

CITY OF BRAWLEY
July 25, 2017

The City Council of the City of Brawley, California met in a special session at 5:00 PM, City Council Chambers, 383 Main, Brawley, California, the date, time and place duly established for the holding of said meeting. The City Clerk attests to the posting of the agenda pursuant to G.C. §54954.2.

The meeting was called to order by **Mayor Couchman @ 5:00 PM**

PRESENT: Couchman, Kastner-Jauregui, Nava, Noriega, Wharton
ABSENT: None

Invocation was offered by **CM Noriega**

Pledge of Allegiance was led by **CM Nava**

1. APPROVAL OF AGENDA

The agenda was **approved** as submitted. m/s/c Kastner-Jauregui/Noriega 5-0

2. PUBLIC APPEARANCES/COMMENTS None

3. CONSENT AGENDA Items are approved by one motion. Council Members or members of the public may request consent items be considered separately at a time determined by the Mayor.

The consent agenda was **approved** as submitted. m/s/c Wharton/Kastner-Jauregui 5-0

AYES: Couchman, Kastner-Jauregui, Nava, Noriega, Wharton
NAYES: None
ABSENT: None
ABSTAIN: None

- a. **Approved** Accounts Payable: July 14, 2017
- b. **Approved** City Council Minutes: May 2, 2017
May 16, 2017
- c. **Approved** Travel Authorization in Excess of 500 miles for Police Detective to Attend Crimes Against Children Conference in Dallas, Texas, August 6, 2017 – August 11, 2017.

4. REGULAR BUSINESS

- a. Discussion and Potential Action to Adopt Resolution No 2017- : Resolution of the City Council of the City of Brawley, California for Submission to the Voters a Question Relating to the Extension of the City of Brawley Utility Users Tax and the Submission to the Voters a Question Relating to Whether or not the Office of City Treasurer Should Become an Appointed Office on the Ballot for the General Municipal Election to be held on Tuesday, November 7, 2017.

The City Council **approved** Resolution No 2017-35: Resolution of the City Council of the City of Brawley, California for Submission to the Voters a Question Relating to the Extension of the City of Brawley Utility Users Tax and the Submission to the Voters a Question Relating to Whether or not the Office of City Treasurer Should Become an Appointed Office on the Ballot for the General Municipal Election to be held on Tuesday, November 7, 2017. m/s/c Nava/Kastner-Jauregui 5-0

b. Discussion and Potential Action re: Utility User's Tax (UUT) Contingency Plan

Rosanna Bayon Moore, City Manager – Power Point Presentation*

***On file and available upon request from the Office of the City Clerk.**

CM Noriega stated if the Utility User's Tax passes, what is the City going to do to reduce reliance in those 5 years?

CM Bayon Moore said the challenge is reducing service levels in the face of increasing community expectations. Annually, the City considers the remaining time for the UUT and service levels as part of the budget process. Reductions that lower costs annually are needed in advance of the UUT's expiration. A proportion as large as 15% or \$1.9M is a large number to make up in the budget. It is equally challenging to gain revenues, whether it is property tax, sales tax or any other revenue source. Gaining at the rate of \$2M in a single year or even 5 years would represent a major feat. If Council wishes and the consensus of the body is to step down services on an annual basis, the City can reduce its expenses.

CM Wharton mentioned a few facts that the City should know. Brawley is 1 of 161 agencies, 157 cities of the State of California with the UUT. Brawley's tax rate is at the lower end of the spectrum. There are higher tax rates of 5 1/2% to 6% or even higher. The decision ultimately comes down to the public. If the public wants to maintain the current level of service, vote for it. If the voters don't want this service level, don't vote for it.

CM Nava indicated, when service level reductions are considered, reducing job opportunities is involved. The impact is minimal for the tax. The City needs to inform and notify the community of what is ahead.

CM Noriega asked how the information is going to be disseminated to the community other than maybe in the utility billing.

CM Bayon Moore reported the City has the ability to place a double sided fact sheet regarding impacts if the UUT is not extended.

Mayor Couchman stated we cannot advocate or campaign for the UUT's extension but we can talk about the consequences and educate the public.

CM Kastner-Jauregui mentioned that a lot of people in the community are not informed. The City needs to get the information out to the community, that they have been paying for the UUT. An extension will just continue it. It is not going to be an increase in the tax rate. The City needs to educate the community and let them know the benefits of the services provided.

