

**PLANO CITY COUNCIL
CORE BUSINESS WORK SESSION
MARCH 6-7, 2009**

COUNCIL MEMBERS

Pat Evans, Mayor
Jean Callison, Mayor Pro Tem
Harry LaRosiliere, Deputy Mayor Pro Tem
Pat Miner
Scott Johnson
Mabrie Jackson
Sally Magnuson
Lee Dunlap

STAFF

Thomas H. Muehlenbeck, City Manager
Frank Turner, Deputy City Manager
Bruce Glasscock, Deputy City Manager
Rod Hogan, Deputy City Manager
Mark Israelson, Assistant City Manager
LaShon Ross, Assistant City Manager
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

Mayor Evans convened the Council into the open session at 8:37 a.m. on Friday, March 6, 2009, in Training Room A of the Plano Municipal Center, 1520 K Avenue. All Council Members were present. Council Member Jackson arrived at 8:39 a.m.

Opening Comments

City Manager Muehlenbeck advised that the March 7 session would not be held if all items were addressed. He spoke to review of the 2009-10 budget beginning in November 2008, previous prioritization of services, this session providing an assessment of the cost of services and Council consideration of cuts that can be made while keeping with the City's goals. Lyle Sumek, of Lyle Sumek Associates, Inc. facilitated the worksession and spoke to the need to adjust to a changing environment, addressing issues, core services necessary for daily living and balancing personal livability, economic opportunity, environmental stewardship and community building. He spoke to looking at services today while investing in the future and Council's role as a board of directors with the City Manager and Staff determining methods.

Public Safety Services & Technology Business Center

City Manager Muehlenbeck identified the Police Department's recommended reductions of \$2.2 million from the General Fund including: Municipal Court assuming Court Security Services (\$190,120); developing a cost-containment policy for various programs (\$150,000); eliminating positions/realigning duties in Jail, Records, Administration and Internships (\$324,023); eliminating Crossroads Family Services Program (\$55,000); eliminating Legacy Town Center Neighborhood Office (\$25,000); eliminating eight cars from Criminal Investigative Services (CID) (\$137,336); eliminating seven middle and alternative School Liaison Police Officers (SLO) (\$702,708); eliminating one SLO vehicle (\$25,750); and freeze funding for the Alternate Career Ladder Program (\$676,056).

Chief Rushin responded to Council Member Jackson, advising that responsibilities of Crossroads Family Services will be reassigned to meet state mandates and spoke regarding the Alternative Career Ladder Program providing increases to officers who do not choose the typical career ladder but acquire skills and training. Deputy City Manager Glasscock spoke to PISD contributing 15% to the cost of the SLO Program. Chief Rushin advised that the Legacy Town Center office would be closed but patrols will continue; spoke to sharing vehicles between CID personnel and two reassignments with the remaining ten positions eliminated being vacant. He responded to Council Member Dunlap that cuts have been identified resulting in the least impact possible to public safety with services covered by other areas.

Chief Rushin responded to Citizen Lissa Smith stating that Crossroads was developed in 1992 to provide victim assistance as a state mandate and to Citizen Susan Plonka regarding the impact to morale should the Alternate Career Ladder Program be discontinued. Mr. Glasscock responded to Citizen David Fincannon regarding the sustainability of the SLO Program without increased PISD contribution. Chief Rushin spoke to civil service salary increases and responded that most CID vehicles put on less than 5,000 miles per year and Mr. Muehlenbeck spoke to review of all City vehicles.

Mayor Pro Tem Callison and Deputy Mayor Pro Tem LaRosiliere spoke to the Alternate Career Ladder Program providing increases to one group of employees and the item representing a freeze, not elimination. Council spoke to pursuing alternatives to retain the Legacy Town Center office and concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Fire Department's recommended reductions of \$516,884 from the General Fund including: elimination of a lieutenant in Community Outreach affecting Explorer Post, CPR/AED training and Smoke Alarm Program (\$112,142); reducing Special Programs for training overtime, EMS overtime, Clown Program, Fire Explorer, Citizen's Fire Academy and DF Honor Guard (\$68,300); elimination of a Fire Prevention Lieutenant (\$112,142); and Elimination of EMS transport vehicle (\$224,300).

