

**CITY OF BEVERLY HILLS
MINUTES – SPECIAL BUDGET STUDY SESSION #3
May 12, 2016
1:30 p.m.
City Council Chamber**

PRESENT: Mayor Mirisch
Vice Mayor Krasne
Councilmember Bosse
Councilmember Gold
Mahdi Aluzri, City Manager
Laurence Wiener, City Attorney
Susan Healy Keene, Director of Community Development
Aaron Kunz, Deputy Director of Transportation
David Schirmer, Chief Information Officer
Chad Lynn, Assistant Director of Public Works Services - Parking and Facilities Operations
Trish Rhay, Assistant Director of Public Works Services - Infrastructure and Field Operations
George Chavez, Assistant City Manager/Director of Public Works Services
Nancy Hunt-Coffey, Director of Community Services
James Latta, Human Services Administrator
Ken Pfalzgraf, Park and Urban Forest Manager
Eliot Finkel, City Treasurer
Carolyn Johnson, Budget and Financial Analyst
Don Rhoads, Director of Administrative Services/Chief Financial Officer
Sandra Spagnoli, Chief of Police
Shan Davis, Police Lieutenant

ABSENT: None

Vice Mayor Krasne called the meeting to order at 1:39 p.m. Mayor Mirisch arrived at 1:53 p.m.

ORAL COMMUNICATIONS:

None

A – DIRECTION

- 1) Introduction
Item discussed at the May 3, 2016 Special Budget Study Session.
- 2) Economic Overview and Revenues
Item discussed at the May 3, 2016 Special Budget Study Session.
- 3) Budget Overview
Item discussed at the May 3, 2016 Special Budget Study Session.
- 4) Departments (changes, work plan highlights, Enhancements, new CIPs)
 - a) Policy & Management
Item discussed at the May 10, 2016 Special Budget Study Session.

b) City Attorney

Item discussed at the May 10, 2016 Special Budget Study Session.

c) City Clerk

Item discussed at the May 10, 2016 Special Budget Study Session.

d) Administrative Services

Item discussed at the May 10, 2016 Special Budget Study Session.

e) Police

Item discussed at the May 10, 2016 Special Budget Study Session.

f) Fire

Item discussed at the May 10, 2016 Special Budget Study Session.

g) Community Development

Community Development Director Susan Healy Keene discussed the changes to the department's budget, projected revenues, the historic preservation fees that were approved mid-year and the department's work plan highlights. Ms. Healy Keene detailed the one-time and recurring budget enhancements. She pointed out the enhancements that will be offset by revenues.

Deputy Director of Transportation Aaron Kunz answered questions on the Measure R funds. Ms. Healy Keene explained the Council process to request a study of the Hilton Garden and Open Space Initiative and provided details on the department's related budget enhancement request. City Attorney Laurence Wiener spoke on the Council's options after the Initiative's signatures have been verified. Mayor Mirisch asked staff to prepare an agreement for Council approval on the June 6th Formal meeting. Council agreed to appoint City Manager Mahdi Aluzri to approve an agreement up to \$50K.

Councilmember Gold and Councilmember Bosse expressed support for the enhancements and encouraged staff to return to Council to request more staffing should staffing not prove to be sufficient.

h) Information Technology

Chief Information Officer David Schirmer reported that the reduction in the department's budget is due to the removal of the depreciation expense. He detailed the department's work plan highlights and spoke on the implementation of a new data center and plans for an enhanced phone system.

Mr. Schirmer answered questions about the Community Video Security work plan. Councilmember Gold requested a report on the data plan. Mr. Schirmer also spoke on the ongoing budget enhancements for license and maintenance fees and detailed the request for a Public Works Systems Integrator. He explained that the position would be able to write a report that queries data to report to the public.

Councilmember Bosse pointed out that CCTV is a priority and asked about the progress.

Mr. Schirmer explained that a list of locations is currently available but needs to be reprioritized. She asked staff to return to Council to provide an update on the progress.

i) Public Works Services

Assistant Director of Public Works Services - Parking and Facilities Operations Chad Lynn spoke on the changes in the department which include the consolidation of the Capital Assets and Public Works departments. Mr. Lynn reviewed the work plans and detailed the one-time and ongoing budget enhancements requests.

City Attorney Laurence Wiener provided clarification on the department's request for the water enterprise plan legal fees. Assistant City Manager/Director of Public Works Services George Chavez added that the department determined the request based on the expectation of a significant amount of work centered on existing plans.

