

**LARKSPUR CITY COUNCIL
REGULAR MEETING
MINUTES
JUNE 7, 2006**

CITY COUNCIL: PRESENT: Mayor Larry Chu, Kathy Hartzell,
Dan Hillmer, Joan Lundstrom

ABSENT: Ron Arlas

STAFF: PRESENT: City Manager Jean Bonander, Finance Director Ernest Hutchings, Twin Cities Police Chief Phil Green, Fire Chief Bob Sinnott, Public Works Director Hamid Shamsapour, Planning Director Nancy Kaufman, Recreation Director Dave Wilkinson, Library Director Frances Gordon, Financial Services Manager Amy Koenig, Twin Cities Police Captain Mike McDuffee, Twin Cities Police Captain Andre Horn, Twin Cities Police Sergeant Todd Cusimano

**INTERVIEWS FOR SEATS ON THE HERITAGE PRESERVATION BOARD
AND THE COMMISSION ON AGING
INTERVIEWS ARE IN THE CITY MANAGER'S OFFICE**

6:45 Marilyn River
7:00 JoAnne Weber
7:15 Helen Heitkamp

**Celebration of Larkspur's Heritage Photographs and the Donors who helped
make the framing and re-hanging of these precious mementos from
Larkspur's past a present-day reality**

Mayor Chu called the meeting to order at 8:04 p.m.

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF CONSENT CALENDAR

The City Clerk confirms that this Agenda has been posted in accordance with the requirements of the Government Code.

Approval of Warrants

Approval of Minutes: April 5, 2006

Resolution No. 21/06, Honoring Captain Bob Cummesky on his Retirement from the Fire Service

Resolution No. 22/06, Honoring Ernie Hutchings on his Retirement as the Finance Director and City Treasurer of the City of Larkspur

Council Selection of the Larkspur Citizen and Senior Citizen of the Year

M/s, Lundstrom/Hillmer and approved 4-0 (Arlas absent) to approve the Consent Calendar as submitted.

CITY MANAGER'S ORAL REPORT

The City Manager thanked the Painter's Place for the great job they did framing and hanging the heritage photographs. She reported the Twin Cities Police Council meeting has been rescheduled to Wednesday, June 15th. Councilmember Hillmer stated he would not be able to attend unless the meeting was scheduled earlier in the day. The City Manager stated she would try to accommodate this request. She discussed the Regular Council Meeting scheduled for June 21st and noted there would be three Councilmembers present. She asked if the Council would like to cancel the July 5th meeting since it is the day after the holiday. It was the consensus of the Council to meet on July 5th. She stated she would be attending the Ross Valley Watershed Finance Committee meeting on Friday. She would be in a settlement conference on Tuesday regarding the McLaren issue. The next MCCMC meeting would be held on June 28th in Sausalito. There will be no MCCMC meetings in July or August. She asked the Council to e-mail their vacation plans to her as soon as possible. The Council, thorough the Legislative Committee, has taken a position of opposition on AB 2987 and she stated she would like to send the appropriate letters to the Finance Committee and the Senate. She reported the Town of San Anselmo has laid-off five employees due to its fiscal problems.

Mayor Chu noted the Council needed to discuss Consent Calendar item #6, "Council Selection of the Larkspur Citizen and Senior Citizen of the Year".

M/s, Lundstrom/Hillmer and approved 4-0 (Arlas absent) to remove item #6 from the Consent Calendar and add it to the agenda as Business Item #1.

COUNCILMEMBER REPORTS AND COMMENTS

Councilmember Hartzell reported the Food and Flower Festival would be held this Sunday and the Larkspur Community Association needed volunteers for their booth.

The Heritage Preservation Board would also have a booth and would be asking citizens for help with the revisions to the book entitled, Larkspur, Past and Present.

Councilmember Hartzell reported that a portion of the ballots for Greenbrae did not include the Ross Valley Sanitary District Board of Director's election. This may have an effect on the County's ability to certify the election. There is some evidence that the majority represented by the incoming Board intends to rescind the resolution of the district to send the garbage contract service to the County.

Councilmember Lundstrom suggested that Larkspur send a representative to the upcoming Sanitary District Board of Directors meeting to get a sense of what their agenda might be.

Mayor Chu reported that the Albertson's stores in Fairfax and Mill Valley would be closing but the store in Larkspur would remain open.

Mayor Chu stated the Council met the last 13 out of 15 Wednesday and he thanked the Council and staff for their hard work and efforts.

PUBLIC COMMENT

There were no comments.