Chief Esparza responded to Council Member Jackson stating that reductions in Special Programs represent overtime and City Manager Muehlenbeck spoke to some degradation of service with cuts. Chief Esparza spoke to participation in the Fire Academy and Explorer Programs and advised there is no charge for the Academy, responded to Council that transport time for Station 4 would increase with a cutback in a transport vehicle but that paramedics will continue to be timely for first response, and advised that two positions will be eliminated with resulting changes to personnel. Council spoke to possible revenues for the Citizen's Academy. Council concurred in agreement with funding the Citizens Academy in the amount of \$4,000 while considering alternative funding and keeping all remaining items on the list as recommended for a revised total of \$512,884 in reductions.

City Manager Muehlenbeck identified the Health Department's recommended reductions of \$104,562 from the General Fund including cut backs in Public Outreach (\$80,805); body art inspections (\$3,023); and Emergency Management requiring another department or agency to maintain information assigned to the Local Health Department (\$20,734).

Director of Health Collins responded to the Council that Emergency Management is related to pandemic preparation and will be incorporated into other programs and advised that the Fusion Center does not assist in this area. He spoke to passage of the body art ordinance in 2001 establishing parameters for establishments and advised that the ordinance could be modified with regard to inspections. He responded to Citizen Fincannon, advising that the proposal for reduction in educational efforts is a cutback, not elimination and to Citizen Plonka that there is no Citizens Academy program for the Health Department. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Animal Services Department recommended reductions of \$124,196 from the General Fund including providing traps to residents (\$104,196); and professional trapping services (\$20,000).

Director of Health Collins spoke to the variety of animals trapped, labor intensiveness of the process and availability of traps at area retail stores. He spoke to citizens hiring a trapper for some situations and the problems of managing monies at the shelter for traps. Citizen Fincannon spoke to the importance of some services to residents. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Public Safety Communications (PSC) Department's recommended reductions of \$190,000 including modification of the radio system and regional voice and data system's contract (\$100,000/General Fund); and reducing public education and relations (\$90,000/General Fund and Wireline Fund). Council concurred in agreement with all items on the list as recommended.

The Council recessed at 10:20 a.m. and resumed at 10:32 a.m.

City Manager Muehlenbeck identified the Library Department's recommended reductions of \$651,552 from the General Fund including the elimination of some positions and reduction of several programs.

Director of Libraries Baumbach responded to Council regarding online registration and implementation of self-service kiosks allowing Staff to offer other services, literacy programs offered by other agencies, and utilization of volunteers at the library. She spoke to current vacant positions, advised that the library/recreation cards are provided by two different systems and spoke to use of radio frequency for checkout of multiple items. Mayor Pro Tem Callison spoke to utilizing additional volunteers. Ms. Baumbach responded to Citizen Plonka regarding the costs for interlibrary transfers and to Citizen Greg Myer regarding the labor-intensiveness of Teen Mystery Night and replacement of the job kiosk with online search capabilities. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Public Information/ (PTN) Department's recommended reductions of \$109,702 from General Fund and CATV including reductions in website design services and O&M (\$22,500) along with elimination of a vacant video producer position (\$87,202). He responded to Council Member Dunlap stating concerns related to generating revenue on PTN and to leasing studios which may be in competition with the private sector.

Director of Public Information Helt advised that O&M reduction includes language translation, but that there should be no effect on current operations for items provided in Spanish. She spoke to possible regulations on selling advertising on government access channels and responded to Citizen Myer that PTN is not tracked by Neilson Ratings but there is some response to surveys during meetings and that the City produces thirty minutes of new program a month in addition to providing meeting coverage and event calendars. City Manager Muehlenbeck advised that Staff will look into opportunities for revenues. Council concurred in agreement with all items on the list as recommended.

