

MINUTES

City of Guadalupe

Regular Meeting of the Guadalupe City Council

Tuesday, May 28, 2024, at 6:00 pm

City Hall, 918 Obispo Street, Council Chambers

1. ROLL CALL:

Council Member Christina Hernandez
Council Member Gilbert Robles
Council Member Whitney Furness
Mayor Pro Tempore Eugene Costa Jr.
Mayor Ariston Julian

Mayor Julian called the meeting to order at 6:00 p.m. All members were present. (Note: The abbreviation, "CM", for "Council Member", will be used in these minutes.)

2. PLEDGE OF ALLEGIANCE

3. MOMENT OF THANKS, APPRECIATION OR CONDOLENCES.

CM Costa, Jr. mentioned condolences to the family of Luis Magaña on his recent passing. CM Robles said that Don Arturo Ortiz, a long-standing family man recently passed away. Condolences and prayers for his family. Mayor Julian also mentioned the passing of Monica Marquez (Nuñez) who worked at the Hope Center.

Mayor Julian then said, "My mother, Isabel Perez, passed away this morning. She was 94. My father passed away when he was 67. That's been my goal to pass 67. Now the bar's been raised to 94. She's at peace now."

CM Hernandez said, "May is National Mental Health Awareness Month. I would like to acknowledge that May 19th through May 25th is California Fire Service Behavioral Health Suicide Prevention & Awareness Safety Stand Down. Every day, firefighters throughout California are exposed to events and scenes few can imagine, and sometimes these experiences can push men and women to the brink...and beyond. Remember, if you see something, say something. Dial 988-Suicide and Crisis Lifeline. I want to thank our firefighters for the work they do in helping keep our community safe."

4. AGENDA REVIEW

Mayor Julian requested Item #6. Community Participation Forum be moved ahead of Item #5. Presentations. No other changes were made.

5. PRESENTATIONS

A. Guadalupe Wastewater Treatment Plant Performance and Available Grant by Central Coast Regional Water Quality Control Board – Jennifer Epp, Kathy Truong, Cecile Blancarte

Ms. Epp, Wastewater Permit Unit Supervisor, began by thanking the City Council for taking time out of tonight's agenda to allow them to give their presentation. She introduced Kathy Truong, Water Resources Control Engineer and Grants, and Cecile Blancarte, who is the Water Resources Control Engineer, Santa Barbara County Wastewater Permits.

Ms. Epp said that they are a State of California agency, and that Guadalupe has a permit with them. She briefly described the CCWB's role. There are limits and requirements, monitoring how clean the water is before disposal, and there are reporting requirements. They are a regulatory agency aiming for a collaborative relationship. They help to gain connections for financial assistance and funding.

It was discussed how wastewater treatment plants generally work. There's the wastewater collection (sewer lines), disposal water that goes to the wastewater treatment plant where water is treated and ultimately disposed. In Guadalupe, there are fields on either side of the Santa Maria River for disposal. It was mentioned that due to the heavy storm last year, the ability to dispose has been a challenge as the storm washed away space for disposal.

Ms. Epp then said, "So, why are we here tonight? We're here to put a face with the name and connect directly with the City Council. We want to work with the plant here as we're aware that there's been a turnover in the public works area. One common goal is that we all want a working facility. We also want to encourage grant application for you to obtain financial assistance."

Ms. Blancarte went on to discuss some challenges. She stated that her role is to determine if the plant is designed appropriately. She said, "As was previously stated, the 2023 storm set back the ability for the plant to properly dispose water. We look for basic sanitary services...necessary water. There is another tenant on the property which causes some problems with disposals. There is a violation of the wastewater disposal permit.

A picture of the disposal area from 2006 to 2023 was shown. After the 2023 storm, about one-third of the disposal area was under sediment. There are forty-three acres which should hold 40 days of wastewater in the event of a storm. The area was full prior to the storm. There was no place to dispose the water after the storm. The disposal field was shown underwater. The wastewater kept going down pipes into the ocean.

Areas of improvements were then discussed. Reports which are due either quarterly or annually are generally 90+ days late. Ponds get full of sludge and haven't been repaired. For five (5) years there have been shared landowner conflicts in the disposal area. The water board has issued violations to the City.

Ms. Truong continued the presentation by focusing on the plant's future infrastructure resiliency. She said, "Guadalupe qualifies for State grants to upgrade the plant. We had worked with the prior

Public Works Director. Grants can pay for planning and construction costs. Floods and storms will continue to happen. Do improvements and/or consider consolidating with the City of Santa Maria. We can work with the City here for grants. As a small, disadvantaged community, Guadalupe is eligible for grant funding for repairs and upgrades."

