

MINUTES
JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY
OF THE REDEVELOPMENT AGENCY

Study Session – May 21, 2019
2:00 PM
CITY COUNCIL CHAMBERS
Sand City Hall, 1 Pendergrass Way, Sand City, CA 93955

Mayor Carbone opened the meeting at 2:00 PM.
The Pledge of Allegiance was led by Chief Ferrante.

Present: Mayor Carbone
Vice Mayor Blackwelder
Council Member Hawthorne
Council Member Sofer
Council Member Cruz

Staff: Brian Ferrante, Police Chief
Fred Meurer, Interim City Administrator
Vibeke Norgaard, City Attorney
Linda Scholink, City Clerk/ Director of Administrative Services
Additional Staff Present: Members of the Police Officers Association
(POA)

AGENDA ITEM 3 ANNOUNCEMENTS BY MAYOR AND CITY ADMINISTRATOR

Mayor Carbone gave background information on the purpose of the study session. She said the Interim City Manager, while preparing for the budget, directed staff and department heads to forecast budget needs for the year. City Council and residents also requested information on police services and costs as it is one of the larger expenditures in the budget. The Mayor said that it is the job of the City Council to guide the City through policies and that the Council is responsible for the resources of the City. The Council is also responsible for ensuring adequate fire and police services for residents.

These discussions were also brought about by the concern of the California American (CalAM) Water lease of the desalination wells. The revenue from that lease will decrease from \$850,000 to \$7,000 in 2023. The South of Tioga project may be a source of revenue for the City by that time, bringing in approximately \$1,000,000 in TOT. She also mentioned the Capital Improvements Plan that will increase City expenditures and a sale tax percentage that could increase City revenues.

The Mayor described the goal for the study session to include levels of service and a

long range plan for providing police services for the City.

AGENDA ITEM 4 COMMUNICATIONS

2:09 P.M. Floor opened for Public Comment

There were no comments from the Public.

2:09 P.M. Floor closed to Public Comment.

AGENDA ITEM 5 NEW BUSINESS

A. Presentation by Sand City Police Chief Brian Ferrante on Department Capabilities, Responsibilities, and Statistics

Interim City Manager, **Fred Meurer**, opened the discussion by saying that this will be the first of many study sessions for the Council and the public to discuss the budget. He said that the budget should be more descriptive as its purpose is to provide a structure for the community and for the Council to make decisions. The City is missing facilities and programs that are expected of most cities. There is a desire for a capital improvement program for new Police cars, undergrounding, public art, etc. The desires of the community exceed the revenues taken in. Normally, the City would forecast up to five years and make assumptions of best and worst case scenarios. Fred Meurer said he is trying to look to the future to at least pay necessary expenses and at the maximum shape the City with the appropriate infrastructure, staff, and services to meet citizen demand.

Fred Meurer said he is at the front end of the budget process and is bringing it to the Council. The budget did not include a five-year capital improvements plan. He said the City was reporting a negative budget of \$1.5 million until he had California American Water take on obligations for the desalination wells to have funds to develop other capital improvements. There is a lack of oversight within City Hall as a result of the absence of at least one senior position. There is no procurement ordinance that would allow for the City to spend funds granted at the State and Federal level. The Personnel Manual is outdated. There is no organizational infrastructure that would be expected of a City, such as a record management system, a budget system, and a process that allows staff to tap into an asset management system that would record current condition and forecasts for condition of assets. Most plans and community development systems are paper and pencil; the current records management system consists of two storage units with physical records as opposed to an electronic system that the public can access.

Tonight is the first meeting for working toward how to achieve all of the different things that the City needs and the things that have been asked of the City to provide. Also to allow the City to hire the number of people necessary to provide

the services requested by the community. During the presentation, the public will be provided with snapshots of data to give them a sense of various values associated with the City and with the Police Department. Fred Meurer said that he would like the study session to provide the Council and the public with a better understanding of the services provided by the Police Department, the results of those services, how to measure those results, and the costs associated with those results.

Fred Meurer provided the Council and public with statistics about other cities. He warned that the statistics may not accurately represent public safety services. He said he could provide more information upon request. He stated that the purpose of the meeting is to gather information on the services provided by the Police Department.

After he was asked to present information on the Police Department to the Council, Fred Meurer met with the Police Officers Association. He said he communicated to them what he was asked to do and how he would approach it. He said he was asked if there is a more cost effective way to deliver police services and if the City could possibly go into partnerships with other cities, as Sand City has gone into partnerships for fire protection. He spoke with the City Managers of Del Rey Oaks, Monterey, and Seaside to inform them of the inquiry and deliberations. They all had a similar interest in finding more cost effective ways of service delivery. He reminded the public that the meeting is not to talk about contracting out to any City, but to further explore what police safety services the City Council wants.

Fred Meurer started the presentation by describing the chart of City expenditures. It highlights the various things that the City does and is a snapshot of the current Fiscal Year 18-19 budget as amended. He said it shows each service that will be received and shows the public that the police component is a substantial percentage of the budget. He said that the numbers in the total budget are different than those in the operating budget and again stated that the numbers are somewhat unimportant; the purpose is to see that the Police Department budget is large.

Councilmember Cruz asked if the numbers presented in the chart are actuals.

Interim City Manager, **Fred Meurer**, answered that these are not the actuals, but the figures from the fiscal year 18-19 budget.

