

City of Seaside
Agenda for Continued Budget Study Session
May 9, 2012, 7:00 p.m.
Follow-up from the April 25th Budget Study Session Meeting

- **Opening Comments – Mayor**
- **Public Comments**
- **City Council Comments**
- **Introduction – City Manager**
- **Statement from the Executive Team**
- **Responses to Questions and Requests from City Council Members**
 1. How much did we "dig into" the reserves since 2006/2007? (DH)
 2. Consider placing the loan repayment on the recognized obligation schedule and send a letter to Oversight Committee (DH)
 3. Storm Water
 - a. Provide a list of the capital improvements/projects associated with the proposed storm water master plan and establishing a Storm Water Fee (DI)
 - b. Outline the steps/timing for moving forward and finalizing the storm water master plan. (DI)
 - 1) Who?
 - 2) How much?
 - c. How can storm water be used as an asset? (DI)
 4. Fire
 - a. What is the status of the SAFER funded firefighter position? (SP) How much overtime to backfill position since 2/5?
 - b. How does Chief Prelsnik's salary compare with former Chief Wombacher's salary? (RG)
 5. What is the status of the Request for Proposals for the pool and street sweeping? (DI)
 6. Why are we using CDBG funds to pay Code Enforcement Officer salaries and how does this year compare to the previous year? (DI)
 7. What revenue generating options can the City use to support economic development? (LB)
 8. City-wide and Department Organizational Charts
 9. Modified sales tax estimate for Fiscal year 2012-2013
 - a. Impact on projected budget deficit
 10. Analysis of options for Fire Department Management Services (JD)
 11. Proposed Budget Schedule
 - a. May 10 – June 6 preparation of the 2012-2013 Proposed Budget
 - b. June 7 – presentation of the 2012-2013 Proposed Budget and Public Hearing
 - c. June 21 – Public Hearing and possible Adoption of the 2012-2013 Proposed Budget
 - d. June 27 – Continued Public Hearing/Adoption of the 2012-2013 Proposed Budget (only if necessary)
- **Public Comment**
- **City Council Comments, Discussion and Direction to Staff**
- **Closing Comments - Mayor**

How much did we "dig into" the reserves since 2006-2007?

	General Fund Reserve Balance
July 1, 2006	7,001,333
Operating loss	(1,850,577)
June 30, 2007	5,150,756
Operating loss	(3,543,363)
June 30, 2008	1,607,393
Operating loss	(2,377,092)
RDA Loan Repymt	2,125,000
June 30, 2009	1,355,301
Operating loss	(2,887,626)
RDA Loan Repymt	2,800,000
June 30, 2010	1,267,675
Operating income	241,194
RDA Loan Repymt	2,333,431
June 30, 2011	<u>3,842,300</u>

MEMORANDUM

City of Seaside
Administrative Services Department

Date: May 3, 2012
To: John Dunn, Interim City Manager
From: Daphne Hodgson, Deputy City Manager – Administrative Services
Subject: Recognized Obligation Payment Schedule

For many years the Redevelopment Agency of the City of Seaside owed money to the City of Seaside for project costs incurred by the City which were properly Redevelopment Agency expenses. The Redevelopment Agency has been repaying the loan for some time. In March 2011, the final payment was made from the Agency to the City.

In accordance with AB26, the Redevelopment Agency Dissolution Bill, the final payment that was made in March 2011 may not be valid. The payment may need to be reversed and the funds returned to the Successor Agency of the Redevelopment Agency.

Some members of the City Council have asked that the Redevelopment Agency loan final repayment amount be placed on the Recognized Obligation Payment Schedule (ROPS). According to Robin Harris of Richards Watson and Gershon, legal counsel to the Redevelopment Agency/Successor Agency, the ROPS is to reflect only amounts that are owed in the future on an enforceable obligation. Because the final repayment has been made, there is no obligation for future payments and therefore, the amount should not be on the current ROPS.

In the future, if the final repayment is required to be reversed, the ROPS may be amended to include the repayment amount as an obligation. At that time consideration will be given to whether the obligation is or is not enforceable obligation because the loan was not entered into in the first two years of the life of the Redevelopment Agency. The addition of this item to the ROPS would be subject to the review and approval of the Oversight Board and the State Department of Finance.

In conclusion, the loan repayment amount has not been added to the ROPS at this time.



Daphne Hodgson

In 2010, the City of Seaside hired the engineering consultants, Brown and Caldwell, to prepare a Stormwater Master Plan. A draft of the plan was completed but not finalized. The draft plan provided preliminary assessments of the existing operations and maintenance of the drainage system; provided for recommendations on potential capital improvement projects and capital outlay and prepared a stormwater utility fee study. Listed below is a brief description and estimated costs in 2008 dollars of the potential Capital Improvement Program projects.

Proposed Capital Improvement Projects

1. John St. at Redwood Avenue – Estimate \$98,000

Localized flooding due to capacity issues with the Storm Drain Main. Recommendation is to isolate the catch basins from the storm drain with check valves and promote infiltration at individual catch basins to prevent backflow and potential flooding.

2. 90-inch Bay Avenue Outfall – Estimated Costs, below

The storm drain pipe conveys water from watershed of approximately 2,000 acres to an outfall on beach in Sand City. Outfall is frequently blocked by sand.

Phase 1 Recommendations – Estimate \$5,070,000:

Continue manual breaching of the sand bar to allow flow through the outfall. Purchase up to four properties within Sand City. Create an infiltration basin to mitigate flooding. Reconstruct the existing outfall overflow box.

Phase 2 Recommendations – Estimate \$30,420,000:

Construct a 500 cfs pump station at John St. and Redwood Ave in Sand City. Pump through existing storm drain pipe. Reconstruct the existing outfall on the beach.

3. Del Monte Blvd at Auto Center Parkway – Estimate \$415,000

Existing pipes have insufficient capacity which results in flooding one to three times per year. Recommendation is to install one new catch basin and additional pipes between existing catch basins to increase capacity of the system.

4. Military Ave. at Mendocino – Estimate \$31,000

The outfall of this system has been constricted by downstream development causing flooding on Military Avenue. Recommendation is to construct a new field inlet to allow water to flow and infiltrate into a green space area located less than 100-feet downstream.

5. Hilby Avenue – Estimate \$5,623,000

Roadway has a steep grade that flattens as it approaches Fremont Blvd. The existing storm drain system has insufficient capacity which results in localized flooding. Recommendation is to install new catch basins and pipes along Hilby Ave. from Mescal Street to Fremont Street.

6. Hamilton Ave at Fremont Blvd – Estimate \$2,535,000

System has insufficient capacity which results in localized flooding. Recommendation is to increase capacity and storage by upsizing the existing pipes and catch basins.

7. Broadway Ave at Fremont Blvd – Estimate \$325,000

Existing system has insufficient capacity which results in localized flooding. Recommendation is to increase capacity and storage volume by upsizing existing pipes.

8. Canyon Del Rey Blvd between Harcourt Ave and Sonoma Ave. – Estimate \$229,000

The existing system is undersized. Recommendation is to increase system capacity by upsizing the existing pipes and install a field inlet downstream of the final manhole to allow water to flood out and into Robert's Lake when the outlet is submerged.

9. Roberts Lake Outfall – Estimate \$19,266,000

The box culvert from Roberts Lake under Highway 1 is regularly blocked by sand. Recommendation is to construct a 250 cfs pump station and pipeline through the box culverts to the beach.

10. Olympia Ave. at Contra Costa St. and Catalina St. at Olympia Ave – Estimate \$355,000

A sag in Olympia Avenue causes localized flooding. Recommendation is to install new catch basins and pipes to drain Olympia Avenue. Discharge collected stormwater to a 400-foot long swale in the railroad right of way which would allow the runoff to infiltrate into the ground.

11. City-Wide Storm Drain Water Quality Project – Estimate \$5,010,000

Future requirements from the State may require the City of Seaside to improve runoff water quality. Recommendation is to install 8 treatment systems – 2 systems for Laguna Grande and Roberts Lake, and 6 systems within city limits.

Due to the continual increases in annual costs to meet required water quality requirements as specified in the city's NPDES permit, the City may no longer be able to meet these costs with transfers from its General Fund. It will be necessary to establish stormwater management fees to recover the costs of operating and improving the storm water system. In order to do this, the city would need to finalize the stormwater master plan, establish the fee and seek voter approval for adopting and implementing the required fees. Listed below is a summary of the process and estimated time and costs to proceed.

Stormwater Management Fee Implementation Process

Complete the Stormwater Master Plan

Engineering and financial studies are required to be updated and completed. This will refine the estimated fee amount that would be required to manage the stormwater program. The master plan would be presented to the City Council and they will be requested to approve the Plan and direct staff on preferred fee amount alternative. The proposed fee alternatives are based upon variations in number and timing of capital projects, assumed potential grant funding amounts, and financing methods.

Public Outreach and Education

City would hire a Public Relations Consultant to provide public outreach and education regarding the stormwater program and the proposed fee to fund the program.

City Council Approves Fee Structure

City Council holds a public hearing and considers approval of the proposed fee for each type of parcel. City would create database linking fees to each parcel and will submit database to county for elections.

City Council Places Fee on Ballot

City Council to determine method of elections – That is, election will be affirmed either 1) by 2/3 Majority of Electorate, or 2) by Majority of Property Owners, or 3) by Weighted Majority of Property Owners (weighting based upon proportional financial obligations). Provide written notice to each electorate that details how fees were calculated, the proposed fee amount, the hearing date, and how votes will be tabulated. City Council conducts public hearing to obtain public input.

Elections must be held on established dates as follows:

- (a) The second Tuesday of April in each even-numbered year.
- (b) The first Tuesday after the first Monday in March of each odd-numbered year.
- (c) The first Tuesday after the first Monday in June in each year.
- (d) The first Tuesday after the first Monday in November of each year.

Cost of stand-alone election:

- Regular Election up to \$20 per registered voter - \$214,380*
- Vote by mail up to \$17 per registered voter - \$182,223*

*As of February 24, 2012, there were 10,719 registered voters in Seaside.

Approximate cost if we consolidate with November election \$50,000.

Tabulate Ballots

County would tabulate and certify votes.

Impose Fee

City would determine method for collecting fees and which entity would provide the service to collect the fees, if approved by City Council and the voters.

Stormwater Fee Implementation Time Schedule and Estimated Costs

Finalize Phase 1 Master Plan	6 months	\$100,000
Public Outreach	6 months	\$100,000
Determine Fee Structure	3 months	\$50,000
Place Fee on Ballot during a regular election	12 months	\$50,000

Currently stormwater drains into the ocean thru the 90" Outfall located in Sand City or to Laguna Grande Lake. Possible uses of stormwater as a resource and a possible revenue generating project are listed below with the estimated costs to construct.

Stormwater as a Resource

- Stormwater in Laguna Grande
 - Untreated Water Uses
 - Currently used to irrigate Laguna Grande Park and City Hall
 - Could be used for maintenance activities
 - Estimate to construct connection at park - \$30,000
 - Treated Water Uses
 - Could be used as potable water
 - Estimate to construct - \$20MM

MEMORANDUM

City of Seaside
Fire Department

Date: May 7, 2012
To: J. Dunn, Interim City Manager
From: S. Prelsnik, Acting Fire Chief
Subject: SAFER Grant Firefighter

Here is the current status of the SAFER Grant Firefighter:

As stated in your memo dated May 3, 2012, re: SAFER Grant Position – Fire, “After much investigation as to a possible alternative way of proceeding (did not work), the SAFER firefighter position has been approved.”

With that information, I contacted our candidate and informed him that we will be continuing in the process. The candidate has already passed his background check. Since you signed a conditional offer of employment letter, the candidate is scheduled to take his public safety psychological examination on May 22, 2012. If successful, his medical examination will follow.

Once completed, the candidate would be hired and begin work as soon as possible. Being a lateral firefighter, he will be able to fill the firefighter’s position with minimal training. Most of the training will be about our operations, policies and procedures.

The SAFER position has about one year left on the grant. The candidate is filling the vacancy created by a firefighter who was hired on July 25, 2012, but left on March 5, 2012 for a firefighter’s position in Salinas. Since then, we have used 370 hours of overtime to fill the vacancy on a day-to-day basis. The estimated cost is over \$16,000.

See the attached charts.

Please contact me if you have any questions.

Street Sweeping & Swimming Pool Request for Proposals Status

Request for proposals for Street Sweeping Services

Proposed scope of work:

- Provide street sweeping services to comply with the city's storm water management plan
- Work involves sweeping residential and commercial areas of the city on a prescribed schedule including special events.
- Ability to provide sweeping services for the city's contractual obligations to adjacent cities and the Ord Military community
- Provide all labor, equipment and maintenance to adhere strictly to the City's sweeping schedule.
- Respond to emergencies on an as needed basis
- Required to adhere to all Federal, State and local requirements.

Request for Proposals to provide management and operations of the Patullo Swim Center.

Proposed scope of work:

- The operation of the pool will include the following:
 - Lap Swim
 - Recreational swim
 - Pool rentals
- The contractor will be required to hire existing city staff as applicable for their operations.
- A fee schedule including Seaside resident and senior rates will be required as part of the submittal and approval process.
- Maintenance and Operation of the entire facility will be the responsibility of the Contractor
- Required to adhere to all Federal, State and local requirements.