This group mentioned that they will provide support for planning/construction grant. They encouraged the City to submit an application as soon as possible. They said, "Once you do that, we can advocate with the State Board on your behalf."

Mayor Julian said, "We've always had problems with the treatment plant." Mr. Bodem added, "We submitted the application for a feasibility grant today." The mayor said, "This is the first time the Board's staff is coming to us. It's a pleasure to have you here. The staff here will be working with you to get this done. There's not enough area for Guadalupe to expand our disposal area."

Request to Speak

Mr. Lupe Alvarez said, "There have been problems in the past with the sewage plant. This is almost like the Royal Theatre. A grant application has been submitted. Usually, they're approved by the City Council and not directly from staff. \$45,000 for a connection? In lieu of not connecting? Don't know if that's enough to move things to Santa Maria. You need a feasibility study...get pros and cons. We all need feedback. We're doing a cost estimate after the plan has been drawn."

Mr. Bodem said, "That's why we're going to do a feasibility study." Mr. Alvarez said, "There's the expense of design and construction. We need to clarify on how grants are applied." Ms. Epp said, "Do planning first. Do grant first. Don't commit to anything. The water board can help find a planning grant." Mayor Julian said, "This was news to us. Catching up on what's needed. Ms. Epp added, "If you don't apply, you'll never get funding needed. It's our job to find the funding."

B. Guadalupe Safety Support Team by Michael Cash, Director of Public Safety

Chief Cash began the presentation by introducing two of the GSST members, Mireya Peña and Garret Matsuura. Ms. Peña said she works with the Little House at the Park and has been involved with GSST since the initial conversation. She is the coordinator for the support team. Mr. Matsuura said he's been involved since the beginning and has been splitting the load between training and administration due to a recent resignation.

Chief said, "This started from the ground up. With the 2023 storm, people were asking how to volunteer. It started off for just police and fire. The volunteers wanted more of a City and safety support team. The first thing we wanted was to get together an academy. Have the Board first go through the training plus ten (10) others. Captain Schmitz will start with up to nine (9) people. There are eligibility requirements such as resident of Guadalupe and age 16 and older. Young people want to participate. Then there's no arrest record. Must be willing to participate in at least 80 percent of the classes. There's a limit of 25 participants and a minimum of ten (10).

This academy will be for one week...ten two-hour sessions. It will give community members an inside look at police, fire and emergency preparedness and will, hopefully, provide them with an

increased understanding of what police officers and firefighters face in their daily work. Public safety is here to support the community. The volunteers will be 'ambassadors around town' where help may be needed."

Garret Matsuura said, "It became so apparent after the storm how Guadalupe helps Guadalupe. There's a shared resilience within the community. We want to make this as inclusive as possible. Have Guadalupeans stand up for themselves." Mireya Peña added, "This is important to me. We saw a need after the storm. This is more structured. Use community members with different skills. If we don't use inclusivity, it won't work."

Mayor Julian asked how this is being funded. Chief Cash said, "This isn't in the budget. We're using funds from both fire and police. Eventually, this will go in the budget. Now, putting time in....." Mr. Bodem said that they found out about a grant that might be helpful to this group.

The mayor said, "CERT in Spanish. Where I worked before, CHC, they have that in Spanish. I'll give you contact information." Someone asked about where this group is housed or will be housed. Chief said, "We'll use the EOC as headquarters."

CM Hernandez said, "I appreciate Mireya Peña's remarks about inclusivity. Is there a list of participants?" Chief said, "With the leadership we have, this is going to work. GSST is on the website with flyer, rules and regulations. CM Hernandez said, "Having flyers, putting on the website doesn't always work."

Mr. Matsuura said, "At the Guadalupe Coalition of Non-Profits, which is housed under Guadalupe Business Association, this GSST has been discussed. Abraham Carmona is one who will be participating." CM Hernandez then said, "I was on the list for the Guadalupe Coalition. I haven't received anything via email in a while." Mr. Matsuura said that he'd look into that and would let her know.

Ms. Davis asked, "Is there a certain amount of funding? Is it in your budget?" Chief said he would put it in and get it to her.

Mayor Julian concluded the discussion by saying, "Mireya, congratulations on getting your Master's Degree in Public Health."

6. COMMUNITY PARTICIPATION FORUM

Request to Speak

Mr. Abraham Carmona reached out to CM Hernandez regarding "movie night" on June 21st. He said that the flyer had a \$2.00 fee. He asked, "Why are we charging? Events in the past haven't had a fee. Charging won't help participation. Work with the schools.