Fred Meurer moved onto the second chart, picturing revenues. The two largest sections are for sales tax and transaction tax. Another section depicts the CalAm Water lease of the desalination plant for \$850,000. He said there is no plan for expenditure reductions as a result of a coming reduction of that revenue. He was told that the TOT received from the South of Tioga project was the suggested offset. He spoke on the delays in projected groundbreaking for the project. He

expressed concern that the revenue the City would receive from the project is under the control of developer's timeline.

He went on to say that the increase in population from the South of Tioga project would not generate enough revenue to offset the expenditures they add for the City. He said the Chief's plan would be to add officers to handle the additional demand for services from the potential 300% increase in residents.

Fred Meurer spoke next on sales tax capacity, saying there is about a quarter of a percent of tax revenue that the City could pursue. As part of the budget process, he will recommend that the City indeed pursue it to avoid another agency claiming it. The sales tax would not be able to be on the ballot until the Council election in November 2020. He said that when thinking about strategy for the community, the Council needs to think about the services provided now and the services they hope to provide for the current and new population.

Fred Meurer spoke on the facilities district he would like to be established. This is a property tax that the property owner would vote on himself to help pay for services. He said he has a plan with expected revenues the City would hope to achieve. This was presented to the property owner for the South of Tioga project with no response.

He moved on to speak about the third chart. He said he was asked by the Council to provide them with information on cities of a similar size to Sand City in California that have their own Police Department. There are four. Most cities similar in size to Sand City buy their police services from an outside agency. Normally the city is remote and buys these services from the Sheriff's Department. He guaranteed that the level of service those small cities get from their local Sheriff's Department would in no way compare to what Sand City receives from their department. He spoke on the police expenses for the cities mentioned. He said not to draw conclusions from the chart as each city has chosen to do what works best for their specific needs.

Chief Ferrante then began his portion of the presentation to give an overview of the department. The department has a commander, two sergeants, six officers, three reserve officers, and a records coordinator to total ten sworn including the Chief of Police, three reserves, and one nonsworn professional staff.

The sworn staff work four eleven hour shifts in eight days. This program is not common but works wells for the department for a number of reasons. The Chief described the details of the different shifts officers work and how the overlapping system ensures coverage for the City. If there is only one officer on shift, Seaside officers will provide backup if necessary. The Sand City Police Department reciprocates and provides assistance to the Seaside Police Department upon request.

Chief Ferrante gave the Council the mission of the department: to work in partnership with the community to provide exceptional police services that improve the quality of life for residents, businesses, and visitors. This is done through the use of training, experience, and the police culture, described as a culture of excellence.

The Sand City Police Department prides themselves on putting quality over quantity. There is not a tremendous call volume in Sand City which allows the department to do two things. One is to take a call and investigate it thoroughly from beginning to end to explore all possible avenues to come to a successful conclusion to an event. The officers use their time effectively to have effective solutions for problems. The second is that the department is able to maintain strong relationships with other law enforcement partners, community members, and businesses. The Chief said that most business owners know the officers by name. They know they can approach the officers at any given time. The Chief stressed the importance of the community feeling they have access to the Police Department and their Chief of Police and that they should feel satisfied with the service that they get.

Interim City Manager, **Fred Meurer**, spoke up to commend the range of services discussed by the Chief. He reminded the Council to keep in mind that range of services to be able to differentiate between what they want and what they can pay for.

Chief Ferrante then spoke on the goal of the department to treat everyone with respect, compassion, empathy, and honesty. He described the proactive policing model used to spend time finding criminal activity that is occurring or about to occur and working to prevent that crime from being completed as opposed to waiting for calls for service to react to. An element of their policing as important as this proactive approach is the way they treat people. Not just their citizenry, business owners, and visitors, but the people who are committing the crimes. The Chief described an email he received recently from an individual whose husband was arrested and sought information from the department. The individual wrote to thank the officers, calling them kind, patient, and respectful.

The Chief spoke on a call that occurred two years prior where two officers were shot. Shortly after the shooting, the community came forward with an outpour of support; and not just from businesses and residents, but from the transient population who have been arrested by the Sand City officers. He used this example to show the relationship the officers have with the community who has shown appreciation that the Police Department treated them with respect and provided them with service.

The Chief then spoke on the quality of the organization's level of experience. The Chief holds over thirty years of policing experience, four as the Chief for Sand City. He graduated from the National Academy with a four year degree from ASU.

He has small unit management as well as larger management experience. His background is largely tactical and investigative including units like SWAT, canine, field training, narcotics, homicide, and covert investigations as well as patrol.

Chief Ferrante spoke on his three supervisors, who have a combined 60 years of experience. The experience levels of all officers range from 9 to 21 years. All officers are crisis intervention trained and have extensive experience and training in handling the mentally ill and people who are in crisis and helping them cooperate without escalating the situation. The department consists of drug recognition experts, the only certified sketch artist in Monterey County, a crisis negotiator, a tactical operator, two drone pilots who are part of the Regional Emergency Operations Center and drone program, a professional photographer and crime scene investigation specialist, and officers who are experts in controlled substances for court testimony.

Chief Ferrante described the individual experience of each of his officers, beginning with Commander Graziano, who has 27 years of experience and has a great reputation for involvement in various regional programs. He has been awarded numerous recognitions for his service and attended a number of training opportunities for management. He is trained as a logistical commander for the Special Response Unit, the Regional SWAT team, and is a voting member of the County Grant Authority.

Sergeant Bushnell has been with the Sand City Police Department for 19 years. He is a recipient of the Monterey County POA Metal of Valor. He holds his supervisory certificate, is a master drone pilot, and a crime scene specialist.

Sergeant Mount has 17 years of experience, also holds his supervisory certificate, is an operator with the Special Response Unit, is a Taser instructor, and is an instructor and specialist in less lethal.