Anticipated RFP Schedule for both Street Sweeping and Swimming Pool

Request for Proposal Release	Thurs. May 17, 2012
Pre Submittal Conference	Thurs. May 24, 2012
Deadline for Questions	Thurs. May 31, 2012
City's Response to Written Questions	Thurs. June 7, 2012
Deadline for Submittal of Proposals	Mon. June 18, 2012
City Review of Proposals (6/18-6/28)	Thurs. June 28, 2012
City Council Consideration and Approval of Professional Services Agreement	Thurs. July 19, 2012

MEMORANDUM

City of Seaside

Resource Management Services

Date: May 8, 2012

To: John Dunn, Interim City Manager

From: Diana Ingersoll, Deputy City Manager- Resource Management Services
Lisa Brinton, Redevelopment Project Manager

Subject: May 9, 2012 Budget Study Session-CDBG Salaries

Through past Community Development Block Grant (CDBG) Consolidated and Annual Action Plans, CDBG entitlement grant dollars funded the salaries of Code Enforcement Officers (CEO) and a Community Liaison Officer (CLO) as an eligible project or public service. During FY 2011-2012 CDBG project dollars paid \$100,000 of CEO salaries to provide general code enforcement as a project. CDBG public service dollars paid \$32,265 of the CLO salary to perform its community outreach duties.

Under the adopted 2012-2013 CDBG Annual Action Plan the funding allocations for these two positions have been reduced to only that portion of salary associated with the implementation of an eligible project and not general city services. The CEO responsibilities will now include the commercial façade, graffiti abatement and residential rehabilitation programs. CDBG will pay \$30,000 of the CEO salary for time spent on implementing these programs. The CLO duties will now include implementing the graffiti abatement program. \$15,000 of the CLO salary will be paid from CDBG project dollars in 2012-2013.

The future CDBG funding of any city employee salary will be tied to the position's role in and amount of time spent on implementing an identified eligible project. CDBG will not fund salaries of city employees for the provision of general city services as a project or public service. Therefore salary amounts allocated to a city employee will differ annually and will be dependent on the specific program implementation requirements.

Please let me know if you any further questions regarding this matter.

Date: May 8, 2012

To: John Dunn, Interim City Manager

From: Lisa Brinton, Redevelopment Project Manager

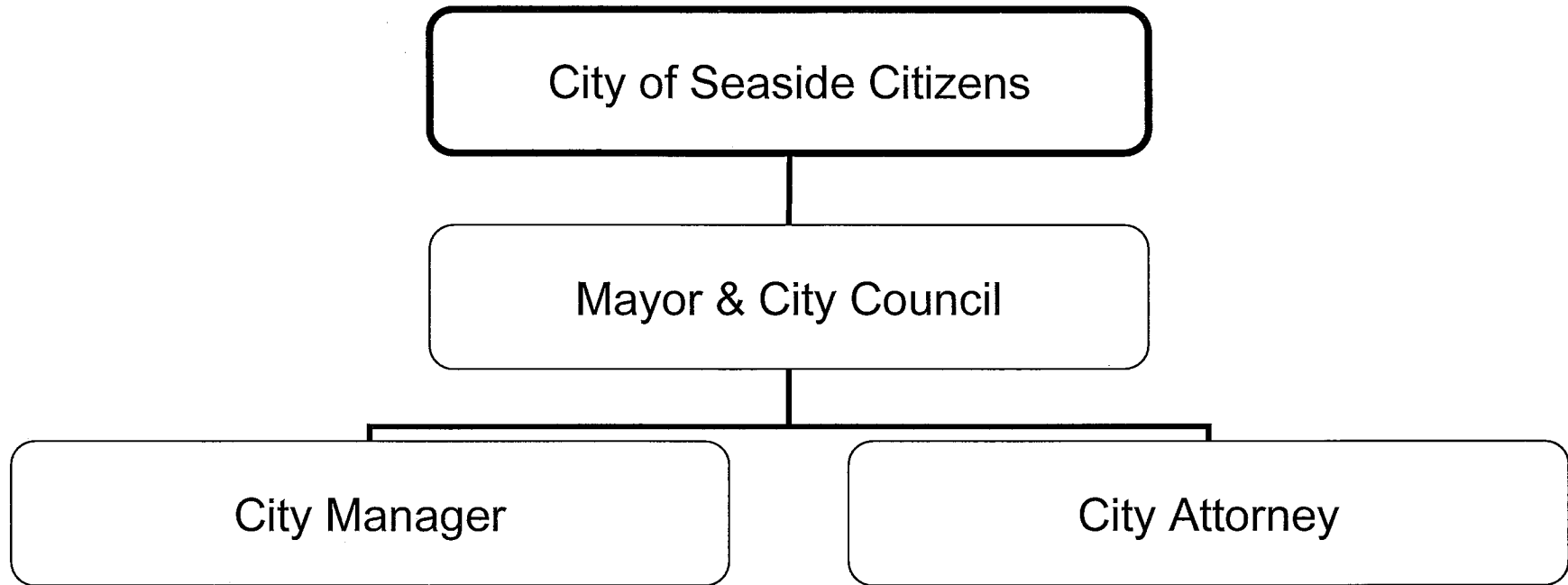
Subject: May 9, 2012 Budget Study Session-Alternative Funding Sources

Increasing the City's revenues is a key component of long-term financial stability. Economic development activities such as small business assistance and public sector contribution towards infrastructure improvements needed to support commercial development encourage private sector investment in business retention, expansion and attraction. This public/private investment results in job and revenue creation. In the past, redevelopment has been the funding mechanism for the City's economic development activities. With the elimination of this source of financing, staff has begun to research alternative financing mechanisms to support economic development activities. Some of the identified funding sources are listed below including city projects that would be eligible to receive these funds.

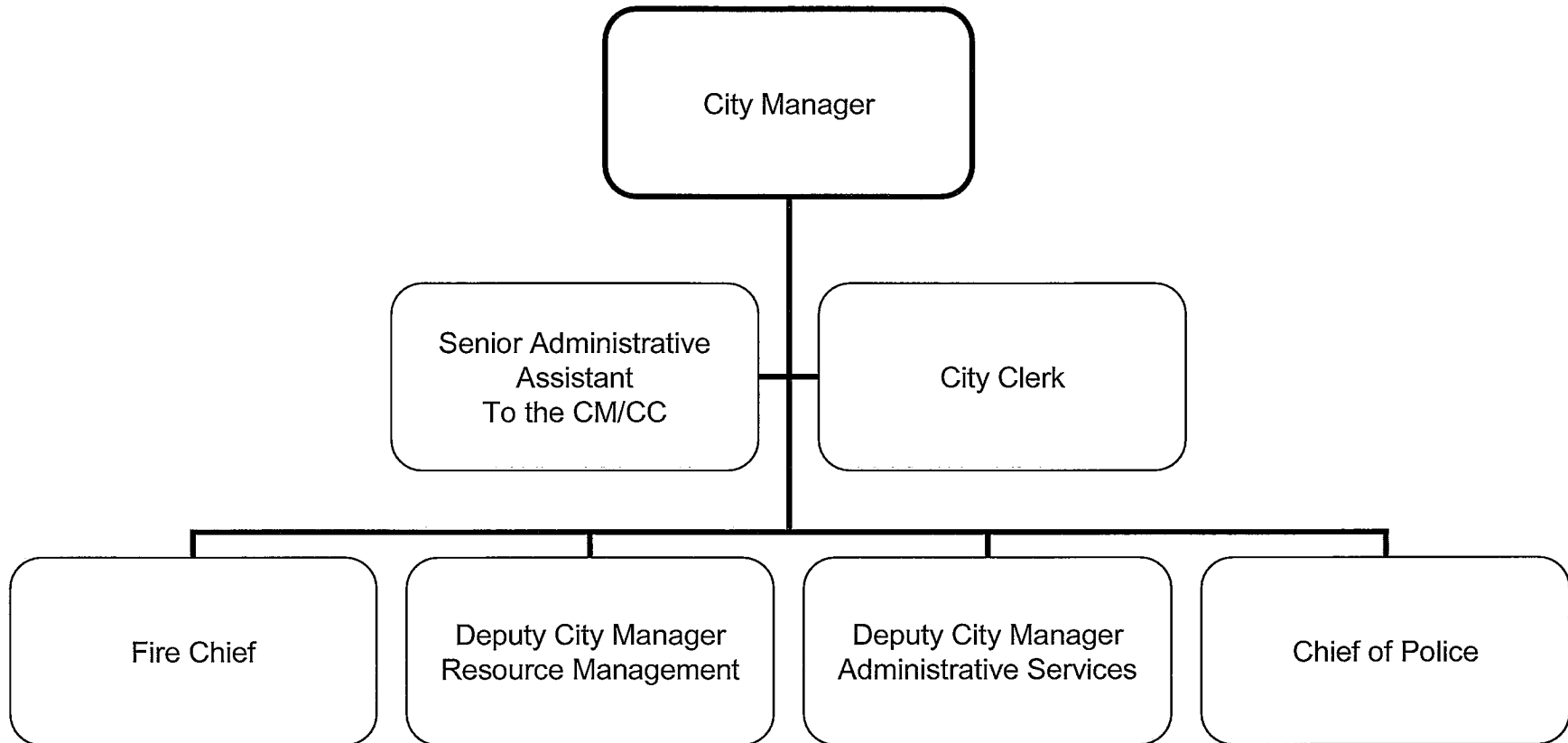
- ***Infrastructure Facilities Districts***
 - Bonds secured by tax increment pledges by volunteering taxing entities (30 years)
 - Finance various types of infrastructure improvements
 - The Projects at Main Gate, 26 acres south of Light fighter, and Seaside East
- ***Community Facilities Districts***
 - Special tax on property owners which can be pledged for repayment of bonds
 - Finance the purchase, construction and expansion, and improvement of public infrastructure and community facilities
 - Library and Trade and Convention Center
- ***Assessment and Business Improvement Districts***
 - Special assessment of property and or business owners based on proportionate benefit received
 - Finance public improvements or services benefiting properties or businesses
 - West Broadway Urban Village
- ***New Market Tax Credits***
 - Private equity investment in exchange for federal tax credits
 - Financing for commercial projects in low income communities
 - Library and Trade and Convention Center
- ***Foreign Capital Investment (EB-5)***
 - Investment of \$1M in a commercial enterprise or \$500K in a target employment area in exchange for a EB-5 visa
 - Must create 10 new full-time jobs in 2 years
 - West Broadway Urban Village/Library, Trade and Convention Center

Each of the above financing mechanisms has specific program criteria and approval processes that must be met. For example, the formation of a financing district requires two-thirds (2/3) vote of qualified electorate and in some cases pledges of pass-through dollars from other taxing entities. Depending on the intended use of funds and project timing, a funding mechanism may not meet the required program criteria or receive the voter approval.

