



SPECIAL MEETING OF THE MILPITAS CITY COUNCIL

MINUTES

TUESDAY, FEBRUARY 18, 2025

The City Council of the City of Milpitas convened in a Special Meeting on February 18, 2025, in the Barbara Lee Senior Center, 40 N. Milpitas Blvd, Room 140/141, Milpitas, CA, and via teleconference/Zoom webinar.

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

Mayor Montano called the Special City Council meeting to order at 4:02 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam,
Councilmember Lien

ABSENT: None

PLEDGE OF ALLEGIANCE

Councilmember Lien led the Pledge of Allegiance.

PUBLIC FORUM

There were no public speakers.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

Acting City Attorney Creech asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest. Acting City Attorney Creech asked the Mayor and City Councilmembers if they had any reportable campaign contributions. By roll call, there were no reportable campaign contributions.

READING OF THE CITY COUNCIL CODE OF CONDUCT

Councilmember Chua read the City Council Code of Conduct.

APPROVAL OF AGENDA

After discussion, motion: to approve the agenda.

Motion/Second: Councilmember Chua / Vice Mayor Barbadillo

Motion carried by the following:

AYES: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam,
Councilmember Lien

NOES: None

AGENDA ITEMS

- 1. Receive a Staff Presentation on the Preliminary FY 2026-35 Ten-Year General Fund Financial Forecast and Provide Feedback on Desired Service Levels to Inform the FY 2025-26 Budget Development (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)**

City Manager Thomas introduced the item. Finance Director Cofresí-Howe, joined by Budget Manager Alice Vurich, presented the report.

Councilmember Chua inquired about the ERP Sytem timeline for implementation. Finance Director Cofresí-Howe noted that full implementation would take two years. Clarification was sought on whether there would be ongoing technical support, to which the Finance Director confirmed that technical assistance is part of the agreement. Staff was directed to provide updates on the implementation and to ensure technical assistance is available.

Vice Mayor Barbadillo questioned if the findings from the recent community service survey had been incorporated into the ten-year budget projections and asked whether the budget had been adjusted to reflect what residents prioritized in the survey. Finance Director Cofresí-Howe responded that the survey data had not yet been directly incorporated into budget allocations, but that it would serve as a starting point for further discussions. Councilmember Chua asked staff to provide a breakdown of how current spending aligns with the community survey priorities using available financial data to compare actual expenditures with resident preferences and ensuring future budget presentations clearly reflect whether financial decisions address those priorities.

Vice Mayor Barbadillo expressed concern that earlier projections had underestimated the severity of the deficit and that financial projections had worsened in just three months. He pushed for more immediate budget adjustments rather than waiting a year and a half for a full analysis. He also indicated he may be open to a more tempered approach over a longer time period if he could receive assurances that the schedule would be adhered to and commitments met on deliverables. Councilmember Chua and Mayor Montano echoed the Vice Mayor's concerns and agreed on a need to cut expenditures.

Staff detailed measures underway to increase revenues, including a potential ballot measure for modernizing the business tax, promoting City resources, and economic development initiatives. Assistant City Manager Cano confirmed that discussions on business tax modernization would take place this year, with a proposal targeting the ballot in 2026. Additionally, staff outlined efforts to enhance revenue generation through strategic promotion of City assets, tourism, and business attraction programs. Vice Mayor Barbadillo and Councilmember Chua urged for a stronger marketing approach to position Milpitas as a destination for businesses and visitors.

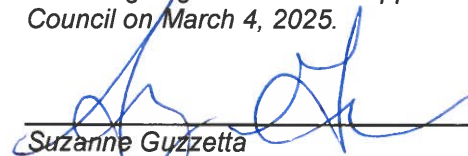
Councilmember Chua requested an additional study session before the final adoption of the FY 2026-2030 Capital Improvement Program (CIP) Budget to allow more time for input and review of CIP Projects. Vice Mayor Barbadillo agreed, emphasizing that council members needed to evaluate which projects could be postponed or reconsidered.

Assistant City Manager Cano reported there was \$508,000 in flexible funds remaining available in the Community Investment Fund and noted that a final allocation proposal would be included in the budget adoption process.

ADJOURNMENT

Mayor Montano adjourned the meeting at 6:01 PM.

The foregoing minutes were approved by the Milpitas City Council on March 4, 2025.



Suzanne Guzzetta
Milpitas City Clerk