

**TOWN OF APPLE VALLEY  
TOWN COUNCIL/REDEVELOPMENT AGENCY**

**SPECIAL MEETING  
MINUTES – July 25, 2011**

**CALL TO ORDER:**

Mayor Nassif called to order the Special Meeting of the Apple Valley Town Council at 3:30 p.m.

Roll call was taken with the following members present:

Roll Call

Present: Boardmember/Council Members: Coleman; Emick; Roelle; Vice-Chair/Mayor Pro Tem Stanton; Chair/Mayor Nassif.

Absent: None.

**PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was led by Councilmember Roelle

**PUBLIC COMMENTS**

Douglas Fenn, Town Employee, expressed concern regarding the current financial obligations of the Town of Apple Valley. He stated that employees had made suggestions for the Council's review regarding ways in which to address the debt without negatively affecting employees.

Tom Brown, Town Employee, read a prepared statement regarding the discussions by the Town Council to reduce employee benefits. He stated that employees rely on these benefits that were given to them as part of their hiring package. He believed that changing the benefits at this time would not be fair to employees and their families.

David Mueller, Highdesertpolitics.org, questioned how the Town could approve a water deal when it has not discussed it with the citizens of Apple Valley.

***BUSINESS OF THE COUNCIL***

- 1. Town Of Apple Valley Compliance With The State Of California Voluntary Alternative Redevelopment Program Pursuant To Part 1.9 Of Division 24 Of The California Health And Safety Code As Provided By Abx1 27.**

Kenneth Henderson, Assistant Town Manager, Economic and Community Development, presented the staff report as filed with the Town Clerk. He commented on the need to adopt Ordinances 421 and 422 as listed within the staff report.

Discussion ensued regarding the state budget and it's affect on Redevelopment Agencies.

Mayor Pro Tem Stanton asked questions regarding what would happen should the Town decide to opt out of the Redevelopment Program.

David Mueller, Highdesertpolitics.org, expressed concern regarding the meetings beginning at 3:00 p.m. He also expressed concern regarding the funding for the RDA that must be paid to the state.

Mayor Nassif announced that the Town Attorney's office has recommended that no action be taken on this item until they have had an opportunity to review whether or not any member of the Town Council has a conflict that would prohibit them from voting on this item.

Based on this new information provided, it was the consensus of the Town Council to continue this item to July 26, 2011.

### **RECESSED MEETING**

Mayor Nassif declared a recess of the Apple Valley Town Council at 4:05 p.m.

### **RECONVENED MEETING**

Mayor Nassif reconvened the meeting of the Apple Valley Town Council at 4:16 p.m.

## **2. FY 2011/2012 Budget Workshop - Continued**

Mark Puckett, Director of Finance, reviewed the budget as previously submitted, stating that this was the fourth budget workshop. He presented by PowerPoint, budget summaries for the Council's review. Mr. Puckett commented on how the recommendations were made in an effort to try and eliminate the need for layoff of employees.

Mr. Puckett commented on the pressures of the budget recommending a step cycle to the budget approval process. He discussed the impact to Town services as it relates to the issues dealing with the RDA and stated that it was his recommendation to take a "wait and see" approach to this issue. He explained that should the budget be adopted as presented, adjustments could be made as necessary.

David Mueller, Highdesertpolitics.org questioned why the budget was not online. He believed that it should be public. He also commented on information that he received through his records request regarding funding in the wastewater fund.

Mr. Puckett replied stating that in addition to the budget being online since the first budget workshop, hard copies have been made available to the public at each budget workshop.

Mr. Puckett continued his budget presentation and commented on the need to review both sides of the equation when working on the budget. He commented that in some cases expenditures need to be increased when revenues are not cost recovery.

Mayor Pro Tem Stanton commented on the Town's lobbyist. She recommended that the Town review reducing funding to the state and/or federal lobbyist, reduce travel funding, and cut Hispanic Chamber funding. She also asked if the Town had any property that could be sold.

Mayor Pro Tem Stanton also asked if there was a no loss clause for the operators of the golf course.

Mr. Puckett explained that as the contract exists, the Town pays for the operation of the course and a management fee. The management group assumes the risk associated with food and beverages.

Dennis Cron, Assistant Town Manager, Municipal Operations and Contract Services, explained for the benefit of the Town Council, the reduced pay scale for water on the golf course and how the rate is applied. He stated that the new rate will not become effective until escrow closes.

Mayor Nassif stated that he is in favor of the two-tier retirement change to benefits and reducing travel and reducing or cutting lobbyist fees.

Discussion ensued regarding the affect that travel reduction would have on the various boards and committees where Council Members participate.

Mayor Nassif recommended that Councilmember's work with the Mayor on travel concerns.

Discussion ensued regarding Table 3 as listed in the memorandum distributed by staff concerning potential cuts to the budget.

Discussion ensued regarding the request for the GIS Upgrade Software for the Planning Department and the Blade Server for the Information Systems Department, which supports all Town Departments. Staff also discussed that the GIS Software Upgrade may not work without the update to the server. Also discussed was the funding for both software and whether or not annual payments could be made.

It was the consensus of the Town Council to bring this issue back at a future date for consideration with alternate funding sources.

Nikki Salas, Director of Human Services, provided clarification to the Town Council regarding the 401K Contribution Program and Longevity Pay.

After additional discussion on proposed reductions to the budget, it was the consensus of the Town Council to approve the following:

- Temporary Hiring freeze
- Two-tier Retirement formula
- Reduce travel
- Reduce Charles Abbott Contract
- Reduce lobbyist funding up to \$50,000

Mr. Puckett announced that with the proposed reductions recommended by the Town Council, the budget would be approximately \$64,030 in the green.

Discussion ensued regarding concerts in the park and the cost to provide the concerts to the community. Also discussed were the various costs for Park and Recreation services and the need to cut costs in order to reduce the subsidy of this department from the general fund.

Mr. Cron stated that staff can present to the Town Council a list of potential reductions that could be made to the Parks and Recreation budget.

Ralph Wright also informed the Town Council that as part of the Master Plan there will be a survey presented to the public regarding services.

The Town Council believed that there was a need for a committee to work on the issue of the Parks and Recreation Department. It was the consensus of the Town Council that Councilmember Coleman and Councilmember Roelle be appointed to a Parks and Recreation Committee. Councilmember Emick will be the alternate.

Mr. Puckett stated that the budget resolution will be presented to the Town Council for adoption at the meeting of August 9, 2011.

Mayor Nassif thanked staff for their work on this process. He recommended as suggested by staff that future meetings dealing with employee benefits be conducted that would include members of staff for their input, prior to budget hearings.

**ADJOURNMENT**

**MOTION**

Motion by Councilmember Emick, seconded by Councilmember Coleman, and unanimously carried, to adjourn the Special Meeting at 6:08 p.m.

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Mayor

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Town Clerk