Officer Ducoeur, the force's most junior officer, has 9 years of experience. He has an advanced post certificate, a Distinguished Service Award. He is an expert in accident investigation and is cross training in records management.

Officer Escobar has 13 years of experience is a recipient of the Metal of Valor, is sketch artist post-certified, is a drone operator, and an evidence specialist.

Officer Martin has 21 years of experience, was a sergeant for the City of Seaside, holds his supervisory certificate, is a fluent Spanish speaker, and has extensive investigative experience.

Officer Segovia has 10 years' experience, has a Distinguished Service Award for the POA, two warrants for his DUI investigations by Mothers Against Drunk Driving, is a narcotics expert, an asset forfeiture expert, and has a reputation for being one of the most proactive officers while still maintaining positive

interactions with the community.

Officer Blackmon has 11 years of experience, has a Distinguished Service Award, Award of Merit, Monterey Service Award, and is a drug recognition expert through the DRE program through the California Highway Patrol.

Officer Charlton has 19 years of experience, is one of the department's current range masters, is a firearm instructor, and a former SWAT operator.

Reserve Officer Veloz has 32 years of experience and was a commander for the City of Seaside. He is a former SRU tactical commander and has an investigative and tactical background.

Interim City Manager, **Fred Meurer**, asked the Chief to explain the difference between a regular full-time officer and a reserve officer.

Chief Ferrante answered that a full-time officer is employed full-time with benefits and retirement. A reserve officer is someone who has decided they have other things going on. They may still have a full-time job elsewhere or be retired, but they have an interest in policing and have either previously gone through the Police Academy or they put themselves through the academy on their own time and at their own expense. Sand City has three reserve officers, two of which have extensive police experience and one who put himself through the academy, was trained by Sand City, and has been deployed by Sand City.

Interim City Manager, **Fred Meurer**, asked the Chief to differential between the costs associated with each type of officer.

Chief Ferrante answered that a full-time officer has full pay and benefits and works forty hours per week. A reserve officer is paid hourly and does not have the retirement or medical benefits of a full-time officer. The reserves are paid roughly \$32 an hour. Having reserve officers cover for full-time officers saves the City the cost of paying full-time officers for overtime.

Reserve Officer Browning is a former CHP officer with 15 years of experience. He received a Commissioner's Commendation for his work with CHP. He is a drug recognition expert and instructor, a field sobriety test instructor, a firearms instructor, and has been an investigator for critical incidents.

Reserve Officer Manca put himself through the Police Academy, has been recognized by a number of cities for his volunteer efforts, and is a fluent Spanish speaker.

The Chief explained that the training and experience of the officers of Sand City is exceptional compared to that of other agencies.

The records coordinator, the only non-sworn employee, manages all police record systems. He has 13 years of experience in the position, is a class trainer which is a law enforcement site dealing with confidential information, and has an extensive knowledge in crime statistics.

The Chief went on to speak on the proactive philosophy of the Police Department. The goal is for officers to use their training, their experience, and their knowledge of the area and of local criminals to impact crime before it happens.

The department maintains regional partnerships throughout the Monterey Peninsula and Monterey County. The Chief is on the board for the Peninsula Regional SWAT team, the Special Response Unit, Commander Graziano is the logical commander, and Sergeant Mount is an operator for that program as well. It is a group of seven agencies on the Peninsula that all contribute personnel to the tactical team to respond to extraordinary circumstance, critical incidents, and high risk search warrants. The department also contributes to PREVENT, the Peninsula Regional Violent Narcotics Team to take a regional approach to fighting violent crime and narcotics.

They also take a community-oriented approach through competency and ability by patrolling the street, neighborhoods, businesses, and the beach. The department has a beach patrol vehicle to keep people from using it as their residence. The beach patrol aided the officers in their pursuit of people with felony warrants, drug addicts, and people on the run for a variety of crimes. They were able to clean up the beach and as a result residents and visitors have returned to using the previously unsafe area.

The Police Department provides various auxiliary services for the community as well as answering general questions, assisting with issues of health or mental illness, and even helping members of the community get to school. The Chief sits on the Behavioral Health Commission and the team has been commended for their service. He also is a chair for the Urban Area Security Initiative which brings funding into the county for training and equipment. Officers are also involved in the Chief Law Enforcement Officers Association and the Regional Emergency Coordination Center.

Interim City Manager, **Fred Meurer**, explained a chart showing the salaries and benefits of each employee of the City of Sand City over time. It shows the annual pay, overtime, and benefits. There are multiple salary values for some positions; this is a reflection of their time and service and what type of retirement system they are enrolled in. The section for the City Administrator does not describe Fred Meurer, but the previous City Administrator, and is the total budgeted amount as opposed to his actual earnings.

The Police Department and Public Works are in the same section because both

departments fall under the supervision of the Police Chief. He explained that when benefits and seniority are considered, an officer could make more than his supervisor.

Chief Ferrante spoke on current projects. The body camera implementation program has every officer wearing a body camera to provide transparency through availability. Sand City is also one of the few agencies where the officers do not have computers in their vehicles. These computers consist of an integrated system that involves servers and information in the office to transmit to and from the police vehicles. This has already been budgeted. As part of a regional Emergency Coordination Center, an emergency operations plan is in the works. CERT will be presenting to the Council and public at a City Council meeting to discuss the implementation of a neighborhood program. This program would have emergency supplies available for members of the program to assist in an emergency situation. Personnel development is an ongoing project to maintain training and increase service levels and levels of expertise. This includes career development and succession planning and is in addition to mandated annual training.

