

SPECIAL MEETING of the ROSS TOWN COUNCIL
THURSDAY, MAY 7, 2020

1. 9:01 p.m. Commencement. *Meeting held by video teleconference.*

Mayor Julie McMillan, Mayor Pro Tempore Elizabeth Robbins, Council Member Elizabeth Brekhus, Council Member Bill Kircher, Council Member Beach Kuhl

Mayor Brekhus announced protocols for the public to participate via Zoom and teleconference by phone, written and oral public comment.

2. Posting of agenda.

Town Clerk Lopez reported that the agenda was posted according to government requirements.

3. Open Time for Public Expression.

There were no speakers.

4. Budget Workshop presentation and discussion of the draft Town of Ross Budget for Fiscal Year 2021.

Town Manager Joe Chinn presented the Town's Draft FY 2020/21 budget and said the Council's direction will guide staff in bringing back the budget for the June 18, 2020 Council meeting wherein accompanying resolutions will be presented for adoption.

Mr. Chinn began by introducing and providing a brief background on the Town's new Planning and Building Director, Patrick Streeter, and Mr. Streeter provided thanks to the Council and was excited to be able to work with the Town of Ross.

Mr. Chinn then gave an overview of the budget, stating it has been developed based on continuing objectives of providing responsive, effective and efficient services in a fiscally responsible way.

He then displayed and gave a PowerPoint presentation, which covered the budget schedule and Town goals, the various Town funds, special revenue funds and revenue decreases and differences between FYE20 and FYE21 with COVID emergency and likely recession.

Mayor McMillan voiced concerns if the recession worsened, and confirmed with Mr. Chinn he will provide quarterly financial reports and keep the Council informed. Staff will be closely monitoring the situation as the fiscal year progresses and will return with any adjustments in the year if needed.

Council Member Brekhus referred to reductions in expenses and asked if the percentage in planning reduction in revenues was after it takes into consideration the reduction, or before it. Mr. Chinn clarified that in the case of Planning and Building there is an 20% reduction in revenues and a 12% reduction in expenses. Recreation reflects a 21% reduction in expenses and revenue. The Fire budget expense change is 7% but excluding the new wildfire prevention JPA program would be a more modest 2.6%.

Council Member Brekhus asked how Mr. Chinn based the projection for Planning and Building revenue to be down 19.6%. Mr. Chinn said the Planning/Building in Ross is pretty resilient and it does not decrease as much as other locations. This may be adjusted over time, but Building revenue is projected down by 20.8%. He noted that Building revenue has been very consistent over the last 5 years and it sometimes ranges upwards. Their goal is to keep a balanced budget, so if he sees any reductions he will look to make adjustments accordingly.

Mayor McMillan cited the situation of some Marin communities reliant on sales tax, and Mr. Chinn agreed some cities rely heavily on sales tax or TOT. Ross's revenues are down 5% to 6% but some Marin cities are heavily reliant on TOT and sales tax, which he described, and they will face significantly larger total decreases in revenue.

Mr. Chinn then presented a chart showing Total Fund balances of all funds. Staff estimates at the end of the year they will be at \$12.9 million which has gradually increased since FYE-2013. He explained the reason for the decrease from last year was because they are budgeting for more capital projects this year but this was planned.

Mr. Chinn described a chart showing Operating Fund Balance with over \$4.2 million. The Town has been transferring \$400,000 a year from the Operating Fund to their Facilities Fund given severe deficiencies and obsolete facilities. Staff is working with a consultant and in July will likely begin dialogue regarding replacement of the fire and police stations in the range of about \$20 million. At the June Council meeting he will also recommend increasing the \$400,000 transfer to \$1 million because the Town has the fund balance to do it, and this is the reason for the drop from \$4.5 million to \$4.1 million.

Mr. Chinn then described and asked for questions on the chart of Revenues of the General Fund and Public Safety Tax Fund Budget 2020-2021, which is \$8,620,216.

Mayor Pro Tempore Robbins cited Recreation revenues as being half of what they should be for this year. Mr. Chinn agreed and said staff is undertaking different alternatives which may need to be adjusted, but costs are also decreasing due to class instructors and program costs.

Council Member Brekhus cited potential opportunities to hold different recreation classes outdoors within the Town's owned rights-of-ways and public outdoor spaces which could draw interest.

Mr. Chinn said he would see the Common as a huge space and easy to maintain social distancing. He believes this summer's numbers will allow 12 people per class.

Council Member Brekhus suggested an opportunity for Recreation to reach out to the local gyms to bring their equipment to the Common. Mr. Chinn said much depends on restrictions and noted the Recreation Manager was looking into many options.

Mr. Chinn then referred to the chart of Expenditures both by type and by department of the General Fund (not including pension optional UAL pay down) and asked for questions.

Mayor McMillan referred to the debt service which is payment to Ross School for the Ross Recreation facility and asked if this had been refinanced. Discussion ensued by Council Members and staff about the 67-year lease which is considered debt service for \$10,000 a year which guarantees that Ross Recreation will have space at the school under what has been a great and long-standing relationship.

