



In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

06/23/2020
SPECIAL MEETING

COUNCIL MEMBERS PRESENT: Mayor Andrade
Councilmember Happe (via teleconference)
Councilmember Pingree
Mayor Pro Tem Wallace
Councilmember Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Marie Calderon, City Clerk
Sonja De La Fuente, Deputy City Clerk
John McQuown, City Treasurer
Jennifer Christensen, Administrative Services Director
Suzanne Cook, Deputy Finance Director
Matthew Hamner, Police Chief
Todd Hopkins, Fire Chief
Tom Miller, Electric Utility Director
Brandon Robinson, Electrical Engineering Supervisor
Adam Rush, Community Development Director
Laurie Sampson, Executive Assistant
Art Vela, Public Works Director
Ralph Wright, Parks & Recreation Director
James Wurtz, Economic Development Manager
Carla Young, Business Support Manager

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Andrade on June 23, 2020, at 4:11 P.M.

II. BUDGET HEARING

1. Recommended Budget Proposal for Fiscal Years 2021 and 2022

Administrative Services Director Jennifer Christensen provided a report and PowerPoint presentation (Attachment 1) for the recommended Budget for the City of Banning for Fiscal Years 2021 and 2022.

City Manager Doug Schulze provided a report and PowerPoint presentation (Attachment 2) for the City Manager Department.

Community Development Director Adam Rush provided a report and PowerPoint presentation (Attachment 3) for the Community Development Department.

Electric Utility Director Tom Miller provided a report and PowerPoint presentation (Attachment 4) for the Electric Utility Department.

Parks and Recreation Director Ralph Wright provided a report and PowerPoint presentation (Attachment 5) for the Parks and Recreation Department.

Police Chief Matthew Hamner provided a report and PowerPoint presentation (Attachment 6) for the Police Department.

Fire Chief Todd Hopkins provided a report and PowerPoint presentation (Attachment 7) for the Fire Department.

Public Works Director Art Vela provided a report and PowerPoint presentation (Attachment 8) for the Public Works Department.

Administrative Services Director Jennifer Christensen provided a report and PowerPoint presentation (Attachment 9) for the Administrative Services Department.

There was some discussion held among Council and staff.

The Mayor opened the public hearing.

City Treasurer John McQuown indicated that he would forward any questions or comments to the Mayor.

Paul Perkins advised that he believed that the hearing was poorly planned, as enough time was not allowed for all presentations. He also recommended an organizational chart.

Seeing no further comments, the Mayor closed the public hearing.

A motion was made by Councilmember Welch, seconded by Mayor Pro Tem Wallace, to 1) Adopt Resolution No. 2020-81 approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the City of Banning; 2) Adopt Resolution No. 2020-6 UA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Utility Authority; 3) Adopt Resolution No. 2020-5 SA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Successor Agency; 4) Adopt Resolution No. 2020-82 approving the Gann Limit for Fiscal Year 2020-2021; and 5) Adopt Resolution No. 2020-83 amending the Classification and Compensation Plan. Roll call vote was taken as follows:

AYES: Andrade, Happe, Pingree, Wallace & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolutions 2020-81, 2020-6 UA, 2020-5 SA, 2020-82, and 2020-83.

III. ADJOURNMENT

By consensus, the meeting adjourned at 6:04 P.M.

Minutes Prepared by:



Sonja De La Fuente, Deputy City Clerk

The entire discussion of this meeting may be viewed here:

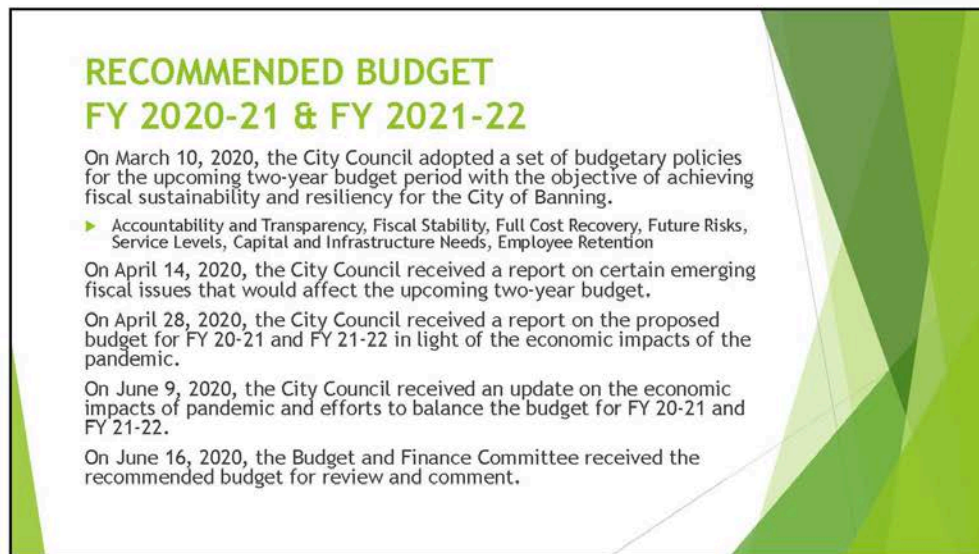
<https://banninglive.viebit.com/player.php?hash=E4uwWUGpQzGK>. Any related documents maybe viewed here:

<http://www.banningca.gov/ArchiveCenter/ViewFile/Item/2323> or by purchasing a CD or DVD in the amount of \$7.00 at Banning City Hall located at 99 E. Ramsey Street.

