

City of Capitola Council Meeting Agenda



Mayor: Yvette Brooks
Vice Mayor: Sam Storey
Council Members: Jacques Bertrand
Margaux Keiser
Kristen Petersen

WEDNESDAY, NOVEMBER 10, 2021

REGULAR MEETING - 7 PM

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7 PM

All correspondences received prior to 5:00 p.m. on the Wednesday preceding a Council Meeting will be distributed to Councilmembers to review prior to the meeting. Information submitted after 5 p.m. on that Wednesday may not have time to reach Councilmembers, nor be read by them prior to consideration of an item. All matters listed on the Regular Meeting of the Capitola City Council Agenda shall be considered as Public Hearings.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Members Kristen Petersen, Jacques Bertrand, Margaux Keiser, Sam Storey, and Mayor Yvette Brooks

2. PRESENTATIONS

Presentations are limited to eight minutes.

A. Proclamation Honoring Retiring Police Chief Terry McManus

B. Presentation Regarding the Cabrillo College Local Government Fellows Program

3. ADDITIONAL MATERIALS

Additional information submitted to the City after distribution of the agenda packet.

4. ADDITIONS AND DELETIONS TO AGENDA

5. ORAL COMMUNICATIONS

Please review the Notice of Remote Access for instructions.

Oral Communications allows time for members of the Public to address the City Council on any "Consent Item" on tonight's agenda, or on any topic within the jurisdiction of the City that is not on the "General Government/Public Hearings" section of the Agenda. Members of the public may speak for up to three minutes, unless otherwise specified by the Mayor. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and will not be permitted to engage in dialogue. A

MAXIMUM of 30 MINUTES is set aside for Oral Communications.

6. STAFF / CITY COUNCIL COMMENTS

City Council Members/Staff may comment on matters of a general nature or identify issues for staff response or future council consideration. No individual shall speak for more than two minutes.

7. CONSENT ITEMS

All items listed as "Consent Items" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Council votes on the action unless members of the City Council request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Government. Note that all Ordinances which appear on the public agenda shall be determined to have been read by title and further reading waived.

- A. Consider the October 28, 2021, City Council Meeting Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Holiday Suspension of Village Parking Fees
RECOMMENDED ACTION: Authorize suspending parking meter and pay station operation to allow free three-hour parking in the Village Parking Meter Zone A (1) from November 24, 2021, through December 25, 2021.
- C. Consider Contracts for a Planning Consultant and Economic Consultant for Review of a Hill St. Hotel Project
RECOMMENDED ACTION: Authorize the City Manager to award a \$25,000 contract to JHS Consulting and a \$49,600 contract to Dudek/Kimley Horn to establish the City' s technical team to review the application for a new hotel at 720 Hill Street.
- D. Receive Update on Pandemic Response and Adopt Resolution Regarding Continuing Teleconferencing
RECOMMENDED ACTION: 1) Make the determination that all hazards related to the worldwide spread of the coronavirus (COVID-19) as detailed in Resolution No. 4168 adopted by the City Council on March 12, 2020, still exist and that there is a need to continue action; and 2) adopt the proposed resolution authorizing the Capitola City Council (along with the Planning Commission and all advisory bodies) to continue to conduct teleconferencing meetings.

8. GENERAL GOVERNMENT / PUBLIC HEARINGS

All items listed in "General Government" are intended to provide an opportunity for public discussion of each item listed. The following procedure pertains to each General Government item: 1) Staff explanation; 2) Council questions; 3) Public comment; 4) Council deliberation; 5) Decision.

- A. Receive Status Report on Temporary Outdoor Dining Program
RECOMMENDED ACTION: Receive report.
- B. Special Event Highlights and Issues for 2021
RECOMMENDED ACTION: Provide direction regarding changes to specific recurring special event permit conditions, determine if any additional review should be required

CAPITOLA CITY COUNCIL REGULAR MEETING AGENDA
November 10, 2021

for any planned 2022 special events, and authorize staff to treat the listed events as "recurring" for 2022.

- C. Consider Approval of Side Letter to Existing Memoranda of Understanding with Employee Groups Regarding Vacation Cash-Out Provisions.

RECOMMENDED ACTION:

1. Authorize the City Manager to execute the side letter agreements to existing Memoranda of Understanding (MOU) with changes to the:
 - a. Capitola Police Officers Association (CPOA)
 - b. Mid-Management Employee Bargaining Unit
 - c. Confidential Employee Bargaining Unit
2. Approve changes to the Management Compensation Plan
3. Approve changes to City Manager Employee Contract

- D. City Council Memberships FY 2021-22

RECOMMENDED ACTION: Provide direction regarding potential changes in City memberships to local/regional groups.

9. ADJOURNMENT

NOTICE OF REMOTE ACCESS

In accordance with the current Santa Cruz County Health Order outlining social distancing requirements and Executive Order N-29-20 from the Executive Department of the State of California, the City Council meeting is not physically open to the public and in person attendance cannot be accommodated.

To watch:

- Online <http://capitolaca.ig2.com/Citizens/Default.aspx>
- Spectrum Cable Television channel 8

To join Zoom:

- Join the Zoom Meeting by clicking the following link:
<https://us02web.zoom.us/j/82841190866?pwd=YVVteG4wQjdjZDRsNGljTFBZdm1HZz09>

If prompted for a passcode, enter **915643**

- **-OR-** With a landline or mobile phone, call one of the following numbers:
 - **1 669 900 6833**
 - **1 408 638 0968**
 - **1 346 248 7799**
- Enter the meeting ID number: **828 4119 0866**
- When prompted for a Participant ID, press #

To submit public comment:

When submitting public comment, one comment (via phone **or** email, not both), per person, per item is allowed. If you send more than one email about the same item, the last received will be read.

- Zoom Meeting (Via Computer or Phone) Link:
 - IF USING COMPUTER:
 - § Use participant option to "raise hand" during the public comment period for the item you wish to speak on. Once unmuted, you will have up to 3 minutes to speak
 - IF CALLED IN OVER THE PHONE:

CAPITOLA CITY COUNCIL REGULAR MEETING AGENDA
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- § Press *9 on your phone to “raise your hand” when the mayor calls for public comment. Once unmuted, you will have up to 3 minutes to speak
- Send Email:
 - During the meeting, send comments via email to publiccomment@ci.capitola.ca.us
 - § Emailed comments on items will be accepted after the start of the meeting until the Mayor announces that public comment for that item is closed.
 - § Emailed comments should be a maximum of 450 words, which corresponds to approximately 3 minutes of speaking time.
 - § Each emailed comment will be read aloud for up to three minutes and/or displayed on a screen.
 - § Emails received by publiccomment@ci.capitola.ca.us outside of the comment period outlined above will not be included in the record.

Note: Any person seeking to challenge a City Council decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that court action within ninety (90) days following the date on which the decision becomes final as provided in Code of Civil Procedure §1094.6. Please refer to code of Civil Procedure §1094.6 to determine how to calculate when a decision becomes “final.” Please be advised that in most instances the decision become “final” upon the City Council’s announcement of its decision at the completion of the public hearing. Failure to comply with this 90-day rule will preclude any person from challenging the City Council decision in court.

Notice regarding City Council: The City Council meets on the 2nd and 4th Thursday of each month at 7:00 p.m. (or in no event earlier than 6:00 p.m.), in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The City Council Agenda and the complete Agenda Packet are available for review on the City’s website: www.cityofcapitola.org and at Capitola City Hall prior to the meeting. Agendas are also available at the Capitola Post Office located at 826 Bay Avenue, Capitola. Need more information? Contact the City Clerk’s office at 831-475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Pursuant to Government Code §54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, California, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk’s office at least 24 hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

Televised Meetings: City Council meetings are cablecast “Live” on Charter Communications Cable TV Channel 8 and are recorded to be rebroadcasted at 8:00 a.m. on the Wednesday following the meetings and at 1:00 p.m. on Saturday following the first rebroadcast on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings are streamed “Live” on the City’s website at www.cityofcapitola.org by clicking on the Home Page link “**Meeting Agendas/Videos.**” Archived meetings can be viewed from the website at any time.



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: City Manager Department

SUBJECT: Proclamation Honoring Retiring Police Chief Terry McManus

DISCUSSION: Police Chief Terry McManus announced his retirement after five years of service with the City of Capitola and more than 30 years of dedicated work in law enforcement. Mayor Brooks and Council will present a proclamation honoring his work for the City. The text of the proclamation is attached.

ATTACHMENTS:

1. Proclamation McManus_TEXT

Report Prepared By: Chloe Woodmansee
City Clerk

Reviewed and Forwarded by:

A handwritten signature in black ink, appearing to be "J. Goldstein".