I wanted to have movies at Pasadera and contacted the Recreation Department but never heard back. It would be free for me. Why charge? Don't charge kids. This is a disadvantaged community. Don't structure events with a fee. I'd appreciate a response."

7. CONSENT CALENDAR (A-D)

The following items are presented for City Council approval without discussion as a single agenda item in order to expedite the meeting. Should a Council Member wish to discuss or disapprove an item, it must be dropped from the blanket motion of approval and considered as a separate item.

- A. Waive the reading in full of all Ordinances and Resolutions. Ordinances on the Consent Calendar will be adopted by the same vote cast as the first meeting unless City Council indicates otherwise.
- B. Approve payment of warrants for the period ending May 20, 2024.
- C. Approve the Minutes of the City Council regular meeting of May 14, 2024.
- D. Accept the final version of the Fee Waiver Policy (for information only).

There were no items pulled. Motion was made by Council Member Furness and seconded by Council Member Robles to approve the full Consent Calendar. 5-0 Motion passed.

MANAGEMENT REPORTS

8. CITY ADMINISTRATOR REPORT: (Information Only)

Mr. Bodem reported on the following:

- *On June 11th, the City will consider the approval of a cooperative agreement between SBCAG and all the agencies who will receive Measure A funding for the Safe Routes to School onsite new school building sidewalk. The City was awarded \$105,000, but the project cost is \$480,000. The City Administrator will apply for ATP funds with the hope of paying for the balance of the project cost.*
- *The County is going to fund an initiative to work with Cal Poly Master's Degree students to develop a Climate Action Plan for the City. They will draft the plan for the City with the hope of meeting the policies of the City's 2042 General Plan Update.*
- *Staff is working with the grant writing consultant, Townsend Public Affairs, to produce ideas for a grant opportunity from State Parks, known as 'Art in the Park'. The City Administrator passed on to Emily Drieling, Recreation Commissioner, and Annis Barajas who are formulating ideas to submit a grant to help pay for a project, yet to be determined.*
- *On June 18th, at 6:00 p.m., there will be a Special City Council meeting for an interactive discussion with the community about the Royal Theatre. Presenters will be Andrew Goodwin Design and Tom Brandeberry. This meeting will be held in the City Council chambers.*

CM Furness mentioned that she won't be here for the June 18th special meeting. City Attorney Sinco said he would speak with her for zooming in and participating.

City Attorney Sinco said, "In the past, the City Council approved grants. Legally, the City Council has to 'accept' the grant. There's nothing hard and fast on this. I can create a policy if the Council wishes." Mayor Julian said, "We want staff to look for grants, then the Council will approve." City Attorney Sinco added, "If it was for a large amount, we would bring to the City Council to approve and delegate to the staff for further action."

CM Hernandez asked if the special meeting will be noticed. Mr. Bodem said, "Yes, it will be noticed like our regular City Council meetings."

9. DIRECTOR OF PUBLIC SAFETY REPORT: (Information Only)

- A. Police Department report for April 2024
- B. Fire Department report for April 2024
- C. Code Compliance report for April 2024

Chief Cash reported on the following:

- *Yesterday, I was at the Guadalupe Cemetery for Memorial Day ceremony. There was a good attendance for remembrance of those fallen.*
- *There is a third case of vandalism at the City jail...graffiti. We will try other methods to detect things. (Mayor Julian said that there was white paint on the Guadalupe monument on Main Street.) Code Compliance is trying to get out to the people that "if you see it, let us know", not on Facebook. Let us know directly. We're going through steps...what we can correct quickly, we will...Basque House, Roy's Liquors. There's a whole city group cleaning things up. There are a lot of things we're trying to clear up. CM Hernandez asked if the non-emergency number can be used to report graffiti. Chief said, "Yes, use that number."*
- *It was mentioned that Chief Cash will be the keynote speaker for Juneteenth celebration in Lompoc. He said, "I'm the first African American Chief in Santa Barbara County. Thank you for giving me this opportunity." The celebration will be on June 15th at Old Town Lompoc, from 11:00 a.m. to 5:00 p.m.*

10. HUMAN RESOURCES MANAGER REPORT (Information Only)

- A. Human Resources report for March and April 2024

Ms. Estrada report included the following:

New Hires: Recreation Services Manager, Human Resources Manager and Maintenance Worker.

Ongoing Recruiting: 1) Building Attendant; 2) Senior & Community Center Activities Coordinator; 3) Police Officer (background pending); 4) Police Officer/Recruit; 5) Public Works Director; 6) Maintenance Worker I; 7) Grants Administrator, and 8) Finance Clerk.

Workers' Compensation: Two (2) long-term claims are being monitored.

