

**MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Special Meeting of Milpitas City Council – Budget study session continued (No. 3)
Date: Wednesday, May 3, 2017
Time: 6:00 PM
Location: Council Chambers, Milpitas City Hall, 455 East Calaveras Blvd., Milpitas

CALL TO ORDER

Mayor Tran called the special meeting to order at 6:00 PM. City Clerk Mary Lavelle called the roll.

PRESENT: Mayor Tran, Vice Mayor Grilli, Councilmembers Barbadillo, Nuñez and Phan

ABSENT: None

PRESENTATION

City Manager Tom Williams stated the City Council was meeting to continue its Study Session on the FY 2017-18 proposed budget. Department Heads were going to make presentations and answer Councilmember's questions. No action was required of the Mayor and Council at this study session.

Fire Department

Chief Rob Mihovich reviewed seven workplan highlights of the Fire Department, including a BART emergency response action plan in preparation of the new station, scheduled to open in Milpitas. He listed five accomplishments and provided eight measurements including the less than 4 hours 30 seconds response to all emergencies.

Councilmember Phan asked about overtime. The Chief responded that the department was always monitoring it and was not over the allocated amount for the current fiscal year. He explained the modified work schedule that was operating as a pilot program now, with a "2-4" work schedule.

Councilmember Nuñez asked for explanation of two temporary positions in Fire. Chief Mihovich explained the work done by those in the Fire Inspection bureau. Mr. Nuñez suggested finding partnership with schools to offer classes to youngsters who may be interested in fire science.

Councilmember Barbadillo spoke of overtime costs, and referred to March when the new work schedule started. He asked for explanation as to how overtime might be less with the changed hours. He further inquired about costs, method of savings, how funds rolled at the end of a fiscal year.

Councilmember Nuñez said the City Manager had referred to several budget approaches including zero based budgeting and the manner of funds going into the General Fund at the end of the year. He wanted to understand more of these policies. Mr. Williams responded that the overtime method for the Fire Department was written into the Memorandum of Understanding with the International Association of Fire Fighters. Mr. Nuñez asked if that was a general City rule, and Mr. Williams replied the City had those. Mr. Nuñez wanted to receive these rules in writing, including any exceptions.

Vice Mayor Grilli asked about working with all the schools on planning an emergency drill, to do that with all the local public schools. Chief Mihovich said the department took a multi-year approach, not doing all schools over one year. The Vice Mayor asked about the Office of Emergency Services Director's outreach for programs. She inquired about the hiring process for the four new positions requested. The Fire Chief said they first looked at a displaced firefighters list to hire from, and after that conduct a recruitment.

Councilmember Phan asked about the two temporary employees and the Chief said those were student interns, learning and working all aspects of Fire Prevention bureau.

Councilmember Barbadillo was looking at the projected budget. There was a jump in the budget in the last two years. The Chief responded that over the last three years, the department was working to get the training division up to speed, to become an all-risk response department and getting ready for dire emergencies such as a major earthquake. The major increase for next year would be training to prepare for the BART station. Mr. Barbadillo asked about the recently added Fire Investigator position and if it was one of the four requested in the new fiscal year. Chief Mihovich responded no.

Councilmember Nuñez noted, regarding BART, he had read about fires that could occur in the BART cars. He wanted to know if that agency would reimburse the City if Milpitas Fire Department had to respond to such a fire. Mr. Nuñez asked the City Manager if the City could bill BART for services in the future, if needed. The City Manager responded that there was no mutual aid agreement with BART but that was a good discussion item. Mr. Nuñez pointed out that Milpitas did not have a vote on the BART Board at the moment.

Councilmember Phan inquired about the Fire Inspector position, asking was it still around and the Chief said yes. Councilmember Phan had requested an update and asked to have that individual come and present a report. Mr. Phan wanted to know how the performance was measured of that person.

Vice Mayor Grilli spoke of BART, and asked had other cities successfully created an MOU with BART. Chief Mihovich responded that Fremont did not have a mutual aid agreement with BART.

Councilmember Nuñez noted that Milpitas was the first city to be added as a new station that did not have a vote on BART, and so would San Jose in the future.

Mayor Tran gave compliments to the Fire Department for going over and above in its service to the community, including children. He was looking closely at the needs of the city.

Recreation & Community Services

Director Renee Lorentzen described various accomplishments and work plan highlights for the next fiscal year. Accomplishments included the NFL Play 60 grant and the highly successful first-in-the-state official GeoTour.

Councilmember Nuñez asked if there any partnerships with the County Parks Department. Ms. Lorentzen responded on cooperation with regards to activity at Ed Levin Park, including the City's dog park on site. Asked if she worked closely with the School District and non-profits, the Director said yes. Mr. Nuñez asked about the summer lunch program, working with the MUSD, and about the Milpitas Elementary Olympics and plans for bringing that activity back. He commented on the Senior Center and the number of senior residents served at that facility.