Attachment 1



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1

RECOMMENDED BUDGET FY 2020-21

General Fund

- ▶ General Fund Revenues: \$18,018,847
- ▶ General Fund Expenditures: 22,363,633
- ▶ Fund Balance Used: \$ 4,344,786

All Funds

Citywide/All Funds Operating

- ▶ All Funds Revenues: \$99,033,214
- ▶ All Funds Expenditures: 124,531,919
- ▶ Fund Balance Used: \$28,294,993*
- ▶ Difference of \$2,796,288 released due to restrictions on use of funds for specific purposes

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RECOMMENDED BUDGET FY 2021-22

General Fund

- ▶ General Fund Revenues: \$18,688,847
- ▶ General Fund Expenditures: 22,252,434
- ▶ Fund Balance Used: \$ 3,563,485

All Funds

Citywide/All Funds Operating

- ▶ All Funds Revenues: \$97,820,498
- ▶ All Funds Expenditures: 114,979,470
- ▶ Fund Balance Used: \$17,103,674*
- ▶ Difference of (\$55,298) released due to restrictions on use of funds for specific purposes

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RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Balancing the Budget

- ▶ Generally a balanced budget means that revenues meet or exceed expenditures
- ▶ City's general fund revenues are insufficient to meet expenditure needs
 - ▶ FY 20-21 general fund revenues are estimated to decrease by 21% over FY19-20 budget
 - ▶ Revenue estimates include cannabis tax proceeds, permit fees and revenue from pre-stabilization medical fee
 - ▶ FY 20-21 General Fund expenditures are estimated to decrease by 2% over FY19-20 budget
- ▶ Use of fund balance is required to meet expenditure needs for FY21 and FY22
 - ▶ General Fund: fund balances of \$4,344,786 used in FY21
 - ▶ General Fund: fund balances of \$3,563,485 used in FY22
 - ▶ All Funds: fund balances of \$ \$28,294,993 used for operating and capital expenses in FY21
 - ▶ All Funds: fund balances of \$ \$17,103,674 used for operating and capital expenses in FY22

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RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Revenue Impacts

- ▶ Sales Tax & TOT
- ▶ Cannabis Tax
- ▶ Medical Billing
- ▶ Permit Fees from Development

Expenditure Reductions

- ▶ Unfunded Vacant Positions
- ▶ Deferred Capital Projects

	General Fund	Other Funds	Citywide
Expenditure related changes:			
Personnel Related Decreases:			
Unfunding Positions	1,093,290	80,146	1,173,436
Reduction in Parks & Recreation Hours	118,721		118,721
Removing COIA Increases	111,075	206,665	317,740
	<u>1,323,086</u>	<u>286,811</u>	<u>1,609,897</u>
Capital Budgets Expenditure Decreases:			
Streets (Gas Tax)	250,000		250,000
Measure A	65,000		65,000
Electric Fund	7,651,119		7,651,119
Fleet	18,626		18,626
Wastewater	271,438		271,438
	<u>-</u>	<u>8,736,183</u>	<u>8,736,183</u>
Revenue related changes:			
Revenue Increases:			
Medical Billing	400,000		400,000
Cannabis Tax Revenue	700,000		700,000
Permit Revenue			
Building & Safety	350,000		350,000
Engineering	785,000		785,000
Police Revenue PACT/RAID to cover Personnel Costs 100%/70%	<u>327,668</u>		<u>327,668</u>
	<u>2,562,668</u>	<u>-</u>	<u>2,562,668</u>
Revenue Decreases:			
Sales Tax Revenue 23%	679,921		679,921
TOT Revenue 12.5%	111,986		111,986
Calazon Revenue 50%	<u>314,979</u>		<u>314,979</u>
	<u>1,106,886</u>	<u>-</u>	<u>1,106,886</u>
Fund Balance Changes:			
Fund Balances releases for Operating & Capital Budgets (Decreases)	<u>4,344,786</u>	<u>23,470,300</u>	<u>27,815,086</u>

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RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Use of Fund Balance

- ▶ **Operating Budget**
 - ▶ Timing of downturn creates higher than usual level of uncertainty and stress on revenues
 - ▶ In the near term, judicious use of budget reserves is warranted but should not be viewed as a permanent solution
 - ▶ It will be imperative that the structural imbalance is addressed with structural changes that decrease expenditures as well as increase the city's amount and types of revenues
 - ▶ Rates should be reviewed for level of service needed
 - ▶ Utilities require rates that will support operations and capital needs
 - ▶ Consideration should be given to new revenue measures e.g. sales tax, utility users tax
- ▶ **Capital Budget**
 - ▶ Capital projects have been delayed in Streets, Water, Wastewater, City Facilities, and Information Technology

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RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Service Level Impacts

- ▶ **General Fund**
 - ▶ Unfunded positions in Administrative Services, Code Enforcement, Community Development, Public Works, Police and Dispatch (**Total: 8 positions unfunded**)
 - ▶ Reduced staffing hours and facilities/programs closures in Parks & Recreation
 - ▶ Deferred capital projects include City Hall, IT Infrastructure and enterprise systems
 - ▶ Timing of downturn creates higher than usual level of uncertainty
- ▶ **Special Revenue Funds**
 - ▶ Savings of \$600,000 for FY 20/21 due to use of municipal utility rates for all city departments
 - ▶ Deferred street, water and wastewater capital projects; approval of use of Measure A money for street maintenance
 - ▶ Contracting out street sweeping maintenance reduced cost and increased level of service

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RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

RECOMMENDED ACTIONS

- ▶ Adopt Resolution No. 2020-81 approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the City of Banning;
- ▶ Adopt Resolution No. 2020-6 UA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Utility Authority;
- ▶ Adopt Resolution No. 2020-5 SA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Successor Agency;
- ▶ Adopt Resolution No. 2020-82 approving the Gann Limit for Fiscal Year 2020-2021; and
- ▶ Adopt Resolution No. 2020-83 amending the Classification and Compensation Plan.

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RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

QUESTIONS?

