

# City of Capitola Agenda

Mayor: Stephanie Harlan  
Vice Mayor: Michael Termini  
Council Members: Jacques Bertrand  
Ed Bottorff  
Kristen Petersen  
  
Treasurer: Peter Wilk



## CAPITOLA CITY COUNCIL REGULAR MEETING

**THURSDAY, FEBRUARY 23, 2017**

**7:00 PM**

**CITY COUNCIL CHAMBERS  
420 CAPITOLA AVENUE, CAPITOLA, CA 95010**

### **CLOSED SESSION - 6:30 PM CITY MANAGER'S OFFICE**

*An announcement regarding the items to be discussed in Closed Session will be made in the City Hall Council Chambers prior to the Closed Session. Members of the public may, at this time, address the City Council on closed session items only. There will be a report of any final decisions in City Council Chambers during the Open Session Meeting.*

### **CONFERENCE WITH REAL PROPERTY NEGOTIATOR [Govt. Code § 54956.8]**

Property: 4400 Jade Street, APN 034-551-02, Capitola, CA  
City Negotiator: Jamie Goldstein, City Manager  
Negotiating Parties: Soquel Union Elementary School District  
Under Negotiation: Terms of Joint Use Agreement

## **REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7:00 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, Michael Termini, Jacques Bertrand, Ed Bottorff, and Mayor Stephanie Harlan

### **2. PRESENTATIONS**

A. Introduction of New Police Officer Zackary Currier

### **3. REPORT ON CLOSED SESSION**

### **4. ADDITIONAL MATERIALS**

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

### **5. ADDITIONS AND DELETIONS TO AGENDA**

### **6. PUBLIC COMMENTS**

*Oral Communications allows time for members of the Public to address the City Council on any item not on the Agenda. Presentations will be limited to three minutes per speaker. 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. All speakers are requested to print their name on the sign-in sheet located at the podium so that their name may be accurately recorded in the minutes. A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.*

### **7. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS**

*City Council Members/City Treasurer/Staff may comment on matters of a general nature or identify issues for staff response or future council consideration.*

### **8. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS**

A. Historical Museum Board Appointment  
RECOMMENDED ACTION: Make appointment.

**9. CONSENT CALENDAR**

*All items listed in the "Consent Calendar" 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 public or 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 February 9, 2017, Regular City Council Minutes  
RECOMMENDED ACTION: Approve minutes.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of February 2, 2017  
RECOMMENDED ACTION: Receive minutes.
- C. Approval of City Check Register Reports Dated January 6, January 13, January 20 and January 27, 2017  
RECOMMENDED ACTION: Approve Check Registers.
- D. Contract Amendment for Auditing Services  
RECOMMENDED ACTION: Authorize the City Manager to renew the agreement with Rogers, Anderson, Malody & Scott LLP to provide financial auditing services for an amount not-to-exceed \$48,000 for Fiscal Year 2016/2017 Audit.
- E. Amendment of Contract for Completion of the Zoning Code Update  
RECOMMENDED ACTION: Authorize the City Manager to execute a contract amendment in the amount of \$14,700 with Ben Noble Urban and Regional Planning.
- F. Second Reading of the Monterey Bay Community Power Uncodified Ordinance  
RECOMMENDED ACTION: Approve the second reading of an ordinance authorizing the implementation of Community Choice Energy program in the City of Capitola.
- G. Reject All Bids Received for the 41st Avenue Adaptive Traffic Signal System Project  
RECOMMENDED ACTION: Reject all three bids received for the 41<sup>st</sup> Avenue Adaptive Traffic Signal System and direct the Public Works Department to work with the project engineer to modify and redesign the project to bring it in budget.

**10. 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 Art & Cultural Commission Annual Report  
RECOMMENDED ACTION: Receive the 2016 Art and Cultural Commission Annual Report.

- B. Consider Letter of Support for Efforts by Central Fire and Aptos/La Selva Fire Protection Districts to Improve Efficiencies Through Cooperation  
RECOMMENDED ACTION: Direct the Mayor to send the attached letter to the Central Fire Protection District and Aptos/La-Selva Fire Protection District in support of efforts to cooperate, improving service levels in Capitola.
- C. Approve Letters of Support for State Transportation Measures  
RECOMMENDED ACTION: Direct Mayor to sign letters on behalf of the City supporting measures AB1 and SB1.
- D. Mid-Year Budget Report  
RECOMMENDED ACTION: Receive mid-year report, amend the Fiscal Year 2016/17 Budget based on the budget adjustment, and authorize the staff changes.
- E. Fiscal Year 2017/18 Budget Principles and Goals  
RECOMMENDED ACTION: Adopt the Fiscal Year 2017/18 Budget Principles and Goals.

## 11. ADJOURNMENT

**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](http://www.cityofcapitola.org) and at Capitola City Hall and at the Capitola Branch Library, 2005 Wharf Road, Capitola, 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.

CAPITOLA CITY COUNCIL REGULAR MEETING AGENDA  
February 23, 2017

**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](http://www.cityofcapitola.org) by clicking on the Home Page link “**Meeting Video.**” Archived meetings can be viewed from the website at anytime.



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: City Manager Department

SUBJECT: Introduction of New Police Officer Zackary Currier

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DISCUSSION: Zackary Currier was sworn in as a Capitola Police Officer on January 27, 2017. Officer Currier was born in San Jose, and raised in a law enforcement family in Corralitos. He graduated from Monte Vista Christian High School and is currently attending Cabrillo College.

Prior to joining the Capitola Police Department, Officer Currier spent two years with the Santa Cruz Sheriff's Office as a correctional officer.

Report Prepared By: Linda Fridy  
City Clerk

**Reviewed and Forwarded by:**

A handwritten signature in blue ink, appearing to be "JG", is written over a horizontal line.

Jamie Goldstein, City Manager

2/17/2017



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: City Manager Department  
SUBJECT: Historical Museum Board Appointment

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RECOMMENDED ACTION: Make appointment.

BACKGROUND: When Council Member Kristen Petersen won her seat on the City Council in the November 2016 General Election, she was no longer eligible to serve on the Capitola Historical Museum Board, creating a vacancy for her unfinished term through June 2019. The opening was advertised and at the close of the filing period the following two applications were received (Attachment 1):

- Georgette Neal
- Doug Holser

DISCUSSION: The applications were forwarded to Museum Curator Frank Perry for review and consideration by the Board at its meeting of February 7, 2017. Based on interviews, the Board recommends Georgette Neal for appointment (Attachment 2) pursuant to Capitola Municipal Code Section 2.28.020B.

FISCAL IMPACT: None.

ATTACHMENTS:

1. Historical Museum applications
2. Museum Board Appointment Recommendation

Report Prepared By: Linda Fridy  
City Clerk

**Reviewed and Forwarded by:**

Jamie Goldstein, City Manager

2/16/2017

JAN 12 2017

CITY OF CAPITOLA



# CITY of CAPITOLA BOARDS AND COMMISSIONS APPLICATION

Application for:

- Art & Cultural Commission  
*[Artist; Arts Professional; At Large Member]*  
*Please underline category above.*
- Architecture & Site Committee  
*[Architect; Landscape Architect; Historian]*  
*Please underline category above.*
- Finance Advisory Committee  
*[Business Representative; At Large Member]*  
*Please underline category above.*
- Traffic & Parking Commission  
 *[Central Village Resident; Village Business Owner; City Council Appointee]*  
*Please underline category above.*
- Historical Museum Board
- Planning Commission
- Library Advisory Committee
- Other Committee \_\_\_\_\_

Name: Neal Georgette  
Last First

Residential Neighborhood: Capitola Village Area

Occupation: Retired

Describe your qualifications and interest in serving on this Board/Commission/Committee: \_\_\_\_\_

Please see attached.

(Use additional paper, if necessary)

**Please Note:** Appointment to this position may require you to file a conflict of interest disclosure statement with the City Clerk. This information is a public record and these statements are available to the public on request.

1-12-17  
Date

Georgette L. Neal  
Signature of Applicant

Mail or Deliver Application to:  
Capitola City Hall  
Attn: City Clerk  
420 Capitola Avenue, Capitola, CA 95010

All information contained in this page of the application is public data and will be made available for public review and copying for anyone requesting it, and may be posted on the website of the City of Capitola. All information in this page will be provided to the Capitola City Council in a public forum and will be reviewed in public. It will therefore be part of the public record.

Attachment: Historical Museum applications (1741 : Historical Museum Board Appointment)



City of Capitola  
Boards and Commissions Application  
for Historical Museum Board Member

Georgette Neal  
January 12, 2017

Describe your qualifications and interest in serving on this  
Board/Commission/Committee:

I have been a volunteer docent at the Capitola Historical Museum since May 2016. It has been a pleasure beyond expectations to be able to serve the community in this role.

In 1964 my parents with their six children migrated from Indiana to the county. I graduated from Santa Cruz High School in 1967, and attended Cabrillo College, graduating from UCSC in 1978, after travelling the United States and Europe.

I settled in the Bay Area as a litigation paralegal and raised a family. In 2011, I retired to Santa Cruz to rediscover the history of my youth. In 2012, I became a resident of Capitola. My interests at the time were taken up by a former high school journalism teacher and a former water department official who had become victims of dementia. However, their fervor for the history of the county was contagious.

With the demise of my old friends, I found myself in the vicinity of the Capitola museum, whose façade I had passed many times with a wistful glance, while walking daily through the village, along the creek, and to the end of the wharf. In April 2016, I attended the Vision Capitola meetings, and found a table displaying information about the museum. Brochures for volunteers were available.

In the over one hundred hours of volunteer time spent at the front desk since then, I have read numerous books from the museum's excellent library having to do with Capitola and Soquel history. It is delightful to offer visitors what I know, and to learn from them what I need to know. The Ravens exhibit wasn't the only one I'd seen. I'd particularly enjoyed the post card exhibit, too.

City of Capitola  
Boards and Commissions Application  
for Historical Museum Board Member  
Georgette Neal  
January 12, 2017  
Page 2

As a museum volunteer, I've been able to participate in the Begonia Festival and the Art and Wine Festival by relieving board members who were hosting informational tables for residents and visitors. I learned from the best what comprises an attractive, appealing and effective display. Although I wasn't needed at the table the museum presented at the Santa Cruz History Fair, I attended the event, with an eye on where Capitola history fit in to the larger museum community.

I am the Programs Officer for the Santa Cruz Bird Club. We hold our monthly presentations to members and the general public at the Santa Cruz Museum of Natural History. This year we enjoy an entirely new gallery transformation with the exhibited collections of the pioneer naturalist and lighthouse keeper, Laura Hecox. I'm able to greet the SCBC meeting attendees with the additional knowledge of Ms. Hecox I've gained through volunteering at the Capitola museum.

Thank-you for this opportunity to become a part of the continuing success of the Capitola Historical Museum. I look forward to the possibility of assisting as a board member with the organizational skills I bring with me from civil trial preparation, as well as the editorial skills I bring from editing legal publications. I also look forward to involving the young in the wealth of what has made our beautiful community what it is, and the ways in which we can build on it.



JAN 03 2017  
CITY OF CAPITOLA  
CITY CLERK

# CITY of CAPITOLA

## BOARDS AND COMMISSIONS APPLICATION

Application for:

- Art & Cultural Commission  
*[Artist; Arts Professional; At Large Member]*  
*Please underline category above.*
- Architecture & Site Committee  
*[Architect; Landscape Architect; Historian]*  
*Please underline category above.*
- Finance Advisory Committee  
*[Business Representative; At Large Member]*  
*Please underline category above.*
- Traffic & Parking Commission  
*[Central Village Resident; Village Business Owner; City Council Appointee]*  
*Please underline category above.*
- Historical Museum Board
- Planning Commission
- Library Advisory Committee
- Other Committee \_\_\_\_\_

Name: Holser, Doug  
Last First

Residential Neighborhood: Aptos

Occupation: retired

Describe your qualifications and interest in serving on this Board/Commission/Committee: \_\_\_\_\_

I come from a long-time local (Santa Cruz County) family and have experience in business being a co-owner of a local business that recently closed. I've always had an interest in history. I can work well with others.

(Use additional paper, if necessary)

**Please Note:** Appointment to this position may require you to file a conflict of interest disclosure statement with the City Clerk. This information is a public record and these statements are available to the public on request.

12-30-16  
Date

Doug Holser  
Signature of Applicant

Mail or Deliver Application to:  
Capitola City Hall  
Attn: City Clerk  
420 Capitola Avenue, Capitola, CA 95010

All information contained in this page of the application is public data and will be made available for public review and copying for anyone requesting it, and may be posted on the website of the City of Capitola. All information in this page will be provided to the Capitola City Council in a public forum and will be reviewed in public. It will therefore be part of the public record.

Attachment: Historical Museum applications (1741 : Historical Museum Board Appointment)



420 CAPITOLA AVENUE  
CAPITOLA, CALIFORNIA 95010  
TELEPHONE (831) 475-7300  
FAX (831) 479-8879

*Capitola Historical Museum*

February 7, 2017

Mayor Stephanie Harlan and Members of the Council  
City of Capitola  
420 Capitola Avenue  
Capitola, CA 95010

Subject: Appointment to Museum Board of Trustees

Dear Mayor Harlan and Members of the Council:

The Capitola Historical Museum Board of Trustees recommends the appointment of Georgette Neal to the seat vacated by Kristen Petersen. This would be to fill the remainder of Trustee Petersen's term, which expires June 9, 2019.

Georgette Neal has been a volunteer at the Museum since last May and has demonstrated great enthusiasm for local history and for the Museum's programs. She first came to Capitola as a child and returned a few years ago in retirement. She has previous board experience while a paralegal in San Francisco and more recently as a board member of the Santa Cruz Bird Club. She also likes to write and has experience as an editor. Of all the Museum desk volunteers, Georgette contributed the most hours last year. The Board feels that she would be an excellent addition to the Board.

Sincerely,

Frank Perry, Curator

Capitola Historical Museum

Attachment: Museum Board Appointment Recommendation (1741 : Historical Museum Board Appointment)



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: City Manager Department

SUBJECT: Consider the February 9, 2017, Regular City Council Minutes

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RECOMMENDED ACTION: Approve minutes.

DISCUSSION: Attached for City Council review and approval are the minutes for the regular meeting of February 9, 2017.

ATTACHMENTS:

1. Draft Minutes for 2/9/17 Meeting

Report Prepared By: Linda Fridy  
City Clerk

**Reviewed and Forwarded by:**

A handwritten signature in blue ink, appearing to be "JG", is written over a horizontal line.

Jamie Goldstein, City Manager

2/16/2017

**CAPITOLA CITY COUNCIL  
REGULAR MEETING ACTION MINUTES  
THURSDAY, FEBRUARY 9, 2017**

**CLOSED SESSION – 6:45 PM**

**CALL TO ORDER**

Vice Mayor Termini called the meeting to order at 6:45 p.m. with the following item to be discussed in Closed Session:

**LIABILITY CLAIMS [Govt. Code § 54956.95]**

Claimant: Molly Kirsch

Agency claimed against: City of Capitola

There was no public comment; therefore, the City Council closed the Council Chambers and held the Closed Session.

**REGULAR MEETING OF THE CAPITOLA CITY COUNCIL – 7 PM**

**1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Mayor Harlan arrived following Closed Session.

Council Member Ed Bottorff: Present, Council Member Jacques Bertrand: Present, Mayor Stephanie Harlan: Present, Vice Mayor Michael Termini: Present, Council Member Kristen Petersen: Present.

City Treasurer Peter Wilk was present.

**2. PRESENTATIONS**

**A. Presentation of Certificates of Appreciation for Retiring City Commissioners**

Mayor Harlan presented certificates of appreciation to Nathan Cross for five years of service on the Finance Advisory Committee and to Kristen Petersen for service as treasurer of the Historical Museum Board.

**B. Santa Cruz Metropolitan Transit District Update Presented by District General Manager Alex Clifford [1170-10]**

Mr. Clifford presented an overview of METRO's services and budget. He followed up on last year's report and the agency's transition from relying on reserves toward a balanced budget. He credited the combined efforts of stakeholders including UC Santa Cruz and Cabrillo and work with union representatives that prevented layoffs. The agency has been successful in receiving grants for "green" transit types. He requested a resolution or correspondence in support of state transportation bills AB1 and SB1.

Council Member Termini asked if the agency conducted studies or comparisons to

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
February 9, 2017

other systems. Mr. Clifford responded that METRO contacted peer agencies two years ago and is working to make progress in areas where METRO was behind similar systems.

Council Member Bertrand asked about increasing the green fleet and the financing to update it. Mr. Clifford said METRO needs 60 new buses and is focusing on grants, most of which are for electric models.

**3. REPORT ON CLOSED SESSION**

City Attorney Tony Condotti noted the item discussed will be voted on the consent agenda.

**4. ADDITIONAL MATERIALS**

A. Item 9.D. -- One communication from AT&T regarding the proposed Wireless Telecommunications Ordinance.

B. Item 10.B. -- Five public communications regarding the Monterey Bay Community Power Joint Powers Agreement

**5. ADDITIONS AND DELETIONS TO AGENDA - None**

**6. PUBLIC COMMENTS**

Bob Edgren requested extending the rezoning of the Transient Occupancy Overlay further up Capitola Avenue as part of the updated Zoning Code.