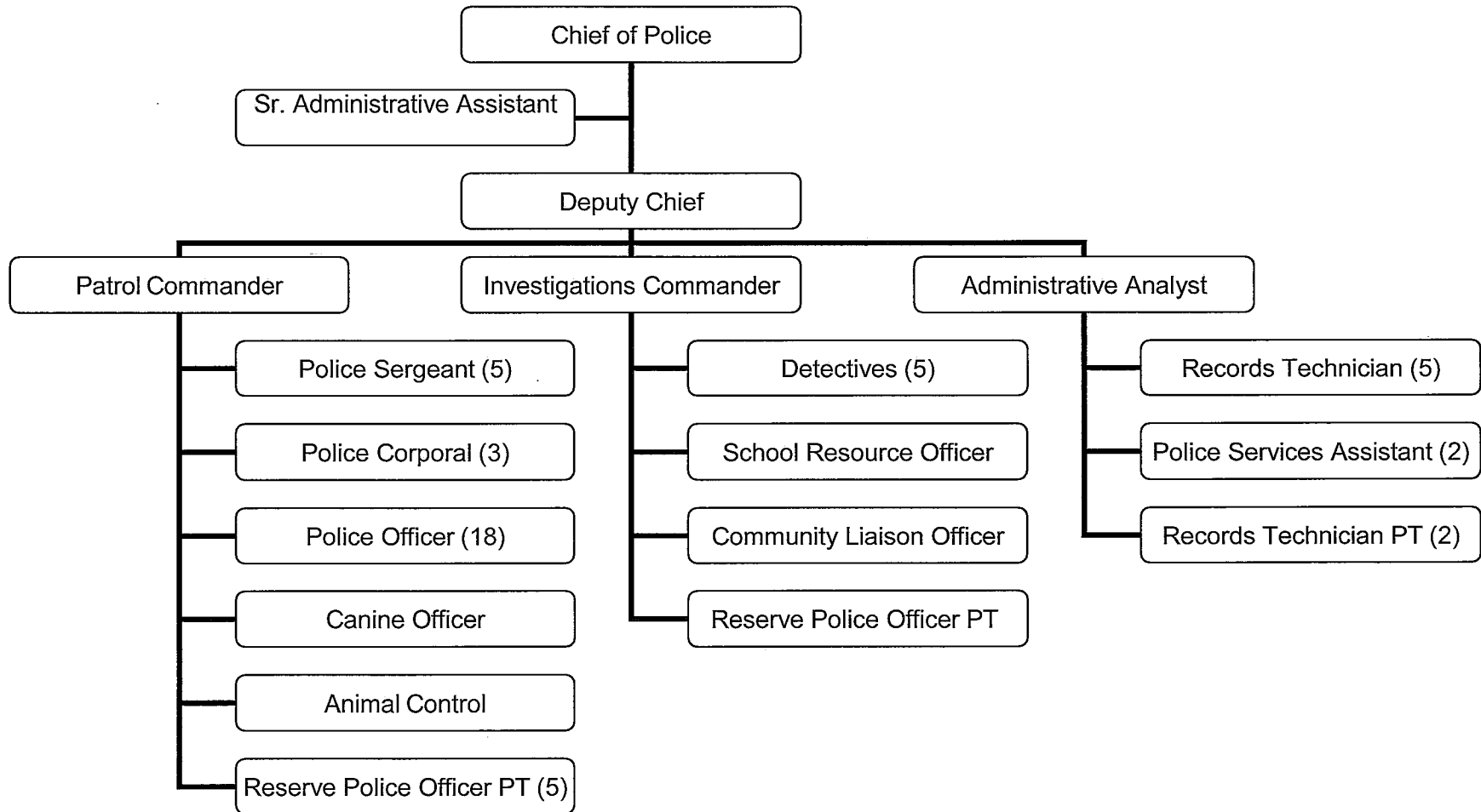
City of Seaside Legislative Body



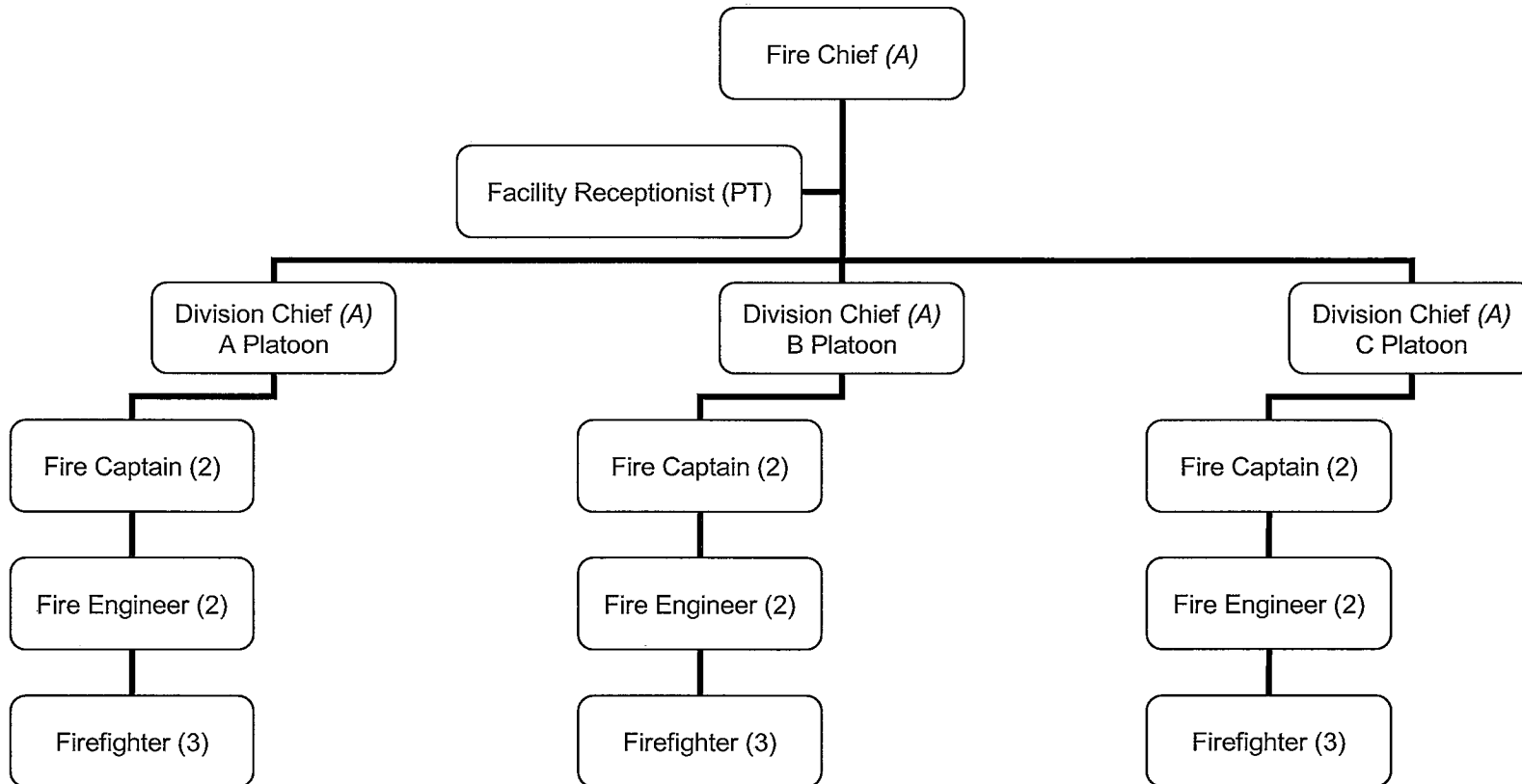
City of Seaside Office of the City Manager