Councilmember Phan asked "how much money are we in the hole" for these services. Ms. Lorentzen explained that revenue was approximately \$2 million while costs for the department were \$4.8 million. Mr. Phan wanted to know if there was a plan to balance revenues to expenditures in Recreation. Ms. Lorentzen explained that services were not designed to be fully cost recovery in that department. The City Manager also further explained this approach to providing service to the residents.

Councilmember Phan asked her if focus groups were held over past year, while noting that was planned for the next fiscal year. He commented on the need for surveys and asked how those were done. He asked staff for responses on customer service in particular. Staff spoke of culturally diverse offerings to be added the next year including celebrating the Lunar New Year, more at the Cesar Chavez plaza (recently opened) and a Juneteenth event this year. Mr. Phan wanted concerted efforts for outreach to non-English speakers for Recreation Services, and that any survey should automatically be multi-lingual.

Mayor Tran mentioned other cities had a cultural affairs-type staff person and maybe that was needed to respond to what Councilmember Phan was talking about.

Councilmember Phan asked how many direct reports the Recreation Director had and she replied three (Supervisors). Mr. Phan would support hiring staff who would be solely dedicated to minority and culturally diverse affairs.

There was further discussion on how to move ahead and for City Council to continue to focus on the budget for this meeting. Mayor Tran suggested to talk about hiring at a future time.

Councilmember Barbadillo commended the Recreation Department. He looked at this department more on service. They had discussed the concept of cost recovery versus revenue generation but there was more of a focus on service to the community. He was concerned about higher fees for room rentals of facilities. He asked if there was a mandate on the percentage of cost recovery in a policy. If not, consider reducing fees then if a policy formula was appropriate. He asked if there was a way in the future to make the costs more affordable for all residents of all levels.

The City Manager responded it was feasible, but then Council needed to determine where to not fund something else in the budget.

Vice Mayor Grilli had waited 1.5 hours to speak, and got annoyed with the process. Council was not talking about numbers, as she expected. She knew that Recreation & Community Services was the heart of the community, with programs enjoyed by all. If fees were raised, that would push families out and they counted on the low-cost programs, including After The Bell program during the school year. There was a good argument for a future discussion, as Councilmember Barbadillo suggested. She was not in favor of raising fees, while finding ways to reduce fees would be a good conversation.

Councilmember Nuñez felt Mr. Barbadillo was going down the right path. There should be a policy of what's offered, how it's funded, and then implementation. He did not see reason to change what was currently offered, while maybe increasing participation in the programs.

Mayor Tran agreed that Recreation was the heart and soul of Milpitas. The City should not raise fees at all, in fact, maybe to lower them. The department was an investment in families and the people of all ages. His idea for generating revenue was to see the baseball fields get onto the CIP and resurfaced with artificial turf, number the fields as multi-use, then have Recreation Services do more to host events like tournaments and attract baseball and soccer tournaments to this City. For more community building, he'd like to see more and wanted to have a 4th of July Parade to celebrate America.

Mayor Tran also felt the City needed to have a flagpole at the playing fields for the time when the national anthem was sung at Little League ceremonies, such as opening day.

Councilmember Phan was in 100% agreement with comments from the Mayor, and was supportive of the Mayor's ideas and asked staff to take those into consideration carefully.

Police Department

Chief Steve Pangelinan defined the many responsibilities and work of Police with nine main functional areas of the department.

Work plan highlights included finalizing an agreement with BART, having implicit bias training for all personnel, internal recruitment team development and review the officer deployment model. The Chief described seven major accomplishments and defined five goals, including how to outreach to the homeless population in the City.

Chief Pangelinan made a request to add three new full time employees, for two officers and one civilian.

Councilmember Phan asked how much resources were devoted to policing the Great Mall. The Chief replied four officers were assigned there full time, two day and two nights. Mr. Phan wanted to know if the City was still paying for Black Friday police services and the Chief said yes. The Great Mall paid for two of the full time positions at the mall, presently.

Councilmember Phan asked the City Manager if the City could require Great Mall to pay the full cost of police services for Black Friday (in November each year). City Manager Williams said the city would need to work out an agreement on that. The City Attorney responded further about an agreement for operations.

Councilmember Nuñez was in favor of adding two more police officers. He wanted to learn how BART was figured into the budget. Mr. Pangelinan responded, nothing in particular, but was ready to see what increase in crime would occur as a result. The City would enter into a three-way agreement with BART and the Sheriff's office. The Chief questioned then how fast response could be.

Councilmember Barbadillo agreed with the Chief's request for additional staff and asked when the Chief determined he needed these new positions and the reply was at the end of last year. Mr. Barbadillo asked more details about funding for the police officer at the Great Mall, and the City Manager responded about past history and contract terms.

Mayor Tran thanked Chief Pangelinan. He was concerned about the number of sworn officers Milpitas had, while growing so rapidly with increased needs. He talked about the increase in daytime population and BART coming in. The City Manager responded to the Mayor.