Barbara Bush spoke to the wireless amendment. She expressed frustration that the City cannot afford to legally defend its own ordinance.

Marylin Garrett expressed concern about smart meters.

Glenn Chase, economics professor, shared what he described as a Securities Exchange Commission disclosure document by Verizon.

**7. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS**

Council Member Termini congratulated Vice Salon on its move to a larger facility. He thanked the City's Public Works crew for ongoing efforts during storms, and noted the new exhibit of self-portraits by New Brighton Middle School students. He said combining the Begonia and Art & Wine festivals is not likely because of conflicts with other fairs.

Mayor Harlan attended the retired public employees' luncheon as part of efforts to unite seniors. At the Chamber of Commerce lunch Supervisor Leopold spoke to the County's road work challenges.

City Manager Jamie Goldstein echoed the praise to Public Works and noted the City continues to monitor creek levels.

Treasurer Wilk updated the Council on Finance Advisory Committee efforts to address funding for the library following the Council's direction. Three early options were identified.

**8. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS**

- A. Appointment of an Alternate to the Regional Transportation Commission  
RECOMMENDED ACTION: Make appointment.

Council Member Bottorff is on the ballot to continue to represent METRO so he cannot serve as the City alternate. Although Council Member Petersen was reluctant because of her work schedule, she accepted the nomination.

<b>MOTION:</b>	<b>APPOINT KRISTEN PETERSEN AS ALTERNATE TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMITTEE.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Ed Bottorff, Council Member
<b>SECONDER:</b>	Michael Termini, Vice Mayor
<b>AYES:</b>	Bottorff, Bertrand, Harlan, Termini, Petersen

**9. CONSENT CALENDAR**

<b>MOTION:</b>	<b>APPROVE OR DENY THE CONSENT AGENDA ITEMS AS RECOMMENDED</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Termini, Vice Mayor
<b>SECONDER:</b>	Ed Bottorff, Council Member
<b>AYES:</b>	Bottorff, Bertrand, Harlan, Termini, Petersen

- A. Consider the January 26, 2017, Regular City Council Minutes  
RECOMMENDED ACTION: Approve Minutes.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of January 19, 2017  
RECOMMENDED ACTION: Receive Minutes.
- C. Deny Liability Claim of Molly Kirsch [Claims Binder]  
RECOMMENDED ACTION: Deny liability claim.
- D. Second Reading of an Ordinance Amending Chapter 17.98 of the Capitola Municipal Code Pertaining to Wireless Telecommunications, Adoption of an Addendum to the General Plan Update Environmental Impact Report, and Adoption of a Resolution to Submit the Amendment to the California Coastal Commission  
RECOMMENDED ACTION: That the City Council take the following actions:
  - 1. Adopt the Addendum to the General Plan Update Environmental Impact Report;
  - 2. Adopt an Ordinance to amend Municipal Code Chapter 17.98 Wireless Communications Facilities;
  - 3. Adopt the attached Resolution directing the City Manager to submit an Amendment to the City of Capitola Local Coastal Program to the California Coastal Commission for certification.
- E. Lateral Police Officer Hiring Incentive Program  
RECOMMENDED ACTION: Approve Resolution to Increase Bonus for Lateral Police Officer Hires.

Attachment: Draft Minutes for 2/9/17 Meeting (1742 : Approval of City Council Minutes)



CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
February 9, 2017

**10. GENERAL GOVERNMENT / PUBLIC HEARINGS**

A. Consideration of an Esplanade Park Master Plan

RECOMMENDED ACTION:

1. Authorize the City Manager to enter a contract with Michael Arnone for the creation of an Esplanade Park Master Plan funded using Public Art Fund revenues.
2. Council discretion to consider the request by the Art and Cultural Commission to move forward with the climbing sculpture element of the plan prior to the development of the park master plan.

Assistant to the City Manager Larry Laurent presented the staff report. He noted all recent large development projects have opted to contribute to the City's Public Art Fund rather than create onsite public art projects, so the fund continues to grow. Locations for projects have been difficult to identify. Esplanade Park is the gathering place for the City, especially since the 2007 addition of the bandstand. A redesign would create the opportunity for several public art elements, which can be functional as well as visual. Mike Arnone has worked on several projects with the City and is suggested as contractor for designing a master plan. His concept includes shade structures, showers, and a climbing sculpture, and the Art and Cultural Commission likes the idea of a sea theme.

The Commission also asked if the Council would support moving forward with a climbing sculpture ahead of the master plan.

Mr. Arnone walked the council through a conceptual design that incorporates the three suggested elements.

Council Member Termini noted that the concept identifies a possible location for a climbing sculpture at the entrance. Mr. Arnone said it would require relocation of existing lighting. Council Member Bertrand asked about the choice of the location. Mr. Arnone explained it would define the entrance as a key visual element.

Mayor Harlan opened public comment. Bob Edgren noted there are concerns about the stability of the cliff above the park. He would prefer funds go to an art gallery at the Rispin.

Nathan Cross said that the Art and Cultural Commission has long searched for a location for the climbing sculpture and Esplanade Park has surfaced as the best option.

Treasurer Wilk noted that shade structures should allow passage for people carrying surf boards.

Council Member Bottorff praised the conceptual design and strongly supports the plan. He noted the final version may want to consider a higher wall by the showers for modesty and also recommend a tree variety that discourages climbing.

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
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Council Member Petersen loves the concept and strongly supports the climbing sculpture.

<b>MOTION:</b>	<b>APPROVE ENTERING A CONTRACT WITH MICHAEL ARNONE FOR AN ESPLANADE PARK MASTER PLAN AND USING PUBLIC ART FUND MONIES TO CREATE A CLIMBING SCULPTURE ELEMENT FOR THE PARK</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Termini, Vice Mayor
<b>SECONDER:</b>	Ed Bottorff, Council Member
<b>AYES:</b>	Bottorff, Bertrand, Harlan, Termini, Petersen

B. Approval of the Monterey Bay Community Power Joint Powers Agreement and a Resolution Authorizing the City of Capitola's Participation and First Reading of the Related Uncodified Ordinance

RECOMMENDED ACTION: That the City Council take the following actions:

1. Adopt the attached resolution establishing the Monterey Bay Community Power Authority and approving the City of Capitola as a founding member of the Authority.
2. Introduce the attached ordinance authorizing the implementation of a Community Choice Energy program in the City of Capitola.
3. Direct staff to move forward on discussions regarding the City's share of the credit guarantee; and,
4. Appoint a primary and alternate on the newly formed Monterey Bay Community Power Policy Board of Directors.

City Manager Jamie Goldstein noted that the project has come before the City Council several times, including the passage of a resolution last fall. Gine Johnson of Santa Cruz County has been leading the effort and presented a video summary. Membership in the Community Choice Aggregate (CCA) program is being offered to 21 counties and cities in the Monterey Bay region. Participating jurisdictions should be able to meet state mandates that electricity comes from 33 percent electric renewables by 2020, and by 2030 from 50 percent renewable sources. Ms. Johnson anticipates that the program will reach 50 percent in its first year. The joint powers agreement (JPA) resulted from about 100 hours of meetings.

The CCA uses PG&E's distribution lines and billing, so customers will see little service difference but can choose renewable sources at the same rates for electricity. It also provides more local jobs and profits that feed back into the local economy. The joint powers agreement outlines the same policy and board structure as presented in Fall 2016 when Capitola passed its resolution. Capitola will have the first term in the rotating seat shared with Scotts Valley. The City's finance director is part of the team reviewing the three responses to Requests for Proposals for the

Attachment: Draft Minutes for 2/9/17 Meeting (1742 : Approval of City Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
February 9, 2017

startup funding. Scotts Valley, Hollister, and San Benito County have already approved the agreement. Monterey County's participation is still being negotiated, but other jurisdictions do not need its participation for the project to go forward.

Council Member Petersen asked how often Capitola and Scotts Valley will trade off the seat and was told there are two-year terms.

Treasurer Wilk clarified the credit guarantee does not require upfront payment and that PG&E is mandated by the state to participate. Ms. Johnson noted PG&E will continue to earn distribution fees and continue to provide gas. She anticipates all Santa Cruz County municipalities will participate in the JPA.

Council Member Bertrand asked if fees would be impacted by a smaller jurisdiction pool. Ms. Johnson said she is confident that even a Santa Cruz County-only CCA would offer rates below PG&E.

Mayor Harlan opened public comment. Local resident Michael Saint strongly supports the program and noted that PG&E continues to raise rates. He expects more stable rates under the program.

Bob Edgren expressed concerns about the impact on PG&E and its participation.

Council Member Bottorff noted that during his time as mayor he participated in many meetings and Capitola has been well represented. This will continue with Capitola holding a seat on the board shared with Scotts Valley. He nominated Council Member Termini as the representative and Council Member Bertrand as alternate.

Council Member Termini strongly supports the program and notes that distribution is a separate fee line than providing energy.

<b>MOTION:</b>	<b>ADOPT THE RESOLUTION, PASS THE FIRST READING OF THE ORDINANCE, SUPPORT THE CITY'S PARTICIPATION IN THE CREDIT GUARANTEE AND APPOINT COUNCIL MEMBER TERMINI AS REPRESENTATIVE AND COUNCIL MEMBER BERTRAND AS ALTERNATE ON THE CCA BOARD.</b>
<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Ed Bottorff, Council Member
<b>SECONDER:</b>	Michael Termini, Vice Mayor
<b>AYES:</b>	Bottorff, Bertrand, Harlan, Termini, Petersen

- C. Council Member Review of Community Grant Recipients  
RECOMMENDED ACTION: Receive grantee list and consider designating Council Members to research specific grant recipients.

Mayor Harlan asked Council Members if there are grantees that they would like to spend time getting to know over the two-year funding process. Council Member Termini suggested that council members "vouch" for those organizations they know well and then divide the remaining ones for review. Council members will send names of organizations with which they are familiar to the city manager.

Attachment: Draft Minutes for 2/9/17 Meeting (1742 : Approval of City Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
February 9, 2017

11. **ADJOURNMENT**

The meeting was closed at 9:15 p.m.

\_\_\_\_\_  
Stephanie Harlan, Mayor

ATTEST:

\_\_\_\_\_  
Linda Fridy, City Clerk

Attachment: Draft Minutes for 2/9/17 Meeting (1742 : Approval of City Council Minutes)



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: Community Development

SUBJECT: Receive Planning Commission Action Minutes for the Regular Meeting of  
February 2, 2017

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RECOMMENDED ACTION: Receive minutes.

ATTACHMENTS:

1. 02-02-2017 Planning Commission Action Minutes

Report Prepared By: Jackie Aluffi

**Reviewed and Forwarded by:**



**ACTION MINUTES  
CAPITOLA PLANNING COMMISSION MEETING  
THURSDAY, FEBRUARY 2, 2017  
7 P.M. – CAPITOLA CITY COUNCIL CHAMBERS**

**1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Commissioner Linda Smith: Absent, Commissioner Susan Westman: Present, Chairperson Newman: Absent, Commissioner TJ Welch: Present, Commissioner Storey: Present

**2. NEW BUSINESS**

**A. Commission Appointments**

**1. Art & Culture Commission**

Motion: Appoint Commissioner Storey to the Art & Cultural Commission

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	TJ Welch, Commissioner
<b>SECONDER:</b>	Westman, Commissioner
<b>AYES:</b>	Welch, Westman, Storey
<b>ABSENT:</b>	Smith, Newman

**2. Traffic & Parking Commission**

Motion: Appoint Commissioner Welch to the Traffic & Parking Commission

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Storey, Commissioner
<b>SECONDER:</b>	Westman, Commissioner
<b>AYES:</b>	Welch, Westman, Storey
<b>ABSENT:</b>	Smith, Newman

**3. ORAL COMMUNICATIONS**

**A. Additions and Deletions to Agenda**

**B. Public Comments**

**C. Commission Comments**

**D. Staff Comments**

**4. CONSENT CALENDAR**

**A. 1240 41st Avenue #16-219 034-101-33**

Design Permit to demolish an existing office building with fire damage and build a new, 1,800 square foot office building and a Sign Permit for a new wall sign in the CC (Community Commercial) zoning district.

This project is in the Coastal Zone but does not require a Coastal Development Permit. Environmental Determination: Categorical Exemption

Property Owner: Christine McCormack  
 Representative: Michael Helm, filed: 12/6/16

Motion: Approve Design Permit and Sign Permit

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	TJ Welch, Commissioner
<b>SECONDER:</b>	Storey, Commissioner
<b>AYES:</b>	Welch, Westman, Storey
<b>ABSENT:</b>	Smith, Newman

**5. PUBLIC HEARINGS**

**A. 115 Saxon Avenue #16-115 036-131-02**

Design Permit to remodel an existing non-conforming residence and addition of 324 square feet, located in the R-1 (Single-Family Residential) Zoning District.  
 This project is in the Coastal Zone but does not require a Coastal Development Permit.  
 Environmental Determination: Categorical Exemption  
 Property Owner: Brian Wiese & Diane Krigel  
 Representative: Derek Van Alstine, filed: 6/2/16

Motion: Approve Design Permit

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Sam Storey, Commissioner
<b>SECONDER:</b>	TJ Welch, Chairperson
<b>AYES:</b>	Welch, Westman, Storey
<b>ABSENT:</b>	Smith, Newman

**B. Zoning Code Update All Properties within Capitola**

Continuation of Comprehensive Update to the City of Capitola Zoning Code (Municipal Code Chapter 17).  
 The Zoning Code serves as the Implementation Plan of the City’s Local Coastal Program and therefore must be certified by the Coastal Commission.  
 Environmental Determination: Addendum to the General Plan Update EIR  
 Property: The Zoning Code update affects all properties within the City of Capitola.  
 Representative: Katie Herlihy, Senior Planner, City of Capitola

Motion: Continue to Special Meeting of February 16, 2017, at 6:00 P.M.

<b>RESULT:</b>	<b>CONTINUED [UNANIMOUS]</b>
<b>MOVER:</b>	Sam Storey, Commissioner
<b>SECONDER:</b>	TJ Welch, Chairperson
<b>AYES:</b>	Welch, Westman, Storey
<b>ABSENT:</b>	Smith, Newman

**6. DIRECTOR'S REPORT**

**7. COMMISSION COMMUNICATIONS**

**8. ADJOURNMENT**

Attachment: 02-02-2017 Planning Commission Action Minutes (1752 : Planning Commission Action Minutes)



# CAPITOLA CITY COUNCIL AGENDA REPORT

## MEETING OF FEBRUARY 23, 2017

FROM: Finance Department

SUBJECT: Approval of City Check Register Reports Dated January 6, January 13, January 20 and January 27, 2017

**RECOMMENDED ACTION:** Approve Check Registers.

**BACKGROUND:** Check Registers are attached for:

<b>Account: City Main</b>				
Date	Starting Check #	Ending Check #	Check/EFT Count	Amount
1/06/17	85543	85567	33	\$285,014.94
1/13/17	85568	85654	91	\$192,320.51
1/20/17	85655	85688	34	\$51,332.00
1/27/17	85689	85760	79	\$291,193.24

The City Main check register of December 23, 2016, ended with check #85542.

<b>Account: Library</b>				
Date	Starting Check #	Ending Check #	Check/EFT Count	Amount
1/13/17	6	7	2	\$16,215.00
1/20/17	8	8	1	\$27,490.00

<b>Account: Payroll</b>				
Date	Starting Check #	Ending Check #	Check/EFT Count	Amount
1/06/17	5049	5054	94	\$154,002.25
1/20/17	5061	5066	95	\$153,969.20

Payroll account checks 5055 - 5060 were voided due to printer error.

Following is a list of checks issued for more than \$10,000.00 and a brief description of the expenditure:

Check	Issued to	Dept	Description	Amount
85562	T Mobile	CM	October - December cell phone	\$11,234.33
85563	US Bank	FN	Pac Cove facility lease	\$13,600.91



Approval of City Check Registers  
February 23, 2017

85567	Wells Fargo Bank	FN	POB interest	\$19,382.25
eft379	CalPERS Member Services	FN	PERS contributions PPE 12-3-16	\$47,771.36
eft381	IRS	FN	Federal taxes & Medicare	\$31,949.37
eft383	CalPERS Member Services	FN	PERS contributions PPE 12-17-16	\$49,127.17
eft384	CalPERS Health Insurance	FN	January health insurance	\$63,729.47
85644	Visit Santa Cruz County	FN	Quarterly tourism marketing district payment	\$48,782.11
85646	Wells Fargo Bank	FN	December credit card charges	\$10,936.76
eft387	IRS	FN	Federal taxes & Medicare	\$28,919.47
7	Noll and Tam Architects	PW	Library schematic design	\$13,745.00
85677	PG&E	PW	Monthly utilities	\$15,635.45
8	Noll and Tam Architects	PW	Library design services	\$27,490.00
85689	Old Republic Title	CDD	CDBG housing loan	\$14,748.91
85696	Atchison Barisone Condotti & Kovacevich	CM	December legal services	\$17,691.84
85704	Capitola-Soquel Chamber of Commerce	FN	City Quarterly contribution & BIA contract for special events	\$10,500.00
85710	Donald W. Alley	PW	Soquel Creek wildlife monitoring	\$13,155.13
85717	Granite Rock Company	PW	2016 street rehabilitation project	\$22,074.84
eft390	CalPERS Member Services	FN	PERS contributions PPE 1-14-17	\$48,550.26
eft392	IRS	FN	Federal taxes & Medicare	\$28,525.89
eft394	CalPERS Health Insurance	FN	February health insurance	\$59,942.01

ATTACHMENTS:

1. 01-06-17 City Check Register
2. 01-13-17 City Check Register
3. 01-20-17 City Check Register
4. 01-27-17 City Check Register

Report Prepared By: Maura Herlihy  
Account Technician

**Reviewed and Forwarded by:**

Jamie Goldstein, City Manager

2/16/2017

City accounts payable checks dated 1/06/2017, numbered 85543 to 85567, and 8 EFTs totaling \$285,014.94, plus 6 payroll checks and 88 payroll EFTs, totaling \$154,002.25, for a grand total of \$439,017.19, have been reviewed and authorized for distribution by the City Manager.