Chief Ferrante spoke on the budget. The Police Department comprises about 39%-42% depending on the form of the budget being considered. This includes salaries, benefits, overtime, and retirement, paid for by the City on behalf of the officers with a total cost of \$2 million out of the \$3 million police department budget. Comparisons were performed in 2018 showing Monterey officers to be the highest paid with Pacific Grove, Marina, Del Rey Oaks, and Carmel officers having comparable pay to Sand City officers. The average compensation hovers at about \$127,000. Supervisors in Sand City are compensated at a lower rate than those at Seaside and Monterey but at a higher rate than at other cities, again at about average compensation.

He then spoke on statistical comparisons to other peninsula cities. The data was gathered from 2014 through 2018 of part one crime. Of all of the agencies, about half have seen crime reduction and half crime increase. Del Rey Oaks has had the largest increase at 17%. Sand City had the largest decrease at 30%, credited to the motto of proactive policing. It is widely understood that adoption of Prop 47 and Prop 1 have led to an increase in crime, specifically property crime and retail theft with a trend of 12%. As Sand City relies heavily on retail, it was expected that these part one crimes would increase. However, the department saw a 30% decrease which is essentially a 40% swing from the expected change. The Chief attributes this to the work ethic and policing philosophy of the officers.

Chief Ferrante spoke on arrest statistics. Every peninsula city has seen a decrease in arrests with the exception of Sand City. About 75% of those arrests are self-initiated, a direct result of proactive policing. These comprise of drug arrests, warrant arrests for driving stolen vehicles, carrying firearms, or robbery, etc.

He then spoke on court filings. Del Rey Oaks has the highest filing rate at 98% with a fairly low volume of cases submitted, 73, followed by Sand City at 96% with 461 cases submitted. The Chief said that that percentage would be higher, but the high rate of self-initiated arrests can weigh it down. He explained that a self-initiated arrest rate of 75% while still maintaining a file rate of 96% shows that the Sand City officers really know what they are doing.

The Chief then spoke on CalPERS. The current projections for CalPERS predict contributions will double in the next three years. Of the Police Department's \$2.6 million budget, \$600,000 is paid to CalPERS: a \$300,000 contribution plus a \$300,000 unfunded liability. Unfunded liability covers the gap in coverage between the CalPERS fund and the amount owed to retirees. The total unfunded liability for Sand City is about \$2 million. The projection for Fiscal Year 24-25 is a total Sand City payroll of \$2.6 million with \$900,000 going to CalPERS comprised of \$400,000 for normal contributions and \$500,000 for unfunded liability. That is a projected increase of \$300,000 paid by the City to CalPERS.

The Police Department currently has three different tiers for retirement. In 2013, PEPR was implemented to create different retirement for new CalPERS members than those already in the system. The common retirement up to that point was 3% at 50, so an employee would accrue 3% per year and retire at 50 years old. PEPR, for new CalPERS employees is 2.7% at 57. Sand City then made an additional tier (referred to as second tier) for new Sand City specific employees to get 2% at 50 instead of the 3% at 50. About half of the department is on the second tier. The original safety plan was changed to 3% at 55. The PEPR projection from current to 2025 is an increase of \$750 for the year. The unfunded liability cost for those in the second tier is currently \$939. Their combined unfunded liability is going to increase to \$5,000. This is insignificant because those in the second tier and PEPR are paying an extra \$6,500 per year total. Original classic members are currently paying a combined unfunded liability of \$128,000 per year. In five years that is projected to be \$222,000.

For all officers, the unfunded liability would add about \$100,000 to the police department budget. The Chief said Sand City is in a very good position compared to other cities since it has been managed well.

Interim City Manager, **Fred Meurer**, spoke up to say that these numbers are based on the CalPERS projected return of 7.25% through 2025. He is tentatively scheduling a study session for the Council's second session in June to include CalPERS consultants to speak on those projections. They are looking at further reducing the expected return on investment. He said that their gradual approach to reducing this figure is not financially wise. The consultants will come and brief the Council with the total CalPERS range of potential return. Fred Muerer said that Sand City is one of the few cities that have paid down their CalPERS obligation for retiree benefits. Sand City is also one of the few cities that offer

retiree healthcare. He said one of the decisions that they are going to have to make this year is deciding how much of the funding put away for OPEB will be spent in relation to the other demand for resources, specifically capital resources. Sand City is in better shape in part as a result of the addition of the second tier retirement plan. Many officers have transferred to Sand City and would be in the higher safety plan than the one they are currently in. This had a significant impact on cost.

Councilmember Hawthorne asked Chief Ferrante for the employer and employee retirement contribution figures.

Chief Ferrante responded that the City pays for the entirety of retirement contributions. In the chart on compensation comparisons, Sand City shows a 9% CalPERS employee contribution. Sand City is listed at roughly \$130,000 cost per officer. Since that 9% is not actually contributed, the cost is more accurately \$119,000. And since the officers do not pay into their retirement, they are paid at a lower rate with the assumption that if they did pay that 9%, their income would be closer to \$130,000.

When looking at unfunded liability obligations of the peninsula cities, Sand City is in the best standing at \$2 million. Del Rey Oaks and the Airport have \$3 million, Seaside has \$28 million, Monterey has \$60 million, and for such a small city, Pacific Grove has \$23 million. Sand City also has the highest funded percentage at 78%. Sand City is the most funded with the lowest amount of liability.