Vice Mayor Grilli really appreciated all the time Chief Pangelinan spent in the community, and she told him he will be missed. She noted that monitoring the Police Department's needs would be important over the coming year, with BART and other changes.

City Clerk's office

City Clerk Mary Lavelle presented her unit's budget request for the new fiscal year, after identifying major accomplishments relative to Council agenda packets, elections, Form 700 filings, and tracking of Commission appointments. She identified goals for the upcoming fiscal year, including increased and streamlined experience for US passport application customers, if additional staffing resources requested were approved.

Each year, the City Clerk's budget fluctuated significantly, with a major increase when a municipal election was scheduled in the fall of an even numbered year, and then reduced the following year when no election was planned, as would occur in FY 2017-18.

Councilmembers asked the City Clerk questions about passport services, election activity, computer programs to streamline campaign report filing, and appropriate levels of staffing. The City Clerk explained that she requested one-half time Office Assistant II to add to the previously approved one-half time position, in order to hire one full time person starting this summer. That new full time employee could work primarily on US passport service and assist with other office work, such as Council agenda packets and routine filing of documents. Some Councilmembers asked if that staffing would be sufficient (3 full time employees). The City Clerk confirmed that it was anticipated to be enough, but if not she would return to Council to request more resources when needed.

City Manager's office

City Manager Tom Williams identified accomplishments and goals for the past and new fiscal years. In his request for the budget, Mr. Williams noted the large decrease due to the Economic Development function being moved out of his budget into its own section. He requested funding for the full time Assistant City Manager in the coming year.

Councilmember Phan asked about training and professional development for the City Manager and if there was enough budgeted. He supported the City Manager going to more functions for relationship building and learning what other cities were doing. He asked about contracted services, including Singer & Associates. Mr. Williams said those services were on an as-needed basis. Councilmember Phan asked if he ever considered hiring a Public Information Officer (PIO). The City Manager responded it had been discussed in past years and perhaps there was now a need for a Social Media Manager/PIO.

Councilmember Nuñez agreed with the need for an Assistant City Manager and was in favor of filling that position. He agreed with the need to stay involved with professional associations. He did not favor hiring a PIO, if currently only spending \$8,000 for the Singer contract. The City could maybe train current professional staff to best deal with the media and not have one point person. Policy development and implementation was something for the City Manager's office to work on, and perhaps for the Assistant City Manager to take off the manager's plate.

Vice Mayor Grilli looked forward to the City Manager's proposal. She did not favor hiring a PIO – it was not needed nor an effective use of money. City staff knew this community, and perhaps some training for staff would help. The City did not need to add staff for that one function.

Councilmember Phan looked forward to getting to a more positive environment for everyone to get along. Conflict breaks the heart, if between colleagues or with staff.

Councilmember Barbadillo liked the City Manager's request objectively. His budget looked fine.

Councilmember Nuñez referred to the change in the department, saying it was a bold move to split City Manager and Economic Development functions. He felt the Mayor's idea of a July 4th parade had real value. The Public Information Officer in any public organization was important, he believed. However, he would add more Police Officers or Firefighters if positions were added, rather than PIO.

Mayor Tran would like to have a discussion on PIO and its value, if considered. It's all about economic development since that was what paid for things. Information was available on the internet and to consider that public relations were there for a reason.

City Manager Tom Williams felt the City did not brag enough about itself, and there was certainly more need to state how great the City was doing.

Councilmember Phan agreed there was a lot to be proud of.

Mayor Tran wanted to make sure the City was protected. He described many more residents coming in, BART getting built, referred to a crime at Ilara Apartments, and so he was preparing for the worst going forward. Public safety was a priority.

Councilmember Nuñez wanted to get the last two budget presentations done, and go home.

Mayor Tran inquired about the Assistant City Manager position, with a salary near the very top. He asked for a lot more details on the job, the hiring, skills, requirements and expectations of that position. Human Resources Director Tina Murphy provided details on that job. Ultimately, the Mayor said he did not support funding the position. He felt it was not parallel to other senior level positions.

Mayor Tran also asked the amount of expenditures that the City Manager could sign for. The City Manager responded that it was currently at a \$100,000 maximum, and that had gone up about four years ago from a lower amount. Mr. Tran asked questions on the process for him to authorize "checks" or expenditures. The City Manager signed many contracts and requests for payment, not checks.

Councilmember Nuñez disagreed with an explanation from the Mayor, about his comments on why he was asking lots of questions about the processes of the City Manager's authority and spending.

The Council would next hold a public hearing on the proposed budget on May 18, 2017, and staff would incorporate comments received at this meeting and prior study sessions.

ADJOURNMENT

The Special City Council meeting was adjourned at 10:48 PM.

The foregoing minutes were approved by Milpitas City Council on June 6, 2017.

Mary Lavelle
Milpitas City Clerk