PUBLIC HEARING

1. CONSIDERATION OF AND ADOPTION OF THE 2006-07 BUDGET, AND ADOPTION OF THE 2006-10 CAPITAL IMPROVEMENT PLAN
 - A. OVERVIEW AND REVENUE PROJECTIONS
 - B. PRESENTATION OF DEPARTMENT BUDGETS FOR LIBRARY, RECREATION, PUBLIC WORKS, PLANNING, POLICE, FIRE, AND ADMINISTRATION
 - C. PRESENTATION OF SPECIAL PURPOSE FUNDS
Capital Improvement/Gas Tax/ Transportation Fund/ Equipment Replacement Fund
 - D. PRESENTATION OF FOUR YEAR CAPITAL IMPROVEMENT PROGRAM
 - E. ADOPT RESOLUTION NO. 17/06- YEAR END BUDGET ADJUSTMENT FOR FISCAL YEAR 2005-06
 - F. ADOPT RESOLUTION NO. 18/06- ESTABLISHING THE APPROPRIATION LIMIT FOR FISCAL YEAR 2006-07

G. ADOPT RESOLUTION NO. 19/06- ADOPTION OF THE FISCAL YEAR
2006-07 BUDGET

The City Manager presented the staff report. She noted the contribution by retired Finance Officer Ernest Hutchings and read the resolution honoring him for his years of service to the City of Larkspur.

The City Manager briefly discussed the Budget Message, pages 1 through 6, and stated revenues were projected at \$11,444,640, or 7% higher than last year. Expenditures are projected at \$12,356,535, or 8.7% higher than last year. The difference is made up out of the State Take-Away Fund Reserves. She briefly discussed the summary of the department budgets, page 5 and 6, and noted several retirements and promotions.

The City Manager briefly discussed page 7, Summary 2006/07, and asked the Council if they had any questions or comments.

The City Manager briefly discussed pages 9,10, and 11 General Fund Revenue, Other Fund Revenues, and Capital Projects Revenues, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 13, General Fund Operating, and asked the Council if they had any questions or comments. Councilmember Lundstrom had questions about the carry-over amount. The Finance Officer stated it will be about \$200,000.

The City Manager briefly discussed page 14, General Fund Expenditure Comparison, and asked the Council if they had any questions or comments. Mayor Chu asked if the money that needs to be reimbursed to the State for court fees has been accounted for in this budget. The City Manager stated the number has not yet been determined and staff would probably ask for a mid-year adjustment. Mayor Chu asked if this amount would be carried as a liability. The Finance Officer stated "no".

The City Manager briefly discussed pages 15 and 16, Projected 06/07 Revenues and Projected 06/07 Expenditures graphics, and asked the Council if they had any questions or comments.

The City Manager briefly discussed pages 17 and 18, City Council, and asked the Council if they had any questions or comments. She noted the goals and key issues for the next year, including disaster preparedness and the new Twin Cities Police Facility. Councilmember Lundstrom suggested adding the following goal for next year- a "game plan" for infrastructure issues that would include a schedule and a way to get citizens involved.

Councilmember Hartzell stated there has been a tremendous amount of groundwork already done but they still need to lay a foundation for community support. Mayor Chu suggested the creation of a small committee, similar to the 2050 Committee, which would deal more with technical aspects and the finances. Councilmember Hartzell stated the committee would become the advocates. Councilmember Lundstrom stated she would like to get the process started. The City Manager stated staff would incorporate this into the final draft.

The City Manager briefly discussed pages 19 and 20, Administration, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 21, Administration- Facilities and Computer Maintenance, and asked the Council if they had any questions or comments. Councilmember Hillmer asked about a strategy for computer maintenance and stated they have a sort of "ad hoc" way of looking at things. The City Manager stated Larkspur is a key player in a small group of cities working with the County on shared information technology services. They have identified three areas they are hoping to achieve this upcoming year- joint purchasing, disaster preparedness, and records management. She discussed Marin.org and a government channel, that should allow them to do some interesting things with the City Website.

The City Manager briefly discussed pages 22, 23, and 24, Planning, and asked the Council if they had any questions or comments. Councilmember Hartzell asked where a contract, part-time employee would be reflected in the budget. The City Manager stated the position could be under the Salaries, Wages, and Benefits line item or under the Professional Services line item. Councilmember Lundstrom asked staff how implementation of the Design Review Ordinance has affected the workload. The Planning Director stated it has made it difficult for staff to do the necessary advance planning tasks, such as the General Plan Update. They are working on another Omnibus to the Zoning Ordinance to try to streamline some things.