Public Services and Operations Business Center

City Manager Muehlenbeck identified the Engineering Department's recommendations of \$578,812 in reductions from the General Fund to facilitate, stimulate and initiate future development and redevelopment including reducing overtime for construction inspectors and other staff (\$20,000); reducing contracts for outside services (\$15,000); Reducing travel (\$5,000); elimination of the Safe Street Program (\$412,692); elimination of a vacant Sr. Construction Inspection position (\$61,120); and eliminating a Sr. Engineer position following a retirement (\$65,000).

Mr. Muehlenbeck responded to Mayor Pro Tem Callison regarding the importance of citizen input when addressing speeding through neighborhoods. Public Works Director/City Engineer Upchurch spoke to completing those neighborhoods in the Safe Streets process with consideration of five-six applications yearly. Chief Esparza spoke to the detrimental effect on response times and equipment. City Manager Muehlenbeck advised that if service to remove safe street devices is retained a new cost center would need to be established. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Engineering Department's recommended reductions from the General Fund of \$800,555 in the area of governing and representing the City including savings due to the CAPP rate change (\$357,106); savings due to unchanged gas rates (\$179,866); delaying facilities coming online (\$107,744); savings due to the change in Halon fire suppression (\$1,000); police providing security for evening meetings rather than contracting (\$30,000); rebidding overhead door maintenance contract (\$13,500); reducing the scope of security system maintenance contract (\$19,984); and setting the minimum cooling at 75 degrees (\$50,000); reducing asbestos surveys (\$27,994); and reducing several maintenance agreements for chiller, pool heat recovery, incinerator, etc. (\$13,361).

Facilities Manager Razinha responded to the Council regarding reduction in maintenance agreements, advising that Staff will be trained to accomplish tasks and ensure preventative maintenance is the focus. He advised that roof repair is exclusive of this list and responded to Citizen Plonka that City electrical technicians can do some of the work at the Courtyard Theatre. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Engineering Department's recommended reductions of \$83,670 from the General Fund in the area of building services including reducing the frequency of floor stripping (\$38,635); reducing full-time day custodians at several recreation centers (\$43,722); reducing the City-wide logo mattings (\$1,313).

Council Member Dunlap stated concern related to reducing the frequency of floor stripping and number of custodians. Facilities Manager Razinha spoke to some possible decline in appearance and advised regarding the high service levels in the City and preservation extending the life of buildings. Council concurred in agreement to retain the frequency of floor stripping/finishing (\$38,635) and to moving forward on all remaining items as recommended for a total of \$45,035.

City Manager Muehlenbeck identified the Public Works Department's recommended reductions of \$129,144 from the General Fund by eliminating the previous Public Works Director and one Customer Service Representative Position currently open. Council concurred in agreement with all items on the list as recommended.

Mayor Evans adjourned the session for lunch at 11:36 and resumed the session at 12:33 p.m.

City Manager Muehlenbeck identified the Parks and Recreation Department's recommended reductions in the General Fund of \$960,361 including reducing general operating expenses (\$392,408); eliminating free Senior Recreation Center transportation service (\$52,000); reducing the level of Downtown maintenance (\$49,937); reducing help at the youth ballpark (\$9,378); eliminating special event support and reducing park facility maintenance response (\$43,653); reducing the level of maintenance on irrigation systems (\$43,654); eliminating weekly entry pool landscape (\$44,000); eliminating annual guide (\$17,000); eliminating a administrative support position in Creative Arts (\$47,291); reducing level of maintenance on facilities and structures in parks (\$43,653); reducing level of maintenance at neighborhood parks and greenbelts (\$140,387); and reducing capacity to manage and plan park construction projects (\$77,000).

Director of Parks and Recreation Wendell spoke to personnel related to supporting the Youth Ballpark, advising that fields would be maintained and that groups pay for their use. He responded to Council Member Dunlap, advising that mowing and irrigation reductions would not apply to the municipal center or the libraries and that the mowing contract could be reduced. Mr. Wendell responded to Council Member Miner regarding elimination of vacant positions and to Council Member Jackson regarding consideration of outside management firms for mowing and other maintenance. He spoke to moving to a ten-day rotation for neighborhood park mowing. Mr. Muehlenbeck spoke to the high levels of service provided by the City and Deputy Director of Parks and Recreation Fortenberry spoke to adherence to code related to pool operations and responded regarding the use of the senior transportation service and the availability of rides from other sources. Mr. Wendell responded to Citizen Fincannon that fertilizing/weed control is provided at the minimum level to maintain health turf.

