

**MINUTES
SARATOGA CITY COUNCIL RETREAT
SARATOGA PROSPECT CENTER
JANUARY 29, 2010**

Mayor King called the meeting to order at 9:05 a.m.

ROLL CALL

PRESENT: Mayor Kathleen King, Vice Mayor Jill Hunter,
Councilmembers Howard Miller, Susie Nagpal, and Chuck Page

ABSENT: None

ALSO

PRESENT: Dave Anderson, City Manager
Barbara Powell, Assistant City Manager
Ann Sullivan, City Clerk
Richard Taylor, City Attorney
Mary Furey, Administrative Services Director
John Livingstone, Community Development Director
John Cherbone, Public Works Director
Michael Taylor, Recreation Director
Monica LaBossiere, Human Resource Manager
Crystal Morrow, Administrative Analyst

REPORT OF CITY CLERK ON POSTING OF AGENDA FOR JANUARY 29, 2010.

Ann Sullivan, City Clerk reported that pursuant to Government Code Section 54954.2, the agenda for the meeting of January 29, 2010, was properly posted on January 25, 2010.

ORAL COMMUNICATIONS

No one requested to speak at this time.

1. SARATOGA SUCCESS/ACCOMPLISHMENT STORIES

City Clerk Ann Sullivan introduced the topic.

Vice Mayor Hunter presented the item and noted that she felt it was important to remember the successes and accomplishments that this Council has implemented during the past four years. She asked fellow Council members to go around the table three times and provide a success/accomplishment story that they felt was important in the community.

COUNCIL DISCUSSION:

Council cited 15 success stories:

Mayor Kathleen King:

- Contracting with Santa Clara County Sheriff's Department versus City Police Department (cost savings)

- Tax Equity Allocation (TEA) Revenues returned from State
- Number of completed sports fields for children

Vice Mayor Jill Hunter:

- Good interaction with schools
- City Commissions (reinstatement of commissions that were on hold; would like to add Arts Commission return at some point)
- Council very well prepared for the many regular and special Council meetings

Councilmember Howard Miller:

- Business Friendly Activities:
 - Parking moratorium,
 - Fee reimbursement for 5 new specified business types requiring CUP's
 - Expedited Conditional Use Permit Process (CUP)
- Children's Bill of Rights
- City Council Electronic Communications Policy

Councilmember Susie Nagpal:

- Sustainability
 - Paperless agendas
 - Solar Project
- Completion of physical projects (Kevin Moran Park, Joe's Trail etc.)
- City Council team work

Councilmember Chuck Page:

- City-wide garage sale – raised money for non-profits
- New improved City Website – great source of information
- Promotion of health – City initiative to restrict tobacco sale
- Steps to reduce Capital Expenses such as solar projects

PUBLIC COMMENTS

None

COUNCIL DIRECTION

Provide an article on the success stories:

- Saratogan
- City Website
- Saratoga News
- Share with Supervisor Liz Kniss

2. BUDGET OVERVIEW

Administrative Services Director Mary Furey introduced the topic.

Council member Howard Miller facilitated the session and noted this item would be discussed in two categories starting with the revenue segment.

Finance Director Mary Furey proceeded to go over the City's revenue decline in specific areas since last spring and noted that the total General Fund Revenue Budget Reduction would be \$630,000. Director Furey added that staff asked employees in all departmental budgets to find appropriate areas in which cuts could be made or where expenditures could be delayed. Proactive steps were taken to manage the revenue shortfall in specific categories:

GENERAL FUND EXPENDITURE CUTS:

➤ Salary/Temp	43,900
➤ General Materials & Supplies	68,375
➤ Maintenance Materials & Supplies	3,000
➤ Services Fees (bank fees, legal publications)	7,200
➤ Dues & Memberships	2,270
➤ EDD Unemployment Charges	10,000
➤ Records Management Services	18,000
➤ GIS Services	5,500
➤ Street Sweeping, Tree & Trail Maintenance, Turf Top	54,000
➤ Environmental Services	2,000
➤ Financial and Audit Services	12,400
➤ Legal Services	5,000
➤ Engineering Consultants	20,500
➤ Meetings & Events	12,450
➤ Training & Conferences	26,995
➤ Other Misc.	18,410

