



California

CITY OF OCEANSIDE

COUNCIL WORKSHOP

SEPTEMBER 30, 2009

ADJOURNED MEETING 9:00 AM COUNCIL CHAMBERS

Mayor
Jim Wood

Deputy Mayor
Vacant

Councilmembers
Rocky Chavez
Jack Feller
Esther Sanchez
Jerry Kern

City Clerk
Barbara Riegel Wayne

Treasurer
Gary Felien

City Manager
Peter Weiss

City Attorney
John Mullen

The adjourned meeting of the Oceanside City Council was called to order by Mayor Wood at 9:02 AM, Wednesday, September 30, 2009.

PLEDGE OF ALLEGIANCE – Councilmember Sanchez

ROLL CALL – All Councilmembers were present. Also present were City Clerk Wayne, City Manager Weiss, City Attorney Mullen, and City Treasurer Felien.

WORKSHOP ITEMS:

CITY MANAGER WEISS stated the facilitator will walk us through the items.

JEFF VANDERWIELEN, The Centre for Organization Effectiveness, facilitator for the meeting, reviewed the protocol for the workshop, stating the City Manager and staff have put together a number of proposals and documents that everyone has had a change to review. We will go through each of these workshop items in order. The goal is to provide City staff with any added direction on what they have proposed. If there is agreement on what is proposed in the various items, then we can move on. If there are any suggestions/modifications, he will document those and ask for input and a majority to make sure there is consensus on the direction.

[Note: Numbers 1-6 and items relate to the City Manager's memo dated September 16, 2009; Subject: Preparation for September 30 Budget Workshop]

1. **Council discussion and direction to staff regarding:**

1) **Update and validate Citywide Strategic Goals and Priorities**

MR. VANDERWIELEN asked if Council accepts them as they are or if there are modifications.

COUNCILMEMBER CHAVEZ supports the way they are written.

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UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL**

COUNCILMEMBER FELLER stated most on the list is still a priority. [He wanted to possibly develop naming rights on facilities, etc. as a potential revenue source and create a public/private partnership—which he later moved to Item 4].

COUNCILMEMBER KERN spent time developing these earlier in the year, so he thinks it is fine as written.

MAYOR WOOD stated that at the previous workshop we were speculating on the impacts from the economy, but we were not sure. Now we are. As a whole the strategy plan is fairly good. He is concerned about the impact with the economy. We need to move forward in trying to do things that will impact our TOT and tax base.

COUNCILMEMBER SANCHEZ did not attend the previous workshop. She objects to the 9:00 AM meeting time and wants a follow-up evening session for the community.

The wording on Item 1 is not helpful and does not describe projects, their costs or timelines. She is disappointed that there is no cost associated with these items. There is no opportunity for us to rank the importance of these items by costs and priorities.

She has some suggestions. For her, an area of low priority is future planning, which would not affect us in the next few years. She would remove the 2 Future Planning staff positions, which were added to the budget recently. She would also lower the priority of landscaping Oceanside Boulevard, which is a \$680,000 project that we can put off. She would also put the planning of Oceanside Boulevard, which is \$320,000, on the table. The planning of Oceanside Boulevard had to do with a developer who asked to partner with the City in the planning, so Council agreed to meet the developer's \$320,000; however, the developer has dropped out. So our match would now be zero. Also a very low priority is the study on Goat Hill [Center City Golf Course property], and she would eliminate the study. How much would that amount to?

JANE McVEY, Economic and Redevelopment Director, stated a study was done previously by ERA on that site, which showed various uses and potential revenue impacts. We have not moved forward with that at this time. We have no money budgeted for this at this time.

COUNCILMEMBER SANCHEZ also would put the planning of Coast Highway as a low priority since it will take years, and we do not need a future planner assigned to this at \$120,000. Her priority is to maintain our level of services. The other priority is making sure that development services pays for itself. Our fees have not paid for these services; the City has been subsidizing private developers for some time. That would include going forward on the fees necessary in line with what it is costing the City. In speaking to the audience, her priority is our employees and residents. If we eliminate 50 employees, that will affect our businesses. We also need to ensure the safety of our residents. Crime affects all of us and our economy. A priority is the resource centers for the kids.

COUNCILMEMBER CHAVEZ stated that obviously in attendance are employees of Oceanside and Vista to hear this discussion, so an evening meeting was not needed to have a good turnout of employees and citizens. He highlighted that this phase of discussion was called strategic goals and priorities. Regarding specific items, that is later on the agenda.

MR. VANDERWIELEN questioned those in favor of Councilmember Feller's proposal to develop naming rights as potential revenue sources. There was a consensus of 3 to move forward with that.

MAYOR WOOD stated that the facilitator has already interviewed/talked to all of us, so he has an idea of our goals, objectives and strategies. The Mayor agreed with many of Councilmember Sanchez's priorities; it is about providing services to the citizens, etc.

2) Review revenue and expenditure forecast

MR. VANDERWIELEN stated this item is to review revenue and expenditure forecasts for the FY 2009/2010 and FY 2010/2011. Staff is recommending that Council address both years' budgets in one comprehensive reduction plan, so one combined budget reduction plan can be made now, and we don't have to go through the process next year. Is there consensus for the 2-year comprehensive budget reduction plan?

MAYOR WOOD commented that the City Manager put this together with the intent that this would go out to citizens and employees to say this is a economic disaster in California and to get feedback from all on how to address this. Staff in the past stated this is the baby boomer year coming up in 2010, and we were told of the potential of up to [500] employees retiring in 2010-11 or at least eligible to retire. With that potential, it is a major impact on our expenditures. There is a good possibility someone retiring at the time could potentially save 2 at the bottom because of the pay rate. That is something we have to consider; he doesn't have details as to who they are and would not force anyone out. For the labor and employee groups, if you have people contemplating that, the City should have some sort of compensation or a little golden handshake if you are willing to go out early to save some people at the bottom.

MR. VANDERWIELEN believed staff factored that in, and we can discuss it during the budget item (item 6).

MAYOR WOOD has been contacted by many employees regarding the "nice to haves" and the "need to haves" and questioned why they would lay off employees with expenditures that aren't priorities. He was asked to bring this up, which includes everything from the Chamber of Commerce, KOCT, etc. So keep that in mind for later.

COUNCILMEMBER FELLER questioned the number of retirees quoted by the Mayor and asked for clarification.

CITY MANAGER WEISS stated we had previously done an assessment through Human Resources (HR) and recalled it is about 25% of the workforce at 2010/2011, based on age, that would be eligible to retire. We did a more detailed assessment and had approximately 64 individuals indicating that over the next year they would be interested in retiring. We have only had 18 retire so far.

COUNCILMEMBER KERN stated we have an email from the Finance Director about a correction to the revenue—a reduction of \$457,000, which was not factored into this budget document (Sales and Use Taxes – Compensation). He also questioned what happened to our sales tax the second quarter of this year.

TERI FERRO, Financial Services Director, responded that the Finance Department released the 5-year forecast document, and one week after the document was released we got notification from the State that there would be an additional \$450,000 impact to our sales tax. So the document you have was at a specific point in time, and there are always subsequent events. Regarding the decline in sales tax, there was a comparison of sales tax for the April-May-June of 2008 vs. April-May-June 2009, and it went down 11%.

COUNCILMEMBER KERN noted we are still in a downward spiral. He was opposed to having workshops in this room because Council is not talking to each other. We have to figure the budget out; it is going to be hard; and we don't all agree, but we need to work it out. This is going to be a difficult day. This is a \$10,000,000 gap that we have to close, and it will require program, personnel and budget cuts. We have to look long-range—the next 20 years, not just for the next 2 years. We need to work together on this.

MAYOR WOOD is a little concerned about this being for 2009/2010 and 2010/2011 because he cannot believe the State will have fixed their problems. He feels it will be the other way, and they will take more. He is a little uncomfortable with the period, but he is willing to go along with it since we can always come back and readdress it; so he is a favor of both years.

COUNCILMEMBER SANCHEZ further noted that updating the General Plan is not something we can afford, so that is a lower priority. Encourage market driven development as long as it is not subsidized. Complete alternative land use study for Center City golf course should be removed from the table for the next 2 years. Regarding the revenue/expenditure forecast, she spoke with a representative from the OCEA and understood that by changing a health care provider, they were able to save the City \$2,000,000. So if we offered to pay 18 months of health care, perhaps we would see more employees consider retiring at this time. Employees have other suggestions. We should meet again after we see what we can accomplish with the 18 month health care offer. We should not do 2 years; it should be for this fiscal year.

COUNCILMEMBER CHAVEZ felt that with 1/3 of the year already passed, he felt it was smart for the 2-year plan.

COUNCILMEMBER FELLER agreed to the combined 2-year budget reduction which seems reasonable, although he agreed with Mayor Wood that it is not the end of the disaster.

MR. VANDERWIELEN stated then that, with that caveat that you may need to revisit it if conditions continue to change, there is consensus for the 2-year comprehensive reduction plan.

3) Discuss overall spending priorities

MR. VANDERWIELEN stated this is looking at the spending priorities. The City Manager's recommendation is that we maintain a balanced community; we don't want to cut out any one program. We want to shrink the whole pie to some degree. So do we have consensus that we don't want to eliminate anything completely? We want to keep everything to some degree.

COUNCILMEMBER CHAVEZ concurred.

COUNCILMEMBER KERN concurred.

MAYOR WOOD noted it is tough to say yes because there are ideas on how to save money and make up for these costs, but as a whole, yes we want to make sure we provide the services necessary. We are trying to avoid layoffs as much as possible, so shrinkage would probably be the overall and not one particular group.

