

MINUTES
ADJOURNED CITY COUNCIL MEETING
ORGANIZATIONAL ANALYSIS
AND
BUDGET STUDY SESSION
(Continued)
JUNE 20, 2005

An adjourned meeting of the City Council of the City of Rolling Hills Estates was called to order at 9:12 a.m., at the Rolling Hills Estates Council Chambers, 4045 Palos Verdes Drive North, by MAYOR ADDLEMAN.

ROLL CALL

City Council Members Present: Addleman, Mitchell, Seamans, Zerunyan,
Zuckerman

City Staff Present: City Manager Doug Prichard
Assistant City Manager Sam Wise
Community Services Director Andy Clark
Planning Director David Wahba
Interim Finance Director Mike Whitehead

PUBLIC COMMENT

NONE

ITEMS FOR DISCUSSION

A. CONSIDERATION OF ANALYSIS CONDUCTED BY MANAGEMENT PARTNERS

John Baker, Consultant, Management Partners, Inc., provided an extensive presentation of his organizational analysis. He began with methodology of the study, overview results, findings and recommendations, and general observations.

Primary recommendations for City Council

- Develop consistency with contractors
- Need policy guidance for staff
- Accountability of staff to see that contracts are carried out
- Establish basic criteria for contract standards
- Must know what the City wants from the contract

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Planning of Work

- Issues from Policy Development Session
- Major issues reflected in annual budget
- Departmental goals
- Daily routines of work units
- Program and personnel evaluations
- Report back to City Council on major issues
- Domains clear for all participants

Technology

- Size of office is not an issue
- New financial management software
- Outsourcing for payroll
- Records management and retrieval
- City Council voicemail and e-mail
- Contract for hardware and software maintenance

City Budgeting

- Reflect City Council goals
- Capital versus operating budget (streets and drains)
- Dependent on good software system
- Tie capital projects to goals
- Report on accomplishments

Administrative Support Functions

- Administrative Services Director
- Upgrade Account Clerk
- Risk Management/Training
- Information Technology (maintained in-house)
- Staff pool support

Economic Development

- City Council goals
- Centralize direction and coordination
- Determine/use outside expertise as needed
- Upgrade position Administrative Analyst

Community Services

- Tennis Club staff turnover
- Solidify staff and recruitment practices
- Determine overhead charges
- Develop park maintenance management plan
- Determine necessary frequency of trash pick-up
- Duplication of contractor/maintenance staff duties
- Bid landscape services contract and include performance criteria and reporting

Municipal Stables

- Survey trainer fees
- Develop good policy manual
- Upgrade stables
- Determine proper overhead
- Consider concessionaire services

Organizational Communication

- Most common issue in organizations
- Size of organization does not matter
- Policy making information
- Day-to-day policy makers
- Employee expectations
- Constant vigilance for employee needs

Organizational Needs

- Safety/Technology training for different disciplines
- Employee development
- Keep an eye on succession planning

Special Enhancements

- Facilitate public contact
- Provide conference space
- Look at long-term needs

Conclusion

- Contract city – what it means
- Emphasis on items for improvement
- Do not lose sight of excellent work performed by staff
- Staff interest in the process

MAYOR ADDLEMAN noted that he believed this report to be a valuable road map for the City.

COUNCILWOMAN MITCHELL inquired as to the goal setting for the Policy Development Session. She suggested breaking the topics into sets of three for a more focused discussion.

Mr. Baker suggested prior to a goal setting session, each CITY COUNCIL MEMBER as well as Department Heads should decide on what the individual issues are and discuss them in a group and develop objectives to achieve those goals.

MAYOR PRO TEM ZUCKERMAN noted that, while these recommendations can be utilized as a reference point, it is important to revisit them in order to make sure they have been instituted.

Mr. Baker acknowledged that once recommendations are made, oftentimes they are not enforced. He noted that he will bring back all of them listed in priority for COUNCIL review.

It was the consensus of the COUNCIL to follow this approach.

COUNCILMAN ZERUNYAN noted that certain things were discussed at the Policy Development Session with respect to technology and urged the COUNCIL to move forward on this item.

COUNCILWOMAN MITCHELL suggested holding another Policy Development Session.

COUNCILMAN ZERUNYAN noted that he would like to see the policymakers prioritize this list rather than the consultant as some items may be irrelevant.

MAYOR ADDLEMAN stated he would like to see what Management Partners comes back with and have the COUNCIL decide at that time which recommendations should be followed according to City Manager Prichard.

MAYOR PRO TEM ZUCKERMAN noted to separate items that would generate revenue and items that would generate a cost with the focus on the latter keeping in mind that implementation may be difficult due to economic constraints.

City Manager Prichard noted that the COUNCIL has not reviewed the budget and fund balance policy as yet which may restrict the COUNCIL'S ability to take money and spend it on certain projects.