Miscellaneous: Training on "Preventing Discrimination & Harassment in the Workplace" will be scheduled for September 4th and 6th. Calendar invitations will be going out shortly. Ms. Estrada mentioned currently working on the OSHA mandated "Workplace Violence Prevention Plan" which has a required completion date of July 1, 2024.

REGULAR BUSINESS

11. Approving the classification and job description for the regular, full-time Firefighter position.

Written report: Amelia M. Villegas, Interim Human Resources Manager

Recommendation: That the City Council adopt Resolution No. 2024-35 approving the job description for Firefighter for the City of Guadalupe Fire Department.

Ms. Villegas deferred to Chief Cash to present this item. Chief Cash began with a brief background saying that the Fire Department has never staffed at the entry level position. He applied for a SAFER grant which, if approved, would allow for three (3) firefighters to be hired with no cost sharing or matching involved. Also, there would be no obligation to retain any of the three (3) firefighters hired through this grant. After Year 3 when the SAFER grant expires, the cost for one (1) firefighter's salary and benefits per year would be \$111,605.00. For three (3) firefighters, salary and benefits per year would be \$334,815.00.

Chief Cash stated that there may be times when there are two (2) calls at the same time. Fire cannot leave the site until the patient is moved, and the situation is deemed under control. He said he was handling one medical call with Fire staff at another. He was helping a small boy who was having seizures. The Fire staff couldn't assist because they were on another medical call. Having additional staff at the firefighter level would assist in the City's slow but increasing growing population and increased 'Calls for Service'.

Mayor Julian asked, "How does this salary, total compensation compare with the other positions in the Fire Department?" Chief Cash said that as the entry level position, it is below the Fire Engineer position."

Motion was made by Council Member Robles and seconded by Council Member Costa, Jr. to adopt Resolution No. 2024-35 approving the job description for Firefighter for the City of Guadalupe Fire Department. Roll Call: Ayes: 5 Nos: 0 5-0 Motion passed.

12. Amending the Master Fee Schedule for Commercial Cannabis Business related fees.

Written report: Todd Bodem, City Administrator

Recommendation: That the City Council adopt Resolution No. 2024-36 amending the Master Fee Schedule by increasing the pre-license inspection and annual regulatory fees for commercial cannabis businesses.

Mr. Bodem briefly explained that the City had previously adopted guidelines relating to fees associated with commercial cannabis businesses. The application fees covered the City's costs only through the completion of the application and selection process. Fees related to ongoing costs the City would incur include creation, negotiations, and execution of the required community benefit agreements. Certain regulatory and pre-license fees, etc. had not been approved by the Council to cover these additional costs.

The City requested HdL to calculate the fee(s) that would be necessary to establish a full cost recovery of these additional costs. These additional fees were brought before and approved by the City Council at the February 14, 2023 meeting. Staff recommended that these fees be reviewed annually to reflect actual regulatory costs. With another fee study by HdL, the recommended cost of the pre-license site inspection is to increase from \$1,600 to \$2,500, and to increase the annual regulatory fee from \$19,904 to \$20,904.

City Attorney Sinco said, "The City Council adopted fees last year but have not been imposed yet...renewal fee...community benefit fee, \$3,000 hasn't been imposed. Raise fees based on fee costs. Review every year. We could waive costs due to delay. It was a lot of work to put in the template for the community benefit agreement, etc., \$3,013."

CM Costa, Jr. asked, "For the processing plant, does it have to pay?" City Attorney Sinco said, "They need to pay the annual regulatory fee and community benefit agreement fee." Then CM Furness asked, "If the retail cannabis store opens in July, will they have to pay the \$20,000?" City Attorney Sinco said, "No."

Mayor Julian said, "We need to impose fees, not waive them." Mr. Bodem added, "The \$20,904 is the total recovery costs which will show as revenue. For the processing plant and two (2) retail businesses, the total amount of \$62,712 is additional revenue from the applications, but the City is doing well because we are charging our time. However, it doesn't cost the City more money as we are already working. What will be expended is HdL's cost for the processing plant and two (2) retail businesses is \$37,500 (\$12,500 x 3)."

(Note: for full details of HdL's fee analysis, go to the City's website at www.cityofguadalupe.org)

Motion was made by Council Member Costa, Jr. and seconded by Council Member Furness to adopt Resolution No. 2024-36 amending the City's Master Fee Schedule for commercial cannabis business related pre-license inspection and annual regulatory fees. Roll Call: Ayes: 5 Nos: 0 5-0 Motion passed.