COUNCILMEMBER SANCHEZ disagreed. She had requested a copy of the correspondence between the City Manager and the Directors for a better picture of what we are talking about. She is very concerned about taking out an ambulance and prolonging the response time. Saving a life is more important than landscaping or future planning. We have already closed John Landes park and heard about the gangs and costs. It is important to maintain the level of public safety. We need to maintain our park service and our library, etc.

MAYOR WOOD voted no on the last 2 budget hearings for this year because of some of the cuts. He does not agree totally with the overall spending priorities. He is not in favor of cutting public safety, and providing services is a priority. He does not want to wipe out working units—in other words lay off so many people that it makes it dysfunctional. He also does not want to see employees leave and find out next year that other people are hired back.

4) Review potential revenue opportunities

MR. VANDERWIELEN stated the question is should the City pursue any local revenue opportunities that would require a vote of the people?

COUNCILMEMBER SANCHEZ stated we could never pass a tax at this time, and we've never been able to pass a tax. She would say no.

MAYOR WOOD agreed. To raise taxes to save the State issues is bad timing. There are ideas like Councilmember Feller mentioned on naming rights, etc. We have to continue to work hard to get the type of businesses in town that bring revenue, etc. There are presently financing issues for such businesses.

COUNCILMEMBER FELLER wanted his suggestion of naming rights moved to this item of potential revenue opportunities from the first item. He wanted to possibly develop naming rights on facilities, etc. as a potential revenue source, perhaps even naming a program, a field, etc. He is not in favor of any tax increases.

COUNCILMEMBER CHAVEZ concurred and felt this was one issue Council would be 5-0 on.

MAYOR WOOD reiterated that we are willing to give a little out right now to reap the benefits of the money of retirees in the sense that even if we have health care for a short time or a semi-golden handshake, that allows us to pay it off slowly and not in one lump sum. The employee reaps that benefit that they wouldn't get later, and leaving with a high pay rate, that opens up money at the bottom for employees/services.

[Recess was held from 10:01 – 10:13 AM.]

5) Discuss reserve fund policies

MR. VANDERWIELEN stated this item is to discuss the reserve fund policies and, for discussion, should the City use reserve funds for operating deficits and, if so, how much, how often, and how should we develop a repayment plan? So first, should we use reserve funds for operating deficits? If we get a consensus, then we'll talk about ideas on how that should be structured going forward.

MAYOR WOOD responded yes to the use of reserve funds. Staff needs to clarify the amount in reserves, but it is for a rainy day and it is pouring. He is apprehensive about using them considering the California economy, but we need to use them as needed.

COUNCILMEMBER FELLER asked the City Manager about the take-aways from the State, which total \$9,500,000. We were talking about \$26,000,000 in reserves, including what is in Healthy Cities.

CITY MANAGER WEISS confirmed that amount.

COUNCILMEMBER FELLER is thankful we didn't use any reserves in the first cuts. The reserve is one-time money. Healthy Cities has a repayment timeframe of 90 days, and we do not know how long it will take for the State to pay us back. We might have to change our policy if we use the money in Healthy Cities and have a way to pay back the money within 3 years instead of 90 days. There is some potential to start recovery, but the money is not going to come in fast.

MR. VANDERWIELEN then clarified that Councilmember Feller is in agreement with the use of reserves as long as the right structure is set up on the backside, like a repayment amendment over 3 years vs. the 90 days, etc.

COUNCILMEMBER FELLER responded that is one suggestion. He is not in favor of spending one-time money for something that is ongoing.

COUNCILMEMBER CHAVEZ stated we are using the term reserves, but there are 3 components: reserves that are unallocated, meaning it is money we can use; reserves that have been allocated, where we do projects; and then the Healthy Cities fund. He will just talk about the unallocated reserves of about \$10,000,000 and the recommendation from the City Manager dated Sept. 16, which document highlighted the \$19,500,000 that the State is taking away. So he agrees to use unallocated reserves, which is normally used for one-time expenses, to pay for the State.

Now we go into the structural deficit that we have—the City is not only affected by the State taking money, but is also affected by the economy and the reduction in sales tax and property tax, which is projected at about \$10,000,000. This is a structural issue we are looking at and we are looking at organizational changes. Regarding the Healthy Cities fund, this is for a catastrophe/a major incident. In our policy of 2008 [200-08], it calls for a Healthy City reserve fund of a minimum 12%. Also it says under Process – A, use of these funds should not exceed 90 days of emergency funding.

Since we are actually doing an 18-month budget year, an appropriate repayment plan should be when we do the following year's budget for FY 2011-2012 when these funds should actually start being repaid. So that is his recommendation. Process – B, C, D are being handled, and Process E is where he would go the 18 months—that we actually put it in a budget item so that we understand this is a draw-down on our savings, and we need to pay it back.

On how much to use, he agrees with what the staff has submitted of \$9,500,000 in the unallocated reserve plus use of the Healthy Cities fund to close the gap and the repayment to be done in the budget for 2011/2012.

COUNCILMEMBER SANCHEZ referenced Attachment 2 – Financial Forecast and stated she keeps hearing that our property taxes and sales taxes are projected to go down in the next few years. However, she sees them as steady in this document. Are these good numbers?

DIRECTOR FERRO responded that the numbers for FY 2009/2010 are good numbers based on local property valuations; for FY 2010/2011 there are 2 components that caused these numbers to decline modestly, i.e. we have not been impacted by office and industrial foreclosures and the County Assessor advised us of the negative CPI. As a property owner, your property taxes could go down if the CPI is a negative value. So, going forward we were very conservative in saying we would be hit by commercial foreclosures and a negative CPI. The new phrase is that 'flat' is the new 'up'. So if we can be flat, we are good. She is still confident that those numbers as of today's scenario are good. The 5-year forecast is showing the biggest hit in 2009/2010, and then the revenues are pretty much stabilized thereafter.

COUNCILMEMBER SANCHEZ stated it appears the biggest change is the intergovernmental, the interfund transfers and a little on other revenues.

DIRECTOR FERRO stated the interfund transfers, i.e. administrative service charge, is showing up on the revenues and expenditures. We are implementing a new policy to eliminate that. It was a net effect of nothing to our impact here.

COUNCILMEMBER SANCHEZ stated that in the September 16 memo from the City Manager, it indicates the City has approximately \$24,900,000 in available reserve funds. Then on the 3rd page there is a listing of what the State is taking/borrowing.

CITY MANAGER WEISS stated the way the State adopted their budget, they were intended to be one time deferrals till next May. We are aware that, given the issues with the RDA funds through the State, the State is now looking at not deferring the gas tax monies but rather taking those monies. Through the League of California Cities, we are working to avoid that happening. However, the intent was that they would be paid back possibly by next May.

COUNCILMEMBER SANCHEZ stated we may have to sue to get those monies back.

CITY ATTORNEY MULLEN stated there is contemplation by the League of litigating the issue to make sure we get the money back. On the redevelopment side, there will be a lawsuit to get those funds back, but those are not the funds before Council today.

COUNCILMEMBER SANCHEZ knows how horrible it looks. We need to go into reserves for the structural. This is a temporary downturn. The numbers are conservative

and are at least staying steady. The City is going forward. This is not permanent. The City wasn't hit so hard because we, as a City, have always had less—commercial, retail, sales tax— than other cities. We need to dip into our reserves. We constantly put money aside out of the general fund every year to insure our future. We put it away to be used when we need it, and we definitely need it. We never put strings on it when we put it away. We need to use these funds now. Regarding how we repay them, she would say in 6 months or a year. We would be in a better situation at that time to talk about repayment. We will definitely find out what the State is going to do and how we will respond and see how we come out in the economy.

COUNCILMEMBER KERN does not like dipping into the reserves as he has stated, but we are getting to a point where we will be forced to in some manner. He would ask the City Treasurer about the Proposition 1A item. Something that has come up in the last few days is about the securitization of Prop 1A money, about the cities and the bonding of Prop 1A funds and how they are coming back to the cities, which will really affect us.

CITY TREASURER FELIEN responded that the State on Monday set the interest rate on securitization for the property taxes at 2%, which means it makes sense for the City to participate in that securitization program because the choice is if you leave the money with the State, we will earn 2% on it. The City certainly earns more than 2% on the money we invest. We believe that \$4,500,000 in the hands of the City is better than \$4,500,000 in the hands of the State. That would improve our cash flow, and we would be getting the property taxes that we normally would. The State has basically created some hoops where they are, in effect, borrowing the money.

COUNCILMEMBER KERN stated that we will then need to make some decisions rather rapidly. So on the October 21 agenda, he would like an item on the securitization of Prop 1A funding because maybe that would save us \$4,500,000. He needs more information on this.

He does not mind using reserves for specific purposes, and he would recommend one-time use like \$3,000,000 of the unallocated reserves to balance the operating budget, earmarked to pay our pension bonds for this year. That will free up money from the General Fund. But it is actually designated one-time spending to pay our pension bonds for this year. Then next year the Council will have to make a decision about that. The other thing that concerns him is how we pay this back. There are 2 things we will have to deal with: 1) payback of the reserves and 2) our responsibilities going forward. Our unfunded liabilities over the next 30 years are \$182,000,000. We need to figure out how to start covering that cost.