Assistant Director of Public Works Services - Infrastructure and Field Operations Trish Rhay spoke on the Water Storm Supervisor enhancement request and clarified that additional staff is requested to alleviate the increased workload of the current supervisor. She provided clarification on the need for a Water Efficiency Technician and explained the position's duties.

j) Capital Assets

Assistant Director of Public Works Services - Parking and Facilities Operations Chad Lynn reported that the Capital Assets Department is now part of the Public Works Department. He spoke on the formation of a metro project mitigation team and reviewed the department's top work plan highlights.

Mr. Lynn reported on the ongoing budget enhancements related to the metro project mitigation. He noted that all of the positions will be mostly reimbursed by Metro and that the expenses that will not be reimbursed will be recovered with an overhead charge.

City Manager Mahdi Aluzri spoke on metro funding for claims to business interruptions and Vice Mayor Krasne asked that staff monitor it.

k) Community Services

Director of Community Services Nancy Hunt-Coffey provided a brief overview of the department's divisions and programs. She reviewed the changes in the department which include new projects and successful revenue sources. Ms. Hunt-Coffey spoke on the department's work plan highlights and reviewed the ongoing budget enhancements for positions, operations and maintenance.

Ms. Hunt-Coffey provided details on the enhancement requests related to the dog park. Human Services Administrator James Latta spoke on Community Assistance Grant Funding and the Ambassadors program. Councilmember Bosse suggested that staff share a report with the community on the Ambassador program to highlight the program's success.

Ms. Hunt-Coffey also answered questions regarding the Greystone work plan. Park and

Urban Forest Manager Ken Pfalzgraf answered questions on the pine trees.

- l) Parking Authority
Item not discussed.

5) Budget Review Committee Presentation

City Treasurer Eliot Finkel spoke on the purpose, background and members of the Citizen's Budget Review Committee. He reported on the past recommendations made by the Committee and spoke on the successful implementation of their ideas.

Mr. Finkel reported on the Committee's 2016 findings and noted a positive projected growth. He spoke on the Committee's concerns related to revenue and provided their recommendations. Former mayor and committee member Ed Brown expressed concern regarding the overbuilding of hotels.

Councilmember Bosse suggested a meeting with the Beverly Hills Visitors and Conference Bureau and Beverly Hills Chamber of Commerce to request their assistance to encourage retail businesses to maintain later hours as recommended by the Committee.

Mr. Finkel pointed out that the City is already in an enviable financial position and that the Committee's suggestions depend on the Council's determination on how much they want the City to increase its financial growth.

He reported that he does not have any preference as to which Capital projects to remove.

6) CIP

Budget and Financial Analyst Carolyn Johnson reported on the Capital Improvement Program's (CIP) FY 15/16 accomplishments. She detailed the FY 16/17 new projects and noted that the Fiber to the Premises (FTTP) project has been added as a separate project. Ms. Johnson also detailed the current on-going CIP projects.

Director of Administrative Services/Chief Financial Officer Don Rhoads answered Council questions regarding the Water Enterprise Fund. Assistant Director of Public Works Services - Infrastructure and Field Operations Trish Rhay answered questions regarding technology and the recycling of greywater/storm water.

Chief of Police Sandra Spagnoli answered questions regarding police facility upgrades. Lieutenant Shan Davis spoke on the progress of the program and clarified that an assessment is needed and is dependent on the strategic plan.

Assistant Director of Public Works Services - Parking and Facilities Operations Chad Lynn spoke on the parking facilities funding upgrades and on the expected completion date.

Chief Information Officer David Schirmer spoke on the replacement of information technology equipment.

Deputy Director of Transportation Aaron Kunz spoke on bus stop improvements, plans for traffic calming during the Santa Monica construction and funding for intersection improvements.

Director of Community Services Nancy Hunt-Coffey spoke on the Beverly Gardens Park fund matching.

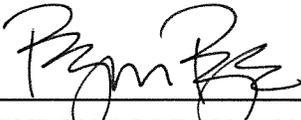
Assistant City Manager Mahdi clarified that the funds for Parcels 12 & 13 is a placeholder and has not been spent.

7) City Council Additional Priorities and Direction

Council asked staff to consolidate Council questions.

The Budget Study Session #3 adjourned at 5:58 p.m.

PASSED, Approved and Adopted this 19th day of July, 2016



BYRON POPE, City Clerk



JOHN A. MIRISCH, MAYOR

This meeting was televised on City of Beverly Hills Municipal Government Television Access, BHN/10, Time Warner Cable.