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Attachment 2



BUDGET HEARING FY 2020-21 & FY 2021-22

CITY MANAGER'S DEPARTMENT
JUNE 23, 2020

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CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

What We Do

City Manager's Department, in addition to providing general management of the municipal corporation, is responsible for:

- ▶ Public Information
- ▶ Emergency Management
- ▶ Legislation
- ▶ Fire Services Contract
- ▶ Economic Development/Redevelopment
- ▶ Property Management
- ▶ Housing Programs

This is achieved through the provision of professional advice and guidance, thus supporting the City's Strategic Plan goals of a Safe City, Reliable Infrastructure, Diverse Economy, Quality of Life, and Good Governance.

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CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

- ▶ Complete P3 with New Energy North America and Implement Phase I
- ▶ Continue efforts for Congressional Action to close Banning Municipal Airport
- ▶ Code enforcement and other efforts to clean up appearance of Ramsey Street corridor
- ▶ Redevelopment of former San Geronio Inn Property
- ▶ Develop plan for Animal Control & Sheltering Services
- ▶ Feasibility and Cost Analysis of a City Fire Department
- ▶ Increase General Fund revenues through economic development and full cost recovery

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CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

- ▶ Recruitment & Hiring
 - ▶ Administrative Services Director
 - ▶ Parks & Recreation Director
 - ▶ H.R. Manager
 - ▶ Utility Billing Manager
 - ▶ Economic Development Manager
- ▶ Initiated Clean Up of Ramsey Street Corridor
- ▶ Cannabis Ordinance Amendments
- ▶ Response to COVID-19
- ▶ Negotiated Transfer of National Guard Armory Building to City
- ▶ Numerous Economic Development Projects
- ▶ New Energy North America Public Private Partnership

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CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Public Information Officer Position Remains Unfunded
 - ▶ Social media, website, press releases, public outreach & other communication is minimal
- ▶ Training Reduced
 - ▶ Conferences & training are eliminated or significantly reduced

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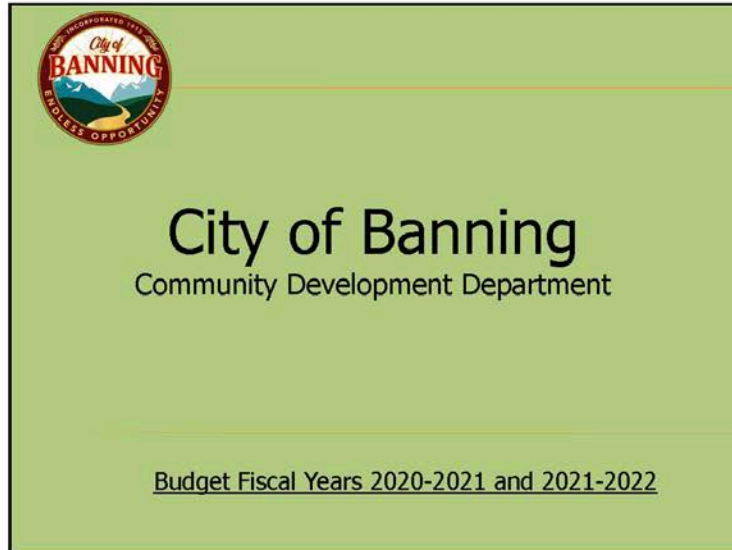
BUDGET HEARING FY 2020-21 & FY 2021-22

CITY MANAGER'S DEPARTMENT
JUNE 23, 2020

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Attachment 3




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PLANNING DIVISION

What We Do

- ❖ Planning preserves the land use integrity of the City.
- ❖ Environmental Planning retains, and enhances, the quality of life for residents.
- ❖ Manage long-range updates to the General Plan.
- ❖ We monitor and process a wide spectrum of land use projects:
 - Residential Subdivisions
 - New Commercial space
 - Change of Use Applications
 - Industrial and Business Park Applications
 - Commercial and Retail Cannabis Projects

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BUILDING & SAFETY DIVISION

What We Do

- ❖ Building & Safety is responsible for the development and implementation of building codes and construction standards.
- ❖ Building Standards protect life, health, safety, and the general welfare.
- ❖ Building & Safety develop policies, building code compliance, and ensure ADA compliance.
- ❖ Building & Safety provides the following actions on a daily basis:
 - Plan Review for Code Compliance
 - Issuance of Building Permits for Residential, Commercial, Industrial, or Miscellaneous (e.g., patios, pools, roof replacements, water heaters, and many more).
 - Tracking of development fees

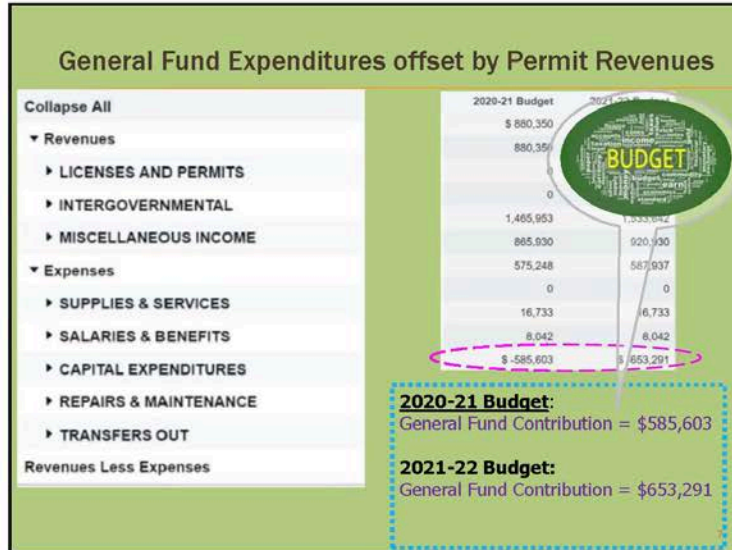


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QUESTIONS?