As of 1/06/2017, the unaudited cash balance is \$4,523,198.75.

**CASH POSITION - CITY OF CAPITOLA 1/06/17**

	<u>Net Balance</u>
General Fund	\$51,005.16
Payroll Payables	\$145,741.54
Contingency Reserve Fund	\$1,898,345.66
PERS Contingency Fund	\$300,000.00
Facilities Reserve Fund	\$284,870.00
Capital Improvement Fund	\$880,862.26
Stores Fund	\$25,435.05
Information Technology Fund	\$118,927.17
Equipment Replacement	\$110,294.88
Self-Insurance Liability Fund	\$266,176.65
Worker's Comp. Ins. Fund	\$325,351.79
Compensated Absences Fund	\$116,188.59
TOTAL UNASSIGNED GENERAL FUNDS	<u>\$4,523,198.75</u>

The Emergency Reserve Fund Balance is \$1,269,705.54 (not included above).

  
 \_\_\_\_\_  
 Jamie Goldstein, City Manager

  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Peter Wilk, City Treasurer

  
 \_\_\_\_\_  
 Date

Attachment: 01-06-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 1/06/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transactio Amount
85543	01/06/2017	Open			2NDNATURE LLC	\$3,300.0
	Invoice		Date	Description		Amount
	Jan-June 2017		01/03/2017	Stormwater software license (6 months)		\$3,300.00
85544	01/06/2017	Open			ALVAREZ TECHNOLOGY GROUP INC	\$7,100.0
	Invoice		Date	Description		Amount
	39208		12/01/2016	January IT support 2211 - ISF - Information Technology		\$7,100.00
85545	01/06/2017	Open			BARBARA GRAHAM-GARCIA	\$250.0
	Invoice		Date	Description		Amount
	194		12/20/2016	Ergonomic consulting - J. Aluffi		\$250.00
85546	01/06/2017	Open			CalChamber	\$198.3
	Invoice		Date	Description		Amount
	11085468		12/27/2016	2017 CA labor law posters (4) 2210 - ISF - Stores Fund		\$198.36
85547	01/06/2017	Open			CALIFORNIA COAST UNIFORM COMPANY	\$400.1
	Invoice		Date	Description		Amount
	5097		12/20/2016	Patches for Gonzalez		\$20.00
	5069		11/28/2016	Uniform items for Zamora		\$380.16
85548	01/06/2017	Open			CAPITOLA PEACE OFFICERS ASSOCIATION	\$1,719.7
	Invoice		Date	Description		Amount
	POA122316		12/17/2016	POA and gym dues PPE 12-17-16 1001 - Payroll Payables		\$1,719.75
85549	01/06/2017	Open			CARMAT COLLISION CENTER	\$2,130.2
	Invoice		Date	Description		Amount
	17425		01/03/2017	2016 Ford Explorer repairs		\$2,130.28
85550	01/06/2017	Open			CRAIG FEENEY	\$1,335.0
	Invoice		Date	Description		Amount
	72		12/19/2016	Wharf restaurant HVAC repairs 1311 - Wharf Fund		\$1,335.00
85551	01/06/2017	Open			ED MORRISON	\$2,660.0
	Invoice		Date	Description		Amount
	DEC2016		01/03/2017	December PW inspections		\$2,660.00
85552	01/06/2017	Open			eFolder Inc.	\$375.0
	Invoice		Date	Description		Amount
	INV00075787		10/31/2016	October record storage fee		\$125.00
	INV00078752		11/30/2016	November record storage fee		\$125.00
	INV00081694		12/31/2016	December record storage fee 2211 - ISF - Information Technology		\$125.00
85553	01/06/2017	Open			FIRST ALARM SECURITY & PATROL INC.	\$310.0
	Invoice		Date	Description		Amount
	522492		12/20/2016	January McGregor park security services		\$310.00

Attachment: 01-06-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 1/06/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
85554	01/06/2017	Open			G2 FORENSIC INVESTIGATIONS	\$250.0
	Invoice		Date	Description		Amount
	386		12/16/2016	Background investigation stoppage		\$250.00
85555	01/06/2017	Open			ICMA RETIREMENT TRUST 457	\$4,486.4
	Invoice		Date	Description		Amount
	41311706		12/23/2016	457 contributions PPE 12-17-16 1001 - Payroll Payables		\$4,486.44
85556	01/06/2017	Open			MONTEREY BAY AIR RESOURCES DISTRICT	\$370.0
	Invoice		Date	Description		Amount
	2012-122316		12/23/2016	Corp. yard permit for gasoline dispenser		\$370.00
85557	01/06/2017	Open			PALACE OFFICE SUPPLIES	\$174.1
	Invoice		Date	Description		Amount
	403805-0		12/21/2016	Office supplies 2210 - ISF - Stores Fund		\$174.17
85558	01/06/2017	Open			PREFERRED BENEFIT INSURANCE ADMIN.	\$6,249.7
	Invoice		Date	Description		Amount
	EIA19665		01/01/2017	January dental and vision insurance		\$6,249.70
				1000 - General Fund	\$95.00	
				1001 - Payroll Payables	\$6,154.70	
85559	01/06/2017	Open			SALINAS VALLEY SOLID WASTE AUTHORITY	\$5,000.0
	Invoice		Date	Description		Amount
	2016-17-15		08/31/2016	FY 16/17 contribution for recycling media coalition		\$5,000.00
85560	01/06/2017	Open			SANTA CRUZ SENTINEL	\$426.8
	Invoice		Date	Description		Amount
	0001015841		11/30/2016	Plein air advertising and public notices		\$426.86
85561	01/06/2017	Open			STAPLES ADVANTAGE	\$179.2
	Invoice		Date	Description		Amount
	8042011518		11/26/2016	Office supplies		\$62.30
	8042200609		12/10/2016	Office supplies		\$116.94
85562	01/06/2017	Open			T MOBILE	\$11,234.3
	Invoice		Date	Description		Amount
	TM102616		10/31/2016	October cell phone usage		\$3,622.07
	TM112616		11/30/2016	November cell phone usage		\$3,827.47
	TM123116		12/31/2016	December cell phone usage		\$3,784.79
85563	01/06/2017	Open			U.S. BANK	\$13,600.9
	Invoice		Date	Description		Amount
	62287		01/01/2017	Pac Cove facility lease A/C#207877000 1421 - Pac Cove Park		\$13,600.91
85564	01/06/2017	Open			UNITED WAY OF SANTA CRUZ COUNTY	\$30.0
	Invoice		Date	Description		Amount
	UW122316		12/23/2016	United Way Contributions PPE 12-17-16		\$30.00

Attachment: 01-06-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 1/06/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transactio Amount
				1001 - Payroll Payables		
85565	01/06/2017	Open			UPEC LIUNA LOCAL 792	\$1,305.00
	Invoice		Date	Description		Amount
	775		12/31/2016	December UPEC dues		\$1,305.00
				1001 - Payroll Payables		
85566	01/06/2017	Open			US BANK PARS	\$303.29
	Invoice		Date	Description		Amount
	PARS122316		12/23/2016	PARS contributions PPE 12-17-16		\$303.29
				1001 - Payroll Payables		
85567	01/06/2017	Open			WELLS FARGO BANK	\$19,382.25
	Invoice		Date	Description		Amount
	WF010617		12/08/2016	POB interest		\$19,382.25
				1410 - Pension Obligation Bond		
Type Check Totals:						\$82,770.00

Attachment: 01-06-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 1/06/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
<b>EFT</b>						
374	12/26/2016	Reconciled	12/31/2016		DISCOVERY BENEFITS	\$139.00
	Invoice		Date	Description		Amount
	0000705737-IN		11/30/2016	November COBRA/FSA admin.		\$139.00
379	12/22/2016	Reconciled	12/31/2016		CalPERS Member Services Division	\$47,771.36
	Invoice		Date	Description		Amount
	1000797083		12/22/2016	PERS contributions 12-9-16 pay date		\$47,771.36
				1000 - General Fund	(\$0.28)	
				1001 - Payroll Payables	\$47,771.64	
380	12/23/2016	Reconciled	12/31/2016		EMPLOYMENT DEVELOPMENT DEPT	\$8,152.84
	Invoice		Date	Description		Amount
	1-752-281-472		12/23/2016	State taxes 12-23-16 pay date		\$8,152.84
				1001 - Payroll Payables		
381	12/23/2016	Reconciled	12/31/2016		INTERNAL REVENUE SERVICE	\$31,949.37
	Invoice		Date	Description		Amount
	91702080		12/23/2016	Federal taxes 12-23-16 pay date		\$31,949.37
				1001 - Payroll Payables		
382	12/23/2016	Reconciled	12/31/2016		STATE DISBURSEMENT UNIT	\$1,117.84
	Invoice		Date	Description		Amount
	6CD1PB46657		12/23/2016	Garnishments 12-23-16 pay date		\$1,117.84
				1001 - Payroll Payables		
383	01/05/2017	Open			CalPERS Member Services Division	\$49,127.17
	Invoice		Date	Description		Amount
	1000801167-70		01/05/2017	PERS contributions 12-23-16 pay date		\$49,127.17
				1000 - General Fund	(\$0.31)	
				1001 - Payroll Payables	\$49,127.48	
384	01/05/2017	Open			CalPERS Health Insurance	\$63,729.47
	Invoice		Date	Description		Amount
	2186		01/05/2017	January health insurance		\$63,729.47
				1000 - General Fund	\$2,542.58	
				1001 - Payroll Payables	\$61,186.89	
385	12/30/2016	Open			ADP LLC	\$257.15
	Invoice		Date	Description		Amount
	485288811		12/23/2016	ADP ezLabor software monthly fee		\$257.15
				2211 - ISF - Information Technology		
Type EFT Totals:						\$202,244.20

Attachment: 01-06-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 1/06/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
<b>CITY - Main City Totals</b>						<b>Totals</b>
					<b>Counts:</b>	
Checks					25	\$82,770.71
EFTs					8	\$202,244.21
All					33	\$285,014.92
<b>WELLS - Pavroll Totals</b>						
Checks					6	\$4,354.21
EFTs					88	\$149,647.91
All					94	\$154,002.21
<b>Grand Totals:</b>						
Checks					31	\$87,125.01
EFTs					96	\$351,892.11
All					127	\$439,017.12

Attachment: 01-06-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amount
85568	01/13/2017	Open			CHILI'S GRILL & BAR #670	\$38
	Licensee Type			Licensee Number		Transaction Type
	Food Business			494		Pre-Payment
85569	01/13/2017	Open			ABC SUPPLY CO INC - MBA 742	\$76
	Invoice		Date	Description		Amount
	55685898		12/15/2016	Galvanized elbows (4)		\$19.49
	55747523		12/19/2016	Rubbercoat		\$57.10
85570	01/13/2017	Open			ADT SECURITY SERVICES INC.	\$163
	Invoice		Date	Description		Amount
	12282016		12/28/2016	Security services		\$163.28
85571	01/13/2017	Open			AFLAC	\$989
	Invoice		Date	Description		Amount
	442626		12/31/2016	December supplemental insurance		\$989.14
				1001 - Payroll Payables		
85572	01/13/2017	Open			ALLSAFE LOCK COMPANY	\$51
	Invoice		Date	Description		Amount
	49091		12/22/2016	Padlocks (4)		\$51.09
85573	01/13/2017	Open			AT&T/CALNET 3	\$2,672
	Invoice		Date	Description		Amount
	000009012274		12/13/2016	Monthly telephone service & T-1 access		\$1,114.75
	000009012942		12/13/2016	Monthly telephone service & T-1 access		\$1,557.68
				1000 - General Fund	\$2,365.78	
				2211 - ISF - Information Tech	\$306.65	
85574	01/13/2017	Open			AUTOMATION TEST ASSOCIATES	\$40
	Invoice		Date	Description		Amount
	44417		12/22/2016	Monthly wharf meter reading and billing calculation		\$40.00
				1311 - Wharf Fund		
85575	01/13/2017	Open			BAYSIDE OIL II INC.	\$270
	Invoice		Date	Description		Amount
	23549		12/29/2016	Recycle contaminated waste		\$270.00
85576	01/13/2017	Open			BIG CREEK LUMBER	\$110
	Invoice		Date	Description		Amount
	688729		01/05/2017	Wood for Hoopers' stairs		\$110.33
85577	01/13/2017	Open			BIOBAG AMERICAS INC.	\$2,545
	Invoice		Date	Description		Amount
	446050		01/04/2017	Dog waste bags		\$2,545.42
85578	01/13/2017	Open			CA DEPARTMENT OF CONSERVATION	\$261
	Invoice		Date	Description		Amount
	CDOC123116		12/31/2016	October-December strong motion & seismic hazard mapping fee		\$261.67

Attachment: 01-13-17 City Check Register (1757 : Approval of City Check Registers)



# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
85579	01/13/2017 Open				CA DEPARTMENT OF JUSTICE	\$96
	Invoice	Date	Description			Amount
	207672	01/05/2017	December fingerprinting			\$96.00
85580	01/13/2017 Open				CALE AMERICA INC.	\$3,258
	Invoice	Date	Description			Amount
	143229	12/27/2016	Service to paystations, battery & cable, bill validator			\$1,429.03
	143286	12/30/2016	December Cale paystation fees			\$1,829.00
85581	01/13/2017 Open				CALIFORNIA BUILDING STANDARDS COMMISSION	\$104
	Invoice	Date	Description			Amount
	CBSC123116	12/31/2016	October-December building standards admin. fees			\$104.40
85582	01/13/2017 Open				CALIFORNIA COAST UNIFORM COMPANY	\$482
	Invoice	Date	Description			Amount
	5114	12/30/2016	Uniform items for Zamora			\$386.26
	5112	12/30/2016	Jose Lopez explorer uniform			\$43.45
	5117	01/04/2017	Uniform items for M. Gonzalez			\$22.93
	5116	01/05/2017	Uniform hemming for McManus			\$30.00
85583	01/13/2017 Open				CALIFORNIA LAW ENFORCEMENT ASSOCIATION	\$539
	Invoice	Date	Description			Amount
	CLEA121916	01/01/2017	January POA LTD 1001 - Payroll Payables			\$539.00
85584	01/13/2017 Open				CALIFORNIA POLICE CHIEFS ASSOCIATION	\$419
	Invoice	Date	Description			Amount
	7556	01/01/2017	Membership for Chief through June 30, 2018			\$419.00
85585	01/13/2017 Open				CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD	\$720
	Invoice	Date	Description			Amount
	2017-401	01/11/2017	Soquel Creek Section 401 Water Quality Cerification Application			\$720.00
85586	01/13/2017 Open				CAPITOLA PEACE OFFICERS ASSOCIATION	\$1,694
	Invoice	Date	Description			Amount
	POA010617	12/31/2016	POA Dues PPE 12-31-16 1001 - Payroll Payables			\$1,694.75
85587	01/13/2017 Open				CERTIFIED FOLDER DISPLAY SERVICE INC	\$900
	Invoice	Date	Description			Amount
	526112	12/27/2016	BIA brochure advertising 1321 - BIA - Capitola Village-Wharf BIA			\$900.42
85588	01/13/2017 Open				CHRISTINE CANDELARIA	\$1,173
	Invoice	Date	Description			Amount
	4	01/08/2017	BIA website maintenance and consulting 1321 - BIA - Capitola Village-Wharf BIA			\$1,173.70
85589	01/13/2017 Open				CLASSIC VAPOR CLEANERS	\$533
	Invoice	Date	Description			Amount

