



THE CITY OF
NOVATO
CALIFORNIA

SPECIAL MEETING

AGENDA MEASURE F OVERSIGHT/CITIZENS FINANCE COMMITTEE

FRIDAY, APRIL 5, 2013: 7:30AM – 9:00AM
75 ROWLAND WAY #200
ATHERTON CONFERENCE ROOM

A. Call to Order

B. Approval of Final Agenda

C. Public Comment

(Anyone wishing to speak on non-agenda items will be recognized at this time. These items can legally have no action as they are not on the agenda. There is a three minute time limit.)

D. Committee Organizational Items

D – 1: Approval of March 05, 2013 Meeting Minutes

D – 2: Approval of January 25, 2013 Meeting Minutes (5 minutes)

E. General Business

(Anyone wishing to speak on agenda items will be recognized after the Committee has concluded their initial discussions. There is a three minute time limit for public comment per item.)

<i>Time</i>	<i>Items</i>	<i>Attachment/Handout/Link</i>
10 minutes	E-1: Update on recent Fiscal Sustainability Work Plan	Attachment – Work Plan
30 minutes	E-2: Facilities Fiscal Sustainability Work Session Presentation (Jason Nutt, Public Works Director)	Attachment – Facilities Assessment Staff Report Links provided on City of Novato website - Facilities Presentation and Assessment Study
50 minutes	E-3: Infrastructure Fiscal Sustainability Work Session Presentation (Jason Nutt, Public Works Director)	Attachment – City-wide Infrastructure Staff Report Link provided on City of Novato website - Infrastructure Presentation

F. Committee / Staff Comments

G. Upcoming Meeting Schedule

April 18 = FY 13/14 Operating Budget + FY 13/14 CIP Budget + Core Staffing

Tentative May 2 = Options Tool Preview and Measure F Options

Tentative May 16 = Retail Leakage Analysis and Community Survey

Tentative May 30 = Draft Plan Discussion

H. Adjournment

Attachments:

1. March 05, 2013 Meeting Minutes
2. January 25, 2013 Meeting Minutes
3. Fiscal Sustainability Work Plan
4. Facilities Assessment Staff Report
5. City-wide Infrastructure Staff Report

AFFIDAVIT OF POSTING

I, Carla Hansen certify that on April 03, 2013, I caused to be posted the agenda of the Friday, April 5, 2013 meeting of the Measure F Oversight/Citizens Finance Committee of the City of Novato, California, on the City of Novato Community Service Boards in City Hall and the Police Department.

/Carla Hansen/
Management Analyst



THE CITY OF
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SPECIAL MEETING

Minutes

MEASURE F OVERSIGHT/CITIZENS FINANCE COMMITTEE
TUESDAY, MARCH 5, 2013: 7:30AM – 9:00AM
75 ROWLAND WAY #200
ATHERTON CONFERENCE ROOM

A. Call to Order

The meeting was called to order at 7:35 A.M. In attendance were:

Committee Members: Bob Ratto, David Bentley, Al Berson, Robert Jordan, Bob Scott
Cris MacKenzie and Caitrin Devin were absent

City Staff: Cathy Capriola, Brian Cochran, Dan Weakley, Maureen Chapman and Carla Hansen

B. Approval of Final Agenda

The final agenda was approved unanimously.

C. Public Comment (*Anyone wishing to speak on non-agenda items will be recognized at this time. These items can legally have no action as they are not on the agenda. There is a three minute time limit.*)

There was no public comment.

D. Committee Organizational Items

D – 1: Approval of January 25, 2013 Meeting Minutes (5 minutes)

The minutes could not be approved due to a lack of a quorum. The minutes will be attached to the next meeting agenda.

E. General Business (*Anyone wishing to speak on agenda items will be recognized after the Committee has concluded their initial discussions. There is a three minute time limit for public comment per item.*)

E–1: Recap of City Council Revenue #2-Economic Development presentation (10 minutes)
C Capriola recapped the Revenue #2- Economic Development Presentation to the City Council. The presentation offered tired options or predictions of future economic development growth for the fiscal sustainability plan. The majority of the Council was comfortable assuming \$500,000 of additional economic growth.

E–2: February Forecast Update – Presented to Council 2/26/2013 (10 minutes)
B. Cochran presented the February five-year forecast update.

E–2: Fiscal Sustainability: Preview of DRAFT Employee Compensation Work Session with Human Resources Director Dan Weakley and Finance Staff (to be distributed at the meeting) (55 minutes)

C. Capriola, D. Weakly and B. Cochran presented a broad overview of employee compensation, the tension between managing cost of employee compensation and attracting and retaining employees and provided options for the fiscal sustainability plan.

E–4: Update on Fiscal Sustainability Work Plan and Public Outreach (10 minutes)
C. Capriola provided and update to the Fiscal Sustainability Work Plan.

F. Committee/Staff Comments

There we no additional comments.