Community Development Director:
Adam B. Rush, M.A., AICP

Senior Planner: Sonia Pierce

Contract Planner: Mark De Manincor

Project Coordinator: Sandra Calderon

Building Official: Patrick Johnson

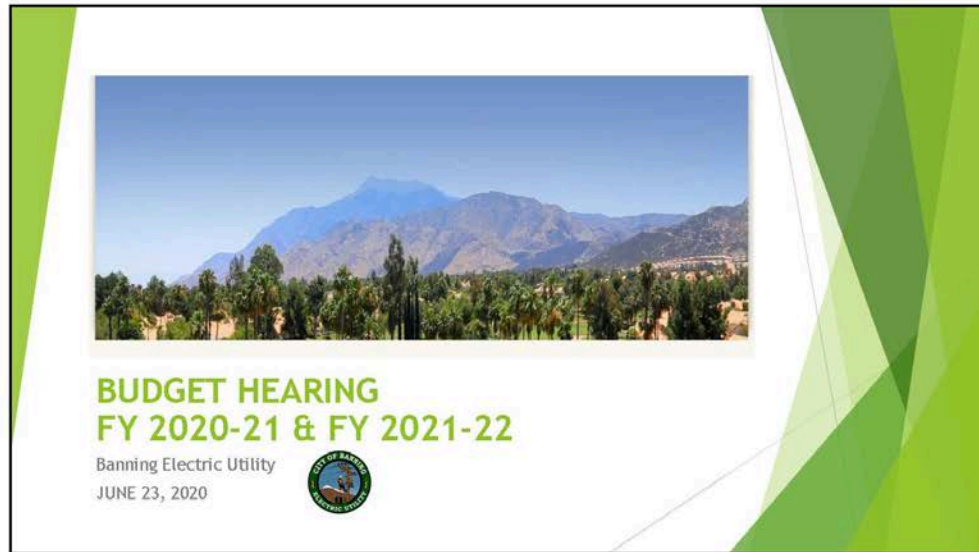
Fire Marshal: Paul Lindley

Permit Technicians: Silvia Tapia and Blanca Prostitis

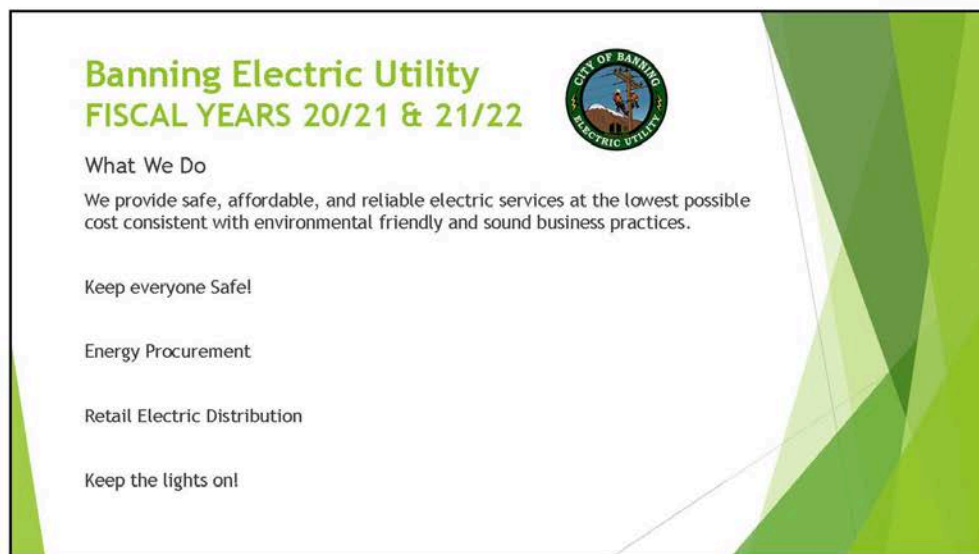
Inspectors: Alan Ryzner & Ron Hernandez

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Attachment 4



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Banning Electric Utility FISCAL YEARS 20/21 & 21/22



Highlights of FY2021 and FY2022 Objectives

- ▶ Remain financially sound and STRONG!
 - ▶ Standard and Poor's Rating - A-
- ▶ Meet Debt Service Coverage Requirements
 - ▶ \$3 million
 - ▶ Positive cash flow 6 of last 7 years
- ▶ Utilize existing City Council approved rates to meet revenue requirements
 - ▶ Using rates that were approved by City Council as of May 2013
- ▶ Hit Operating Income target
 - ▶ \$2.2 million
- ▶ Maintain minimum cash reserves of \$11 million
- ▶ 2020 end of year reserves at approximately \$31 million
 - ▶ Heavy utilization of reserves for CIP
- ▶ No new debt or borrowing needs

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Banning Electric Utility FISCAL YEARS 20/21 & 21/22

