

**MINUTES  
SARATOGA CITY COUNCIL  
STUDY SESSION  
MARCH 2, 2005**

The City Council held a Study Session at 5:00 p.m. in the Adult Care Center, 19655 Allendale Avenue. Mayor King called the Study Session to order at 5:00 p.m.

**ROLL CALL**

PRESENT: Councilmembers Aileen Kao, Nick Streit, Ann Waltonsmith,  
Vice Mayor Norman Kline, Mayor Kathleen King

ABSENT: None

ALSO PRESENT: Dave Anderson, City Manager  
Lorie Tinfow, Assistant City Manager  
Richard Taylor, City Attorney  
Cathleen Boyer, City Clerk  
Lori Burns, Human Resource Analyst  
Michele Braucht, Administrative Services Director  
John Livingstone, Interim Community Development Director  
John Cherbone, Public Works Director  
Joan Pisani, Recreation Director

**REPORT OF CITY CLERK ON POSTING OF AGENDA FOR MARCH 2, 2005**

Cathleen Boyer, City Clerk, reported that pursuant to Government Code Section 54954.2, the agenda for the meeting of March 2, 2005 was properly posted on February 24, 2005.

**1. INTRODUCTION OF MINIMUM SERVICES AND THE NEW NORMAL –  
DAVE ANDERSON CITY MANAGER**

Dave Anderson, City Manager, presented staff report.

City Manager Anderson explained that next Fiscal Year would be the fourth year of recession and the third year of State takeaways. In response, the City has cut funding by \$1 million from each of these budgets by carefully reviewing individual expenditures, eliminating building maintenance, capital equipment and computer related expenditures, instituting hiring freezes, and limiting employee wages and benefits.

City Manager Anderson stated that the City can no longer use the same traditional budget mechanisms to cut costs. Each cut now effects programs or service delivery. In that context, the City Council this year would begin the process of prioritizing city services and programs with the necessity of reducing the scope of city services delivered to the public.

City Manager Anderson noted that the City has a tradition of being an efficient provider of municipal services via contract, Joint Powers Agreement and cooperation with other public agencies. The City also has a heritage of a low tax base and limited retail base necessitating a minimum services outlook.

City Manager Anderson pointed out that while the State and Federal mandates, and the expectations of our residents have pushed the City to expand services in recent years, our revenue base has not kept pace, and cannot sustain such expectations.

City Manager Anderson stated that the City must explore the “New Normal” wherein expenses are cut to the level that budgeting for long-term sustainability can be achieved – this includes some mechanism for resuming building maintenance, capital equipment, computer expenditures and sufficient compensation to attract and retain quality employees.

City Manager Anderson explained that this Budget Study Session is devoted to articulating city priorities and is key to the restructuring of city services and reduction of expenditures in a fashion that will permit the “New Normal” to come into play.

City Manager Anderson explained Council would first take citizen input, then they would each place cards representing city services into one of three priority categories suggested by the Finance Commission. Each Councilmember would then explain their priorities. At the end of the exercise, the Mayor would summarize the exercise and attempt to develop a consensus column.

City Manager Anderson noted that staff would take the results of the exercise and analyze them. They will identify consequences to programs and service delivery and will produce a fiscal analysis. If budgetary targets of \$1.2 million are met, the second Study Session will consist primarily of fine-tuning the outcomes. If budgetary targets are not met a second round of priority setting and fine-tuning will be required.

Mayor King thanked City Manager Anderson for his report.

## 2. **CITIZEN INPUT**

Chris Wasmund, Executive Director/KSAR

- City has been funding KSAR since 1988
- Vital to Community
- If operating expenses are cut, their programming would have to be cut as well
- Request that Council continue to fund KSAR

Herb Engstrom , KSAR

- Discussed his program called “Straight Talk”

Tom Moran, KSAR

- KSAR provides various services to the City (i.e. City Council & Planning Commission meetings, Community forums, etc)
- Would try and cut costs

Genie Dee, Executive Director/SASCC

- City contributes \$18,000 to the SASCC
  - \$1.92 per senior from City’s General Fund
  - \$4.30 per senior from CDBG
  - Return from SASCC \$41.00 per senior (fees & fundraising)

- Competing with neighboring cities
- SASCC provides many services seniors (i.e.: classes, lunches, Adult Care Center)
- SASCC is a value to the Community

John Feemster, President /SASCC

- Requested that the City Council continue to fund SASCC

Nomita Shahani, President/Saratoga Chamber of Commerce

- New Board =New Beginning
- Recruiting for a new Executive Director
- City and Chamber – Civic Partnership
  - Tourism
  - Economic Development
  - Business Retention
  - City’s 50<sup>th</sup> Anniversary Celebration
- New Chamber located on Big Basin Way
  - Rent increased from \$12.00 per year to \$15,276 per year

Citizen Ray updated the City Council on the Highway 9 Safety Improvement Project.

Referring to a previous request made to SASCC, Councilmember Waltonsmith requested a report from the Recreation Department on how many Saratoga citizens participate in their programs.

### 3. **PRIORITY SETTING EXERCISE – CITY COUNCIL**

See attachment A

In preparation for the scheduled Study Session on March 8, 2005, Councilmember Waltonsmith asked if the cost of AdHoc Committees could be provided.

Referring to the following, Teen Programs-After School Program, Teen Programs-Youth Commission and the New Normal, Councilmember Waltonsmith asked what the listed dollar amounts paid for.

Director Pisani responded that \$70,000 for “Teen Programs - After School Program” covers the program costs for the Middle school after school drop-in program at the Warner Hutton House

Director Pisani responded that \$50,000 for “Teen Programs -Youth Commission” covers all Youth Commission sponsored teen programs such as: lecture series, dances, concerts, and evening & weekend programs.

Assistant City Manager Tinfow responded that \$330,000 would cover the following:

- Merit increases
- Attorney Costs
- City Council stipend
- Planning Commission stipend

Councilmember Kao asked what “Engineer Services” and “Development Regulations” entailed.

Director Cherbone explained that the City’s Engineer performs a wide variety of duties such as:

- C.I.P.
- Encroachment and Heavy Load Permit Issuance
- Development Review
- Pavement Management Program (PMP)
- Infrastructure Project Management
- Utility Coordination

Director Cherbone explained that Development Regulation is the Geo Technical Consultant and the City Surveyor.

Vice Mayor Kline asked what “Environmental Services” entailed.

Director Cherbone explained that most of these functions are mandated services such as solid waste, street sweeping, and congestion management.

Referring to “Landscaping & Lighting” and “Building Inspection”, Mayor King asked if these were full cost recovery programs.

Director Cherbone responded yes.

Mayor King asked if the City had a sidewalk maintenance program.

City Manager Anderson stated that program was cut last year and a new ordinance would be developed in the future.

Councilmember Streit stated that the City has been making cuts for the past three years and now programs have to be cut.

#### **4. CONCLUSIONS & DIRECTION – MAYOR AND CITY COUNCIL**

Mayor King briefly summarized the activity and thanked everyone for attending tonight’s meeting.

#### **ADJOURNMENT**

There be no further business Mayor King adjourned Study Session at 6:55

Respectfully submitted,

Cathleen Boyer, CMC  
City Clerk