

AGENDA
SPECIAL MEETING OF THE
CITY OF KING CITY COUNCIL

WEDNESDAY MAY 26, 2021
4:00 P.M.

CITY HALL
212 S. VANDERHURST AVENUE
KING CITY, CALIFORNIA 93930

**Teleconference and Conference call services will be available for the meeting.*

To join the meeting, select ONE of the options below:

- 1) *Copy and paste the full link highlighted below into your internet browser to
Join Zoom Meeting*

<https://bit.ly/3hBVK9A>

- 2)-OR- **Call the following number** +1 669 900 9128
Meeting ID: 810 0875 5268
and put in Passcode: 737372

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting, Please contact the City Clerk's Office (831-386-5925) at least 48 hours prior to the Meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

** Please submit all correspondence for City Council PRIOR to the meeting with a copy to the City Clerk.*

1. CALL TO ORDER

- 2. ROLL CALL:** Council Members Darlene Acosta, Robert Cullen, Carlos DeLeon, Mayor Pro Temp. Carlos Victoria, and Mayor Mike LeBarre

3. FLAG SALUTE

4. PUBLIC COMMENT

Any member of the public may address the Council for a period not to exceed *three minutes'* total on any item of interest within the jurisdiction of this Council that is not on the agenda. The Council will listen to all communications; however, in compliance with the Brown Act, the Council cannot act on items not on the agenda. Comments should be directed to the Council as a whole and not to any individual Council Member. Slanderous, profane or personal remarks against any Council Member, staff member or member of the audience is not permitted.

5. REGULAR BUSINESS

- A. Consideration of Recommended FY 2021-22/FY 2022-23 Biennial Budget
Recommendation: 1) receive a presentation of the proposed FY 2021-22/ FY 2022-23 Biennial Budget; 2) provide direction on any desired changes; and 3) direct staff to draft a Resolution for adoption of the Budget at the June 8, 2021 meeting.

6. ADJOURNMENT



Item No. 5 (A)

REPORT TO THE CITY COUNCIL

DATE: MAY 26, 2021

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

RE: CONSIDERATION OF RECOMMENDED FY 2021-22/FY 2022-23 BIENNIAL BUDGET

RECOMMENDATION:

It is recommended the 1) receive a presentation of the proposed FY 2021-22/ FY 2022-23 Biennial Budget; 2) provide direction on any desired changes; and 3) direct staff to draft a Resolution for adoption of the Budget at the June 8, 2021 meeting.

BACKGROUND:

Staff is pleased to present the Recommended Biennial Budget for FY 2021-22/ FY 2022-23 for the City Council's consideration. The Budget, as proposed by staff, was unanimously recommended by the Budget Advisory Committee at their meeting on May 17th. Once the City Council has completed its review, staff will make any changes directed by the City Council and provide a Resolution for approval at the June 8 2021 meeting.

The budget document is attached, which includes a budget message, overview information, summary of General Fund accounts, summary of enterprise funds, summary of special funds, the Capital Improvement Program (CIP), the Long Range Financial Plan, and the account detail. Please review the budget message for a more detailed discussion of the contents and analysis of the proposed budget.

**CITY COUNCIL
CONSIDERATION OF RECOMMENDED FY 2021-22/FY 2022-23 BIENNIAL
BUDGET
MAY 26, 2021
PAGE 2 OF 4**

DISCUSSION:

All recommended budgets are balanced and make progress toward accomplishing each of the major budget goals/priorities that were approved by the City Council in the first step of the budget process. The major goals that were established for the budget include the following:

- Pay off remaining debt in the General Fund.
- Maintain and expand implementation of measures in the Comprehensive Plan to End Youth Violence.
- Expand maintenance and upgrade of the City's streets, sidewalks, wastewater system, and parks.
- Attract new businesses and construct the Downtown Plaza project and other improvements designed to revitalize the downtown area.
- Add multi-family market rate, affordable and seasonal employee housing units to address housing needs.
- Continue efforts to pursue grants to fund high priority projects and programs designed to improve overall quality of life in the community and to meet community needs.
- Continue efforts to improve City processes to increase efficiency and customer service.