Mr. Chinn then presented staffing of full-time equivalent positions over time, stating the budget is holding steady with 24 employees; 8 in Police; 6.5 in Recreation, which may go lower, and 9.5 in other staff which include 4 employees in Planning and Building, 3 in Public Works, and 2.5 in General Government.

Council Member Brekhus asked and confirmed with Mr. Chinn staffing has been very steady and more details could be found in Tab C on page 5 of the budget.

Council Member Brekhus questioned Planning and Building staff levels which went from 1 to 4. Mr. Chinn explained that the Building and Public Works was one department in the past. One employee was in Planning and it was not until the new department was created when employees moved over from Public Works to Planning and Building. They also hired a Building Inspector in-house which is providing much better service with significantly less cost than the prior contract.

Mr. Chinn continued and said over the last number of years the Town has been setting aside \$200,000 for the Section 115 Trust for future pension costs. The budget is balanced with an overall positive fund balance of \$32,100 for the General Fund.

Lastly, he summarized that he was available to explain anything contained in the budget if Council Members had questions regarding the Income Statement which shows all of the Town's operations in a high level review.

Mayor McMillan asked and confirmed with Mr. Chinn that the transfer to the Facilities Fund and pension liability occurs at the end of the fiscal year and that these two transfers could be changed if things worsened by looking into departments first, deferring some capital projects and/or using it for Town expenses if needed.

Council Member Brekhus questioned the net change in Fund Balance in Facilities & Equipment as \$12,000, even though the Town was putting in \$500,000 into the fund. Mr. Chinn explained there are significant capital projects in that fund shown for the coming fiscal year with an aggressive construction design and construction schedule but typically not all the capital projects are built in the year originally budgeted.

Mr. Chinn stated the budget includes a number of new projects and programs which he briefly described and asked if there were Council questions.

Council Members questioned and held discussion with Fire Chief Jason Weber and Police Chief Masterson in that they are continuing work on evacuation drills, disaster preparedness efforts,

identifying residents who need help with evacuations, evaluation of homes requiring vegetation removal, grants, and priority of primary and secondary evacuation routes. Fire Chief Weber then provided an overview of the relationship between the Marin Wildfire Prevention Authority and the Ross Valley Fire Department, management of funds, work on the defensible space evaluation program and evacuation routes.

Mayor Pro Tempore Robbins asked and confirmed with Mr. Chinn that the Town has a \$200,000 Proposition 68 grant to pay for a portion of the Ross Common landscaping plan and the grant funding must be spent within a certain timeframe as mandated by the State.

Mayor McMillan opened the public comment period, and there were no speakers.

BREAK

Mayor McMillan called for a recess at 10:30 a.m. and thereafter, she resumed the meeting at 10:40 a.m.

Mr. Chinn then presented the various departmental budgets and asked for questions or comments regarding General Government Expenditures.

Mayor McMillan questioned and confirmed that expenses for travel and training relate to Councilmembers' attendance at conferences and hosting and attending various meetings, purchases for supplies, etc.

Mayor Pro Tempore Robbins commented about the expense borne by the Town for the homelessness fund and Council Members held brief discussion about the sharing of cost between Marin cities and the program's successes.

Council Member Brekhus asked and confirmed that the minute-taker expense pays for minutes prepared by a consultant for Council meetings.

Council Member Brekhus questioned the Town's 50% contribution towards the crossing guard.

Council discussion ensued about whether the school could continue funding the remaining 50% of the cost, how TAM analyzes coverage statistics and pays for crossing guards, and Council Member Brekhus asked for more information and discussion to determine if the crossing guard could be added back into the budget. Mr. Chinn made a note of this for additional discussion and consideration later in the meeting.

Fire Chief Weber then presented and described Fire Department expenditures. Mr. Chinn commented that adjustments will be made to the budget to reduce the JPA costs in the budget given the Town draft budget was prepared prior to the Fire JPA having a draft budget and the Fire draft budget is lower than the Town budget was assuming. There were no questions of Council Members.

Police Chief Masterson then presented and described Police Department expenditures, and there were no questions or comments from Council Members.

Planning and Building Director Patrick Streeter then presented and described Planning and Building Department Expenditures.

Mayor McMillan asked if the budgeted planning consultant work could encompass exploring the direction the community wants to take in terms of keeping a fire station in Ross or not. Mr. Streeter confirmed and said this also ties into the work of the Town Facilities Master Plan and community engagement in update of the General Plan. Mr. Chinn added that he has budgeted for consultant work on the Civic Center Master Plan, as well.

Mayor McMillan questioned and confirmed with Mr. Streeter that the revised Branson use permit will be similar to any other planning entitlement. There will be a cost to the Town which is covered by services and fees for which the Town receives in processing the use permit.

Council Member Brekhus voiced her desire to separate out the Planning and Building budgets, given they are two different functions. Mr. Streeter cited some instances of state mandates like ADUs as well as many shared services between the two departments and briefly discussed preferences by Council Members relating to ministerial actions versus discretionary review.

