
**CITY OF BIG BEAR LAKE CITY COUNCIL
MINUTES FOR SPECIAL WORKSHOP MEETING
MARCH 27, 2019**

A Special Workshop Meeting of the City Council of the City of Big Bear Lake was called to order by Mayor Putz at 9:30 a.m., Wednesday, March 27, 2019, at the Civic Center, 39707 Big Bear Boulevard, Big Bear Lake, California.

PUBLIC FORUM FOR CLOSED SESSION: None.

At the hour of 9:30 a.m., Council adjourned to Closed Session.
At the hour of 10:23 a.m., Mayor Putz called Open Session to order.

OPEN SESSION

Flag Salute: Led by Mayor Pro Tem Herrick

Councilmembers Present: Mayor Randall Putz
 Mayor Pro Term Rick Herrick
 Councilmember David Caretto
 Councilmember Bill Jahn

Councilmembers Excused: Councilmember Jackowski

Others Present: Jeff Mathieu, City Manager
 Kelly Ent, Director of Government Services
 John Harris, Director of Development Services
 Erica Stephenson, City Clerk
 Rebecca Cannon, Administrative Assistant

RESULTS OF CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to Government Code Section 54956.9(d)(1)
Name of Case: *California Department of Finance v. City of Big Bear Lake, et al*
Court & Case No.: Sacramento County Superior Court Case No. 34-2016-800002505

By a 4-0 vote, with Councilmember Jackowski being excused, City Council unanimously approved the settlement and final payment of the Successor Agency's Due Diligence Review in the amount of \$2,629,622. In an effort to settle and remit the final payment resulting from the dissolution of Redevelopment Agency's statewide, this obligation was approved to be paid from the City's General Fund Reserves.

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8
Property: Clean Bear Site No. 1 & 2 - 41970 Garstin Dr. & 39690 Big Bear Blvd.
City Negotiator: City Manager
Negotiating Party: Big Bear Disposal
Under Negotiation: Price & Terms of Payment

No reportable action.

PUBLIC COMMUNICATIONS

None.

DISCUSSION/ACTION ITEMS

1. FISCAL YEAR 2018-19 MID-YEAR BUDGET ADJUSTMENTS

Council consideration and discussion regarding the proposed Fiscal Year 2018-19 mid-year budget adjustments and related fiscal matters including possible action adopting a resolution approving the recommended adjustments.

Kelly Ent, Director of Government Services, gave a presentation on the Fiscal Year 2018-19 approved budget and needed adjustments, followed by a review of major revenue components and expenditures.

Council and staff discussion regarding property tax projection numbers, Transient Occupancy Tax (TOT) and sales tax revenue.

John Harris, Director of Development Services, gave a brief overview of the road improvement strategy the City has implemented for the past few years.

Council and staff discussion regarding capital improvement projects and Measure Y Funding.

Kelly Ent continued with the presentation and concluded with a Mid-year summary and a review of the recommended budget adjustments.

Motion by Mayor Pro Tem Herrick, seconded by Councilmember Jahn, to adopt the following resolution entitled:

RESOLUTION NO. 2019-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG BEAR LAKE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING ADJUSTMENTS TO THE CITY OF BIG BEAR LAKE ADOPTED BUDGET FOR FISCAL YEAR 2018-19

Said motion was approved by the following vote:

AYES: Caretto, Jahn, Herrick, Putz
ANOES: None
ABSTAIN: None
EXCUSED: Jackowski

Kelly Ent continued the presentation by discussing the City's TOT by outlining the historical perspective and the future projections of TOT for the City.

Council and staff discussion regarding TOT and Tourism Business Improvement District (TBID) allocation and collection; and the needs for additional public safety in relation to TOT and TBID future collections.

At the hour of 11:43 a.m. Jeff Mathieu, City Manager, introduced Fire Chief Jeff Willis and Assistant Chief Mike Maltby.

Chief Willis briefly discussed the current issues faced by the Fire Department in respect to budget deficits and services needed for the City of Big Bear Lake and the East Valley; and outlined the concerns brought forth by the community including visitors assisting in paying for needed additional public safety services.

Staff and Council discussion regarding options for additional revenue and the source for said additional revenue to assist the Fire Department; and the burden and benefit of subsequent taxes and future threats posed by not providing additional funding for public safety valley wide.

At the hour of 12:33 p.m., Mayor Putz called a short recess.

At the hour of 12:45 p.m., Mayor Putz reconvened the meeting.

Discussion regarding the sources of additional funding for the Fire Department continued; Chief Willis reviewed proposed tax revenue timeline scenarios and reviewed several options required to strengthen or maintain the current level of services.

Council and staff discussion regarding the possibility of increasing TOT and decreasing TBID percentages in an effort to generate new revenue to make up for the Fire Department shortfall including a new TOT measure on the November 2020 ballot. Council indicated they would consider a TOT increase contingent upon the Fire Department securing additional revenue measures before that avenue would be pursued.

Mayor Pro Tem Herrick stated he is in favor of increasing TOT by 1.5% and decreasing TBID.

Councilmember Jahn expressed that he leans more towards increasing TOT by 2% and decreasing TBID to create more of a balance.

Councilmember Caretto echoed both Mayor Pro Tem Herrick and Councilmember Jahn's comments and believes an increase in TOT would be beneficial to address public safety concerns created by increased visitor impacts.

Mayor Putz agreed with the proposed 2% TOT increase to support growing public safety needs arising from increased tourism and would like to explore what could be done regarding the possibility of decreasing the TBID percentage.

Consensus was reached by Council that they are all open to the idea of increasing TOT by 2% and allocating the additional funds 50/50 between the Fire Department

and Sheriff's Department, decreasing the TBID percentage and would like to renegotiate TBID agreement prior to the original expiration date.

At the hour of 1:30 p.m., Councilmember Jahn left the meeting.

At the hour of 1:32 p.m., Mayor Pro Tem Herrick left the meeting.

Jeff Mathieu introduced an item regarding a proposal that would adjust our current contract with San Bernardino County Sheriff's Department to assign a Sheriff Deputy as a school resource officer.

At the hour of 1:45 p.m., Mayor Pro Tem Herrick returned to the meeting.

Kelly Ent continued by reviewing the financial aspects of hiring a new deputy, the responsibilities of the Deputy, and concluded by outlining the benefits the City would reap from a new Deputy as well.


Council and staff discussion regarding the overall benefits of amending our contract with San Bernardino County to include a new full-time Deputy; Council concurred to revisit this topic at a later meeting.

Kelly Ent introduced an item regarding affordable long-term housing, school enrollment and employment; discussed the relationship in all three.

Council and staff discussion regarding the decline in student enrollment; the City's initiative in attracting more full-time residents to the City; and additional options for affordable housing.

ADJOURNMENT

There being no further business to come before the Council at this session, Mayor Putz adjourned the meeting at 2:10 p.m.



Erica Stephenson, City Clerk