



**MINUTES OF THE SPECIAL MEETING OF THE  
RIDGECREST CITY COUNCIL AND  
RIDGECREST REDEVELOPMENT AGENCY**

**City Council Chambers  
100 West California Avenue  
Ridgecrest, California 93555**

**April 5, 2011  
5:30 p.m.**

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded solely for the purpose of preparation of minutes.

**CALL TO ORDER – 5:30 p.m.**

**ROLL CALL**

**PRESENT:** Mayor Ronald H. Carter; Mayor Pro-Tem Marshall 'Chip' Holloway; Vice Mayor Jerry Taylor D. Taylor; Council Member Steven P. Morgan; and Council Member Jason Patin

**STAFF:** Kurt Wilson City Manager; Rachel J. Ford, City Clerk; and other personnel

**APPROVAL OF AGENDA**

*Motion To Approve Agenda Made By Council Member Patin, Second By Council Member Morgan, 5 Ayes, 0 Nays, 0 Abstain, And 0 Absent*

**SPECIAL SESSION – 5:30 p.m.**

- Pledge Of Allegiance
- Invocation – Steve Morgan

**PUBLIC COMMENT**

- Stan Rajtora – alluded that tonight would not be going over some of same issues as last night, have questions:
  - Gas tax fund pg. 19 large carryover
  - Wastewater enterprise fund, 908k transfers out.
  - Sewer fees in ordinances, can't find the accounts.
- Ann Taylor – I appreciate your time last night to express my concerns regarding the removal of the Administrative Analyst III position. I want to take this time to

clarify for you under the current existing guidelines and policies; I would be unable to move into any other opposition within the city under the so called “Bumping Rights” I feel I need to advocate for myself by making it clear to you that if the Administrative Analyst III position is removed from the budget as proposed it will result in the city terminating my employment through no fault of my own after 35 years of service and within 2 years of retirement. Thank you for hearing my concern.

## DISCUSSION AND OTHER ACTION ITEMS

### 1. Budget Presentation

Staheli

- Kurt Wilson – recap of progress and presentations from April 4 meeting. Outline for tonight to go over direction to staff and try to answer.
- Tyrell Staheli – Stan Rajtora gas tax transfer, more revenue than anticipated which will carry over into next fiscal year. Wastewater fund is showing actual cost and what was cut was the franchise fee. Sewer fees account lines identified to the public. Concern is to not co-mingle the funds. Internal accounts are kept separate in the accounting system and controlled by code.

General discussion – order of the meeting to follow the list as generated yesterday.

- Jerry Taylor – unfunded staffing costs by department. Would like to see the order of unfunded most important items.
  - Kurt Wilson – staff portion is very different from what is in the proposed budget and may be an awkward overlap.
- Jerry Taylor – thru the process, priorities were established and some funded items may not have been the department's priority. Of the remaining unfunded items would like to see each department's top three priorities.
- Steve Morgan – of those, would like to have these listings to keep in mind what is still out there. I am assuming that number one of CED is the housing element, but that may not be the case. If these departments have a one or two and really is unfunded just want to know.
- Jerry Taylor – this is something that can be worked on at another time, wasn't implied we would fund them but was a data gathering for what is still out there
- Ron Carter – city manager gives us a memo of each department and maybe takes another step to do an overall priority list.
- Jerry Taylor – just trying to get a synopsis of what was important for each department. Additionally that it is possible that nothing on the list will be funded

but will understand the list and should funds become available or budget cuts we can have something to debate.

- Ron Carter – even without this can pass a budget
- Chip Holloway – item 2 of the list is research only, doesn't hinge on passing the budget
- Jerry Taylor – item 3 – that is more in-depth study from council members in the mini Ad Hoc groups and work on for month of April. Requests for information and other data and if is cost effective may come back with amendments.
- Jerry Taylor – item 4 is a way to increase general fund reserve. These are not a time to retract too much but concerned and thru out as an idea like many other ideas.
- Steve Morgan – could take it or leave it. I take it and pay a lot of my out of town expenses on city travel.
- Ron Carter – this is up to individual council members to volunteer or not.
- Jerry Taylor – everyone's situation is different and in negotiations with employees, interested in showing a spirit of cooperation. Would like to shelve this for now
  - Kurt Wilson – since this is a voluntary process, each could give or take at your request.
- Jerry Taylor – Item 5, what does it pay for
  - Kurt Wilson – any number of services which cannot be anticipated such as outside investigations.
- Jerry Taylor – had been zero but now has funds.
- Steve Morgan – are those items that would come back as a report to council as an unknown expense
  - Kurt Wilson – depends on the nature, anticipate some items in the next 15 months expect to come back to council at some point.
- Steve Morgan – what is that?
  - Tyrell – to cover council directions that do not fall into a specific department such as trash.
- Steve Morgan – things you are working on for us that need outside services.