Jamie Goldstein, City Manager

11/4/2021

City of Capitola

Mayor's Proclamation

Honoring

Retiring Police Chief Terry McManus

***WHEREAS,** Chief Terrance "Terry" McManus began his law enforcement career with the City of San Diego in 1986 and rose to the prominent rank of Assistant Chief of Police, completing 30 years of public service in 2016; and*

***WHEREAS,** on December 1, 2016 Chief McManus was appointed as Capitola's 9th Chief of Police; and*

***WHEREAS,** Chief McManus will officially retire on November 13, 2021, after serving 5 years of outstanding and meritorious policing service to the residents of Capitola; and*

***WHEREAS,** Chief McManus has a strong commitment to community involvement and built partnerships between the city, other agencies, and non-profit; and served on numerous boards and commissions such as Capitola Public Safety Foundation, a nonprofit devoted to supporting public safety initiatives; Santa Cruz County Law Enforcement Chief's and Sheriff Command, Santa Cruz County Criminal Justice Council, California Police Chief Association Cannabis Policy Committee; Chairperson - Santa Cruz County Anti-Crime Policy Council, International Association of Chiefs of Police, California Police Chief's Association; and*

***WHEREAS,** during his tenure as Chief of Police he has been a committed and outstanding leader who has excelled in hiring, promoting, developing, and training a competent diverse workforce of sworn, civilian employees and volunteers; and*

***WHEREAS,** as a result of Chief McManus' work with his department the City has realized a reduction of overall crime by reintroducing our city neighborhood watch program, our Volunteers in Policing, and his work as strengthening the relationships with our local partners; and*

***WHEREAS,** the City recognizes Chief McManus for his leadership during the COVID-19 pandemic. Chief McManus made sound fiscal and procedural decisions that ensured the Department and Community's safety while maintaining a high level of policing services for citizens of Capitola.*

***WHEREAS,** Chief McManus has served the City of Capitola with the highest level of professionalism, integrity, and ethics.*

***NOW, THEREFORE, I,** Yvette Brooks, Mayor of the City of Capitola, do hereby commend Terry McManus for 35 years of excellence and dedicated service. It is further recognized that Terry McManus has always represented the City of Capitola with the highest degree of professionalism and that his contributions, past, present, and future will always be greatly appreciated by Council Members, City staff, and most importantly the residents of the City of Capitola.*

Yvette Brooks, Mayor

Signed and sealed this 10th day of November 2021



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: City Manager Department

SUBJECT: Presentation Regarding the Cabrillo College Local Government Fellows Program

DISCUSSION: Arne Croce and Gail Pellerin will present on the new Cabrillo College Local Government Fellowship Program. This program will select Cabrillo College students (with preference to those who are the first in their family to attend college) who are pursuing a major relevant to a career in local government service and award them: 1) A \$2,000 scholarship; 2) A paid internship with a local government agency in Santa Cruz County; and 3) Mentoring by a current or retired local government leader.

FISCAL IMPACT: None. On October 28, 2021, Capitola City Council allocated \$10,000 from community grant funding to the Fellowship Program.

Report Prepared By: Chloe Woodmansee
City Clerk

Reviewed and Forwarded by:

A handwritten signature in black ink, appearing to be "J. Goldstein".

Jamie Goldstein, City Manager

11/4/2021



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: City Manager Department

SUBJECT: Consider the October 28, 2021, City Council Meeting Minutes

RECOMMENDED ACTION: Approve minutes.

DISCUSSION: Attached for Council review and approval are the minutes from the regular City Council meeting held on October 28, 2021.

ATTACHMENTS:

1. 10-28-21 draft

Report Prepared By: Chloe Woodmansee
City Clerk

Reviewed and Forwarded by:

A handwritten signature in black ink, appearing to be "J. Goldstein", written over a horizontal line.

Jamie Goldstein, City Manager

11/5/2021

**CAPITOLA CITY COUNCIL
DRAFT MEETING MINUTES
THURSDAY, OCTOBER 28, 2021 - 7 PM**

CLOSED SESSION – 6:15 PM

**CONFERENCE WITH LABOR NEGOTIATORS
(Gov’t Code § 54957.6)**

Negotiators: Larry Laurent
Employee Organizations: (1) Association of Capitola Employees; (2) Police Captains; (3) Mid-Management Group; (4) Department Heads; (5) Confidential Employees; (6) Capitola Police Officers Association

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7 PM

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Member Jacques Bertrand: Remote, Council Member Kristen Petersen: Remote, Vice Mayor Sam Storey: Remote, Mayor Yvette Brooks: Remote, Council Member Margaux Keiser: Remote.

2. REPORT ON CLOSED SESSION

No reportable action was taken.

3. ADDITIONAL MATERIALS – none

4. ADDITIONS AND DELETIONS TO AGENDA – none

5. ORAL COMMUNICATIONS – none

6. STAFF / CITY COUNCIL COMMENTS

Recreation Division Manager LeBlond-Bryant announced Recreation’s free movie night featuring The Goonies on Friday, October 29 at 6:30PM. Police Captain Dally announced a Trunk or Treat event at the County Fairgrounds in Watsonville on Friday, October 29 from 4:30-7PM.

Vice-Mayor Storey requested an item for a future agenda regarding the City of Santa Cruz’s plan for RV Parking. Mayor Brooks requested an item for a future agenda to discuss City memberships.

7. CONSENT ITEMS

MOTION:	APPROVE, RECEIVE, ADOPT, AND DETERMINE AS RECOMMENDED
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jacques Bertrand, Council Member
SECONDER:	Sam Storey, Vice Mayor
AYES:	Bertrand, Petersen, Storey, Brooks, Keiser

A. Consider the October 14, 2021, City Council Meeting Minutes
RECOMMENDED ACTION: Approve minutes.

B. Planning Commission Action Minutes
RECOMMENDED ACTION: Receive minutes.

Attachment: 10-28-21 draft (Approve Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
October 28, 2021

- C. Approval of City Check Registers Dated September 17, September 24, October 1 and October 8.
RECOMMENDED ACTION: Approve check registers.
- D. Consider the 2022 Meeting Schedule for the City Council/Successor Agency520-40
RECOMMENDED ACTION: Adopt the recommended regular meeting schedule for 2022.
- E. Consider a Resolution Establishing Holidays and City Hall Closures for 2022630-10
RECOMMENDED ACTION: Adopt the proposed resolution designating the holidays and closures for 2022.
- F. Digital Reading Hardware and Software Reimbursement Policy
RECOMMENDED ACTION: Approve updated Administrative Policy V-10: Digital Reading Hardware and Software Reimbursement Policy.
- G. Consideration of second readings of an ordinance amending Chapter 18.02 Affordable (Inclusionary) Housing and an ordinance adding Chapter 18.05 for Affordable Housing Impact Fees and a resolution adopting updated affordable housing fees
RECOMMENDED ACTION:
1. Adopt, by title only, waiving further reading of the text, an ordinance amending chapter 18.02 of the Capitola Municipal Code, Affordable (Inclusionary) Housing
 2. Adopt, by title only, waiving further reading of the text, an ordinance adding Chapter 18.05 of the Capitola Municipal Code, Affordable Housing Impact Fees
 3. Adopt proposed resolution amending the City’ s fee schedule to amend inclusionary housing in-lieu fees and add affordable housing impact fees
- H. Consider Adoption of an Uncodified Library Lease Ordinance
RECOMMENDED ACTION: Adopt, by title only, waiving further reading of the text, an uncodified ordinance allowing the City to enter a lease with a term in excess of 55 years and authorizing a 99-year lease with Santa Cruz County for the Capitola Library.
- I. Receive Update on Pandemic Response
RECOMMENDED ACTION: Make the determination that all hazards related to the worldwide spread of the coronavirus (COVID-19) as detailed in Resolution No. 4168 adopted by the City Council on March 12, 2020, still exist and that there is a need to continue action.

Attachment: 10-28-21 draft (Approve Council Minutes)

8. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Donations Report 2021
RECOMMENDED ACTION: Receive the donations and contributions report.

Finance Director Malberg presented the staff report and announced donations the City received this past year.

There was no public comment.

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
October 28, 2021

RESULT:	RECEIVED REPORT [UNANIMOUS]
MOVER:	Kristen Petersen
SECONDER:	Sam Storey
AYES:	Bertrand, Petersen, Storey, Brooks, Keiser

- B. Determine Award Amounts for Community Grants - Community Action Board
RECOMMENDED ACTION: Consider the recommendation of the Community Grant Subcommittee to award the Community Action Board of Santa Cruz County \$1567.00 as part of the Community Grant Program.

Council Member Petersen and Vice-Mayor Storey recused themselves.

Assistant to the City Manager Laurent presented a staff report. City Council Members Bertrand and Keiser explained their process as the members of the Community Grant Subcommittee.

In public comment, Paz Padilla spoke about the work that Community Action Board does in the City of Capitola.

Mayor Brooks encouraged Council to fund the Community Action Board's full request.

Council Member Keiser and Bertrand explained their attempt to compromise. Council Member Bertrand said his concern is that not many organizations applied for funding, and he'd rather fund a broader range of non-profits.

MOTION:	ALLOCATE \$7,500 TO COMMUNITY ACTION BOARD
RESULT:	MOTION FAILED FOR LACK OF SECOND
MOVER:	Yvette Brooks
SECONDER:	None

Mayor Brooks emphasized how important it is to fund all grant applicants to the fullest of the City's ability.

Council Member Bertrand and Keiser favored a more moderate approach.

After much discussion, City Manager Goldstein clarified that Grey Bears, Community Bridges, Second Harvest Food Bank, and Community Action Board were moved to a separate funding source in the City budget, meaning the organizations did not have funding cut but rather that they receive money from two different City sources.