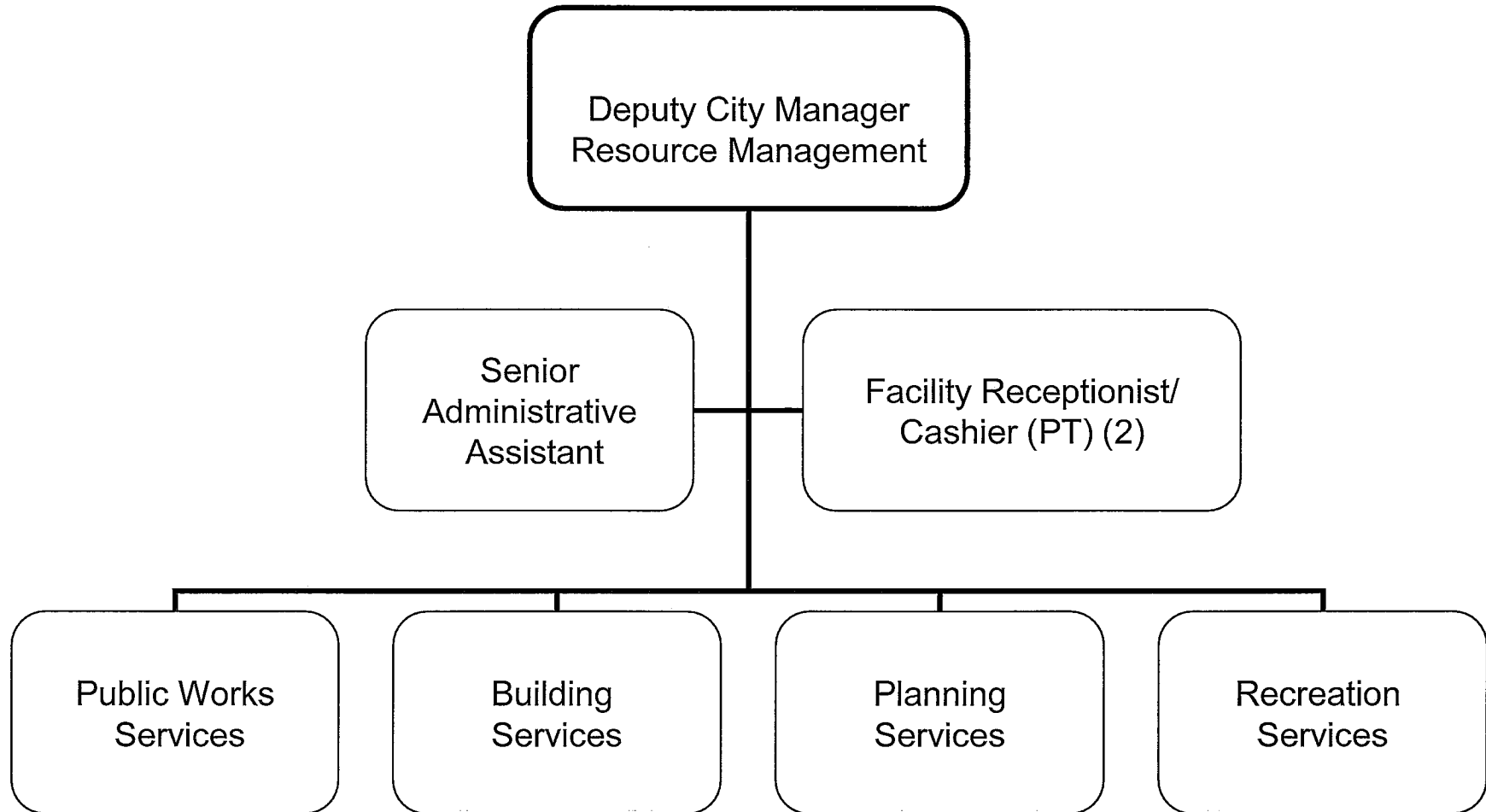
City of Seaside Police Department



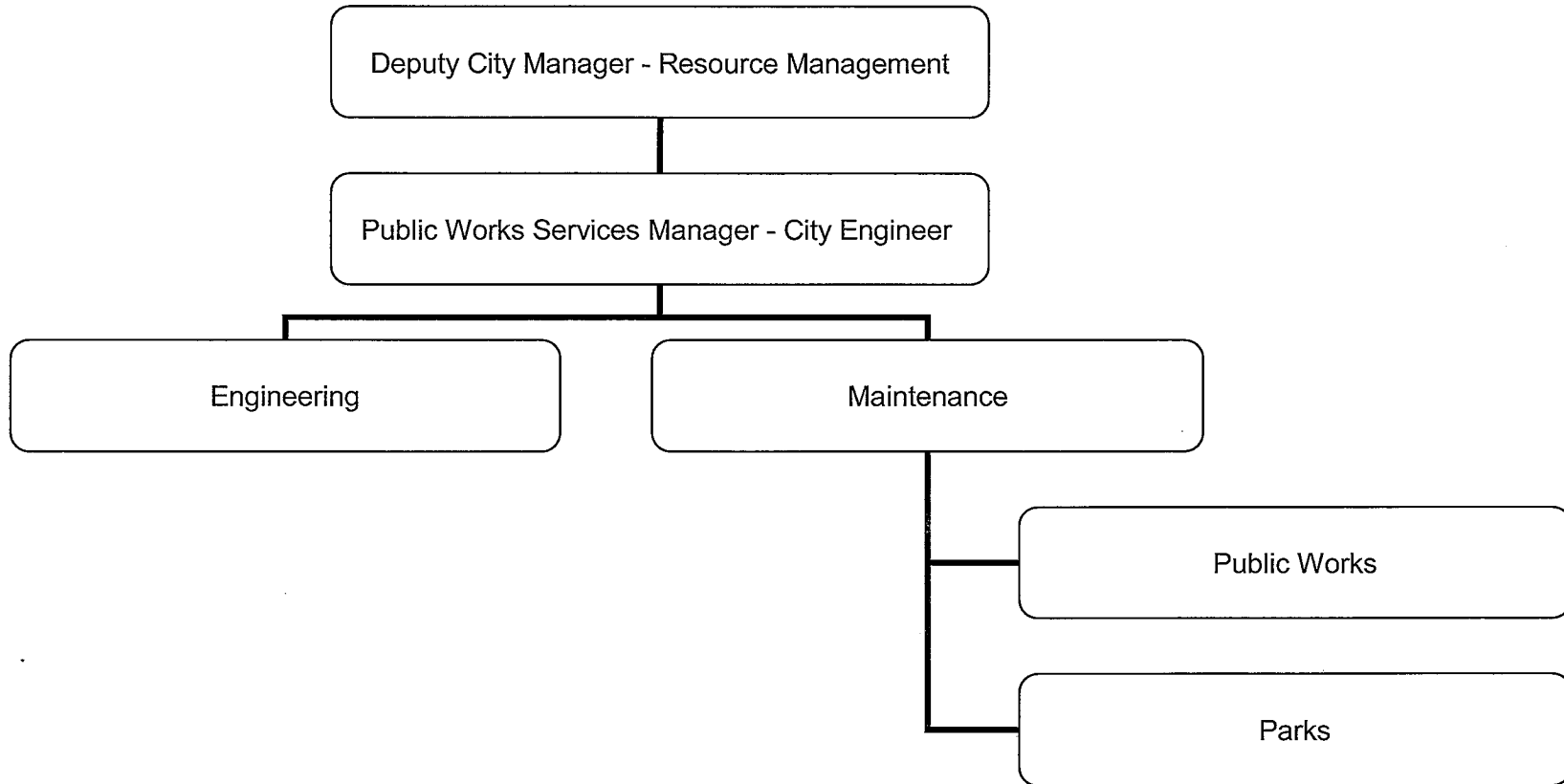
City of Seaside Fire Department



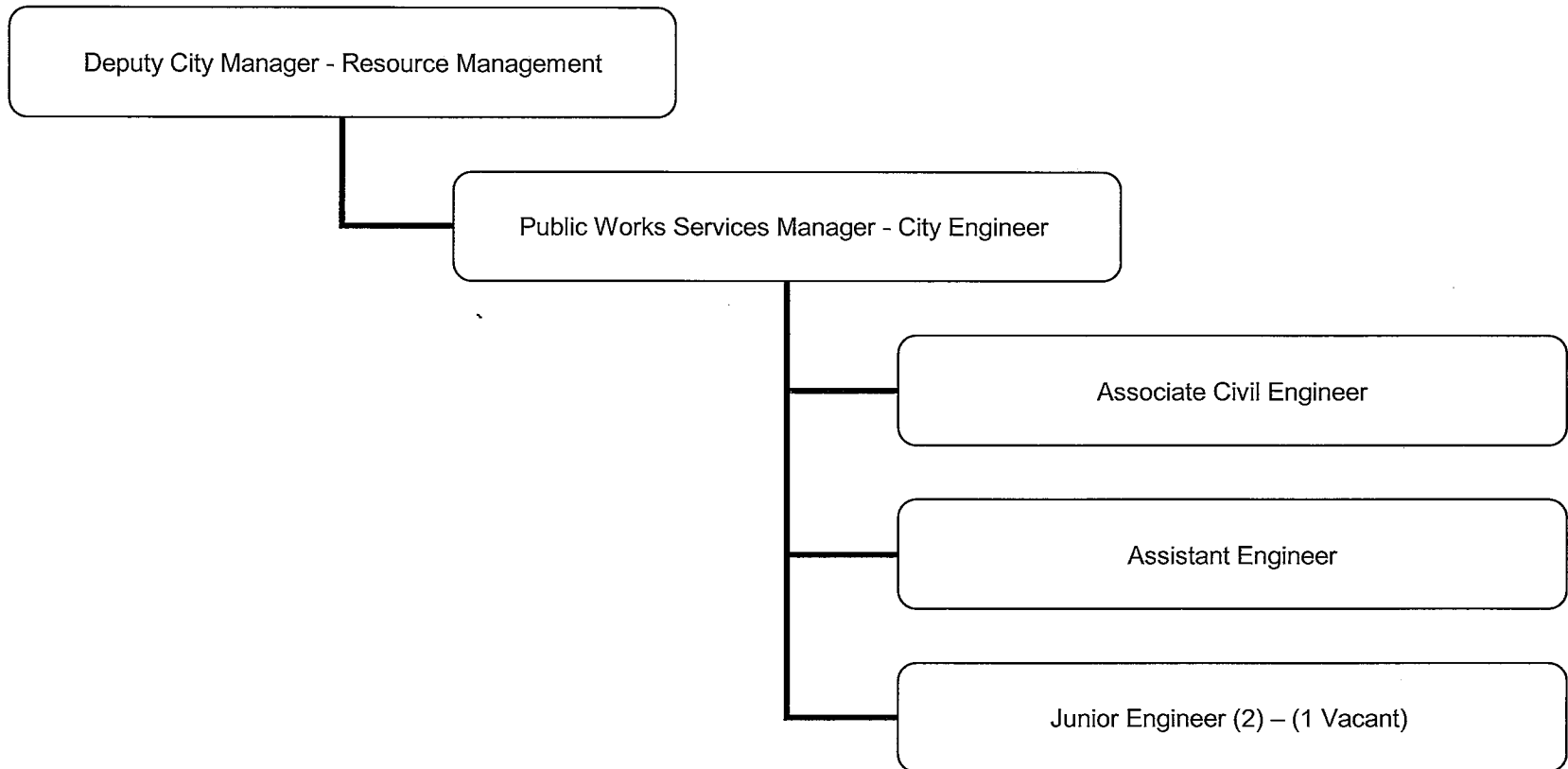
City of Seaside Resource Management Services



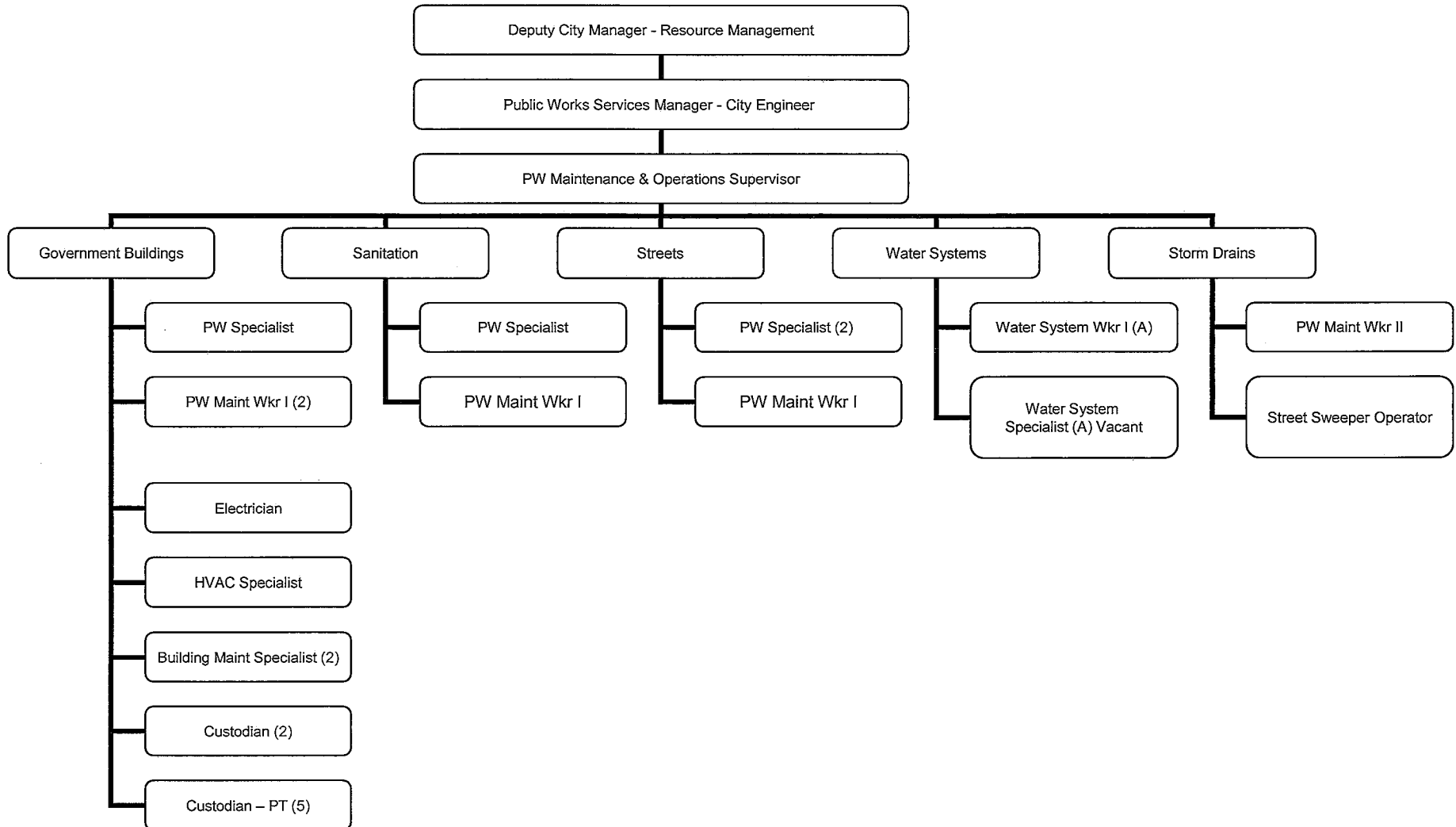
City of Seaside Resource Management Public Works Services



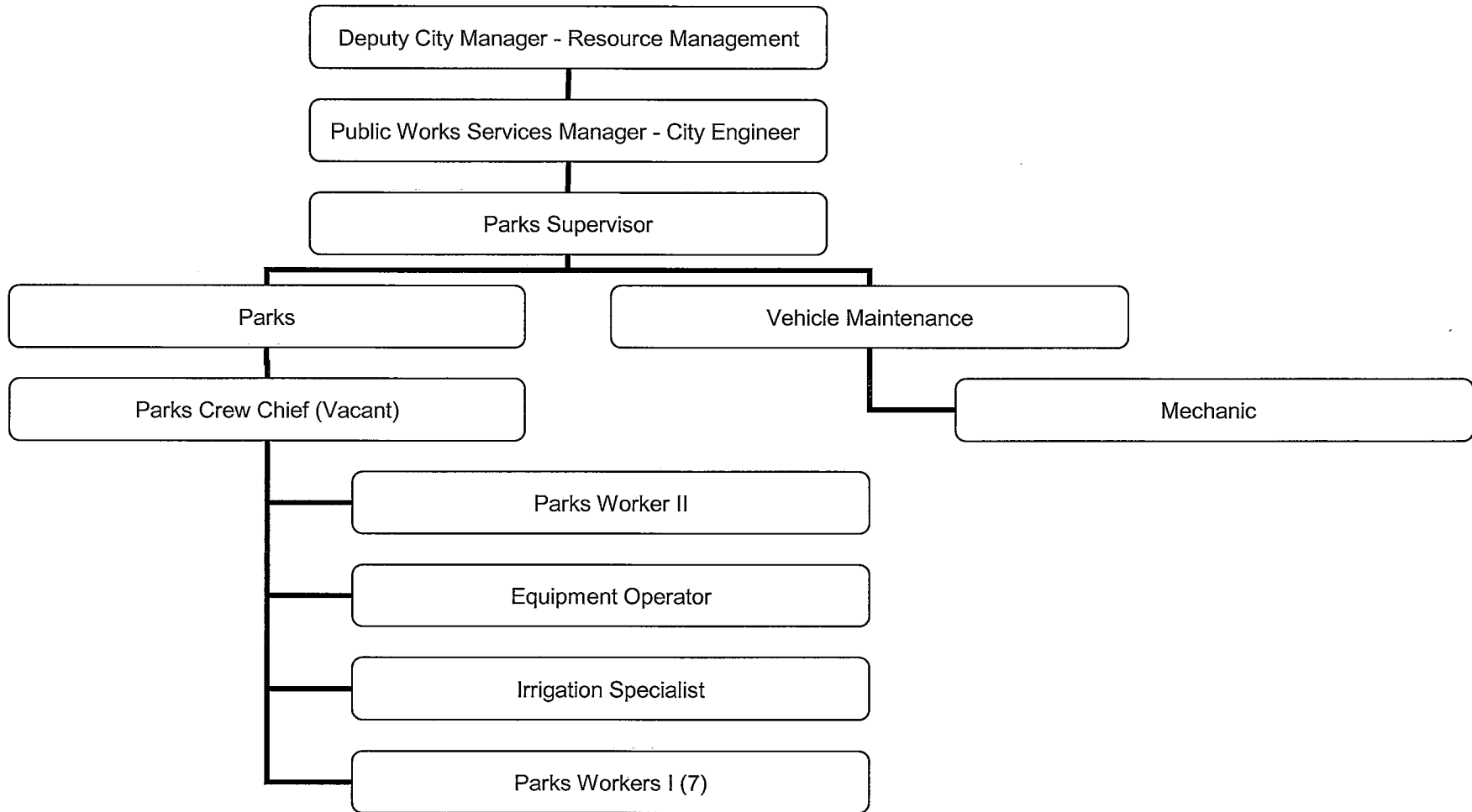
City of Seaside Resource Management Public Works Services - Engineering



City of Seaside Resource Management Public Works Services – Maint, Public Works



City of Seaside Resource Management Public Works Services – Maintenance, Parks



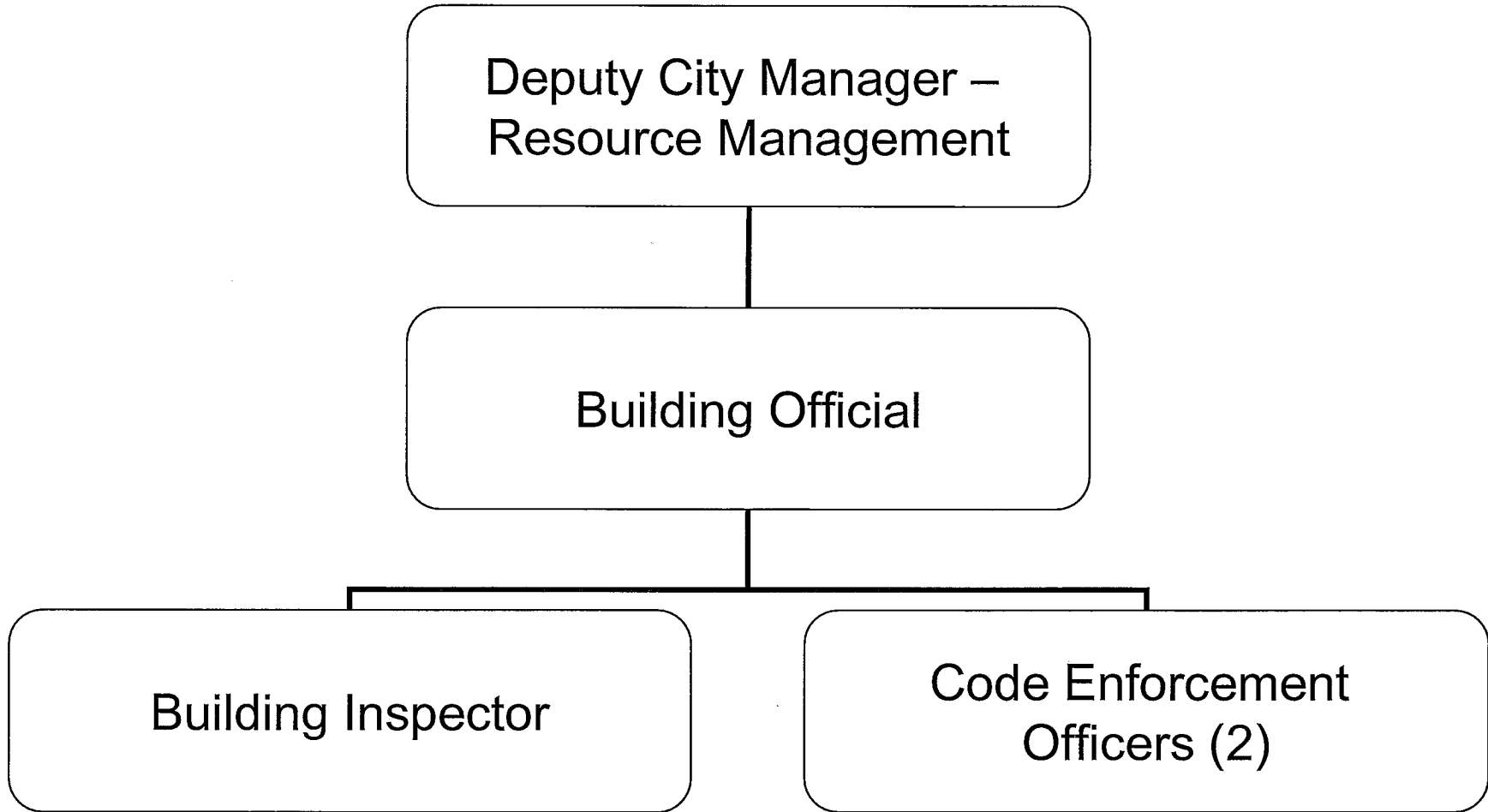
City of Seaside
Resource Management
Building Services