- Jerry Taylor – reviewed several other professional services in council, city manager, and other budgets.
  - Tyrell – same numbers at today but moved from page 92 to the general fund. Projections at this time.
  - Kurt Wilson – near process likely to need funds for RFP and trash.
- Jerry Taylor – HR would be in HR.
  - Kurt Wilson – the funds for HR have been budgeted but the cost for RFP and expenditures to get the contracts are under council.
- Jerry Taylor – item 6 clarification of RDA
  - Tyrell – gave explanation
- Steve Morgan – Item 7 Maturango Junction report to understand why \$10k has been budgeted. Want to know the total cost for this event.
- Ron Carter – think need more than 10k as last year was done by volunteers. One person spent own money and has asked city to take over. Originally recommended 20k to cover all costs. Want this to grow and ‘seed’ money will bring in live bands or other entertainment to help this grow. Wasn’t anything in this year’s budget? Happy we have something but not sure if is enough. This year cancelled due to Navy celebration and originally thought would benefit us but after reviewing felt this would not be the case. Concerned with time to put together and recommend we fund and get committee together to begin organization for next year.
- Jason Patin – asked Mr. Jim Ponek about last year’s participation as in-kind
  - Jim Ponek – last year was in-kind
  - Peggy Breeden – not sure what you are asking because didn’t have specific costs. One individual paid \$7k and chamber paid \$4k. largest cost is insurance and car sale did not work out at location. Looking for support to help augment the event. Had 83 vendors last year and 27 were non-profits? Concerned they would want to participate with Navy. Decided to put Junction off for this year which would have been the 37<sup>th</sup> year. Cancelled once to avoid conflict with fair and following year was better. In general those were the costs that did not cover in-kind services.
- Jerry Taylor – some discussion was phasing, when you need the money. How much is really needed prior to end of June 2012 for October 2012 event.
  - Peggy Breeden – looking for a know band but remaining expenses are not incurred until the event date.
  - Jim Ponek – down payment for band and looking for another draw to be held inside Kerr McGee connection with Maturango Junction

- Ron Carter – promoter suggested this as fundraiser to assist veterans programs. Find a way to entice bands to come here over somewhere else.
- Jason Patin – if not having the event this year, why budget funds. What I'm hearing is to put money there to begin down payments for groups.
- Jerry Taylor – do we have number to lock in the band?
  - Jim Ponek – band cost between \$10-100k. if find band for \$40k then go out and find sponsors to fund the balance. Planning ahead for next year. If have some in this budget and more in next budget combined with sponsorship then big goal.
- Jerry Taylor – free to public?
  - Jim Ponek – ideas of fencing off park and possible fee for band.
- Jason Patin – idea of seed money, have event that will I put money back into city and eventually generate revenues to pay for the event in future years.
- Jerry Taylor – concern about not having agreement of what we are committing to. Non-refundable deposit locking in a band and then not being able to fund the balance.
  - Peggy Breeden – intent is not to have city fund the long term. Intent is to ask city to do short-term and money grown to fund itself. Intended to have a Pow-Wow which is a large revenue provider. People coming in to stay in hotels and buy food. Band proceeds can come from public; already have someone willing to put up 10k if we get a good band. Want a band so people outside community will come.
- Jerry Taylor – asking staff and committee to bring back a business plan, more substance than tonight. Want to understand our commitment before writing the check. Want to maintain credibility for council.
- Ron Carter – this fits into community requests for signature event.
- Jerry Taylor – would personally prefer from budget standpoint is leave at \$10k and if need to increase later after business plan.
- Steve Morgan – appreciate explanation, do have suggestion for Mr. Jim Ponek, need to figure out better traffic flow plan and walking distance for some people. Also interested in what is intended for Kerr McGee center and suggest talking to people because this is opportunity to take another struggling event like health fair inside with vendors outside, double volunteers and effort may be great value to this program. Talk with USO building and get people going from place to place.