Interim City Manager, **Fred Meurer**, spoke on Monterey's numbers saying they reflect the City Council approving 3% at 50 for all of their public safety personnel. He recommended the plan to the City Council as a result of an understaffed police department to draw in officers with higher qualifications. Many public safety personnel soon retired as a result of the raise in the retirement benefit. As the City Manager, he said the systems were not able to be financed in the long run. He said Sand City did better than any other cities with the adoption of the second tier benefits to address this concern.

Chief Ferrante concluded his presentation by speaking on the department's community outreach efforts. They maintain a Facebook page which the Chief suggested the Council and public visit to see the types of people arrested and the types of crimes they are committing. There are a lot of weapons and drugs violations occurring in Sand City, parolees, and violent felons who have no reason to be in Sand City than to steal and victimize the community. The page also includes a letter from a community member commending Officer Segovia for assisting her and even following up later in the day to ensure her wellbeing. This shows the range of services between making the proactive self-initiated arrests and interacting with people in the community.

The Chief also holds a "Coffee with the Chief" and will be putting out a flyer with

information on the CERT program to get the community's interest as something to discuss at these informal meetings in addition to any topics of interest. The Police Department is also in the process of revamping their website with assistance from City staff. Career development, succession planning, and regional involvement are ongoing. Ultimately the Police department would like to see an expansion in personnel resources to account for the South of Tioga project with the addition of two full-time officers to round out the patrol model and have at least two officers on at all time to provide an enhanced level of service 24 hours a day for the growing population.

Interim City Manager, **Fred Meurer**, asked the Mayor to discuss her strategy for allowing the Police Department's POA sufficient time to give their presentation and receive public comment.

Mayor Carbone decided to extend the meeting passed the original set end time of 4:00 PM. The Council discussed the best way to continue the meeting.

3:51 PM

Break

3:56 PM

Mayor Carbone welcomed the public and City staff back and requested public comment be reserved for the end of the POA presentation to ensure the special Council meeting not press into the regularly scheduled City Council meeting.

Councilmember Cruz mentioned the assumption of the 7.25% CalPERS expected return as something for the Council to keep in mind.

Interim City Manager, **Fred Meurer**, agreed and reminded the Council that there will be a special Council meeting with a CalPERS consultant who is tracking anticipated changes.

Councilmember Hawthorne said that the Sand City Police Department is one of the best in the county, especially under Chief Ferrante's leadership. As a councilmember, he said he needs to consider balancing the budget. He said that if the Police Department feels they are being targeted, it is because they are as the single largest item in the budget by far. Therefore, it is not that the Police Department needs to convince the Council of their credentials, but that the Council needs to look at the whole picture of the budget.

B. Presentation by the Sand City Police Officers Association on Officer Profiles, Experience, and Effectiveness

Officer Escobar, Vice President of the Sand City Police Officers Association

(POA), began his presentation by thanking the Council for the opportunity to speak on the department and their daily activities. He said that when the Interim City Manager first approached the department to speak on their services, they were excited to educate the community. The POA is a collection of experienced officers, some starting their career in Sand City, some transferred from other agencies. The force has 227 years of combined law enforcement experience and over a decade of experience per officer.

Officer Blackmon spoke on the relationship the officers have with members of the community as a unique attribute of their department. They not only work for the City, but every officer is from the Peninsula; this is virtually unheard of. As a result, the officers know well the business owners, employees, regular beach-goers, and people who shop in the City. There is a valuable trust that is built from these strong community ties, not only on a personal level but in regard to reporting crimes. He spoke on his experiences with the City of Seaside and the community being afraid to report crimes. Being a small City, the officers recognize the cars out of place and know how late different businesses have employees present. He asked the Council to take into consideration the value of these relationships.

Officer Escobar returned to discuss packets handed out at the meeting detailing officer training. He then introduced several officers present:

- Commander Graziano
- Sergeant Bushnell
- Sergeant Mount
- Officer Ducoeur
- Officer Segovia
- Officer Martin
- Officer Blackmon
- Officer Charlton
- Officer Browning

Officer Charlton introduced himself as a night shift officer. He said he is one of the officers watching the City and responding to calls while the community is sleeping or out for the night. He is in his position in Sand City because it is where he wants to be. He said that he is going to provide information that may be counter to information provided to the Council and staff. He encouraged feedback for clarification.

He referred to a statement made in a City staff meeting that the City has been "exhausting its reserve fund" for the last three years. According to Hayashi Wayland, the City's auditors, and the monthly financial reports, the reserve account has shown an increase of nearly \$5 million. In 2018 alone, the fund balance increased \$537,000. The City has been running a budget surplus for the past four years.

Officer Charlton spoke on the economic factors described for next year's budget, as provided by Hayashi & Wayland. Even with the South of Tioga project and other projects being delayed, the City is doing well and has been able to navigate its way through the 2008 depression to current day in good shape.

Councilmember Hawthorne said that the figures were interesting as the proposed budget for fiscal year 19-20 has a surplus of only \$27,000. He said that without Fred Meurer negotiating with California American Water to pay for the construction of the new desalination facility, the City would have had a \$1.5 million loss. He also mentioned that the City lost a large retailer and that in 2023 the California American Water lease of the desalination plant will be reduced from \$850,000 to \$7,000.

Councilmember Blackwelder countered that the \$2 million for the wells would have been financed and then reimbursed by California American Water.

