



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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### **REPORT TO COUNCIL**

#### **SUBJECT**

Approve Budget Modification No. 21 to Increase Project No. 832670 - Sunnyvale Elections in the Amount of \$663,288 and Make a Finding of Exemption from the California Environmental Quality Act

#### **REPORT IN BRIEF**

Approval is requested to appropriate additional funding to Project No. 832670 - Sunnyvale Elections for legal support, marketing, outreach, and the cost of the March 2020 Special Election to amend the City's Charter to implement City Council District Elections (Measure B) and approve Budget Modification No. 21.

#### **EXISTING POLICY**

Pursuant to Sunnyvale Charter Section 1305, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by a motion adopted by affirmative votes of at least four members to authorize the transfer of unused balances appropriated for one purpose or another, or to appropriate available revenue included in the budget.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378 (b) (4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

#### **BACKGROUND AND DISCUSSION**

On September 5, 2018, the City Council held a public hearing regarding changing the City's current at-large with numbered seats system for electing City Council members to a district-based form of elections (RTC No. 18-0776). Council directed staff to scope a public outreach and education plan for receiving public input on transitioning to district-based elections. Due to the complexity of the project, staff relied on outside legal support to provide necessary expertise related to district mapping, election sequencing, and charter amendments.

On November 12, 2019, Council adopted a Resolution (RTC No. 19-1198) calling for a Special Municipal Election be held in March 2020 for submitting to City voters a ballot measure to amend Article VI of the City Charter to implement City Council District Elections and to consolidate with the statewide 2020 Presidential Primary Election. City costs for the March Special Election were not included in the FY 2019-20 budget. Staff had informed Council that it would request election funding once a decision was made on the timing of the ballot measure.

#### **FISCAL IMPACT**

Project No. 832670 - Sunnyvale Elections was established to provide funding and to track

expenditures associated with the project. The project had an initial budget of \$204,000 for Phase I of the Outreach Plan. In December 2018, Council adopted a community outreach plan and approved a budget modification to increase the project by \$128,863. During the FY 2018/19 project budget cycle, another \$100,000 was added to the project to retain a demographic consultant, which brings the total project amount to \$432,863.

The County's Registrar of Voters (ROV) provided staff with an estimate of \$313,289 (284,808 plus 10% contingency) for the March 2020 Election with 5 "Text of Measure" ballot pages. Staff also anticipates the costs to provide specialized legal services for both work already performed and still required totals to \$350,000. The total increase requested for the cost of the March 2020 Special Election and legal services is \$663,288.

**Budget Modification No. 21  
FY 2019/20**

	Current	Increase	Revised
<b>General Fund</b>			
<u>Expenditures</u>			
832670-Sunnyvale Elections	\$27,152	\$663,288	\$690,440
<u>Reserves</u>			
Budget Stabilization Fund	\$63,259,183	(\$663,288)	\$62,595,955

**ALTERNATIVES**

1. Approve Budget Modification No. 21 in the amount of \$663,288, and find that the action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 (b) (4).
2. Do not approve Budget Modification No. 21 and provide staff with alternate direction.

**STAFF RECOMMENDATION**

Alternative 1: Approve Budget Modification No. 21 in the amount of \$663,288, and find that the action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 (b) (4).

**Staff**

Prepared by: Nhon Nguyen, Senior Management Analyst

Reviewed by: Jaqui Guzmán, Deputy City Manager

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Teri Silva, Assistant City Manager

Reviewed by: John A. Nagel, City Attorney

Approved by: Kent Steffens, City Manager