Council Member Keiser made a motion:

MOTION:	ALLOCATE \$3,750 TO COMMUNITY ACTION BOARD
RESULT:	AMMENDED AS BELOW
MOVER:	Margaux Keiser
SECONDER:	Jacques Bertrand

Mayor Brooks made a friendly amendment:

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
October 28, 2021

MOTION:	ALLOCATE \$3,750 TO COMMUNITY ACTION BOARD
REVISED:	WITH THE UNDERSTANDING THAT IF AT THE MIDYEAR BUDGET COMMUNITY GRANT FUNDING REMAINS COMMUNITY ACTION BOARD FUNDING WILL BE REVISTED
RESULT:	ADOPTED [3 TO 0]
MOVER:	Margaux Keiser
SECONDER:	Jacques Bertrand
AYES:	Jacques Bertrand, Yvette Brooks, Margaux Keiser
RECUSED:	Kristen Petersen, Sam Storey

C. Determine Award Amounts for Community Grants - Monterey Bay National Marine Sanctuary Foundation

RECOMMENDED ACTION: Consider the recommendation of the Community Grant Subcommittee to award the Monterey Bay National Marine Sanctuary Foundation (MBNMSF) \$2000 as part of the Community Grant Program.

Mayor Brooks recused herself. Vice-Mayor Storey led the item discussion.

Assistant to the City Manager Laurent presented a staff report.

Vice-Mayor Storey requested information about the organization’s mission, Council Member Bertrand said it is to preserve the Monterey Bay National Marine Sanctuary and clarified that the funding request is for general operations.

Council Member Petersen reminded Council that the City’s shoreline is part of the Marine Sanctuary.

There was no public comment.

Council Member Petersen announced that she is an alternate on the organization’s advisory council but receives no financial benefit due to this. She highlighted that MBNMSF’s work positively impacts the entire City and is also a new grant applicant, so funding cannot be based on past years.

MOTION:	ALLOCATE \$10,000 TO THE MONTEREY BAY MARINE SANCTUARY FOUNDATION
RESULT:	DEFEATED [2 TO 2]
MOVER:	Kristen Petersen
SECONDER:	Sam Storey
AYES:	Kristen Petersen, Sam Storey
NAYS:	Jacques Bertrand, Margaux Keiser
RECUSED:	Yvette Brooks

Council Member Bertrand said that MBMSF is a well-funded organization and thus did not support fully funding their request.

Attachment: 10-28-21 draft (Approve Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
October 28, 2021

MOTION:	ALLOCATE \$3,000 TO THE MONTEREY BAY NATIONAL MARINE SANCTUARY FOUNDATION
RESULT:	AMENDED AS BELOW
MOVER:	Jacques Bertrand
SECONDER:	Margaux Keiser

Council Member Petersen asked for an amendment:

AMENDMENT:	ALLOCATE \$5,000 TO THE MONTEREY BAY NATIONAL MARINE SANCTUARY FOUNDATION
RESULT:	ADOPTED [3 TO 1]
MOVER:	Jacques Bertrand
SECONDER:	Margaux Keiser
AYES:	Margaux Keiser, Kristen Petersen, Sam Storey
NAYS:	Jacques Bertrand
RECUSED:	Yvette Brooks

D. Determine Award Amounts for Community Grants
RECOMMENDED ACTION: Consider Community Grant Award recommendations from the Community Grant Subcommittee for all program applicants, excluding the grant requests for Community Action Board and Monterey Bay National Marine Sanctuary Foundation.

Assistant to the City Manager Laurent presented the staff report.

Vice-Mayor Storey confirmed that organizations must provide quantifiable objectives in their community grant applications, and that organizations that receive funding enter a contract with the City. Assistant Laurent added that these organizations provide the City with their annual reports and address how many Capitola residents they impact.

In public comment, Eduardo Santana from Project Scout reported about the organizations mission to provide free tax services to Capitola residents to great positive effect.

Council Member Petersen thanked Council Members Bertrand and Keiser for serving on the community grant subcommittee. She encouraged Council to allocate up to 10,000 of funding to all grant applicants based on their individual requests. She also asked that the Cabrillo College Local Government Fellows Program receive \$10,000.

Vice-Mayor Storey spoke to the importance of community grants, especially considering the negative impacts of the COVID-19 pandemic. He made the following motion:

Attachment: 10-28-21 draft (Approve Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
October 28, 2021

MOTION:	1) ALLOCATE FUNDING TO ALL COMMUNITY GRANT APPLICANTS IN THE AMOUNT OF THEIR FULL REQUESTS, UP TO \$10,000; 2) FUND THE CABRILLO COLLEGE LOCAL GOVERNMENT FELLOWS PROGRAM \$10,000; 3) REQUEST A SECOND NOTICE OF FUNDING AVAILABLE (NOFA) TO ALLOCATE REMAINING FUNDS TO ADDITIONAL APPLICANTS
RESULT:	AMENDED AS BELOW
MOVER:	Sam Storey
SECONDER:	Jacques Bertrand

Mayor Brooks made a friendly amendment:

AMENDMENT:	1) ALLOCATE FUNDING TO ALL COMMUNITY GRANT APPLICANTS IN THE AMOUNT OF THEIR FULL REQUESTS, UP TO \$10,000; 2) FUND THE CABRILLO COLLEGE PUBLIC SERVICE FELLOWSHIP \$10,000; 3) ALLOCATE \$1,000 FOR YOUTH VOLUNTEERS PARTICIPATING IN THE TOBACCO ADVOCACY PROGRAM; 4) ALLOCATE THE REMAINING \$23,000 IN COMMUNITY GRANT FUNDING TO THE CAPITOLA RECREATION DIVISION BUDGET
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Sam Storey
SECONDER:	Jacques Bertrand
AYES:	Margaux Keiser, Kristen Petersen, Sam Storey, Yvette Brooks, Jacques Bertrand

E. Consider an Ordinance Adding Chapter 9.62 Film Permits to Capitola Municipal Code
RECOMMENDED ACTION: Introduce for first reading, by title only, waiving further reading of the text, an ordinance adding Chapter 9.62.

City Manager Goldstein presented a staff report.

There was no public comment.

RESULT:	FIRST READING [UNANIMOUS]
MOVER:	Kristen Petersen
SECONDER:	Margaux Keiser
AYES:	Bertrand, Petersen, Storey, Brooks, Keiser

9. ADJOURNMENT

The meeting was closed at 9:38 PM to the next regular council meeting on November 10, 2021.

Yvette Brooks, Mayor

ATTEST:

Chloé Woodmansee, City Clerk

Attachment: 10-28-21 draft (Approve Council Minutes)



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: Community Development

SUBJECT: Consider Contracts for a Planning Consultant and Economic Consultant for Review of a Hill St. Hotel Project

RECOMMENDED ACTION: Authorize the City Manager to award a \$25,000 contract to JHS Consulting and a \$49,600 contract to Dudek/Kimley Horn to establish the City's technical team to review the application for a new hotel at 720 Hill Street.

BACKGROUND: The owner of 720 Hill Street is in the process of applying to develop a new 42 room hotel. To manage the project review process, the City is assembling a team of technical experts including a planning consultant, environmental consultant, and traffic consultant. The planning consultant will serve as the lead planner on the project. The environmental consultant will review the application for compliance with the California Environmental Quality Act (CEQA). The traffic consultant will analyze the Vehicle Miles Traveled and Level of Service impacts of the proposed hotel.

The City posted a requests for proposals (RFP) for the Environmental Consultant for 30 days on the City website. The RFP combined environmental and traffic consulting. Three responses were received for the RFP. Staff reviewed the submittals and requested that two firms (Dudek and Kimley Horn) collaborate on the application due to Dudek's expertise with CEQA review and Kimley Horn's expertise with traffic studies.

The City reached out to three planning firms to contract planning services. Due to staffing challenges for those firms, only one response was received from JHS Consulting who is currently under contract with the City for the redevelopment of the Mall.

DISCUSSION: The contract consultants will review the hotel development application. Funding for the contracts will be covered by the applicant. Each consultant provided billing rates with the qualification statements. Following selection, the City required a project scope with not-to-exceed pricing from each consultant.

Consultant Type	Selected Firm	Contract Amount
Planning Consultant	JHS Consulting	\$25,000
Environmental Consultant (includes traffic consultation)	Dudek/Kimley Horn	\$49,600

For these types of third-party technical studies, the City charges applicants the direct cost of the

Contracts for 720 Hill Street Hotel Planning Consultants
November 10, 2021

study, plus 21-percent overhead to cover City costs associated with staff review of the work and contract administration. The 21-percent overhead will not be charged for the planning consultant.

The applicant will also be billed hourly to cover City Attorney costs. Community Development Director time for tasks not associated with management or contract oversight will also be billed hourly.

The City requires a \$50,000 deposit from the applicant upon submittal. Further billing to the applicant will occur monthly. Upon submittal of the application and deposit, the City Manager will execute the consultant contracts.

FISCAL IMPACT: All funding for this project will be paid by the applicant.

ATTACHMENTS:

1. JHS - Hotel Draft Scope of Services Letter 10-25-21
2. Dudek/Kimley Horn - Hotel Project - Phase I rev-11-5-21

Report Prepared By: Katie Herlihy
Community Development Director

Reviewed and Forwarded by:


Katie Herlihy, Community Development Director 11/5/2021



**PROPOSED SCOPE OF SERVICES
CITY OF CAPITOLA
720 HILL STREET HOTEL PROJECT
October 25, 2021**

BACKGROUND

JHS Consulting provides professional consulting and project management services to public agencies on all types of real estate development and infrastructure projects. JHS Consulting has extensive experience with project management as well as the land use entitlement and planning process, particularly with navigating the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), and the regulatory agency permitting processes.

JHS Consulting, LLC has been selected to provide the City of Capitola with contract planning and consulting services.