Ms. Fortenberry responded to the Council regarding general items including wearing apparel, training, association membership, office supplies. Mr. Wendell spoke to maintenance in the Downtown area and advised that parks special events should be eliminated or become 100% self supporting. Council concurred to move maintenance of entry point landscaping to City employees rather than service contracting and considering options for the mowing/trim work in neighborhood parks and greenbelts. Council concurred in agreement with all remaining items on the list as recommended.

Council Appointees/Municipal Court, City Attorney, City Manager and Administrative Services

City Manager Muehlenbeck identified the Human Resources Department's recommended reductions of \$207,227 from the General Fund including reducing the operation and maintenance budget (\$28,500); eliminating a Sr. Administrative Assistant position (\$50,862); reduce the MP3 contract (\$2,200); reduce expenses for employee development (\$48,793); and reduce professional contracts (\$76,872).

Organizational Development Manager Carpenter spoke to elimination of the Administrative Support Luncheon and reductions in some training programs. City Manager Muehlenbeck spoke to discussions with other cities on providing space for training classes and use of National League of Cities online training and Council Member Jackson spoke to possible webinar sessions. Administrative Support Supervisor McCarthy spoke to items related to reduction in professional contracts and retaining those related to federal/state mandates. She further advised that one area is a reduction in fees to Dr. Picchoni for related services. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Finance Department's recommended reductions from the General Fund of \$362,896 including eliminating the Youth Advisory Commission (\$66,900); reorganizing the Accounting Division (\$108,836); reducing O&M in treasury management (\$23,628); reduction in general administration salaries based on replaced positions (\$16,799); Municipal Court Program transferring to revenue funds (\$100,729); and reducing food funds for municipal court administration (\$75). He advised that a previously recommended elimination of a Municipal Court Clerk should be removed from consideration resulting in a revised reduction of \$316,867.

City Manager Muehlenbeck responded to Citizen Myer, advising that costs associated with the Youth Advisory Commission include staff time and administration. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck identified the Fleet Equipment Services Department's recommended reductions from the Equipment Maintenance Fund in the amount of \$680,827 including fuel management and distribution (\$605,000); maintenance and repair of vehicles by implementing flex hours/mileage reimbursement and fuel costs (\$15,000); reduction in the size of the motor pool (\$14,500); and eliminating one records assistant (\$46,327). He spoke to the work done on fire trucks and heavy equipment and responded to Citizen Fincannon stating that the department handles all City vehicles including mowers, etc. Council concurred in agreement with all items on the list as recommended.

City Manager Muehlenbeck spoke to prior consideration of flex-time, issues that might arise and citizen expectations of service five days per week. He spoke to consideration of revised hours for libraries, but stated concern if hours were cut back for recreation centers as those are fee-paid services and spoke regarding their use by swim teams and youth. City Attorney Wetherbee spoke to accrued free time as a "liability" to be paid when employees terminate. Budget and Research Director Rhodes-Whitley spoke to positive projections on reaching budgeted sales tax figures. City Manager Muehlenbeck spoke to the uncertainty of property values and advised that a zero increase in values results in a \$12 million deficit; a 1% decline is a \$13.5 million deficit; a 2% deficit is \$14.6 million; 3% is \$15.2 million; and 4% is \$17 million. He spoke to the projected \$12 million shortage including a salary freeze with projects discussed during the worksession resulting in \$8+ million savings.

Mr. Muehlenbeck spoke to new debt (\$3.8 million) including the motomesh program and radio system and the inability to continue to pay for these items out of O&M funds. He spoke to the challenge going forward to find new revenues and maintain the quality of life for citizens.