His proposal on the payback is to have staff come up with some plan for the October 21 meeting. His suggestion is that any new money over and above expenses over the next few years, since we will still have to maintain services and will still grow slightly, should be \$.25 of every new dollar above expenses goes to pay back the reserve, \$.25 of every new dollar goes back to unfunded liability, and \$.50 of every new dollar goes back to the operating fund. So, as the economy starts to grow, we will have money come back. We should have a plan in place now that this Council agrees is our policy when the money starts coming back—that we pay back the reserves first. Second, we start doing the unfunded liabilities—we can't just keep looking at 1 and 2 years—we need to look 20+ years out and look at long-range. Otherwise we are no better than the State.

COUNCILMEMBER CHAVEZ asked the rationale behind the 25/25/50 numbers.

COUNCILMEMBER KERN responded that the \$.50 on every new dollar goes back in operations because we have to deliver services, etc.; so that should be the biggest chunk of the new dollar. But we should also put money aside to pay our reserves and to pay our unfunded liabilities. If there is a different formula, that is fine.

COUNCILMEMBER CHAVEZ indicated that with the issue of services, maybe it should be a 60/20/20 split, but a factor also is the rising cost of living, etc.

COUNCILMEMBER KERN is fine with that; the idea is that we need a plan.

COUNCILMEMBER CHAVEZ had requested a document from Director Ferro on how much money we spend per resident in the City over a period. As an example, in the 2001 budget, it was \$231.76 per resident. The high point was 2007/2008 at \$277.22. In 2008 we drop down to \$271. In looking at the 2009 projection, it drops to \$259. So we are going down, but it will turn around again. The graph is a good perspective of the services the City provides per resident.

MAYOR WOOD stated we have a consensus on using the reserves. There is a difference of opinion on how much and how to pay it back. That needs to go back to staff on how to pay it back.

COUNCILMEMBER SANCHEZ stated there is no agreement on how much. We haven't gone through the budget to see what it is we want to change, so how can we talk about a specific amount. We will have to come back to this. She has heard \$3,000,000. There are other things we need to discuss to see where everyone stands on these issues. She does not want to discuss an amount at this time and would move that to the end.

COUNCILMEMBER CHAVEZ agreed.

CITY MANAGER WEISS believes there is a consensus on using the reserves. As Council gets through the budget reduction items, the amount of that will certainly be something to discuss. There seems to be consensus on some type of repayment plan, but a lot of that will depend on the amount used and what opportunities we have to recover that.

Public input

JIMMY KNOTT, 127 Sherri Lane, stated that missing from this information is the full faith and credit of the City's land, buildings and resources beyond its money reserves. They have value and could be tapped. An example is Arizona, which is selling their capital building and leasing it back. Regarding paying back the reserves, you have a regular monthly development status report, but you do not have a monthly economic report, which you need. The priorities must be adjusted and ranked to affordability and indexed with project incomes. Not discussed are consultants, which the City spends too much on. Also, technology should be used for cost savings instead of hiring people.

[Councilmember Feller left the dais at 10:53 am]

2. **6) Review proposed FY 2009-10/2010-11 Budget Reduction Plan, accept or modify, and provide direction to schedule formal approval at the October 21, 2009, Council Meeting**

With no staff presentation at this workshop, public input was taken.

JOHN DALEY, 631 South Coast Highway, spoke on tourism, and part of the reason for the successes in tourism is the Visitor's Center and their good work bringing people to the City. This is an income/economic generator which helps pay for items with TOT, etc. If there is any thought of taking this or anything from them, it will hurt the City's income.

[Councilmember Feller returned to the dais at 10:55 am]

DAVID NYDEGGER, President/CEO of the Chamber of Commerce, spoke of the start of the Visitor's Center in 1988, and in 2000 they became a California Welcome Center (CWC). The CWC is a franchise owned by the Chamber of Commerce. The Chamber, with a fee for services contract, does receive money from the City on an annual basis to help operate the CWC. Any funding deficit is made up by the Chamber of Commerce. Last year the Chamber subsidized the CWC at a little over \$80,000. Regarding the TOT, that is the only tax that comes back to the City 100%. Last year it

was \$3,100,000; when we first got here it was under \$700,000, so we are showing great improvement with new things/programs. We want to do more for the City.

LESLEE GAUL, 928 North Coast Highway, CWC, stated we are a revenue generator for the City. Tourism is our biggest opportunity—our economic engine during these tough economic times. She highlighted their survey and noted that the CWC impacts the hotel tax that goes into the general fund by over \$1,000,000. According to that research, 82% of the people inquire before they come actually visit Oceanside; 75% are staying in Oceanside hotels and staying an average of 6 nights and their average visitor spending is \$462 per day. When you do the math, we generate an estimated \$12,900,000 in hotel revenue alone, which represents about 1/3 of total visitor spending. We have to make this business happen through marketing and promotional efforts. She is working with the hotel industry on a TMD to get us through this next fiscal year.

MELINDA DiPERNA, 999 North Pacific Street, founder/manager of Better Vacation Rentals, is active with the Oceanside Tourism Council. The news is not all gray; TOT projections have actually increased over the last year from \$2,600,000 to \$3,100,000. Guests would have gone somewhere else if not for the marketing efforts. She asked Council to continue to fund this since this is revenue generating, and right now we get less than .8% of that \$3,100,000 that we generate for the City back in tourism marketing funds.

ROB FAIRFIELD, 909 North Coast Highway, spoke in support of the Chamber of Commerce, the CWC funding and the need for marketing and tourism.

JANE PHELPS, 4508 Inverness Drive, is a former employee who settled with the City on a whistle blowing lawsuit. She was part of the budget team that prepared the 2006-2007 budget. She is shocked at the decision to lay off 51 people. Why these harsh measures without considering other options? She provided copies of her comments and reviewed the 3 points of falsified numbers on the costs to the City for the 2.7% at 55 PERS, unauthorized raises for certain staff, and the Finance Department reductions of 9 positions and adding back 5. Be careful; the City would lose approximately 80 years of experience. There is information hidden from you.

HOWARD LaGRANGE, Chair of EDC, spoke in support of the CWC as a revenue generator for the City. Please do not cut them. They are only asking to be funded through the remainder of this fiscal year at \$108,000. In the future they are working on a TMD which would generate its own funds not dependent upon the City. Regarding the Oceanside Boulevard project, the EDC has worked on this for the past 6 years and taken small amounts of funding to construct the beautification of that thoroughfare. Brokers/realtors with potential buyers try to avoid the Oceanside Boulevard corridor. That project would have been completed if not for the SDG&E undergrounding utilities and the Sprinter construction. The future of the City also includes R & D industrial park areas.

MANLAI TAM, hotelier, thank you for not cutting the CWC. My hotel is doing better this year than last, and she will finish higher in occupancy than before. The market is not as gray as we thought, and it contributes to what the CWC has done. Tourism and TOT is a revenue generator. Please continue investments in TOT and advertisement for the City.

KEN CROSSMAN, CSO Supervisor at the Police Department (OPD), stated the purpose of government is to serve the needs of the community, and OPD renders services to the public through sworn police; however, equally as important are the non-sworn personnel that provide vital services. There are 7 Community Service Officers (CSO) and 1 supervisor, and we are open 6 days a week, 11 hours a day. We provide a multitude of services that are vital to the well being and security of our citizens. For example, for the first 8 months of 2009, the front desk staff answered 30,000+ calls, wrote 2,800 reports, etc. The availability of staff to address and assist citizens' concerns will be reduced. He asked to consider leaving the 8 CSO's intact at OPD.

ANTOINETTE EPPS, CSO at OPD, started as an intern in 2004 and in 2005 was hired full time and working at the front desk; she has worked dispatch and sees the demands. She is a single mother and works full time. Both her kids are seniors at Vista High. She has a master's degree and just started law school. CSO's are a huge part of OPD and are the first line the citizens see. The position requires knowledge of codes, etc. By laying off 3 CSO's, you are running the risk of damaging citizen input and causing a burden on patrol officers, etc.

JIMMY KNOTT, 127 Sherri Lane, would like a policy of no consultants while there are layoffs. You have a list of jobs to be laid off, yet you do not have a public service impact report on each of those jobs. Tell the public what the cuts mean in services, delays, etc. The public needs to anticipate what those cuts mean. You have not explored all the options, such as with the employees going to a 3 week work option and a 3-day week on the 4th week and let the fellow workers have the other days, etc. Also, the Oceanside Boulevard vision plan committee is willing to get together, and we have a strategy that was submitted to the City Manager.

VINOD PATEL, 1401 North Coast Highway, hotelier, says when a tourist comes to our City they need to feel comfortable and safe, so any cuts that impact services should be put aside. The CWC and Visitors Bureau are doing an excellent job to bring the tourists, and our job is to keep them here and spend their money. 10% of his business is for the City, and it is more difficult now.

JOANNE RUSH, Community Assistant at the San Luis Rey Valley Resource Center, 521-B Vandegrift, stated people of the valley put this resource center together and worked hard to bring programs in, such as our after school programs, etc. There are a lot of things we offer to the community. It took us a long time to gain the trust of our community; we now have the trust, and it would be bad to lose that resource center. The value that it puts out in the neighborhood is well worth it.

CONCHA H. GREENE, Director of the Chavez Resource Center, stated we always say to invest in our children, yet she understands the center is not going to be closed but utilized by organizations and programs coming from the outside and not from the people in our community. She had to tell her afterschool program kids that she might be leaving. Even though I get paid by the City, my heart is in my community. The people there need all the help I am able to give them. If she could work for free, she would do it as she did in the beginning. It is very important to keep the center open for our children. A lot of the home boys come in; we talk; and they too have signed a petition to keep me there. The perception of our neighborhood is that we have always gotten the rotten egg, but it is changing. We knew this was an ongoing struggle.

