



**MINUTES OF THE SPECIAL MEETING OF THE  
RIDGECREST CITY COUNCIL AND  
REDEVELOPMENT SUCCESSOR AGENCY AND  
HOUSING AUTHORITY AND  
FINANCING AUTHORITY**

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

**April 25, 2013  
6:00 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 for the purpose of preparation of minutes.

**CALL TO ORDER at 6:00pm**

**ROLL CALL**

Council Present: Mayor Daniel O. Clark; Mayor Pro-Tem Jason Patin; Vice-Mayor Marshall 'Chip' Holloway; Council Members Jim Sanders and Lori Acton

Staff Present: Interim City Manager Dennis Speer, Deputy City Clerk Ricca Charlon, City Attorney Keith Lemieux, and other staff

**APPROVAL OF AGENDA**

*Motion To Approve Agenda As Amended Made By Council Member Holloway, Second By Council Member sanders, Motion Carried By Voice Vote Of 5 Ayes, 0 Nays, 0 Absent, 0 Abstain.*

**SPECIAL SESSION – 6:00 p.m.**

- Pledge Of Allegiance
- Invocation

**PUBLIC COMMENT**

Opened Public Comment at 6:09pm

Mike Neel

- Quoted Thomas Jefferson

Closed Public Comment at 6:11pm

**DISCUSSION AND OTHER ACTION ITEMS**

**1. Budget Hearing for Fiscal Year 2013-2014**

**Speer**

Dennis Speer

- Gave staff report and PowerPoint presentation. *(Copy Available In The City Clerk's Office)*

Rachelle McQuiston

- Presented the summary of FY 2013-14 recommended budget expectations.

Public Works Presentation

Dennis Speer

- Presented Public Works Department Budget reviewing each division and their activities, accomplishments, and goals.
- Reviewed funding sources and budgets for each source. (Gas Tax, TDA, Wastewater, ISF Fleet Maintenance, and General Fund)
- Reviewed impact to budget without Tax Allocation Bond funds and Measure 'L'.
- Reviewed Measure 'L' requests for Street Projects and functions.
- Discussed matching fund needs for approved funds due to be collected FY 13-14.
- Highlighted compliance concerns within the public works department.
- Reviewed Observations/Recommendations/Requests
- Highlighted changes made to the budget format.
- Announced expectations with regard to reporting to Budget Managers and Council.
- Presented ideas for Revenues and Cost Reductions.
- Reviewed the Staffing Chart for Public Works.

Chip Holloway

- Clarified street lights being paid by gas tax fund but listed for public safety.
- TAB funding discussion of how funds would be shown once received.
- Transit revenue, what happened to cash balance and can funding be diverted to streets.
- Street Light, asked if conversations have been started with Dan Brady regarding City taking over street lights from SCE. Public Relations nightmare SCE has experienced with multiple cities could be what prompted political move to work with agencies now on street lights.
- Gave example of putting extra revenues to wastewater instead of providing matching funds as leverage to attain up to \$3 million in additional funding for streets.

**MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR**  
**April 25, 2013**  
**Page 3**

Lori Acton

- Asked for clarification of how TDA funds can be used.
  - Dennis Speer responded.

Jim Sanders

- Asked about status of GIS system.
- Asked at what point TDA funding exceeds transit costs and balance can be applied toward streets.
  - Dennis Speer – explained State allocation and claim submissions. Funds are collected as a portion of sales tax.
- Asked about the function of the rubber tire roller and condition of current equipment.

Dan Clark

- Reviewed total proposed cuts of approximately \$700k
- Clarified that request for \$356k could be leveraged as matching funds for approximately \$3 million for streets.
- Reviewed TAB allocations and needs from Measure 'L' to complete projects.

Chip Holloway & Lori Acton

- Asked for straight funding needs without using TAB funding.

Lori Acton

- Clarified Programmed Projects as matching fund needs.

Jason Patin

- Reviewed funding resources and reminded public that only engineering item #1 is the only General Fund source.
- Clarification of ISF Fleet Maintenance collection procedure and how much is collected from general fund.

Dan Clark

- Asked projected Measure 'L' funding
  - Rachelle McQuiston - \$1.8 million

Chip Holloway

- Clarified transportation fund.

