

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

SPECIAL MEETING MINUTES

Tuesday, May 21, 2024

TOUR OF INSPECTION - 3:45 p.m.

The Council conducted an on-site tour of inspection of the property listed below:

- A. Mission Trail Nature Preserve, Rio Road Entrance, across the street from 3100 Rio Road, Carmel.

CALL TO ORDER AND ROLL CALL

Mayor Potter called the meeting to order at 4:30 p.m.

Roll call: Councilmembers Jeff Baron, Alissandra Dramov, Mayor Pro Tempore Bobby Richards, and Mayor Dave Potter were present in the Chambers, and Councilmember Ferlito attended remotely via Zoom from Manhattan, New York.

ORDERS OF BUSINESS

Item 1 - Receive a presentation on the Fiscal Year 2024-2025 Budget, conduct a public workshop, and provide direction to staff.

Assistant City Administrator Swanson gave a presentation to Council providing an overview of the FY 24-25 Recommended budget, including the following:

- Projected Revenue: Sources include Property Tax, Sales & Measure C taxes, Transient Occupancy Tax (TOT), and charges for service.
- Projected Expenditures: General Fund, Capital, Debt.
- Projected Fund Balance: the "bucket" that holds the difference between budgeted revenues and budgeted expenditures.

Public Works Directory Bob Harary gave a presentation on Capital Improvement Projects (CIP). He summarized the tentative direction given by Council at the last budget meeting. His presentation covered the following:

- A summary of the tentative direction given by Council on which CIP projects to approve, cancel, or modify.
- 4 potential projects to defer: Doolittle Bridge and Pathway Realignment, Junipero Bypass Drainage Project, Park Branch Library Windows and Dry Rot, and Ocean Avenue, Carpenter to Highway 1.

Mr. Swanson and Mr. Harary answered questions from Council.

PUBLIC APPEARANCES

Amy Herzog
Jeff Burghart
Alyssa Mendone
Juaquin Turner
Nancy Twomey
Tim Twomey
Melanie Billig
Beth Bowman
Amrish Patel
Dale Byrne
Kelly Brezoczky
Christy Hollenbeck
Shirley Moon

City Administrator Rerig addressed several public comments. Council discussion resumed. Councilmember Ferlito mentioned that the Friends of the Mission Trail Nature Preserve (MTNP) has been fundraising to help cover material costs and noted that permitting and monitoring are the main expenses. Councilmember Baron suggested the Council revisit alternative revenue sources, such as a paid parking program, a vacancy tax, as well as considering a TOT increase in the future. Councilmember Dramov voiced concern regarding overall spending rather than lack of revenue and suggested solutions such as implementing a hiring freeze or reducing the number of capital improvement projects. She said that the number of CIP projects is too much at once for Public Works to handle and as a result the city is spending a lot on consultants. Councilmember Ferlito thanked Assistant City Manager Swanson for a great job on the budget presentation, and cautioned that a hiring freeze or pay cut to employees would be demoralizing to staff, and staff retention and morale needs to be considered.

Council gave consensus direction to make the following changes to the recommended budget:

- Postpone the Doolittle Bridge and Pathway Realignment CIP for 1 year.
- Postpone the CIP Junipero Bypass Drainage CIP for 1 year.
- Postpone the Park Branch Library Windows and Dry Rot CIP 1 year.
- Keep the Ocean Avenue, and Carpenter to Highway 1 project on the CIP list and have the Mayor work as a liaison with the County and CalTrans to start the discussion on getting this project done to explore what the City's commitment would be.

ADJOURNMENT

Council adjourned the meeting at 6:38 p.m.

APPROVED:



Dave Potter, Mayor

ATTEST:



Nova Romero, MMC, City Clerk