- Jerry Taylor – desert orchestra in the park, full weekend event with multiple reasons to be in the area.
- Jason Patin – want to give credit to those involved in the event and committee did meet afterwards to address concerns.
- Steve Morgan - Item 8 did receive report from Mr. Bradley
  - Craig – it is in this budget to provide cameras and next year is to provide seat costs.
- Ron Carter – sister city problem was chartered by city and is a city event. Is unfair for put small group of volunteers to carry this event for city. need to fund or eliminate by documents necessary. Was embarrassed with presentations. If can't fund then should not be involved.
- Jerry Taylor – not my understanding, thought was a primary organization that runs their program. Not supportive of using taxpayer dollars in support of sister city.
- Chip Holloway – big supporter of sister city but also told them and gave plenty of warning that we could not fund in the budget. They initially said they would do funding. If we turn around and support them when an individual did give them \$2k then we do them a disservice. Have concerns with local organization. Options given are extremes. Have been with city for 35 years and council should be willing to help with fund raising efforts but not willing to use public funds for this program. Think this is a positive relationship but not willing to expend \$2k for support.
- Ron Carter – same situation with Maturango Junction. Current economic times and low volunteerism. Don't want to be embarrassed like last year and if city can't contribute \$2k then need to do what is necessary to separate from the program.
- Jason Patin – last year was zero and prior was funded by city. need to make some type of decision out of fairness to organization. Can't leave them hanging. A city event not being supported by the city is no longer a city event. Last year they got lucky and someone funded it for them.
- Jerry Taylor – lack of support from citizens compared to Maturango junction.
- Jason Patin – just saying need to decide what we are going to do and let them know what is going on.
- Ron Carter – hate to lose this program over \$2k.

- Steve Morgan – do agree that need to decide whether to pull charter and while Tepatitlan is involved, we are not and feel this should be cut from the budget.
- Ron Carter – youth advisory needs some type of budget to continue activities.
- Steve Morgan – Jim Ponek find it in his budget.
- Chip Holloway – agree with you, teen court comes from Police budget.
  - Kurt Wilson – sister city fund or not?
- Jerry Taylor – no
- Chip Holloway – not this year but not pull charter
- Steve Morgan – no
- Ron Carter – yes
  - Kurt Wilson – not funding this year and will have to review requirements for charter.
- Jason Patin – can't take credit for event but not funding?
- Jerry Taylor – not willing to spend city funds or time
- Ron Carter – is a city program and function. Not fair to say we are going to wash our hands over \$2k. surprises me. Don't want responsibility if not going to fund.
- Jerry Taylor – doesn't want to fund and will vote to abolish charter if bound to do so. This has been issue for long time
- Ron Carter – symbolic from small group of people.
- Jerry Taylor – comments from my acquaintances
- Ron Carter – citizens I work with want if funded.
- Kurt Wilson – sister city out
- Kurt Wilson – youth advisory line item goes
- Jason Patin – whose budget is that in?
  - Tyrell – special revenue account.
- Chip Holloway – question Kurt Wilson about \$10k discretionary funding for council members can pay for both.

- Kurt Wilson – both items will be eliminated at this time.
- Jerry Taylor - Item 7 mechanic cost comparison for data purposes only and comparison with other shops.
  1. police number 1 is code enforcement and second is 2 community services officers
  2. Community development number one is planning intern at \$8500 number 2 is housing element \$45k and third is zoning ordinance at \$55k
  3. MIS number one is financial system \$350K, second is desktop replacement \$150k; third phone \$175k
  4. P&R one is p/t maintenance employee \$30k; second Kerr McGee chairs \$35k; third re-carpet \$35k
  5. PW one is striping \$75k discussion of striping highlighted regulation changes from oil base paint to water base paint. Currently using best paint available.) second rubber tire roller \$40k; and third underground
  6. Finance first financial system; restoration of account clerk I to 100% finance (currently shared as secretarial duties for MIS).
  7. Clerk first is Codification of code and second is p/t staff member
  8. City Manager first beefing up analysts positions \$120k, \$1,445,000.00 total
- Chip Holloway – get committees moving as quickly as possible
- Jerry Taylor – requesting notification to council when budgets are moved from one department to another.
  - Ron Carter – is that really needed, it's getting into micromanaging
  - Jerry Taylor – council establishes the budget and sets policy and if staff deviates from that. Asking we be notified, not the checker. In fairness to Mr. Staheli with current financial system cannot do more frequent reports so alternative is city manager to notify council such as when one person exceeds their budget and has to borrow from other accounts then feel we should be notified.
  - Steve Morgan – we approve a budget for each department and the city manager watches over. Department heads get authorization from city manager. But do not authorize transfers from one budget to another we should be notified. Agree with Mr. Taylor in notification process.
  - Chip Holloway – goes back to past individuals and multiple complaints from department heads, not a reflection of current staff but past monies appropriated was not given. This would prevent problem from happening again.
  - Jerry Taylor – not an issue of trust but a method for limited financial system which prevent monthly budget status reports. Not asking for preapproval, just a city manager report.
  - Jason Patin – if something changes we have already approved we need to know. Ultimately we have to answer to public.