Deputy City Manager –
Resource Management

Building Official

Building Inspector

Code Enforcement
Officers (2)



City of Seaside Resource Management Planning Services

Deputy City Manager Resource Management
(previously Planning Services Manager)

Senior Planner

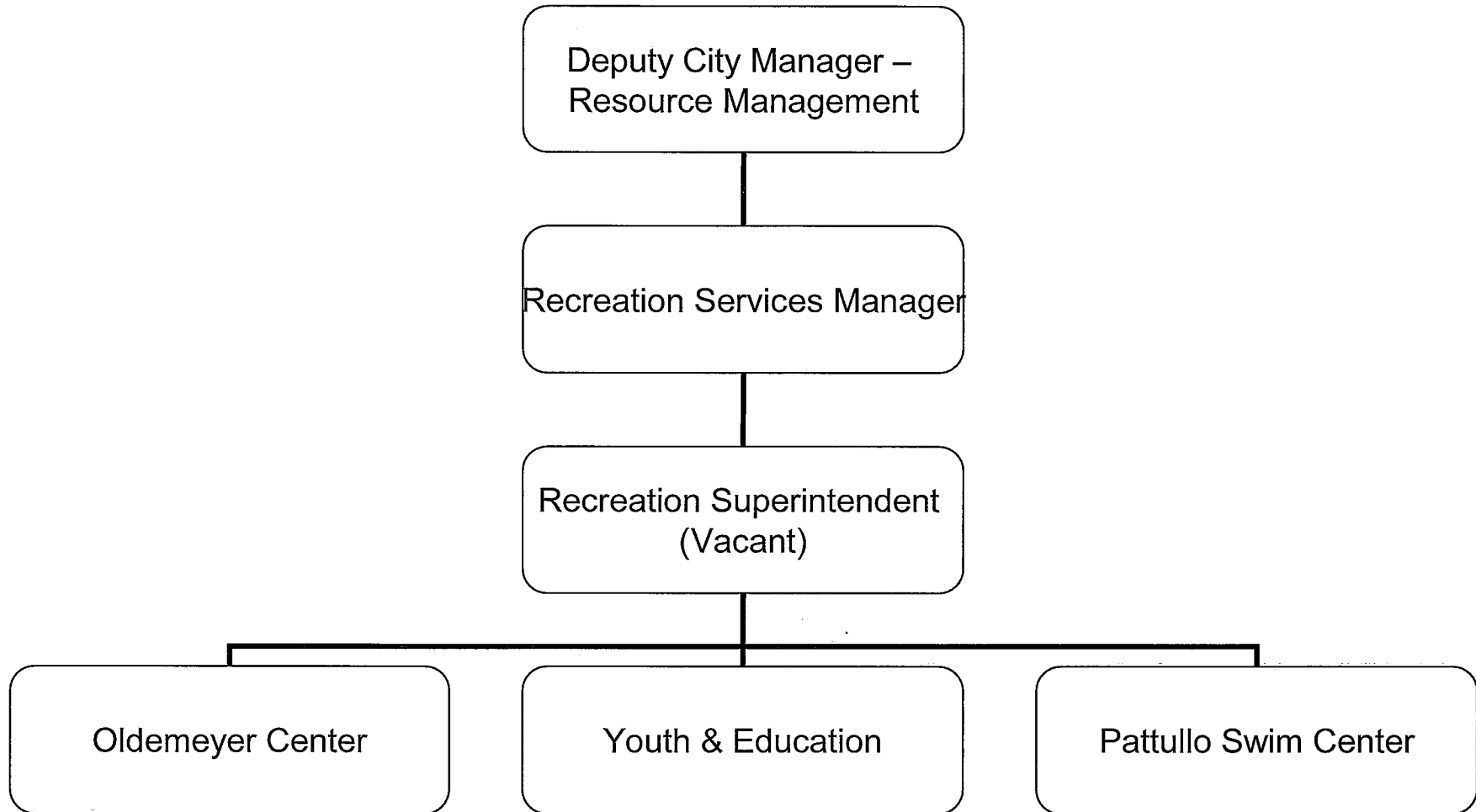
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(previously Planning Services Manager)] --- B[Senior Planner];
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City of Seaside
Resource Management
Successor Agency & Redevelopment
Services

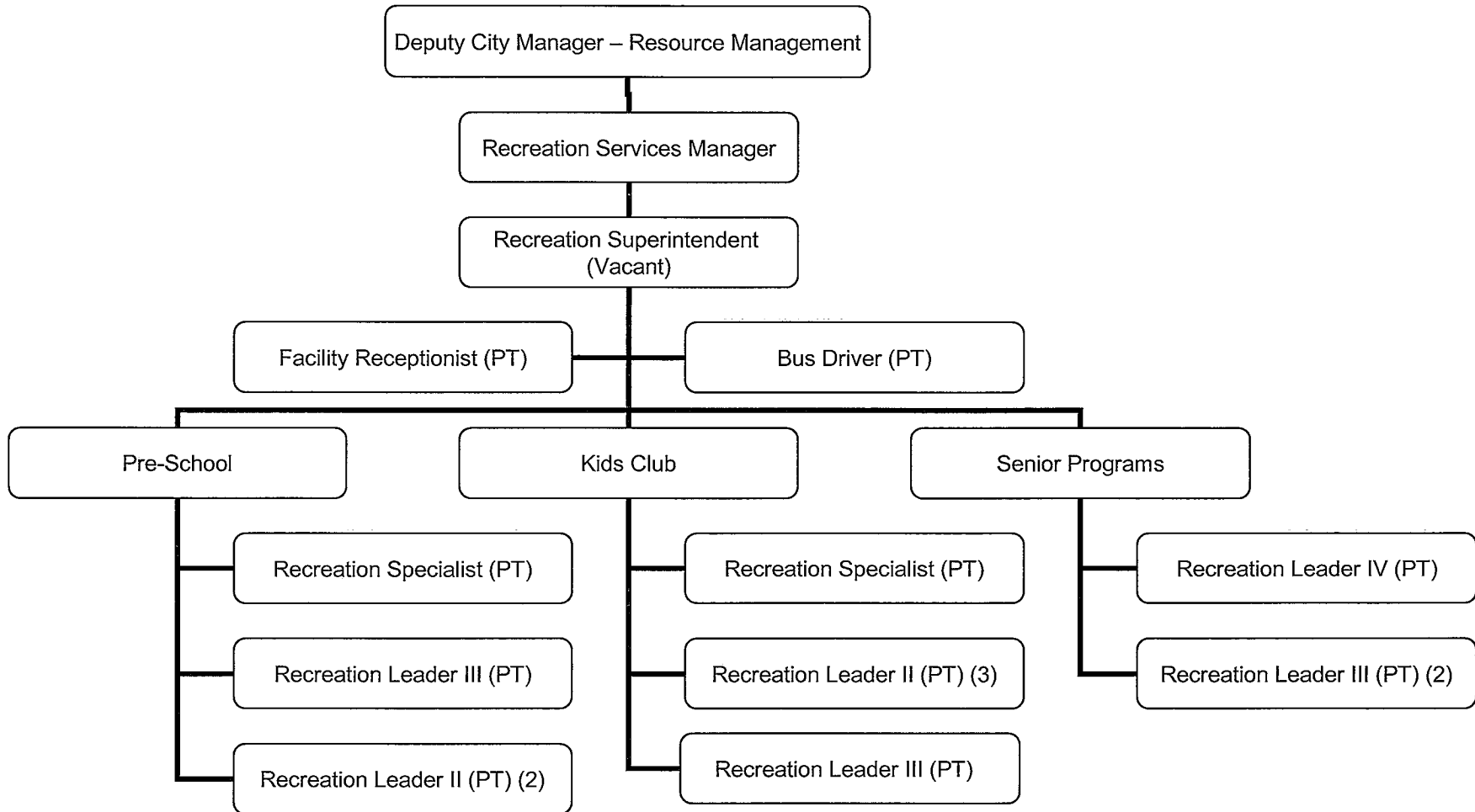
Deputy City Manager Resource Management
(previously Redevelopment Services Manager)

Redevelopment Project Manager (2) - (1 Vacant)

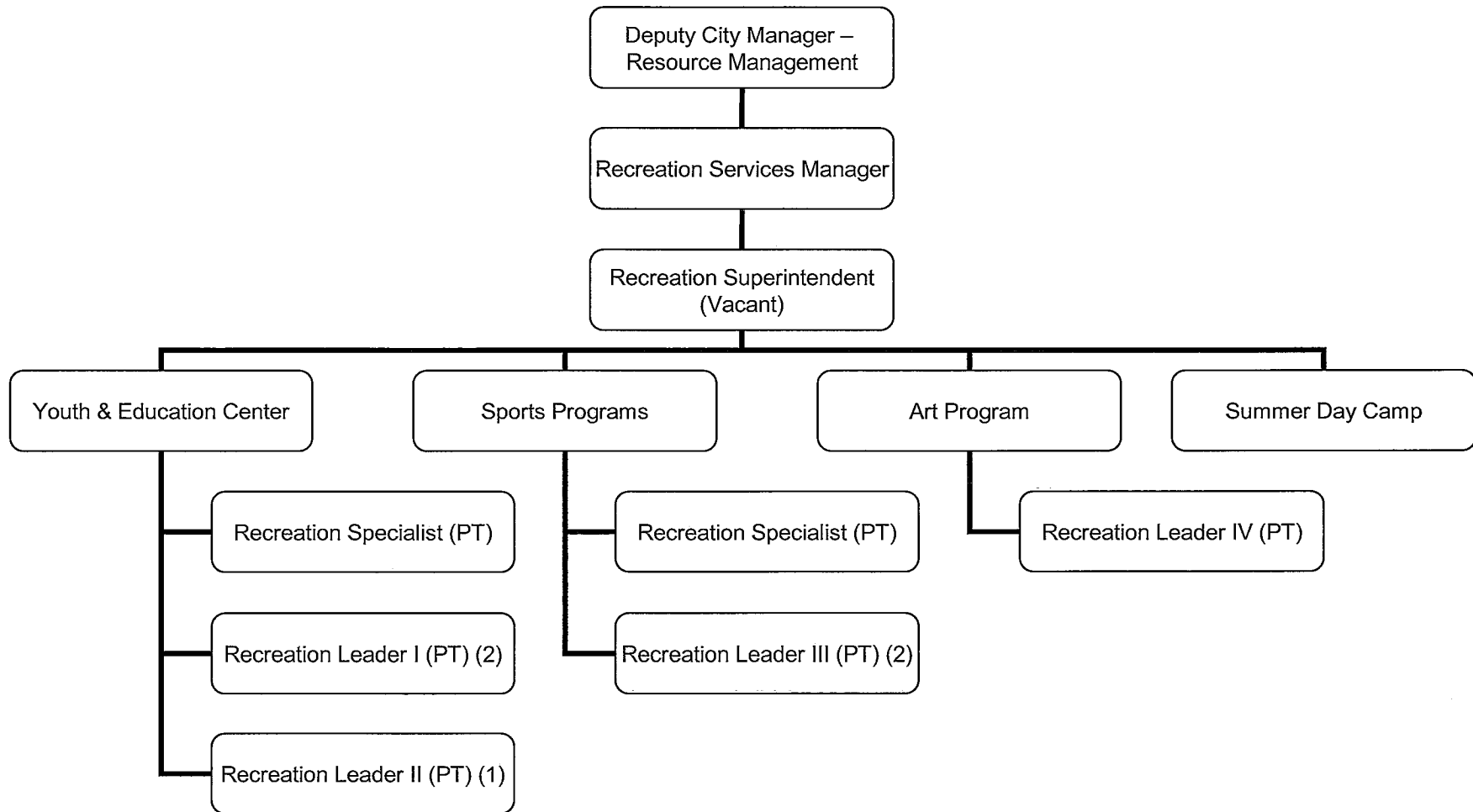
City of Seaside Resource Management Recreation Services



