CITY OF COSTA MESA
DEPARTMENT OF FINANCE
INTEROFFICE MEMORANDUM

TO: CITY COUNCIL MEMBERS

THROUGH: ALLAN ROEDER, CITY MANAGER

FROM: BOBBY YOUNG, BUDGET AND RESEARCH OFFICER

COPY TO: DEPARTMENT DIRECTORS

DATE: JUNE 22, 2010

SUBJECT: ***RESPONSES TO COUNCILMEMBER MONAHAN COMMENTS***

In an email dated June 10, 2010, City Councilmember Monahan requested information on 15 questions and comments. The following is a list of those questions and comments as well as detailed analysis from applicable department personnel.

1. Red Light Camera Program – would like to see the program discontinued.
2. Ask the youth sports groups to take more of a role in the preparation and maintenance of the fields. Maybe even explore a lease agreement between the City and say AYSO 120 (just as an example) for them to be responsible for the fields and the City would have no role. Similar to the Senior Center Lease. Maybe the City would purchase a large mower and trained volunteers could operate the mower. Maybe the City would provide an annual stipend but the stipend would be less than the current City costs for maintenance. For this AYSO would be able to make all field related decisions, use the snack bar as their own operation, post a monument sign indicating that it is their Home, seek corporate sponsorships for the field, etc.
3. What would be involved with a 4/10 schedule? How would you recommend it be structured if implemented?
4. We are proposing reductions in personnel from the Information Technology Division. We need to be careful how any cuts would impact the future ability to automate current operations. It is important to continue to increase the efficiency of operations – for example, making it possible to complete reports from the field, and electronically file the information.
5. Related to the Business License Tax – It would be important to have the Economic Development Task Force (created by Council Member Bever) be able to review the issue and discuss how to improve business outreach and business development at the same time.
6. The solid waste franchise fee should go from 12% to 16% and not to a lower percentage.
7. Golf Course fees should be increased by at least $3 and not anything less.
8. Fee related to Dog License should be doubled from there current rates.
9. Approve the Planning Commission recommendations related to the proposed changes to the Civil Citation process.
10. Do not provide any subsidies for facility rentals and raise rates as appropriate. Do not provide any free rentals.

11. Proactively seek corporate sponsorships for city facilities and services, etc.
12. Do not eliminate the Community News publication.
13. Further explore how the YMCA and other similar groups may be able to lease or operate other facilities or services currently operated by the City Recreation staff.
14. Adult and youth sports fees need to be raised.
15. He would like to see what the dollar value is (at least in closed session and he may ask in open session) for the cost savings related to continuing the furlough program and suspension of the retiree medical program. He feels that this is a starting place but wants to know what the related dollar savings are.

1. **Red Light Camera Program – would like to see the program discontinued.**
The Red Light Camera Program is currently not funded in the FY 10-11 Preliminary Budget. Further communication with the vendor and termination of the current contract will need to happen should the City Council adopted a budget with out the necessary funding.

2. **Ask the youth sports groups to take more of a role in the preparation and maintenance of the fields.**
Staff has not initiated communication with the youth sports groups for this activity, but will do so if directed by City Council.

3. **What would be involved with a 4/10 schedule? How would you recommend it be structured if implemented?**
Moving to a 4/10 work schedule for all City Hall employees would most likely require the closure of City Hall one day a week. This change in work schedule may need to be discussed with union representatives. Estimated annual savings from closing every Friday are below.

The amounts shown are reductions based on closing only the City Hall building and not the Police Facility or the Communications Center, both of which are 24/7 facilities.
Estimated annual savings:

- Electrical Savings $ 47,000
- Water Use Savings $ 1,800
- Fuel City Vehicles Savings $ 7,200

TOTAL ESTIMATED SAVINGS $ 56,000

4. **We are proposing reductions in personnel from the Information Technology Division. We need to be careful how any cuts would impact the future ability to automate current operations.**
Impacts on the future ability to automate current operations are unknown at this time. Should future changes to operations require additional personnel, current staffing levels may be insufficient. The proposed reductions are an attempt to reduce current operating costs and assist in balancing the current budget based on current and foreseeable needs.

5. **Related to the Business License Tax – It would be important to have the Economic Development Task Force (created by Council Member Bever) be able to review the issue and discuss how to improve business outreach and business development at the same time.**
Should City Council desire this type of outreach, direction should be given to the Economic Development Task Force.

6. **The solid waste franchise fee should go from 12% to 16% and not to a lower percentage.**
As presented in a memo dated June 14, the revenue increase per 1% is about $104,000. A 4% increase would result in an estimated revenue increase of $416,000.

Below in the information presented in the June 14 memo.
Waste Hauler Franchise Fee –
Current City rate – 12%
Current estimated revenue $1,250,000 (about $104,000 per 1%)
Estimated new rate – 15%
Projected revenue – $1,560,000 (increase of $310,000)

Waste Hauler Residential Fee –
Current rate – 0%
Estimated new rate – 5%
Projected revenue – $200,000

7. **Golf Course fees should be increased by at least $3 and not anything less.**
As presented in a memo dated June 14, an estimated increase would be $2 per round of play. This increase would result in an estimated revenue increase of $100,000. A higher rate increase would result in a higher revenue increase. See attachment related to Greens Fees at Golf Course.

