

City of Morro Bay

Citizens Oversight Committee Agenda

Mission Statement

The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.

NOTICE OF SPECIAL MEETING

WEDNESDAY, DECEMBER 17, 2014, 9:00 AM

**CITY HALL
CONFERENCE ROOM
595 HARBOR STREET, MORRO BAY, CA**

ESTABLISH QUORUM AND CALL TO ORDER

PUBLIC COMMENT PERIOD - Members of the audience wishing to address the Committee on business matters may do so at this time.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Chairperson, please come forward to the podium, and state your name and address for the record. Comments are to be limited to three minutes.
- All remarks shall be addressed to the Committee, as a whole, and not to any individual member thereof.
- The Committee respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commissioner and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the Committee to carry out its meeting will not be permitted, and offenders will be requested to leave the meeting.
- Your participation in Committee meetings is welcome, and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (805) 772-6205. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT CALENDAR

1. APPROVAL OF MINUTES FROM 12/4/14 CITIZENS OVERSIGHT COMMITTEE MEETING

B. ADJOURNMENT

THIS AGENDA IS SUBJECT TO AMENDMENT UP TO 72 HOURS PRIOR TO THE DATE AND TIME SET FOR THE MEETING. PLEASE REFER TO THE AGENDA POSTED AT CITY HALL FOR ANY REVISIONS, OR CALL CITY HALL AT 772-6201 FOR FURTHER INFORMATION.

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE COMMITTEE AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL LOCATED AT 595 HARBOR STREET DURING NORMAL BUSINESS HOURS.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

Chairman Alexander called the meeting to order at 9:05 a.m.

PRESENT: Homer Alexander Chairman
Dan Glesmann Member
Barbara Spagnola Member
Kathy Thomas Member

ABSENT: Elaine Giannini Member

STAFF: Susan Slayton Administrative Services Director
Cris Brazzi Senior Accounting Technician
Steve Knuckles Fire Chief
Rob Livick Public Services Director
Bonnie Johnson Support Services Coordinator
Joe Woods Recreation & Parks Director

PLEDGE OF ALLIANCE

ANNOUNCEMENTS

Chairman Alexander announced the purpose of the meeting, which is ensuring that the Measure Q funds are spent appropriately (Police, Fire, Streets and Storm Drains).

Chairman Alexander asked if any members had comments; there were none.

PUBLIC COMMENT

Chairman Alexander opened Public Comment period. As there were no members of the public wishing to speak, Chairman Alexander closed Public Comment.

A. CONSENT CALENDAR

A-1 APPROVAL OF MINUTES FROM 1/23/14 CITIZENS OVERSIGHT COMMITTEE MEETING

MOTION: Chairman Alexander asked for a motion to accept the minutes. The motion was made by Member Spagnola, seconded by Member Thomas, and carried unanimously (4/0).

B. NEW BUSINESS

B-1 REVIEW OF F/Y 2013/14 UNAUDITED TRANSACTIONS FROM THE COLLECTION OF THE GENERAL PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS "MEASURE Q"

Member Spagnola's questions:

1. What are the expenditures labeled bank transactions? Ms. Slayton stated that they are ACH transactions related to the debt service payments for the USDA loans.
2. Are the credit card purchases appropriate and should we be using credit cards? Doesn't that circumvent our approved procurement processes? Ms. Slayton stated that the credit card purchases are used to purchase items that we happen to find a deal on or for online purchases. Member Thomas asked about credit limits, numbers of cards, and what level of employee has a card. Ms. Slayton stated that all credit cards have a \$3,000 limit with the exception of our Information Technology employee, who has a \$10,000 limit. Credit cards are so high because of mutual aid responses. The City has 30 or 40 cards, and there is no set level of employees who has these, as it is a requirement to have the name of the person who is presenting the card actually on the card. Mr. Livick added that Department Heads have to approve and sign off on credit card purchases monthly. Chief Knuckles confirmed that credit card usage is critical in mutual aid responses. Member Thomas asked if there has ever been any abuse of credit cards. Ms. Slayton replied, "No."
3. Mutt Mitts charges seem high. Mr. Livick answered this question, saying that this was the City's share of the Mutt Mitts, and that we buy them by the pallet. Mr. Woods said that we got through 250,000+ Mutt Mitts annually. Mr. Livick stated that we encourage the use of Mutt Mitts through our storm drain education.
4. The second USDA loan; the Committee had made a recommendation, and in February the City Council approved it, to retire the second USDA loan. Ms. Slayton stated that the arrangement had been made with the USDA to retire that loan when the two Certificates of Participation were funded. Both were funded in March; however, the transaction to retire the \$300,000 loan from the proceeds of the \$1,500,000 Certificate did not happen. She was not aware of that until September 2014, when the USDA withdrew another debt service payment on it. Ms. Slayton stated that the USDA has been contacted, and will retire the debt by December 31, 2014.

Member Glesmann asked about Storm Drain carryover, and expressed his concern with that amount growing over the past years, and not being spent. In 2012/13 \$70,000 was allocated to a study for best management practices on pathogens flowing into the bay, and in 2013/14, another \$70,000 was allocated for public outreach training. Member Glesmann asked for an update on these projects.

Mr. Livick responded that the Wasteload Allocation Plan (WAP) was still underway, but that the Regional Board had pushed out the deadline. He felt that we should combine that

\$70,000 allocation with streets, as the City repairs storm drains as a function of street repairs. He stated that when the WAP rises up on the priority list, he will request funding again.

The public outreach programs are ongoing, such as SLO Scoops Poop, which is a community-based social marketing program to create awareness of the need to clean up after our pets. The public outreach programs will not cost as much as was allocated, and that amount too should be combined into the streets budget.

