

**SPECIAL JOINT MEETING
CAPITOLA CITY COUNCIL/SUCCESSOR AGENCY
TO THE FORMER REDEVELOPMENT AGENCY
JOINT BUDGET STUDY SESSION MINUTES
WEDNESDAY, MAY 21, 2014 - 6:00 PM**

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Members Stephanie Harlan, Dennis Norton, Ed Bottorff, Michael Termini and Mayor Sam Storey

2. PUBLIC COMMENT (none provided)

3. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

City Manager Goldstein provided an update regarding the annual lagoon closure and beach grading. He stated that Beach and Village Lot 2 construction will be completed by May 22, 2014.

Council Member Norton stated that Save Our Shores picked up 150 pounds of garage between the Antigua Apartments and the entrance to New Brighton Beach.

Mayor Storey reported on the Monterey Bay Unified Air Pollution Control District projected Fiscal Year 2014/2015 budget deficit.

4. GENERAL GOVERNMENT / PUBLIC HEARINGS

A. Presentation of the proposed 2014/2015 Fiscal Year Budget for the City of Capitola General Fund, the Capitola Successor Agency, and an overview of the Capital Improvement Program. [330-05/780-30]

City Treasurer McBroom stated that the City's Finance Advisory Committee (FAC) recommends the following modifications to staff recommended distribution of the projected General Fund surplus: Reduce \$25,000 from the proposed Facility Reserve Fund and be placed in Reserves; resulting in \$200,000 in Capital Improvement Programs, \$75,000 in Facilities Reserves, and \$200,000 in Reserves.

Council Member Harlan stated that if City revenues increase funding to the Community Based Health and Human Service Providers should increase. She also suggested the following: (1) Establishing a Council ADA subcommittee to review the City's current ADA plan and bring recommendations to the City Council; (2) provide funding for the Capitola Library's 15-year birthday celebration; (3) installation of video cameras along the 41st Avenue for the Streetscape Public Art Project; and (4) establish a goal for public disaster preparation education.

Council Member Norton suggested that a City Council subcommittee spend approximately six months in establishing a method for funding the Community Based Health and Human Service Providers. He also suggested the following: (1) Establish a funding mechanism to increase wharf maintenance funding; (2) Allocate funding for ADA improvements and provide direction to staff for the development of an ADA plan; (3) Increase funding in the Parking Reserve Fund.

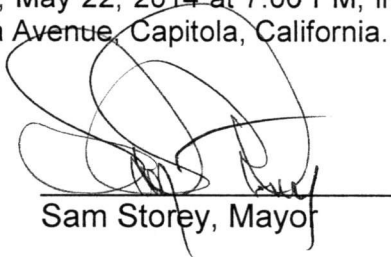
Council Member Bottorff stated that he supports the Esplanade Water Reclamation Project. He stated concerns regarding taking funds from the Facilities Fund. He supports a two-year program for funding the Community Based Health and Human Service Providers, and he supports the establishment of a six-month grant funding formula review process.

Council Member Termini stated concerns regarding any perceived rise in the number of City employees, specifically in the Community Development and the Finance Departments. He suggested reducing the City's General Plan Update and Maintenance Fee to half the amount. He suggested the following: (1) Parking Enforcement and Public Safety budgets be separated; (2) City's cash flow be projected out for next fiscal year; (3) not to overlook the potential of reducing debt that costs the City significant money; and (4) supports establishing a baseline for funding the Community Based Health and Human Service Providers with COLA's provided on an annual basis.

Mayor Storey suggested the following: (1) Establish a goal for the Facilities Fund; (2) Perform a close review of the funding for the Community Based Health and Human Service Providers, and consider a formula based approach and provide an annual COLA.

5. **ADDITIONAL MATERIALS** (None provided)
6. **ADJOURNMENT**

Mayor Storey adjourned the meeting at 8:05 p.m. to the next Regular Meeting of the City Council on Thursday, May 22, 2014 at 7:00 PM, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Sam Storey, Mayor

ATTEST:


_____, CMC
Susan Sneddon, City Clerk

MINUTES WERE UNANIMOUSLY APPROVED ON JUNE 12, 2014