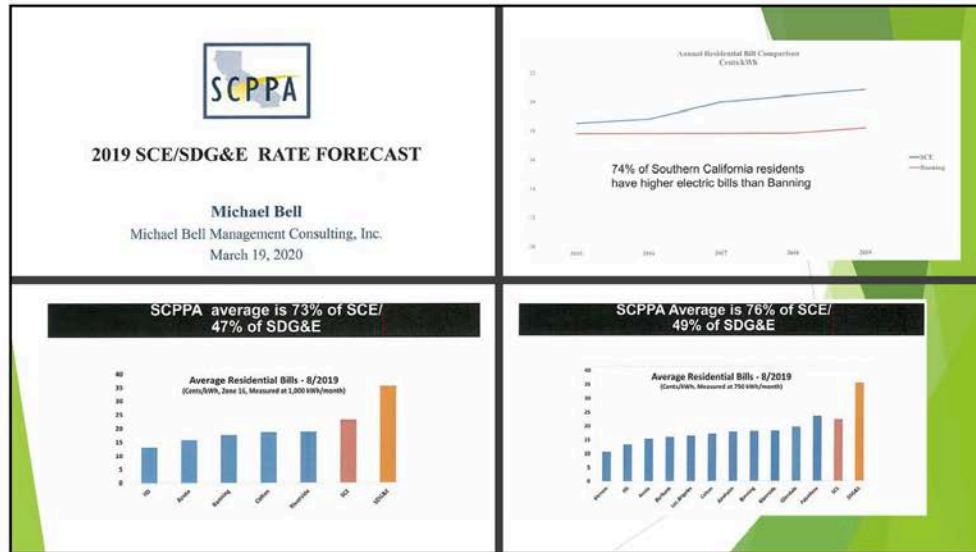


Fiscal Opportunities

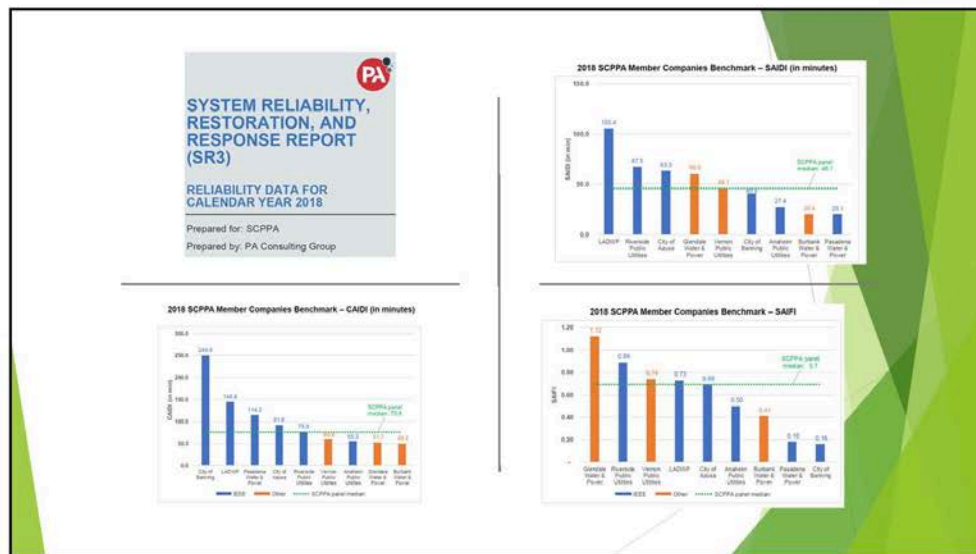
- ▶ Energy Procurement
 - ▶ Energy prices trending downward
 - ▶ Resource Adequacy prices steady
 - ▶ Transmission trending upward
 - ▶ SCE WDAT up \$222,000 (September every year for 7 more years)
 - ▶ Cap and Trade revenues significantly trending downward by \$1 million
 - ▶ Exchanging Puente Hills for COSO
- ▶ Reduction in General Fund Transfer timely with loss of Cap and Trade revenue and WDAT increases
- ▶ Deployment of Itron Advanced Meter Infrastructure
 - ▶ System Automation
 - ▶ Work efficiencies
 - ▶ Operational Improvements
- ▶ Pardee Homes at Atwell

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BCE BANNING #12 PF LAG

Item	Value	Unit
IA	122.9	A
IB	161.3	A
IC	166.2	A
MW	9.246	MW
MVAR	1.979	MVar
PF	97.7	PF
LAG		
IA	9.9	A
IB	9.9	A
IC	9.9	A
MW	0.000	MW
MVAR	0.000	MVar
PF	100.0	PF
LEAD		
IA	161.7	A
IB	156.7	A
IC	158.8	A


1750 kW
Total for this hour

10.75 MW
Total last hour


SEC A
VAC: 56.9 kV

SEC D
VAB: 33.4 kV
VAC: 33.4 kV

Questions?




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BUDGET HEARING
FY 2020-21 & FY 2021-22

Banning Electric Utility
JUNE 23, 2020



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Attachment 5



BUDGET HEARING
FY 2020-21 & FY 2021-22
 Parks and Recreation Department
 JUNE 23, 2020

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**Parks and Recreation Department
 FISCAL YEARS
 20/21 & 21/22**

Mission - The Parks and Recreation Department enhances residents' quality of life through providing affordable, quality recreational and leisure activities for youth, teens, and adults.

What We Do - The division is responsible for the development, implementation, coordination, supervision, and delivery of a wide variety of programs including youth and adult sports, instructional classes, teen programs, day camps, special events and Senior Programming and Services. Allocations of sports fields and reservations of park picnic shelters as well as rental of the Community Center, Senior Center, Park Buildings and meeting rooms and the processing of Special Events Permits are also handled through the department.

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Parks and Recreation Department FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

- ▶ **Program and Participation Tracking**
 - ▶ Creation of Monthly Activity Reports
 - ▶ Developed Per Program Budgeting
 - ▶ Policy Development / Internal/External Communication Forms
- ▶ **New Programming -**
 - ▶ Development of Pee Wee Sports program - Start Smart
 - ▶ Community Clean-up
 - ▶ Christmas at the Ranch
- ▶ **Projects**
 - ▶ Completion of Dysart Park Fencing project
 - ▶ Design / Grant Development - Lion's Park Expansion
 - ▶ Census Outreach
- ▶ **COVID-19 Response -**
 - ▶ Senior Services - Morning Greater / Lunch Distribution
 - ▶ Program / Facility Cancellations
 - ▶ Establishment of a Virtual Recreation Center
 - ▶ Creation and Implementation plan for reopening of Programs and Facilities



PARK and REC Stats

	FY2019	FY2020
Park Visitation	1,234,567	1,345,678
Program Participation	56,789	67,890
Facility Usage	12,345	13,456
Community Events	3,456	4,567
Volunteer Hours	2,345	3,456
Grant Revenue	\$12,345	\$13,456
Per Capita	\$1.23	\$1.34



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Parks and Recreation Department FISCAL YEARS 20/21 & 21/22