Total General Fund Budget Cuts: 310,000

INTERNAL SERVICE FUNDS:

Office Stores	17,000
Equipment Maintenance	17,000
Building Maintenance	46,000
Vehicle & Equipment Replacement	90,000

Total Internal Service Fund Budget Cuts 170,000

TOTAL IDENTIFIED EXPENDITURE CUTS 480,000

Transfer to General Fund	
(IT Equipment Replacement Fund Balance	50,000
Reduce General Fund Budget Offset	100,000

TOTAL NET BUDGET ADJUSTMENT: 630,000

STAFF RECOMMENDATION:

Adopt budget reduction resolution at February 3, 2010 Council meeting.

PUBLIC COMMENTS

None

COUNCIL DISCUSSION

Vice Mayor Hunter

- Thanked staff for their efforts and proactive approach in recommending the noted solutions to manage the revenue shortfall
- Supports staff's recommendation

Mayor King

- Noted Council usually has approximately \$800K left over at the end of the Fiscal Year and is concerned about this practice not continuing
- Expressed concerns about taking out \$100K – cutting into end of year balance
- Noted each year we are getting closer to that “crossover” point
- Thanked staff for their efforts
- Supports staff's recommendation

Councilmember Page

- Noted this is a good plan and thanked staff
- Supports staff's recommendation.

Councilmember Miller

- Thanked staff for their efforts
- Supports staff's recommendation.

Councilmember Nagpal

- Noted her appreciation for staff's efforts
- Supports staff's recommendation.

COUNCIL CONSENSUS:

- The FY 2009/10 Mid-Year Budget Status Report and Budget Adjustment will be discussed as a New Business item at the February 3, 2010 Council meeting.

REPORT ON FISCAL YEAR 2010/11 BUDGET:

Councilmember Miller noted:

- Economy has shown signs of recovery during the last 3 months
- Will take a while before the economy will return to normal and to recoup our losses
- Noted Council went through all the budget policies in 2009 and re-codified departmental cost recovery policies and practices
- Finance Department used the 2009 budget policies to develop proposed budget for Fiscal Year 2010/11
- Noted the financial handouts are not the next Fiscal Year's budget, it is the basis for constructing the FY 2010/11 budget

REPORT ON BUDGET REVENUES:

Administrative Services Director Furey noted:

- \$1.5 million revenue reduction over the past two years
- Very little increase in expenditures from two years ago
- There may be no leftover funds for Capital Improvement Projects (CIP)
- Costs for employee salary increases were offset by reduction in staff in 2009 (2.5 full time employees)

COUNCIL DISCUSSION

Mayor King

- Saratoga has always been dependent on property tax revenue; is one of our major revenue sources (*City Manager Dave Anderson noted that the excellent Saratoga schools are a contributing factor to high property values; Overall appearance of the community affects property value – such as Landscaping Districts and City medians*)
- Need to do all we can to retain property values
- TEA is a revenue source
- Council should consider reinstating TEA Adhoc Committee

Councilmember Page

- Suggested making TEA Adhoc a Standing Committee
- Concurred that the quality of the school districts is a critical factor in the high property values in Saratoga, and that the council needs to ensure that we work together effectively with the school districts to keep the quality of the school system at the highest level

REPORT ON BUDGET EXENSES:

Mayor King

- Concerns about the proposed use of \$350,000 from “Economic Stabilities” – not a balanced budget
- Expressed concerns that there are no “carry forward” reserves
- No CIP transfers for this year – promotes funding for CIP
- Look at staffing or elsewhere for savings