In response to Mayor McMillan's suggestion, Mr. Chinn agreed that staff will forward zoning ordinance related items identified and tracked by staff over time in need of update and forward them to the Council for review.

Council Member Kircher asked and confirmed with Mr. Chinn that Planning and Building expenditures do not exceed revenues; services are designed to pay for themselves, and if a General Plan Element review is undertaken, the Town is reimbursed for the cost of the planning work.

Council Member Kuhl questioned how staff arrived at the estimate for the amount received in terms of fines for projects not being completed on time. Mr. Chinn replied he maintains the same \$5,000 number in appeal fees and fines every year in the budget in the hopes people comply. In the Facilities Fund they budget \$75,000 a year and some years it is more and some less.

Council Member Kuhl asked for the status of pending and potential fines for projects. Mr. Chinn said he guessed this year there would be less potential projects. The May 14th agenda includes an item to extend the emergency declaration which will reduce the number of projects that will fall into any penalty, and he was not sure there would be others outside of the current pending penalty case.

Public Works Director Rich Simonitch then presented and described Public Works Department expenditures, and there were no questions or comments from Council Members.

Recreation Manager Mike Armstrong then presented and described the Recreation Department expenditures.

Council Member Bill Kircher asked and confirmed with Mr. Armstrong that the tennis courts were reopened on Monday and regulations have been posted about their use. Athletic fields have also been opened with proper social distancing by family members.

Council Member Brekhus asked if staff has the ability to ramp up if the demand increases. Mr. Armstrong replied that staff can address such demand and will create new camps, expand some and relocate others.

Council Member Brekhus asked about capacity and whether the Common was adequate. Mr. Armstrong confirmed and said staff can rotate spaces between the gym and the fields and instructors are used to these types of challenges. Regarding adult athletics, these are the most stringent as far as gatherings and staff will re-open the gym and are working on volleyball and fitness programs, but strict social distancing will be in effect.

Mr. Chinn then presented and described General Fund Capital Projects and asked for questions or comments from Council Members.

Council Member Kircher referred to Town Hall improvements and asked if this was a stop gap measure until the Council considers a more comprehensive solution for Town offices. Mr. Chinn explained this relates to minor work to get current office areas up-to-date, noting that a request for allocation of \$80,000 will soon come before the Council relating to seismic safety work.

Council Member Brekhus asked if something could be done about the rising roots from the redwood trees which are impacting the path of travel from Town Hall to the parking lot.

After brief discussion, Mr. Simonitch and Mr. Chinn agreed to work on interim measures such as installing lighting and/or posting signage to direct people to the front access and around to the parking lot until the long-term redesign of the parking lot is undertaken.

Mr. Chinn then presented and described the Gas Tax Fund Projects, and there were no questions from Council Members.

Mr. Simonitch then presented and described the Roadway Fund Projects and Drainage Fund Projects, and there were no questions of Council Members.

Mr. Chinn then presented and described Other Town Funds, and there were no questions of Council Members.

Mr. Chinn then referred to the Capital Improvement Plan on Tab X and stated he updated it based upon Council discussion in February. He asked if there were questions of Council Members.

Mayor McMillan asked if the Council wished to revisit the crossing guard issue in light of the fact that the Fire Department costs might be \$20,000 to \$30,000 less than what is included in the budget.

Council Member discussion ensued about the Town's share towards the crossing guard, cost benefit, TAM's historical tracking of crosswalk use, and the number of crossing guards TAM is currently funding. Based upon comments and the majority of Council comments, Mayor McMillan directed staff to first ask the Superintendent as to whether the school will fund the \$9,000 for the crossing guard if the Town contributed \$9,000.

Council Member Brekhus asked and Mr. Chinn confirmed that Public Health is reviewing numbers every two weeks and reported a new Health Order will be effective May 18th, wherein curbside retail will be allowed. Guidelines are also being reworked relating to outdoor recreation summer camps.

Council Member Brekhus asked for an update on short term rentals. Mr. Chinn said he has no current update.

Council Member Brekhus referred to discussions at the MCCMC meeting relating to shared services and asked if there was interest for the Town to consider this on an ad-hoc basis with Belvedere.

Mr. Simonitch reported that the Public Works Directors held discussions last month on benefits of shared services and Marin Public Works Agency also forwarded a letter to the Town about this subject. The group believed that Ross and other agencies could see a lower overall unit cost savings by combining San Anselmo, Fairfax and Ross under a single paving contract. Also, some agencies offered possibilities for shared landscaping services.

Mr. Chinn referred to sharing police services and noted the Town of Ross already undertakes quite a bit of sharing with Fairfax and the Community College, but there may be added possibilities the Chief could identify as well.

Mayor McMillan and Council Members thanked Mr. Chinn and departmental staff for the great detail and presentation on the budget.

5. Adjournment.

Mayor McMillan adjourned the meeting at 12:26 p.m.

Julie McMillan, Mayor

ATTEST:

Linda Lopez, Town Clerk