FY2021 and FY2022 Objectives

- New Programming**
 - Pee Wee and Adult Sports
 - Innovative Senior Outreach Programming
 - Dysart Park Programming
- Planning**
 - Update Park and Recreation Master Plan
 - Maintenance Management Plans
- Grant Acquisition**
 - Per Capita - SPP - Baseball Tomorrow Fund
- Project Management**
 - Rehab of Replifier Park
 - Replacement of Richard Sanchez Playground
 - Lion's Lights
- Partnerships**
 - Work with local non-profits to increase program and service offerings

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**Parks and Recreation Department
FISCAL YEARS 20/21 & 21/22**

Fiscal Challenges and Service Level Impacts

COVID-19 Restrictions and Guidelines	Staffing Reductions	Revenue Reduction
<ul style="list-style-type: none"> Large Scale Events - Canceled through 2020 Cancel Support of Large Scale Events - Playhouse Bowl / Stagecoach Days Operation of Senior Center Aquatic Center operations 	<ul style="list-style-type: none"> Parks Recreation Senior Center Aquatics 	<ul style="list-style-type: none"> Aquatics Facility Rentals Participation levels

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**BUDGET HEARING
FY 2020-21 & FY 2021-22**

Parks and Recreation Department
JUNE 23, 2020

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Attachment 6



BUDGET HEARING FY 2020-21 & FY 2021-22

Banning Police Department
JUNE 23, 2020

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Banning Police Department FISCAL YEARS 20/21 & 21/22

Mission Statement
The Banning Police Department is committed to serve with honor and protect all citizens of our culturally diverse community, through a partnership focused on public trust and providing a safe environment for all.

DEPARTMENT VALUES:
We will perform our duties with honesty and be committed to ethical beliefs beyond reproach, in both conduct and performance.
We will be loyal and dedicated to our citizens and our Department co-workers while adhering to the Law Enforcement Code of Ethics.
Our professionalism will be demonstrated through our courteous and respectful treatment of others, remembering that we are entrusted with providing a safe environment to all citizens, regardless of their social or economic status.
We recognize that we must adhere to our principals to earn and retain the trust of the community, and therefore pledge to hold ourselves accountable to his commitment of excellence.

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Banning Police Department FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

- ▶ Maintain Current Staffing Levels (31 Allotted)
- ▶ Complete all Mandated Training
- ▶ Update IT Infrastructure

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Banning Police Department FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Accomplishments

- ▶ Updated Policy Manual
- ▶ Fleet Upgrade
- ▶ Filled 4 officer positions (5 remain to be filled)
- ▶ 9 officers on IOD, all but 1 returned to duty

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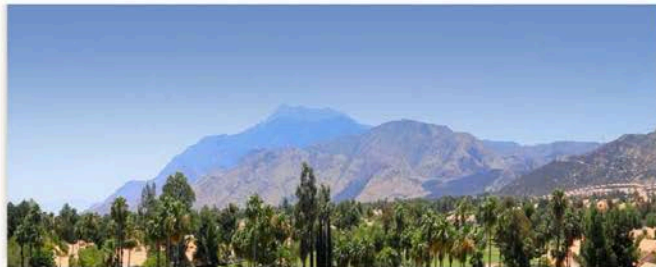
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Banning Police Department FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Current staffing level inadequate (fill 5 open positions)
- ▶ Service level decreased namely:
 - ▶ Calls for services delayed
 - ▶ Property Crimes unresolved
 - ▶ Response times decreased
 - ▶ Use of Force increase
 - ▶ Officer and Citizen Safety Jeopardized
 - ▶ Little or no community involvement
 - ▶ Community outreach severely decreased

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BUDGET HEARING FY 2020-21 & FY 2021-22

Banning Police Department
JUNE 23, 2020

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Attachment 7



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What we do

- ▶ Engine 20 and Engine 89 are All-Risk, ALS resources that protect and serve the citizens of Banning and Riverside County by responding to incidents such as:
 - ▶ Medical Emergencies
 - ▶ Structure Fires
 - ▶ Vegetation Fires
 - ▶ Traffic Collisions
 - ▶ Hazardous Material Incidents
 - ▶ Floods
 - ▶ Public Service Assist
 - ▶ Community Education Events



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City of Banning Fire Resources

- ▶ City continues to staff (2) Type 1 All-Risks, ALS Fire Engines
 - ▶ Engine 89 – Downtown Station
 - ▶ Engine 20 – Highland Springs and 6th Street
- ▶ Engine 20 Cost Share Agreement still exists between Banning, Beaumont and Riverside County.
 - ▶ Each paying 1/3 total personnel cost.
- ▶ Engine 20 housed out of State owned fire station.
 - ▶ Reduces cost for Banning for maintaining a second fire station
- ▶ Banning has continuous support from other State, City and County resources as part of an integrated, regional, cooperative fire protection system

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Highlights of Fiscal Year 2019 & Anticipated Accomplishments

- Cost recovery plan developed. Pre-hospital stabilization fee
- To date, zero 1st Responders for Riverside County Fire Department have tested positive for COVID-19 with development of COVID-19 Algorithm developed by the EMS department
- On average response times are under 5 minutes even with increase in call volume
- No planned closures of fire stations or staffing levels throughout county
- Contract continues to come in lower than cost estimates each year
 - 2018/2019 Cost Estimate: \$3,369,247
 - 2018/2019 Total Cost: \$3,048,650.75
 - 2018/2019 Difference: \$320,596.25