13. Amending the City's Commercial Cannabis Business Ordinance (Guadalupe Municipal Code Chapter 9.22).

Written report: Philip F. Sinco, City Attorney

Recommendation: That the City Council waive full reading and introduce Ordinance No. 2024-519 by title only, and continue to the meeting of June 11, 2024, for second reading and adoption. *City Attorney Sinco said that this item is a follow-up with two (2) retail cannabis businesses, deadlines, etc., and that there appears to be a problem with the ordinance. In the ordinance, it states that all commercial cannabis business (CCB) permits expire 12 months after the date of issuance, although they may be renewed. The processing plant (Central Coast Processing) exercised its CCB permit. CCB permits were issued to both retail businesses on December 4, 2023, but neither have been exercised. They would have until December 4, 2024 to exercise them.*

The conflict in the ordinance states that to renew the CCB permit, that needs to be filed at least 60 calendars prior to the expiration date of the current permit. But what happens if the permit has not been exercised and before the business commences its operations? Additionally, one factor to reject the renewal application is if "the cannabis business has not been in regular and continuous operation in the four (4) months prior to the renewal application or the approved extension of the deadline from the City Administrator".

Also, the ordinance states that an application for renewal of a cannabis business permit needs to be filed "at least 60 calendar days prior to the expiration date of the current permit". One section of the ordinance states that a cannabis business has 12 months to commence operations, but in another, it provides that the business must be operating six (6) months before the CCB permit expires which is a contradiction.

The recommendation now is to amend the City's ordinance to show that the renewal application date runs from the date a CCB permit is actually exercised, rather than the date it was issued. Renewal applications would then be required to be 60 days before that expiration date. Also, there is a wording change from "shall" to "may" in the list of factors regarding rejection of a CCB permit renewal.

Motion was made by Council Member Costa, Jr. and seconded by Council Member Robles to approve first reading of Ordinance No. 2024-519 with amendments amending various sections of Chapter 9.22 to Title 9 of the Guadalupe Municipal Code relating to commercial cannabis businesses. 5-0 Motion passed.

At this point in the meeting, a brief break was taken at 7:28 p.m. Meeting resumed at 7:37 p.m.

14. Fiscal Year 2024-2025 proposed budget workshop.

Written report: Janice Davis, Finance Director

Recommendation: That the City Council review and interactively discuss the proposed budget for the fiscal year 2024-2025, along with the Capital Improvement Projects Budget, Capital Facilities Program of Projects, and American Rescue Plan Act (ARPA) allocation of funds.

Ms. Davis went through her staff report showing General Fund revenues and expenditures, Enterprise funds, and miscellaneous special funds.

(Note: for the full description of the preliminary draft of the 2024-2025 budget, go to the City's website at www.cityofguadalupe.org)

General Fund Summary:	2024-2025	Budget Expenditures	10,372,740
	2024-2025	Budget Revenues	<u>10,726,442</u>
		Difference	<u>353,702</u>

2023-2024 Budget Reserves needed 1,728,790

*Per Audit should be at least 2 Months of Revenue Expenditures

Current Balance 1,735,512

Difference 6,722

The proposed 2024-25 General Fund broken down by department as follows:

<u>Department Name</u>	<u>Prelim. Budget FY 24-25</u>	<u>% of Total Budget</u>
City Council	38,642	0.18%
Administration	884,823	7.32%
City Attorney	100,000	1.59%
Finance	632,284	8.53%
Non-Departmental	1,139,547	8.49%
Building Maintenance	1,934,352	4.76%
Police	3,301,578	41.92%
Fire	1,450,615	18.24%
Parks & Recreation	467,468	5.33%
Building & Safety	413,430	3.65%
Cannabis	<u>100,000</u>	0.00%
Total All Departments	<u>10,372,740</u>	

Note: Mr. Bodem mentioned that there is an update showing approximately \$22,500 to be added to Cannabis.

General Fund Revenue Summary:

Expected revenues related to taxes are \$4,092,965. Projected sales tax revenue is \$584,101 and Measure N sales tax revenue is \$829,000. Property tax revenue was projected using current actuals and projected change with remaining revenue items in the Tax category projected based on estimated revenues from the approved FY 23-24 budget through May 2024.

Building and Planning expected revenues, \$801,767, are projected to be up 41% over FY 23-24 budget due to cannabis revenue from Central Coast Processing.

Public Safety expected revenues are \$214,200, a decrease from FY 23-24 with removal of the School Resource Officer which took effect in mid-year budget for FY 22-23. Remaining revenue items were based on current actuals.

Other revenue is expected to be at \$5,517,509.85, an increase over FY 23-24 budget, mainly due to ARPA funds being transferred to the General Fund. There is a one-time \$1.1M grant for facility upgrades. The Chevron grant of \$90,000 is expected to continue.