COUNCILWOMAN MITCHELL suggested looking at the long-term goal for remodeling City Hall. Mr. Baker noted he will review those types of reserves.

COUNCILMAN ZERUNYAN noted that many items have already been included in the budget. He also stated that the Community Center could be utilized as an off-site conference room.

MAYOR ADDLEMAN requested Mr. Baker prioritize COUNCIL and management items separately and then the COUNCIL can meet to implement those items that are feasible while planning for the future.

MAYOR PRO TEM ZUCKERMAN suggested reviewing the organizational analysis, but cautioned the COUNCIL not to lose sight of the budget policy.

Mr. Baker commented that "what gets measured gets done."

City Manager Prichard noted that some recommendations can be done administratively, but others require some thoughtful analysis.

COUNCILMAN ZERUNYAN noted that the first item of business should be matching those recommendations to the existing budget.

City Manager Prichard indicated that when the budget is presented to the COUNCIL at the public hearing, a subsequent report will be brought back.

It was the consensus of the COUNCIL to follow this approach.

COUNCILWOMAN SEAMANS referred to personnel in regards to adding another planning position. She believed it was necessary as she is frustrated with long-term projects not being completed due to lack of staff.

COUNCILWOMAN MITCHELL suggested having another meeting on this document and focus on the larger issues, i.e. stable relocation, long-term remodeling of City Hall, etc. and discuss these items in the next few months.

MAYOR ADDLEMAN suggested in the next couple of months to have the COUNCIL go through the prioritized recommendations and review the policies.

Mr. Baker then recommended that COUNCIL meetings go dark for a month as is practiced by many other cities.

COUNCILWOMAN MITCHELL referred to development fees and if they require immediate attention.

MAYOR PRO TEM ZUCKERMAN requested clarification regarding planning/building fees for plan checks as this also becomes a public relations issue.

City Manager Prichard noted he will work with MAYOR ADDLEMAN for a timeframe and respond to those findings.

It was the COUNCIL to commend Interim Finance Director Whitehead on an excellent budget document.

COUNCILWOMAN SEAMANS inquired into the proposed streamlining of COUNCIL minutes.

After brief discussion, it was the consensus of the COUNCIL to continue having the Planning Commission meetings transcribed in detail while eliminating much of the discussion from the COUNCIL minutes and provide action minutes only.

Mr. Baker suggested having the COUNCIL meeting recorded on DVDs rather than video tape.

CONTINUED BUDGET STUDY SESSION

A. PROPOSED MUNICIPAL STABLE FEE CHANGES

Community Services Director Clark provided a staff report (as per agenda material).

Discussion ensued regarding increasing the boarder fees by \$13.00 and a \$5.00 surcharge for non-residents.

COUNCILWOMAN MITCHELL inquired if trainers' fees were discussed as they appear to be very low and should be reviewed as they will bring in additional revenue. Community Services Director Clark indicated that they were not.

COUNCILMAN ZERUNYAN stated that it does not make sense for the City to subsidize non-residents at the Stables.

MAYOR PRO TEM ZUCKERMAN reported that it was the Equestrian Committee did not express a strong opinion on this matter.

COUNCILMAN ZERUNYAN suggested implementing a CPI increase (4.8%) plus a non-resident surcharge.

It was the consensus of the COUNCIL to refer trainer fees to the Equestrian Committee for discussion.

B. TENNIS CLUB REVENUE ANALYSIS

Community Services Director Clark provided a staff report (as per agenda material).

MAYOR ADDLEMAN commented that the City should not be subsidizing non-residents for use of the tennis courts.

COUNCILWOMAN MITCHELL noted that she spoke to a Peninsula resident where he suggested eliminating staff during the week and provide it only on weekends.

COUNCILMAN ZERUNYAN recommended that tennis staff only be provided at the Tennis Club on weekday mornings leaving the afternoon free. He requested the following data be provided: 1) Amount generated by Marine League; and 2) Costs associated with staffing and court fees from 12:00 noon on and bring back as part of the budget. He also suggested contacting the Marine League for their input.

At 11:55 a.m., the CITY COUNCIL convened into closed session.

At 12:30 p.m. the COUNCIL reconvened with MAYOR ADDLEMAN, MAYOR PRO TEM ZUCKERMAN, COUNCILWOMAN MITCHELL, COUNCILWOMAN SEAMANS, COUNCILMAN ZERUNYAN and COUNCILMAN ZUCKERMAN present.

CLOSED SESSION

- A. DISCUSSION WITH RESPECT TO PERSONNEL MATTERS – EMPLOYEE ASSOCIATION
(Pursuant to Government Code Section 54957)

NO ACTION WAS TAKEN.

ADJOURNMENT

At 12:30 p.m., MAYOR ADDLEMAN formally adjourned the meeting to Tuesday, June 28, 2005, at 7:30 p.m.

Submitted by,

Approved by,

Hope J. Nolan
Deputy City Clerk

Douglas R. Prichard
City Clerk