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
	CVC010117		01/04/2017	December PD uniform cleaning		\$533.34
85590	01/13/2017	Open			COASTAL WATERSHED COUNCIL	\$5,473
	Invoice		Date	Description		Amount
	1542		01/06/2017	December urban watch		\$1,992.50
	1543		01/06/2017	December first flush		\$2,284.00
	1541		01/06/2017	December stormwater public education and outreach		\$1,197.00
85591	01/13/2017	Open			CODE PUBLISHING COMPANY INC.	\$107
	Invoice		Date	Description		Amount
	55136		12/23/2016	Municipal code update		\$107.25
85592	01/13/2017	Open			COMMUNITY ACTION BOARD	\$6,186
	Invoice		Date	Description		Amount
	CAB121616		12/16/2016	November program admin and rent assistance 5552 - Cap Hsg Succ- Program Income		\$6,186.67
85593	01/13/2017	Open			CRESTOR INC.	\$172
	Invoice		Date	Description		Amount
	R216081		12/21/2016	Bronze plaque, Kriege 1311 - Wharf Fund		\$172.66
85594	01/13/2017	Open			D & G SANITATION	\$146
	Invoice		Date	Description		Amount
	237070		12/31/2016	Esplanade park fencing		\$54.25
	237071		12/31/2016	McGregor park portable toilets		\$92.23
85595	01/13/2017	Open			Division of the State Architect	\$162
	Invoice		Date	Description		Amount
	DSA123116		12/31/2016	October - December disability access & education fee		\$162.00
85596	01/13/2017	Open			EWING IRRIGATION	\$626
	Invoice		Date	Description		Amount
	2621428		12/15/2016	Tree stakes		\$54.87
	2623353		12/16/2016	Irrigation controller		\$491.02
	2623354		12/16/2016	Electrical supplies		\$29.66
	2644821		12/22/2016	Irrigation supplies, shovel		\$23.00
	2644822		12/22/2016	Top soil		\$28.32
85597	01/13/2017	Open			EXTREME TOWING	\$200
	Invoice		Date	Description		Amount
	004712		12/20/2016	Towed Chevy Tahoe		\$200.00
85598	01/13/2017	Open			FBINAA Member Services	\$200
	Invoice		Date	Description		Amount
	FBINAA010917		01/04/2017	2017 membership for Sgt. Sloma		\$100.00
	FBINAA011017		01/04/2017	2017 membership for Capt. Held		\$100.00
85599	01/13/2017	Open			FEDERAL EXPRESS	\$26
	Invoice		Date	Description		Amount
	5-645-73318		12/16/2016	Stantec Architectures shipping (reimbursable by Stantec)		\$26.03

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amount
85600	01/13/2017	Open			FERGUSON ENTERPRISES INC.	\$186
	Invoice		Date	Description		Amount
	5123485		12/13/2016	Wharf plumbing supplies		\$71.40
	5128483		12/15/2016	Plumbing supplies		\$90.56
	5133424		12/19/2016	Plumbing supplies		\$24.38
				1000 - General Fund	\$114.94	
				1311 - Wharf Fund	\$71.40	
85601	01/13/2017	Open			FIRST ALARM SECURITY & PATROL INC.	\$300
	Invoice		Date	Description		Amount
	522501		12/20/2016	January Jade Street park patrol		\$300.00
85602	01/13/2017	Open			FLYERS ENERGY LLC	\$2,125
	Invoice		Date	Description		Amount
	16-381205		12/16/2016	104 gallons diesel		\$276.54
	16-381113		12/16/2016	250 gallons ethanol		\$685.64
	16-384810		12/22/2016	355 gallons of ethanol		\$970.47
	16-384820		12/22/2016	70 gallons of diesel		\$192.44
85603	01/13/2017	Open			GARDAWORLD	\$173
	Invoice		Date	Description		Amount
	10270262		01/01/2017	January armored transportation service		\$173.42

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
85604	01/13/2017	Voided	Incorrect Amo	01/13/2017	HOME DEPOT CREDIT SERVICES	\$1,104
	Invoice		Date	Description		Amount
	7012300		12/07/2016	Electrical supplies		\$67.05
	1012970		12/13/2016	Drywall supplies		\$18.89
	0024712		12/14/2016	Plumbing supplies		\$93.01
	8024888		12/16/2016	Batteries		\$12.89
	5575789		12/19/2016	Hinges		\$45.34
	0024632		12/14/2016	Non-skid tread, spray adhesive		\$68.04
	0030820		12/14/2016	Water hose & shut off		\$39.99
	7040375		12/17/2016	Graffiti removal supplies		\$40.94
	4013772		12/20/2016	Plumbing supplies		\$31.54
	3013941		12/21/2016	Sidewalk grinding supplies		\$46.45
	2563043		12/22/2016	Painting supplies		\$42.95
	7014468		12/27/2016	ADA ramp lumber, sand		\$27.83
	7020440		12/27/2016	Screwdriver bit set		\$23.82
	6014642		12/28/2016	Drill set		\$18.31
	4053512		12/20/2016	Supplies		\$114.63
	7211770		12/27/2016	Lumber		\$12.20
	30820		12/14/2016	Water hose		\$39.99
	13140		12/14/2016	Tarp, plastic, broom		\$98.26
	6014625		12/28/2016	Plywood		\$22.58
	5563736		12/29/2016	Glass cleaner		\$8.90
	50008		01/03/2017	Door stop, bits		\$33.18
	9010119		01/04/2017	Headlamp		\$21.57
	8021453		01/05/2017	Tape and connector		\$21.54
	8010237		01/05/2017	Mold control spray - CPD		\$10.16
	8024857		12/16/2016	Lumber		\$14.59
	5020597		12/29/2016	Building department supplies		\$96.41
	3040194		12/01/2016	Tool tray, tape		\$32.95
				1000 - General Fund	\$991.76	
				1311 - Wharf Fund	\$112.25	
85605	01/13/2017	Open			HUB INTERNATIONAL	\$166
	Invoice		Date	Description		Amount
	hub123116		01/09/2017	December community center events insurance		\$166.30
85606	01/13/2017	Open			HUMBOLDT PETROLEUM LLC	\$65
	Invoice		Date	Description		Amount
	086053		12/15/2016	PD vehicle cleaning		\$13.00
	086096		12/31/2016	December car washes		\$52.00
85607	01/13/2017	Open			ICMA RETIREMENT TRUST 457	\$5,290
	Invoice		Date	Description		Amount
	102292147		12/31/2016	457 contributions PPE 12-31-16		\$5,290.77
				1001 - Payroll Payables		
85608	01/13/2017	Open			INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE	\$300
	Invoice		Date	Description		Amount
	1001225988		01/04/2017	2017 Membership for Chief McManus		\$150.00
	1001231130		01/04/2017	2017 membership dues for Capt. Held		\$150.00

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
85609	01/13/2017	Open			INTERSTATE BATTERY SYSTEMS OF SAN JOSE	\$32
	Invoice		Date	Description		Amount
	516368		12/28/2016	Batteries		\$32.52
85610	01/13/2017	Open			INTERWEST CONSULTING GROUP INC.	\$8,204
	Invoice		Date	Description		Amount
	31043		12/27/2016	November plan review services		\$8,204.11
85611	01/13/2017	Open			LIFE INSURANCE CO OF NORTH AMERICA-CIGNA	\$2,297
	Invoice		Date	Description		Amount
	Cigna123116		12/31/2016	December LTD, STD, AD&D, Life insurance		\$2,297.61
				1000 - General Fund	\$42.15	
				1001 - Payroll Payables	\$2,255.46	
85612	01/13/2017	Open			LINDA FRIDY	\$270
	Invoice		Date	Description		Amount
	Fridy120416		12/04/2016	Notary public supplies, bond insurance		\$270.65
				2210 - ISF - Stores Fund		
85613	01/13/2017	Open			LIUNA PENSION FUND	\$894
	Invoice		Date	Description		Amount
	CS3665		12/31/2016	December LIUNA pension dues		\$894.40
				1001 - Payroll Payables		
85614	01/13/2017	Open			MACKAY METERS INC	\$209
	Invoice		Date	Description		Amount
	1046283		12/31/2016	December meter and credit card transaction fees		\$209.22
85615	01/13/2017	Open			MAR-KEN K-9 TRAINING CENTER	\$240
	Invoice		Date	Description		Amount
	0900-16		12/29/2016	December K-9 training		\$240.00
85616	01/13/2017	Open			MBS BUSINESS SYSTEMS	\$1,052
	Invoice		Date	Description		Amount
	293419		12/31/2016	Quarterly PD copier charges		\$1,052.94
85617	01/13/2017	Open			MID COUNTY AUTO SUPPLY	\$18
	Invoice		Date	Description		Amount
	18479		12/09/2016	3v battery		\$3.26
	18750		12/09/2016	return 3v battery		(\$3.26)
	21119		01/03/2017	Adhesive		\$3.80
	21233		01/04/2017	Dual beam headlight		\$15.12
85618	01/13/2017	Open			MILLER'S TRANSFER & STORAGE CO.	\$149
	Invoice		Date	Description		Amount
	88560		01/03/2017	Monthly record storage and warehouse handling		\$149.40

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
85619	01/13/2017	Open			MISSION LINEN SUPPLY	\$715
	Invoice		Date	Description		Amount
	503893444		12/12/2016	Mat service for PD		\$45.39
	503912987		12/14/2016	Linen service, towels		\$137.96
	503958687		12/21/2016	Linen service, shop towels		\$31.80
	503987269		12/26/2016	Mats for PD on 12/26/16		\$48.18
	503958688		12/21/2016	Linen service, mats, towels		\$95.27
	504006184		12/28/2016	Linen service, towel rolls		\$77.54
	503941985		12/19/2016	Center mats & mops		\$63.65
	504006183		12/28/2016	Linen service, shop towels		\$33.65
	504058849		01/04/2017	Linen service, mats, towels		\$101.59
	504079644		01/09/2017	Mat service for PD		\$48.18
	503912986		12/14/2016	Linen service, shop towels		\$31.80
85620	01/13/2017	Open			NORTH BAY FORD	\$100
	Invoice		Date	Description		Amount
	258963		12/27/2016	Auto parts		\$100.85
85621	01/13/2017	Open			ORCHARD SUPPLY HARDWARE	\$1,060
	Invoice		Date	Description		Amount
	038314		12/05/2016	Metal cut off blades, paint, painting supplies		\$95.21
	029004		12/06/2016	Carriage bolts, nuts, washers, sawhorse		\$101.39
	058702		12/08/2016	Batteries, hand soap		\$47.64
	030599		12/12/2016	Key ring		\$2.06
	030469		12/12/2016	Car charger		\$10.32
	039187		12/08/2016	Resin discs, c-clamps		\$46.40
	023244		12/20/2016	Round rod zinc		\$14.45
	049216		12/22/2016	Scrubbers, scotchbrite pad, sponges		\$44.35
	029012		12/06/2016	Sandpaper, mouse trap		\$23.52
	046078		12/06/2016	Putty stick		\$5.15
	046237		12/07/2016	Lights		\$49.57
	039329		12/08/2016	Safety walk outdoor		\$53.68
	021125		12/13/2016	Hammer & utility knives		\$13.19
	047490		12/14/2016	Quick link, bolt snap		\$8.96
	069991		12/16/2016	Rake and cultivator		\$39.24
	032802		12/20/2016	Rollers		\$26.81
	048931		12/21/2016	Mender zincs, repair shank		\$15.46
	152920		12/21/2016	Plumbing supplies		\$36.65
	049248		12/22/2016	Painting supplies		\$22.46
	025790		12/30/2016	Mouse bait & tape		\$28.46
	025435		12/28/2016	Brushes, utility screen, primer		\$30.81
	029015		12/06/2016	Washers, headlamp		\$22.08
	038689		12/06/2016	Wire		\$4.77
	033386		12/23/2016	Sweeper nozzle, shutoff couplings, hardware		\$34.63
	049569		12/23/2016	Non-latch box for PD		\$6.19
	025439		12/28/2016	Cleaning supplies		\$32.88
	052160		12/29/2016	Broom		\$13.93
	052260		12/30/2016	Graffiti removal supplies		\$13.16
	035665		01/03/2017	Thermostat		\$66.99
	154579		01/06/2017	Metal cutoffs, tool box, tools		\$67.93

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
	031473		12/15/2016	Welding lens, acrylic board		\$82.63
85622	01/13/2017 Open				PALACE OFFICE SUPPLIES	\$735
	Invoice	Date	Description			Amount
	404036-0	12/28/2016	Office supplies			\$3.52
	403993-0	12/27/2016	Office supplies			\$94.24
	404176-0	12/29/2016	Office supplies			\$36.15
	9344386-0	12/30/2016	Calendar			\$13.04
	404663-1	01/05/2017	Office supplies			\$21.42
	C403069-0	12/30/2016	Returned PD door stop			(\$4.62)
	404663-0	01/04/2017	Office supplies			\$160.55
	9346812-0	01/06/2017	Museum envelopes			\$13.78
	9346527-0	01/05/2017	Museum supplies			\$59.46
	404944-0	01/05/2017	Correction tape, broom, bucket, footrest, copyholder			\$262.06
	405057-0	01/06/2017	Broom replacement			\$26.81
	C403354-0	01/05/2017	Return desk sign holders			(\$43.48)
	403354-0	12/21/2016	Desk sign holders (2)			\$43.48
	403885-0	12/27/2016	Deskplate holders (2)			\$21.64
	403489-0	12/20/2016	Batteries			\$27.21
			1000 - General Fund		\$397.54	
			2210 - ISF - Stores Fund		\$337.72	
85623	01/13/2017 Open				PHOENIX GROUP INFORMATION SYSTEMS	\$1,807
	Invoice	Date	Description			Amount
	112016070	12/15/2016	November citation processing			\$1,807.20
85624	01/13/2017 Open				PHOTOGRAPHY BY ELYSE DESTOUT	\$300
	Invoice	Date	Description			Amount
	276	12/30/2016	Employee photos for display board			\$300.00
85625	01/13/2017 Open				PINS INC	\$442
	Invoice	Date	Description			Amount
	5000	12/16/2016	CPD pins (400)			\$442.13
85626	01/13/2017 Open				PROFORCE LAW ENFORCEMENT	\$364
	Invoice	Date	Description			Amount
	296247	12/15/2016	Taser cartridges			\$364.81
			1300 - SLESF - Supl Law Enfc			
85627	01/13/2017 Open				ROGERS ANDERSON MALODY & SCOTT LLP	\$7,500
	Invoice	Date	Description			Amount
	53222	11/30/2016	Progress billing FY15/16 audit			\$3,000.00
	53223	11/30/2016	Preparation of addendum to annual progress report			\$4,500.00
85628	01/13/2017 Open				SAN LORENZO LUMBER	\$108
	Invoice	Date	Description			Amount
	55-0227097	11/30/2016	Battery adapter			\$48.70
	55-0235133	01/05/2017	Bolts, nuts, washers for Hoopers stairs			\$59.88
85629	01/13/2017 Open				SANTA CRUZ COUNTY ANIMAL SHELTER	\$5,500
	Invoice	Date	Description			Amount

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amount
	16/17-3CAP		12/29/2016	Quarterly animal shelter services		\$5,500.00

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
85630	01/13/2017 Open				SANTA CRUZ COUNTY AUDITOR-CONTROLLER	\$6,621
	Invoice		Date	Description		Amount
	SCCAUD123116		12/31/2016	December citation processing		\$6,621.00
85631	01/13/2017 Open				SANTA CRUZ COUNTY HEALTH SERVICES	\$312
	Invoice		Date	Description		Amount
	HSA122216		07/01/2016	July 2015 - February 2016 blood alcohol testing		\$312.00
85632	01/13/2017 Open				SANTA CRUZ COUNTY INFORMATION SERVICES	\$521
	Invoice		Date	Description		Amount
	SCC123016		12/30/2016	January open query scan service		\$521.99
85633	01/13/2017 Open				SANTA CRUZ FIRE EQUIPMENT CO.	\$155
	Invoice		Date	Description		Amount
	100204		12/29/2016	Fire extinguisher maintenance		\$155.11
85634	01/13/2017 Open				SANTA CRUZ MUNICIPAL UTILITIES	\$84
	Invoice		Date	Description		Amount
	SCMU121316		12/13/2016	Monthly water service for medians		\$84.55
85635	01/13/2017 Open				SHARPS SOLUTIONS LLC	\$75
	Invoice		Date	Description		Amount
	SS22877		12/23/2016	Medical and biohazard waste disposal		\$75.00
85636	01/13/2017 Open				SHMUEL THALER	\$174
	Invoice		Date	Description		Amount
	ST011017		01/10/2017	Photo shoot and prints - Peterson		\$174.00
85637	01/13/2017 Open				SOQUEL CREEK WATER DISTRICT	\$3,154
	Invoice		Date	Description		Amount
	SCWD121916		12/19/2016	Monthly water usage and irrigation fees		\$3,154.42
				1000 - General Fund	\$2,854.99	
				1311 - Wharf Fund	\$299.43	
85638	01/13/2017 Open				SOQUEL HEARING AID CENTER	\$27
	Invoice		Date	Description		Amount
	SHAC121916		12/19/2016	Radio adapter for Quolas		\$27.18
85639	01/13/2017 Open				SUMMIT UNIFORMS	\$1,769
	Invoice		Date	Description		Amount
	37481		12/03/2016	Uniform for Chaplain Lee		\$106.82
	37763		12/13/2016	Uniform for Mitchell		\$641.47
	37847		12/16/2016	Uniform for Yeung		\$684.52
	38036		12/22/2016	Uniform for Explorer Jensen		\$274.68
	38140		12/28/2016	Uniform for Sandretti		\$62.13

