

CITY COUNCIL COMMITTEE

POLICY DEVELOPMENT AND INTERNAL OPERATIONS

Mayor Tim Grayson, Chair
Ron Leone, Committee Member

5:30 p.m.
Monday, February 10, 2014

Building A, Garden Conference Room
1950 Parkside Drive, Concord

- ANNOTATED AGENDA -

ROLL CALL: All present

STAFF PRESENT: Scott Johnson, Assistant City Manager; Karan Reid, Director of Finance; Jovan Grogan, Budget Officer; Justin Ezell, Director of Public Works

MEMBERS OF THE PUBLIC WHO ADDRESSED THE COMMITTEE: Raymond Barbour

PUBLIC COMMENT PERIOD: There were no comments by the public concerning items not on the agenda.

1. **CONFIRMATION** – of the second Monday of the month at 5:30 p.m. as the regular meeting date and time for the Policy Development & Internal Operations Council Committee.

ACTION: The Council Committee confirmed the second Monday of the month at 5:30 p.m. as the regular meeting date and time for the Policy Development & Internal Operations Council Committee.

2. **CONSIDERATION** – Provide Input to Staff in Consideration of Developing a Policy on the Use of One-time and Surplus Funds to Address the City's Long-term Post-employment Liabilities and Infrastructure Backlog. Report by Scott Johnson, Assistant City Manager.

ACTION: Scott Johnson presented an oral report on considerations in developing a policy on how to use one-time and surplus funds to address the City's long-term post-employment and infrastructure backlog.

Committee Member Leone commented that using an Ordinance to implement this policy with a 4/5 “super majority” voting requirement for any changes represents a strong statement by the Council that this is an important issue and a means to address the City’s unfunded needs. Chair Grayson concurred and agreed that the 4/5 voting requirement creates another hurdle to make exceptions to use of one-time or surplus funds for purposes other than those detailed in the Ordinance. Assistant City Manager Scott Johnson commented that an Ordinance requiring a 4/5 vote for any changes also sends a strong, positive message to the bond rating agencies that the City is addressing its unfunded liabilities and unmet infrastructure needs.

The Committee supported development of a policy for use of surplus and one-time funds and provided the following input:

- Endorsed formalizing a policy defining how one-time and surplus funds are to be used
- Recommended using an Ordinance as the vehicle to implement this policy and requiring a 4/5 vote of the City Council for any changes to the adopted policy
- Definitions of one-time and surplus funds should be included
- A prioritization of how surplus/one-time funds are to be used should be included with the highest and first priority to fully fund the annual required contributions for City of Concord Retirement System (CCRS) and Retiree medical benefits to the extent these are not fully funded in the operating budget. The other categories of needs that should be included in the policy are:
 - Unfunded long-term post-employment liabilities such as CCRS, Retiree Medical and PERS
 - Infrastructure backlog including city facilities, roadways, signs, and parks
 - Strengthening general fund reserves and
 - Special or one-time priority projects
- Policy should establish a process for recommendations to be brought to the full council for approval and should not include specific allocation percentages

The Committee requested the draft Ordinance be brought back to the PDIO Committee prior to presentation to the City Council. When the draft Ordinance is brought to the Committee, Mayor Grayson requested staff provide historical information on the average amount of one-time funds over the last three years and the average of surplus funds from 2004-2007.

PUBLIC COMMENT: During the public comment period, Raymond Barbour commented that he did not support the 4/5 voting requirement given that the Ordinance could be repealed with a 3/5 vote.

3. CONSIDERATION – Memorial and Commemorative Policy. Report by Justin Ezell, Director of Public Works.

ACTION: Justin Ezell provided an oral report on the staff recommendation to develop a City policy on memorial and commemorative items. The Committee considered the recommendation and provided the following feedback and direction:

- The cost to install a memorial should be subsidized if the request is City Council driven
- Consider developing a menu of limited items that can be requested which would be consistent with other City assets (e.g. single bench type, single variety of tree)

- Consider the pros and cons of allowing requestors to hire contractors to install memorial items in lieu of paying City staff labor costs
- Consider removing the City Council from the decision making process when requests are received
- Proceed with taking a revised draft policy to the Parks Recreation and Open Space Commission and then to the full City Council for consideration

4. ADJOURNMENT: at 6:37 p.m.



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Distribution: City Council
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Scott Johnson, Assistant City Manager
Mark Coon, City Attorney
Justin Ezell, Director of Public Works
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