

**SPECIAL MEETING of the ROSS TOWN COUNCIL
ANNUAL STRATEGIC PLANNING WORKSHOP
THURSDAY, APRIL 28, 2022**

Held In-Person and Teleconference

1. 9:00 a.m. Commencement-Call to Order.

Mayor Elizabeth Robbins; Mayor Pro Tem Kuhl; Council Member Council Member Brekhus, Council Member C. William Kircher, Jr., and Council Member Council Member McMillan

2. Posting of agenda.

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

3. Open Time for Public Expression

Doug Ryan read from the April 25th meeting of the Flood Advisory Board regarding the need for FEMA to grant a variance to their current provision, and he asked if this had to do with the current no rise provision. He also asked if this is an official position for the Town of Ross, noting he would incur flooding if waters rise and asked the Council to put their position in writing, copying the Board of Supervisors and FEMA.

4. Housing Element Update.

Town Manager Johnson introduced the Town's consultant Andrew Hill, Principal with Dyett and Bhatia, who will provide an update of the Housing Element and efforts to date.

Andrew Hill, Principal, Dyett and Bhatia, gave a PowerPoint presentation describing work done over the last month and planned public and stakeholder outreach activities over the next four to five months with workshops, pop-up events, survey, and events to raise awareness. They will also meet with the Town Council regularly before and after events to report out in June, July, August, and October before sending the draft Housing Element to the California Department of Housing and Community Development (HCD) for review, as required by State law.. Once a draft Housing Element is completed the environmental review process will start and a second Open House can be held for people to provide input on environmental impacts and solutions.

Council Member McMillan asked if the bulk of the work to address RHNA is through ADUs and if the Town will need a mechanism to rent them to low and very low income people. If not, she asked if this should be considered to address housing shortages.

Mr. Hill said Marin County has prepared an ADU affordability study and sent it onto HCD for review and certification. He noted the Southern California Association of Governments (SCAG) did a similar study which was certified by HCD which found about 56% of ADUs built were affordable for lower income classes. Once the Marin County study is certified the Town can rely on that percentage to make an assumption about the number that will be affordable which is anticipated to be around 50%.

Council Member McMillan commented that she is hearing interest from the community that they would like some kind of mechanism such as a tax credit or fee waiver and working with the school and Town to facilitate workers to be able to utilize those ADUs.

Mayor Robbins asked if there is a requirement that the 111 units get built. Mr. Hill said no; the requirement is that the zoning map have the capacity to allow for construction of units.

Mayor Robbins questioned the timetable anticipated when the consultant team will show the approach to accommodate the 111 units proposed for development. Mr. Hill said this would be undertaken at one of the stations at the June workshop.

Council Member Brekhus referred to subdividing parcels under SB 9 and has indicated to residents they should come to the Town's Planning Department to seek information about this for redevelopment purposes.

David Woltering, Interim Planning and Building Director, stated the department has an SB 9 checklist in terms of working with property owners seeking lot splits using SB 9 and has information about processing accessory dwelling units (ADUs). He stated further, while Ross does not have a local SB 9 ordinance yet, the State mandates that the Town work with those interested in accordance with State guidelines.

Mayor Robbins opened the public comment period, and there were no speakers. She closed the matter and thanked staff and Mr. Hill for their update.

5. General Discussion regarding Ross Valley Fire Department's (RVFD) draft Request for Proposals for a Study to Develop Policy Options for the RVFD Board Surrounding Future Leadership/Governance.

Town Manager Johnson stated this item was agendaized at the request of Council Member Brekhus and she included information provided to the RVFD Board from their last meeting on April 13th which is in the packet. Fire Chief Weber has indicated a desire to go out with an RFP for a consultant to provide evaluation of options for governance of the organization.

Mayor Robbins asked and confirmed with Mayor Pro Tem Kuhl that there is not a likelihood of continuing the present contract arrangement with Chief Weber or renewing his contract which expires in one year.

Mayor Robbins asked if there are ways the Council should involve itself in this leadership decision or should they wait and see what comes of the RFP.