Interim City Manager, **Fred Meurer**, interjected to say the wells could be discussed at a later time and that the Council had lost perspective of the discussion. He said that the Police Department is looking at the number of dollars that could be spent on personnel, but that the Council needs to look at the number of dollars that need to be spent to achieve what they want to achieve. There are a number of capital improvement projects to be considered such as the construction of a new City Hall, paving streets, undergrounding utilities, installing ADA accessible ramps, building a recreation center, and putting in parklets. Budgeting is about trying to get the Council's priorities straight. He said he had discussed the City's reserve funds with the Council, totaling about \$6.5 million, and that this reserve will fund the capital improvement program.

He spoke on projected revenues from property taxes, saying that the City has a specialist who will provide estimates on property tax increases and sales tax increases. These new numbers will be included in the budget. He said the numbers are always moving and that numbers can be created and manipulated.

Fred Meurer told the Council to consider how they want the capital improvements program to go, how they want the police program to go, and how much they want to spend on fire services. He said that the officer's statistics were directly pulled from the audit, but that those numbers change.

He spoke to the statement that he told staff that the City is operating with a negative budget of \$1.7 million. He said the City hoped to be able to borrow the money from I Bank, but they might not be eligible so the City would have had to

build the well. He said the budget is all about priorities and how much the Council wants to spend on those priorities. He said the Council could even choose to add officers, if that is their priority.

Councilmember Blackwelder injected to say that the purpose of the meeting is not to talk about adding more officers or building a new City Hall and so the officers should continue with their presentation.

Interim City Manager, **Fred Meurer**, said he was attempting to reflect the requests of him by Council. He said they have their own pet projects that they should consider during budget discussions. The question was posed: how much does the Police Department cost and Fred Meurer said he could not answer that question, but the Council should know the services provided. The Council will then need to decide what services they want, the costs, and other options.

Officer Charlton then spoke on his 20 years of experience in the policing field. He worked for the Sand City Police Department when the department was crude and limited but they were always able to work things out. He said that the people who worked for the City made a lot of smart decisions. The officers are now potentially fighting for their jobs but the reality is they could work for any department, if that is what the Council wants.

Officer Charlton worked for Seaside in 2010 when a new Police Chief was appointed. He said the officers' service was not valued. Meanwhile, the murder rate in Seaside shot up 700%-800% with 30-40 shootings per month; this information was suppressed from the media and so was not common knowledge. This violence spilled into Sand City and a gang-related memorial can be seen in the City as a result. The gang members would come into Sand City because there was not the police presence like there was in Seaside where the officers knew them by name. Without a Police Department, he warned, the City will see immediate consequences.

Officer Charlton clarified that the numbers used by the Police Department from the audit were taken directly from Hayashi & Wayland and were not altered by the Department. He spoke on the concerns of a dip in sales tax revenue as a result of online sales. The officers reached out to the regional managers of the largest contributors to the City's sales tax revenue including Costco, Target, Marshall's, and Ross and they confirmed that they did extremely well during the recession. In fact, the stores were considered recession-proof.

Councilmember Hawthorne said that all the sales tax in the City does not pay for the Police Department. The sales tax is where the City gets a large portion of its revenue and it does not cover the Police Department.

Mayor Carbone asked that the Council stick to the presentation.

Officer Charlton continued to say that a police department is the biggest line item in every single city. He moved on to speak on the concerns for the year 2023. The City and Council have carefully planned for this and are looking like they will be in good shape. While Sand City is projecting a 7.5% return for CalPERS, others are projecting a better state of the economy. These projections were provided by a reputable accounting firm.

Officer Charlton expressed his concerns with services if the department were to be dissolved. He said the night prior to the meeting he was chasing an armed suspect. This was between the 2:00 AM to 6:00 AM window when only one officer is on duty. It took the Seaside Police five minutes to get to him for backup. He said this would be much worse with no officers in Sand City.

He returned to speak specifically on the budget. He said the POA has negotiated with the City and when the City went through tough times, they accepted to postpone their promised raises. He assured that the department is willing to work through a financial hurdle.

Officer Escobar returned to the present on the basic job description of an officer in any city. The officers of Sand City do more. They investigate major crimes, investigate trafficking investigations, investigate crime scenes, do crisis intervention, investigate parking enforcement, handle vehicle abatement, and manage animal control. In any other department, these fall under separate job titles or separate pay scales. Every single Sand City officer performs these tasks.

From 2016 to today, Sand City has made 116 arrests, Carmel, a city of similar size, has made 508. This is due to a decrease in repeat offenders coming into Sand City. In 2016, 72% of arrests were of first time offenders in the City. In the same time frame, Sand City has confiscated approximately 507.54 grams of methamphetamines; for reference, a usable amount is 0.01 grams. They have confiscated about 178 grams of heroin, 28 grams of cocaine, 356 illegal prescription pills including Xanax and opioids, 65.5 pounds of marijuana, 7 handguns, 1 assault rifle, 10 replica firearms which can be used for violent crimes, and seized over \$10,000 in narcotics related cash.

Officer Blackmon said that the number of fire arms seized is absurd for the size of Sand City. Looking at the larger agencies the officers have worked for previously, they did not get that number of firearms off the street, unless it was from a search warrant of a gang investigation. That is a great number of firearms coming from essentially a small city with a shopping mall. Officer Blackmon said that when he started as a cop for Sand City, he was amazed by the number of

people out on the street at night under the influence. He said that if someone wanted to walk the streets tonight, he guarantees they would not see many people out and part of that is a result of their proactive enforcement. Confidential informants have confirmed that criminals will not come to Sand City knowing the caliber of officers.

Officer Blackmon went on to describe several critical response incidents that have occurred in Sand City in the last few years in which, in almost every incident, they responded with just one officer, two maximum.