Mayor Couchman indicated that the UUT has been in place since 1991 and the City has utilized that funding in a positive way for a lot of positive improvements in the City. Brawley provides a greater level of services than other cities even in our region. This contingency plan is a plan but things can change.

CM Noriega said she does not think the City is trying to lay off any of its employees. The City needs to look at other sources of revenues.

Mayor Couchman stated that the City needs to look at how to maintain some of the services at some type of level instead of shutting completely.

CM Kastner-Jauregui mentioned she just wants to emphasize to all City Staff that they are all very valuable. Layoffs are not preferred. This is why various transition arrangements are part of the 2017/18 fiscal year budget to see if we can run all of the operations and meet all of the service levels. Also, the City is looking at other ways of doing business by not back filling positions, looking at consolidating departments and buildings. The City Council

has other ideas to explore because the last thing wanted is to layoff anybody. If the UUT passes, the City will still pursue these options to prepare for the future years. It is hoped that revenues will grow over time and drastic measures will not be required.

CM Wharton indicated how important it is to get the facts out and not false information. This is 15% of our general fund.

Gil Rebollar said he would like to see some kind of a compromise deal. A 1% decrease at the end of the first year. The facts are the citizens that vote shouldn't be the ones balancing the budget. The administration should be accountable. The one percent decrease will put some pressure on the administration to find different revenues and wean off the UUT.

CM Wharton said it is important that the public know the facts that the budget is balanced. The plan presented is if the measure does not pass. So, there is a plan in place to keep the budget balanced. The facts are there could be a significant reduction in service levels and staffing - no different than 5 years ago. The budget is not being balanced on the backs of citizens. Services that are requested are delivered. Brawley is an unusual city with its own Police Department, two (2) Fire Stations, our own health care system. As the city grows, it does not necessarily mean revenue and expenditures grow together. Things have changed and redevelopment has gone away. Cuts have been made to the general fund due to State cuts. The City and the Council will continue to stay committed working within our means.

CM Bayon Moore mentioned the intention of the presentation was to get City Council approval for packaging the education materials regarding the UUT's non-renewal. Many features of the plan include variables in play that have to do with staff vacancies. Unless there is further direction, the components that are in the plan presented is the content that will become the basis for the one pager that goes out to utility bill customers and also the content that drives public presentations.

Mayor Couchman asked if direction from the City Council or a specific action was needed.

CM Bayon Moore indicated either form will work. The changes that are shown will be presented as not just staff reduction but translated into service level changes. The content will become the message points that are part of community education.

Mayor Couchman said his preference is to give direction to staff to prepare the educational materials. The plan is a decent plan. His direction is to take the plan, use it for education materials and if needed, revisit the content in September.

CM Bayon Moore indicated to the City Council that a one-page insert will be in a summary format. Customers will be redirected to the City website for a full contingency plan narrative. The most significant changes will be featured, including closures of the Senior Center, Fire Station No. 2 and Teen Center. Fee for service programs at Parks & Recreation and the future cost recovery orientation will be emphasized. To be clear, moving in the direction of cost recovery does not mean that in the next 30 days, a rate sheet will be available. The City will need to look at the cost of providing a service to fully develop the future rate structure.

CM Nava said he would like to have the slide presentation on the City website or linked to tonight's meeting video.

CM Kastner-Jauregui said would like to see the utility billing insert before it is mailed out.

Mayor Couchman indicated Council Members can give feedback if there are any concerns.

CM Bayon Moore thanked the Council, staff and community members who attended.

5. CITY TREASURER'S REPORT None to report

6. COUNCIL MEMBER REPORTS

Noriega: Expressed interest in touring City offices to see if there is a possibility to consolidate.

Kastner-Jauregui: Concurred with CM Noriega and looks forward to the Speed Networking Event.

Wharton: Looks forward to the Speed Networking Event.

Nava: Looks forward to the upcoming Speed Networking Event as well.

Couchman: Attended the Doc's Organics Grand Opening and participated in a History Presentation at the Boys & Girls Club

7. CITY MANAGER REPORT None to report

8. CITY ATTORNEY REPORT None to report

9. CITY CLERK REPORT None to report

10. CLOSED SESSION

POTENTIAL LITIGATION

CONFERENCE WITH LEGAL COUNSEL - Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: 1 case.

ADJOURNMENT @ 6:37pm

Alma Benavides, City Clerk