TERI SHOEMAKER, 5702 Dartmoor Circle, speaking today for those who will not speak for fear of retaliation, is a City employee with over 21 years of service in the Financial Services Department and is the Budget Manager. She thinks this is a terrible plan. The proposed reduction plan eliminates 9 positions, yet opens recruitments for 6 positions. The 9 positions are employees with perfect performance evaluations that have been with the City many years and understand how this organization works. The City recently spent millions of dollars upgrading our financial system, yet all the employees that are being laid off were trained on that system. We also pay half of our own PERS and took cuts in our cost of living increases. Many employees are willing to take furloughs, pay all of our PERS or take salary reductions, etc. to balance this budget and keep our jobs. Despite having been cut to barebones staffing over the years, we work late and on weekends to make sure the citizens have the customer service and financial information they deserve. Between recent retirements and the proposed cuts, this City has collectively lost over 100 years of experience and knowledge in this department. Budget is considered a core service. She has grave concerns about the economic stability of this City and those making the critical decisions that affect our future. They do not live here nor are they fixing the problems by making these budget reductions. Cutting positions of senior employees that reside in this City is hurting, not helping the economy.

ARTHUR COLEMAN, Investigative Assistant – OPD, and with him are Katherine Cronin and Vivian Gregg, stated we are part of the reduction in workforce for OPD. We are the 3 investigative assistants. Collectively we have 60 years of law enforcement

experience. He has been with the department 24 years; Catherine and Vivian have been there 10 years each. We are fighting to keep the 3 CSOs, ourselves and any police officers, dispatchers or records technicians that may be on the block. We are specifically talking about ourselves because we have an enormous impact to the community/City and our detectives. Catherine and I work in investigations in the family protection unit, and Vivian works in special enforcement working with gangs and family violence. He provided a powerpoint of 2008 graphs/charts of statistics from their unit, which is 43.4% of the entire general investigations unit, etc. We are basically non-sworn detectives. Please do not get rid of our positions. He thanked the City Manager for opening up to the ability for people to be able to retire early; he is one of those. If he can save someone else's job, he will gladly leave the City, as much as he would hate too.

DORIS CHRISTOLEAR, employee in the Revenue Division, agrees with Teri Shoemaker 100% on what she said. As a resident, she enjoys all the City's amenities that the departments help to provide. Her division collects money from ambulance charges, risk management, damages to the City, false alarm fees for OPD, permits, TOT tax, water, etc. These monies go into the City. If we are talking about shrinking the entire pie, all employees, including public safety, need to help and put something on the table.

DONNA MCGINTY, 2405 Mesa Drive, commented about the new attitude of accountability. Regarding the CWC, she is concerned that \$108,000 is coming out of the general fund and \$138,000 is coming out of redevelopment, which is a lot for 1 year. They should be operating at a bare-bones minimum like everyone else is being asked to do. A big concern is the money for the CWC could be used to help keep the neighborhood recreation centers open short term. We need to look at the short-term solutions for some of the long-term possibilities, such as the reoccurrence of the youth violence in Eastside and the back gate. We need to keep those centers open and keep the kids off the streets. A lot of things being discussed are wish list items that we don't need to have.

JIM SCHRODER, 4020 Wooster Drive, stated having spent 43 years in the hotel/restaurant business, he has seen many changes in our economy and challenges. They were difficult, but we pulled together. Not everyone is having problems in this economy and some have spendable income—they are called tourists. These are the people we need here. That is what makes the CWC and tourism so vital. We need to capture this as it brings income and jobs year round. The other is the appearances. The Gateway Committee has been working for 6 years on Oceanside Boulevard from I-5 to Crouch Street. It is important. We spent 6 years scraping together funding. The Sprinter set it back, otherwise we would have had it done. This is a priority/a first impression.

NADINE SCOTT, 550 Hoover Street, stated police and fire are taking the biggest hits when Council is doing zero to contribute money back. The Council gets 100% of their pension paid for by taxpayers. Until the Council is willing to donate some of that back and start paying pension benefits, she has no respect for this process. Council needs to look at themselves and their aides. Cut the aides in half. Resource centers are needed in high gang areas; cut the salary down to half time. Cut out Oceanside Boulevard landscape which saves \$680,000. Cut the vision—that was to be matched by a developer who bailed out – that would be \$320,000. Cut all of the Chambers' funding—which is a private club that has free rent for 30 years on City property. Get a pay back from Redevelopment. Utilities are not in this reduction. Cuts to police and fire are pretty egregious; cuts to vacant positions is fine. Regarding taking one ambulance out of service, how will that affect the mutual aid agreement?

PETER MAGANA, 1233 Langford, is concerned about the Chavez Resource Center. We have 2 buildings at Balderamma Park: one was built with HUD funds, and the other was built by the labor of the community and the city furnished the material. The Chavez Resource Center is the living room of the community. The activities there go back into the community. The other building has support staff personnel. There is one at the Resource Center. So when you cut, look at what the buildings are doing. Don't pull the plug on the Center.

SHERI BROWN, 3436 Northwood Drive, Manager—Financial Services Dept., stated the department has had 7 directors in the last 9 years, and some of the issues the department has because of the director turnover should not be borne by the employees in the department. She cannot support the plan submitted because the cuts are too deep. We are trying to save positions and pitch in and close this gap. We need to retain some of the department employees and retain some of the knowledge gained with the new implementation of a financial system, and many of the employees being laid off are the experts there. We also have a budget module that is being implemented now by current staff who are all proposed to be laid off, so no one will have any knowledge about the new system. We need to review how we get to our cuts. The direction of the proposed plan needs to be clear; if there is a number out there that we are suppose to achieve or some direction to collapse management, etc., then everyone should know that, and we can, as a department, figure out how to meet those goals. She would like the budget plan consistent throughout the organization, whether it is 5%, etc. If there is a reduction in management staff, then when this plan is brought forth, that you see that throughout all departments. For Finance reductions, some include reductions specific to the enterprise fund, so they won't help close that \$10,000,000 gap. We have a department willing to meet these goals and contribute to the reductions without losing citizen services.

GREG DeAVILA, President of the OFA, wanted to clarify some misinformation. Public safety has participated in the collective bargaining process to look at employee reductions and salary concessions. We were the first employee group to help with the budget problem on April 11. This was the first tentative agreement that the OFA came up with for about \$500,000 in salary reductions from the employees. The Council majority voted that down. When we went back to collective bargaining with the City's team and fulfilled the obligation of Mr. Kern, which was that if there was any time constraints removed from the agreement, then it would be accepted. So the second attempt that was agreed to by the parties was denied in closed session on July 8. What is in front of Council is an additional concession of \$141,000 after meeting with the City last week. We have another meeting and are working with the City to look at areas where we can help. We understand that all the employee groups are in a position to kind of eat their own. We do not endorse that. here needs to be a true risk management plan that develops what is and is not important and have some spending reform.

Public input concluded.

[Lunch break was held from 11:54 AM – 12:50 PM]

MR. VANDERWIELEN noted the last item is discussion on the budget reduction plan. The City Manager's office put together a plan by department and program. Keep in mind that each of the Directors, under the current deficit pressure, did work closely with employee groups and bargaining units to arrive at the current reduction numbers, as well as some of the restructuring ideas that are reflected in the plan.

So for this section, is there anything missing from the budget reduction plan that Councilmembers feel needs to be on the list, or from public input, things that are reflected adequately in the plan as presented.

COUNCILMEMBER SANCHEZ stated it seems the Finance Department should be taken out at this time for better discussions with the employee group. It seems there has not been that kind of a discussion. So she wanted that removed from any decision making today.

MAYOR WOOD agreed. The Council has not been privy to a lot of information on names in positions, etc., so he is not up to date on who is involved in cuts by name. He does not want to wipe out a section of the City by taking so many employees that it is nonfunctional, and more conversation needs to take place in some of these, in particular the Finance Department. If it comes to needing to hire people back, he does not want to hire people back that weren't cut. More discussion is needed in that unit, and it needs to go back to staff. It is hard to balance the budget and not know how many people might want to go out early with the offer of one year or 18 months of

medical, and in turn then change the number of people who may retire. Also, as much as we are unaware of what could happen at the State level, all the things that benefit the City, such as in construction—North Coast Highway, Oceanside Boulevard, consultants, etc. have to be put on hold until we get through this crisis. Some of the 'nice to haves' need to be thought about again. When we are laying off employees who provide services, this has to be reconsidered. He thinks there's a lot we could cut that won't make such a big bite on us.

We need to look again at the Resource Centers and the crime and youth. The State plans on releasing all these people out of the prison system, and they may come here because we have a parole office. So we have more people back that aren't up-and-coming citizens. Add to that that, when the economy is down, crime is up. With those factors, the youth and community centers are important.

Also, he does not think the employee groups can say 'we might want to cut in certain areas' when they have no idea how much they are supposed to cut. That information has not been put out to them. It will take a little time for the employee groups to sit with the City to help and contribute, but they need to know how much and where to save some employees. Additionally, they need the information on if that golden handshake comes back to employees. There are things that cannot be done today until the groups look at it, how much they are willing to give back and people retiring early. Certainly I am upset about the consultants that we use. We have to look at cost savings. After all of that, we may not have to cut many people out of the budgets, including some of the 'nice to haves'.

MR. VANDERWIELEN stated so what he is hearing, the Mayor said the Resource Centers need to be discussed. He wants to list the items needing more detailed discussion to guide the City Manager. So the Mayor said the Resource Centers have to stay on the list, and the employee groups should go back to the City Manager to talk about if there are any further concessions they can make before Council comes up with a final reduction plan. That would be another interim step between now and October 21.