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
85640	01/13/2017	Open			SUPPLYWORKS	\$591
	Invoice		Date	Description		Amount
	387069057		12/20/2016	Cleaning supplies		\$526.76
	387437403		12/23/2016	Trash cans		\$65.18
				1000 - General Fund	\$526.76	
				1311 - Wharf Fund	\$65.18	
85641	01/13/2017	Open			UNITED RENTALS (NORTH AMERICA) INC.	\$59
	Invoice		Date	Description		Amount
	143086552-001		12/22/2016	Rain coat		\$59.81
85642	01/13/2017	Open			UNITED STATES POSTAL SERVICE	\$5,100
	Invoice		Date	Description		Amount
	67064ES		01/04/2017	Early Spring brochure mailing		\$5,100.00
85643	01/13/2017	Open			US BANK PARS	\$141
	Invoice		Date	Description		Amount
	PARS010617		12/31/2016	PARS contributions PPE 12-31-16		\$141.56
				1001 - Payroll Payables		
85644	01/13/2017	Open			VISIT SANTA CRUZ COUNTY	\$48,782
	Invoice		Date	Description		Amount
	VSCC123116		12/31/2016	October - December tourism marketing district remittance		\$48,782.11
85645	01/13/2017	Open			WE ALL RIDE SANTA CRUZ	\$782
	Invoice		Date	Description		Amount
	4149222		12/29/2016	Service to BMW motorcycle		\$782.52
85646	01/13/2017	Open			WELLS FARGO BANK	\$10,936
	Invoice		Date	Description		Amount
	WF010317		01/03/2017	December credit card charges		\$10,936.76
				Purchases exceeding \$500 threshold:		
				Employee Holiday Party	\$709.80	
				Dell Server	\$2,445.17	
				Dell Server	\$2,525.04	
				Desktop Computers (4)	\$2,798.14	
				1000 - General Fund	\$2,296.74	
				1313 - General Plan Update	\$26.00	
				1315 - Public Art Fee Fund	\$54.95	
				2210 - ISF - Stores Fund	\$223.98	
				2211 - ISF - Information Tech	\$8,335.09	
85647	01/13/2017	Open			ZUMAR INDUSTRIES INC.	\$857
	Invoice		Date	Description		Amount
	0168310		12/29/2016	Stop signs (20)		\$857.39
				1310 - Gas Tax Fund		
85648	01/13/2017	Open			Demetra Messoloras	\$96
	Invoice		Date	Description		Amount
	188126943		01/09/2017	Citation refund		\$96.00

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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
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# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amount
85649	01/13/2017	Open			John Brownie	\$50
	Invoice		Date	Description		Amount
	Brownie010417		01/04/2017	Parking permit refund		\$50.00
85650	01/13/2017	Open			John Liu	\$48
	Invoice		Date	Description		Amount
	166127224		12/28/2016	Refund citation 166127224		\$48.00
85651	01/13/2017	Open			Juan Jose Martinez	\$255
	Invoice		Date	Description		Amount
	177125110		12/28/2016	Refund cite 177125110		\$255.00
85652	01/13/2017	Open			Mark Adam	\$122
	Invoice		Date	Description		Amount
	16C-02680		12/23/2016	Vehicle release refund		\$122.00
85653	01/13/2017	Open			Randall Wiese	\$513
	Invoice		Date	Description		Amount
	16-195		12/23/2016	Tree permit refund		\$513.00
85654	01/13/2017	Open			HOME DEPOT CREDIT SERVICES	\$1,064
	Invoice		Date	Description		Amount
	7012300		12/07/2016	Electrical supplies		\$67.05
	1012970		12/13/2016	Drywall supplies		\$18.89
	0024712		12/14/2016	Plumbing supplies		\$93.01
	8024888		12/16/2016	Batteries		\$12.89
	5575789		12/19/2016	Hinges		\$45.34
	0024632		12/14/2016	Non-skid tread, spray adhesive		\$68.04
	7040375		12/17/2016	Graffiti removal supplies		\$40.94
	4013772		12/20/2016	Plumbing supplies		\$31.54
	3013941		12/21/2016	Sidewalk grinding supplies		\$46.45
	2563043		12/22/2016	Painting supplies		\$42.95
	7014468		12/27/2016	ADA ramp lumber, sand		\$27.83
	7020440		12/27/2016	Screwdriver bit set		\$23.82
	6014642		12/28/2016	Drill set		\$18.31
	4053512		12/20/2016	Supplies		\$114.63
	7211770		12/27/2016	Lumber		\$12.20
	30820		12/14/2016	Water hose		\$39.99
	13140		12/14/2016	Tarp, plastic, broom		\$98.26
	6014625		12/28/2016	Plywood		\$22.58
	5563736		12/29/2016	Glass cleaner		\$8.90
	50008		01/03/2017	Door stop, bits		\$33.18
	9010119		01/04/2017	Headlamp		\$21.57
	8021453		01/05/2017	Tape and connector		\$21.54
	8010237		01/05/2017	Mold control spray - CPD		\$10.16
	8024857		12/16/2016	Lumber		\$14.59
	5020597		12/29/2016	Building department supplies		\$96.41
	3040194		12/01/2016	Tool tray, tape		\$32.95
				1000 - General Fund	\$951.77	
				1311 - Wharf Fund	\$112.25	

Attachment: 01-13-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amo
Type Check Totals:						\$154,451
<u>EFT</u>						
386	01/11/2017 Open				EMPLOYMENT DEVELOPMENT DEPT	\$7,188
	Invoice	Date	Description		Amount	
	1-948-764-544	01/11/2017	State tax deposit PPE 12-31-16		\$7,188.27	
			1001 - Payroll Payables			
387	01/11/2017 Open				INTERNAL REVENUE SERVICE	\$28,919
	Invoice	Date	Description		Amount	
	73079858	12/31/2016	Federal tax deposit PPE 12-31-16		\$28,919.47	
			1001 - Payroll Payables			
388	01/09/2017 Open				STATE DISBURSEMENT UNIT	\$1,117
	Invoice	Date	Description		Amount	
	R8FGI6A6657	01/09/2017	Garnishments PPE 12-31-16		\$1,117.84	
			1001 - Payroll Payables			
389	01/11/2017 Open				WELLS FARGO BANK	\$643
	Invoice	Date	Description		Amount	
	WF011117	01/11/2017	January client analysis charges		\$643.75	
Type EFT Totals:						\$37,869
Library - Library						
<u>Check</u>						
6	01/13/2017 Open				BOGARD CONSTRUCTION INC	\$2,470
	Invoice	Date	Description		Amount	
	160707-04	12/31/2016	Library start-up services		\$2,470.00	
			1360 - Library Fund			
7	01/13/2017 Open				NOLL AND TAM ARCHITECTS	\$13,745
	Invoice	Date	Description		Amount	
	0057072	11/30/2016	Library schematic design		\$13,745.00	
			1360 - Library Fund			
Type Check Totals:						\$16,215
<b>CITY - Main City Totals</b>						
				<b>Counts:</b>		<b>Total</b>
<b>Checks</b>				87		\$154,451
<b>EFTs</b>				4		\$37,869
<b>All</b>				91		\$192,320
<b>Library - Library Totals</b>						
<b>Checks</b>				2		\$16,215
<b>EFTs</b>				0		\$0
<b>All</b>				2		\$16,215
<b>Grand Totals:</b>						
<b>Checks</b>				89		\$170,666

Attachment: 01-13-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/13/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transact Amount
EFTs					4	\$37,869
All					93	\$208,535

Attachment: 01-13-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/20/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Type	Amount
85655	01/20/2017	Open			MR TOOT'S COFFEEHOUSE		\$25.
				Licensee Type Food Business	Licensee Number 1006	Transaction Type Pre-Payment	
85656	01/20/2017	Open			ADAMS ASHBY GROUP INC		\$600.
	Invoice 1909		Date 01/02/2017	Description December general admin. and reporting 1350 - CDBG Grants		Amount \$600.00	
85657	01/20/2017	Open			BOB MURRAY & ASSOCIATES		\$300.
	Invoice 7112		Date 01/13/2017	Description Police Chief psychological evaluation		Amount \$300.00	
85658	01/20/2017	Open			BOBBY'S PIT STOP INC.		\$40.
	Invoice 0351745		Date 01/17/2017	Description Ford F150 smog inspection		Amount \$40.75	
85659	01/20/2017	Open			CA DEPARTMENT OF TRANSPORTATION		\$1,358.
	Invoice SL170464		Date 01/11/2017	Description October-December signals & lighting 1310 - Gas Tax Fund		Amount \$1,358.60	
85660	01/20/2017	Open			CA SOCIETY OF MUNICIPAL FINANCE OFFICERS		\$370.
	Invoice 173432		Date 01/20/2017	Description CSMFO annual conference for Finance Director		Amount \$370.00	
85661	01/20/2017	Open			CAROLYN FLYNN		\$3,000.
	Invoice CBF-12-2016		Date 01/05/2017	Description December affordable housing program admin. 1000 - General Fund 5552 - Cap Hsg Succ- Program		Amount \$3,000.00 \$1,560.00 \$1,440.00	
85662	01/20/2017	Open			DEPARTMENT OF PESTICIDE REGULATION		\$90.
	Invoice DPR010917		Date 01/09/2017	Description Qualified applicator certificate renewal - Garcia		Amount \$90.00	
85663	01/20/2017	Open			FLYERS ENERGY LLC		\$2,174.
	Invoice 17-392248 17-392251 16-387667		Date 01/06/2017 01/06/2017 12/29/2016	Description 300 gallons ethanol 90 gallons diesel 400 gallons ethanol		Amount \$836.76 \$244.77 \$1,092.51	
85664	01/20/2017	Open			FRANK PERRY		\$131.
	Invoice 010917		Date 01/09/2017	Description Museum collectibles reimbursement		Amount \$131.66	

Attachment: 01-20-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/20/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transacti Amoi
85665	01/20/2017	Open			GLOBAL ENVIRONMENTAL PRODUCTS INC	\$342.
	Invoice		Date	Description		Amount
	635617		12/30/2016	Sweeper breather		\$272.56
	635660		01/04/2017	Sweeper vacuum guage, adapters		\$68.31
	635678		01/05/2017	Sweeper elbow		\$2.02
				1310 - Gas Tax Fund		
85666	01/20/2017	Open			HOME DEPOT CREDIT SERVICES	\$43.
	Invoice		Date	Description		Amount
	7570349		01/06/2017	Radiator heater		\$43.17
85667	01/20/2017	Open			HOUSING AUTHORITY OF SCC	\$2,989.
	Invoice		Date	Description		Amount
	17-6 CSD		01/06/2017	December security deposit assistance program		\$2,047.00
	17-6CDBG		01/06/2017	December housing rehab and homeownership assistance		\$942.00
				1350 - CDBG Grants	\$942.00	
				5552 - Cap Hsg Succ- Program	\$2,047.00	
85668	01/20/2017	Open			JACQUES BERTRAND	\$999.
	Invoice		Date	Description		Amount
	072916		07/29/2016	Water grant workshop meal reimbursement		\$9.10
	080116		08/01/2016	C4 conference transportation and meals reimbursement		\$25.72
	100816		10/08/2016	League of CA Cities annual conference travel and meals		\$964.58
85669	01/20/2017	Open			KIMLEY-HORN AND ASSOCIATES INC.	\$5,314.
	Invoice		Date	Description		Amount
	097763120-1216-A		12/31/2016	December Stockton Bridge assessment		\$1,000.00
	097763120-1216-2		12/31/2016	December 41st Ave. adaptive system bid documents		\$2,640.00
	097763120-1216-B		12/31/2016	Hill St. bike/pedestrian improvements-CS0020		\$165.00
	097763120-1216-C		12/31/2016	Monterey rail trail coordination/correspondence - CP0007/08		\$495.00
	097763120-1216-3		12/31/2016	December Stockton Bridge concept updates		\$165.00
	097763120-1216-D		12/31/2016	Engineering consultant - project status updates		\$849.75
				1200 - Capital Improvement Fund	\$2,674.75	
				1310 - Gas Tax Fund	\$2,640.00	
85670	01/20/2017	Open			LEAGUE OF CALIFORNIA CITIES	\$5,729.
	Invoice		Date	Description		Amount
	168806		01/03/2017	2017 membership dues		\$5,729.00
85671	01/20/2017	Open			LINDA FRIDY	\$441.
	Invoice		Date	Description		Amount
	120216		12/02/2016	New law seminar lodging and travel		\$441.44
85672	01/20/2017	Open			LLOYDS TIRE SERVICE	\$28.
	Invoice		Date	Description		Amount
	305051		01/13/2017	Flat repair		\$28.00
85673	01/20/2017	Open			MID COUNTY AUTO SUPPLY	\$371.
	Invoice		Date	Description		Amount
	22151		01/13/2017	Rotors and brake pads for Chevy Tahoe		\$371.98

Attachment: 01-20-17 City Check Register (1757 : Approval of City Check Registers)



# City Checks Issued 01/20/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transacti Amou
85674	01/20/2017	Open			MISSION LINEN SUPPLY	\$178.
	Invoice		Date	Description		Amount
	504122314		01/16/2017	Recreation mats and mops		\$67.73
	504092286		01/11/2017	Linen service, shop towels		\$33.65
	504092287		01/11/2017	Linen service, towels		\$77.54
85675	01/20/2017	Open			MUNISERVICES LLC	\$4,627.
	Invoice		Date	Description		Amount
	0000044478		01/13/2017	Sales & use tax audit services		\$2,791.84
	0000044479		01/13/2017	District tax audit services		\$1,836.02
85676	01/20/2017	Open			O'REILLY AUTO PARTS	\$210.
	Invoice		Date	Description		Amount
	2763-258584		01/05/2017	Wipers, oil filters, rotors, disc pad set		\$210.67
85677	01/20/2017	Open			PACIFIC GAS & ELECTRIC	\$15,635.
	Invoice		Date	Description		Amount
	011217acct9		01/12/2017	Monthly utilities		\$14,990.88
	011217acct5		01/12/2017	Pac cove parking lot utilities		\$634.05
	011117acct0		01/11/2017	Wharf Road Rispin Mansion utilities		\$10.52
				1000 - General Fund	\$5,559.46	
				1300 - SLESF - Supl Law Enfc	\$309.24	
				1310 - Gas Tax Fund	\$7,633.57	
				1311 - Wharf Fund	\$2,133.18	
85678	01/20/2017	Open			PALACE OFFICE SUPPLIES	\$206.
	Invoice		Date	Description		Amount
	405857-0		01/12/2017	Office supplies		\$219.08
	C404944-0		01/10/2017	Return broom		(\$12.40)
				2210 - ISF - Stores Fund		
85679	01/20/2017	Open			PEELLE TECHNOLOGIES INC.	\$2,299.
	Invoice		Date	Description		Amount
	COCPT2928		12/29/2016	Document preparation, scanning, indexing, dvd, delivery		\$2,299.92
				1317 - Technology Fee Fund		
85680	01/20/2017	Open			PRAXAIR DISTRIBUTION INC.	\$90.
	Invoice		Date	Description		Amount
	75529522		12/22/2016	Acetylene tank rental		\$90.38
85681	01/20/2017	Open			PRINTING SYSTEMS INC.	\$156.
	Invoice		Date	Description		Amount
	99242		01/10/2017	Business license envelopes (1,000)		\$156.78
85682	01/20/2017	Open			SANTA CRUZ COUNTY DEPT OF PUBLIC WORKS	\$152.
	Invoice		Date	Description		Amount
	30893		12/31/2016	December hazardous waste disposal		\$152.50

Attachment: 01-20-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/20/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transacti Amou
85683	01/20/2017	Open			UNITED WAY OF SANTA CRUZ COUNTY	\$2,122.
	Invoice		Date	Description		Amount
	5719		01/03/2017	Biennial homeless count census		\$2,122.00
85684	01/20/2017	Open			US BANCORP EQUIPMENT FINANCE INC.	\$919.
	Invoice		Date	Description		Amount
	321288888		01/03/2017	Copier leases		\$919.24
				1000 - General Fund	\$385.38	
				2210 - ISF - Stores Fund	\$533.86	
85685	01/20/2017	Open			WATSONVILLE BLUEPRINT	\$156.
	Invoice		Date	Description		Amount
	66641		01/17/2017	Prints for 41st Ave. traffic adaptive system		\$156.92
85686	01/20/2017	Open			Anneka Lancaster	\$46.
	Invoice		Date	Description		Amount
	2002828.002		01/13/2017	Class refund		\$46.80
85687	01/20/2017	Open			Erin Hall	\$59.
	Invoice		Date	Description		Amount
	2002824.002		01/13/2017	Class refund		\$59.40
85688	01/20/2017	Open			James Duffy	\$118.
	Invoice		Date	Description		Amount
	2002825.002		01/13/2017	Class refund		\$118.80
Type Check Totals:						\$51,332.

Attachment: 01-20-17 City Check Register (1757 : Approval of City Check Registers)

Library - Library

Check

8	01/20/2017	Open			NOLL AND TAM ARCHITECTS	\$27,490.
	Invoice		Date	Description		Amount
	0057087		12/31/2016	December library design services		\$27,490.00
				1360 - Library Fund		

Type Check Totals: \$27,490.

# City Checks Issued 01/20/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transacti Amou
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	Counts:	Tota
<b>CITY - Main City Totals</b>		
Checks	34	\$51,332.
EFTs	0	\$0.
All	34	\$51,332.
<b>Library - Library Totals</b>		
Checks	1	\$27,490.
EFTs	0	\$0.
All	1	\$27,490.
<b>WELLS - Payroll Totals</b>		
Checks	6	\$3,820.
EFTs	89	\$150,148.
All	95	\$153,969.
<b>Grand Totals:</b>		
Checks	41	\$82,642.
EFTs	89	\$150,148.
All	130	\$232,791.