General Fund Expenditures Summary:

Note: All personnel services in the General Fund (excluding Mayor, Council Members, City Clerk and City Treasurer, Recreation & Park Commissioners, Fire and Police) were calculated based on the following assumptions: 1) SEIU COLA of 5%; 2) Potential 5% COLA for unrepresented employees; 3) Estimation of the unfunded liability cost was prepared using the same CalPERS rates as in the previous year; 4) CJIPIA estimate for workers compensation, and 5) Medical insurance costs assumed to be 10% higher.

Council: Proposed budget is \$38,642, an increase due to stipend increases as follows:

Mayor: Stipend \$150 p/month, 7/01/2024 to 12/31/2024; increase to \$750 p/month effective 1/01/2025

4 Council Members/City Clerk/City Treasurer: Stipend for all @ \$150 each p/month, 7/01/2024 to 12/31/2024; increase for all to \$500 each p/month, effective 1/1/2025

Administration: Expense budget is \$884,823, an increase due to increases to salary and election expenses with FY 24-25 being an election year. Positions include: 1) City Administrator; 2) Administrative Assistant; 3) Human Resources Manager, and 4) Grant Administrator, a new position expected to be paid through grants administered.

Attorney: No change from prior year budget, \$100,000.

Finance: Budget is \$632,284, an increase due to salary increases and increase in annual cost for accounting system. Positions include: 1) Finance Director; 2) Accounting Supervisor; 3) Account

Clerk 100%; 4) Account Clerk, 15% and 85% covered by Water Department; 5) two Finance Clerks 5% and 95% covered by Water Department (1 open).

All other line items are based on FY 23-24 activity. Professional services expense include new accounting system software with ARPA funds to cover some module implementation not completed in FY 23-24, monthly cashing and merchant fees, and fees to HdL for the new services relating to sales and property tax revenue projections.

Non-Departmental: Expenditure budget is \$1,139,547, an increase from FY 23-24 of \$349,119, added to budget, projected investment payment to CalPERS CA Employers Pension Prefunding Trust (CEPPT). (This was approved at the August 22, 2023 City Council meeting to help lower the City's unfunded liability.) An additional \$30,000 was added for services which include ITECH support services and website design management from Arlight Media.

CM Hernandez asked, "Is the \$30,000 addition for each or both services?" Ms. Davis said that amount is for both services listed.

Building Maintenance: The budget is \$1,934,352. Fifty percent (50%) of Maintenance Worker (+ one open Maintenance Worker position); the other 50% covered by Pasadera Lighting & Landscaping District. Fifty percent (50%) of Maintenance Lead; remaining 50% covered by Recreation & Parks Department. Utilities are proposed increase of \$35,000. \$1.7M transferred to CIP for community Facilities Grant.

Police: The budget is \$3,301,578. Personnel includes: 1) Public Safety Director (75%); 2) two administrative staff; 3) one temporary staff; 4) nine officers (1 unfilled, 2 airport officers); 5) Sergeant; 6) Lieutenant, and 7) Code Compliance.

Calculations for personnel services assumed the following: 1) one unfilled officer position; \$5.00 COLA for Director of Public Safety per contract; 2) assumed 5% COLA increase for POA and 5% SEIU COLA for Code Enforcement; 3) overtime estimated on current trends through May 2024, approximately 40% per officer's salary; 4) estimation of unfunded liability costs, using same rate for CalPERS as in prior year; 5) CJPIA estimate for workers compensation insurance, and 6) medical insurance costs assumed to be 10% higher.

Equipment replacement increase of \$150,000 for three (3) new police vehicles. (Chief Cash mentioned that \$150,000 may not get three (3) vehicles.)

Fire: The budget is \$1,450,615. Personnel includes: 1) 25% Director of Public Safety; 2) three Fire Captains; three Fire Engineers (1 unfilled), and PCFs.

Calculations for personnel services assumed the following: 1) \$5 COLA for Director of Public Safety; 2) Overtime estimated based on the current fiscal year trends through May 2024; 3) PCF \$25,000;

4) unfunded liability costs using same rates for CalPERS; 5) CJPIA estimate for workers compensation, and 6) medical insurance costs assumed to be 10% higher.

Equipment replacement and equipment maintenance is budgeted at \$17,000 each.

Parks and Recreation: The budget is 467,468. Personnel includes: 1) Manager; 2) 50% Maintenance Lead; 3) Facilities Coordinator (part-time); 4) Recreation & Park Commissioners at \$100 per attended meeting, and 5) Senior & Community Center Activity Coordinator – salary to be paid out of CV2-3 grant which ends October 2024. (It was discussed that the current grant can be extended until time to register for another annual program. The current grant has approximately \$190,000.)