PROJECT UNDERSTANDING

It is our understanding that the project proposes the expansion of an existing hotel (Quality Inn & Suites) on Hill Street in Capitola. The hotel site is approximately three acres in size and contains an existing hotel. The property owner proposes to construct a new 42-room boutique hotel on the vacant portion of the property. The two hotels will be owned by the same property owner yet have different, independent brands. The project will require completion of planning and environmental review and the completion of associated technical documents.

SCOPE OF SERVICES

This scope of services is for JHS Consulting's work to manage and process the 720 Hill Street Hotel Project application on behalf of the City. It is expected that this work will involve: 1) reviewing and processing the project application; 2) managing the CEQA environmental review process; 3) preparing and attending meetings and hearings; and 4) coordinating with City departments, the applicant team, and stakeholders.

Given the varied nature and timing of the tasks anticipated in this scope, it is understood that the work effort and number of hours worked will fluctuate and vary over the term of this contract. Therefore, this scope assumes that the work outlined will generally average about 15-20 hours per month over an estimated 5-6 month duration for this work.



This scope covers the work effort by John Schwarz of JHS Consulting for the generally anticipated tasks identified below.

1. Project Application

JHS will review and process the project application on behalf of the City. It is anticipated that this will generally consist of the following specific tasks:

- a. Review application for completeness in compliance with the Permit Streamlining Act, Cal. Gov. Code §65920;
- b. Monitor and satisfy all State and locally imposed regulatory timelines and required hearings/notices;
- c. Organize meetings with relative City staff, consultants, and the project applicant team as needed;
- d. Evaluate project's consistency with General Plan, Zoning Code, other relevant City policies and programs, and all applicable local, state, and federal statutes;
- e. Coordinate review of application with other City departments, public agencies, and special districts; and

This work will build on and leverage the work done as part of the City's conceptual review process, which was recently completed.

2. CEQA Process and Environmental

Based on conversations with the City's selected CEQA consultant, Dudek, this project may qualify for an Exemption or streamlined processing under CEQA. This will depend on the results of some initial technical investigation. JHS will manage the CEQA environmental review process on behalf of the City. This scope anticipates that the project will qualify for either an Exemption under CEQA, or preparation of an Initial Study/Mitigated Negative Declaration (IS/MND).

Therefore, this scope generally includes the following specific tasks:

- a. Coordinate review of the project application with the City's contracted environmental consultant on the IS/MND;
- b. Ensure that all CEQA requirements are followed during the environmental review process;
- c. Manage the accuracy, flow, and timeliness of all technical reports or subconsultant reports (e.g. geotechnical reports, traffic and parking, etc.) that may be required for the IS/MND;
- d. Review the Administrative Draft and Screencheck versions of the Draft and Final IS/MND and coordinate review of the IS/MND with other City departments;
- e. Preparation and/or review of CEQA Notices (NOI, NOC, NOD)
- f. Manage CEQA consultant's schedule and budget; and



- g. Coordinate with the CEQA consultant and ensure that the City has a complete “CEQA Administrative Record” for the project.

In the event a full Environmental Impact Report (EIR) is required or desired, this scope would need to be augmented.

3. Public Hearings and Meetings

JHS will prepare the project for public hearing. This work will include the following:

- a. Draft staff report and other documents necessary for City consideration of the application;
- b. Attend and deliver presentation at the public hearing before the Planning Commission regarding the project; and
- c. Attend additional meetings with City staff, applicant team, other agencies, stakeholders, and/or members of the public as needed.

4. Project Management and Coordination with Stakeholders:

JHS will be responsible for general project management as well as coordination with stakeholders. This work will include the following:

- a. Coordinate outreach efforts which may include notifications and updates to neighborhood groups and/or individuals.
- b. Coordinate with local, state, and federal agencies as it pertains to their review and comment;
- c. Provide timely and accurate responses to inquiries/questions from all sources such as the applicant, applicant’s representatives, community members, staff from other City departments and public agencies, elected officials, etc.; and
- d. Submit regular status reports via email to the designated City representative. At a minimum, status reports will identify any schedule or budget variations, describe work in progress, and note any unanticipated issues which could impact the project budget/schedule.

STAFFING

John Schwarz of JHS Consulting will serve as the Planner/Project Manager for the work described in this scope.



BUDGET

The hourly rate of \$225.00 for John Schwarz of JHS Consulting shall be effective for the term of this Agreement, and work will be billed monthly on a time and expense basis.

Based on the estimated project schedule, it is anticipated that the duration of this work will extend for a total of approximately 5-6 months, roughly through March-April 2022. Therefore, based on an assumed average number of hours of 15-20 hours per month, plus expenses, the total cost for this work is estimated not to exceed \$25,000, as outlined below. In the event that the work effort is increased or the project duration is lengthened, this amount may need to be augmented.

<u>Labor:</u>	\$22,500
<i>John Schwarz, President/Principal</i>	
<i>(assumes 20 hours per month for 5 months = 100 hours total x \$225/hour)</i>	
 <u>Expenses:</u>	 2,500
<i>Mileage will be charged at a rate of 0.58 per mile.</i>	
<i>Other expenses (i.e., document reproduction, etc.) will be charged at cost.</i>	
 ESTIMATED TOTAL	 \$25,000

DRAFT

Attachment: JHS - Hotel Draft Scope of Services Letter 10-25-21 (Contracts for 720 Hill Street Hotel Planning Consultants)

DUDEK

725 FRONT STREET, SUITE 400
SANTA CRUZ, CALIFORNIA 95060
T 831.600.1400 F 831.600.1401

November 5, 2021

Katie Herlihy, Community Development Director
City of Capitola
420 Capitola Avenue
Capitola, CA 95010

RE: Environmental Consulting Services for Hotel Development Project

Hi Katie,

As a follow-up to our recent discussions, this letter provides a scope of work and cost estimate for the first phase of the environmental review for the proposed hotel at 720 Hill Street. The project consists of a proposed 42-room boutique hotel on the undeveloped portion of the property located at 720 Hill Street in the city of Capitola. The site has an existing hotel, and the two hotels will be owned by the same property owner under different brands.

The first phase consists of meetings with City staff, preparation of technical documents to support the California Environmental Quality Act (CEQA) document, and review of potential options for completing the CEQA review process. A determination of the appropriate CEQA document will be made upon completion of the technical studies to determine whether any CEQA exemptions or streamlining options may be available for this project or whether an Initial Study/Mitigated Negative Declaration should be prepared.

Scope of Work

Task 1. Meetings with City

A start-up meeting with City staff will be conducted to confirm study methods, deliverables, and schedule. A site visit will be conducted at this time. Up to four additional calls/meetings are included in this scope of work and cost estimate.

Task 2. Preparation of Technical Studies

Based on our preliminary reviews, the following technical studies and reviews will be conducted during Phase I.

Air Emissions Modeling

Criteria air pollutant and greenhouse gas (GHG) emissions associated with construction and operation of the proposed project will be quantified to provide substantial evidence to support impact conclusions using the California Emissions Estimator Model (CalEEMod). The analysis of short-term construction emissions will be based on construction scheduling information (e.g., overall construction duration, phasing and phase timing) based on a

questionnaire to be provided by Dudek to the applicant to complete. Dudek will evaluate the significance of the construction criteria air pollutant emissions based on the Monterey Bay Air Resources District's (MBARD's) significance criteria for criteria pollutants. Although the MBARD recently adopted a GHG threshold for stationary sources, the MBARD has not established significance thresholds for development projects. As such, other appropriate regional thresholds will be reviewed with the City to determine an appropriate threshold for evaluating the significance of the project's GHG emissions under CEQA. A summary table will be provided that compares project emissions with MBARD's CEQA emissions standards for criteria pollutants and the selected GHG threshold. The supporting technical outputs will be provided with the table in a technical memo, but preparation of a full report is not included in this scope or cost.

Archaeological Investigation

The site is located in a "High Sensitivity Prehistoric Resources" area on the City of Capitola resource map (LUP Map I-1). Dudek's archaeologists will prepare an archaeological assessment to include a records search of the property and a 0.25-mile buffer to identify known archaeological resources and relevant technical reports on file with the California Historic Resources Information Center at the Northwest Information Center, Sonoma State University. In addition, Dudek will request a Sacred Lands File search through the Native American Heritage Commission and send information request letters to local Native American contacts who might have local knowledge of cultural and tribal cultural resources in the project vicinity. Dudek will also perform an intensive surface reconnaissance of all accessible areas within the project area, which may include excavation of 2 to 3 10-centimeter diameter hand auger probes to test for subsurface evidence of archaeological deposits. A letter report will be provided that includes summary archaeological methods and results, a description of the project area's archaeological sensitivity, and recommendations, if any, for compliance with CEQA and City of Capitola Municipal Code Section 17.11.030.

Transportation Study

Kimley-Horn will provide a transportation study to address traffic issues of concern to the City and to provide a vehicle miles traveled (VMT) analysis to support the CEQA document. Their scope of work is attached and was developed in consultation with the City's Public Works Department and Dudek.

Other Reviews

All project plans and other studies will be reviewed, including geotechnical investigation, if available. In order to make a determination as to the appropriate CEQA document, the following reviews will be conducted by Dudek. A qualitative review of potential noise impacts is included as an optional cost, although given the nature of the use, it is not expected that the project would result in a substantial increase in ambient noise levels.

- **General Plan and Zoning Consistency.** This scope/cost assumes that City staff will make a determination as to whether the project is consistent with the General Plan and zoning requirements, including whether the Affordable Housing Overlay would affect consistency.
- **Hazardous Materials.** Existing state data bases will be checked to confirm the state is not listed as site with hazardous materials or in remediation.

