

MINUTES

CITY COUNCIL-SPECIAL MEETING PUBLIC HEARING TUESDAY, JUNE 12, 2012- 7:00 P.M. CALISTOGA COMMUNITY CENTER

A) CALL TO ORDER

Vice Mayor Dunsford called the Special Session to order at 7:00 p.m.

In attendance were the following: Councilmember Chris Canning, Councilmember Gary Kraus, Councilmember Karen Slusser and Vice Mayor Michael Dunsford. Absent: Mayor Jack Gingles.

Also present were Public Works Director/City Engineer Dan Takasugi, Administrative Services Director Gloria Leon, Fire Chief Steve Campbell, Police Chief Jonathan Mills, Planning and Building Manager Ken MacNab, Recreation Services Manager Olivia Lemen, City Manager Richard Spitler, and Deputy City Clerk Amanda Davis.

B) SALUTE TO THE FLAG

C) ORAL COMMUNICATION ON CONSENT ITEMS OR NON-AGENDA ITEMS

Charlotte Williams, 59 View Road, stated that a referendum petition was delivered to Calistoga City Hall at 1:30 p.m., this afternoon. She stated that 504 signatures were gathered in opposition of Ordinance 681, Silver Rose Resort.

Clarence Luvisi, 285 Rosedale Road, spoke regarding the FY 12/13 Budget. He acknowledged the hard work that the City Council and staff have done over the past year. He stated that the system the City Council and Planning Commission use in their meetings does not promote dialogue between the City Council/Planning Commission and the public and he encouraged this type of dialogue to occur in the future.

Ann Scott, 4281 Scott Way, spoke in regards to the recently submitted referendum petition. She stated that she encountered many Spanish speaking individuals and feels that it is important to have a translator at the City Council meetings.

Don Scott 4281 Scott Way, spoke in regards to the loud motorcycles in town and asked that Council look into having the appropriate steps taken to eliminate this.

Carol Bush, 1443 Lincoln Ave., expressed her appreciation and support to the Council and Staff for their hard work.

Matt Hickerson, 3225 Lake County Hwy, stated his support in eliminating the loud motorcycle noise in town. He stated that he hopes he can help the City move in a positive direction. He discussed the Grand Jury Report.

Kurt Larrecou, 1707 Michael Way, spoke regarding a possible Brown Act violation that occurred at the June 5, 2012 City Council meeting.

D) ADOPTION OF MEETING AGENDA

It was **MOVED** by **Councilmember Kraus** and **SECONDED** by **Councilmember Canning** to approve the Council Meeting Agenda. The Motion was carried unanimously. *(Mayor Gingles was absent)*

E) PUBLIC HEARING (7:33 p.m.)

1) Public hearing on the draft City of Calistoga Fiscal Year 2012/2013 Budget.

City Manager Spitler introduced the item. He stated that the Public Hearing is regarding the proposed FY 2012/13 budget. He stated that the city has struggled over these past three years with financial problems as a result of the recession. He said that leading into the beginning of FY 2011/12 budget the Council had to take several actions to get the financial situation under control and that over the last two years they have eliminated 14 city staff positions, reduced city salaries by 12%-15% including higher contributions to healthcare, reduced overall budget expenditures in all categories, implemented the PERS reform and adopted new formulas for new employees and required all employees to pay their employee contribution towards PERS, and settled numerous lawsuits and claims to the city's financial benefit. He stated that the result has been that the depletion of the General Fund reserves has stopped and is starting to replenish. He said that staff has worked hard to manage their budgets. He stated that a lot of time has spent on processing development permits for projects such as Silver Rose and Enchanted Resorts. He stated the budget presented before Council does not include any new development revenue, there are no proposed staff layoffs in, and that salaries are frozen. He stated that the Council held a budget workshop on May 24, 2012 to review the draft budget and gave direction to staff. He said that the proposed budget is designed to maintain the existing level of service and reliability of our infrastructure at present levels, however, there are many facilities that are not receiving maintenance and repair and replacement as they should. He stated that new development is crucial in order to fill the gap that exists.

Administrative Services Director Leon provided an overview of the City's cash flow situation and briefly reviewed the City's proposed Fiscal Year 2011/2012 budget. Ms. Leon gave a PowerPoint presentation discussing the budget summary and proposed budget changes for the following funds: Water, Wastewater, Capital Improvement funds for Water and Wastewater, Equipment Replacement, and Special Revenue.

Councilmember Canning stated that if there is any public comment or discussion regarding economic vitality he will need to recuse himself from that conversation. He requested that this discussion take place prior to other public comment.

Councilmember Canning recused himself at 7:51 p.m.

Vice Mayor Dunsford opened the public hearing at 7:51 p.m.

Ann Scott, 4281 Scott Way, asked whether the Council has looked at any organizations other than the Chamber of Commerce to fulfill the needs of the community. Ms. Scott asked whether the City has considered fining property owners who have vacant storefronts along Lincoln Avenue.

Michael Quast, 1300 Washington St., stated that he has been running the Roman Spa for over 30 years in Calistoga. He spoke regarding the Roman Spa's relationship with the Chamber of Commerce and asked the Council to continue to provide funding for the Visitor Center.

Dennis McNay, Calistoga, asked for clarification regarding what the other sources of revenue are that are presented in the budget as two-million plus. Ms. Leon responded. He stated that if the City wants to increase TOT, they should focus on the illegal short-term rentals.

City Manager Spitler discussed the recommendation to reduce the amount given to economic vitality.

Council discussion ensued.

Councilmember Canning returned to the dais at 8:08 p.m.

Clarence Luvisi, Rosedale Road, spoke regarding agenda packet consistency. He requested clarification on the following: employee salaries and contract services, Public Works debt service and budget fund transfers.

Vice Mayor Dunsford closed the public hearing at 8:19 p.m.

Council discussion ensued regarding the proposed budget.

City Manager Spitler stated that if the City does not have significant income streams in terms of revenue, then the Council will need to figure out how to reinvent our City government so that we can live within our means. He feels that the City has done a good job at stopping the downward trend and is pulling out of it, but we still have a long way to go.

Vice Mayor Dunsford encouraged the community to approach the City Councilmembers if they have questions and/or concerns. He stressed the importance of truthful information and facts being presented. He stated that the City still has very big challenges ahead and everyone needs to be prepared for this.

Councilmember Slusser thanked those who participated in the Hazardous Waste event that took place at the Napa County Fairgrounds and would like to see this event occur annually.

F) ADJOURNMENT

Vice Mayor Dunsford adjourned the meeting at 8:41 p.m. to the next scheduled regular meeting of the Calistoga City Council, on Tuesday, June 19, 2012, Calistoga Community Center, 1307 Washington Street, 7:00 p.m.

Respectfully submitted:



Prepared by: Amanda Davis, Deputy City Clerk



Approved by: Michael Dunsford, Vice Mayor