Attachment: 01-20-17 City Check Register (1757 : Approval of City Check Registers)


City accounts payable checks dated 1/27/2017, numbered 85689 to 85760, totaling \$145,665.64, plus 7 City accounts payable EFTs, totaling \$145,527.60, for a grand total of \$291,193.24, have been reviewed and authorized for distribution by the City Manager.


As of 1/27/2017, the unaudited cash balance is \$5,047,208.71.

CASH POSITION - CITY OF CAPITOLA 1/27/17

	<u>Net Balance</u>
General Fund	\$703,748.84
Payroll Payables	\$66,522.30
Contingency Reserve Fund	\$1,898,345.66
PERS Contingency Fund	\$300,000.00
Facilities Reserve Fund	\$284,870.00
Capital Improvement Fund	\$856,007.67
Stores Fund	\$23,072.43
Information Technology Fund	\$97,511.71
Equipment Replacement	\$110,294.88
Self Insurance Liability Fund	\$265,294.84
Worker's Comp. Ins. Fund	\$325,351.79
Compensated Absences Fund	\$116,188.59
TOTAL UNASSIGNED GENERAL FUNDS	<u>\$5,047,208.71</u>

The Emergency Reserve Fund Balance is \$1,269,705.54 (not included above).

  
 \_\_\_\_\_  
 Jamie Goldstein, City Manager

  
 \_\_\_\_\_  
 Peter Wilk, City Treasurer

1/27/17  
 \_\_\_\_\_  
 Date

1/28/17  
 \_\_\_\_\_  
 Date

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
85689	01/24/2017 Open Invoice				OLD REPUBLIC TITLE	\$14,748.9
	ORT012417		01/24/2017	Corvin II, #0715019643 1350 - CDBG Grants		\$14,748.91
85690	01/27/2017 Open Invoice				ACCELA INC	\$1,134.0
	INV-ACC27040		01/07/2017	Monthly legislative management software 2211 - ISF - Information Technology		\$1,134.00
85691	01/27/2017 Open Invoice				AFLAC	\$989.1
	847970		01/27/2017	January supplemental insurance 1001 - Payroll Payables		\$989.14
85692	01/27/2017 Open Invoice				ALLSAFE LOCK COMPANY	\$55.1
	49210		01/17/2017	Keys for PD		\$28.86
	49073		12/12/2016	Wharf keys 1000 - General Fund 1311 - Wharf Fund		\$26.32 \$28.86 \$26.32
85693	01/27/2017 Open Invoice				ALVAREZ TECHNOLOGY GROUP INC	\$7,100.0
	39567		01/03/2017	February IT support 2211 - ISF - Information		\$7,100.00
85694	01/27/2017 Open Invoice				ASCAP	\$11.0
	100004593572		01/20/2017	Annual license fee remaining balance		\$11.00
85695	01/27/2017 Open Invoice				AT&T	\$9.0
	ATT010117		01/01/2017	Monthly long distance charges 1000 - General Fund 2211 - ISF - Information Tech		\$9.06 \$4.45 \$4.61
85696	01/27/2017 Open Invoice				ATCHISON BARISONE CONDOTTI & KOVACEVICH	\$17,691.8
	ABCK123116		12/31/2016	December legal services		\$17,691.84
85697	01/27/2017 Open Invoice				AUTOMATION TEST ASSOCIATES	\$40.0
	44530		01/22/2017	January wharf meter readings 1311 - Wharf Fund		\$40.00
85698	01/27/2017 Open Invoice				BEAR ELECTRICAL SOLUTIONS INC.	\$2,430.5
	4220		12/30/2016	December traffic signal maintenance - routine		\$616.00
	4219		12/30/2016	December traffic signal maintenance - response 1310 - Gas Tax Fund		\$1,814.50

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

Invoice	Date	Description	Amount
85699	01/27/2017 Open	BIG CREEK LUMBER	\$97.9
694151	01/19/2017	Wood for Hoopers stairs	\$97.90
85700	01/27/2017 Open	BOBBY'S PIT STOP INC.	\$375.0
0351795	01/19/2017	2006 Honda Civic smog inspection	\$40.75
0351797	01/19/2017	2011 Chevy Tahoe smog inspection	\$40.75
0351800	01/19/2017	1997 Ford Aerostar smog inspection	\$40.75
0351770	01/18/2017	2011 Toyota Camry smog inspection	\$40.75
0351775	01/18/2017	2011 Toyota Camry smog inspection	\$40.75
0351810	01/20/2017	2004 Ford F250 smog inspection & certificate	\$49.00
0351859	01/24/2017	1999 Ford Ranger smog inspection	\$40.75
0351855	01/24/2017	2008 Ford F250 smog inspection	\$40.75
0351841	01/23/2017	2006 Ford F550 smog inspection	\$40.75
85701	01/27/2017 Open	CALIFORNIA LAW ENFORCEMENT ASSOCIATION	\$539.0
CLEA011917	01/19/2017	February POA LTD	\$539.00
		1000 - General Fund	\$24.50
		1001 - Payroll Payables	\$514.50
85702	01/27/2017 Open	CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICER	\$75.0
60152	11/01/2016	membership dues for M. Herlihy	\$75.00
85703	01/27/2017 Open	CAPITOLA PEACE OFFICERS ASSOCIATION	\$1,694.7
POA012017	01/20/2017	POA Dues PPE 1-14-17	\$1,694.75
		1001 - Payroll Payables	
85704	01/27/2017 Open	CAPITOLA-SOQUEL CHAMBER OF COMMERCE	\$10,500.0
2135	01/17/2017	Quarterly chamber of commerce contribution	\$7,500.00
2134	01/17/2017	BIA contract for special events	\$3,000.00
		1000 - General Fund	\$7,500.00
		1321 - BIA -Village-Wharf	\$3,000.00
85705	01/27/2017 Open	CARIN HANNA	\$960.1
010217	01/02/2017	BIA expense reimbursements	\$960.17
		1321 - BIA - Capitola Village-Wharf BIA	
85706	01/27/2017 Open	CLEAN BUILDING MAINTENANCE CO.	\$3,719.1
17224	12/31/2016	December facility cleaning fees	\$3,719.13
		1000 - General Fund	\$3,453.63
		1311 - Wharf Fund	\$265.50

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

Invoice	Date	Description	Amount
85707	01/27/2017 Open	COMMUNITY TELEVISION OF SANTA CRUZ COUNTY	\$2,183.0
2351	12/30/2016	November meetings televised	\$649.00
2341	12/30/2016	October meetings televised	\$1,209.50
2360	01/17/2017	December meetings televised	\$324.50
85708	01/27/2017 Open	CONFLICT RESOLUTION CENTER OF SANTA CRUZ	\$1,607.5
012417	01/24/2017	Community grant funding	\$1,607.50
85709	01/27/2017 Open	CRYSTAL SPRINGS WATER CO.	\$171.7
CSW123116	12/31/2016	December drinking water	\$171.75
85710	01/27/2017 Open	DONALD W ALLEY	\$13,155.1
117-01	01/22/2017	Fish & Wildlife Monitoring of Soquel Creek Year 3 of 3 FY 16/17	\$13,155.13
85711	01/27/2017 Open	EWING IRRIGATION	\$264.8
2686077	01/10/2017	Backpack sprayer	\$116.64
2690339	01/11/2017	Straw wattle for McGregor park	\$74.09
2698669	01/13/2017	Straw wattle for McGregor park	\$74.09
85712	01/27/2017 Open	FERGUSON ENTERPRISES INC.	\$1,128.6
5148641	01/10/2017	Aqua Green sealant	\$303.75
5151944	01/10/2017	Wharf toilet	\$591.74
5168109	01/12/2017	Hand torch	\$185.69
5168461	01/13/2017	Wharf toilet seat	\$47.49
		1000 - General Fund	\$489.44
		1311 - Wharf Fund	\$639.23
85713	01/27/2017 Open	FIRST ALARM SECURITY & PATROL INC.	\$300.0
524628	01/20/2017	Jade St. park patrol services	\$300.00
85714	01/27/2017 Open	FLYERS ENERGY LLC	\$4,391.4
17-400137	01/20/2017	60 gallons diesel	\$172.26
17-400136	01/20/2017	305 gallons ethanol	\$882.01
17-399177	01/19/2017	Bulk auto fluids	\$1,348.16
17-397361	01/16/2017	539 gallons ethanol	\$1,552.93
17-397380	01/16/2017	153 gallons diesel	\$436.06
85715	01/27/2017 Open	GEORGE H WILSON INC	\$285.0
000118787	01/23/2017	December quarterly HVAC maintenance	\$285.00

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

Invoice	Date	Description	Amount
<b>85716 01/27/2017 Open GLOBAL ENVIRONMENTAL PRODUCTS INC \$4,211.5</b>			
635799	01/13/2017	Sweeper gear pump	\$1,577.30
635548	12/20/2016	Sweeper parts	\$2,492.81
635907	01/19/2017	Sweeper relief valve assembly 1310 - Gas Tax Fund	\$141.43
<b>85717 01/27/2017 Open GRANITE ROCK COMPANY \$22,074.8</b>			
975872	01/13/2017	2016 Street Rehabilitation Project 1200 - Capital Improvement Fund	\$22,074.84
<b>85718 01/27/2017 Open HOSE SHOP \$350.9</b>			
393923	01/24/2017	Hose assemblies, air gun, coupler	\$350.92
<b>85719 01/27/2017 Open HUMBOLDT PETROLEUM LLC \$6.5</b>			
086142	01/15/2017	Vehicle cleaning	\$6.50
<b>85720 01/27/2017 Open HYDROSCIENCE ENGINEERS INC. \$1,600.0</b>			
331009003	01/05/2017	1575 38th Ave. stormwater review #15-160	\$800.00
331006009	01/05/2017	2091 Wharf Rd. stormwater review #13-064	\$800.00
<b>85721 01/27/2017 Open ICMA RETIREMENT TRUST 457 \$5,290.7</b>			
41321958	01/20/2017	457 contributions PPE 1-14-17 1001 - Payroll Payables	\$5,290.77
<b>85722 01/27/2017 Open JACKIE YEUNG \$1,186.1</b>			
111217	01/12/2017	Education reimbursement	\$1,186.16
<b>85723 01/27/2017 Open JIM CLARK \$166.0</b>			
11717	01/16/2017	Backflow testing	\$166.00
<b>85724 01/27/2017 Open KBA Docusys Inc. \$465.3</b>			
INV503323	01/04/2017	Copier usage charges	\$112.86
INV502714	01/03/2017	Recreation copier charges	\$36.42
INV502713	01/03/2017	City hall copier usage charges	\$289.25
INV506069	01/12/2017	City Hall copier usage charges	\$26.77
		1000 - General Fund	\$43.17
		2211 - ISF - Information Tech	\$422.13
<b>85725 01/27/2017 Open KRISTEN PETERSEN \$633.1</b>			
011917	01/19/2017	League of Cities lodging, travel, meal reimbursement	\$633.10

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)



# City Checks Issued 01/27/2017

Invoice	Date	Description	Amount
85726	01/27/2017 Open	LABORMAX STAFFING	\$636.0
Invoice	Date	Description	Amount
26-72256	01/20/2017	Seasonal labor 1/18 - 1/20	\$636.06
85727	01/27/2017 Open	LENOVO (US) INC	\$1,465.0
Invoice	Date	Description	Amount
6510022748	01/01/2017	Annual on-site repair charge 2211 - ISF - Information Technology	\$1,465.02
85728	01/27/2017 Open	LIEBERT CASSIDY WHITMORE	\$70.0
Invoice	Date	Description	Amount
1433082	12/31/2016	FLSA OT compliance legal services	\$70.00
85729	01/27/2017 Open	LIFE INSURANCE CO OF NORTH AMERICA-CIGNA	\$2,239.9
Invoice	Date	Description	Amount
Cigna012417	01/20/2017	January LTD, STD, AD&D, Life insurance	\$2,239.99
		1000 - General Fund	\$44.30
		1001 - Payroll Payables	\$2,195.69
85730	01/27/2017 Open	LIUNA PENSION FUND	\$825.6
Invoice	Date	Description	Amount
CS3666	01/20/2017	January LIUNA pension dues 1001 - Payroll Payables	\$825.60
85731	01/27/2017 Open	MAR-KEN K-9 TRAINING CENTER	\$240.0
Invoice	Date	Description	Amount
004-17	01/18/2017	January K-9 training	\$240.00
85732	01/27/2017 Open	MATTHEW BENDER & CO. INC.	\$154.7
Invoice	Date	Description	Amount
90538471	01/04/2017	Penal & vehicle code books for 2017	\$154.75
85733	01/27/2017 Open	MISSION PRINTERS	\$178.7
Invoice	Date	Description	Amount
54376	01/18/2017	Business cards 2210 - ISF - Stores Fund	\$178.76
85734	01/27/2017 Open	MOFFATT AND NICHOL	\$587.5
Invoice	Date	Description	Amount
723785	01/19/2017	December professional services wharf evaluation 1311 - Wharf Fund	\$587.50
85735	01/27/2017 Open	MONTEREY BAY AREA SELF INSURANCE AUTHORITY	\$881.8
Invoice	Date	Description	Amount
122716	12/27/2016	Gafari claim City portion 2213 - ISF - Self-Insurance Liability	\$881.81
85736	01/27/2017 Open	NATIVE ANIMAL RESCUE	\$600.0
Invoice	Date	Description	Amount
NAR012417	01/24/2017	Community grant funding	\$600.00

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

Invoice	Date	Description	Amount
85737	01/27/2017 Open	NORTH BAY FORD	\$68.01
Invoice	Date	Description	Amount
314008	01/09/2017	2016 Ford Explorer water leak repairs	\$68.00
85738	01/27/2017 Open	OLIVE SPRINGS QUARRY INC.	\$226.37
Invoice	Date	Description	Amount
107289	01/16/2017	1 1/2" drain rock for McGregor park	\$226.37
85739	01/27/2017 Open	PALACE OFFICE SUPPLIES	\$1,013.41
Invoice	Date	Description	Amount
405799-0	01/11/2017	Office supplies	\$138.01
406038-0	01/12/2017	Office supplies	\$149.52
407283-0	01/20/2017	Office supplies	\$80.54
406977-0	01/19/2017	Office supplies	\$130.31
405858-0	01/24/2017	Blueprint bags	\$287.51
407881-0	01/24/2017	Office supplies	\$180.90
9350973-0	01/19/2017	Museum supplies	\$28.38
407367-0	01/20/2017	Wrist support	\$18.25
		1000 - General Fund	\$396.45
		2210 - ISF - Stores Fund	\$616.97
85740	01/27/2017 Open	PHOENIX GROUP INFORMATION SYSTEMS	\$971.26
Invoice	Date	Description	Amount
122016070	01/13/2017	December citation processing	\$971.26
85741	01/27/2017 Open	ROBERT SEELEY & ASSOCIATES	\$560.00
Invoice	Date	Description	Amount
2017-010	01/06/2017	Parking citation admin. hearings (14)	\$560.00
85742	01/27/2017 Open	SACRAMENTO BAG MANUFACTURING CO.	\$1,286.25
Invoice	Date	Description	Amount
168833	01/06/2017	Sand bags (2,000)	\$1,286.25
85743	01/27/2017 Open	SCC ENVIRONMENTAL HEALTH SVC	\$105.00
Invoice	Date	Description	Amount
IN0082312	01/19/2017	McGregor park site mitigation oversight	\$105.00
		1200 - Capital Improvement Fund	
85744	01/27/2017 Open	SPECTRUM BUSINESS	\$3,660.78
Invoice	Date	Description	Amount
SB121916	12/19/2016	Monthly internet service	\$3,660.78
		1000 - General Fund	\$1,494.97
		2211 - ISF - Information Tech	\$2,165.81
85745	01/27/2017 Open	STAPLES ADVANTAGE	\$337.34
Invoice	Date	Description	Amount
8042478700	12/31/2016	Office supplies	\$235.45
8042571553	01/07/2017	Office supplies	\$101.88

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

Invoice	Date	Description	Amount
<b>85746 01/27/2017 Open SUPPLYWORKS \$1,890.1</b>			
387918709	01/03/2017	Cleaning supplies	\$1,080.63
388570905	01/10/2017	Wharf bathroom trash can lids	\$124.38
388998353	01/13/2017	Cleaning supplies	\$685.15
		1000 - General Fund	\$1,765.78
		1311 - Wharf Fund	\$124.38
<b>85747 01/27/2017 Open TED BURKE \$540.0</b>			
TB011317	01/13/2017	BIA advertising expenses	\$540.00
		1321 - BIA - Village-Wharf	
<b>85748 01/27/2017 Open TOM HELD \$825.0</b>			
Held012017	01/20/2017	Education reimbursement	\$825.00
<b>85749 01/27/2017 Open TOTLCOM \$225.0</b>			
252464	01/09/2017	Police dept. phone repairs	\$225.00
		2211 - ISF - Information Tech	
<b>85750 01/27/2017 Open UNITED RENTALS (NORTH AMERICA) INC. \$713.0</b>			
143339245-001	01/09/2017	Excavator rental	\$713.04
<b>85751 01/27/2017 Open UNITED WAY OF SANTA CRUZ COUNTY \$30.0</b>			
UW012017	01/20/2017	United Way contributions PPE 1-14-17	\$30.00
		1001 - Payroll Payables	
<b>85752 01/27/2017 Open UPEC LIUNA LOCAL 792 \$1,274.0</b>			
833	01/20/2017	January UPEC dues	\$1,274.00
		1001 - Payroll Payables	
<b>85753 01/27/2017 Open US BANK PARS \$220.9</b>			
PARS102017	01/20/2017	PARS contributions PPE 1-14-17	\$220.97
		1001 - Payroll Payables	
<b>85754 01/27/2017 Open WESTERN EXTERMINATOR COMPANY \$109.0</b>			
4754780	12/31/2016	City Hall - rodent control	\$54.50
4742269	12/31/2016	Turnouts - rodent control	\$54.50
<b>85755 01/27/2017 Open ZAP MANUFACTURING INC. \$843.9</b>			
45777	01/08/2017	Signs	\$843.97
		1310 - Gas Tax Fund	