- **Provision of Water Service.** Soquel Creek Water District will be contacted to confirm availability of and requirements for provision of water service.
- **Stormwater.** It is assumed that any required Stormwater Management Plan will be provided by the applicant and reviewed by the City to determine whether stormwater management is adequate to meet stormwater requirements and not cause offsite impacts. No additional costs for Dudek are included in this scope.

Task 3. CEQA Determination

Upon completion of the technical studies, a recommendation for the CEQA document will be provided in consultation with City staff. Generally, options for CEQA review include the following. Upon determination of the appropriate CEQA document for the project, Dudek will provide a cost estimate for Phase II that would include preparation of the CEQA document and attendance at public hearings.

- Categorical Exemptions, particularly infill exemption (categorical exemption, Class 32), may be applicable if the project is consistent with General Plan and zoning and technical studies do not identify potentially significant impacts related to traffic, noise, air quality, water quality, provision of water service or cumulative impacts.

If the project is consistent with the General Plan and would not result in new significant impacts or more severe impacts than evaluated in the General Plan EIR and also meets requirements of CEQA (Public Resources Code 21083.3 and CEQA Guidelines 15183), further review under CEQA may not be required. This would be documented to provide the evidence that the project is exempt from further CEQA review. There is also an infill streamline approach that will also be explored once all the required information to make a determination is provided

- Initial Study/Negative or Mitigated Negative Declaration (IS/MND) is typically prepared if there are no available exemptions.
- EIR – if potentially significant impacts are identified.

Schedule

The draft technical reviews can be completed within 6-8 weeks of receipt of authorization to proceed, excluding holidays.

Cost Estimate

The cost estimate reflects our understanding of the proposed project scope and environmental issues known at this time. Invoices will be submitted only for actual time and expenses incurred. The schedule and work program assume that the project description is not substantially changed and no new issues arise after the project description is reviewed and approved for use by the City. Changes in the project after approved and/or changes in

the work program by the City after contract initiation may require amendment of the schedule, work program, and cost estimate. No task outside this work program will be performed without approval of the City. The costs associated with preparation of the CEQA document will be estimated and presented to the City for Phase II.

	Task	Cost
1	Meetings with City	\$ 2,000
2	Preparation of Technical Reports (Dudek) <ul style="list-style-type: none"> ▪ Air Emissions Modeling ▪ Archaeological Investigation ▪ Other Reviews 	2,500 4,500 5,500
3	CEQA Determination	2,500
	Transportation Report (Kimley-Horn)	28,600
	Expenses	500
	Subtotal	\$ 46,100
Optional	Noise Review (Dudek)	3,500
	TOTAL	\$ 49,600

I am happy to discuss any questions you may have. We are excited about the opportunity to work with the City on this important project.

Sincerely,



Stephanie Strelow
Principal in Charge

November 5, 2021

Stephanie Strelow
 Dudek
 725 Front Street, Suite 400
 Santa Cruz, CA 95060
 831-600-1412

Re: Proposal – 720 Hill Street Hotel Transportation Analysis

Dear Stephanie,

Thank you for inviting Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) to provide transportation and traffic engineering services to Dudek (“Client”) for the proposed 720 Hill Street development (the Project) in Capitola, California. This letter proposal describes the scope and methodologies to be used to prepare a transportation analysis for the Project. Kimley-Horn will prepare a technical report that documents the study’s findings and recommendations as required to analyze traffic as part of the environmental review process in conformance with the California Environmental Quality Act (CEQA) requirements. The following describes our proposed Scope of Services, Schedule, and Fee.

Project Understanding and Scope:

The Project site is located in a property area bounded by Hill Street and Crossroads Loop in the City of Capitola. The Project’s site plan proposes to construct a 43-room boutique hotel on the vacant portion of the 720 Hill Street site.

The purpose of this analysis is to evaluate traffic circulation and access point(s) to determine if the Project impacts the City’s transportation network. If impacts are determined to occur due to the Project, mitigation recommendations will be provided.

Kimley-Horn will prepare a transportation analysis consistent with City of Capitola criteria. The CEQA analysis will evaluate a project’s potential impacts related to VMT including the effects on transportation, access, circulation, and related safety elements in the proximate area.

Task 1 – Data Collection and Site Investigation

Based on direction from City staff, Kimley-Horn will collect weekday AM and PM peak period intersection turning movement counts at the existing study intersections between 7:00am-9:00am and 4:00pm-6:00pm on a Tuesday, Wednesday, or Thursday during favorable weather conditions, when school is in session, and not during a holiday week. The Consultant will coordinate this effort with a traffic data sub-consultant to collect data at the following locations:

1. Bay Avenue / Highway 1 NB Ramps
2. Bay Avenue / Highway 1 SB Ramps
3. Bay Avenue / Hill Street
4. Bay Avenue / Capitola Avenue
5. Capitola Avenue / Hill Street

Task 2 – Project Trip Generation, Distribution, and Assignment

To evaluate traffic operations, Kimley-Horn will first prepare trip generation, distribution and assignment for the Project. The Institute of Transportation Engineers (ITE) Trip Generation 10th Edition contains trip generation rates for project land uses and will be used to develop weekday and Saturday trip generation rates. **Table 1** shows preliminary estimates of the weekday daily, AM peak hour, and PM peak hour trips generated by the proposed project (before reductions and adjustments). This table is based on the latest site plan provided by the Client. During the analysis, trip credits such as existing uses and mode-share reductions will be determined for the project.

Table 1: Estimated Project Weekday Trip Generation (Before Reductions and Adjustments)

LAND USE / DESCRIPTION	PROJECT SIZE		TOTAL DAILY TRIPS	AM PEAK TRIPS		PM PEAK TRIPS	
				TOTAL	IN / OUT	TOTAL	IN / OUT
Trip Generation Rates (ITE)							
Hotel [ITE 310]	Per	Room(s)	8.36	0.47	59% / 41%	0.60	51% / 49%
1. Baseline Vehicle-Trips							
720 Hill Street	43.00	Room(s)	359	20	12 / 8	26	13 / 13
Baseline Project Vehicle-Trips			359	20	12 / 8	26	13 / 13

Distribution and assignment to the roadway network will be based on existing traffic distribution information collected from traffic counts, field observations, and the most current County travel demand model for the appropriate service areas. The site plan layouts will be reviewed to determine if traffic operations can be accommodated without resulting in significant roadway improvements. Existing roadways and intersections impacted from the project will be qualitatively analyzed.

Task 3 – On-Site Circulation, Pedestrian, Bicycle, and Transit Access

The Consultant will evaluate vehicle circulation and access at the project site for emergency vehicle, loading, truck, and passenger vehicles using turning templates and checking sight distance requirements. A queuing analysis and on-site circulation at project driveways will be reviewed and discussed. Bicycle and pedestrian access will also be evaluated with connectivity to existing and planned bicycle, transit, and pedestrian facilities. It is assumed that the Client will provide the latest site plan to perform the analysis.

Task 4 – Intersection LOS Analysis and Recommendations

Intersection and freeway traffic volumes will be used to analyze level-of-service (LOS) for existing, background, Project, and near-term cumulative development scenarios. Street segments adjacent to the Project site will be qualitatively evaluated. The intersection operations analysis will be based on the following development conditions:

1. Existing Conditions – Based on current traffic counts (i.e. 2021) and existing roadway geometry and traffic control.
2. Existing Conditions – Based on current traffic counts (i.e. 2021) and existing roadway geometry and traffic control plus the traffic generated by the Project.
3. Cumulative Conditions – Based General Plan buildout conditions to the existing roadway geometry and traffic control.
4. Background Plus Project Conditions – Based General Plan buildout conditions to the existing roadway geometry and traffic control plus the traffic generated by the Project.

Kimley-Horn will conduct an analysis of weekday AM and PM peak hour traffic conditions for each development scenario. Synchro software, Traffix software, City of Capitola, and 2010 Highway Capacity Manual (HCM) technical procedures will be used to determine LOS at the study intersections. Synchro software will also be used to determine intersection vehicle queuing under each development condition.

City policy states that an adverse effect on intersection operations occurs when the analysis demonstrates that the Project would cause the operations standard at a study intersection to fall below acceptable LOS threshold with the addition of project vehicle-trips to baseline conditions. Intersections adversely impacted by the Project will be evaluated for potential recommendations including but not limited to reducing project vehicle-trips, constructing geometric improvements to improve overall capacity, and/or implementing a trip cap with a monitored transportation demand management program.

Task 5 – CEQA VMT Analysis

Hotel uses are like local commercial uses in that they primarily serve pre-existing needs (i.e. they do not generate new trips so much as meet existing demand). Because of this, most often they can be presumed to reduce trip lengths when a new facility is introduced, particularly when it is located within a cluster of existing hotels located near a local destination or attraction. Essentially, a trip to a hotel is expected to occur due to someone planning to travel to Capitola or the immediate area, but the proximity of the hotel to the attractions in the area would drive the length of that trip and the resultant impact to the overall transportation system. Conversely, land uses such as residential and office often drive new trips given that they introduce new participants to the transportation system. Most often this means that the impact to the transportation system would be negligible or reduced by the introduction of a new hotel to an area where people are already traveling and planning on staying at a hotel unless they significantly affect the local supply or introduce a significant new attraction.