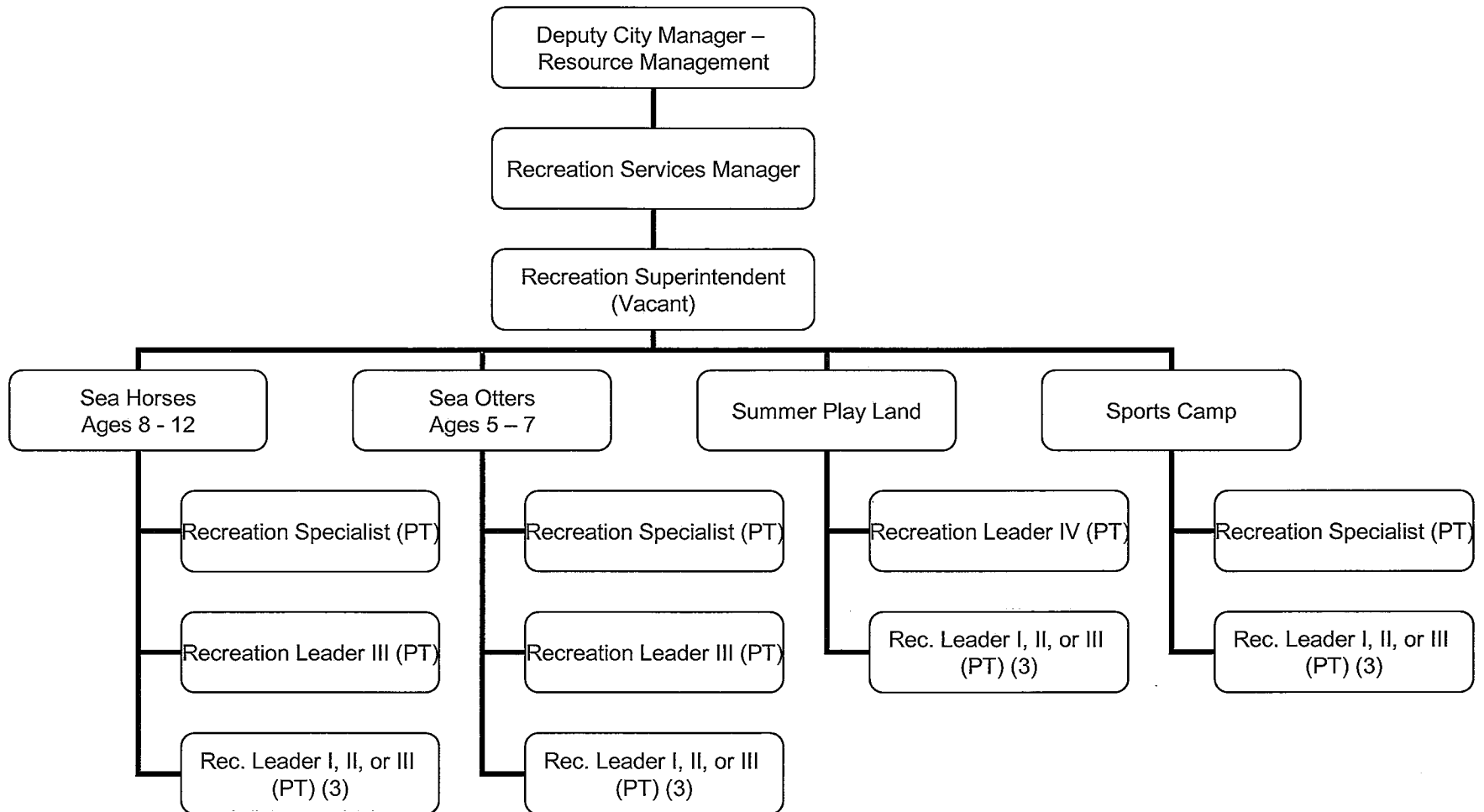
City of Seaside Resource Management Recreation Services Oldemeyer Center



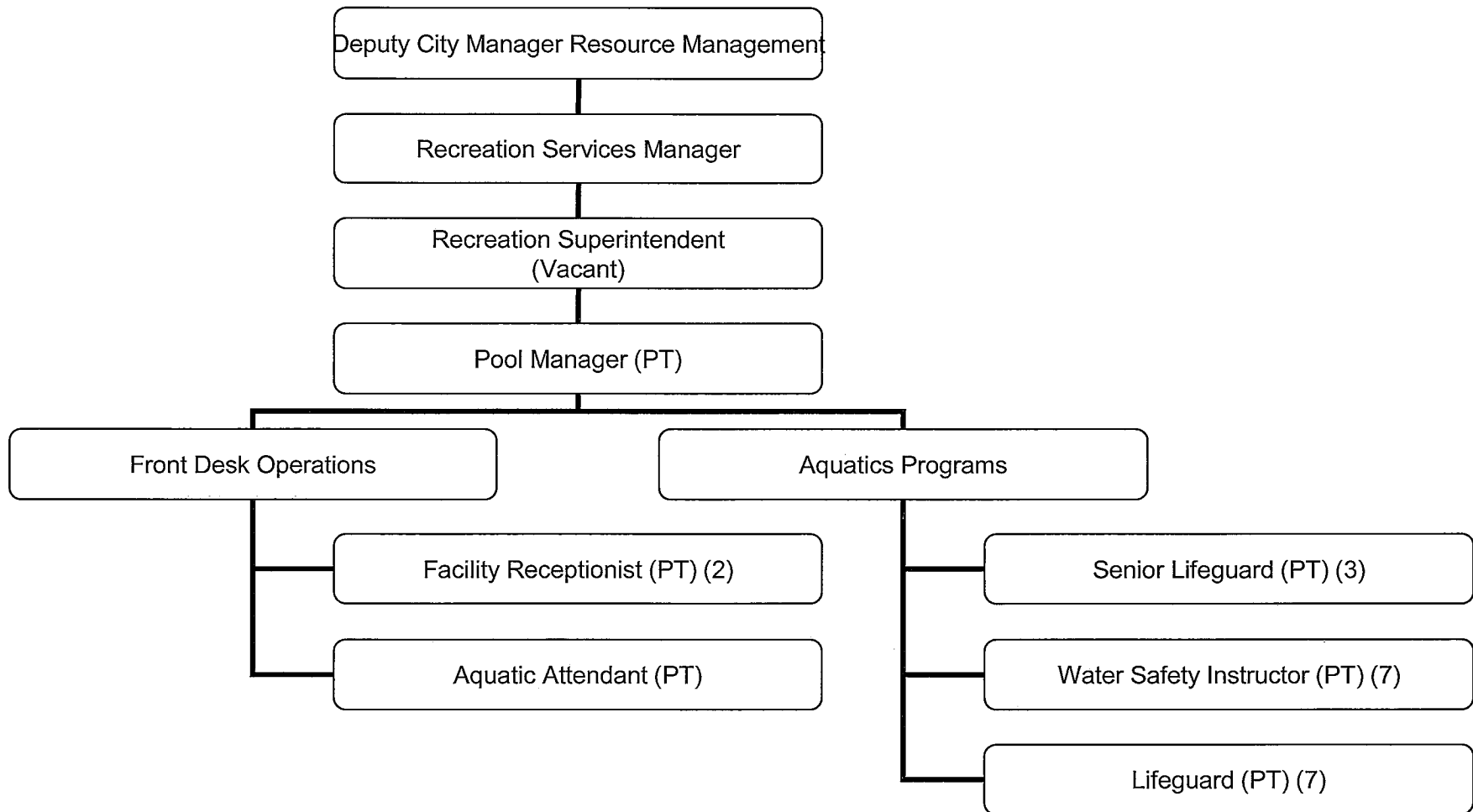
City of Seaside Resource Management Recreation Services



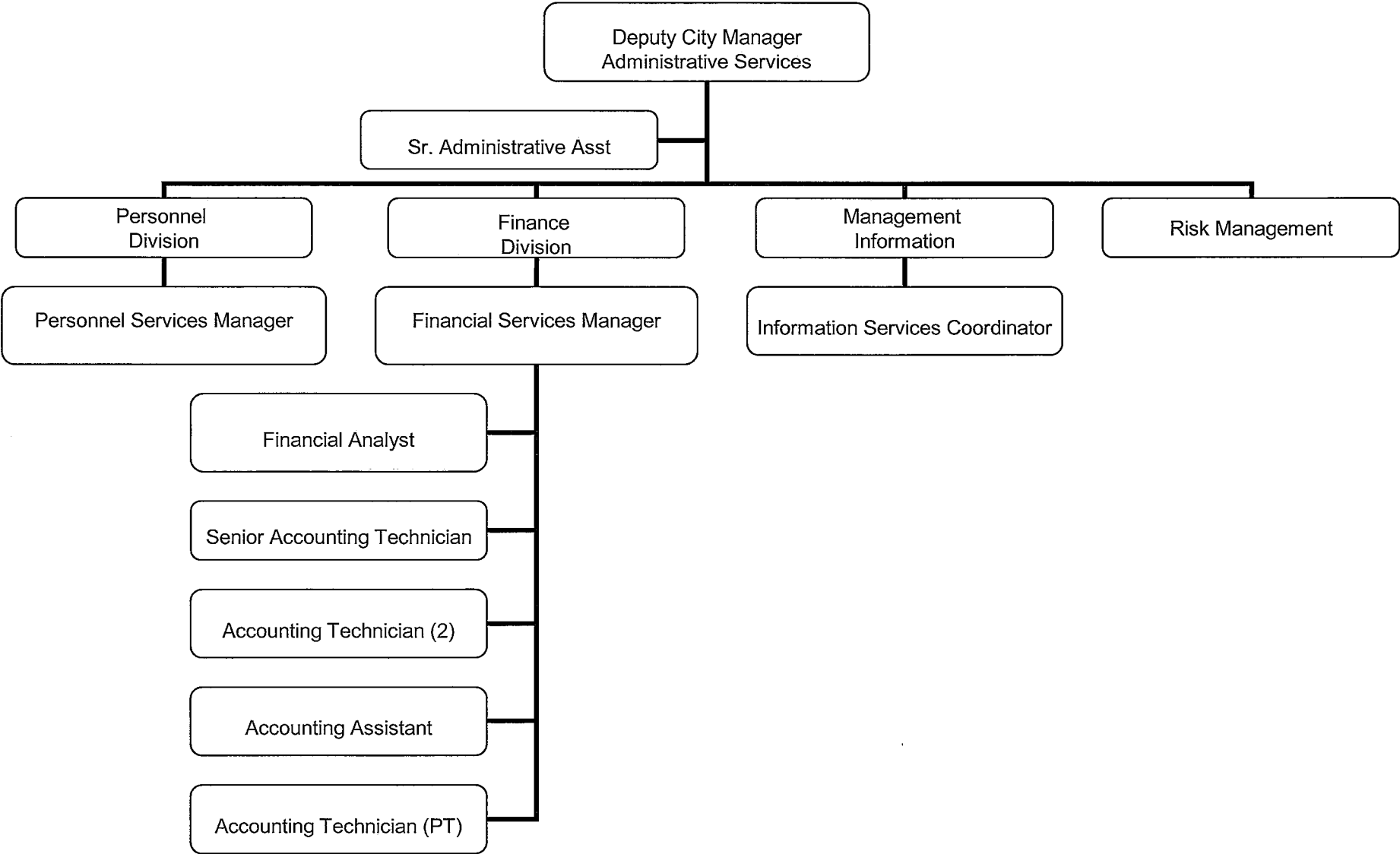
City of Seaside Resource Management Recreation Services



City of Seaside Resource Management Recreation Services – Pattullo Swim Center



City of Seaside Administrative Services



MEMORANDUM

City of Seaside
Fire Department

Date: May 7, 2012
To: John Dunn, Interim City Manager
From: Daphne Hodgson, Deputy City Manager – Administrative Services
Subject: Modified Sales Tax Estimate

Staff re-examined the original sales tax estimates in light of additional information that came to our attention.

The information that was provided to staff from our sales tax consultants, HdL. Their estimate was higher than staff's original estimate by approximately \$200,000.

The economists are also more positive about a turnaround in the economy.

In addition, there is a new auto dealership opening soon. This should provide an increase over the last couple of years in our sales tax collections. The other positive turn in the Auto Mall is the new construction at Victory Toyota. Although this will not have an immediate impact, it should have a long term positive effect.



An analysis of the options available to the City of Seaside for the provision of management services for the Seaside Fire Department.

By the Interim City Manager
May 2012

Date: May 9, 2012
To: Mayor and City Council
From: John Dunn, Interim City Manager
Subject: Fire Chief Services

Preamble to the Analyses

The City Council has asked that I provide them with an analysis of the options concerning the replacement of the Interim Fire Chief; each option will have different pros and cons, costs, impacts and implications.

With the retirement of Acting Fire Chief Prelsnik on June 30th of this year, we have the task of finding a suitable replacement for his services to the Fire Department.

The most obvious objective for this replacement position is to continue to provide competent management for the fire operations of the City of Seaside.

The environment in which this replacement is taking place is driven by the City's financial situation. The City is facing a \$2.4 million dollar deficit, with severe operational cut-backs being considered, including the loss of City personnel.

So in this consideration the City faces a dual objective, to find suitable replacement management services for the fire service, and to "look under every stone" for possible cost savings. Therefore, to be as complete as possible in this analysis, we will look at four options.