MAYOR WOOD responded that is correct. The groups need to know where the cuts need to be and how much. Also, with a possible retirement incentive of medical where high ranking, higher paid employees who might retire where one could save two, etc.

COUNCILMEMBER SANCHEZ clarified her statement was a preliminary matter before we start discussing. Some things she is prepared to discuss now. What she is not prepared to discuss now, based on the input, is the fact that the Finance Department seems to not have had employee input into the recommendations. So she has a lot more concerns and questions about that department. You cannot wipe out a department and then hand pick people, which is the impression she got; it is unethical. That is why she is not prepared to talk about the Finance Department. For the employees speaking, she does not want any repercussions. There was a lack of communication, so that department at the very least should be taken out of this process today and brought back after there has been full discussion by employees with management.

MAYOR WOOD restated his issues. One of the last things we want to touch is public safety. The 'nice to haves' with KOCT and all the other things are nice, but when laying off employees that provide services, there has to be a consideration for all those things in the big scheme of things. We can get down to the nitty-gritty of not necessarily laying off numbers this large. Let's discuss the issues, send it back to staff to try to work out items and find out more details. We don't have a list of the services lost by these employees. We need to understand that and the money. He is in the mode to look at options for employees going out early.

Also, nobody is willing to finance anything right now, so all these building issues need to be put on hold, as well as the consultants for them. All these items can be brought up in a few years. Planning can be done for the future, but if it is at the cost of employees and the services we provide our citizens, it needs to be put on hold. Those

items need to be on hold until we get through this and next year's budget situation. Then we would have a better idea about what to cut.

MR. VANDERWIELEN questioned the consensus to move Finance off for today's discussion and have the City Manager's office to go back and meet with this employee group and come up with another proposal.

COUNCILMEMBER SANCHEZ said the worst case scenario is we are wiping out a department and then rehiring; that does not make sense to her. We don't have enough information or communication.

COUNCILMEMBER CHAVEZ stated this has been going on for months. Last night we got the documentation on all the emails between the City Manager and the directors and their recommended changes. And from that, there have been a number of discussions with the different labor unions so now we have something before us. This is tough, but we know we have to make a \$7,000,000 cut. He has concerns about Finance, but he does not want to derail the entire process. So he is willing to ask the City Manager to look at it, along with the employees in Finance. He is also willing to ask them to look into any intervention and prevention programs regarding gang issues, etc. We made a commitment to the communities to have our centers and afterschool programs, etc. We have a great relationship between the police and the neighborhoods, and he does not want to see that harmed. He spoke with Neighborhood Services Director Margery Pierce, and they are comfortable with the adjustments made but will ensure this is still taken care of. He is not willing to lose a child for \$30,000-40,000 for a community center. So if the City Manager can adjust that, it would be good. And he would offer up some savings.

He would recommend, in his 4th attempt, that Council take some adjustment of their own. He would like to see, as previously submitted, reductions in travel for each Councilmember by 50%, cancel cell phones for our aides, reduce all coffee/bottled water/newspapers/membership dues 100%; reduce our office supplies by 50% and reduce our postage by 50%. If we also look at our PERS contributions, the Council would pay the same level as our aides – 4%, and he is willing to go to 8%; that would save between \$28,000 and \$30,000 by the Council. So he recommends the Council cut their budget by \$30,000 with those different items.

MR. VANDERWIELEN stated there is a budget put together right now, so the things on the list—he is hearing that there will be no detailed discussion on Finance and you are instructing the City Manager's office to go back and meet with employees and come back with either a modified proposal or a validation that the proposal on the table is okay. Another area to spend some time on is the resource centers. Another area is public safety, consulting and projects. Is there anything else that needs to be discussed?

COUNCILMEMBER KERN would like to discuss the Chamber of Commerce funding/TMD.

COUNCILMEMBER SANCHEZ wants to make sure the Resource Centers are off the table. She does not think consolidating with someone, or other people taking over those duties is something she wants to see. Regarding public safety, she is concerned about the non-sworn support services. Regarding the browning out of the ambulance, she referenced the memo by Chief Garrison to the City Manager talking about the response times of the 4 ambulances. She is concerned about the deep cuts to the Library.

MR. VANDERWIELEN summarized that listed so far are the Resource/Community Centers, Public Safety including the ambulance, consulting projects, Chamber of Commerce/TMD, and Library, which is our short list.

COUNCILMEMBER CHAVEZ reiterated for the list the Council's budget.

MAYOR WOOD stated he did not want to spend a lot of time and money on projects that aren't going to be financed or going forward, so they need to be put on

hold. There are a lot of things such as North Coast Highway, Oceanside Boulevard corridor, and the consultants for these. Perhaps advanced planning would be a discussion title. Those things need to be put on hold.

COUNCILMEMBER SANCHEZ stated that regarding the Library, it would specifically be to not close the libraries on Wednesday nights and not close the Mission branch on Saturday. Also for discussion is Code Enforcement.

COUNCILMEMBER FELLER wished the City Manager to clarify that he is talking about using approximately \$3,000,000 of reserves in this budget.

CITY MANAGER WEISS stated the recommendation was to use \$3,000,000 to \$4,000,000 to balance the budget, but over the 2-year period you are still going to be over \$3,000,000 short. So the direction was that we would still need to look at other cost savings measures. As was mentioned, the reductions being reviewed for this fiscal year, the numbers are annualized. However, by the time it is done, we will be halfway through the year, so we are looking at a rolling savings, not the fiscal year savings.

COUNCILMEMBER FELLER asked, as of the hearing on October 21, what our debt is for the rest of the year and what is our shortfall.

CITY MANAGER WEISS responded that for the full fiscal year it is \$5,500,000, of which the City will have spent about 1/3. For all these positions, about 1/3 will have already been spent. And Council had approved looking at the 2-year plan.

COUNCILMEMBER FELLER stated no one wants to cut anything. So some have talked about eliminating the Gateway projects and advanced planning and also as a part-- El Corazon should be halted, etc. Regarding Finance, not everyone present is from Finance, and they are concerned about each department.

MR. VANDERWIELEN stated the idea is that there are areas in the reduction plan that Councilmembers have looked at that you are okay with; but there are some areas which we are listing that need further direction to the City Manager and staff; so out of that list, which things need direction/modification?

COUNCILMEMBER FELLER is also concerned that we are requesting that Finance be pulled out completely. That might not be a fair way to handle this. He asked about the opportunity for the City to do work furloughs, say once or twice a month for the bargaining units. This needs to go back to the bargaining units. For the funding we give to non-departmental—most of that has a value like the CWC. So wherever possible, these things should be paying for themselves. He questioned if we didn't fill vacancies.

MR. VANDERWIELEN stated he would create a category for these other options: furloughs, filling vacancies, health care and retirement.

COUNCILMEMBER FELLER felt we should discuss the PERS liability going forward and how that will be resolved. Regarding the Council cuts, 3 of us—Wood, Sanchez and Feller—this past election took a 25% pay cut; Chavez had taken it in 2006; Kern came in at that level. It was a State mandate. He also had a discussion with his aide, and we are willing, if everyone else will, to pay our own PERS 100%. That amounts to another \$150 per pay check.

MR. VANDERWIELEN can fit that in the Council budget discussion. So we have 9 items on the list: Resource centers, public safety including the ambulance, special projects/event planning, advanced planning, alternate reduction opportunities like work furloughs, etc., Chamber of Commerce, Library cuts, Council budget, and Code Enforcement.

MAYOR WOOD stated regarding ways to bring in more revenue, no one wants to hear the word tax, but other cities are doing a ½ cent sales tax increase. It is a potential big revenue source. He knows it would have to go to the voters.

MR. VANDERWIELEN questioned if the consensus changed from earlier.

[There was no change in consensus on taxes.]

From the list:

Resource Centers

COUNCILMEMBER SANCHEZ wants to maintain the 2 Resource Centers: San Luis Rey and Chavez Resource Centers.

COUNCILMEMBER CHAVEZ, stated that, for clarification, under Neighborhood Services in the memo, it is \$270,000 we are trying to save. The Resource Center positions (2) are \$96,600 and another \$37,200 to resource centers, and the San Luis Rey Center rent is \$43,600. So Councilmember Sanchez's recommendation is about \$180,000 in costs that we would have to find somewhere else. And we have to cut \$7,200,000; yet we are already near halfway through the year so it is shy near \$2-3,000,000 with the moving target. He is not in favor of this.

COUNCILMEMBER KERN said, if a Councilmember is proposing to keep this in the budget, then say where the offsets could be within that department. If not here, then where. For everything we do not cut in a department, we have to take from someplace else.

COUNCILMEMBER SANCHEZ responded \$680,000 from landscape and also the planning for Oceanside Boulevard at \$320,000, so that is \$1,000,000 to identify and take from there.

COUNCILMEMBER KERN stated that when this economy turns around, we have to be ready with such items as gateway enhancements and development services. If we are not ready, the other cities will take the jobs away from us. We should plan ahead, rather than shutting everything down. We need to plan that we will come out of this. The rent for the San Luis Rey Resource Center is \$43,600/year. If we are trying to keep the Resource Center open, maybe move it to Melba Bishop Park, or consolidate, etc. We have City buildings, so why rent office space? We need to cut these costs and try to maintain services, and we need \$7,000,000. A Resource Center out there is important, but if we can eliminate the rent and put them in the Recreation Center, that may be feasible.

