

City of Capitola

Special City Council Meeting - Budget Minutes



Wednesday, May 06, 2026 – 6:00 PM

City Council Chambers

420 Capitola Avenue, Capitola, CA 95010

Mayor: Margaux Morgan

Vice Mayor: Gerry Jensen

Council Members: Joe Clarke, Melinda Orbach, Susan Westman

Special Meeting of the Capitola City Council – 6 PM

- 1. Roll Call and Pledge of Allegiance** – *The meeting was called to order at 6:02 PM. In attendance: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan.*
- 2. Additions and Deletions to the Agenda** – *None*
- 3. Additional Materials**
 - A. *Item 5A - Staff Memorandum with Updated Attachment*
- 4. Oral Communications by Members of the Public** – *None*
- 5. General Government / Public Hearings**
 - A. Presentation of the Proposed Fiscal Year 2026-27 Budget
Recommended Action: Receive the proposed budget, provide staff direction, and continue budget deliberations to the next budget hearing scheduled for May 21, 2026.

City staff presented the proposed budget.

Public Comment:

- ***Leslie Nielsen***

Council requested that staff address the following points at the next budget meeting or as a part of the FY 2026-27 Budget Goals:

- ***An evaluation of parking rates Citywide and reviewing the feasibility of the addition of paid parking in short-term rental areas in the Village;***
- ***A brief review of transient occupancy tax rates and how Capitola compares to other jurisdictions;***
- ***Verification of the costs for a negotiator for employee bargaining unit agreements;***
- ***Seeking funding opportunities for RING radio system infrastructure;***
- ***Reviewing staff's recommendation to freeze a vacant MSO position;***
- ***A review of PEMHCA funding and its uses;***
- ***Review the Zoning Code requirements that apply to the Capitola Village for new businesses with the goal of expanding business opportunities to address vacancies;***
- ***Include costs for a fiscal transparency software in the budget;***
- ***Reallocate \$9,000 of the Council Training & Travel Budget;***

Special City Council Meeting - Budget Minutes – May 06, 2026

- ***Review costs for the replacement of the emergency generator at the Public Works Corp. Yard;***
- ***Addition of the economic development consultant contract in the proposed budget.***

The Council stressed the importance of seeking new revenue sources to ensure a balanced budget in years to come.

6. Adjournment

The meeting adjourned at 8:47 PM. The next regularly scheduled City Council meeting is on May 14, 2026, at 6:00 PM.

Signed by:

Margaux Morgan

14E242F0DC5E4AB...

Margaux Morgan, Mayor

ATTEST:

Signed by:

Julia Gautho

62C6696B48E342F...

Julia Gautho, City Clerk