G. Adjournment

The meeting was adjourned at 9:05 A.M.



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SPECIAL MEETING

MINUTES

MEASURE F OVERSIGHT/CITIZENS FINANCE COMMITTEE

Friday, January 25, 2013: 7:30AM – 9:00AM

75 ROWLAND WAY #200

ATHERTON CONFERENCE ROOM

A. Call to Order

The meeting was called to order at 7:36 A.M. In attendance were:

Committee Members: Cris MacKenzie, Caitrin Devine, Bob Ratto, David Bentley, Al Berson and Robert Jordan.

City Staff: Cathy Capriola, Brian Cochran, Maureen Chapman, Carla Hansen and Chris Stewart

B. Approval of Final Agenda

The final agenda was approved unanimously.

C. Public Comment (*Anyone wishing to speak on non-agenda items will be recognized at this time. These items can legally have no action as they are not on the agenda. There is a three minute time limit.*)

There was no public comment.

D. Committee Organizational Items

D – 1: Approval of December 13, 2012 Meeting Minutes (5 minutes)

The minutes were approved with minor changes. The changes read, “A draft of the fiscal sustainability plan incorporating public feedback will be presented to Council in ~~June along with the FY 13/14 proposed budget~~ in April and the FY 13/14 budget is scheduled for adoption in June.”

E. General Business (*Anyone wishing to speak on agenda items will be recognized after the Committee has concluded their initial discussions. There is a three minute time limit for public comment per item.*)

E – 1: Fiscal Sustainability: Preview of Working Draft Economic Development Work Session with Economic Development Manager Chris Stewart and Finance Staff (to be distributed at the meeting) (75 minutes)

The draft Economic Development work session was broken up into two parts- a draft Economic Development Work Plan and information and options for how the City’s economic development initiatives might link back to potential strategies for the City’s fiscal sustainability efforts.

C. Stewart presented the economic development work plan and C.Capriola and

B.Cochran presented the potential fiscal sustainability strategies. C.Stewart noted that a retail sales tax leakage study is currently underway and expected to be completed in April. The Committee provided feedback and ideas on both sections of the presentation. Staff sincerely appreciates the Committee's input on the working draft.

E – 2: Update on Fiscal Sustainability Work Plan and Public Outreach (5 minutes)

C. Capriola provided an update to the fiscal sustainability work and public outreach plan.

E – 3: Overview and discussion of the Comprehensive Annual Financial Report with Finance Director Brian Cochran (10 minutes)

B. Cochran provided a brief overview of the City's first Comprehensive Annual Financial Report (CAFR). The CAFR is an expanded version of the basic financial statements normally issued by the City.

F. Committee/Staff Comments

There were no additional comments

G. Adjournment

G – 1: Next Regular Meeting – TBD

1) Fiscal Sustainability: Preview of Employee Compensation Work Session

The meeting was adjourned at 9:00 AM.

City of Novato Financial Planning Work Sessions January – July 2013 (REVISED #11)

		January	February	March	April	May	June	July
		Analysis, Education & Outreach					Outreach	Deliberation & Direction
FISCAL SUSTAINABILITY (FS)			2/5 – Revenue #2 Work Session - Economic Development Goals and Work Plan + Economic Development FS Work Session	3/12 – Employee Compensation 3/19 – Facilities Condition Report 3/26 – City Assets, Infrastructure & Park Facilities	4/16 – Core Staffing (Park & Island Maintenance) 4/23 - Review of Sustainability Options Tool	5/6-13-15 (TBD) – Preview Options Tool + Measure F Options & Strategy 5/14 - Community Survey Results 5/21 - Sales Tax & Retail Sales Report + Options Tool Approval	<i>Prepare Draft Plan and Staff Recommendations</i> 6/25 – Staff Present Draft FS Plan + Council Questions and Discussion [Draft distributed 6/17]	7/9 – Council Questions and Discussion 7/16 – Council Direction on FS Phase 2 Plan & Use of Measure F 7/23 – Back-up Meeting if Needed
	FY 13/14 BUDGET	Finance Prep	Department Submittals Discussion and Review	Develop City Manager Budget Recs.	4/2 – Operating Budget 4/16 –CIP Budget Work Session	5/7 – Final 13/14 Budget Direction (may be modified in July after FS Plan approved)	6/11 – Budget Hearing 6/25 – Budget Adoption	Staff updates budget per Council direction
	PUBLIC INPUT				Community Survey - Distribute & Tabulation Prepare Options Tool On-Line and Town Hall Outreach Prepare New Fiscal Sustainability Web pages		Town Hall Meetings with Options Tool (Early June) TBD – Commission TBD – Hamilton TBD -- Chambers	
	EMPLOYEE INPUT		Department Discussions of FS Ideas Measure F Investment Ideas					



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STAFF REPORT

MEETING

DATE: March 19, 2013

TO: City Council

FROM: Thomas Adams, Senior Management Analyst
Jason Nutt, Public Works Director

SUBJECT: FISCAL SUSTAINABILITY WORK SESSION: WORKSHOP ON FACILITIES CONDITION ASSESSMENT STUDY

REQUEST

Receive presentation and overview of the Facilities Condition Assessment and Maintenance Analysis study.