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

Invoice #	Date	Description	Amount
85756	01/27/2017	Open Invoice	
066607444	01/19/2017	Safety supplies	\$91.86
ZEE MEDICAL SERVICE CO. <span style="float:right">\$91.8</span>			
85757	01/27/2017	Open Invoice	
0168497	01/12/2017	Traffic signs	\$229.15
0168575	01/18/2017	"No Smoking" signs (20)	\$336.59
		1000 - General Fund	\$336.59
		1310 - Gas Tax Fund	\$229.15
ZUMAR INDUSTRIES INC. <span style="float:right">\$565.7</span>			
85758	01/27/2017	Open Invoice	
Thomae 11017	01/10/2017	Museum picture	\$50.00
Giancarlo Thomae <span style="float:right">\$50.0</span>			
85759	01/27/2017	Open Invoice	
2017-00000552	01/13/2017	Crime scene investigation training POST	\$526.00
National Crime Investigation and Training <span style="float:right">\$526.0</span>			
85760	01/27/2017	Open Invoice	
244854	01/20/2017	Citation refund	\$10.00
Syeda M. Badar <span style="float:right">\$10.0</span>			
Type Check Totals:			\$145,665.6

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

# City Checks Issued 01/27/2017

**EFT**

Invoice	Date	Description	Amount
390	01/24/2017	CalPERS Member Services Division	\$48,550.2
1000810450-3	01/24/2017	PERS contributions PPE 1-14-17	\$48,550.26
		1000 - General Fund (\$0.20)	
		1001 - Payroll Payables	\$48,550.46
391	01/24/2017	EMPLOYMENT DEVELOPMENT DEPT	\$6,995.4
0-256-264-576	01/24/2017	State tax deposit PPE 1-14-17	\$6,995.45
		1001 - Payroll Payables	
392	01/24/2017	INTERNAL REVENUE SERVICE	\$28,525.8
05471226	01/24/2017	Federal taxes & Medicare PPE 1-14-17	\$28,525.89
		1001 - Payroll Payables	
393	01/24/2017	STATE DISBURSEMENT UNIT	\$1,117.8
3ZYINEY6657	01/24/2017	Garnishments PPE 1-14-17	\$1,117.84
		1001 - Payroll Payables	
394	01/25/2017	CalPERS Health Insurance	\$59,942.0
1000810244	01/18/2017	February health insurance	\$59,942.01
		1000 - General Fund	\$2,655.48
		1001 - Payroll Payables	\$57,286.53
395	01/25/2017	DISCOVERY BENEFITS	\$139.0
0000715344-IN	12/31/2016	December COBRA and FSA admin.	\$139.00
396	01/27/2017	ADP LLC	\$257.1
487125014	01/27/2017	ADP ez Labor processing charges	\$257.15
		2211 - ISF - Information Technology	
Type EFT Totals:			\$145,527.6

Attachment: 01-27-17 City Check Register (1757 : Approval of City Check Registers)

CITY - Main City Totals	Counts:	Totals
Checks	72	\$145,665.6
EFTs	7	\$145,527.6
All	79	\$291,193.2



# CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: Finance Department

SUBJECT: Contract Amendment for Auditing Services

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**RECOMMENDED ACTION:** Authorize the City Manager to renew the agreement with Rogers, Anderson, Malody & Scott LLP to provide financial auditing services for an amount not-to-exceed \$48,000 for Fiscal Year 2016/2017 Audit.

**BACKGROUND:** The City of Capitola entered into a contract with Rogers, Anderson, Malody & Scott, LLP, (RAMS) to provide annual financial audits in June 2011. The term of the contract was for five years. RAMS has provided the City with excellent services during the last five years. The proposed one-year contract amendment allows the Finance Department to bring the financial statement development in-house and will subsequently reduce future year audit expenses. RAMS's superior understanding of City operations provided a smooth transition for the Finance Department during the change in the City's Finance Director.

**DISCUSSION:** The extension of the contract with RAMS is a benefit to the City. RAMS has been working with the Finance Department already this year on the implementation of financial control best practices.

RAMS has provided the City with a letter describing the services to be provided to the City for Fiscal Year 2016/17. The Finance Department reviewed the description of services and agrees with the scope of services to be provided.

**FISCAL IMPACT:** The proposed renewal is in the amount not to exceed \$48,000 for Fiscal Year 2016/17 Audit. The budget includes the necessary funds for the auditing services.

**ATTACHMENTS:**

1. City of Capitola Continuation Letter and Fee Schedule
2. Auditing Scope of Services

Report Prepared By: Mark Welch  
Finance Director

Auditing Services  
February 23, 2017

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

2/16/2017



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100  
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ramscpa.net

February 14, 2017

PARTNERS

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Kirk A. Franks, CPA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Bradferd A. Welebir, CPA, MBA, CGMA  
Jay H. Zercher, CPA (Partner Emeritus)  
Phillip H. Waller, CPA (Partner Emeritus)

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Gardenya Duran, CPA  
Brianna Schultz, CPA  
Lisa Dongxue Guo, CPA, MSA

MEMBERS

American Institute of  
Certified Public Accountants

PCPS The AICPA Alliance  
for CPA Firms

Governmental Audit  
Quality Center

California Society of  
Certified Public Accountants

Jamie Goldstein, City Manager  
City of Capitola  
420 Capitola Avenue  
Capitola, CA 95010

Dear Jamie:

As you are aware, our contract with the City expired with the fiscal year ending June 30, 2016. We are proud of the excellent service our firm has provided the City. In addition to the audit, we have provided assistance to the City in the preparation of its financial statements, we have been flexible in our audit schedules to accommodate any requests of the City and we have made ourselves available (*at no extra charge*) throughout the year to answer questions raised by finance staff.

We have made it an absolute priority to provide the City with the best service possible and we would like to continue providing those services. We would like to propose a new one year contract in order to provide continuous and uninterrupted auditing services. As has been the case during our current contract period, we will continue to provide continuity of staffing, be available to work with the finance staff in areas of technical accounting pronouncements as well as compliance and internal control issues. We are available for telephone consultation on various financial matters throughout the year. All professional consultations throughout the year have been included in our proposed fixed fee.

Please see the attached fee schedule for our proposed fees for the fiscal year ending June 30, 2017. We value the City as an important client and look forward to continuing our services for the next year. Please do not hesitate to contact us at 909.889.0871 for further clarification. We look forward to continuing our professional relationship with the City.

Very truly yours,

**ROGERS, ANDERSON, MALODY & SCOTT, LLP**

Terry Shea, Partner  
Certified Public Accountant

Attachment: City of Capitola Continuation Letter and Fee Schedule (1771 : Auditing Services)



Attachment A

**CITY OF CAPITOLA  
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE JUNE 30, 2017 FINANCIAL STATEMENTS**

<i>Services</i>	<u>Total</u>
City Audit & Related Reports	\$ 30,000
Successor Agency Audit	8,000
Preparation of CAFR	<u>10,000</u>
<b>Annual Maximum Fees</b>	<b><u><u>\$ 48,000</u></u></b>

Attachment: City of Capitola Continuation Letter and Fee Schedule (1771 : Auditing Services)



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
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MAY 26 2015

CITY OF CAPITOLA

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ramscca.net

May 5, 2015

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To the Honorable City Council  
City of Capitola  
Capitola, California

We are engaged to audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Capitola (the City) for the year ended June 30, 2015. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, Government Auditing Standards, and OMB Circular A-133

As stated in our engagement letter dated May 5, 2015, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, if applicable.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Attachment: Auditing Scope of Services (1771 : Auditing Services)

Also in accordance with OMB Circular A-133, we will examine, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the City's compliance with those requirements.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to Management's Discussion and Analysis, budgetary comparison schedules, and schedule of funding progress which supplement(s) the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on non-major combining statements, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the introductory section or the statistical section, which accompany the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited and we will not express an opinion or provide any assurance on it.

#### Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

The Honorable City Council  
City of Capitola

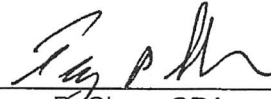
May 5, 2015  
Page 3

We expect to begin our audit on approximately July 23, 2015 and issue our report on approximately December 31, 2015. Terry P. Shea, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

This information is intended solely for the use of City Council and Management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP



---

Terry P. Shea, CPA



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May 5, 2015

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420 Capitola Avenue  
Capitola, California 95010

We are pleased to confirm our understanding of the services we are to provide the City of Capitola (the City) for the year ended June 30, 2015. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the City as of and for the year ended June 30, 2015. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of proportionate share of the net pension liability.
- 3) Schedule of contributions.
- 4) OPEB schedule of funding progress.
- 5) Major fund budgetary comparison schedules.

COPY

Attachment: Auditing Scope of Services (1771 : Auditing Services)

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of expenditures of federal awards, if applicable.
- 2) Combining fund schedules.
- 3) Budgetary comparison schedules.

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Statistical data.
- 2) Introductory section.

#### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, if applicable.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the City Council of the City. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance.

Honorable City Council  
City of Capitola

May 5, 2015  
Page 3

If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

#### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls

and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

#### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and OMB Circular A-133 based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

#### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.



You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan, if applicable.

You are responsible for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have

reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Rogers, Anderson, Malody, & Scott, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to any regulator or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Rogers, Anderson, Malody, & Scott, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by any regulator. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately July 23, 2015. Terry P. Shea, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be detailed in Attachment B. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will

Honorable City Council  
City of Capitola

May 5, 2015  
Page 7

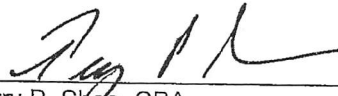
be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed original and return it to us. Keep the copy for your records.

We are required to provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2011 peer review report accompanies this letter.

Very truly yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP



Terry P. Silea, CPA

RESPONSE:

This letter correctly sets forth the understanding of the City of Capitola.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

COPY

Attachment: Auditing Scope of Services (1771 : Auditing Services)

Attachment B

CITY OF CAPITOLA  
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE JUNE 30, 2015 FINANCIAL STATEMENTS

<i>Base Services</i>	<u>Total</u>
City Audit & Related Reports	\$ 17,000
Successor Agency Audit	6,200
Preperation of CAFR	3,700
Single Audit & Related Reports (if applicable)	<u>2,750</u>
Sub-total Base Costs	<u>29,650</u>
 <i>Optional Services:</i>	
State Controller's Report - Cities Financial Transactions Report	2,500
Sub-total Optional Costs	<u>2,500</u>
<b>Annual Maximum Fees</b>	<b><u><u>\$ 32,150</u></u></b>

Attachment: Auditing Scope of Services (1771 : Auditing Services)

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**TIMPSON GARCIA** LLP  
 CPAs AND CONSULTANTS

FOUNDERS  
 Lawrence S. Timpson, CPA (1931-1974)  
 LeAnne W. Garcia, CPA (1934-1981)

PARTNERS  
 Dennis S. Kaneshiro, CPA  
 Elaine Lee Kawasaki, CPA  
 William E. Alay, CPA

FIRM ADMINISTRATOR  
 Liz Davis

## System Review Report

May 31, 2012

To the Owners of  
 Rogers, Anderson, Malody & Scott, LLP  
 and the Peer Review Committee of the  
 California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of **Rogers, Anderson, Malody & Scott, LLP** (the firm) in effect for the year ended November 30, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a *System Review* are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of **Rogers, Anderson, Malody & Scott, LLP** in effect for the year ended November 30, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. **Rogers, Anderson, Malody & Scott, LLP** has received a peer review rating of *pass*.

*Timpson Garcia, LLP*

Attachment: Auditing Scope of Services (1771 : Auditing Services)



# CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: Community Development

SUBJECT: Amendment of Contract for Completion of the Zoning Code Update

**RECOMMENDED ACTION:** Authorize the City Manager to execute a contract amendment in the amount of \$14,700 with Ben Noble Urban and Regional Planning.

**BACKGROUND/DISCUSSION:** The City Council approved a professional services contract with Ben Noble Urban and Regional Planning on April 14, 2016, to complete the Zoning Code Update. The original contract value was \$26,110.

The contract budget is nearly depleted due to additional work that was not included in the original scope of work. Out-of-scope tasks completed under the contract include preparation of a revamped wireless telecommunications ordinance to respond to a federal lawsuit initiated by Verizon Wireless, preparation of a new accessory dwelling unit ordinance to reflect recent changes in state law, additional public hearings before the Planning Commission and City Council, and extensive revisions to the draft zoning code.

The requested amendment would add \$14,700 to the contract, for a revised total of \$40,810. The additional funds would enable the consultant to prepare a public review draft zoning code, a final zoning code for adoption, and attend additional public hearings. In the interest of budget savings, the consultant will only be requested to attend public hearings where his expertise is considered necessary.

**FISCAL IMPACT:** Adequate funds are available from the General Plan Maintenance Fund.

**ATTACHMENTS:**

1. 2016 Contract with Ben Noble

Report Prepared By: Rich Grunow  
Community Development Director

Contract Amendment for Ben Noble  
February 23, 2017

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

2/16/2017

**CITY OF CAPITOLA  
PROFESSIONAL SERVICES AGREEMENT**  
Zoning Code Update  
Ben Noble Urban and Regional Planning

THIS AGREEMENT is entered into on April 14, 2016, by and between the City of Capitola, a Municipal Corporation, hereinafter called "City" and Ben Noble Urban and Regional Planning, hereinafter called "Consultant".

WHEREAS, City desires certain services described in Appendix One and Consultant is capable of providing and desires to provide these services;

NOW, THEREFORE, City and Consultant for the consideration and upon the terms and conditions hereinafter specified agree as follows:

**SECTION 1  
Scope of Services**

The services to be performed under this Agreement are for Completion of the Capitola Zoning Code Update and further detailed in Appendix One.

**SECTION 2  
Duties of Consultant**

All work performed by Consultant, or under its direction, shall be sufficient to satisfy the City's objectives for entering into this Agreement and shall be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession.

Consultant shall not undertake any work beyond the scope of work set forth in Appendix One unless such additional work is approved in advance and in writing by City. The cost of such additional work shall be reimbursed to Consultant by City on the same basis as provided for in Section 4.

If, in the prosecution of the work, it is necessary to conduct field operations, security and safety of the job site will be the Consultant's responsibility excluding, nevertheless, the security and safety of any facility of City within the job site which is not under the Consultant's control.

Consultant shall meet with the Community Development Director, called "Director," or other City personnel, or third parties as necessary, on all matters connected with carrying out of Consultant's services described in Appendix One. Such meetings shall be held at the request of either party hereto. Review and City approval of completed work shall be obtained monthly, or at such intervals as may be mutually agreed upon, during the course of this work.

**SECTION 3  
Duties of the City**

City shall make available to Consultant all data and information in the City's possession which City deems necessary to the preparation and execution of the work, and City shall actively aid and assist Consultant in obtaining such information from other agencies and individuals as necessary.

The Director may authorize a staff person to serve as his or her representative for conferring with Consultant relative to Consultant's services. The work in progress hereunder shall be reviewed from time to time by City at the discretion of City or upon the request of Consultant. If the work is satisfactory, it will be approved. If the work is not satisfactory, City will inform Consultant of the changes or revisions necessary to secure approval.



#### SECTION 4 **Fees and Payment**

Payment for the Consultant's services shall be made upon a schedule and within the limit, or limits shown, upon Appendix Two. Such payment shall be considered the full compensation for all personnel, materials, supplies, and equipment used by Consultant in carrying out the work. If Consultant is compensated on an hourly basis, Consultant shall track the number of hours Consultant, and each of Consultant's employees, has worked under this Agreement during each fiscal year (July 1 through June 30) and Consultant shall immediately notify City when the number of hours worked during any fiscal year by any of Consultant's employees reaches 900 hours. In addition each invoice submitted by Consultant to City shall specify the number of hours to date Consultant, and each of Consultant's employees, has worked under this Agreement during the current fiscal year.

#### SECTION 5 **Changes in Work**

City may order major changes in scope or character of the work, either decreasing or increasing the scope of Consultant's services. No changes in the Scope of Work as described in Appendix One shall be made without the City's written approval. Any change requiring compensation in excess of the sum specified in Appendix Two shall be approved in advance in writing by the City.

#### SECTION 6 **Time of Beginning and Schedule for Completion**

This Agreement will become effective when signed by both parties and will terminate on the earlier of:

- The date Consultant completes the services required by this Agreement, as agreed by the City; or
- The date either party terminates the Agreement as provided below.