The most exciting feature of this budget is that it is projected to repay the remainder of the negative fund balance in the General Fund. The last time the City had a positive General Fund balance was in 2005. Therefore, this represents a major accomplishment in fiscal management for the City.

When the pandemic began, the City reacted quickly to adjust the budget to plan for anticipated financial impacts. Reductions in revenues have been significant, but less than anticipated. As a result, the City is now able to return many of the items previously eliminated and address some minimal amount of other needs.

The most significant changes in the General Fund expenditures include the following:

- Addition of a full-time Public Works Director position
- Addition of one full-time Public Works Maintenance Worker position
- Funding to contract maintenance of specialized landscaped areas
- Increase in funding for Public Works and Parks repairs
- Consultant services for redesign of the City's website
- Increased internet costs for new fiberoptic service
- Geographic information system (GIS) software

**CITY COUNCIL
CONSIDERATION OF RECOMMENDED FY 2021-22/FY 2022-23 BIENNIAL
BUDGET
MAY 26, 2021
PAGE 3 OF 4**

- Increase in property and liability insurance costs
- Fire Station equipment purchases

Funding constraints limit the amount of expenditures in the General Fund available for capital improvements. However, due primarily to an intensified effort to pursue grants, the budget includes an extensive list of major projects funded from grants and other funding sources. Major items include increased funding for the annual Street Improvement Program, construction of the Citywide Sidewalk Improvement Project, design and planning for the Multimodal Transportation Center, paving of the taxiway at Mesa Del Rey Airport, sewer line replacements on Lynn Street and Pearl Street, Phase I expansion of corner bulbouts in the downtown area, and installation of solar streetlights on Jayne Street.

One of the most important components of the Biennial Budget is the Long Range Financial Plan. In this budget, two scenarios are presented. Scenario I is the Base Plan, which provides a 10-year projection of existing revenues and expenditures. This plan demonstrates that the recommended expenditures can be sustained over the next 10-year period. The model also projects the City will be able to feasibly accumulate a reserve up to 12% of the General Fund.

Scenario II is being referred to as the Deferred Maintenance Plan. Despite the City's success in paying off its debt and addressing major priorities, there are significant unfunded needs remaining. The majority of these needs involve important maintenance items that have been deferred. Scenario II identifies the highest priority unfunded needs and estimates the cost impact over the 10-year period to address them.

Consideration of an additional ½ cent sales measure is identified as a strategy to address the projected revenues needed. The amount of revenue that would be generated is programmed in the model and discussed in more detail in the budget message. The forecast demonstrates revenue could be generated to address each of the priority items identified while building a 15% General Fund reserve. Background information on deferred maintenance items and a sales tax comparison with other cities is attached.

COST ANALYSIS:

The total proposed City budget is \$24,087,756 in FY 2021-22 and \$18,538,906 in FY 2022-23. Of these amounts, the total proposed General Fund is \$8,766,374 in FY 2021-22 and \$9,099,482 in FY 2022-23.

**CITY COUNCIL
CONSIDERATION OF RECOMMENDED FY 2021-22/FY 2022-23 BIENNIAL
BUDGET
MAY 26, 2021
PAGE 4 OF 4**

ALTERNATIVES:

The following alternatives are provided for City Council consideration:

1. Approve staff's recommendations;
2. Direct staff to include changes to the proposed Biennial Budget prior to consideration of adoption;
3. Direct staff to move forward with the proposed revenues and expenditures, but not the Long Range Financial Plan proposals;
4. Do not approve the Biennial Budget as proposed; or
5. Provide staff other direction.

Exhibits:

1. City Facility Deferred Maintenance Assessment
2. Sales Tax Survey
3. Draft FY 2021-22/ FY 2022-23 Biennial Budget

Prepared and Approved by:



Steven Adams, City Manager

City of King
Deferred Maintenance Project Lists
General Fund Supported Facilities

Total Cost by Facility*

CITY BUILDING OR FACILITY	TOTAL PROJECTED COST
Airport	\$ 238,750.00
City Annex	\$ 18,950.00
City Hall	\$ 182,500.00
Corp Yard	\$ 91,400.00
Fire Station	\$ 95,500.00
Golf Course	\$ 160,750.00
Library	\$ 106,000.00
Parks	\$ 341,130.00
Police Station	\$ 229,850.00
Rec Center	\$ 56,575.00
Swimming Pool	\$ 230,500.00
TOTAL- ALL FACILITIES	\$ 1,751,905.00

*- Total cost represents the estimated cost for current facility repair projects and repair and replacement projects expected within the next ten (10) years.