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Fiscal Challenges

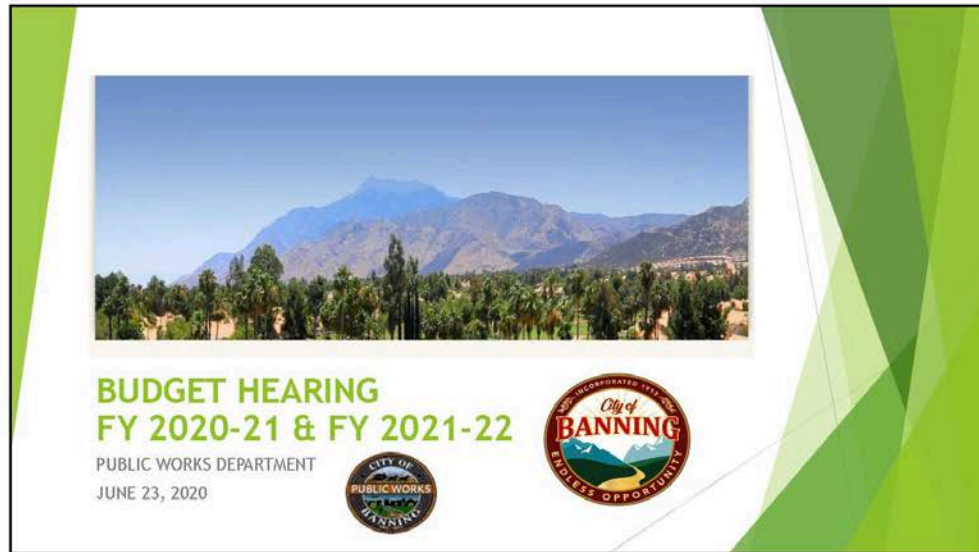
- COVID-19 recovery for cities
- Call volume expected to increase as new houses and businesses are built throughout city
- State employees face 10% pay reduction
 - Any reduction to personnel costs would be applied to Contract Cities personnel cost



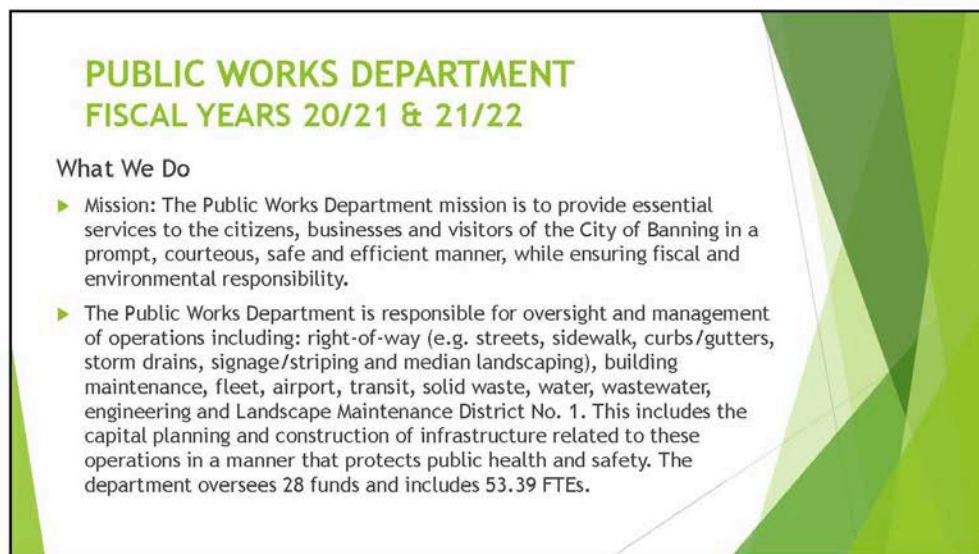
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Attachment 8



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PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

Streets Division

- ▶ Construction of \$3.4 Million of capital projects to partially address backlog of street maintenance projects including: pavement rehabilitation, signing/stripping, potholes, sidewalk repairs and curb/gutter repairs.
 - ▶ Utilized \$1,144,095 in grant funding.
- ▶ Solicited and awarded a contract for the preparation of the environmental clearance document and construction bid package for the Sun Lakes Boulevard Extension project.
- ▶ Entered into cooperative agreement with the RCTC and Beaumont to prepare a Project Study Report (PSR) for the Highland Springs Avenue Interchange project

Transit Division

- ▶ New Interagency Services Agreement with Beaumont, which eliminated Beaumont's route in the City of Banning resulting in an increase in fare box revenue.
- ▶ Deployed new mobile bus fare purchasing platform.

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PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

Water Division

- ▶ Began the installation of automated meters and metering infrastructure.
- ▶ Received an IRWM Implementation Grant in the amount of \$3,537,882 of which will be split 65/35 with the Cabazon Water District; 65% to the City of Banning.
- ▶ Commenced the installation of a new Supervisory Control and Data Acquisition (SCADA) system to replace an obsolete system installed in the early 1990's.
- ▶ Significant progress was made in the negotiations of the San Geronio Flume project.

Building Maintenance Division

- ▶ Construction of \$630,000 of capital maintenance projects to partially address backlog in maintenance projects.

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PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

Streets Division

- ▶ To have the Sun Lakes Boulevard extension project shovel ready.
- ▶ Progress to the next phase of the Highland Springs Avenue Interchange project (PA&ED and PS&E).
- ▶ Construction of \$985,000 of capital projects to partially address backlog of street maintenance projects.

Transit Division

- ▶ Complete rebranding of transit system.
- ▶ Drawdown of approximately \$1,344,259 in available capital funding acquired through various funding sources dating back to 2009 (e.g. CNG station, fleet, etc.).

Building Maintenance Division

- ▶ ADA Improvements at the Senior Center.
- ▶ Building demo and construction of parking lot on San Geronio Avenue.

5

PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

Water Division

- ▶ Construction of the non-potable water system from NP-1 to Sun Lakes Boulevard.
- ▶ Construction of a replacement water main along Nicolet Street, Cottonwood Road and George Street utilizing grant funding.

Wastewater Division

- ▶ Design and construction of equalization basin to optimize performance.

Solid Waste Division

- ▶ Negotiation of new solid waste collection and hauling franchise agreement.
- ▶ Development of solid waste ordinance to ensure compliance with State mandates.