Council Member Brekhus said she was unsure. She suggested regularly agendizing this item because new information can be conveyed given the RVFD Board meets the day before the Council meets. She then spoke about the time savings effort thought to be beneficial; however, is now deemed as incorrect, heard Central Marin Fire was to be considered as a possible entity for outsourcing, and then described the RFP which will scope a consolidation separate from what has been done before which will be a 6 to 7 year process. She voiced disappointment with the decision to close the Ross Fire Station without information that these efforts were moving forward because logically it needed to be part of the discussion for Ross.

Mayor Robbins and Council Members agreed with the need to agendize the item each meeting for updates.

Council Member Kircher asked and confirmed that the deadline for an arrangement is August 2023 at which time the arrangement with the County expires and that the next step is hiring a consultant through the RFP process.

Council Member discussion ensued regarding Kentfield Fire as a potential new organization which would involve more than the four entities of the RVFD and special district formation, the need to agendize the matter for each Council meeting as a standing item, Ross's representation, and changing from a department to a district which the Town Manager provided requirements for through the LAFCO process.

Town Manager Johnson agreed to return with more information and recited the Chief's staff report to the Fire Board, as follows: "The department is thinking about options for the succession of the MOU which could include simple scenarios that require research and ultimately policy options to present at the Fire Board. Therefore, the Fire Department proposes a phased approach to gather information, compile and then narrow the options with the Board." The Board viewed this as a process similar to what happened with the significant policy decision last year about the Ross Fire Station where there were many options narrowed down. At the next Fire Board meeting, the Board will consider the RFP document, and asked that the Sleepy Hollow representative also be able to review the RFP.

Council Member McMillan said she assumes paying for the RFP would be based on the same allocation agreed to, and Ms. Johnson said yes.

Council Member McMillan said if they become a district that has implications for the Marin Wildfire Prevention Authority representation as well. It would mean Sleepy Hollow, Fairfax, San Anselmo and Ross would no longer be on that board and it would be a representative from that overall group.

Council Member Brekhus thinks the information on forming a special district should be part of Chief Weber's report, thinks the Council needs to understand what is being explored, and voiced caution in spending time and money on a process that may not work or make sense.

Mayor Robbins confirmed there were no other comments or questions and concluded the matter.

6. Budget presentation and discussion of the draft Town of Ross Budget for Fiscal Year 2023.

Town Manager Johnson introduced members participating in the budget presentation as consulting Town Accountant Liz Ford, Town Clerk Linda Lopez, Public Works Director Rich Simonitch, Police Chief Ralph Pata, Interim Planning and Building Director David Woltering, and Recreation Manager Gretchen Castets.

She gave a PowerPoint presentation on the draft FY 2022-23 Budget, stating last month the Council reviewed its Town Goals during the Strategic Planning Session which has guided development of the draft budget. She then described the budget schedule and review and stated on June 16th staff will return to the Council for the budget adoption hearing process and related resolutions.

Town Manager Johnson reported that the current level of services are fundable over the next 5 years. Staff projects a \$478,000 surplus at the end of June which results primarily from the increase in property taxes the Town received well above what they had budgeted for. It is also resulting in a significant increase in Recreation Department revenues.

Council Member McMillan asked if the surplus amount reflects the American Rescue Act funds, and Ms. Johnson stated no; those monies were put into the Facilities Fund.

Council Member Brekhus asked and confirmed with Liz Ford, Town Accountant that the Council could find the \$478,000 American Rescue Act funds on page 9, the estimated actual column, third line from the bottom.

Council Member Brekhus asked and confirmed that Recreation's estimated versus actual is over \$100,000 more in revenues. Town Manager Johnson explained the budget for FY ending 2022 for Recreation revenue is \$509,000 but they are projecting the actual at June 30th to be almost \$678,000 which is on page 9 under revenue with Recreation towards the bottom of the page.

Council Member Kircher asked if revenues from American Rescue Plan Act are reflected on page 9 under Governmental revenues. Town Manager Johnson said this is under the Facilities Fund on Tab O on page 23 of the draft budget, the 2nd line showing \$575,000.