Steve Morgan, Jerry Taylor, Jason Patin, and Chip Holloway gave allocations of \$2,000 back to general fund for total of \$8,000. Ron Carter kept \$2,000 for community concerns.

Kurt Wilson – gave wrap up.

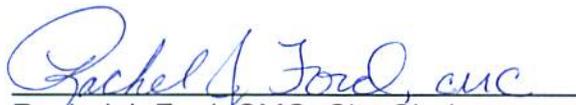
1. Removal of \$2k funding for sister city
  2. Removal of \$2k for youth advisory
  3. Addition of resolution language section 2
  4. Adjust discretionary fund from \$10k to \$2k
  5. Move public works funds for lifts to vehicle repair line item.
- Jerry Taylor – question of public works and lifts, should still be in budget
    - Dennis – is for the lifts on busses and has rolled as we are continuously having reoccurring problem with lifts on the bus. All busses equipped with same lifts.
  - Jerry Taylor – this should be vehicle repair and should be moved.
  - Jerry Taylor – not ready to vote on this budget tonight. Expectation could wait until tomorrow night to finish budget.
  - Steve Morgan – would like to wait but do have comment. In this budget talking about possible contracting out but want to see RFP and have interviews to make sure exactly what we are getting before actually contracting.
  - Jason Patin – piggy back on that comment, severity of unemployment for individuals. Don't see rush to adopt tonight as several things want to look at, gun shy about eliminating positions without documentation. Can't guarantee would be ready to adopt tomorrow night. Want to make sure and lives are affected. Need more information.
  - Ron Carter – prefer to pass tonight as a living document, will have to look at again with state decisions, important for staff to continue and move forward and can be brought back to council as needed.
  - Chip Holloway – questions won't change overnight but staff needs to check numbers and get a full night's sleep before making decisions.
  - Jerry Taylor – only saying let's get real on timeline and discuss tomorrow.
  - Chip Holloway – would rather be in this position of being early on budget than have in past.

- Ron Carter – any changes made before passing the budget will have ripple effect.
  - Kurt Wilson – my preference is to have council vote when they reach their comfort level, not pressure to move forward when there are still concerns. Depending on ultimate vote could be personal impact for individuals and want to try and minimize impact and limit amount of time their uncertainty takes place. As soon as we are at point everyone is comfortable that is when I request you move forward.
  
- Ron Carter – assuming might pass tomorrow night.

## **PUBLIC COMMENT**

- Howard Auld – this is huge subject, looking at certain documents city has \$21.5 million audit report what amounted to leaves a \$1.4 million deficit. Once state budget happens may cause deficit to become larger. One number stands out is the overall expectation of revenue is \$32 million and \$22 million expenditures so a \$10 million balance going to reserve. Is that correct?
  - Kurt Wilson – process is correct but those numbers are uncertain to source of numbers. Daily independent report.
- Howard Auld – last night discussion of letter for congressman McCarthy, listed participant for the proposed meeting to discuss options to solve our problems. Would be advisable to have preliminary meeting to come up with numbers. Bill Thurm instructed us in the same at every meeting.
  
- Barbara Auld – personal note, if hands are over mouth, those of us who have trouble hearing can't hear you. Movements of head away from microphone, keep hands down. thank you.

**ADJOURNMENT at 7:35 pm**

  
Rachel J. Ford, CMC, City Clerk