Travel Demand Models (TDMs) are broadly considered to be amongst the most accurate of available tools to assess Vehicle Miles Traveled (VMT). However, they can also be limited in the types of land uses they can be used to analyzed if a project cannot be accurately represented in the model. This can be the case for hotels unless hotel is included as a specific land use.

For this project it was determined that a hybrid approach to VMT estimation that incorporated both the use of the Santa Cruz County Travel Demand Model (SCC TDM) and the use of alternative datasets analyzed using a GIS-based multipath analysis would result in the most realistic estimate of the proposed project's daily VMT. This hybrid approach would use the SCC TDM to estimate employee VMT and use potential customer information provided by the Project applicant, or other datasets such as Census data to determine the change in regional VMT with the addition of the Project.

Based on the City's VMT guidelines, the "net change" metric will be used to determine if the addition of the proposed project results and an impact to the surrounding roadway network. Based on the regional change in VMT between Existing and Existing plus Project Conditions, a finding of significance or less than significance will be determined for CEQA purposes. For this analysis, the region is defined as Santa Cruz County.

Note that the focus of this analysis is to define transportation impacts in terms of anticipated SB 743 thresholds and requirements for these specific uses. The City of Capitola has adopted the Santa Cruz County VMT thresholds which is 15% below existing county-wide average work VMT per employee for commercial uses. As such, these analyses may not specifically address the needs of other uses including those related to air quality or GHG analyses. However, eight (8) hours are included in this effort to coordinate and provide metrics such as average trip generation rate and daily VMT to partners performing environmental analyses such as air quality and GHG analyses.

Task 6 – TA Draft and Final Report

Kimley-Horn will prepare a stand-alone traffic report for preliminary review to the Client and the City. The draft memorandum will include text, charts, and figures describing our process, assumptions, and results. The report will be provided in electronic format and will specifically detail impacts from project traffic and recommended mitigation, if needed. Based on up to two (2) sets of consolidated comments received on the draft traffic report from the City, the report will be revised, and a final report will be provided in electronic format.

Up to one (1) meeting with City staff have been budgeted for this task.

If City comments require additional analysis or data collection beyond that is provided in this Scope of Services, this work will be billed on a Time and Materials basis. Subsequently, Kimley-Horn will prepare and submit an electronic (PDF) version of the final letter report to the Client.

Additional Services:

Any services not specifically provided for in the above scope will be billed as additional services and performed at our then current hourly rates.

Information from the Client:

Kimley-Horn shall be entitled to rely on the completeness and accuracy of all information provided by the Client or the Client's consultants or representatives. The Client shall provide all information requested by Kimley-Horn during the project including but not limited to the following:

- Latest project site plan including driveway access and parking locations
- Breakdown of existing and proposed land use sizes on project site
- Supporting documentation (meeting minutes with City staff, review comments, etc.)

Schedule:

Kimley-Horn is prepared to begin work immediately upon receipt of a signed Agreement and your notice to proceed, and we will endeavor to meet your scheduling needs. Upon work scope approval, authorization to proceed from the Client and City, and receipt of all traffic data and background information, we anticipate completion of the draft transportation analysis within 4 weeks.

Completion of each subsequent task deliverable will depend on the nature and extent of the comments received, but all efforts will be made to expedite any revisions and assistance with response to comments.

Compensation, Fees and Expenses:

Kimley-Horn will perform the services in Scope of Services on a labor fee plus expense basis with the maximum labor fee shown below. Individual task amounts are informational only. Kimley-Horn will not exceed the total maximum labor fee shown without authorization from the Client. Individual task amounts are provided for budgeting purposes only. Kimley-Horn reserves the right to reallocate amounts among tasks as necessary.

Task 1 Data Collection & Site Investigation	\$3,200
Task 2 Project Trip Generation, Distribution, and Assignment	\$2,300
Task 3 On-Site Circulation and Traffic Operations	\$1,900
Task 4 Intersection LOS Analysis and Mitigations	\$3,600
Task 5 CEQA VMT Analysis	\$7,300
Task 6 TA Draft and Final Report	\$10,300
Total Maximum Labor Fee	\$28,600

Labor fee will be billed on an hourly basis according to our then-current rates. As to these tasks, direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.15 times cost. A percentage of labor fee will be added to each invoice to cover certain other expenses as to these tasks such as telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Administrative time related to the project may be billed hourly. All permitting, application, and similar project fees will be paid directly by the Client.



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: Capitola Police Department
SUBJECT: Holiday Suspension of Village Parking Fees

RECOMMENDED ACTION: Authorize suspending parking meter and pay station operation to allow free three-hour parking in the Village Parking Meter Zone A (1) from November 24, 2021, through December 25, 2021.

BACKGROUND: The Capitola Village and Wharf Business Improvement Area (BIA) submitted their annual request to the City Council to allow free three-hour parking in the Village from Thanksgiving to Christmas. The Council has authorized this program since 2001, with one exception in the year 2003. In 2020, as a compromise between not authorizing the program at all, the City suspended paid parking meters for two weeks prior to the Christmas holiday.

DISCUSSION: The purpose of the parking meters is to encourage parking rotation for the Village business community. Although the late fall through early winter is not as congested as the early spring through the early fall season, the need for parking meters still prevails.

The Capitola Village & Wharf Business Improvement Area has submitted a letter requesting the Council authorize suspending parking meter and pay station operation to allow free three-hour parking in the Village from Thursday, November 25, 2021, through Saturday, December 25, 2021, to encourage holiday shopping (Attachment 1).

In prior years Council has discussed if there is a cost-effective program to allow business to validate parking for patrons instead of suspending parking meters. That option has not been pursued because there has not been a commercially viable mechanism for businesses to validate parking. The pay station vendor can print prepaid parking cards for the City, at a cost of around \$9 each, making that option financially infeasible. Staff continues to monitor options for a modified holiday program, however, to date has not found a cost-effective solution.

FISCAL IMPACT: Staff estimates the suspension of the Village parking meters and pay stations cost the City between \$30,000 and \$35,000. The Fiscal Year 2021-22 budget accounts for suspending Village meter and pay station operation for the holiday shopping period, therefore, the fiscal impact has already been incorporated into the FY 2021-22 approved budget.

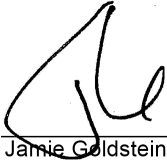
ATTACHMENTS:

1. BIA letter Oct2021

Report Prepared By: Andrew Dally
Police Captain

Suspension of Village Parking Fees for Holiday Season
November 10, 2021

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

11/5/2021



September 22, 2021

Capitola City Council
City of Capitola
420 Capitola Ave
Capitola, CA 95010

Dear City Council,

The Capitola Village and Wharf BIA request your consideration of the annual free parking during the upcoming holiday. Traditionally the 3 hour parking is free from Thanksgiving day through Christmas.

We understand that free parking comes at a substantial price. However, our customers and visitors as well as the residents of Capitola have come to count on this generous policy of the city. The businesses in Capitola Village appreciate your considering our request.

Sincerely,

Anthony Guajardo
Chair, Capitola Village and Wharf BIA

CAPITOLA VILLAGE & WHARF BUSINESS IMPROVEMENT AREA
P.O. BOX 806, CAPITOLA, CA 95010



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: City Manager Department

SUBJECT: Receive Update on Pandemic Response and Adopt Resolution Regarding Continuing Teleconferencing

RECOMMENDED ACTION: 1) Make the determination that all hazards related to the worldwide spread of the coronavirus (COVID-19) as detailed in Resolution No. 4168 adopted by the City Council on March 12, 2020, still exist and that there is a need to continue action; and 2) adopt the proposed resolution authorizing the Capitola City Council (along with the Planning Commission and all advisory bodies) to continue to conduct teleconferencing meetings.

BACKGROUND: In December 2019, an outbreak of a respiratory illness linked to the novel coronavirus (COVID-19) was first identified. In March 2020, the State of California, the County of Santa Cruz, and the City of Capitola each declared a state of emergency due to the virus. Also in March 2020, the World Health Organization declared COVID-19 a pandemic.

State and local health officers issued health orders to stop the spread of COVID-19; in Santa Cruz County this included March, April, and May 2020 Shelter-In-Place orders that were more restrictive than statewide guidance. Since then, the County Health Officer has incorporated all Orders of the State Public Health Officer, which set baseline statewide restrictions on travel and business activities.

In early-November 2021 the world reached a sobering milestone; more than 5 million people worldwide have died of COVID-19. This is likely an undercount of all those that have died from the virus. There have been 247 million cases reported worldwide.

Since the beginning of the pandemic in the United States more than 46 million COVID-19 cases have been reported and more than 746,688 people have died from the virus.

In California, 71,570 deaths have been reported; there is a daily average of 38 deaths a day due to COVID-19. According to data from November 2, the average new COVID-19 case count per 100k was 12.2 (this number has slightly increased from 11.1 on October 18).

Vaccines for Younger Age Groups & Local Status

On August 23, 2021, the Food and Drug Administration (FDA) announced that the Pfizer-BioNTech COVID-19 Vaccine (now marketed as Comirnaty) is fully approved for people ages 16 and older. The Pfizer-BioNTech vaccine remains available under emergency use authorization for individuals aged between 12 and 15. The other two COVID-19 vaccines available, the Moderna COVID-19 Vaccine and Janssen COVID-19 Vaccine, remain authorized for emergency use for people ages 18 and older.

