NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Teleconference meeting: All members of the City Council, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- Watch special meeting:
  - Access the special meeting real-time online at: joinwebinar.com – Special Meeting ID 326-904-987
  - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto: Channel 26
  - Online: menlopark.org/streaming

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City’s website www.menlopark.org. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).

According to City Council policy, all regular meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.
Special Session (Joinwebinar.com – ID# 326-904-987)

A. Call To Order

Mayor Taylor called the meeting to order at 1:07 p.m.

B. Roll Call

Present: Carlton, Combs, Nash, Mueller (arrived at 1:12 p.m.), Taylor
Absent: None
Staff: City Manager Starla Jerome-Robinson, Interim City Attorney Cara Silver, City Clerk Judi A. Herren

City Manager Starla Jerome-Robinson announced the need of an urgent closed session regarding labor at 1:45 p.m.

ACTION: Motion and second (Carlton/ Nash) to add a closed session conference to this meeting at 1:45 p.m. with labor negotiators pursuant to Government Code §54957.6 regarding labor negotiations with the American Federation of State, County, and Municipal Employees Local 829 (AFSCME) and Confidential employees; Service Employees International Union Local 521 (SEIU); Menlo Park Police Sergeants Association (PSA); Menlo Park Police Officers’ Association (POA); and Unrepresented Management, passed unanimously.

Mayor Taylor requested adding an agenda item to this meeting regarding the creation and appointment to a City Council subcommittee on homelessness in the Bayfront area.

ACTION: Motion and second (Nash/ Combs) to add agenda item to this meeting regarding the creation and appointment to a City Council subcommittee on homelessness in the Bayfront, passed unanimously.

The City Council discussed the creation of the subcommittee and their charge of creating emergency response procedures and protocols when addressing the homeless encampment in the Bayfront Area.

ACTION: Motion and second (Carlton/ Combs) to create and appoint City Councilmember Mueller and Mayor Taylor to the subcommittee, passed unanimously.

C. Regular Business – continued from May 19, 2020

C1. Provide direction on budget balancing measures including program and service reductions for the city manager’s proposed fiscal year 2020-21 budget and authorize issuance of notice of intent to layoff affected positions (Staff Report #20-106-CC)

Assistant City Manager Nick Pegueros and Community Services Director Derek Schweigart introduced the item and provided a brief summary of City Council discussion and action taken at the May 19 City Council meeting (Attachment).

The City Council discussed the childcare centers; Belle Haven Child Development Center (BHCDC) and the Menlo Children’s Center (MCC).
Urgent Closed Session

Closed session conference with labor negotiators pursuant to Government Code §54957.6 regarding labor negotiations with the American Federation of State, County, and Municipal Employees Local 829 (AFSCME) and Confidential employees; Service Employees International Union Local 521 (SEIU); Menlo Park Police Sergeants Association (PSA); Menlo Park Police Officers’ Association (POA); and Unrepresented Management

Attendees: City Manager Starla Jerome-Robinson, Interim City Attorney Cara Silver, Assistant City Manager Nick Pegueros, Labor Negotiator Charles Sakai

- Pamela Jones spoke in support of labor negotiations considering the impacts of lower paid employees.
- Josie Gaillard spoke in support of labor negotiations.
- Lynne Bramlett spoke in support of the labor negotiations and in favor of higher wage earners taking a larger percentage cut.

The City Council adjourned to the closed session at 2:06 p.m.

The City Council reconvened in open session at 5:37 p.m.

Report from Closed Session

No reportable actions.

D. Adjournment

Mayor Taylor adjourned the meeting at 5:39 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of July 14, 2020.
FISCAL YEAR 2020-21 SERVICE AND PROGRAM REDUCTIONS

May 19, 2020

AGENDA

- Introduction
- Review of staff report
- Public comment
- Break
- Worksheet procedures and use
- City Council questions and deliberations
WHY ARE WE HERE?

- June 18, 2019: Balanced budget FY 2019-20
- March 11, 2020: Adoption of Local Emergency
- April 28, 2020: $8 million FY 2019-20 revenue shortfall
- May 19, 2020: Direction on list of potential reductions
- May 12, 2020: $12.7 million revenue shortfall in FY 2020-21
- June 9, 2020: Budget public hearing
- June 23, 2020: Budget adoption
- July 1, 2020: Start of new fiscal year
2020-21 REVENUE SHORTFALL
$12.7 MILLION

HOW PROGRAMS ARE FUNDED
2019 BASELINE

Police
- General taxes: 17,403,472
- Charges for services: 1,094,061
- Grants and other: 2,631,100
- Total: 19,128,633

Community services
- General taxes: 5,163,600
- Charges for services: 3,742,284
- Grants and other: 1,291,046
- Total: 9,196,930
BALANCING MEASURES

- Operating revenue
  - Tax increases
  - Fee increases

- Operating expenditures
  - Essential services
  - Mandated services
  - Baseline services

- One-time money
  - Economic stabilization fund
  - Unassigned fund balance
  - Capital monies
  - Sale of assets

2019 HEADCOUNT (IRS W-2 FORMS)
TOTAL = 503

<table>
<thead>
<tr>
<th>Department</th>
<th>Benefited</th>
<th>Non-benefited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>71</td>
<td>19</td>
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<tr>
<td>Police</td>
<td>82</td>
<td>11</td>
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<tr>
<td>Library</td>
<td>23</td>
<td>49</td>
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<td>Community services</td>
<td>51</td>
<td>134</td>
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<tr>
<td>Community development</td>
<td>26</td>
<td></td>
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<tr>
<td>General administration</td>
<td>46</td>
<td></td>
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</table>
UNREPRESENTED EMPLOYEES