Fundamental to this analysis is the nature of the position for Fire Chief, and the demands on the position. These demands are considerable and are set forth in Attachment A which has two parts, a one-page statement by Chief Prelsnik, and the approved City of Seaside job description.

To these documents I would add another fundamental duty based on my study and long-exposure to City government, with a cautious prediction of the future situation of City government, State and national economics. Particularly with the loss of Redevelopment, I would prognosticate that we are going to experience a "resource constrained era" in our ten-year future. This will contrast with the "golden years" of California local government from post World War II through the end of the twentieth century. During this new era, citizen needs and expectations will demand that the City continue to provide high-quality public safety services, but the financial realities will force us to constantly examine how to do so utilizing fewer resources. This will force upon us the need for creativity and innovation, and to consider issues such as partnerships with other agencies, different ways of providing service, multiple-jurisdiction sharing of equipment and resources, and other methods of achieving cost savings.

On the Monterey Peninsula we have already seen a major example of this with the Cities of Carmel and Pacific Grove presently contracting with the City of Monterey for the provision of fire services.

However, I want to make it clear that this report has a more immediate time dimension, and only considers the optimal way to replace the Fire Chief position under the dual criteria of obtaining proper management of the fire service by July of this year, in a way consistent with our current cost reduction objectives.

This analysis will consider four options: Full-time Fire Chief, Half-time Fire Chief, Contracting with another agency for Fire Chief Services – Half-time (shortened to Contract Fire Chief), and having a Public Safety Chief providing management services for both the Police and Fire Departments.

Part 1: Analysis

Option 1: Full-time Fire Chief

This option represents continuation of the traditional method of providing Fire Chief Services to the City of Seaside.

Advantages

1. Would continue to provide full-time Fire Chief services for the City's Fire Department.
2. Is consistent with the way other agencies provide fire management services for their departments.
3. Would probably provide the most complete, always available service, sometimes including the Chief responding to major incidents. This would include almost-immediate availability to Division Chiefs, when they need counsel or assistance, and to others in the City government and the community.

Disadvantages

1. The primary disadvantage is cost. The current direct-cost salary and benefits for the position is \$227,340 per year, and there are further paid-time-off pay-off costs which can run several thousand dollars at the end of a Chiefs tenure.
2. A much-lower-level consideration is that a new Chief would undoubtedly come from a fire service background, and might be less inclined to consider alternate service delivery or cost savings options which may be necessary for this community to consider in the future.

Total annual cost of a full time Fire Chief is: \$227,340

Option II: Half-time Fire Chief

Advantages

1. The immediate and obvious advantage to this option is the continuation of professional fire service management, albeit on a half-time basis, with resultant cost savings.
2. This person would have a fire service background with the knowledge, experience, and capability of that background.
3. A person of this background and experience would probably gain the most immediate acceptability of the Division Chiefs and the Fire Department personnel.
4. Related, a Chief from this background would best “talk the language” of the Fire service, and might more immediately communicate with departmental personnel and Chiefs of other agencies on fire protection matters.

Disadvantages

1. The major disadvantage of this approach is, in two words, Assembly Bill 1028. This bill is essentially a redoing of the standards under which retired PERS employees can subsequently go to work for the same or another PERS agency. In hiring a PERS retiree to fill a vacant position, the principal requirements of the act are:
 - a. To require that the agency be in the process of recruiting for a full-time department head and
 - b. To require that the hired PERS retiree hired work no more than one year.
2. Most (but not all) Fire agencies in California are PERS agencies, meaning that the recruitment for a half-time Fire Chief would be limited to those retiring from a non-PERS agency. Non-PERS retirees are relatively few in number, which complicates and possibly prolongs the recruitment process, limits the field of candidates, and could possibly result in an unsuccessful recruitment effort.

However, later information is that there is a list of non-PERS retirees maintained by the League or PERS, which we are in the process of obtaining. When available, we could inquire of these retirees if they would be interested in applying for a half-time position.

3. Hiring a PERS retiree Fire Chief that must be replaced at the end of the year would result in an almost continuous recruitment process and an unacceptable employment period. This lack of continuity would not be good for the Department or the community.
4. The requirement that we be in the process of hiring a full-time replacement Fire Chief obviously defeats the purpose of seeking a lower-cost alternative.

Total annual cost of a half-time Fire Chief: \$85,052. (This figure has been calculated at half of the Interim Fire Chief's current salary).

Because of the more limited pool of candidates, and the probable difficulty of getting a person to move to the Monterey Peninsula for a half-time position, this is a more limited option.

However, there is the rare possibility that we could successfully recruit an experienced non-PERS agency retiree who lives on or near the Monterey Peninsula (a half-time position, given the high housing costs of the Peninsula, would probably not justify a person moving here for a half-time position). However, if the Council considers this possibility an option worth exploring; the staff would be willing to “see if someone is available.”

Option III: Contract Fire Chief

Under this option the City would contract with other Monterey Peninsula or a nearby fire agency for the provision of half-time Fire Chief services. This would involve developing a contract for specified services, soliciting proposals from “pre-qualified” parties, selecting the most qualified person with the “best fit” to our needs, determining the mutually-accepted price for such services, and the execution of the contract. According to Chief Prelsnik, the Fire Chiefs of the following agencies might be initially considered for the position; Marina Fire Department, Monterey Fire Department, Cal Fire, Monterey County Regional Fire Protection District, and the Monterey Airport Fire Department.

In this option there are two major variables to be considered. Though the Fire Chief selected would be providing management services rather than fire protection services, nevertheless the type and quality of services his present agency provides would be of some importance to the City.

The City of Seaside is a large, geographically diverse community largely consisting of single family houses and arterial commercial properties along Fremont Ave., Del Monte Boulevard, Broadway, Canyon Del Rey, and other locations which are primarily one and two story structures, with one major high rise, high occupancy building (Embassy Suites). The greater volume of calls are for medical and other emergencies with a few brush/grasslands or natural area fires. The mix of exposures and responses can vary considerably between departments, as can the number of stations, the number of engines, the total number of personnel, and the number of firefighters on a response engine. The two Peninsula Fire Agencies most similar to us in types of calls and services are the Cities of Marina and Monterey though, I’m told, the service levels vary considerably.

Again, we would be retaining a contract Chief, not his department, and the Chiefs background and experience would be most relevant, though the type of department he manages would have some relevance to us.

In the ideal, the best manner of proceeding to retain the services of a contract Chief would be to go through a somewhat formal, through process, where we would develop a Request for Proposal, (RFP) (basically what we want the person to do), and solicit a proposal (what they propose to do, at what price) from a few pre-qualified candidates.

The problem with asking a present Fire Chief from a surrounding agency, "Could you do it, and at what price?" is that the initial answers may not be the same as a later answer, after having discussed it with his City Manager or District/Agency Manager, Financial person, and the Board of Directors/City Council. The latter officials tend to add supplemental benefits, workers compensation, overhead, office staff and other costs to the base amount. Agencies could also say, "Chief, we really don't think you should be doing this."

With that healthy preamble, below are the advantages and disadvantages of a half-time contract Fire Chief.

The major advantages of the contract Fire Chief are mostly similar to the Half-time Fire Chief, so there will be some repetition in the first four listed advantages.

Advantages

1. The immediate and obvious advantage to this option is the continuation for professional Fire service management, albeit on a half-time basis, with resultant cost savings.
2. This person would come from a background of the Fire service, and would have the knowledge, experience, and capability of that background.
3. A person of this background and experience would probably gain the most immediate acceptability of the Division Chiefs and the personnel of the Fire Department.
4. Related, a Chief from this background would best "talk the language" of the Fire service, and might more immediately communicate with departmental personnel and Chiefs of other agencies on fire protection matters.
5. The City would have a written contract with another public agency for the provision of Fire Chief management services, with all that a contract implies, legal soundness, explicitness as to its provisions, agreement on services to be provided, provision for renewal or termination, etc.

Disadvantages

1. Given that the other Fire Chiefs of the five local fire agencies mentioned presumably have at least a full-time job, there may be a reluctance of some Chiefs, or of their agencies, to consent to providing half-time services to another agency.
2. There may be the related concern, on the part of either the Chief or his agency, that providing half-time fire agency management services elsewhere will detract from the management services that are provided to the "home" agency.
3. There could be a concern about the division of efforts or of loyalties, with the assumption that when and if it really comes down to scratch, loyalty (and time) to the home agency would prevail.
4. With a half-time Chief from another agency, where Seaside and the other agency in essence have had two (previously) full-time jobs, there could be concerns such as "Is he really with us half time?" or "Where is he when we really need him?" or "What happens when there are schedule conflicts?"
5. Presumably the Fire Chief of another agency has developed working relationships, knows his job and is comfortable in his home agency. Moving to another agency on either a full-time or half-time basis always presents a new situation in terms of personnel,

policies, procedures, the “boss,” the legislative body, the meeting schedules, and the community, so there is a fairly steep “learning curve” for the new situation.

During the course of this analysis, I’ve had several excellent discussions with Chief Prelsnik. The Chief has told me, and I agree, that in the provision of fire protection and even Fire Chief Services, “geography counts.” Viewed by common sense and proximity to one another, and types of development, our neighboring cities to the north (Marina) and the south (Monterey) are clearly the best candidates to provide this service. However, each of them have “subjective” factors which have to be considered in this analysis. In Monterey’s case, as a result of the previous JPA proposal, our Fire Union has taken the position and stated publicly that they don’t want an association with the Monterey Fire Department. In the case of Marina, their fire department’s level of service and capabilities are very different from those of the City of Seaside.

Immediately after the last City Council budget study session, I asked Chief Prelsnik to give me a candid report on the situation of the area fire agencies. I am not in a position to release his report because of the confidential nature of his observations. However, a careful review of his report reveals that three of the five fire operations are not comparable to the fire operations and needs of the City of Seaside. Again, it is necessary to separate the skills and abilities of the Chiefs running the department, from the type of fire operation they are managing. It does point out that there would still be a learning curve if they were to be retained to manage the Seaside Fire Department.

Total annual cost of a Contract Fire Chief: \$85,052

Option IV: Public Safety Chief

When we are discussing this option, I want to be upfront with the City Council and all parties to this discussion. I am not discussing recruiting for or the appointment of a new Public Safety Chief. I am talking about the appointment of Vicki Myers, our Police Chief, to serve as the Chief of Public Safety, to provide Chief management services for both the Police and Fire Departments.

I am also not talking about the creation of a Public Safety Department, such as they have in the cities of Sunnyvale and Rohnert Park, where officers are trained in both functions, and can be used interchangeably, as they serve in an “integrated” Public Safety Department.

I am talking about retaining the present Police and Fire Departments as they are, or will be after budget approval. While I recognize the inevitability of long term change, for the reasons previously set forth, none of that is in my mind or being proposed at this time. The change being suggested in this option is very simple and straight-forward, adding Fire Chief responsibilities to Chief Myers present duties as Police Chief.

It was necessary to explain the above in order to be more direct and less mysterious about the following analysis.

Advantages

1. Chief Myers is a true Public Safety/law enforcement professional, and is committed to her profession, and to effecting positive change.
2. She is knowledgeable about the City of Seaside, and the needs and desires of our citizens.
3. She has the personal skills to mediate and to counsel in difficult situations.
4. She has achieved effectiveness and acceptance in her Department.
5. She is an outstanding manager, dealing positively and effectively with her principal resource, the personnel of her department.
6. She can make tough decisions, but does so after appropriately consulting with her employees and others.
7. She is a true manager. Thought not often said, the truth is that only certain people have this higher-level ability to provide leadership and bring about beneficial change.

Disadvantages

1. She has had only peripheral exposure to the operations of a Fire Department.
2. She would need to learn, as quickly as possible about the Fire Department, its operations, values, practices and procedures, customs, and personnel.
3. She, in relation to the Fire Department, would be “changing fields” and, as any person doing so, would have to study, analyze, learn, and receive counsel from others.
4. She would have to learn the language, talk the talk, learn about the equipment, firefighter responsibilities, and respond to major incidents.
5. She might even have some problems and mis-steps along the way.

The International Association of Firefighters (IAFF) and the International Association of Fire Chiefs (IAFC), long recognized experts in fire services, published a “manual” regarding fire and police consolidation. This manual defines the operational consolidation of police and fire services as Full, Partial, Functional and Nominal. According to the manual, Nominal consolidation is defined as “Fire and Police Departments remain completely separate; however they operate under the administration of a single director who maintains full authority over all police and fire services.”

The IAFF and IAFC adamantly oppose Full, Partial and Functional consolidation in which public safety officers are trained in and provide the services of police and fire. Despite the manual's bias on police and fire consolidation (the manual openly states it is intended to provide “insights on prevention” pertaining to police and fire consolidation), the IAFF and IAFC admit: **“Most consolidation efforts today do not involve operational consolidation. Instead, a limited number of functions may be combined, or two departments may be nominally consolidated under a single administrator. Such cases do not normally alter the delivery of fire and police services.”**

I have heard from several sources that the City, when Charles McNeely was City Manager in the late 80's or early 90's, designated then Police Chief David Butler as the Public Safety Chief over the Police and Fire Departments. I have been told that “It didn't work out.” I have also been told that it was done at the time for cost savings reasons, that it was made clear that it was to be a short-term arrangement, that the Chief of the two Departments did very little management of the

Fire Department as he trusted his three competent Battalion Chiefs to do so, and that the situation ended with the hiring of Charles Streeter as the new full-time Fire Chief. Obviously, I can't vouch for the absolute accuracy of the above as I was not there. Suffice it to say, today is a different era, different circumstances, different people and this past experience has little relevance for the current day; the same can be said for the City's earlier investigation of the fully integrated Public Safety concept many years ago.