COVID-19 Emergency- Update 35
November 10, 2021

On October 29, the FDA authorized emergency use of the Pfizer-BiNTech COVID-19 vaccine for individuals aged 5 to 12. On November 2, the CDC Advisory Panel voted that the newly authorized vaccine should be recommended for all children in the 5 to 12 age group. Vaccines for children aged 5 to 12 are now available.

According to data recorded on November 2 by the CDC, more than 54 million COVID-19 vaccine doses have been delivered in the State of California. There are 24,813,153 (73.1%) people fully vaccinated and 2,645,971 (7.8%) are partially vaccinated. There is an average vaccination rate of about 145,356 doses per day. All Californians aged 12 and older are eligible for a vaccination.

As of November 1, the total number of vaccinations administered in Santa Cruz County is 391,563. In the County, there are 196,898 (or 72.07%) people vaccinated with at least one dose, and 183,771 (67.26) are fully vaccinated.

Local Case Numbers and Statistics in Santa Cruz County

As of November 4, there were 20,284 total known COVID-19 cases in Santa Cruz County. Rather than the total number of all COVID-19 cases since March 2020, it is helpful to compare the currently active known case count to identify trends and/or a surge. On November 4 the active case count is at 326, that number has remained relatively static for several weeks after peaking in mid-August. As of November 4, COVID-19 has claimed 221 people's lives in the County.

DISCUSSION: City Hall has been open to the public since June 2020 in one configuration or another, dependent upon applicable health guidance and local COVID-19 case levels. Current City Hall operations are business as usual, with masking required of all regardless of vaccination status when in public spaces (not in private, individual office spaces). Members of the public are helped one-at-a-time at the front counter and masks are required to enter City Hall.

Continuing Virtual/Teleconferencing Meetings

The Governor signed Assembly Bill 361 on September 16, 2021. The Bill allows cities to continue virtual meetings (much as Capitola City Council Meetings function now) as long as the state is under a proclaimed state of emergency; through 2024 when the bill will sunset. The Bill requires legislative bodies to comply with the requirements set forth in Government Code section 54953(e)(2) to ensure the public can safely participate and observe local government meetings. One of the requirements is for Council to adopt findings every thirty days. Attached is a resolution that makes the following findings:

- 1) Find that current conditions authorize teleconference public meetings, based on the Governor's state of emergency regarding the COVID-19 Pandemic
- 2) Authorize legislative bodies to conduct teleconference meetings, allowing Capitola City Council, Planning Commission, and other advisory bodies to continue to meet using Zoom.

If major changes occur between the date of agenda publication and the City Council meeting, further updates on the regional and local coronavirus response will be provided in a verbal report at the meeting.

FISCAL IMPACT: Fiscal impacts are continually reviewed by Staff as business restrictions and consumer behaviors change in our community. In addition, the City Council has set aside \$600,000 to help ensure the City has available resources should the pandemic result in further unforeseen impacts, which remains in the approved FY 2021/22 Budget.

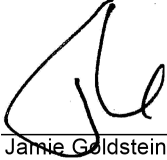
COVID-19 Emergency- Update 35
November 10, 2021

ATTACHMENTS:

1. Teleconferencing AB 361_Nov10 Meeting

Report Prepared By: Chloe Woodmansee
City Clerk

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

11/4/2021

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AND ON BEHALF OF COMMISSIONS AND COMMITTEES CREATED BY THE CITY COUNCIL PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54952(b) AUTHORIZING TELECONFERENCE MEETINGS IN COMPLIANCE WITH AB 361 (GOVERNMENT CODE SECTION 54953(e)) TO CONTINUE TO ALLOW MEMBERS OF THE PUBLIC TO SAFELY PARTICIPATE IN LOCAL GOVERNMENT MEETINGS

WHEREAS, the City Council is committed to ensuring public access to observe and participate in local government meetings; and

WHEREAS, all meetings of the City Council and other legislative bodies created pursuant to Government Code Section 54952(b) are open and public, as required by the Ralph M. Brown Act, so that any member of the public may participate in local government meetings; and

WHEREAS, the recently adopted AB 361, codified at Government Code section 54953(e), makes provisions for remote teleconferencing participation in local government meetings, without compliance with the requirements of 54953(b)(3), during a Governor-proclaimed state of emergency and if the local legislative body determines, by majority vote, that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees, and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency due to the outbreak of respiratory illness due to a novel coronavirus (now known as COVID-19) and that State of Emergency is still in effect in the State of California; and

WHEREAS, on March 12, 2020, the Capitola City Council proclaimed the existence of a local emergency due to the worldwide spread of the coronavirus with Resolution No. 4168, pursuant to Section 8.08.020 of the Capitola Municipal Code and Section 8625 of the California Emergency Services Act in response to the COVID-19 pandemic; and

WHEREAS, COVID-19 continues to threaten the health and lives of City residents; and

WHEREAS, the SARS-CoV-2 Delta Variant (Delta Variant) is highly transmissible in indoor settings; and

WHEREAS, on July 28, 2021, the California Department of Public Health issued guidance calling for the use of face coverings and stating that the Delta Variant is two times as contagious as early COVID-19 variants, leading to increasing infections, the Delta Variant accounts for over 80% of cases sequenced, and cases and hospitalizations of COVID-19 are rising throughout the state; and

WHEREAS, the Delta Variant has caused, and will continue to cause, conditions of imminent peril to the health safety of persons within the City; and

WHEREAS, on October 14, 2021, the City Council adopted a resolution proclaiming the need to meet by teleconference pursuant to Government Code Section 54953; and

WHEREAS, the City Council, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of the commissions, committees and other bodies that were created by the City Council pursuant to Government Code section 54952(b) (collectively referred to as "Legislative Bodies"), finds that the current conditions meet the circumstances set forth in Government Code section 54953(e)(3) to allow Legislative Bodies to continue to use teleconferencing to hold open and public meetings if the Legislative Bodies comply with the

requirements set forth in Government Code section 54953(e)(2) to ensure the public can safely participate in and observe local government meetings.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola that the City Council does hereby:

1. Recitals. The Recitals set forth above are true and correct and are hereby incorporated by this reference.

2. Find that Current Conditions Authorize Teleconference Public Meetings of Legislative Bodies. The City Council has reconsidered the circumstances of the state of emergency and finds that based on the California Governor’s continued declaration of a State of Emergency and current conditions, meeting in person would present imminent risks to the health or safety of attendees, such that the conditions continue to exist pursuant to Government Code section 54953(e)(3) to allow Legislative Bodies to use teleconferencing to hold public meetings in accordance with Government Code section 54953(e)(2) to ensure members of the public have continued access to safely observe and participate in local government meetings.

3. Authorize Legislative Bodies to Conduct Teleconference Meetings. The Legislative Bodies are hereby authorized to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e)(2) and other applicable provisions of the Brown Act.

I HEREBY CERTIFY that the foregoing resolution was PASSED and ADOPTED by the City Council of the City of Capitola on the 10 day of November, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Yvette Brooks, Mayor

ATTEST: _____
Chloé Woodmansee, City Clerk

Attachment: Teleconferencing AB 361_Nov10 Meeting (COVID-19 Emergency- Update 35)



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: Public Works Department

SUBJECT: Receive Status Report on Temporary Outdoor Dining Program

RECOMMENDED ACTION: Receive report.

BACKGROUND: On August 26, 2021, the City Council extended the Temporary Outdoor Dining Program to January 3, 2022. This extension was based on the latest public health information available concerning the COVID-19 pandemic, including information on the Delta variant, which continued social distancing requirements and wearing facial-coverings indoors. As of August there are no health orders restricting indoor dining.

As part of extending the program to January 2022, the Council enacted new rules concerning the maintenance of the outdoor dining spaces. In addition to the new rules, an enforcement policy was adopted that authorized removal of a non-compliant outdoor dining area following written notification.

DISCUSSION: At the August meeting, Council requested a November status report on the program with information on compliance, noise, usage, and Police calls for service. In October, one business that had removed their outdoor dining space this past summer applied to rebuild their space under the temporary program. This permit was approved by staff with clear direction that the program is scheduled to end in January and that the applicant must comply with the new maintenance requirements (including information that they needed to reestablish the space without the benefit or use of City benches). The owner agreed and rebuilt their space during the week of October 22. Below, is information on the requested topics:

Compliance: In mid-September the City issued a notice to all current program participants advising them of maintenance rules enacted by the Council. In response, all participants quickly came into compliance and have since adequately maintained their dining areas.

Usage: Over the past week Public Works staff has randomly surveyed the 11 dining areas during the afternoon and evening to observe utilization by diners. The table below shows the number of diners observed in each space:

Outdoor Dining Report
November 10, 2021

Dining Area	28-Oct 12:45 Th	29-Oct 13:30 Fri	29-Oct 17:15 Fri	30-Oct 13:20 Sat	30-Oct 17:30 Sat	3-Nov 14:30 Wed	3-Nov 17:30 Wed	Total
1	0	0	0	0	0	0	0	0
2	0	0	0	0	2	0	0	2
3	0	2	0	0	0	0	2	4
4	0	6	0	0	0	0	0	6
5	0	0	0	0	0	0	0	0
6	0	8	8	0	0	0	0	16
7	0	0	0	0	6	0	2	8
8	0	2	0	2	0	0	2	6
9	0	0	3	2	9	0	0	14
10	0	0	4	0	2	0	4	10
11	0	0	0	0	0	0	0	0
Total	0	18	15	4	19	0	10	66

The data in the table does not account for businesses being open. For example, one of the dining areas is only open on weekends and some are only open in the afternoons or evenings. Overall staff had the following observations of use:

1. The areas along the Esplanade were the least used, accounting for only 12 of the total 66 users, even though these outdoor spaces occupy the largest areas
2. Mid-week use is significantly less than weekends
3. Weather limits usage when cold, but warm weather does not guarantee use
4. Smaller establishment utilize their outdoor dining spaces more than larger ones

Noise: The Police Department reached out to the current users and advised them that their entertainment permits do not allow for music to be broadcast outside which includes any outdoor dining area. All participants have complied, and the Police Department continues to monitor the Village regarding this issue.

