

# CITY COUNCIL MINUTES

City of Campbell, 70 N. First St., Campbell, California



## STUDY SESSION MEETING OF THE CAMPBELL CITY COUNCIL

Monday, April 25, 2022 – 6:00 p.m.

City Hall Council Chamber – 70 N. First Street

This City Council Study Session meeting was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act (G.C. Section 54956).

No action may be taken on a matter under Study Session other than direction to staff to further review or prepare a report. Any proposed action regarding items on a Study Session must be agendized for a future Regular or Special City Council meeting.

### CALL TO ORDER

The City Council of the City of Campbell convened this day in the regular meeting place, the City Hall Council Chamber, 70 N. First St., Campbell, California.

### ROLL CALL

Attendee Name	Title	Status
Paul Resnikoff	Mayor	Present
Anne Bybee	Vice Mayor	Present
Elizabeth 'Liz' Gibbons	Councilmember	Present
Susan M. Landry	Councilmember	Present
Sergio Lopez	Councilmember	Present

### STAFF PRESENT

Brian Loventhal, City Manager; Angelique Gaeta, Assistant City Manager; Dusty Christopherson, City Clerk; Bill Seligmann, City Attorney; Rob Eastwood, Community Development Director; Will Fuentes, Finance Director; Gary Berg, Police Chief; Todd Capurso, Public Works Director; Natasha Bissell, Recreation and Community Services Director; Jenny Le-Christensen, Human Resources Manager; and Cecil Lawson, Information Technology Manager.

### PUBLIC COMMENT

There was no public comment.

### UNFINISHED BUSINESS

1. Fiscal Year 2022-23 Budget Study Session – Operating Budget and Capital Improvement Plan (CIP)

Recommended Action: That the City Council receive an update and provide feedback on preliminary proposed Fiscal Year (FY) 2022-23 Operating Budget and 2022 - 2026 Five-Year Capital Improvement Plan (CIP).

City Manager Brian Loventhal introduced Staff Report dated April 25, 2022 and described the budget development process up to this point noting that tonight's proposals are in draft form, and some assumptions were made to begin the draft process. City Manager Loventhal noted that revenues have increased approximately 5% since last year but expenses have increased as well. Council elected to use some American Rescue Plan Act (ARPA) funds during the pandemic to cover budget deficits, including a \$1.3 million deficit in Fiscal Year 2021, and a \$2.1 million deficit in Fiscal Year 2022. City Manager Loventhal noted that the draft budget for Fiscal Year 2023 is showing a deficit of approximately \$1.3 million, but Staff is optimistic for the future as revenues and the economic recovery indicates improvement throughout the upcoming year.

City Manager Loventhal reviewed the general fund, noting that labor is the City's largest expense, Staff made some labor cost assumptions in the draft budget presented, as labor negotiations are in the beginning phases for Fiscal Year 2023. City Manager Loventhal reviewed some of the largest departmental changes for Fiscal Year 2023, including increased Recreation & Community Services Department activities, additional software needs for the Finance Department, an increase in Santa Clara County Fire Services costs, and funding for the Public Works Department facility condition assessments, noting that some of these changes have associated revenue offsets, such as is the case with the Recreation & Community Services Department.

Finance Director Will Fuentes reviewed the long range forecast indicating a growth of income for the City over the next few years. Director Fuentes reviewed the general fund reserve accounts noting they were drawn down due to COVID and are expected to be at pre-COVID levels by Fiscal Year 2027. ARPA funds are not allowed to be used to replenish reserve accounts.

City Manager Loventhal presented the prioritized draft personnel requests for Council consideration and feedback. In response to inquiries, City Manager Loventhal noted that the requested Public Information Officer would supplement the current outreach resources which are housed in the Police Department. This position would create a communication vision and plan for the City improving the City's website presence, social media activity, and participate in and advertise Community events.

Councilmember Gibbons requested a summary table of what drawdowns were made on the general fund reserve accounts versus what ARPA funds were used to cover, and what amounts of CARES Act funds were deposited into the general fund.

In response to an inquiry, Chief Berg explained that the Mental Health Coordinator personnel request is a request for a part-time position to take over the mental health/wellness programs for the Department and to serve as a

confidential resource with the specialized trainings and certifications to assist personnel through difficult situations.

In response to inquiries, Director Fuentes noted that ARPA funds must be accounted for by September 2026. The Association of Bay Area Governments Insurance Pool costs to the City are expected to increase by 15-18%.

In response to an inquiry, Director Fuentes noted that the projections for TOT are showing a 50% recovery rate by the end of June 2023, and then continue to recover from there.

Councilmember Gibbons requested a table clarifying what budgetary increases are related to recovering from the pandemic, and what budgetary increases are above and beyond that level of service, particularly relating to the Recreation & Community Services Department.

Councilmembers requested clarification on the net costs for any personnel requests in addition to the justification for reclassifications.

Mayor Resnikoff opened the public hearing, there being no speakers, the public hearing was closed.

Finance Manager Norite Vong presented the Capital Improvement Plan (CIP) totaling \$89,856,660 and highlighted draft plan changes.

In response to inquiries, Public Works Director Todd Capurso clarified that the Hamilton Avenue/Hwy 17 Southbound Offramp project now totals approximately \$3 million, largely with Measure B funds, but does require approximately a \$600,000 City contribution. Director Capurso noted that the projects associated with Hwy 17 on/off ramps and the Camden Avenue interchange will remain on the project list, until all necessary funding has been identified, in total these projects will require at least a \$1.5 million city contribution before they can move forward. There may be grant opportunities in the future, but the City should be prepared to contribute approximately 20% to be the most competitive proposal during the grant review process.

In response to inquiries, Director Capurso stated that the Ainsley House roof is being addressed in two stages, once for a condition assessment, and once for a project to address the needs. The condition assessment will inform the funding needs for repairs.

Director Capurso noted the San Tomas Aquino Creek Trail, has been on the unfunded list for two years. Council confirmed consensus for removing this project from the list, as it is largely on City of San Jose property and there has been little interest in moving it forward.

Director Capurso stressed the need for a dedicated funding source or a sinking fund to address the outcome of the building condition/needs assessment and noted that once the Measure O buildings (Police building & Library building) are complete, the Civic Center building will really show its age.

Mayor Resnikoff reopened the public hearing to allow for public comment related to the CIP, there being no speakers, the public hearing was closed.

Councilmember Lopez requested consideration of a self-funded grant coordinator position to support citywide grant efforts as well as tracking grant opportunities.

Councilmembers Gibbons and Lopez requested additional information on ways to pay down the California Public Employee' Retirement System (PERS) obligation.

Councilmembers requested additional information relating to the staffing structures of each department/succession plan.

Following discussions, Council confirmed consensus for maintaining the Public Information Officer as part of the Assistant City Manager duties and modifying the scope of the Mental Health Coordinator position to be used citywide.

**ADJOURN**

Mayor Resnikoff adjourned the meeting at 8:52 p.m.

APPROVED:

ATTEST:

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Paul Resnikoff, Mayor

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Dusty Christopherson, City Clerk