Councilmember Page

- The \$350,000 reduction would be coming out of the “Undesignated” fund; the \$350K is what was left over (*City Manager Dave Anderson clarified that the \$350K was money left over from the audit when we did last year’s budget after designating \$500K for un-allocated funds*)
- Cutting additional staff means a decrease in services
- Advocates retaining staff and services

Vice Mayor Hunter

- Advocates retaining staff and services
- Training in new employees is costly

Councilmember Nagpal

- Concurs with revisiting the use of the \$350,000 from the undesignated fund
- Expressed an interest in salary and benefit costs for Saratoga employees compared to similar cities
- Inquired about number of part time employees and associated costs for part time employees vs. full time employees
- If we have to make employee cuts – explain which services are cut

Councilmember Miller

- Temporary employees cost less than full time employees
- Advocates retaining staff and preserving City services

- Noted it really isn't the \$350K – it is \$276K – assuming that our economy doesn't improve to the level of 2005/2006
- Supports everything that staff has done, except for the \$350K issue
- Suggested a Budget Study Session in February

Staff noted that unlike many other cities Saratoga provides no funded medical benefits for retirees and Saratoga has one of the lowest retirement rates which is 2% at 55; whereas most other cities have 2.5 or 2.7% at 55. Staff noted that costs for temporary employees are less than for full time employees as there are no PERS costs involved or temporary employees.

PUBLIC COMMENT

None

BUDGET CALENDAR

Councilmember Miller noted the Budget Calendar includes:

- April – Budget Study Session
- May – Final budget presented to Council
- June – Council adopts budget

COUNCIL DIRECTION:

- Schedule a Budget Study Session in February to discuss proposed use of \$350K from Undesignated Funds

Mayor King declared a break at 11:10.

The Council Retreat meeting reconvened at 11:30.

3. COMMUNITY DEVELOPMENT DEPARTMENT WORK PLAN DEVELOPMENT

Council member Susie Nagpal presented this topic noting Community Development Director John Livingstone would:

- Highlight the ordinances that Council has completed
- List the ordinances currently under consideration
- Provide Council with the Planning Commission's work plan and ordinance recommendations for Council's consideration
- Provide General Plan Elements update

STAFF RECOMMENDATION:

Provide staff with a work plan for the Community Development Department (CDD).

Community Development Director John Livingstone reviewed the CDD accomplishments and noted to date:

- Eleven ordinances have been completed
- General Plan updates have been completed

Director Livingstone also reviewed potential new ordinances/General Plan Elements that could be undertaken by the Department:

- Conditional Use Permit changes
- Water use Ordinance (February/March)

- Massage Ordinance (already under way)
- Noise Element
- Hillside Zoning District
- Building Height
- Sign Ordinance
- Green Ordinance
- Impervious Surface
- Non-smoking Ordinance (parks, business districts)
- Sphere of Influence (Zoning & General Plan issues)
- Circulation Element

PUBLIC COMMENT

Kathleen Casey commented on the following:

- ❖ Doesn't support Mountain Winery golf course and condominium complex plans
- ❖ Doesn't support annexation of any properties
- ❖ Wants to know cost of ordinances when completed
- ❖ Sign Ordinance Issues – Neon lights in Blue Hills area
- ❖ Height issue – homes over height limit
- ❖ Concerned about over building in hillsides and amount of lighting in hillsides
- ❖ Number of trees being removed
- ❖ Improve Expedited Use Permit process

COUNCIL DISCUSSION

Councilmember Miller

- Conditional Use Permit provisions exclude oil changing; supports oil change business/operation as Permitted Use

Vice Mayor Hunter

- Sign Ordinance is a complicated issue
- Tobacco Ordinance – Merchants complaining about smoking restricting and the affect it will have on business; recommends surveying merchants regarding non-smoking in business districts

Mayor King

- Suggested differentiating Tobacco Ordinance and Non-Smoking Ordinance

Councilmember Page

- Suggested calling it Non-Smoking Ordinance – Parks/Business Districts rather than Tobacco Ordinance
- Other cities are refining the Water Ordinance model
- Is there a need to define impervious surface

