollars more in the equipment reserve? **Suen** concurred. **Mayor Ruane** asked if this just gets drawn down until those levels are agreed on? **City Manager Jackson** did not recommend the policy allow only for the maintenance of a minimum balance. The policy parameter would be for the maintenance of a minimum balance at 16-2/3% of general fund operating expenditures. The amount of \$300,000 is a very minimal amount above the minimum.

Councilmember Ibarra asked for an explanation of the growth of the general fund reserve?

City Manager Jackson said the City has grown the general fund reserve with the deposit of undesignated, unanticipated one-time resources.

Vice Mayor Medina asked if this recommendation were to go forward on the equipment reserve, would staff have a thought of using that in the short fall of the 2010-11 budget? **City Manager Jackson** said yes. **Vice Mayor Medina** referred to the Madison slide and said this is what we have in the reserve to address an emergency. He said using the monies for one-time here, one-time there, becomes everywhere. He said he would like to see a comparison of what our neighboring communities are doing? **Vice Mayor Medina** expressed his strong concerns regarding use of reserves to balance the budget.

Councilmember Ibarra said he remembered not having a reserve, but things were in place. He believed we need to know where we stand in every asset and every account. He said using the money is something that should be considered and he said a percentage of the reserve versus an employee, he might lean toward the reserve.

Councilmember Salazar said he was uncomfortable recommending the minimum but there is not a lot of substance why the minimum would be appropriate. He was hoping to see more analysis in terms of if there were a disaster in the area, what would the city be responsible for? He said regarding the equipment reserves, the supporting documentation said the life span of the equipment is roughly five to ten years. Looking at that, if we were to replace everything, every five years, 20% a year; he didn't know if 50% was high or low. He asked what equipment was included and if there is a potential to add either equipment not currently considered or possibly improvement to our equipment and plants that isn't currently included. He talked about the enforceability of having this rule in place.

Mayor Ruane said he felt two months was too conservative. He asked if the worth of what we have is to replace? **Suen** said that is at cost. **Mayor Ruane** said he would like to see a contemporary comparison. He said a two-month reserve is not enough.

Vice Mayor Medina said he wanted to see the City at the end of a budget in the black. He didn't want to see the use of reserves as a way to balance the budget.

Mayor Ruane asked if staff had a direction they wanted Council to follow? **City Manager Jackson** said they were not asking for action tonight. She said they would return to Council with a draft policy approximately the end of May.

Councilmember Ibarra asked for a percentage as far as litigation is concerned.

Mayor Ruane suggested three dates for budget meetings, June 1ST 2ND and 3RD or June 7th, 9th and 10th for Budget meetings. **Councilmember Ibarra** had conflicts with the second set of dates. All were in agreement the first three days in June would work.

City Manager Jackson gave an update on the budget development process. She said the status of the current year's budget, required an adjustment of \$1.3 million dollars and she anticipates ending the 2009-10 budget in balance. She reported the projections presented in the previous meetings of February remain on track in terms of FY 2010-11. She said they are anticipating a relatively flat revenue situation. She showed slides of the preliminary budget. She talked about PERS and contractual obligations to personnel as well as continuance and additional cost-saving measures as well as incoming revenues and reductions.

She summarized they are proposing a budget with three basic strategies to balance the budget, additional permanent expenditure reductions, continued practice of the current year of repayment from the redevelopment agency loan to the equipment replacement fund and the use of excess ERAF.

She said back in March she briefed Council on personnel reductions that would be incorporated in the budget. She talked about service impacts, budget savings and restructuring. Power point slides were used to illustrate the work done to balance the budget.

e. Receive Oral Report and Update Regarding City's Temporary Moratorium on the Establishment. (Pulled, to be presented at the May 11, 2010 meeting.)

f. Adopt Resolution Authorizing City Manager to Execute an Agreement for Shared Recreation Supervisor Services Between the Cities of Burlingame and San Bruno.

Community Services Director Schwartz gave an overview of the staff report and asked for questions.

Vice Mayor Medina said there may be additional costs for other staff and he asked why those duties couldn't be done by the present staff? **Schwartz** said summer is a high season and it is a time when the department needs a lot of eyes to be sure operations go smoothly.

Councilmember Salazar thought it was a creative way to bring more funding into the City and save some job somewhere else down the line.

Councilmember Salazar introduced the resolution for adoption and passed with a unanimous vote. Councilmember O'Connell was excused with notice.

11. REPORT OF COMMISSIONS, BOARDS, & COMMITTEES: None.

12. COMMENTS FROM COUNCIL MEMBERS:

Receive Oral Report from Councilmember Ibarra Regarding Councilmembers' Attendance at the Annual San Mateo County Progress Seminar.

Councilmember Ibarra reported there were over 200 attendees attending a seminar in Monterey on shared services, the banking environment (more bank for less buck) and social media and water rights and water preservation.

13. CLOSED SESSION:

Mayor Ruane said they would be going into closed session with no reportable action.

a. Closed Session for the Purpose of Conferring with Legal Counsel Regarding Pending Claim. (Sanchez v. City of San Bruno, EEOC Charge No. 555-2008-00809) (Gov. Code Section 54956.9(a).)

b. Closed Session for the Purpose of Conferring with Legal Counsel Regarding in the Matter of the City of San Bruno, Complaint No. R2-2010-0004, for Administrative Civil Liability, Filed Before California Regional Water Quality Control Board, San Francisco Bay Region, February 16, 2010 (Cal. Gov't Codes 54956.9(a).)

14. ADJOURNMENT:

Mayor Ruane closed the Council meeting at 8:51 p.m. The next regular City Council Meeting will be held on May 11, 2010 at 7:00 p.m. at the Senior Center, 1555 Crystal Springs Road, San Bruno; the San Bruno Redevelopment Agency will meet next at a time to be determined and announced in accordance with statute.

Respectfully submitted for approval
at the regular City Council Meeting of
May 11, 2010

Carol Bonner, City Clerk

Jim Ruane, Mayor