8. **Fee related to Dog License should be doubled from there current rates.**
As presented in a memo dated June 14, an increase to the County of Orange rate would result in an estimated revenue increase of $68,000.
Below in the information presented in the June 14 memo.
Animal/Dog License Fee –
Current City rates – $20, $10/Spayed-Neutered
Current estimated revenue $30,000
County of Orange rate – $100, $24/Sterilized
Assuming 2,000 Spayed-Neutered, 500 Unaltered:
Projected revenue – $98,000 (increase of 68,000). More aggressive licensing and monitoring would increase the revenue projection.

9. **Approve the Planning Commission recommendations related to the proposed changes to the Civil Citation process.**
As presented in a memo dated June 14, an increase to the proposed rates would result in an estimated revenue increase of $10,000.
Civil Citations –
Current City rate – $75 1st Violation, $200 2nd Violation, $500 All Other Violations
Current estimated revenue – $20,000
Estimated new rate – $150 1st Violation, $300 2nd Violation, $500 All Other Violations
Projected revenue – $30,000 (increase of $10,000)

10. **Do not provide any subsidies for facility rentals and raise rates as appropriate. Do not provide any free rentals.**
Since City Council is the only authority to waive or subsidies fees, the direction to not waive or provide subsidies would be set by City Council.
The rates for use of City facilities will be evaluated and brought before City Council as part of the Annual User Fee process – scheduled for August 2010.

11. **Proactively seek corporate sponsorships for city facilities and services, etc.**
Staff will continue to seek corporate sponsorships for City facilities and services.

12. **Do not eliminate the Community News publication.**
Currently, the Community News Publication is part of the Recommended Reductions, and would provide an estimated savings of $14,000. This publication in conjunction with the Recreation Guide is distributed on a quarterly basis.

13. **Further explore how the YMCA and other similar groups may be able to lease or operate other facilities or services currently operated by the City Recreation staff.**
Staff will further explore the ability to work with specific groups to better utilize or operate current facilities.

14. **Adult and youth sports fees need to be raised.**
Adult and youth sports fees are set by the Parks and Recreation Commission. Fees are based on the Cost Recovery Program Policy set by City Council. Therefore any changes to the fees should be established by changes to the Cost Recovery Program Policy.

    Changes to the fees for field rental are set by City Council as part of the Annual User Fee process – scheduled for August 2010.

15. **He would like to see what the dollar value is (at least in closed session and he may ask in open session) for the cost savings related to continuing the furlough program and suspension of the retiree medical program.**
The total dollar value for continuing the furlough program and suspension of the retiree medical program is $2.7 million.

Staff is available to answer questions regarding any information presented herein.

Bobby Young
Budget and Research Officer

#5 - GREEN FEES AT GOLF COURSE

Golf Course	Weekday	Friday	Weekend	Seniors	Cart
Mile SquareClassic	$34.00	$39.00	$48.00		$26.00
Mile Square Players	$38.00	$45.00	$60.00		$26.00
Meadowlark	$30.00	$30.00	$41.00	$20.00	$28.00
Rancho San Jouquin	$36.00	$36.00	$59.00	$32.00	$26.00
Willowick	$25.00	$25.00	$37.00		$26.00
San Juan Hills	$43.00	$48.00	$58.00	$35.00	$30.00
Costa Mesa - Los Lagos	$31.00	$33.00	$43.00	$13.00	$24.00
Costa Mesa - Mesa Linda	$24.00	$28.00	$34.00	$11.00	$24.00
Anaheim Hills	$48.00	$57.00	$66.00	$36.00	(included w/ green fee)
Dad Miller	$27.00	$35.00	$39.00	$17.00	$24.00

* San Juan Hills Carts Mandatory Thurs - Sun
**Costa Mesa Senior Resident Cart is $16
***Mile Square $45 per year. Mon-Fri $35 cart included

Mesa Linda Rates

	Mon -Thurs	Proposed Mon-Thurs	Fri	Proposed Fri	Sat-Sun	Proposed Sat-Sun
18 Holes	$24.00	$26.00	$28.00	$30.00	$34.00	$38.00
Seniors	$11.00	$13.00	N/A	N/A	N/A	N/A
Twilight	$17.00	$19.00	$20.00	$22.00	$22.00	$24.00
Junior	$11.00	$13.00	N/A	N/A	N/A	N/A

Los Lagos Rates

	Mon -Thurs	Proposed Mon-Thurs	Fri	Proposed Fri	Sat-Sun	Proposed Sat-Sun
18 Holes	$31.00	$33.00	$33.00	$35.00	$43.00	$47.00
9 Holes	$17.00	$18.00	$19.00	$20.00	$21.00	$23.00
Seniors	$13.00	$15.00	N/A	N/A	N/A	N/A
Twilight	$20.00	$22.00	$24.00	$26.00	$28.00	$30.00
Sup Twilight	$14.00	$16.00	$15.00	$17.00	$16.00	$18.00