Councilmember Nagpal

- Recommended a Non-Smoking Ordinance for Parks

COUNCIL PRIORITY PREFERENCES:

COUNCIL DIRECTION:

Ordinances already in progress or required by the State:

- Model Water Efficient Landscape Ordinance as mandated by State
- Massage Ordinance as mandated by the State
- Conditional Use Permit amendment to allow oil change
- Housing Element Implementation Ordinance

DOT RATING EXERCISE: (Council was provided with 3 dots each to rank potential new ordinances/General Plan)

Pervious/Impervious Surface = 4 dots

Non-Smoking Ordinance – Parks = 3 dots

Circulation Element = 2 dots

Hillside Zoning District = 2 dots

Create Requirement to place large signs on properties with pending projects = 2 dots

Sign Ordinance = 1 dot

Hillside Paint Reflectivity = 1 dot

CONCLUSION OF DOT RATING EXERCISE: Top three items to be added to Work Plan.

STAFF FOLLOW-UP:

- Provide Council with formal report on work plan
- Provide Council with Circulation Element costs
- Hillside Paint Reflectivity (Need more definition from Planning Commission)

COUNCIL NOTATION:

- No controversial items past June

4. PROMOTING CITY AND BUILDING A SENSE OF COMMUNITY

Assistant City Manager Barbara Powell and Administrative Analyst Crystal Morrow provided an overview to the topic, including a synopsis of a broad range of activities/programs/projects already being undertaken in Saratoga and surrounding cities that build community.

Administrative Analyst Crystal Morrow introduced a strategic planning model to help guide Council's discussion, which included "Purpose", "Audience(s)", "Opportunities/Constraints", and "Ideas".

Vice Mayor Hunter facilitated the session.

Purpose:

- Promoting recreation programs
- Promoting Community Development
 - Ease of undertaking a building project
 - Best if you talk to staff first, beginning a project
- Promoting existing services
- Utilizing existing resources
- Tap into school resources
- Connect family members

- Build loyalty to community – “sing our praises” (less self-criticism)
- Create more “sense of community”
- Expand participation to new people
- Focus on things we can solve
- Building capacity for civic entrepreneurship
- Increase volunteering – possible crossover from schools/transition plan
- Create happiness, satisfaction, “feel good” – Saratoga is a wonderful place to grow up

Audience(s):

- Builders/developers
- People with un-utilized resources
- Schools
 - Sports users
- Families
- People who currently aren’t participating
 - Young families
 - Ethnicities
- Civic entrepreneurs
- Volunteers

Ideas:

- “Building 101” class – How to build in Saratoga
- Internships
- Village as a health destination
- City-wide picnic
 - restaurants sell box lunches
 - have cultural performances
- Shakespeare in the Park
- City-initiated music event, then have another group take over ongoing administration
- Citizen Academy
 - use nomination process to participate
 - for children/tie in to the schools
 - building leaders
- City-wide garage sale with gathering afterward
 - potentially get Homeowners’ Association involved
- Youth Commission membership
 - must participate in Citizens’ Academy or volunteer for another program in order to be considered for Youth Commission
- Promote existing events:
 - 4th of July
 - Saratoga Serves
 - Memorial Day
- City website – spotlight happenings
- Banner for Recreation Department at Congress Springs Park
- “Defensive Driving” class
- Building on CERT Program – one day class
- Expand Web 2.0

COUNCIL DIRECTION:

- Promote more (unpaid) internships

- City website – spotlight happenings
- Banner for Recreation Department at Congress Springs Park
- Build on CERT Program
- Expand Web 2.0

ITEMS FOR COUNCIL PROMOTION:

All: Promote existing events
 Page: Shakespeare in the Park

STAFF FOLLOW-UP:

- Article in Weekly Newsletter regarding items for Council promotion
- Research scheduling of Tai Chi classes in Recreation Guide
- Research David and Lucille Packard Foundation Website – Community Efforts \$16 million funding available to five counties

Mayor King declared a break at 2:40

Mayor King reconvened the meeting at 2:55

5. HEALTH & WELLNESS PROGRAMS (Smoking Bans in City & City Parks)

Recreation Department Director Michael Taylor presented the item and staff is very proactive in scheduling exercise programs and health and wellness activities in the Recreation Activity Guide.