Ross Store, 2020 California Avenue, a masked suspect entered the store after hours with a firearm, duct taped the two female employees, took over the store, and created a hostage situation;

Bike Path, west of Playa Avenue, Norteño gang member shot and killed by rival Sureño gang members;

2000 block of California Avenue, a female victim was shot and killed in an unknown location; the vehicle drove and parked in the Ross parking lot; during the investigation, suspects, victims, and possible witnesses refused to cooperate;

Payless Shoe Store; a man entered the store with a firearm and robbed the business; this man was found to be a serial robber

A known drug house, 445 Orange Avenue, an elderly woman was stabbed to death;

Highway 1 and California Avenue, a Crip gang member was shot and killed by rival a Norteño gang member;

Mattress Land, 1950 Playa Avenue, a man entered the store with a firearm and robbed the business; the man was known as the "Cupcake Robber";

Target parking lot, 2040 California Avenue, officers attempted to take a suspect into custody, turned into a customer involved shooting injuring Sand City officers;

Beach, north of Playa Avenue, a woman's neck was slashed several times by her boyfriend; multiple agencies responded but could not locate the victim; Sand City officers located the victim and saved her life;

2000 block of California Avenue, two males entered the Lucky's pharmacy, assaulted the pharmacists, climbed the counter, and stole prescription medication;

Metz Avenue at Playa Avenue, male reported from the hospital that he was shot at the intersection walking up the bike path; he did not provide information other than that he was a known Norteño gang member; this occurred during the day;

Verizon Wireless was burglarized twice resulting in over \$200,000 in loss. The culprit was an organized crime organization from the Bay Area. They cut holes in the roof, and turned off the alarm and surveillance systems;

200 block of California, suspect approached a shopper, brutally battered him, and forcibly stole his items;

West Bay area, a male was shot several times while sitting in his vehicle;

400 block of Orange Avenue, officers fought to disarm a convicted felon; the officers attempted to take this individual into custody again and was shot and killed by the Seaside Police Department on Fremont Boulevard; the individual was reaching for a gun, attempting to kill the officers that were attempting to take him into custody;

Costco, 801 Tioga Avenue, a crime organization was found to be committing check fraud and ID theft up and down California;

900 block of Playa Avenue, a man was stabbed several times by a mentally ill woman for an unidentified reason; the officers responded within 30 seconds and were able to chase and capture her; without that quick response there would have been no way to identify her and solve that case;

The "Alta Case", an organized crime of burglars resulting in loss in stores in Sand City, Monterey, and others through California; solved by the efforts of Officer Segovia and the District Attorney's office;

Officer Blackmon said that the Police Department has been working on several nuisance locations and have seen results:

445 Orange Avenue has 105 total entries in the database system in Sand City alone. Other agencies, like the Seaside Police Department, have also gone to the house to recover narcotics, guns, and stolen property. They have encountered crimes at this location including contacting multiple parolees and probationers, drug-related injuries, theft-related injuries, burglaries, fraud, wanted persons, domestic violence, driving under the influence, vandalism, murder, and possession of illegal weapons.

460 Orange Avenue Apartment B: 66 total injuries, only by the Sand City Police Department. Crimes include multiple parolee and probationer contact, drug-related investigations, theft, burglaries, wanted persons, domestic violence, vandalism, stolen vehicles, illegal weapons, and harassing telephone calls.

Storage facilities; Sand City has 238 entries for the location consisting of, but not limited to, parolee and probationer contact, criminal threats, burglaries, trespassing, assault with a deadly weapon, assaults, death investigations, illegal occupancy, vandalism, drug-related arrests, and wanted persons.

419 Ortiz Avenue, 2012 to present, Sand City has reported 127 injuries, wanted persons, drug-related offenses, robbery, burglary, vandalism, theft, domestic violence, and criminal threat.

These incidents listed only include crimes within the residence and not those having occurred in front of the location.

Officer Escobar showed pictures of some of the items the officers have taken off the street including assault rifles, firearms, revolvers, and illegal substances. He then described the types of people the officers interact with daily, the most visible being transients. Sand City has a large transient population as a result of the Salvation Army, the shopping centers where they can panhandle, the MST hub, and the beach which provides a hidden location for illegal activity. This is no longer an issue in Sand City. Several problems occur with the transient population including mental illness and substance abuse problems with narcotics and alcohol that can lead to fights, theft, etc. The largest issue surrounding the Peninsula cities and all of California is the transient encampments. There is a large amount of trash in their areas which are protected environments and lead to a larger environmental impact. From the narcotics they bring into their camp, there has been a large Hepatitis A outbreak.

Another issue the officers have run into is a recent 9th Circuit Court of Appeals decisions which limits officers from citing or arresting people camping on public lands. The officers have worked to build a rapport with the local transients and so have been able to ask them to move to a new location without violating their civil rights as determined by the court. Officer Escobar showed pictures of the encampments in the sand dunes, littered with tents, trash, flammable objects, and narcotics. He said that when he started with the Sand City Police Department, the area was full of transient camps, but now there is not one piece of garbage on the coastline.

Vibeke Norgaard, City Attorney, asked Officer Escobar if the information on the upcoming slides discussing the history of career criminals in Sand City is public information

Officer Escobar answered that, to the knowledge of the department, the information for these cases has been adjudicated and should be public record.

Vibeke Norgaard advised that the officer not release the information in the upcoming slides.

Officer Escobar moved on to further discuss the damage caused by the transient camps, environmentally and financially.

Councilmember Hawthorne asked what the biggest contributing factor is for people becoming transients.

Officer Escobar answered that he believes it to be mental illness and the resulting self-medication with narcotics.