Council Member Kircher asked if this is accounted for as an operating revenue or expense. Ms. Johnson replied that the monies were placed into the Facilities Fund and the Council has the ability to direct and move these funds to various other funds for programs based on federal requirements. She explained that the federal government has been putting out different reporting requirements and guidelines and staff is watching it closely and are planning to bring back an item at the May Council meeting to discuss this.

Town Manager Johnson continued the 5-year financial forecast and explained projections at year end in June, the entire draft budget for FY ending 2023, and said they increased revenues and expenditures by 3½% . Based upon current numbers, the Town's level of services are fundable over the next 5 years, leaving the Town with small surpluses each year.

She then pointed to and spoke about the three separate General Funds; operating fund, facilities and equipment fund, and an emergency fund with \$1.5 million. There are also special revenue funds and these are gas tax, drainage, etc. and can only be spent on specific purposes. She then presented a slide of year over year budget comparison, stating revenues in FY 2023 continue to grow and recover from effects of the pandemic.

Property taxes are proposed to increase 9.7% in FY 2023 as compared to what was budgeted in FY 2022, other taxes are expected to increase by 3.2%. Intergovernmental is expected to increase by 34.5% which is an accounting function reflecting the COPS grant which pays for one police officer, and now the police department shows what they are spending. One result is that it makes the Intergovernmental revenue increase by 34.5%. Recreation revenue is increasing and is at \$609,000 for the coming year; however, it is still not what it was in FY 2019 at \$860,000.

Town Manager Johnson then provided an overview by department of expenses that have changed between the current FY 2022 and the draft budget before the Council. The Operating Fund balance has stabilized over the last years, and the dip in FY 2021 reflects a large transfer made out of the Operating Fund into the Facilities Fund. For FY 2023 budget, the estimated fund balance is \$4.6 million which exceeds what is the Council's policy for required reserve fund balance of \$2.9 million. The Town also has \$1.5 million emergency fund and the \$7 million in the Facilities Fund which has resulted in prudent Council leadership.

Council Member McMillan asked and confirmed with Ms. Ford that they are estimating June 30, 2022 there will be \$7 million in the Facilities Fund.

Town Manager Johnson then displayed and described revenue sources and expenses that make up the Town's General Fund. She noted the Police MOU expires June 30, 2022 and a new MOU is currently being negotiated so the budget may need to be adjusted upon completion, as well as any adjustments for the RVFD. She explained new items to the budget, active projects, updates to plans and code updates, items relating to mandated programs and reporting, expansion of programs, wildfire mitigation support, ordinance creation and updates, capital improvement projects, expenditure themes, and highlights will be given by each department director relating to budget requests, increases and decreases.

Council Member Brekhus said the Town is in a situation where employees stretch themselves to attend meetings and implement new mandated programs. She wondered if staff could look at possibly sharing a position between Ross and another small town for savings, whether it be for a finance director or the requested analyst position.

Town Manager Johnson stated she believes the Town could look at sharing a position(s) with another town or use consultants but emphasized the need for an appropriate person to do the work that needs to be done now.

Council Member Kircher thinks a position that could be helpful with disaster preparedness would be important and he hopes the Town can resume its work on creating a robust program.

Mayor Pro Tem Kuhl cited the various ways of improving staffing and operations, but said he has observed that the person who best understands that is the Town Manager and, therefore, he was inclined to support her judgement about how to organize these things.

Council Member McMillan concurred with Mayor Pro Tem Kuhl's comments and said she knows the Winship Park Neighborhood group is all volunteers. The Town has 160 resident contacts as volunteers and it would be great to have someone help manage and maintain that information and get it going in many other venues where it is really needed.

Town Manager Johnson then continued her presentation on the budget and spoke about increases in outside services such as legal service hours, audit services, Post Office lease renewal, cyber risk assessment consulting services, records retention policy update, IT upgrades, community homeless fund contribution, RPOA contribution, and fire department expenditures. She said the Department Directors will next provide individual presentations on their budgets.

BREAK

Mayor Robbins called for a brief break at 10:42 a.m. and thereafter resumed the meeting.