- Management
  - 25 positions
  - Total wage & pensionable of $4.50 million (general fund)
  - 25% reduction in personnel costs
    - No cost of living adjustment, merit increase, or bonus
    - Freeze two vacant department heads
    - Additional personnel cost savings of $231,291
    - Employee share increasing 1.2% July 1, no offset

- Confidential
  - 8 positions
  - Total wage & pensionable of $0.95 million
  - Mirror AFSCME wage and benefits

REPRESENTED NON-SAFETY EMPLOYEES

- Non-supervisory employees
  - Represented by Service Employees International Union Local 521 (SEIU)
  - Total wage & pensionable of $12.45 million (general fund)
  - Contract expires June 30, 2021

- Supervisory miscellaneous employees
  - Represented by American Federation of State, County, and Municipal Employees Local 829 (AFSCME)
  - Total wage & pensionable of $4.56 million (general fund)
  - Contract expires June 30, 2021
REPRESENTED SAFETY EMPLOYEES

- Police officers and corporals
  - Represented by Menlo Park Police Officers’ Association (POA)
  - Total wage & pensionable of $8.03 million
  - Contract expires August 31, 2021
- Police sergeants
  - Represented by Menlo Park Police Sergeants’ Association (PSA)
  - Total wage & pensionable of $2.72 million
  - Contract expires June 30, 2022

FISCAL YEAR 2020-21
BALANCED BUDGET
REQUESTED DIRECTION

- Provide direction on program and service reductions to include in the city manager’s proposed budget
  - Confirmation of consensus at prior meeting
  - Budget balancing measures
    - Service reductions
    - Revenue options
    - Use of one-time money
- Authorize issuance of layoff notices to employees

RECOMMENDATION

<table>
<thead>
<tr>
<th>Category</th>
<th>2020-21 baseline</th>
<th>Recommendation</th>
<th>2020-21 recommended</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>$ 68,214,481</td>
<td>$ (12,688,343)</td>
<td>$ 55,526,137</td>
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<tr>
<td>Personnel</td>
<td>44,689,302</td>
<td>(4,570,057)</td>
<td>40,119,245</td>
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<tr>
<td>Non-personnel operating</td>
<td>22,639,570</td>
<td>(4,100,000)</td>
<td>18,539,570</td>
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<tr>
<td>Use of one-time money</td>
<td></td>
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<tr>
<td>Decrease capital transfer</td>
<td>3,002,400</td>
<td>(970,000)</td>
<td>2,032,400</td>
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<tr>
<td>Use of reserves</td>
<td>-</td>
<td>2,620,586</td>
<td>2,620,586</td>
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VACANT POSITIONS

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<thead>
<tr>
<th>Position</th>
<th>Fully burdened cost</th>
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<tbody>
<tr>
<td>Administrative Services Director</td>
<td>270,836</td>
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<tr>
<td>Human Resources Technician</td>
<td>127,506</td>
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<tr>
<td>Building Inspector</td>
<td>158,837</td>
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<tr>
<td>Plan Check Engineer</td>
<td>182,457</td>
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<tr>
<td>Senior Planner</td>
<td>176,693</td>
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<tr>
<td>Management Analyst I/II/Sr</td>
<td>181,650</td>
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<tr>
<td>Management Analyst I/II/Sr</td>
<td>185,431</td>
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<tr>
<td>Recreation Coordinator</td>
<td>124,207</td>
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<tr>
<td>Management Analyst I/II</td>
<td>147,592</td>
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<tr>
<td>Child Care Teacher II</td>
<td>106,244</td>
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<tr>
<td>Communications Training Dispatcher</td>
<td>147,160</td>
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<tr>
<td>Police Records Specialist</td>
<td>116,124</td>
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<tr>
<td>Parking Enforcement Officer</td>
<td>66,208</td>
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<tr>
<td>Police Corporal</td>
<td>189,507</td>
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<tr>
<td>Police Officer</td>
<td>177,543</td>
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<tr>
<td>Police Officer</td>
<td>177,543</td>
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<tr>
<td>Police Officer</td>
<td>177,543</td>
</tr>
<tr>
<td>Management Analyst I/II</td>
<td>147,592</td>
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<tr>
<td>Associate Civil Engineer</td>
<td>180,967</td>
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<tr>
<td>Building Custodian</td>
<td>106,244</td>
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<tr>
<td>Building Custodian</td>
<td>106,244</td>
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<tr>
<td>Associate Transportation Engineer</td>
<td>180,967</td>
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<td>Junior Engineer</td>
<td>128,265</td>
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<td>Community Development Director</td>
<td>256,415</td>
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<td>Assistant Public Works Director - Transportation</td>
<td>213,169</td>
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<tr>
<td>Associate Planner</td>
<td>163,108</td>
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ADDED MEASURES

- Reopening scenarios
  - Belle Haven CDC
  - Menlo Children’s Center
  - Gymnastics programming
- Additional payments to CalPERS using strategic pension reserve
- Clarification on transportation positions
REQUESTED DIRECTION

- Provide direction on fiscal year 2020-21 budget
  - Service reductions
  - Revenue options
  - Use of one-time money
- Authorize issuance of layoff notices to affected staff

AGENDA

- Introduction
- Review of staff report
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QUESTIONS