Chief Ferrante added that an estimated 80% of transients are either mentally ill, have had a lifetime drug or alcohol addiction, or a combination of these factors.

Officer Escobar continued to describe encampments in the Monterey Peninsula and the associated costs to the local government.

Officer Blackmon spoke on the career criminal section of the presentation, detailing residents of Sand City with lengthy records including but not limited to fraud, identity theft, possession of stolen property, theft, burglary, probation violations, assaults, possession of illegal narcotics, robbery, prowling, trespassing, criminal threats, possession of drug paraphernalia, vehicle/ foot pursuits, restraining order violations, being under the influence of a controlled substance, possession of illegal weapons, check fraud, domestic violence, manufacturing of illegal narcotics, criminal threats, driving under the influence, battery, robbery, and rape. These criminals have proven that they will continue to return to Sand City.

Officer Segovia spoke on his experience as an undercover narcotics officer. He said that when he joined the force he was blown away by the amount of drug activity in Sand City. He discussed an individual from whom the officer seized methamphetamines, was released from the county jail within 4-6 months, and was then taken into custody by another agency for similar charges. He spoke on the increase in overdose as a result of the addition of fentanyl to methamphetamine, heroin, and crack cocaine across the United States.

Chief Ferrante said that these incidents are related to the current opioid epidemic that has been a problem on the peninsula for years. All officers now carry an antidote for fentanyl in their vehicles, issued by the County, to try to save someone who is overdosing.

Officer Segovia again touched on the transient encampments and how they can become a dangerous situation for responders and the citizens who encounter people in these camps. Since 2016, the department has had 325 possession of methamphetamine cases, 145 heroin and powder/crack cocaine seizures, 285 paraphernalia cases, 30 distribution cases, and multiple people under the influence and driving under the influence.

Councilmember Cruz asked if the numbers for narcotics-related arrests have decreased similarly to the numbers for arrests described above.

Officer Segovia answered yes.

Chief Ferrante said that the number of self-initiated arrests is lower this year than in years prior because they are not seeing the same number of criminals coming to the area.

Officer Segovia confirmed the statement made by Officer Blackmon earlier that people are concerned about coming to Sand City and committing criminal acts. Due to consistent enforcement and the officers' ability to notice recognized criminals when they come into town, their jobs have become more successful. Officer Segovia went into detail of several narcotics seizures including those of violent gang members and convicted felons.

Officer Blackmon detailed the interactions the officers have with gangs including those in the Peninsula area as well as those from as far out as Soledad, the Central Valley, and the Bay Area. The officers had encountered the Nuestra Familia, Vario Seaside Norteños, North Side Seaside Norteños, Oriental Boys, Seaside Crips, North County Pecker Wood Gang, Sureños, and Fresno Bulldogs. These gangs are known for violent crimes, homicides, narcotics sales, threatening witnesses, weapons related crimes, drug sales, prostitution, burglaries, fraud, vehicle theft, and firearms trafficking.

Officer Segovia spoke on a specific case where the pursuance of a large retail theft by Fresno Bulldog gang members led to a federal investigation with the discovery of pounds of narcotics, firearms, and thousands of rounds of ammunition.

Chief Ferrante specified that Officer Segovia spearheaded the investigation and

worked with the other agencies involved to pursue the case. Working with the DA's Office, Officer Segovia followed the case to Fresno where the seizure was ultimately made.

Officer Blackmon mentioned other gangs contacted in Sand City including Castroville Norteños, East Las Casitas Norteños, Greenfield Tiny Locos Norteños, Salinas East Market Norteños, South Side Stockton Norteños, and East Side San Jose Norteños. Officer Blackmon said that even in his work for the City of Seaside, he had never come into contact with this large of a range of gang members.

Officer Charlton spoke on thefts in Sand City resulting from drug use. He then spoke on the reaction of the officers to being informed of the City reaching out to other cities in regard to the Police Department's contract. In a previous meeting, Mr. Meurer told the officers that he always had the vision of a take-over of one city on the Peninsula. The City of Monterey has taken on the fire services contracts for most cities in the area, of which Officer Charlton reports hearing regret as the projections are different as years have progressed and the cities are not confident they could restart their own departments. The phrase "takeover" disturbed several officers as the City Manager is in charge as an agent for the Council. Officer Charlton said the officers felt threatened and were worried about supporting their families. They also felt underappreciated for putting their lives on the line. According to their statistics, Sand City officers out-arrest every city on the peninsula, not per capita, but per officer.

Officer Charlton concluded that contracting police services would affect the level of service the City currently maintains, response times would lengthen, investigation costs would increase, more crimes and environmental concerns would occur within the homeless encampments, and the costs for removing these encampments would increase to upwards of \$300,000. He spoke on the assurance the officers provide so that the businesses of Sand City know their steel, copper, tools, etc. will not be stolen. He reminded the Council of the five minute wait-time he incurred the night prior while pursuing an armed man, which resulted in a suicide.

He said the mission of the Police Department is to provide security to residents, to protect businesses, and to be reachable. He apologized for the perceivably curt response of the officers to the suggestion of contracting police services.

Mayor Carbone announced the conclusion of the presentations and asked for a short break as Councilmember Blackwelder stepped away from the dais.

Councilmember Hawthorne suggested that since a quorum is present, the

presentation can continue after a short break.

Mayor Carbone announced that the Council will take public comments after a ten minute break.

Public Comment for the items on the agenda was continued to the regularly scheduled City Council meeting on May 21, 2019 scheduled for 5:30 PM.



Linda K. Scholink, City Clerk