Police Department:

Police Chief Pata gave an overview of the Police Department budget, pages 15 and 16 of the proposed budget.

Mayor Pro Tem Kuhl questioned the status of the Town's Emergency Operations Plan and suggested assignment of duties to Council Members and others should be added with specific assignments when emergencies occur. Chief Pata agreed this is needed, believes the Town should conduct a tabletop exercise.

Council Member McMillan agreed Council Members and others need to be trained and thought the Marin Wildfire Prevention Authority might be able to assist with evacuation drills. Chief Pata stated he has been attending the Zonehaven meetings relating to wildfire and hopes to hold an evacuation drill, as well as training.

Council Member Brekhus referred to actions of the Town during COVID in helping the community. She suggested reaching out to Age-Friendly and identifying seniors who should be checked in on which could also be something Council Members could volunteer for.

Chief Pata said he would love for the Council to help and be involved with this. He reported meeting with Age-Friendly and the Marin Center for Independent Living regarding finding something that works for everyone in case seniors do not want their contact information in a typical database.

Council Member Kircher said there have been discussions regarding traffic issues, particularly speeding along Sir Francis Drake Boulevard and asked if there are any budgetary considerations to address this. Chief Pata replied that the mobile radar signs get people's attention and they have one posted but those would be a great asset. He borrows them from the CHP or other agencies but it would be nice for the Town to have its own.

Council Member Kircher referred to disaster preparedness and equipment in terms of notifying everyone. Marin Alert works well when cell phones are working, but he asked if there is other specialized equipment that can be considered. Chief Pata said fixing the alarm will go a long way towards providing notification to the community. There are many notification services available like Nixle and others but these are not free and he believes the Marin Alert system is the most likely 'go-to' alert system.

Council Member McMillan commented that Ross Ready has been working on trying to get walkie talkies for people and doing training. Chief Pata said they also have walkie talkies at the station and when he conducts his fire drills on Friday he reaches out to Ross Ready to do training as well.

Council Member Brekhus commented that a local jurisdiction this week had purchased a generator to ensure there was a community center for people to go to during power outages for resources like air conditioning, charging stations and other needed conveniences.

Town Manager Johnson commented that the Police Department budget is going up 10% is because it now includes the police officer position and benefits, as well as the COPS fund for a full staffing of 8 members.

Council Member Brekhus commented that the Police budget has steadily increased each year of about 10% when it was \$1.629 million and went to \$1.677. Then it went to \$1.808 million and now it is at \$2.044 million.

Town Manager Johnson referred to page 16 of the budget and stated in 2021/22 the estimated actual was \$1.8 million and now it is proposed at \$2.044 million. She explained that 10% difference is largely attributed to \$169,000 being moved into this budget and the remaining amount is inflation costs each year.

She agreed the budget will be going up each year given the COLA increase per the MOU each year, step increases, increases in CalPERS and insurance, etc., thinks there are some grants opportunities available through County OES and the Town must do the legwork to apply for these. She said there is also a cost associated with the Nixle program but this program can be very useful in terms of traffic announcements, community engagement opportunities and disasters or incidents, and staff can bring this cost information to the Council.

Council Member McMillan questioned and confirmed station repairs of \$25,000, \$10,000 of which was paid last year for roof repairs. She thinks once the Town gets their facilities addressed that line item could be removed or taken down to zero, and Town Manager Johnson agreed.

Planning and Building:

David Woltering, Interim Planning and Building Director, gave an overview of the Planning and Building Department budget.

Council Member McMillan asked if the proposed contract planner could also help with the Facilities Master Plan. Mr. Woltering said this is a possibility and he deferred guidance from the Town Manager. In terms of coordination, the consultant will need data and information and a variety of people will need to gather and provide this to the consultant team.

Council Member Kircher said occasionally he hears complaints about fees charged for plan checking, building permits, etc. His understanding is that it should result in net neutral or serves only as cost recovery of the Town's costs.

Town Manager Johnson confirmed this understanding and explained that a fee study was done relating to Town costs to provide services. The nexus study came to the Council and the Council adopted the recommended fees. The resolution has an annual increase based upon Bay Area CPI so they use the November CPI number to increase fees accordingly and rounding them down. Those go into effect on January 1st and are posted to the website.