COUNCILMEMBER SANCHEZ stated we can't do that. The community put this site together. They will not go all the way to Bishop Recreation Center. We are trying to get the services to the kids, and years of working with the community have developed a trust factor. Is it worth having those businesses burglarized/vandalized and lives cut short—is that worth putting off landscaping for a couple of years?

COUNCILMEMBER FELLER asked if landscaping was a one-time or ongoing expense.

CITY MANAGER WEISS responded that actually the City no longer funds that. As was mentioned earlier, we were putting \$250,000 a year aside for gateway projects. That has stopped. There is still money in that account for landscaping. It is a one-time source. So if you used it for the Resource Center, it would get us through this next year; however, when the full \$680,000 is spent, that is it.

COUNCILMEMBER CHAVEZ thought that, with the San Luis Rey Resource Center partnering with the school district and Melba Bishop Recreation Center, we meet the needs in that part of the community. Regarding the Chavez Center, it is a key component in the community so that needs to be a viable center. The money the Council gives up from their budgets could be tagged for the Chavez Center. That would be a good commitment to that community, that Council is willing to cut their own budgets to maintain the Chavez center. That is a compromise. We are giving up our money to offset the costs.

COUNCILMEMBER SANCHEZ said she already gives a lot of money to that neighborhood and others, so she can't give more.

CITY MANAGER WEISS needs clarification from Council. He is not sure which Council reductions; he has heard several—the PERS and operating reductions. Is the consensus to implement those Council reductions and allocate that funding to Chavez?

COUNCILMEMBER SANCHEZ and **MAYOR WOOD** responded no.

COUNCILMEMBERS CHAVEZ and **KERN** responded yes.

COUNCILMEMBER FELLER does not necessarily want to designate where whatever reductions he has go. So he responded, maybe.

CITY MANAGER WEISS asked if the Council was willing to reduce their operating costs by what was outlined by Councilmember Chavez (about \$30,000). If so and not necessarily designate it, then the only issue is Council's interest in keeping the Chavez Center open. So the direction would be to keep the Chavez Center open and implement Council budget reductions.

COUNCILMEMBERS CHAVEZ and **KERN** agreed.

COUNCILMEMBER SANCHEZ stated that means ½ our budget, no cell phones, etc., and she votes no. She is trying to maintain her expertise to try to get better solutions for our City.

MAYOR WOOD would like to keep the centers and is willing to compromise in any way. He is more concerned about losing employees than losing the centers. The City Manager, with this direction to try to save these 2 centers, will look at things from the Neighborhood Services Department. There are nonprofits out there that are willing to give to this and be part of it. If it is the location, need it be the center or some other location within City buildings, he is willing to compromise to try to save them. Whether to give up things such as Oceanside Boulevard, North Coast Highway, whatever, that is up to the City Manager to decide. He would like to save the centers however we can.

COUNCILMEMBER SANCHEZ stated the larger issue is CDBG. The Eastside, Crown Heights and the back gate areas are the basis for receiving CDBG funds, and that money should go to those neighborhoods; it has not been going there. So that CDBG money should be reallocated to go to funding the Chavez and San Luis Rey resource centers.

COUNCILMEMBER CHAVEZ agrees with Councilmember Sanchez on the use of CDBG.

COUNCILMEMBER FELLER questioned the use of CDBG monies.

DIRECTOR PIERCE responded that the City usually allocates 15% towards social services, which is about \$273,000+ to various programs. Of that, about \$37,200 is allocated to 3 different housing programs—Women's Resource Center transitional housing, Fraternity House and Oz. What staff is recommending, and on the Council agenda in October, is the recommendation that Council use another housing funding source to fund those 3 programs to free up that \$37,000, which could be redirected into the resource centers. That was already considered in terms of our recommended budget cuts. That is what is before Council.

Also in October staff will be before Council to discuss a policy change regarding the distribution of CDBG (Community Development Block Grant) money. Staff would be recommending that the City limit the social services money to programs that are out of our Resource Centers, our recreation centers and our senior centers. That would free up about another \$100,000 that could be redirected to save general fund money by putting it back into resource centers. However, those do not account for the budget reductions that we are recommending today regarding the 2 centers. Those would help to keep open the Libby Lake community center and the Crown Heights neighborhood,

which we feel is critical. In terms of the Chavez Center, for clarification, what we are proposing is to eliminate 2 positions, one being the one serving the Chavez center; we would keep that facility open, and the programs that currently operate out of there could continue. What we would lose is the liaison activities of Ms. Greene that the Assistant provides, etc. But we would utilize staff from the recreation center to make sure that the doors remain open and we have bilingual staff to help provide services. In terms of the San Luis Rey Valley resource center, we would lose the police storefront. The police have not had a person on duty there all the time and they do meet with neighborhood people. The storefront has been staffed in part by a code enforcement officer. We would lose the liaison activities that Ms. Rush provides there. We realize that it is critical to maintain the programs in those neighborhoods, and our recommendation would be to redirect those programs, not only to the Melba Bishop recreation center but also to work with the school district to maintain the teen program and the afterschool program, and to work with other programs to be relocated in that same neighborhood. As an aside, some community members plan to contact the property owner to see if they would be willing to donate and provide free rent to keep that center open. Hopefully that will happen.

COUNCILMEMBER FELLER clarified that none of these changes have taken place.

DIRECTOR PIERCE responded that is correct. The San Luis Rey Resource Center lease does not expire until the end of March.

CITY MANAGER WEISS noted he heard a comment by Councilmember Sanchez to look at using all available CDBG money for the resource centers. So the report to Council in October, if that is the direction, would include that change. But understand that by taking that away, you will be eliminating funding for a number of other agencies.

COUNCILMEMBER FELLER said before he would agree to that, he would need to see what those are.

COUNCILMEMBER KERN stated the problem is we are paying \$43,600 in rent when we have other city buildings. Instead of using CDBG funding to back a rent payment, a better use of CDBG funding may be to deliver services than paying rent. So they will talk to the landlord, etc.

COUNCILMEMBER CHAVEZ agreed.

COUNCILMEMBER KERN asked who paid the utilities there.

DIRECTOR PIERCE is not sure but believes it is included in our lease agreement.

COUNCILMEMBER SANCHEZ reminded Council that we invested an amount in that storefront. It was a commitment to the community. We built that storefront.

COUNCILMEMBER KERN would love to keep it open, but we have to cut \$7,000,000. He totally agrees with the passion to help the neighborhoods. No one wants to make these cuts.

MR. VANDERWIELEN stated that what he heard from the majority is to fund the Chavez Center through the cuts from the Council. There is a possibility of some rent reduction for the other center.

Public Safety

MR. VANDERWIELEN stated the next discussion item is public safety. Who agrees with the reduction plan as is.

COUNCILMEMBERS CHAVEZ and KERN agreed with the plan as it.

COUNCILMEMBER SANCHEZ is really concerned about taking out an ambulance, knowing that the response times will be affected. We have a higher demand because of a higher unemployment rate. People do not have health care coverage; they are using emergency rooms and will call an ambulance rather than have preventative health care. We will be using more resources that will cost us more. We might be using the helicopter more often because things will be more critical, and it will cost us more. We have an aging population.

COUNCILMEMBER KERN asked Chief Garrison to respond. He reads his reports every month, which say that 80% of our calls are medical aid calls, but the recommendation is to eliminate an ambulance. Why that instead of, for example, taking a truck out of service since 80% of the calls are medical. He asked the Chief to explain how he came up with this plan.

TERRY GARRISON, Fire Chief, stated he had provided DVD's a few weeks ago showing a great example of how they provide pre-hospital care. We provide that with 8 fire stations that are geographically located throughout the City through strategic management, and they respond to the closest call. We have a mutual aid agreement with other cities also, so if a call is near a border, another city may come in. That is why Vista firefighters are here today - because this would affect them, etc. The first unit to the scene is a fire truck/engine with a paramedic, a captain and an engineer. They start the pre-hospital care with EMS, stop the bleeding and start the breathing, etc. They initiate that. Next is the transportation piece, and that is where we come in with the 4 ambulances strategically located. The CityGate study 2 years ago said that we are 2 fire stations short but that we were okay regarding ambulance response. We have not re-evaluated that. Taking out one ambulance, which is 2 firefighter/paramedics, will reduce 2 dual role employees from 33 to 31. It is a big deal for us; when those 2 positions are removed from the ambulance, it will affect the firefighting response. Regarding EMS and taking an ambulance out, he has a meeting Monday with the fire chiefs of Vista and Carlsbad regarding us shutting down an ambulance and the negative impact on their workforce. We will still respond, but there will be a delay in response. He cannot say whether it would result in a death because the key is getting an injured person to a medical center.

COUNCILMEMBER KERN understood then that the ambulances are transports and the first responders are on the truck. That is why you decided to take an ambulance out of service because [per the plan] it is to reduce overtime costs [\$434,000]. So if everyone shows up everyday and no one calls in sick/on leave, then the ambulance is staffed, per the plan.

CHIEF GARRISON stated that if you hire a firefighter to fill every spot, then there will be days when you have extra firefighters. So the best way to run the system is to stay short on firefighters and pay them overtime to work on a 'constant staffing mode', which is critical because when you use a firefighter on overtime, the City is paying 1.5% overtime. There is a cost savings in using firefighters on overtime and not hiring an over-abundant number of firefighters. Regardless of the money, with the staffing model and the way we are set up now, we have a short blanket. If we take away more when we are already short, we will get further behind the curve. One thing discussed in the American Fire Service is don't fix temporary problems with permanent solutions. We need to be careful on how we manage our pre-hospital care services.