Councilmember Page facilitated the session.

COUNCIL IDEAS:

- Anti-smoking Legislation
- SASCC Health Fair
- Trail usage and expansion
- Presidential Physical Fitness Test
- Collaboration with County
- Parks & Recreation Commission/Trails Committee involvement
- Dog walking (connectup.com)
- Fitness in Parks
- Eliminate/reduce junk food/vending machines
- “Walk the World” program
- HEAL/Breath California – presentations at Council meetings
- Orchard loop – increase the use
- Issue Pedometers
- Sponsorship by Saratoga/Monte Sereno Foundation (SMSF)
- Each Council meeting – agendize “Healthy Saratoga” topics
- Provide resource information in Saratogan and Activity Guide
- Research criteria for “Healthy City” (Parks & Recreation Commission)

PUBLIC COMMENT

Kathleen Casey commented on the following:

- ❖ Village should promote good health
- ❖ Difficult to walk to and from Saratoga Library and Village
- ❖ No grocery store in the Village – people drive to grocery stores outside of Village
- ❖ Need a youth center – Youth causing damage to Library
 - tearing off wallpaper
 - carving initials in wood table tops
- ❖ Promote trail from Redwood Middle School to Village

COUNCIL DIRECTION:

- Engage Parks & Recreation Commission and Trails Committee for involvement and leadership
- Agendize 5 minute presentations on Council Agenda - Healthy Saratoga

ITEMS FOR COUNCIL PROMOTION:

- Councilmember Page will visit Saratoga schools regarding Physical Fitness/Presidential Fitness Program and report back to Council.

6. VISION STATEMENT

Human Resources Manager Monica LaBossiere introduced this item.

Councilmember Page facilitated the discussion noting that a vision is a statement of some goal/change in the future. Saratoga is pretty much developed and defined as a bedroom community with a small amount of retail and we aren't looking at changing how we have defined the community. Saratoga's Vision Statement is more like a Statement of Values, which is a very good statement, and if this is what we all have in mind whenever we do something we will go a long way.

COUNCIL DISCUSSION:

Vice Mayor Hunter

- Prefers the word "Vision" in the statement, not "Values"

Councilmember Page

- Believes that a vision implies that you are working to change the future and we already have what we value in our community. This is a value system that we use to make decisions on every day.

Mayor King

- A Vision Statement should – like your values – live forever

Councilmember Miller

- We have a good set of values/vision statement and it is working

Councilmember Nagpal

- Concurs that we have a good Values/Vision Statement, would change very little of statement

COUNCIL CONSENSUS:

- The current Vision Statement will be renamed the "Statement of Values"

- Schedule a Study Session if we decide we need an overall vision or mission statement for the City.
- Vice Mayor Hunter preferred to leave the Vision Statement as is
- Vice Mayor Hunter suggested adding “Formerly North Campus” on agendas for meetings scheduled at Saratoga North Center

STAFF FOLLOW-UP:

- Change “Vision Statement” to “Statement of Values” and replace document in frames throughout the City with revised statement

BUDGET STUDY SESSION SCHEDULED FOR MONDAY, FEBRUARY 8, 2010 AT 6PM.

There being no additional business Mayor King asked for a motion to adjourn.

PAGE/MILLER MOVED TO **ADJOURN THE COUNCIL RETREAT MEETING AT 4:15PM.** MOTION PASSED 5-0-0.

Respectfully submitted,

Ann Sullivan, CMC
City Clerk