CITY OF KING
DEFERRED MAINTENANCE
REPAIR AND
REPLACEMENT SCHEDULE

FACILITY: MESA DEL REY AIRPORT

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Hanger #12	Roof Repair and recoating	14800	sf	5.50	\$ 81,400.00
2	Hanger #13b	Roof Repair and recoating	2400	sf	5.50	\$ 13,200.00
3	Hanger #4	Roof Repair and recoating	5800	sf	5.50	\$ 31,900.00
4	Hanger #6	Roof Repair and recoating	4500	sf	5.50	\$ 24,750.00
5	Hanger #3	Roof Repair and recoating	800	sf	5.50	\$ 4,400.00
6	Airport	Fuel Island tank cleaning	2	ea	5000.00	\$ 10,000.00
7	Airport	Hold down chain replacement	52	ea	250.00	\$ 13,000.00
9	Hanger #3	Exterior painting	800	sf	5.00	\$ 4,000.00
10	Hanger #4	Exterior painting	5800	sf	5.00	\$ 29,000.00
11	Hanger #6	Exterior painting	4500	sf	5.00	\$ 22,500.00
12	Hanger #12	Exterior painting	14800	sf	5.00	\$ 74,000.00
13	Hanger #13b	Exterior painting	2400	sf	5.00	\$ 12,000.00
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 238,750.00

CITY HALL ANNEX (Rental House)

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	City Hall Annex	Carpet replacement	1,200	sf	6	\$ 7,200.00
2	City Hall Annex	Vinyl tile replacement	500	sf	5	\$ 2,500.00
3	City Hall Annex	HVAC Unit	1	ea	3500	\$ 3,500.00
4	City Hall Annex	Roof Replacement	1750	sf	1	\$ 1,750.00
6	City Hall Annex	Exterior painting	1	ea	4000	\$ 4,000.00
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 18,950.00

Corp Yard

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Corp Yard	Roof Repair and recoating (main shop)	3300	sf	5.50	\$ 18,150.00
2	Corp Yard	Parking Lot Asphalt resurfacing	1	sf	30000.00	\$ 30,000.00
3	Corp Yard	Window Replacement (insert replacements)	3	ea	1500.00	\$ 4,500.00
4	Corp Yard	Metal siding repair	1	ea	2500.00	\$ 2,500.00
6	Corp Yard	HVAC- Shop Ceiling heater	1	ea	3000.00	\$ 3,000.00
7	Corp Yard	Interior painting	1	ea	1500.00	\$ 1,500.00
7	Corp Yard	Restroom plumbing repair	1	ea	1000.00	\$ 1,000.00
8	Corp Yard	Door replacement	2	ea	1000.00	\$ 2,000.00
9	Corp Yard	Flooring Replacement- Upstairs tile	650	st	4.00	\$ 2,600.00
10	Corp Yard	Roof Repair and recoating (vehicle bay)	3300	sf	5.50	\$ 18,150.00
11	Corp Yard	Exterior painting (main shop)	1	ea	5000.00	\$ 5,000.00
12	Corp Yard	Exterior painting (vehicle bay)	1	ea	3000.00	\$ 3,000.00
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 91,400.00

Fire Station

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Fire Station	Exterior Block sealing	1	ea	5000	\$ 5,000.00
2	Fire Station	Window Replacement (insert replacements)	6	ea	1500	\$ 9,000.00
3	Fire Station	Parking Lot Asphalt resurfacing	1500	sf	1	\$ 1,500.00
4	Fire Station	Exterior Trim painting	1	ea	2500	\$ 2,500.00
5	Fire Station	Engine Bay Door replacement (12w x 14h)	6	ea	12500	\$ 75,000.00
6	Fire Station	Wood paneling and cabinet restoration	1	ea	2500	\$ 2,500.00
7	Fire Station	Interior painting	1	ea	0	\$ -
9	Fire Station	Roof Replacement	5300	sf	0	\$ -
9						
10						
11						
12						
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 95,500.00