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PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Allocation of Measure A and SB-1 funds for street operations due to reduction in Gas Tax revenue will decrease available funds to construct street capital maintenance projects.
- ▶ COVID-19 has drastically reduce ridership level and farebox revenue. Meeting the required 10% farebox recovery ratio will prove to be challenging without state/federal assistance.
- ▶ New solid waste collection and hauling franchise agreement will include services to match the requirements of the State's solid waste mandates. In turn the cost for the hauler to provide these services will increase; a cost that will be transferred to the rate payers in the form of a rate increase.

7

PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Water/Wastewater rates are not sufficient to fund the needed infrastructure projects to keep up with deferred maintenance project.
 - ▶ Known and unknown water leaks make up the majority of the systems 11% loss (i.e. non-revenue water).
 - ▶ The state is developing a new Chromium-6 MCL which will require a significant capital investment and increase in annual operations expenditure. The standard, depending on the concentration, could potentially lead to a rate study/increase.

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Attachment 9



BUDGET HEARING FY 2020-21 & FY 2021-22

ADMINISTRATIVE SERVICES DEPARTMENT
JUNE 23, 2020

1

ADMINISTRATIVE SERVICES FISCAL YEARS 20/21 & 21/22

What We Do

Administrative Services encompasses the following critical functions to provide critical support to the public as well as all city departments:

- ▶ Finance
- ▶ Risk Management
- ▶ Human Resources
- ▶ Purchasing
- ▶ Information Technology
- ▶ Utility Billing, Meter Reading and Customer Support

This is achieved through the provision of professional advice and guidance, thus supporting the city's mission to ensure that the city is fiscally sound and legally compliant.

We are here to support the community and all of the other city departments. Administrative Services provides the professional support needed by the other city departments, in order to ensure that both the public and city department customers receive the highest level of service possible.

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ADMINISTRATIVE SERVICES DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

- ▶ Implement comprehensive performance-based budgeting
- ▶ Complete public information portal and fully integrated online budget
- ▶ Implement cybersecurity measures to prevent security breaches and increase traceability of all changes to and access of systems
- ▶ Complete implementation of employee self-service for payroll information
- ▶ Complete formation of a Community Facilities District (CFD) for the Pardee-Atwell housing project

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ADMINISTRATIVE SERVICES DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

- ▶ Completion of Cost Allocation Plan (Fiscal)
- ▶ Implementation of Budget System to Provide Transparency to the Public (Fiscal)
- ▶ Citywide Recovery from Cybersecurity Breach (IT)
- ▶ Creation of Disaster Recovery Unit to Ensure Cost Recovery for Disasters (Purchasing and Fiscal)
- ▶ Telecommuting Workforce (IT and HR)
- ▶ Implementation of ProcureNow (Purchasing)

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ADMINISTRATIVE SERVICES DEPARTMENT FISCAL YEARS 20/21 & 21/22

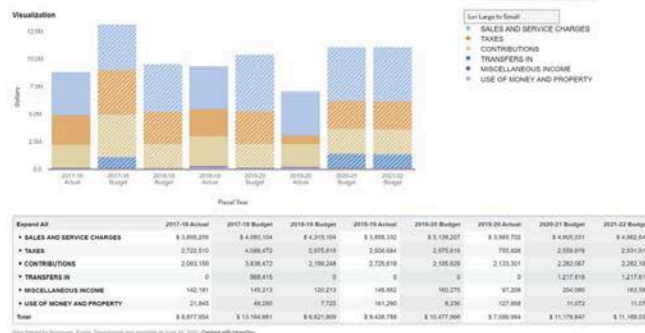
Fiscal Challenges and Service Level Impacts

- ▶ Unfunding of One (1) Full Time Equivalent (FTE)
 - ▶ Longer wait times for customers
- ▶ Antiquated Systems and No Current ERP
 - ▶ Increases the time to respond to Public Records Act requests and lack of data analysis for decision making
- ▶ Minimal Staffing Levels in Fiscal, HR and IT
 - ▶ Increases exposure to risk
- ▶ Cybersecurity Risk

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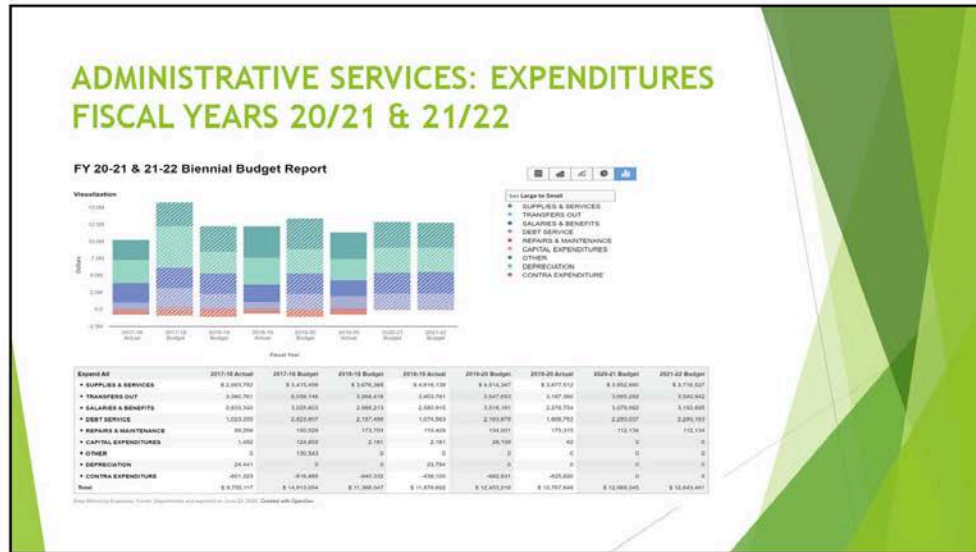
ADMINISTRATIVE SERVICES: REVENUES FISCAL YEARS 20/21 & 21/22

FY 20-21 & 21-22 Biennial Budget Report



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