The City Manager briefly discussed page 25, Police, and asked the Council if they had any questions or comments. Councilmember Lundstrom asked about the high price of gas and its impact. The Police Chief stated they projected an increase of about \$20,000. He stated the increase in staffing would allow them to put some officers on bicycle patrol.

The City Manager briefly discussed pages 26 through 31, Fire, and asked the Council if they had any questions or comments. Councilmember Hillmer had questions about several pieces of correspondence received from a Fire Department employee. The Fire Chief stated he appreciated the concerns of the employee and added that much of the employee's frustrations are due to the fact that they are a lean agency. Councilmember Lundstrom stated the employee had concerns that some standards were not being met.

The Fire Chief assured the Council that the communications within the department were strong and that everything is maintained in first-rate condition and meets industry standards. Councilmember Lundstrom asked the Fire Chief to make sure this was clarified in writing. Mayor Chu discussed emergency preparedness and asked staff to look into the possibility of grant funding. Councilmember Lundstrom stated she would be willing to consider hiring a contract individual since the citizens of Larkspur deserve a top-notch program. The City Manager stated the Council also discussed the formation of a Disaster Council. Councilmember Hartzell asked if any workshops were planned regarding evacuation/fire safety for the Madrone Canyon area. The Fire Chief stated a workshop would be held this Saturday at the old American Legion Hall at 9:00 a.m. The workshop will be sponsored by the Twin Cities Police Department and the Larkspur Fire Department. Councilmember Hillmer had questions about the possibility of consolidation. The City Manager stated the Fire Chief recently met with the representatives of Ross and Kentfield. They are “keeping an eye” on the issue. Councilmember Hillmer asked about the possibility of speaking with the Town of Corte Madera. The City Manager stated staff has spoken with the representatives of Corte Madera and the City of San Rafael about sharing services. She stated the “door is always open” in Larkspur.

The City Manager briefly discussed pages 32 through 37, Public Works, and asked the Council if they had any questions or comments. Councilmember Lundstrom stated they would be receiving some funding for street repairs and major projects through the Half-Cent Sales Tax Revenue. The Public Works Director stated Larkspur should receive approximately \$90,000 per year and any project funded through this money would be properly publicized. Councilmember Lundstrom had questions about road repairs. The Public Works Director stated they would be experimenting with a new type of material that is not as thick as asphalt but not as thin as slurry seal. This would allow them to repair more streets with less money. They plan to start in the flat areas of town. He stated they might be able to pave all the streets in Larkspur over the next five years. The City Manager mentioned that the issue regarding the increasing cost in gasoline is a two-sided coin for local government because they receive Gas Tax Revenue. Councilmember Hillmer had questions about the construction project at the corner of Magnolia Avenue and Ward Street. The Public Works Director stated he would stay on top of this project.

The City Manager briefly discussed pages 38 and 39, Recreation, and asked the Council if they had any questions or comments. The City Manager stated staff would like to look at adding a part-time position at mid-year to help with facilities rental and programming for the 5th graders that will be moving to Hall Middle School. Councilmember Hartzell had questions about staffing for the after school programs planned for the 5th graders. The Recreation Director stated the first six months would be a transition period and they like to take a “wait and see” approach. Staff would be monitoring the increase in revenue from August through December. Councilmember Hartzell asked staff if they have been working with the PTA on programming ideas. The Recreation Director stated “yes”.

The City Manager briefly discussed pages 40 and 41, Library, and asked the Council if they had any questions or comments. The City Manager stated they have been moving in the direction of more full-time staffing. Councilmember Hartzell asked about the need for a Reference Librarian. The City Manager stated the need came about due to recent technology and an increase in the sophistication of patrons. She added it is an "information-based" world. The Library Director stated a Reference Librarian would do more than just answer questions and would help develop and implement the services of MariNet. Mayor Chu asked if the book drop was repaired. The Library Director stated they purchased a new one that was installed by the Public Works staff. Councilmember Hillmer asked the Library Director if she had been contacted by anyone from the County or "Midas". The Library Director stated she met with Mr. Scott McKown regarding future technology including wireless. Councilmember Hillmer discussed the sharing of information and resources through the "G" Channel.

The City Manager briefly discussed page 43, Clean Water Fund, and asked the Council if they had any questions or comments. Councilmember Hartzell stated the Central Marin Sanitary Agency (CMSA) was not able to provide "purple" for landscaping due to saline intrusion.