Golf Course

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Golf Course	#6 Tee Box Bridge	1	ea	50000.00	\$ 50,000.00
2	Golf Course	#3 Tee Box Bridge- Metal Decking	1	ea	15000.00	\$ 15,000.00
3	Golf Course	Main Irrigation Shut off valve replacement	1	ea	1000.00	\$ 1,000.00
4	Golf Course	Clubhouse Roof Replacement	1	ea	5000.00	\$ 5,000.00
5	Golf Course	Clubhouse Door replacement	3	ea	500.00	\$ 1,500.00
5	Golf Course	Clubhouse Exterior Wood repair	1	ea	2500.00	\$ 2,500.00
6	Golf Course	Clubhouse Exterior paint	1	ea	2500.00	\$ 2,500.00
7	Golf Course	HVAC Unit Replacement	1	ea	10000.00	\$ 10,000.00
8	Golf Course	Irrigation Controller Replacement	18	ea	250.00	\$ 4,500.00
9	Golf Course	Irrigation Waterline Replacement	2000	lf	20.00	\$ 40,000.00
10	Golf Course	Asphalt Replacement	750	sf	15.00	\$ 11,250.00
11	Golf Course	Parking Lot resurfacing	35000	sf	0.50	\$ 17,500.00
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 160,750.00

Library

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Library	Roof Replacement	8000	sf	0	\$ -
2	Library	Parking Lot Asphalt resurface & restripe	8500	sf	1	\$ 8,500.00
3	Library	HVAC Units	4	ea	20000	\$ 80,000.00
4	Library	HVAC Package Unit	1	ea	17500	\$ 17,500.00
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 106,000.00

Parks

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	San Antonio	Sidewalk repair	1000	sf	7.50	\$ 7,500.00
2	City Park	Tot lot poured in place replacement	1	ea	45000.00	\$ 45,000.00
3	City Park	Picnic Shelter reroof	800	sf	10.00	\$ 8,000.00
4	CB Softball	Replace backstop wood	1	ea	1000.00	\$ 1,000.00
5	All Parks	Restroom Floor Resurfacing	4	es	1250.00	\$ 5,000.00
5	Aera Park	Shade trellis wood repair	1	ea	250.00	\$ 250.00
6	San Antonio	Repaint Restroom	1	ea	1500.00	\$ 1,500.00
7	San Antonio	Bathroom Stall replacement	2	ea	2500.00	\$ 5,000.00
8	Tennis courts	Install stairway and ramps	1	ea	50000.00	\$ 50,000.00
9	Tennis courts	Resurface Tennis Courts	20,160	sf	8.00	\$ 161,280.00
10	Tennis courts	Electrical and lights	1	ea	40000.00	\$ 40,000.00
8	Aera Park	Repaint Restroom	1	ea	500.00	\$ 500.00
9	Aera Park	Repaint- Shade trellis	1	ea	500.00	\$ 500.00
10	CB Softball	Repaint Restroom	1	ea	1000.00	\$ 1,000.00
11	CB Softball	Repaint- Shade trellis	1	ea	500.00	\$ 500.00
12	City Park	Repaint retaining walls	1	ea	2500.00	\$ 2,500.00
13	San Antonio	Parking Lot Ashpalt resurfacing	19100	sf	1.00	\$ 19,100.00
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 341,130.00