Jim Sanders

- Reviewed Engineering Programmed Projects and design cost needs.

Chip Holloway

- Reviewed cross-training options for maintenance staff.

**MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR**  
**April 25, 2013**  
**Page 4**

Lori Acton

- Mentioned feasibility of combining all maintenance under public works.

Jason Patin

- Clarification of gas tax fund cut for street maintenance supplies.
  - Rachelle McQuiston – gas tax fund projections were higher than actually received so projections have been reduced to reflect actual.

Chip Holloway

- Discussion of why gas tax was reducing.

Dan Clark

- Scenario of \$400k from Measure 'L' to be matching funds to receive additional funding.

Public Comment opened at 7:40pm

Phil Salvatore

- Clarified shortage of gas tax was addressed at mid-year review
- Reviewed budget adjustments made at mid-year review.
  - Dan Clark – responded.
- Questioned TDA cash balance of \$300k and can that be adjusted to street repair.
  - Dennis Speer – responded that once claim filed then cannot be amended. Future years will be submitted for some streets projects.
- Pointed out that funding for PMS was going away.

Jerry Taylor

- Reviewed PMS findings and where funding and streets would go if funding is not allocated for PMS and projects not completed.
- Reviewed TAB projects which do not include maintenance of existing roads.
- Expressed concern.

Stan Rajtora

- Clarified that budget does not include a reserve.
- Referenced last council meeting and opposes 100% wastewater fund reserve and capital reserve.
- Commented that with no reserve then asking for trouble.

Jerry Taylor

- Asked for breakdown of wastewater fund and clarification for overhead.

## **MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR**

**April 25, 2013**

**Page 5**

Mike Neel

- Opposes budget with no reserve. Suggested creating a small reserve.
- Transit fund observation. Cost per ride is astronomical with virtually no contribution from riders.
- Referenced balance of unused TDA funding being banked for next year to streets.
- Wastewater suggestion is put more funding toward GIS mapping of existing sewer lines.
  - Dennis Speer – explained staffing issues and time required to GPS between manholes.
- Suggested contracting to have GPS mapping completed.
- Street needs exceeds Measure 'L' funding capability. Options to reduce expenditures in other department or come up with another tax.
- Encouraged council to review graphs attached to presentation and look at what streets will be like in 3 years without funding.

**Recess for 5 minutes at 8:00pm and resumed meeting at 8:05pm**

Dan Clark

- Responded to Mike Neel's comment on reserve.

Jason Patin

- Clarified that recommendation are from staff.

Phil Salvatore

- Asked about assistance from other agencies with respect to wastewater.

Jerry Taylor

- Referenced \$1.5 million Measure 'L' road list addressing Sunland in year 4 and suggested moving that project to an earlier year due to current condition of the street. Suggested looking at priority listing and re-prioritize as needed.

Mike Neel

- Reviewed department level comparisons from past to current showing department reductions and suggested increasing staffing for streets.

**Closed Public Comment at 8:09pm**

## MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR

April 25, 2013

Page 6

Chip Holloway

- Reviewed cost for transit and State requirements for sustainable community and reduction of greenhouse gases. Without transit other opportunities for funding would be withdrawn.

Jim Sanders

- Asked for schedule/season for paving streets. When do materials need to be purchased.
  - Dennis Speer – responded that normal purchases are made in March each spring.

Jason Patin

- Has problem with taking funding from public works budget to be used elsewhere then backfilling with Measure 'L'. Want to know where the budget for street repair supplies is going. Requested to review subject again on Saturday

### Public Services Presentation

Dennis Speer

- Presented Public Services department budget.

Chip Holloway

- Asked about percentage of permits are handled by County vs. City
  - Dennis Speer – responded
- Reviewed Building Division performance measures
- Asked about the housing element and how far behind we are.
  - Dennis Speer – about 3 years.

Lori Acton

- If the housing element is not completed it will affect City's ability to obtain grant funding.

Public Comment opened at 8:27pm

Jerry Taylor

- Mentioned cost savings by providing electronic agendas.
- Asked about redevelopment presentation.

Public Comment closed at 8:29pm

Lori Acton

- Asked about inspections and county contract.
  - Dennis Speer – staff processes permits and plans

**MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR**  
**April 25, 2013**  
**Page 7**

Administration Presentation

Rachelle McQuiston

- Presented administration budget presentation.