Calls for Service: In October and November the Police Department did not receive any calls that could be directly tied to the presence of the outdoor dining areas. As reported above, the noise issues regarding music seem to be resolved.

Staff continues to work on the development of a permanent outdoor dining program. The Planning Commission has reviewed and made recommendation on an ordinance and administrative policy that will be brought to the City Council on November 23. In addition, two architects have expressed an interest in developing prototype designs for outdoor dining decks and should be submitting proposals within the next week. Staff anticipates that a permanent outdoor program can be in place beginning March 2022, pending approvals by City Council and the Coastal Commission.

Based on the usage and the upcoming colder and (hopefully) wetter winter weather, staff recommends maintaining prior Council direction to close the Temporary Outdoor Dining program in January and all parking spaces be reopened for parking. Outdoor dining spaces on

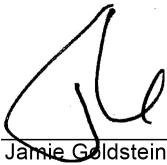
Outdoor Dining Report
November 10, 2021

sidewalks should also be removed until they can be reconsidered as part of the permanent program.

FISCAL IMPACT: The existing temporary outdoor dining program (27 spaces) reduces parking meter revenue by an estimated \$7,000 per month.

Report Prepared By: Steve Jesberg
Public Works Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

11/4/2021



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: Capitola Police Department
SUBJECT: Special Event Highlights and Issues for 2021

RECOMMENDED ACTION: Provide direction regarding changes to specific recurring special event permit conditions, determine if any additional review should be required for any planned 2022 special events, and authorize staff to treat the listed events as “recurring” for 2022.

BACKGROUND: In February 2002, the City Council approved Resolution No. 3202 and adopted a special event permit program and fee schedule. The purpose of the program was to provide regulations and guidelines for special events occurring within the city limits and to recover costs associated with those events.

Special events are divided into two categories: general special events and minor special events. General special events are those with more than 200 attendees or notable impacts on city services or a neighborhood. Minor special events are activities with less than 200 people and limited impacts. Minor special events can be approved by the City Manager, while all applications for new general special events must be presented to the Council for review and consideration.

Special events that were held the prior year are referred to as recurring special events. If there were no significant modifications and no major problems with the event in recent prior years, the City Manager can issue these permits for the upcoming calendar year. Council has the discretion to request a review of any recurring special event if there is any identifiable concern related to past events.

The purpose of this hearing is to review 2021 special events, identify any issues, and determine if additional review should be required for any recurring events in 2022. If no issues are identified for an event, and the event organizer proposes no significant changes, staff intends to issue permits for those recurring special events in 2022.

DISCUSSION: This year’s special events were significantly impacted due to the novel Coronavirus pandemic. All cancelations were due to the pandemic and each applicant has requested to return in 2022. In 2021, staff issued the following five general event permits: Operation Surf, Capitola Art and Wine Festival, Capitola Beach Festival, Women on Waves, and Monte Fireworks. Staff issued four minor permits and approved permits for the annual Twilight Concerts (10), Sunday Art at the Beach (3), and Movies at the Beach (2). No significant issues were raised, and we received one complaint concerning the public notification methods before events. Staff has addressed this comment and no other issues were raised.

Special Event Highlights and Issues
November 10, 2021

Below are the planned recurring events for 2022. While not all these events occurred in 2021 due to the pandemic, staff is recommending this list of events be treated as recurring special events. All of these events occurred prior to the pandemic.

Planned 2022 General Special Events

- February Surfer's Path 10/5K
- May Surfer's Path Marathon
- AIDS Lifecycle
- Capitola Custom Classic Car Show
- Wharf to Wharf Race
- Art and Wine Festival
- Capitola Beach Festival
- Mermaid Triathlon/Duathlon
- Women On Waves
- October Surfer's Path Hang 10/ 5K
- Monte Fireworks Extravaganza

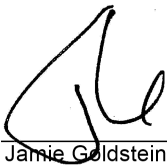
Planned 2022 Minor Special Events

- Village Sip and Stroll #1
- Operation Surf
- Village Easter Egg Hunt
- Skate-Tola
- Village Sip and Stroll #2
- Walk for Angelman's Syndrome
- Food Truck Event at Monterey Park
- Opera at the Beach
- Coast Classic Ride
- Ohana Bicycle Ride
- Halloween Parade
- Surfing Santa
- Village Sip and Stroll #3
- Art/Music at the Beach (6)
- Twilight Concerts (13)
- Movies at the Beach (4)

FISCAL IMPACT: None

Report Prepared By: Andrew Dally
Police Captain

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

11/4/2021



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: City Manager Department

SUBJECT: Consider Approval of Side Letter to Existing Memoranda of Understanding with Employee Groups Regarding Vacation Cash-Out Provisions.

RECOMMENDED ACTION:

1. Authorize the City Manager to execute the side letter agreements to existing Memoranda of Understanding (MOU) with changes to the:
 - a. Capitola Police Officers Association (CPOA)
 - b. Mid-Management Employee Bargaining Unit
 - c. Confidential Employee Bargaining Unit
2. Approve changes to the Management Compensation Plan
3. Approve changes to City Manager Employee Contract

BACKGROUND: In negotiations with employee groups during the COVID-19 pandemic, the groups agreed to suspend both mandatory and optional vacation cash-out provision. This decision was made when the City was concerned about cash flow due the pandemic.

DISCUSSION: The suspension of the vacation cash out helped with City cash flow; unfortunately, it has created a situation where the City will not be able to reduce some employees vacation balances to the amount listed in the MOUs during the annual vacation cash out in May.

The City and the employee groups listed have agreed to a one-time vacation cash out in December of 2021 to allow those employees above the specified limits to get to the required amount in May. This will replace the vacation cash out that did not occur in May 2021. In addition, employees in the Capitola Police Officers Association (CPOA), will be allowed to cash out 40 hours of accrued vacation leave in December 2021.

This cash out provision will be added to the Management Compensation plan and the City Manager's employment contract.

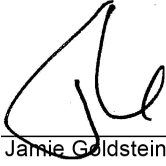
Side letters, Management Compensation Plan, and Amendment to the City Manager Employment Contract will be distributed as additional material.

FISCAL IMPACT: The cost of the one-time cash will be approximately \$25,000, which will be covered by the Compensated Absence Liability Fund. There is no long-term cost as the vacation liability has already been accrued.

Employee Agreements
November 10, 2021

Report Prepared By: Larry Laurent
Assistant to the City Manager

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

11/5/2021



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 10, 2021

FROM: Finance Department

SUBJECT: City Council Memberships FY 2021-22

RECOMMENDED ACTION: Provide direction regarding potential changes in City memberships to local/regional groups.

DISCUSSION: The FY 2021-22 City Council Training and Membership adopted budget remained at \$19,800. This included \$2,500 for City Council Member training, down from the usual \$10,000 budgeted in prior to the pandemic; and \$10,500 for memberships in the Association of Monterey Bay Area Governments (AMBAG) and the Local Agency Formation Committee (LAFCO). Memberships in these two agencies is legally required. The Budget also included \$5,900 for the City to maintain membership in the League of California Cities, which has actively advocated for city interests in Sacramento during the pandemic.

At the October 28, 2021, City Council meeting, Mayor Brooks requested that staff look at the membership budget to consider adding some of the memberships that were eliminated in FY 2020-21. Staff identified two memberships that were eliminated during the pandemic, \$5,000 for MBEP, and \$1,500 for the Cities Association of Santa Clara County.

The Monterey Bay Economic Partnership (MBEP) is a regional member-supported nonprofit organization consisting of public and private entities located throughout the counties of Monterey, San Benito, and Santa Cruz. Founded in 2015, their mission is to improve the economic health and quality of life in the region.

The Cities Association of Santa Clara County is a public sector partnership made up of the cities in Santa Clara County. They formed a committee to evaluate jet noise impacts in 2018 and invited jurisdictions in Santa Cruz County to participate. The cities of Capitola, Santa Cruz and Scotts Valley, along with the County joined the committee. Following several years of meetings and based on a recommendation from our representative to the committee, Capitola discontinued membership. Santa Cruz, Scotts Valley and the County have discontinued their membership as well.

Should City Council wish to rejoin either of these entities, staff recommends allocating General Fund balance to offset costs. While generally staff would not recommend using general fund balance money for on-going expenditures, as these memberships can be discontinued at any time, they could be considered one-time expenditures. The current adopted budget includes a projected ending fund balance of \$750,000 on June 30, 2022.

City Council Memberships FY 2021-22
November 10, 2021

Staff anticipates presenting the FY 2021-22 mid-year budget report at the end of January 2022; at which time staff will present an overall summary of our current year budget picture, and recommend budget adjustments, if necessary.

FISCAL IMPACT: The fiscal impact will be dependent upon the direction given by City Council. Increasing the Council Training and Memberships budget will reduce the general fund balance by an equal amount.

Report Prepared By: Jim Malberg
Finance Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

11/4/2021