

**CITY COUNCIL MINUTES  
SPECIAL MEETING  
Portola City Hall  
35 Third Avenue, Portola CA 96122  
May 16<sup>th</sup>, 2018  
2:00 p.m.**

**1. CALL TO ORDER**

Mayor Morton called the meeting to order at 2:05 pm.

**2. PLEDGE OF ALLEGIANCE**

Mayor Morton led the Council in the reciting of the pledge of allegiance.

**3. ROLL CALL**

Councilmember Oels, Powers, Reynolds, Mayor Pro Tem Cooley and Mayor Morton were present. Interim City Manager Leslie Chrysler, City Clerk Melissa Klundby, and City Finance Officer Susan Scarlet were also in attendance.

**4. ORDER OF BUSINESS**

- A. **2018/2019-Operating Budget** – Discuss current City Finances. Review the budget worksheets for the 2018/2019 City Budget. Provide direction to staff for changes, additions and/or deletions. Discussion/Possible Action.

The Council reviewed the 2018/2019-Operating Budget and engaged the public in attendance in discussion.

Susan Scarlett reviewed future CALPERs unfunded liabilities.

The Council agreed unanimously to include the list of ad-ons as presented.

The Council agreed unanimously to direct staff to go out to bid for the sewage line breakage repair project, the sewage grinder purchase and installation, and the Joy Way vault project.

The Council agreed unanimously to give permanent employees a 2.8 % COLA.

The Council discussed the need to carefully review any grants presented to the Council to determine the true cost of grant application and processing.

Interim City Manager Leslie Chrysler outlined the extensive list of community recreational assets currently owned and operated by the City of Portola and reminded the Council that the City only currently had 6 full time employees to maintain and operate all of those assets.

The Council reviewed the water and sewer rates. The Council discussed the need to bring the rates up to the level recommended by the water and sewer rate study in order to maintain infrastructure repairs and improvements.

Mike Matus suggested that it might be a good gesture to the citizens to not increase rates this year. Larry Douglas commented that the Council should not raise rates since the City of Portola has a lot of low income residents and recommended charging less to low income residents. The Council discussed how the rates cover the actual cost of the water and sewer services.

Mayor Pro Tem Cooley made a motion to increase the rates by 1%. Councilmember Powers seconded the motion and it was approved; Yes: Mayor Morton/Mayor Pro tem Cooley/Councilmember Powers/Councilmember Reynolds. No: Councilmember Oels.

Susan Scarlett noted that SB 1 monies may not be available if a current measure to get rid of SB 1 passes in November, and cautioned the Council to consider this before expending SB1 funds.

The Council then reviewed the history behind Fund 215 and requested that Susan Scarlet determine if she could move funds from Fund 215 into the General Fund, as the cost of projects funded by 215 are actually general fund projects. Susan Scarlet noted she would research and complete this if possible.

## **5. ADJOURN**

The meeting was adjourned at 3:45 pm

Respectfully Submitted,

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Melissa Klundby, City Clerk