Lori Acton

- Questioned assumption of duties from other divisions being properly allocated.
  - Rachelle McQuiston - responded

Chip Holloway

- Clarified services and charges.

Dan Clark

- Requested explanation of proposed expenditure which includes County Elections Office coordination of elections and Travel & Training.

Gary Parsons

- Reviewed Economic Development budget proposal.

Chip Holloway

- Questioned ROPS approvals.
  - Gary Parsons – responded that at this time State has not said 'No' to requests.
- Commented on proposed bill that would prohibit state from amending ROPS once certificate is approved.

Lori Acton

- Asked for clarification of Services and Charges costs
- Asked for measurable list of projects beyond ROPS.
  - Gary Parsons – will provide list which needs revision due to dissolution of Redevelopment Agency. Commented on potential funding for economic development allocated thru TAB funding once they are available.
- Clarified that primary expenditures was for salaries and legal costs.

Dan Clark

- Clarified ISF support
  - Rachelle McQuiston – fully reimbursed from RDA, only indirect cost that can be charged to RDA

## MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR

April 25, 2013

Page 8

Jim Sanders

- Asked what other possibilities are allowed for the funds.
  - Gary Parsons – no ISF support line item in the ROPS submitted to State but general overhead is allowed. Explained how the RDA is funded thru the ROPS.

Lori Acton

- Clarified that none of Gary Parsons salary is part of the \$250k. neither Jim McRea's contract or Gary Parson are paid from General Fund. Salaries listed are for overhead support staff such as finance.
  - Rachelle McQuiston – explained RDA payment vs. ROPS.

Public Comment opened at 9:05pm

Phil Salvatore

- Asked for breakdown of salary and benefit shown to general fund
  - Rachelle McQuiston – explained breakdown of overhead salaries charged to the account.

Jerry Taylor

- Asked for full disclosure of the overhead costs. Report presented does not show full breakdown of costs. Suggested new slide for Saturday discussion.

Closed Public Comment at 9:08pm

Rachelle McQuiston

- Presented Information Technology budget

Lori Acton

- Asked for breakdown of services and charges
  - Rachelle McQuiston – licenses and contracts

Chip Holloway

- Asked about AS400 and payroll system. Concerned about efficiencies gained which may offset cost.
  - Rachelle McQuiston – council would have to front the money and would not be able to realize the efficiency for a couple years.

Jim Sanders

- Suggested looking at similar areas where an investment in software or hardware would benefit in efficiency and be more cost effective.
  - Rachelle McQuiston – IT staff will prepare a list for Saturday.

**MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR**  
**April 25, 2013**  
**Page 9**

Lori Acton

- Concerned about payroll system.

Dan Clark

- Questioned salary increases
  - Annual step increases and workers compensation allocation and final pay allocation increase based on salary.
- Questioned increase to materials and supplies

Public Comment opened at 9:15pm

Phil Salvatore

- Cautioned to review software carefully and avoid SAP

Jerry Taylor

- Commented on salary increases.
- Suggested researching other licensing alternatives such as Google Docs

Jason Patin

- Asked if salaries was bargaining group
  - Unrepresented group

Public comment closed at 9:19pm

Chip Holloway

- Asked about training budget for City Manager staff
  - \$4000

Closed budget hearing at 9:20pm

**CITY MANAGER REPORT**

Dennis Speer

- None

**MAYOR AND COUNCIL COMMENTS**

Lori Acton

- Thank you and good night

Jim Sanders

- Looking forward to continuation Saturday
- Thanked staff for patience

**MINUTES - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR**  
**April 25, 2013**  
**Page 10**

Chip Holloway

- MEMORIAL SERVICE FOR Dianne Grattarrotti

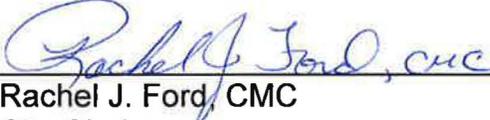
Jason Patin

- Commented that during daytime meeting had more public participation

Dan Clark

- See everyone Saturday and have a good evening.

**ADJOURNMENT at 9:23pm**

  
\_\_\_\_\_  
Rachel J. Ford, CMC  
City Clerk