An increase for other supplies and services of \$10,000 to utilities and office supplies and postage for increased marketing of events.

Building Safety/Permits/Planning: The budget is \$413,430. Personnel includes: 1) Permit & Planning Technician, and 2) Associate Planner. Professional services budget is \$140,000. Other line items budgeted similar to last year.

Cannabis: The proposed budget increased by \$10,000 for professional services. (Mr. Bodem mentioned that this item should be increased by approximately \$22,500.)

General Fund Conclusion: For the FY 24-25 preliminary budget, the revenues are 51% while the FY 24-25 expenditures are 49% for a projected balanced budget.

Public Safety Special Funds: Proposed revenues for FY 24-25 are similar to prior year revenue, with an added \$17,715 from the Firehouse Sub Grant under Fund 41. Proposition 172 funds must be expended only on public safety services.

Streets Special Funds:

Gas Tax – Budgeted revenues for the Gas Tax fund are \$307,156. The budget for the Gas Tax, per the preliminary draft, is \$153,000, which represents transfers for street rehabilitation.

Local Transit Fund (LTF) – Budgeted revenues increased to \$14,000 for transfers for capital improvement projects for sidewalk repairs.

Measure A – Budgeted revenues are \$1,349,875; expecting an increase in Measure A revenue. Personnel includes: 1) 30% Public Works Director; 2) 33.33% Engineer Technician; 3) 60% Maintenance Lead, and 4) 60% Maintenance Worker.

Transfers for capital improvements are estimated to be \$910,229 to fund various projects, such as street rehabilitation, storm drain improvements, etc.

ASHC Pedestrian – Budgeted revenues are \$5,133,341 from the ASHC grant to fund various projects, such as 11th Street safe routes to school, Amtrak Transit Hub Rehab, etc.

SB1 RMRA – Budgeted revenues are \$150,000, and expenditure budget is \$150,000 for street rehabilitation.

Enterprise Funds: All personnel services in the Enterprise Funds were calculated on the following assumptions: 1) SEIU COLA 5%; 2) potential 5% COLA for unrepresented employees; 3) estimation of the unfunded liability costs using the same rates for CalPERS as in previous year; 4) CJPIA estimated for workers compensation insurance, and 5) medical insurance costs assumed to be 10% higher.

Water Operating – Budgeted revenues are \$2,462,300 estimated based on FY 23-24 activity. Budgeted expenditures are \$2,560,471. Personnel includes: 1) 30% Public Works Director; 2) 33.33% Engineer Technician; 3) Water Supervisor; 4) two Water Maintenance Operator; 5) one Accounting Clerk 85%, and 6) two Finance Clerks (1 open) 95%.

Wastewater Operating – Budgeted revenues are \$2,078,600. Budgeted expenditures are \$2,076,641. Personnel includes: 1) 30% Public Works Director; 2) 33.33% Engineer Technician; 3) Wastewater Supervisor, and 4) three Wastewater Maintenance Operators.

Transit – Budgeted revenues are \$4,735,311. The expenditure budget is \$1,363,209, similar to the budget for FY 22-23. There is an allocation of 10% of personnel costs for the Public Works Director, Maintenance Lead and Maintenance Worker.

Transfer for capital improvements are budgeted to be \$404,118 for: 1) two electric buses; 2) two bus shelters; 3) electric van, and 4) 303 Obispo Street site improvements.

Water Capital – Budgeted revenue to reflect expected impact fees from the Pasadera development and stand-by charges projected at \$664,000. Transfer for capital improvements are budgeted to be \$650,000 for the following projects: 1) elevated tank painting; 2) advanced metering infrastructure, and 3) SCADA improvements.

Wastewater Capital – Budgeted revenue from IRWM grant is \$989,000 for the Pioneer lift station. Transfer for capital improvements is budgeted to be \$989,000 for the Pioneer lift station.

Miscellaneous Special Funds:

Library Fund – Budgeted revenues have been estimated to reflect a \$15,000 transfer from the General Fund to cover the library rental costs of \$15,000. (It was mentioned that the annual rent for the library branch is \$22,000. Ms. Davis said that she received an invoice from City of Santa Maria for \$15,000. A question was asked if the County contributes monies for the branch. There is

a per capita amount given each year to the branch for operating purposes. Those funds are not intended to be used toward the rental costs.)

Public Facilities Fund – Budgeted to receive funds from the Escalante Meadows development for \$4,500 based on FY 23-24 YTD activity.

Park Development Fund – Budgeted to receive funds from the Escalante Meadows development for \$7,200.