However, these past situations do raise a relative point. The proposal to designate the Police Chief as the Public Safety Chief, if approved, would probably not, for the long term, be the final arrangement in Seaside for the provision of Public Safety Services. I obviously intend this arrangement to continue long after my departure. However, in looking at the City's financial situation, that of other Cities on the Peninsula, and in talking to other City Managers and Finance and Public Administration professionals, local government is in a revolutionary period related to how we provide public services. The old order is crumbling, choked by diminished resources, and a new order is struggling to emerge, though without a clear outline at this time. Will the public safety services provided to the citizens of the Monterey Peninsula ten, twenty, or thirty years from now look as they do today? No, they won't. Due to the almost desperate financial condition of perhaps more than half of the Peninsula Cities, we will never return to the separate "silos" of the past.

Estimated annual cost of a Public Safety Chief: \$116,500 (1/2 of Public Safety Chief salary and benefits)

Part 2: Conclusions and Recommendations

Initially my indication was to provide the City Council only with the requested analysis of the options. As I went further into my task I decided I would be doing the City Council and the organization a disservice if I failed to accompany this analysis with a recommendation. I will subsequently do so.

I hope that all of my recommendations to the City Council are based on the long-term greatest benefit to the community or, at least, establish a shorter-term route towards that destination. While I am hopeful that the Council will see the reason and judgment behind my proposal, and that it will be accepted, I want to assure the City Council that, whatever option you choose, it will be expeditiously and whole-heartedly implemented.

Now let's recap the options:

Full-time Fire Chief

In an ideal world, with greater resources available to us, this option would be my recommendation. However, given the recent dissolution of the City's Redevelopment Agency, the resultant major budget deficit, and the difficulty that all of us face in putting together a budget for the next fiscal year, with cuts to departmental operations and City personnel, I believe

the City has to take advantage of any reasonable opportunities to save money. Therefore, this option is not recommended.

Half-time Fire Chief

Were it not for the severe implications on the City caused by Assembly Bill 1038, this very well might have been the preferred option. However, the ramifications of this act could make this option more difficult for the City, making this a less feasible option. Therefore, this option is a possible but probably more difficult one.

Contract Fire Chief

In reference to the earlier listed “advantages” and “disadvantages” of this option, this option has both merits and demerits. On balance, the contract Fire Chief and the Public Safety Chief are the most realistic options for our situation. I have not been able to resolve in my mind the “loyalty and priority” issues a contract Fire Chief would bring to the City of Seaside, as compared to that of his “home agency,” I believe a contract Fire Chief to be “a livable but second best choice.” Also, I have a concern that, for various reasons, the “labor pool” of potential contract Fire Chief candidates may not be as large as initially assumed. Therefore, I recommend keeping this option in reserve as a back-up position if for any reason the recommended option is not chosen.

Public Safety Chief

My primary recommendation to address the issue of Fire department management services to replace retiring Acting Chief Steve Prelisnik is the appointment of Police Chief Vicki Myers as Public Safety Director for the following reasons.

1. Ever since I have been with the City of Seaside, I have heard many positive comments about her abilities and performance as Police Chief.
2. In her interactions with members of the public and with the City Council, both privately and in public meetings, I have been favorably impressed.
3. As I have engaged in my personal interaction with her I have observed her intelligence, her straight-forwardness, the quality of her ideas, her personal interactions with others and her commitment to public safety, law enforcement, and to the City.
4. I have been told that prior to her arrival, the Police Department had certain issues, which issues have been directly addressed and substantially reduced. I have further observed that she is a problem identifier, capable of solid analysis and a problem solver.
5. While she, like the rest of us, may not know everything, she is an observant and quick study and comes to careful and well-thought-out conclusions.
6. The greatest number of calls for the Seaside Fire Department responses is for medical emergencies. When Chief Myers, earlier in her career, served as the Chief Deputy (number 3 person) in the Ingham County (Michigan) Sheriffs Department (population just under 300,000 residents, including the Cities of Lansing and East Lansing), she was in charge of the Department’s paramedic program. As Seaside is often the “first

responder” to emergency medical calls, this background experience will be highly valuable to us.

7. Last, and perhaps most importantly, she has proven beyond doubt her identification with, familiarity with, affection towards and loyalty to the City and the citizens of Seaside.

Last thoughts:

As I have had multiple discussions with Chief Prelsnik regarding this whole matter, so I have had several conversations with Chief Myers, essentially asking “Do you want and can you handle this added responsibility?” Her answer, has been, “Yes, I’m excited by the possibilities and the challenges.” I would add that, if the Public Safety Chief option is selected, it will necessitate further conversation between me and the Public Safety Chief regarding employment contract changes. This conversation has not taken place as yet, because it would not be appropriate to do so unless this option is selected.

Timing is very important in this consideration. It is important that a new Chief be in place upon Chief Prelsnik’s retirement, and it is important that there be some overlap of the new Chief with Chief Prelsnik, so that the two have an opportunity to work together, in order to give the new Chief a through “heads up” on operations and issues.

If Mrs. Myers were to be appointed the Public Safety Chief, it would be important, particularly in the early stages of the new job, that she devote more than half of her time getting to know the staff of the Fire Department, and to become familiar with the operations, response situations, equipment and facility, training, etc. of the Department.

At the present time the three Division Chiefs of the Fire Department work three different 24-hour shifts, and each of them has an assigned major area of responsibility; operations, training and administration. According to Chief Prelsnik, it is a model that has worked well, and he believes it should be continued. However, when Chief Myers is appointed as Public Safety Chief one of her first assignments would be to look at, in conjunction with the three Division Chiefs, the upper command structure of the Fire Department, in order to determine if one of the Division Chiefs should be elevated to a “second in command” position (not necessarily a Deputy Fire Chief) more similar to the current structure in the Police Department, in order to provide the best assistance to her in administering the Department.

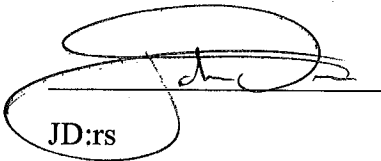
At the present time the Fire Chief and Personnel Services Manager are in the process of setting up promotional testing for Fire Division Chief (or Battalion Chief). Seeking a “second in command” to the Public Safety Chief could fairly easily be added to that process. Attached are Chief Prelsnik’s thoughts on this subject.

While attention is usually given to the “differences” in Police and Fire services, it is important to realize, in the Chief’s positions, that the “management function” of running both departments is largely the same. It boils down to “What does a Chief do?” True, some things are unique to the operation, but the management functions, budgeting, planning, personnel, implementing City goals, representing the City, addressing concerns and issues as they arise, participating in

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Executive Team meetings, helping to prepare the City Council agenda, analyzing and writing memos are largely parallel a similar. In short, a Public Safety Manger has to know the operation, but their job is to manage it.

I hope this report provides the factual basis and thought process that is the foundation for my recommendation to you.



JD:rs

Attachments:

- Fire Chief Job Description
- Memo – Fire Chief Responsibilities – Chief Prelsnik
- Memo – Two Public Safety Director Models – Chief Prelsnik

FIRE CHIEF

Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are not intended to reflect all duties performed within the job.

DEFINITION

Under administrative direction of the City Manager, plans, organizes and directs the Fire Department activities and personnel; handles special assignments and projects; performs other work as required.

DISTINGUISHING CHARACTERISTICS

This classification is responsible for the effective administration of the Fire Department. The incumbent of this classification plans, organizes and directs departmental activities consisting of fire suppression, fire prevention, fire investigation and emergency services functions. Within this framework, the Fire Chief selects, trains, evaluates and supervises department personnel.

ESSENTIAL FUNCTIONS STATEMENT

The following tasks are typical for positions in this classification. Any single position may not perform all of these tasks and/or may perform similar related tasks not listed here:

1. Plans, organizes and directs the activities of all Fire Department personnel in providing fire suppression, prevention and investigation.
2. Plans, organizes and directs emergency services functions including emergency rescue operations and emergency medical assistance for the injured and ill.
3. Selects, trains, evaluates and disciplines department personnel.
4. Develops and reviews departmental policies, procedures and standard operating procedures.
5. Prepares, monitors, and administers departmental budget.
6. Coordinates city-wide emergency disaster plan.
7. Responds to major alarms and assumes command if extraordinary conditions develop.
8. Assures proper maintenance of fire department facilities and equipment.
9. Develops and reviews specifications for the purchase of equipment.
10. Handles special assignments from the City Manager including representing the City in labor negotiations.
11. Represents the City in meetings with professional organizations, community groups and other agencies.
12. Meets with City Manager and City Council in the formulation of policy, resolution of problems and to provide routine reports.
13. Prepares letters, memoranda and reports.

QUALIFICATIONS

- Principles, practices and procedures of modern fire prevention, fire suppression and fire investigation
- National, State, County and Local Codes and ordinances affecting fire and emergency services.
- Modern personnel and labor relations practices.
- Modern concepts and practices of public sector management. Disaster planning and operations.
- Principles and practices of emergency medical assistance programs and rescue operations.
- Insurance grading systems.
- Effective training and supervision techniques.
- City geography, building construction types, potential fire hazards and water supply issues.
- Operation and maintenance of firefighting and emergency services equipment.

Ability to:

- Plan, organize and direct all fire department operations.
- Evaluate departmental operations and implement new or more efficient practices and procedures.
- Train and supervise all department staff.
- Communicate effectively in writing and orally.
- Interpret and apply fire and emergency service laws, regulations and policies.
- Provide policy recommendations regarding fire and emergency services to the City Manager and Council.
- Prepare complete staff reports on a variety of programs and projects.
- Prepare and administer the departmental budget.
- Take charge of major fires and emergencies.
- Negotiate with labor unions.

Experience and Education/Training Guidelines

Any combination of experience and education/training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Experience:

Five years of municipal fire suppression and prevention work including at least three years of responsible supervisory experience.

Education/Training:

Equivalent to graduation from an accredited four year college or university including or supplemented by courses in fire administration.

License or Certificates

Possession of a valid California Motor Vehicle Driver's license, Class C and a CSFM Chief Officer certificate.

WORKING CONDITIONS

Environmental Conditions:

Field environment; travel from site to site; work at heights on ladders; exposure to noise, dust, grease, smoke, fumes, gases, inclement weather conditions.

Physical Conditions:

Essential functions may require maintaining physical condition necessary for heavy, moderate or light lifting; kneeling; bending; climbing ladders; standing for prolonged periods of time; operating motorized equipment and vehicles.

Date: April 18, 2012
To: J. Dunn, Interim City Manager
From: S. Prelsnik, Acting Fire Chief
Subject: Fire Chief Responsibilities

In preparation for the proposal of a part-time Fire Chief, I wanted to identify the particular duties and responsibilities that are essential to the fire department as the Department Head. Whether it's a shared Chief or PS Director, the lack of the full-time presence and full time commitment to the job will dictate what we need as essential. Since the three Chief Officers are fully capable of managing the Administration, Operations and Training of the department, the shared Chief or PS Director needs to be responsible for the following: (in no particular order)

Department Representation

- Represent at the County Fire Chiefs, County EMA, EMS, NGEN (all of these are desirable for the Chief, but a designee could represent)
- For the City, represent at Department Head meetings, Council meetings, Strategic planning, special meetings and work under the direction of the City Manager

Department Authority

- Authorization/Authority for grants, discipline, exceptions, permission, policy decisions, requests, e-mail and mail correspondence, telephone inquiries etc.

Department Staff Meetings

- Conduct/moderate fire department staff meetings

Department Direction

- Provide direction to department staff
- Goal setting

Budget/Strategic Planning

- Develop and manage department budget
- Provide strategic planning for the department

Negative impacts of part-time Chief or PS Director
(only due to the nature of being less present)

- There would be loss of command
- Loss of operational overhead
- Loss of leadership and guidance

MEMORANDUM

**City of Seaside
Fire Department**

Date: April 18, 2012
To: J. Dunn, Interim City Manager
From: S. Prelisnik, Acting Fire Chief
Subject: Two Public Safety Director Models

Regarding the two different models for the Fire Department command staff under a Public Safety Director, here are the suggestions:

1. The Public Safety Director would manage the fire department with each of the three Chief Officers controlling their particular scope of duties and responsibilities under their assigned division. We currently have three divisions; Operations, Administration and Training. All department related responsibilities and duties fall under one of the three divisions. For example; scheduling falls under Administration, EMT recertification falls under Training and apparatus and equipment falls under Operations.

Depending on the issue or concern, the Chief Officer holding responsibility for that concern would be ultimately responsible for reporting directly to the PS Director. Likewise, if the PS Director has a concern or issue, she would direct her attention to the Chief Officer holding that responsibility. With this model, there would not be one person assigned as "point person" or "second in command" in the department under the PS Director.

2. With this model, the same three divisions of responsibility would remain in place as described above. However, The PS Director would have an appointed "Senior" Chief Officer who would be considered "second in command" of the department under the PS Director. This would allow the PS Director to have a point person or "second in command" to represent in the fire department. This assignment could be a rotational assignment and would not require a title change for the position.