COUNCILMEMBER KERN said the Fire Department's reduction plan is for \$934,000. If we changed the Chief's plan, does he have another plan to reach this amount?

CHIEF GARRISON responded that he is as deep as he can go into his staff cuts, and now we are into service delivery. According to the CityGate study, we are short on staff.

COUNCILMEMBER KERN questioned then that to reach this \$934,000 reduction, this is the best plan the Chief has.

CHIEF GARRISON stated this is the reduction the City Manager asked for; he worked with all his staff in coming up with the best plan possible, and this is the plan we came up with.

COUNCILMEMBER KERN stated the State has given us the problem. He does not like making any cuts anywhere anytime because every job in the City is valuable. Every department has to go through this, and it is painful.

COUNCILMEMBER SANCHEZ asked about using reserves. The question asked by Councilmember Kern is if no one calls in sick then there will be 4 ambulances, and the answer is no.

COUNCILMEMBER KERN is concerned about reserves and the need to hold on to as much as possible because of disasters, etc. We need to close this financial gap.

MR. VANDERWIELEN questioned the consensus.

COUNCILMEMBER KERN would go along with the Fire Chief's reduction plan.

COUNCILMEMBER SANCHEZ and **MAYOR WOOD** responded 'no'.

COUNCILMEMBER CHAVEZ would support the Chief's plan.

COUNCILMEMBER FELLER is not going to use more reserves than recommended, but he is willing to look at the possibilities of what the leaders of the bargaining units are willing to do. He believes there are people willing to pay their own portion of PERS to handle this shortfall. He will support the plan unless the bargaining units are willing to pay a portion of their PERS because that is what it will take. He is not interested in cutting bodies. The entire State and our County alone has 3,200,000 people, and 160,000 are without jobs. So if the bargaining units are willing to meet with the City Manager in the next week or so and discuss that issue, he would defer this. If they are willing to do furloughs, he is willing to listen to that.

MR. VANDERWIELEN stated, in the meantime, he will go with the plan as is.

COUNCILMEMBER SANCHEZ stated we would be resurrecting all the bargaining agreements where employees gave up salaries at the time, which is affecting them now. It is difficult to go back a number of years to when the agreements were reached. What are we prepared to give up for employees giving up something? It is not that easy.

CITY MANAGER WEISS stated we have had a meet and confer with OFA [Oceanside Firefighters Association] on this issue, and we have another one scheduled before the October 21 hearing. Should the next meeting result in any changes, we will bring those forward at the public hearing.

MR. VANDERWIELEN asked Council to be concise with a number of items still to consider.

MAYOR WOOD stated this is the hottest issue here—public safety. He ran for office because he saw the image of Oceanside as being a crime ridden military town which he thought was the number one priority to change—to bring businesses and residences and all the other quality of life issues you want, including public safety. We did it and it has been about public safety. We did go from the 18th for crime to the 3rd safest city. He sits on the JPA board in Encinitas for the dispatch for all the fire agencies, and things like the ambulance affects adjacent cities negatively. If we pull an ambulance out of service and lay off a battalion chief and 2 fire captains, and in the budget there is also a policeman, a detective, a dispatcher—those are the sort of things he does not want to cut because it affects our image and safety plan. If there is a budget crisis and bad faith negotiations, you still have to honor what you agreed to. So he is still voting no because we cannot cut public safety anymore because of the priority. Our voting people, our senior citizens rule the ballot box, and their priorities are public safety. So he does not support any cuts in this area.

COUNCILMEMBER SANCHEZ stated that, if we are now talking about police, she noted the police cuts in the reduction plan were to unfund 4 vacant police officer positions [\$594,000] and unfund 1 vacant dispatch position [\$92,000]. She questioned how long those positions have been vacant.

FRANK McCOY, Police Chief, responded it is varied; some have been retirements of police officers, etc., but they have all been vacant for at least 2 months.

COUNCILMEMBER SANCHEZ questioned what 'CPS Red Light Funded' mean [\$85,000].

CHIEF McCOY responded we are in the midst of renegotiating our red light camera project. The law changed on how the funding mechanism works for that program. Included in our contract that expires in December, we are looking at including the salary of the CSO that reviews the red light camera violations as part of that contract. So that position would be taken out of the general fund and funded through the contract. That would add \$85,000 to the general fund by using the red light camera companies' revenue that is generated to fund that position.

COUNCILMEMBER SANCHEZ questioned the terminology of unfund vs. eliminate.

CHIEF McCOY stated those positions listed as unfunded are critical to the ongoing operations of the police department, and when monies become available, we would like to have those positions funded. There are people presently serving in all positions [12] listed in the reduction plan except for the vacancies as listed.

COUNCILMEMBER SANCHEZ asked which of these positions are the most critical to the department in terms of priority.

CHIEF McCOY responded that every position in this recommendation is critical to the operations of the Police Department. Our department has done a tremendous job over the last 4 years in reducing crime over 30%, and all positions have contributed to that success. Every cut will mean some type of service reduction.

COUNCILMEMBER SANCHEZ asked what that will result in, such as higher crime.

CHIEF McCOY responded there is potential for higher crime.

COUNCILMEMBER SANCHEZ questioned the down time with the elimination of the prisoner transport contract [\$220,000].

CHIEF McCOY stated that at this point in time, when officers arrest someone in the field, they transport that person to the police facility; the booking process is completed, etc.; and the officers will not have to sit with that person at police. Once they are eligible to be transported, they will be transported to the Vista Sheriff's station. That could be up to 1-2 hours of down time.

COUNCILMEMBER SANCHEZ stated her position at this time is to support the unfunding of the vacancies, agree with the Chief on the different funding for the red light program, and agree with the elimination of the prisoner transport contract; however, she does not support eliminating the other positions and would recommend funding that through reserves.

MR. VANDERWIELEN asked for those in support of Councilmember Sanchez's recommendations.

MAYOR WOOD agreed.

COUNCILMEMBER SANCHEZ stated it would be a reduction of about \$1,000,000 vs \$2,000,000.

COUNCILMEMBER CHAVEZ did not support her recommendation.

COUNCILMEMBER FELLER asked if the City manager has had discussions with all departments regarding retirements, etc. and the positions that would ultimately be lost should there be retirements.

CITY MANAGER WEISS responded not that specifically, but based on what he heard earlier today, we will be putting a notice to all employees/groups regarding the 18 months paying for health care. We have had informal discussions with employees/groups in regards to if they have individuals who are interested in early retirements to contract HR. We have about 12 right now that we are working on.

COUNCILMEMBER FELLER thinks this is an opportunity to hear from the bargaining groups before October 21. At this point he would stick with the City Manager's recommendations. He is not willing to spend more reserves.

In response to Councilmember Kern's question, **CHIEF McCOY** stated the converting of grant-funded positions to the general fund [\$97,000] is because the grant funding is being reduced every year. So to ensure that those positions are safe, we are getting them out of the grants.

MR. VANDERWIELEN stated then that this concludes public safety discussion/direction.

[Recess was held from 2:25 – 2:35 PM]

Special and Consulting Projects

--Oceanside Blvd. Landscaping Gateway Improvements [\$680,000 one time funding], **MR. VANDERWIELEN** questioned if this was in or out.

COUNCILMEMBER SANCHEZ and **MAYOR WOOD** voted it out [for no funding].

COUNCILMEMBERS CHAVEZ, KERN and **FELLER** voted it in [for funding], feeling there is a need to be ready for opportunities.

--Chamber of Commerce [currently funded at \$108,000 -- \$0 change]

COUNCILMEMBER KERN wants to end the \$108,000 funding at the end of this fiscal year, having talked to the Chamber. They are working on a Tourism Marketing District (TMD). By June 2010 they need to be off the general fund completely, and we need to work diligently to incorporate the TMD so they can get direct funding from the hoteliers.

CITY MANAGER WEISS is hearing they would continue to be funded in this current year, and as of July 1, 2010, they are off the books. The \$108,000 is covered through June 2010. We would allocate the funding for the balance of this year, and we would see the savings for the future years.

MR. VANDERWIELEN reiterated that that is part of the current reduction plan, so keep it as it is?

MAYOR WOOD said there is more to that. He did not put it on as the Chamber; he put it on as all 'nice to haves' but not 'need to haves'—MainStreet, etc. So for the Chamber, fine if it is off the books.

COUNCILMEMBERS CHAVEZ and **KERN** agreed.

COUNCILMEMBER SANCHEZ disagreed. She knows they are talking about capturing a percentage of the TOT; until we have that plan, right now we are getting all the TOT. It is important to market the City. She would keep it as is.

COUNCILMEMBER FELLER is in favor of this because what they are referring to is not part of the TOT but an additional fee the hoteliers will pay.

JANE McVEY, Economic and Redevelopment Director, stated that is correct. Right now the CWC is funded \$246,000/year: \$108,000 from the general fund and \$138,000 from Redevelopment funds. We are working on a TMD, and the proposal is that the hoteliers would petition to Council to pay 1.5% of their gross receipts into a fund that would be managed by a new group that would do a marketing plan for those funds, and that the City's investment in the CWC would be reduced. We are also looking at what the investment should be from the City and trying to institutionalize that in some way. That would keep our TOT as is. We are paying \$138,000 from the Redevelopment fund, and if Council chose to say take ½ of a percent of the TOT and have that dedicated to the marketing, then that would replace the funding that the City would otherwise be putting into the CWC from the Redevelopment funds. The hotels are spread throughout the City, so Redevelopment is able to pay for a portion of the investment, although not 100%.

COUNCILMEMBER SANCHEZ would want to hear more about this and hear from the hospitality industry before she would agree to this.