Police Station

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Police Station	Staff Restroom Upgrade	1	ea	2500	\$ 2,500.00
2	Police Station	Lobby Restroom Upgrade (men's & women's)	2	ea	2500	\$ 5,000.00
3	Police Station	Roof Replacement	8000	sf	15	\$ 120,000.00
4	Police Station	Window Replacement (insert replacements)	6	ea	1500	\$ 9,000.00
5	Police Station	Exterior painting	1	ea	7500	\$ 7,500.00
6	Police Station	HVAC Unit #3 (condensor, coil & ducts)	1	ea	10,000	\$ 10,000.00
7	Police Station	HVAC Unit #4 (condensor, furnace, coil & ducts)	1	ea	20000	\$ 20,000.00
8	Police Station	Interior painting	1	ea	12500	\$ 12,500.00
9	Police Station	Carpet replacement w/ polished concrete	1,650	sf	4	\$ 6,600.00
10	Police Station	Carpet replacement w/ comm. grade carpet	2,750	sf	7	\$ 19,250.00
11	Police Station	Parking Lot Asphalt resurface & restripe	7500	sf	1	\$ 7,500.00
12	Police Station	Gate closer replacement	1	ea	10000	\$ 10,000.00
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 229,850.00

Recreation Center & Racquetball Courts

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Racquetball Court	Termite damage repair and fumigation	1	ea	10000.00	\$ 10,000.00
2	Racquetball Court	Exterior Paint- Metal stairs	1	ea	1500.00	\$ 1,500.00
3	Rec Center	Social Hall Tile Flooring replacement	2000	sf	6.00	\$ 12,000.00
4	Rec Center	Social Hall Ceiling Tile replacement	1550	sf	2.50	\$ 3,875.00
5	Racquetball Court	Floor Tile replacement	800	sf	6.00	\$ 4,800.00
5	Rec Center	Exterior trim paint	1	ea	2000.00	\$ 2,000.00
6	Rec Center	Parking Lot Asphalt resurfacing	9900	sf	1.00	\$ 9,900.00
7	Racquetball Court	Exterior Paint	1	ea	5000.00	\$ 5,000.00
8	Rec Center	Interior painting	1	ea	2500.00	\$ 2,500.00
9	Racquetball Court	Interior painting	1	ea	5000.00	\$ 5,000.00
10	Rec Center	Window Replacement (insert replacements)	0	ea	1500.00	\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 56,575.00

Swimming Pool

PRIORITY	LOCATION	ITEM	QUANTITY		UNIT COST	TOTAL COST
1	Swimming Pool	Slide Support Structure & stair repaint	1	ea	60000.00	\$ 60,000.00
2	Swimming Pool	Slide resurfacing	1	ea	5000.00	\$ 5,000.00
3	Swimming Pool	Interior cyclone Fence replacement	100	lf	35.00	\$ 3,500.00
4	Swimming Pool	Dive pool replastering	1	ea	130000.00	\$ 130,000.00
5	Swimming Pool	Pool Deck slot drain replacement	500	lf	15.00	\$ 7,500.00
5	Swimming Pool	Dive Pool Heater Replacement	1	ea	17000.00	\$ 17,000.00
6	Swimming Pool	Pump area repairs and repaint	1	ea	7500.00	\$ 7,500.00
7						\$ -
8						\$ -
9						\$ -
10						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -

TOTAL COST

\$ 230,500.00

LOCAL SALES TAX RATE SURVEY

MONTEREY COUNTY/SAN LUIS OBISPO COUNTY CITIES

(Per \$1 Sales)

<u>City</u>	<u>Amount</u>
Greenfield	1 $\frac{3}{4}$ cents
Atascadero	1 $\frac{1}{2}$ cents
Carmel	1 $\frac{1}{2}$ cents
Del Rey Oaks	1 $\frac{1}{2}$ cents
Grover Beach	1 $\frac{1}{2}$ cents
Marina	1 $\frac{1}{2}$ cents
Monterey	1 $\frac{1}{2}$ cents
Morro Bay	1 $\frac{1}{2}$ cents
Pacific Grove	1 $\frac{1}{2}$ cents
Paso Robles	1 $\frac{1}{2}$ cents
Salinas	1 $\frac{1}{2}$ cents
San Luis Obispo	1 $\frac{1}{2}$ cents
Seaside	1 $\frac{1}{2}$ cents
Soledad	1 $\frac{1}{2}$ cents
Arroyo Grande	1 cent
Gonzales	1 cent
Pismo Beach	1 cent
Sand City	1 cent
King City	1 cent