The City Manager briefly discussed page 44, Child Care, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 45, Tidalwaves, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 46, Ross Valley Summer School, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 47, Gas Tax Fund, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 48, Transportation Fund, and asked the Council if they had any questions or comments. Councilmember Lundstrom noted the Greenbrae Interchange Project is now called the Greenbrae Corridor Project.

The City Manager briefly discussed page 49, Capital Improvement Fund, and asked the Council if they had any questions or comments. Councilmember Lundstrom referred to the "Annual Storm Drain Repair/Replacement" line item and asked if the budgeted amount was adequate.

The Public Works Director stated the amount was the same as last year and it would probably get them through half the year. They would have a better idea at that time of what they need. Councilmember Lundstrom stated she was hoping for a line item regarding Creek Reconnaissance since they need to take a hard look at that.

The Public Works Director agreed. Councilmember Hartzell had questions about the “Larkspur Marina Inlet” and if the homeowners would be participating. She also had questions about the “Sidewalk Repair and Replacement” line item and whether or not property owner would be responsible. The Public Works Director stated the two inlets at the marina need to be replaced and he has been working with the homeowners association. Staff has come up with a design and the cost was around \$350,000. There are some legal issues regarding ownership, maintenance responsibility, and assessment. Staff is of the opinion that it should be fully funded through the homeowner’s association. Councilmember Hartzell asked about the \$100,000 expense shown in the budget. The Finance Office stated this was offset by the \$183,000 transfer shown above.

The City Manager briefly discussed page 50, Equipment and Technology Replacement Fund, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 51, Debt Service, and asked the Council if they had any questions or comments. Councilmember Lundstrom asked if the payment for MERA would increase due to its expanded service. The City Manager stated it would go up slightly at midyear. Councilmember Lundstrom asked how the system worked in Larkspur during the winter floods. The Fire Chief stated it worked very well from a Fire Department standpoint. The Twin Cities Police Captain stated they experienced some minor glitches but they have budgeted for more dispatch training.

The City Manager briefly discussed page 52, Capital Improvement Summary, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 53, Major Fund Balances- History, and asked the Council if they had any questions or comments.

The City Manager briefly discussed page 54, Authorized Positions, and asked the Council if they had any questions or comments.

The City Manager briefly discussed pages 55 through 66, Four Year Capital Improvement Program, and asked the Council if they had any questions or comments. Councilmember Lundstrom referred to the Bridge Seismic Retrofit Program and asked if appropriate studies would be performed to indicate whether or not the bridges need to be raised. The Public Works Director stated the heights and clearances are taken into consideration and appropriate studies are done. Councilmember Hartzell suggested that the Downtown Sidewalk and Tree Removal Project be renamed the Downtown Sidewalk and Tree Management Project. The City Manager stated staff would come up with a better title for that project. Councilmember Hillmer asked staff to make sure there were no mold or mildew problems in the Railroad Building. He suggested that the Mold Repair Project be renamed the Mold Removal Project.

Councilmember Lundstrom referred to page 62, line item Larkspur 2050, and noted the \$20,000 should be in the 2006/07 column.

Mayor Chu opened the hearing to public comments.

There being no testimony, Mayor Chu closed the hearing to public comments.

M/s, Lundstrom/Hillmer and approved 4-0 (Arlas absent) to adopt Resolution No. 17/06, Year End Budget Adjustment for Fiscal Year 2005-06.

M/s, Hartzell/Lundstrom and approved 4-0 (Arlas absent) to adopt Resolution No. 18/06, Establishing the Appropriation Limit for Fiscal Year 2006-07.

M/s, Hartzell/Lundstrom and approved 4-0 (Arlas absent) to adopt Resolution No. 19/06, Adoption of the Fiscal Year 2006-07 Budget.

The Council thanked staff for a job well done.

BUSINESS ITEM

1. COUNCIL SELECTION OF THE LARKSPUR CITIZEN AND SENIOR CITIZEN OF THE YEAR

The City Manager presented the staff report.

M/s, Lundstrom/Hillmer and approved 4-0 (Arlas absent) to select Mr. Don Graff as the Larkspur Citizen of the Year.

M/s, Lundstrom/Hillmer and approved 4-0 (Arlas absent) to select Mr. Mark Brown and Ms. Bea Brown as the Larkspur Citizens of the Year.

ADJOURNMENT

The Mayor adjourned the meeting at 10:30 p.m. in honor of Ernest Hutchings Day.

Respectfully submitted,

Toni DeFrancis
Recording Secretary