Mr. Muehlenbeck spoke to increases in health insurance claims, possible increases to employees, transfers for GASB 45, and issues related to the workman's compensation clinic. He responded to Citizen Plonka, advising that PTN provides community information and televises meetings. Director of Public Information Helt spoke to the expense in contracting out and Council Member Jackson spoke to consideration of an increase in City cable fees. Ms. Rhodes-Whitley responded to Citizen Fincannon regarding projections of sales tax for 2008-09 and 2009-10 and the decline in business-to-business taxes. The Council spoke to shoppers frequenting other communities and Mr. Fincannon spoke to the positive impact of small businesses and encouraging them to come to the City.

The Council took a recess at 2:33 p.m. and resumed at 3:30 p.m.

Development Services Business Center

City Manager Muehlenbeck identified the Planning Department's recommended reductions from the General Fund/Technology Fund including purchasing another software system with HTE link (\$30,000); discontinuing the Zoning Ordinance update (\$75,000); eliminating the GIS consulting assistance (\$60,000); and ending the Downtown Planning Program (\$154,952).

Director of Planning Jarrell advised that the cost for Downtown holiday lighting is \$18,000 and includes the municipal center, Downtown and Haggard Park trees. She spoke to the Downtown Planner assisting the area in organizing and becoming more active. Mr. Muehlenbeck advised that if eliminated, a portion of responsibilities would be transferred. Council Member Jackson spoke to the high level of participation at the tree lighting and retention of that item. Ms. Jarrell spoke to the current standing of the Zoning Ordinance reformatting and City Manager Muehlenbeck spoke to retaining this expense for this year with no funds for 2009-10. Council concurred in agreement with retaining \$18,000 for holiday lighting in Downtown and \$75,000 to complete the Zoning Ordinance reformatting. They further agreed on all remaining items on the list as recommended for a total of \$226,952.

City Manager Muehlenbeck identified the Building Inspection Department's recommended reductions from the General Fund in the amount of \$339,115 including eliminating a currently vacant Field Services Supervisor (\$82,542); eliminating a currently vacant Plans Examiner (\$75,342); eliminating a currently vacant part-time floating inspector (\$17,572); eliminating a part-time code compliance (\$22,389); eliminating a Public Information Assistant (\$43,652); closing the west side services facility (\$4,251); eliminating a Permit Services Representative with closing of west side facility (\$49,715); and eliminating an Inspections Assistant position (\$43,653).

Building Chief Mata spoke to decrease in citizen requests received at the West Side Service Facility and recommended retaining the Inspections Assistant position. Council concurred in agreement with removing Inspections Assistant (\$43,653) for further review and agreed on all items other items as recommended for a total of \$292,462.

City Manager Muehlenbeck identified the Property Standards Department's recommended reductions from the General Fund in the amount of \$232,063 including a decrease in costs for hardware, minor apparatus and travel for public nuisance inspections (\$55,206); decreasing substandard structure inspection accounts through cuts in hardware, minor apparatus and travel (\$19,180); decreasing neighborhood assessments accounts by moving to biennial assessments (\$58,330); creating a flexible work schedule to revamp Saturday Sweeps Program (\$50,489); implementing a retrieve and drop service for shopping carts (\$19,434); redesignating training tasks to senior staff (\$17,276); and reducing distribution of brochures (\$12,148).

Property Standards Director O'Banner spoke to current neighborhood assessments, and changes in assessments as a benefit to the department by allowing the use of flex time. She spoke to the proposed revised process for shopping carts and returning them immediately to retailers for a fee rather than storage/notification. Ms. O'Banner responded to Council Member Jackson advising that contracting for services by the department would be difficult given the amount of training involved and to Council Member Dunlap regarding responding to concerns of the community. Council concurred in agreement with all items on the list as recommended.

Wrap up

City Manager Muehlenbeck thanked the Council for their time and direction and advised that work will begin with department directors to build savings for next year. He advised that the three year outlook will be given on March 23. The Council thanked Staff for the information and Mayor Evans spoke to the positive impacts on some areas.

Nothing further was discussed and Mayor Evans adjourned the meeting at 4:15 p.m. and no March 7, session was held.

Pat Evans, Mayor

ATTEST:

Diane Zucco, City Secretary