RECOMMENDATION

Consider and discuss the results of the Facilities Condition Assessment study.

DISCUSSION

In the 2012/13 fiscal year, one of the key priorities of the City of Novato is to develop ‘A Plan for Fiscal and Organizational Sustainability’. The City is holding a series of work sessions to provide background and analysis on various components of fiscal sustainability. One key aspect of fiscal sustainability is to ensure ‘best management’ strategies for the long term maintenance and capital planning for city owned facilities.

City owned facilities are used for several purposes - municipal uses (Police Station, Public Works Corporation Yard, the Administrative Offices currently under construction), community uses (Margaret Todd Senior Center, Gymnastics Center, Hill and Hamilton Gyms) and leased space (Hamilton Artist Studios, Carlile House, O’Hair Park Buildings). In addition, the City of Novato has multiple buildings that are currently vacant and require renovation or disposition. The efficient management of these public facilities is crucial to the overall financial health of the city.

To evaluate the current state of City facilities, the consultant Faithful+Gould conducted a City Facilities Condition Assessment and Maintenance Analysis study. The Facilities Condition Assessment and Maintenance Analysis study reviewed all 21 active-use facilities. The consultant inspected each facility to evaluate the current condition, report any existing physical or operational deficiencies, provide cost estimates, and establish a 20 year schedule for repair work. The Facility Condition Assessment identifies current deferred maintenance, recommends annual maintenance

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funding levels and prioritizes capital improvements/major repairs necessary to maintain the facilities at a desired service level. The report outlines a master plan for ongoing and major facility improvements over the next 20 years. The ultimate goal of the individual facility reports is to provide detailed maintenance information for the City to determine how much funding should be set aside each year in order to properly maintain City facilities and meet overall City fiscal sustainability goals.

The Facility Condition Assessment revealed that 20 of the 21 facilities currently are in ‘Good’ condition as defined by Facility Condition Index (FCI) ratio – the FCI is an industry wide rating system used to determine building quality. One building, the Hamilton Gym and Bowling Alley, was determined to be in ‘Poor’ condition in its current state. The analysis shows that the total expenditures anticipated over the 20 year time period is \$11,235,000. Of the total expenditures, the analysis shows \$919,000 in current deferred maintenance. A more detailed analysis of the study is provided in the attached Executive Summary and presentation.

It should be noted that the scope of the facilities analysis did not include the following: structural/seismic analysis; detailed energy audit and modeling; environmental and hazardous materials inspection; detailed Americans with Disabilities Act (ADA) compliance; or a comprehensive maintenance staffing analysis. While the consultant did not provide a detailed inspection and analysis of these various issues, they identified them if they arose during the course of the inspections.

FISCAL IMPACT

Information only - the amount of fiscal impact will depend upon future council directives as part of the overall fiscal sustainability process.

ALTERNATIVES

None.

ATTACHMENTS

1. Executive Summary (*Appendix and individual building reports to be provided under separate cover.*)
2. Staff Presentation



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STAFF REPORT

MEETING

DATE: March 26, 2013

TO: City Council

FROM: Jason Nutt, Public Works Director

PRESENTER: Jason Nutt, Public Works Director

SUBJECT: **FISCAL SUSTAINABILITY WORK SESSION: WORKSHOP ON CITYWIDE INFRASTRUCTURE**

REQUEST

Consider receiving presentation and providing feedback.

RECOMMENDATION

Receive presentation and provide feedback.

DISCUSSION

Staff will provide Council with information relating to the value and cost of the City's infrastructure. Primary areas of discussion will include:

- Roadways
 - Pavement
 - Curb, Gutter & Sidewalks
 - Traffic Signals & Streetlights
 - Bridges
 - Retaining Walls
- Storm Drain Network

Additional studies are required to evaluate other infrastructure assets associated with parks and islands and will be reported on at a future Council meeting.

The City has benefited from a number of voter approved bond measures over the past 20 years. While these funds have not been large enough to cover the entire deferred maintenance associated with roadways, they have played a critical role in maintaining an average pavement condition index of 72. In addition, the policies established to administer Measure B have helped

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the City take a more proactive approach to maintaining sidewalks and street trees on behalf of property owners.

Several funding sources have been established in an effort to provide the City the ability to manage its assets, such as the Runoff Fee, Street and Storm Drain Maintenance Fund and DIF Drainage fund.

In general, the City has been a good steward of its infrastructure.

ALTERNATIVES

None. Informational item only.

FISCAL IMPACT

None. Informational item only.

ATTACHMENTS

1. Draft presentation