Chairman Alexander voiced his concern over the issue of storm drain allocations building, and would like to know how much of the carryover could go toward streets.

Mr. Livick stated that the storm drain and street budgets were viewed by his department as one pot of money, as storm drain systems (open channel flow, e.g., streets, sidewalks, curbs, gutters; underground piping in the areas of the City closer to the bay) were all repaired, as needed, with the street repair.

Chairman Alexander asked if it was reasonable to transfer the \$137,000 of carryover to the pavement management plan, and Mr. Livick reminded the committee that part of that carryover was for the 1988 Storm Water Management Plan. Mr. Livick also reiterated placing all of the money into one pot for use on streets and their storm drains.

MOTION: Chairman Alexander asked for a motion to approve the 2013/14 expenditures. The motion was made by Member Spagnola, seconded by Chairman Alexander, and carried unanimously (4/0).

B-2 REVIEW OF F/Y 2013/14 CARRYOVER AND UNALLOCATED CASH FROM THE COLLECTION OF THE GENERAL PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS "MEASURE Q"

Chairman Alexander had three recommendations:

1. Members Thomas and Spagnola work together to include a few lines in the letter to Council about the Storm Drain discussion. Member Glesmann stated that \$20,000 to \$25,000 should be left for Storm Drains; Chairman Alexander clarified that this is for community outreach, and then budget for other needs closer to when they will get done. Chairman Alexander stated that the \$130,000 should be transferred to streets.
2. Transfer the \$11,042 of Police carryover to unallocated cash. Chairman Alexander stated that he has spoken to the Police Chief, who was in agreement with this recommendation.
3. After the final adjustments on the payoff of the second USDA loan (\$300,000 COP), transfer the rest of the Fire Department money to unallocated.

Chairman Alexander was concerned that there was still spending that occurred in 2013/14 for new construction on the Fire Station that had been completed two years earlier. Chief Knuckles explained that there were still pending items, from the original project, that had not yet

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been purchased due to the "Buy American" clause in the ARRA grant (\$1,600,000). Chairman Alexander stated that Chief Knuckles should budget for those in upcoming years, and Chief Knuckles agreed.

MOTION: Chairman Alexander asked for a motion to approve the 2013/14 carryover and unallocated cash report. The motion was made by Member Glesmann, seconded by Member Thomas, and carried unanimously (4/0).

B-3 REVIEW OF F/Y-T-D 2014/15 TRANSACTIONS FROM THE COLLECTION OF THE GENERAL PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS "MEASURE Q"

Chairman Alexander had inquired about the \$9,800 transaction for radar control devices, wondering where they were to be placed. Mr. Livick had informed him that this charge was miscoded, and would be moved as it should be paid with traffic impact fees. Chairman Alexander felt that this would be a great use of Measure Q funds in the future. More discussion arose on traffic signs/devices for residential areas. Mr. Livick stated that if all the affected residents agreed, a stop sign could be requested.

Member Spagnola asked about the high percentage of Measure Q money that was allocated in 2013/14 for the School Resource Officer (SRO), which was 67%. She wondered if the 2014/15 distribution was more fair, and also when the 2015/16 negotiations with the School District would begin. Ms. Slayton stated that the 2014/15 distribution was 50-50, and that the 2015/16 negotiations would not begin until March or April of 2015. Member Spagnola hoped that the distribution would be fair.

MOTION: Chairman Alexander asked for a motion to approve the 2013/14 carryover and unallocated cash report. The motion was made by Member Thomas, seconded by Member Spagnola, and carried unanimously (4/0).

B-4 DISCUSSION OF PRESENTATION OF COMMITTEE RECOMMENDATIONS TO CITY COUNCIL AND SET DATE FOR APPROVAL OF 12/4/14 MINUTES

Chairman Alexander commented on dividing the report up like last year, and that it should be a short report (1 page). Members Thomas and Spagnola will write the storm water part of the recommendation, with Chairman Alexander writing paragraphs on departmental expenditures.

Ms. Slayton was asked about the presentation of the letter, and stated that the mid-year budget agenda item was going to Council on January 27th, and would include the Citizens Oversight Committee letter.

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Chairman Alexander mentioned that last year, the Committee asked the City Council to discuss funding mandates with Measure Q money, and Council agreed to a future agenda item to discuss this, but the discussion never happened. He would like to add a recommendation that Council have the discussion on the use of Measure Q funds for paying for unfunded mandates.

Chairman Alexander asked Mr. Woods about putting out the signs about Measure Q funds paying for the street repairs, wondered if he had just missed seeing them. Mr. Woods has the signs, and will make sure they are out there.

Member Thomas asked about funding for the bridge project (Morro Creek Bridge), and suggested that allocations be requested for that. Chairman Alexander stated that \$74,500 had been requested and allocated in 2013/14 for the bridge. Mr. Livick stated that the City had received more money from SLOCOG, and that the bids for the bridge had come in within budget.

The members discussed notifying department heads of the unallocated surplus, and suggesting they request the use of that money. Chairman Alexander said that he felt that staff and the Council should make that decision, but that Committee members could go and talk to staff members, either by themselves or in groups of no more than two.

Ms. Slayton reminded Chairman Alexander about setting a date and time for the meeting to approve the minutes. Chairman Alexander asked if that could be done by e-mail. Ms. Slayton said she would do that.

Chairman Alexander asked that Ms. Slayton and Mr. Livick get together and decide how much of the Storm Drain money could be transferred to streets, and notify the Committee members before the upcoming meeting.

C. ADJOURNMENT

The meeting was adjourned at 10:00 a.m.