Capital Facilities Fund – This fund houses monies from People Self Help Housing and Pasadera development impact fees. Projects: \$61,500 for public safety equipment approved but not purchased last year (fire hoses and biometric locking system) and \$813,521 of capital improvements.

Fund 79 – Revenue and expenditures for the Royal Theatre. (It was mentioned that \$3M was paid to the Housing Authority and other expenditures for \$300,000, leaving a balance under \$5M.)

Traffic Mitigation – Budgeted revenues are \$50,000 as estimated for CIP street projects.

CDBG Funds – Expected grant funding for the following projects: 1) CV2/3 total grant of \$193,000; 2) Central Park total grant of \$4,120,000, and 3) Le Roy Park phase 2 total grant of \$1,700,000.

Fund 120 Cares Act (ARPA) – City received a total award of \$1,860,000. Proposed budget for FY 24-25 includes ARPA funds of \$961,470, of which \$797,698 is to fund General Fund expenditures mainly allocated to City Hall roof and wall repairs. (There was some mention of \$12,000 being “put back in” for streets/vegetation maintenance.)

Lighting and Landscape District Funds – Budgeted revenues reflect estimates based on FY 23-24 YTD activity. Budgeted expenditures are similar to prior year budget with exception of Pasadera, where employees costs are designated to this fund, phasing out use of third-party vendor.

Successor Agenda Funds – Budgeted revenues are \$490,714; estimates based on the approval from Department of Finance.

Capital Improvement Projects – With Council’s approval, the City plans on completing \$35,055,398 in FY 24-25 for public improvements.

CM Hernandez asked, “Overtime for Fire and Police? Is \$44,000 remaining?” Ms. Davis said, “Will be over budget. Can increase if need be. Impact is based on COLA increases, etc.” Chief Cash said, “For now, we’re on task. \$30,000 less in Fire compared to Police...between \$10,000 - \$20,000.”

Mayor Julian asked, “The biometric locking system. Where will it be located?” Chief Cash said, “It wasn’t PD requesting that. Was probably the prior Public Work Director. If we had that in PD, but

was citywide, who monitors all of that?" Mr. Bodem said that item for \$60,000 would be researched further.

The mayor asked, "ARPA? Been extended to July 2025? 2026?" Mr. Bodem said that ARPA had been extended but didn't mention until what date. The mayor then asked for an update on the audit. Mr. Davis said, "With the new system implementation, there are some duplicate transactions. I have 16 accounts left to scrub. Then I can give general ledger balances to the auditors."

Mayor Julian said, "Looking at our reserves...good cushion." CM Hernandez asked, "How does the City maintain reserves?" Ms. Davis said, "We have a budget...areas not spent. Revenues vs expenditures...over \$307,000 for this year." Mr. Bodem added, "Anything in excess goes into reserves." CM Hernandez then asked, "When do we get update for end of the fiscal year?" Ms. Davis said, "In about two (2) months from now, things will be ready."

Mayor Julian said, "Increase from last year to this year's budget?" Ms. Davis said, "Last year, expenditures were \$7,248,615, increased by \$3M this year. Revenues are also there. The \$1.1M is a one-time thing."

Chief Cash asked, "Money not used rolls back into the General Fund in following year. Fund 76 – had allocated monies for women's locker room which were approved. Do we need to resubmit or are monies still there?" Ms. Davis said, "Wasn't last year...maybe year before. Need to give information to me."

The mayor said, "O'Connell Park. There's \$10,000 for a gate. Remove that. And, what's the status on the generator?" Chief Cash said, "\$80,000. It's currently being built. Waiting on FEMA for the smaller generator."

Ms. Davis said, "At the next meeting I'll have resolution on changes to the budget that were requested tonight for final approval."

15. FUTURE AGENDA ITEMS

CM Costa, Jr. asked about the status of the joint meeting between the City and the School Board. Mr. Bodem said that he is working on scheduling that meeting.

16. ANNOUNCEMENTS – COUNCIL ACTIVITY/COMMITTEE REPORTS

CM Hernandez: On May 24th, I helped the American Legion with the flag raising with my two (2) nephews and my son. Hopefully, there will be a little more community support next time.


City of Santa Maria Rangers led a bike ride out to the levee trail. This was the first time I was able to cycle on the trail. Hopefully, we can get a trail out there in the future.

I attended the Guadalupe Art Gala put on by Stephanie Krouse and Mary Buren. It was a brilliant, amazing event.

17. ADJOURNMENT

Motion was made by Council Member Costa, Jr. and seconded by Council Member Furness to adjourn the meeting. 5-0 Motion passed. Meeting adjourned at 8:44 p.m.

Prepared by:



Amelia M. Villegas, City Clerk

Approved by:



Ariston Julian, Mayor