DIRECTOR McVEY was hopeful to bring back by the end of the year or the end of January a resolution of intention to create such a district. The creation is similar to a BID [Business Improvement District] or CFD, and there would be a petition from the hoteliers with hotels greater than 30 rooms. They would petition the City to create that district. That would be Citywide.

COUNCILMEMBER FELLER asked who was driving this.

DIRECTOR McVEY stated her department is working with a consultant to do the legal work to create the resolutions of intention, and we are working with Leslee Gaul of the CWC who is working with the Oceanside Tourism Council and has been meeting with the hoteliers. The hoteliers are saying they will pay into a fund that they can control/manage, create a marketing plan and ensure they have funding to market their collective properties.

--KOCT

MAYOR WOOD threw in all the 'nice to haves'. All organizations are wonderful. He was asked by employees to say there are nice things, and yet the City is laying off people, so he wants the Council to address them. KOCT has 2 channels, and he does not know the cost. So some of these he would throw back to staff regarding any savings, or any other cuts, or if those contracts can be reopened, etc.

COUNCILMEMBER SANCHEZ would put those funds into the resource center for the \$108,000 we would save for the second fiscal year.

MR. VANDERWIELEN is confused since on the plan, he does not see funds recommended.

CITY MANAGER WEISS stated we provide KOCT a total of \$637,203 in funding, which goes for your primary government channel, not the second channel. Previously he had proposed an 18-20% reduction in KOCT, and Council agreed to a 10% reduction instead. We brought the contract back to Council, which included at that time programming reductions as a result of that cut. So the issue is whether Council wants to continue funding. The biggest cost center for KOCT is actually filming these meetings. If an issue is to go back to base level service, which is just filming these meetings, we would need to go back and discuss with KOCT what that savings would be. What level of KOCT programming do you want? It is around 12 special programs a year, service announcements, etc.

COUNCILMEMBER SANCHEZ noted that funding would not go to the general fund; it would go to the capital. This will not save the general fund at all.

CITY MANAGER WEISS stated the PEG money goes for those services, but there is \$637,203 of the general fund that goes to KOCT.

COUNCILMEMBER WOOD asked if there were other entities that we give to and any cuts that we can look at.

MR. VANDERWIELEN asked if Council wants to continue funding KOCT. Council concurred.

--El Corazon

COUNCILMEMBER FELLER throw that out there because it isn't funded, correct?

CITY MANAGER WEISS noted that other than staff costs, there is no additional outside source funding for El Corazon.

--Advance Planning

MAYOR WOOD stated as mentioned earlier, a lot of costs can be saved in advance planning. If projects are pending that are causing consultant fees/fees of any sort for the future, with some of expertise on committees/commissions, we could save money and look at projects on the paper trail (not into the building) since there is no financing. That might save us a large amount of money, such as Oceanside Boulevard, North Coast Highway, etc.

COUNCILMEMBER SANCHEZ believes there are 2 positions for future planning. There is nothing happening in planning; nothing is going through. It is the sign of the times, so obviously that would be the one to cut. Regarding future planning, there are no developers asking us. Unfortunately when we do studies, about 75% in the last 9 years are gathering dust. The study is only good for a few years, and then you have to redo them. This is not an essential service. It is not going to get us jobs or anything. We can certainly revisit this in a couple of years. Hopefully by then we will have more people involved. She would say cut the 2 future planners.

MAYOR WOOD agreed with that.

COUNCILMEMBER FELLER questioned where Councilmember Sanchez is looking—he does not see it in the proposed plan.

CITY MANAGER WEISS stated it was not part of the reduction plan. In the packet there is a list of program costs; advance planning is about \$350,000 for staff costs, but Council has also allocated a one-time funding of \$320,000 for the Oceanside Boulevard vision plan, master plan and environmental review.

COUNCILMEMBER FELLER noted Development Services is losing 16 positions; the suggestion is for 2 more, and he would be against that.

COUNCILMEMBERS KERN, CHAVEZ and **FELLER** do not agree to eliminate the 2 advance planning positions.

Library

COUNCILMEMBER SANCHEZ wants to keep the Adelante Bookmobile, keep both libraries open on Wednesday nights, and keep the Mission Branch open on Saturday.

MAYOR WOOD concurs with that.

COUNCILMEMBER FELLER stated these are opportunities for naming. For now he would stay with the City manager's recommendations.

COUNCILMEMBERS KERN and **CHAVEZ** supported the City manager's recommendations.

COUNCILMEMBER CHAVEZ stated he would not support any more cuts from the Library. He is done cutting from the Library.

Code Enforcement (Neighborhood Services)

COUNCILMEMBER SANCHEZ wants to keep the Code Enforcement Officer position [\$82,400] because we are going to be adopting changes in law on the mini-dorm/rooming house ordinance, which will affect code enforcement. We are already overburdening code enforcement. She wants to make sure we can respond to issues with the ordinance once enacted.

MAYOR WOOD agreed. Also, we get constant complaints from neighborhoods and we need to look clean, and Code Enforcement is a part of that.

COUNCILMEMBER FELLER would change the staff recommendation from 'eliminate' to 'unfund'.

CITY MANAGER WEISS noted it is a filled position.

COUNCILMEMBERS FELLER, CHAVEZ and **KERN** agreed with the City Manager's recommendation.

Council

COUNCILMEMBER CHAVEZ wanted to look at the Council items.

CITY MANAGER WEISS stated we have that down as approved.

COUNCILMEMBER FELLER would have preferred to discuss that. He is the only one not retired from someplace. The PERS, it is \$41,000 just our contribution and our aides contribution towards their portion of PERS for the 8%. He is not clear on everything Councilmember Chavez recommended. He would wait until the budget hearing to decide on that.

CITY MANAGER WEISS noted that what he has is: travel budget – 50%, Council aides, cell phones, memberships/dues, 50% office supplies and paying 4% of PERS.

COUNCILMEMBER WOOD did not know if there was a vote on this before, but we would be fools to not make cuts. However, he agrees with Councilmember Feller that we are the least paid employees in the City. He is retired from PERS so he cannot pay into it. Regarding aides, he remembers the old way of one aide for the mayor and one for the rest of the council, which would save a lot of money.

As we close, **MR. VANDERWIELEN** summarized the items:

1. goals and priorities—the majority accepted that proposal with caveats around prioritizing
2. revenue and expenditure—Council agreed to combine both 2009-2010 and 2010-2011 budgets
3. Council agreed to maintain a balanced community, meaning no one thing will be eliminated completely, but will look across the board with due diligence and downsize as necessary in each area, based on the recommendations of each department/program.
4. Potential revenue opportunities through taxation – Council agreed not to do that at this time.

5. Reserve fund policies – it was agreed to use the reserves to cover the operating deficits with the idea we need an agreed upon plan on how to replenish those funds over the next several years.

COUNCILMEMBER KERN wanted the reserves designated to pay the pension bond. If the City Manager comes back with an alternative, that is fine.

MR. VANDERWIELEN stated there were things on the table the City Manager was going to look into and develop recommendations based on Council’s input/ideas.

CITY MANAGER WEISS stated that based on what we heard today, they will meet with HR and put a notice out to the bargaining units and the employees regarding seeing if there is an interest in any employees looking at early retirement in exchange for the City paying up to 18 months of their health benefits. Any interest received will be forwarded to Council. We will make amendments based on Council’s discussions today and it will be in Council’s meeting packet. As we get the information together preliminarily, we will get that to Council. On some, we will need to meet with employees/employee groups, which will take some time.

COUNCILMEMBER FELLER stated that, regarding the amortization of the CalPERS investment—the refunding to them of their losses, which was 25%, is that repayment 30 years?

CITY MANAGER WEISS believed Council received the independent actuarial and CalPERS rates based on their recent smoothing adoption will remain reasonably secure over the next 2 years. However, then they jump about \$3,000,000 in 2012 and will continue escalating over the next 30 years.

In conclusion, **MAYOR WOOD** stated that the problem was really brought on by the State and not us. When the public sees the lack of services or lack of employees, we were doing quite well until the State stepped in and took our money, so remember that. The City Manager will look at a lot of these things. This is an opportunity through employee groups to get with the staff and City Manager on any other issues where you could assist friends/colleagues on the chopping block. We also want to make sure we do not wipe out units that are functional and make important decisions for the City.

3. **Public Communication on City Council Matters (off-agenda items)**

JIMMY KNOTT, 127 Sherri Lane, stated last night at the water hearing we learned that San Diego County Water Authority’s (SDCWA) 4 representatives to MWD do have some limited powers. They have the power to cut the salary and benefits of the CEO, his Vice Presidents and management if they disagree with their actions. He proposed that this Council direct our representative to the SDCWA to work to reduce these salaries and benefits of MWD by 25% until they rescind the unacceptable 25% increase in the employees’ retirement benefits at MWD.

OTHER:

COUNCILMEMBER FELLER stated we received an email regarding an employee – Faletusi Liulamaga’s family in Samoa. Of the 11 fatalities [from the tsunami], 4 of them are his close family. Our hearts and prayers go out to Tusi and the Liulamaga family.

MAYOR WOOD also announced that employees Mike Taele and Sam Samoa’s families both had tragedies and is sorry to hear the news.

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ADJOURNMENT

MAYOR WOOD adjourned this Workshop at 3:13 PM on September 30, 2009.

The next regularly scheduled meeting is at 4:00 p.m. on Wednesday, October 14, 2009.

ACCEPTED BY COUNCIL:

Barbara Riegel Wayne
City Clerk, City of Oceanside