Council Member Kircher asked and confirmed that the fees are set to cover costs and that in a few years the Town will need to update the fee study to reflect true costs of doing business.

Discussion then ensued regarding state law which limits jurisdictions to charge only for its costs to provide services to the public, ADU development costs and incentives by not charging impact fees, items the Housing Element consultant is reviewing in the update, and other fees affecting ADU development such as garbage, sewer, water and other utilities, and the need for another fee study review in upcoming years.

Public Works:

Rich Simonitch, Public Works Director, gave an overview of the Public Works Department budget.

Council Member Kircher referred to tree maintenance and asked and confirmed this line item is only related to Town-owned properties; however, the tree maintenance budget is separate and apart of actions identified in the Urban Forestry Plan.

Council Member Kircher asked if anyone has jurisdiction on trees needing maintenance on private properties. Mr. Simonitch replied this is up to the private property owners, including trees in the public right-of-way along their frontage. Maintenance staff is constantly identifying dead or dying trees that may be a hazard and notifying residents of their need to remove them. The Town does not charge the encroachment permit but homeowners must pay for their own tree removal costs.

Council Member Kircher asked what would occur if the homeowner did not respond and Mr. Simonitch said this could be reviewed under the public nuisance section of the Municipal Code given it may threaten other neighbors or Town property. The Fire Department also provides backup and requests the homeowner comply.

Council Member McMillan said if the Fire Department states the property owner needs to remove a tree she asked if the Town charges the property owner for an arborist report to have the tree removed.

Mr. Simonitch said this is something they are currently considering but because it is in the Municipal Code the Town cannot waive the requirement until the code is amended or clarified. The Public Works Director can waive the requirement, which is in the tree ordinance, but it is safest to just follow the Municipal Code until there is more ministerial direction in the Municipal Code.

Council Member Brekhus said she understands the concrete decorative item by the fire station was reviewed, confirmed it is in the right-of-way, and asked if there is any room in the budget to make some attractive improvements to it.

Mr. Simonitch said it is not in this year's budget but there is still time to make those types of adjustments. They have some funds to add landscaping similar to the open parcels next to the St. Anselm's Church parking lot at the corner of Bolinas and Sir Francis Drake and they could do something similar here. He confirmed such a capital project would be taken to the ADR group first.

Recreation:

Gretchen Castets, Recreation Manager, gave an overview of the Recreation Department budget under Tab M.

Council Member McMillan commented on the Age-Friendly event which was wonderful and she thanked Ms. Castets for facilitating those synergies.

Council Member Kircher stated the pandemic has been a huge constraint on activities and he asked what limitations if any still remain. Ms. Castets said during the pandemic they were constantly receiving changing guidelines to follow but are no longer receiving information on limitations. Masks have been lifted for indoor and outdoor operations, and staff projects moving back in the direction of revenue numbers prior to COVID.

Town Manager Johnson concluded the department presentations.

Capital Improvement Projects/Other Funds:

Mr. Simonitch then gave an overview of capital projects which was previously presented in prior meetings, followed by the Town Manager's presentation of Other Funds, which included the public safety tax, parcel tax which will increase based on the CPI, the COPS fund, a General Plan Update fund, and a final overview of the upcoming capital improvement projects by Mr. Simonitch.

Mayor Robbins referred to the pedestrian bridges at Natalie Coffin Greene Park and asked and confirmed with Mr. Simonitch that these bridges could go before the ADR Group to ensure a nice aesthetic for the park.

Council Member Brekhus especially thanked Ms. Ford, the Town's consulting accountant for her work for the Town.

Town Manager Johnson concluded the Budget review, thanked staff and the Council, stating staff will be incorporating additional information and final numbers into the budget which will return to the Council on June 16, 2022.

7. Adjournment.

Mayor Robbins adjourned the meeting at 12:25 p.m.

Elizabeth Robbins, Mayor

ATTEST:

Linda Lopez, Town Clerk