Work shall begin on or about April 15, 2016.

In the event that major changes are ordered or Consultant is delayed in performance of its services by circumstances beyond its control, the City will grant Consultant a reasonable adjustment in the schedule for completion provided that to do so would not frustrate the City's objective for entering into this Agreement. Consultant must submit all claims for adjustments to City within thirty calendar days of the time of occurrence of circumstances necessitating the adjustment.

#### SECTION 7 **Termination**

City shall have the right to terminate this Agreement at any time upon giving ten days written notice to Consultant. Consultant may terminate this Agreement upon written notice to City should the City fail to fulfill its duties as set forth in this Agreement. In the event of termination, City shall pay the Consultant for all services performed and accepted under this Agreement up to the date of termination.

## SECTION 8 Insurance

Consultant shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

### ***Minimum Scope of Insurance***

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001).
2. Insurance Services office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California, and Employer's Liability Insurance.
4. Professional (Errors and Omissions) Liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage shall include contractual liability.

### ***Minimum Limits of Insurance***

Consultant shall maintain limits no less than:

- |  |   |
|--|---|
| 1. General Liability:<br>(including operations,<br>products and completed<br>operations) | <b>\$1,000,000</b> per occurrence and <b>\$2,000,000</b> in aggregate (including operations, for bodily injury, personal and property damage. |
| 2. Automobile Liability:   | <b>\$1,000,000</b> per accident for bodily injury and property damage.  |
| 3. Employer's Liability Insurance  | <b>\$1,000,000 per accident for bodily injury and property damage.</b>  |
| 4. Errors and Omissions<br>Liability:<br>Limits  | <b>\$1,000,000</b> per claim and <b>\$2,000,000</b> in the aggregate.   |

### ***Other Insurance Provisions***

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Capitola, its officers, officials, employees and volunteers are to be covered as additional insured's as respects: liability arising out of work or operations performed by or on behalf of the Consultant and automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled except after prior written notice has been given to the City.

### ***Acceptability of Insurers***

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

### ***Waiver of Subrogation***

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Capitola** for all work performed by the Contractor, its employees, agents and subcontractors.

### ***Verification of Coverage***

Consultant shall furnish the City with original certificates and amendatory endorsements affecting coverage by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

## **SECTION 9 Indemnification**

Consultant shall hold harmless, defend, and indemnify City and its officers, officials, employees, agents, and volunteers from and against all claims, damages, losses, and expenses including attorney fees arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of the Consultant, Consultant's employees, agents or subcontractors, except where caused by the active negligence, sole negligence, or willful misconduct of the City.

**SECTION 10**  
**Civil Rights Compliance/Equal Opportunity Assurance**

Every supplier of materials and services and all consultants doing business with the City of Capitola shall be in compliance with the applicable provisions of the Americans with Disabilities Act of 1990, and shall be an equal opportunity employer as defined by Title VII of the Civil Rights Act of 1964 and including the California Fair Employment and Housing Act of 1980. As such, consultant shall not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, age or sex with respect to hiring, application for employment, tenure or terms and conditions of employment. Consultant agrees to abide by all of the foregoing statutes and regulations.

**SECTION 11**  
**Legal Action/Attorneys' Fees**

If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which he or she may be entitled. The laws of the State of California shall govern all matters relating to the validity, interpretation, and effect of this Agreement and any authorized or alleged changes, the performance of any of its terms, as well as the rights and obligations of Consultant and the City.

**SECTION 12**  
**Assignment**

This Agreement shall not be assigned without first obtaining the express written consent of the Director after approval of the City Council.

**SECTION 13**  
**Amendments**

This Agreement may not be amended in any respect except by way of a written instrument which expressly references and identifies this particular Agreement, which expressly states that its purpose is to amend this particular Agreement, and which is duly executed by the City and Consultant. Consultant acknowledges that no such amendment shall be effective until approved and authorized by the City Council, or an officer of the City when the City Council may from time to time empower an officer of the City to approve and authorize such amendments. No representative of the City is authorized to obligate the City to pay the cost or value of services beyond the scope of services set forth in Appendix Two. Such authority is retained solely by the City Council. Unless expressly authorized by the City Council, Consultant's compensation shall be limited to that set forth in Appendix Two.

SECTION 14  
**Miscellaneous Provisions**

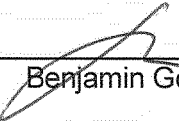
1. *Project Manager.* Director reserves the right to approve the project manager assigned by Consultant to said work. No change in assignment may occur without prior written approval of the City.
2. *Consultant Service.* Consultant is employed to render professional services only and any payments made to Consultant are compensation solely for such professional services.
3. *Licensure.* Consultant warrants that he or she has complied with any and all applicable governmental licensing requirements.
4. *Other Agreements.* This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter, and no other agreement, statement or promise related to the subject matter of this Agreement which is not contained in this Agreement shall be valid or binding.
5. *City Property.* Upon payment for the work performed, or portion thereof, all drawings, specifications, records, or other documents generated by Consultant pursuant to this Agreement are, and shall remain, the property of the City whether the project for which they are made is executed or not. The Consultant shall be permitted to retain copies, including reproducible copies, of drawings and specifications for information and reference in connection with the City's use and/or occupancy of the project. The drawings, specifications, records, documents, and Consultant's other work product shall not be used by the Consultant on other projects, except by agreement in writing and with appropriate compensation to the City.
6. *Consultant's Records.* Consultant shall maintain accurate accounting records and other written documentation pertaining to the costs incurred for this project. Such records and documentation shall be kept available at Consultant's office during the period of this Agreement, and after the term of this Agreement for a period of three years from the date of the final City payment for Consultant's services.
7. *Independent Contractor.* In the performance of its work, it is expressly understood that Consultant, including Consultant's agents, servants, employees, and subcontractors, is an independent contractor solely responsible for its acts and omissions, and Consultant shall not be considered an employee of the City for any purpose.
8. *Conflicts of Interest.* Consultant stipulates that corporately or individually, its firm, its employees and subcontractors have no financial interest in either the success or failure of any project which is, or may be, dependent on the results of the Consultant's work product prepared pursuant to this Agreement.

Professional Services Agreement April 14, 2016  
Zoning Code Update  
Ben Noble Urban and Regional Planning  
Page 7

9. *Notices.* All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given and fully received when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed to the respective parties as follows:

CITY  
CITY OF CAPITOLA  
420 Capitola Avenue  
Capitola, CA 95010  
831-475-7300

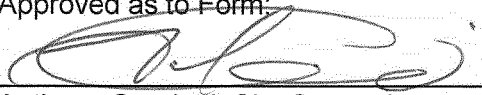
CONSULTANT  
Ben Noble City and Regional Planning  
733 Carmel Avenue  
Albany, CA 94706  
510-529-8820

By:   
Benjamin Goldstein, City Manager

By:   
Ben Noble, Consultant

Dated: 5/10/16

Dated: 4/21/16

Approved as to Form:  
  
Anthony Condotti, City Counsel

Attachment: 2016 Contract with Ben Noble (1772 : Contract Amendment for Ben Noble)

## APPENDIX ONE Scope of Services

### Task 1. Public Review Draft Zoning Code Meetings

#### a. Planning Commission Meetings (8)

Consultant will attend eight Planning Commission meetings to receive feedback on the Public Review Draft Zoning Code. These eight meetings include the two Planning Commission meetings consultant has already attended in March of this year. Costs to attend these meetings assumes that City staff will assume the lead role in preparing meeting materials.

#### b. City Council Meetings (2)

Consultant will attend two City Council meeting to receive feedback on the Public Review Draft Zoning Code.

### Task 2. Redline Zoning Code

#### a. Administrative Draft Redline Zoning Code

Based on input from the Planning Commission and City Council, consultant will prepare an Administrative Redline Zoning Code for review by City staff. This Zoning Code will show all changes made to the Public Review Draft Zoning Code in underline ~~striketrough~~ text. Consultant will also make changes to the Zoning Code graphics and Zoning Map as needed.

#### b. Screencheck Draft Redline Zoning Code

Consultant will prepare a Screencheck Draft Redline Zoning Code for review by City staff that addresses City staff comments on the Administrative Redline Zoning Code.

#### c. Final Redline Zoning Code

Consultant will prepare a Final Redline Zoning Code for public review that addresses City staff comments on the Screencheck Draft Redline Zoning Code.

#### d. Planning Commission Meetings (2)

Consultant will attend two Planning Commission meetings to receive comments on the Redline Zoning Code.

#### e. City Council Meeting (2)

Consultant will attend two City Council meeting to receive comments on the Redline Zoning Code.

### Task 3. Final Zoning Code

#### a. Draft Final Zoning Code

Based on input from the Planning Commission and City Council, consultant will prepare a Draft Final Zoning Code for review by City staff and the Planning Commission and City Council if needed. Consultant will also make changes to the Zoning Code graphics and Zoning Map as needed.

#### b. Final Zoning Code

Consultant will prepare a Final Zoning Code that addresses any final revisions to reflect the Zoning Code as adopted by the City Council.

## APPENDIX TWO Fees and Payments

For the services performed, City will pay consultant on a time-charge plus expense basis, monthly as charges accrue, the sum of consultant's salary expenses and non-salary expenses.

Salary expenses include the actual direct pay of personnel assigned to the project (except for routine secretarial and account services) plus payroll taxes, insurance, sick leave, holidays, vacation, and other fringe benefits. The percentage of compensation attributable to salary expenses includes all of Consultant's indirect overhead costs and fees. For purposes of this Agreement, Consultant's salary expenses and non-salary expenses will be compensated at the rates set forth in the fee schedule attached to this appendix and in accordance with the terms set forth therein. Non-salary expenses include travel, meals and lodging while traveling, materials other than normal office supplies, reproduction and printing costs, equipment rental, computer services, service of subconsultants or subcontractors, and other identifiable job expenses. The use of Consultant's vehicles for travel shall be paid at the current Internal Revenue Service published mileage rate.

Salary payment for personnel time will be made at the rates set forth in the attached fee schedule for all time charged to the project. Normal payroll rates are for 40 hours per week. Consultant shall not charge the City for personnel overtime salary at rates higher than those set forth in the attached fee schedule without the City's prior written authorization.

In no event shall the total fee charged for the scope of work set forth in Appendix One exceed the total budget of \$26,110.00 (Twenty-six Thousand One Hundred Ten dollars and Zero Cents), without specific, written advance authorization from the City.

Payments shall be made monthly by the City, based on itemized invoices from the Consultant which list actual costs and expenses. Such payments shall be for the invoice amount. The monthly statements shall contain the following affidavit signed by a principal of the Consultant's firm:

"I hereby certify as principal of the firm of Ben Noble Urban and Regional Planning, that the charge of \$26,110.00 as summarized above and shown in detail on the attachments is fair and reasonable, is in accordance with the terms of the Agreement dated April 14, 2016, and has not been previously paid."



**APPENDIX THREE**  
**Fee Schedule from Ben Noble Urban and Regional Planning Proposal**

**FEE SCHEDULE/BUDGET**

The following costs assume a billing rate of \$135 per hour and include mileage expenses for twelve meetings.

**Table 1: Budget**

<b>Task</b>	<b>Hours</b>	<b>Cost</b>
<b>1. Public Review Draft Zoning Code Meetings</b>		
a. Planning Commission Meetings (8)	56	\$7,560
b. City Council Meetings (2)	14	\$1,890
<b>2. Redline Zoning Code</b>		
a. Administrative Draft Redline Zoning Code	40	\$5,400
b. Screencheck Draft Redline Zoning Code	12	\$1,620
c. Final Redline Zoning Code	8	\$1,080
d. Planning Commission Meetings (2)	14	\$1,890
e. City Council Meeting (2)	2	\$1,890
<b>3. Final Zoning Code</b>		
a. Draft Final Zoning Code	18	\$2,430
b. Final Zoning Code	8	\$1,080
Labor Cost		\$28,840
<b>Expenses</b>		
Travel (12 trips, 168 miles each, \$0.54 per mile)		\$1,279
<b>TOTAL</b>		<b>\$26,110</b>



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: City Manager Department

SUBJECT: Second Reading of the Monterey Bay Community Power Uncodified Ordinance

**RECOMMENDED ACTION:** Approve the second reading of an ordinance authorizing the implementation of Community Choice Energy program in the City of Capitola.

**BACKGROUND:** At its meeting of February 9, 2017, the City Council unanimously approved a joint powers agreement (JPA) and Resolution No. 4073 making the City a founding member of the Monterey Bay Community Power Authority (MBCPA). At that public hearing it also approved the first reading of the uncodified ordinance, and appointed Council Member Termini as the representative and Council Member Bertrand as the alternate for the MBCPA board.

MBCPA is offering membership in its community choice energy (CCE) program to all 21 local governments within the greater Monterey Bay area, including the Counties of Santa Cruz, Monterey, and San Benito and all 18 cities located within those counties. The goals of MBCPA are to reduce greenhouse gas emissions while providing electric power and other forms of energy to customers at competitive prices. In addition, the program seeks to reduce energy consumption, stimulate the local economy by creating local jobs, and promote long-term electric rate stability and reliability for the residents of the tri-county area.

**DISCUSSION:** The meeting of February 23, 2017, will complete the second reading of the uncodified ordinance. Following City Council approval, the City will be a founding member of MBPCA. The precise membership and structure of the agency will be determined when all other 20 municipalities have made their decisions and the JPA is authorized under the Public Utilities Code.

Staff anticipates MBCP's inaugural board meeting will be held in late April 2017.

**FISCAL IMPACT:** Financial participation for MBCP members will be in the form of a credit guarantee to support the pre-revenue start-up loan of up to \$3 million. The credit guarantee obligation will be distributed on a per-seat basis and will take the form of a letter of credit, or interagency agreement. In the example of an 11-member board, each seat on the board would be allocated 1/11 (9.1 percent) of the credit guarantee burden.

Shared seat members divide the credit guarantee among the cities in their grouping. Therefore, Capitola would be responsible for approximately 4.5 percent of the credit guarantee for startup costs, or around \$140,000. This cost would only be incurred in the unlikely event that MBPCA is formed, but is terminated prior to delivering power to customers.

Monterey Bay Community Power Authorization  
February 23, 2017

ATTACHMENTS:

1. Draft Uncodified Ordinance for the Monterey Bay Community Power Authority

Report Prepared By: Linda Fridy  
City Clerk

**Reviewed and Forwarded by:**



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Jamie Goldstein, City Manager

2/16/2017

ORDINANCE NO. \_\_\_\_\_

**AN UNCODIFIED ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
CAPITOLA AUTHORIZING IMPLEMENTATION OF A COMMUNITY CHOICE  
AGGREGATION PROGRAM**

The City Council of the City of Capitola does ordain as follows:

**SECTION 1. FINDINGS.** The City Council of the City of Capitola hereby finds and declares the following:

**WHEREAS**, Monterey Bay Community Power has investigated options to provide electric services to customers within the tri-county region of Monterey, Santa Cruz and San Benito Counties (Tri-County Region), including incorporated and unincorporated areas, with the intent of achieving greater local control and involvement over the provision of electric services, competitive electric rates, the development of clean, local, renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs; and

**WHEREAS**, Monterey Bay Community Power prepared a Feasibility Study for a community choice aggregation (“CCA”) program in the Tri-County Region with the cooperation of the cities and counties under the provisions of the Public Utilities Code section 366.2. The Feasibility Study shows that implementing a community choice aggregation program would provide multiple benefits, including:

- Providing customers a choice of power providers;
- Increasing local control and involvement in and collaboration on energy rates and other energy-related matters;
- Providing more stable long-term electric rates that are competitive with those provided by the incumbent utility;
- Reducing greenhouse gas emissions arising from electricity use within the Tri-County Region;
- Increasing local renewable power generation capacity;
- Increasing energy conservation and efficiency projects and programs;
- Increasing regional energy self-sufficiency;
- Improving the local economy resulting from the implementation of local renewable and energy conservation and efficiency projects; and

**WHEREAS**, the Joint Powers Agreement creating the Monterey Bay Community

Power Authority (“Authority”) will govern and operate the CCA program on behalf of its member jurisdictions. Under the Joint Powers Agreements, cities within the Tri-County Region may participate in the Monterey Bay Community Power CCA program by adopting the resolution and ordinance required by Public Utilities Code section 366.2. Cities choosing to participate in the CCA program will have membership on the Board of Directors of the Authority as provided in the Joint Powers Agreements; and

**WHEREAS**, the Authority will enter into Agreements with electric power suppliers and other service providers, and based upon those Agreements the Authority will be able to provide power to residents and businesses at rates that are competitive with those of the incumbent utility (“PG&E”). Once the California Public Utilities Commission approves the implementation plan created by the Authority, the Authority will provide service to customers within the unincorporated areas of the tri-county region of Monterey, Santa Cruz and San Benito Counties and within the jurisdiction of those cities therein who have chosen to participate in the CCA program; and

**WHEREAS**, under Public Utilities Code section 366.2, customers have the right to opt-out of a CCA program and continue to receive service from the incumbent utility. Customers who wish to continue to receive service from the incumbent utility will be able to do so; and

**WHEREAS**, on the 22<sup>nd</sup> day of September 2016, the City Council held a public hearing at which time interested persons had an opportunity to testify either in support or opposition to implementation of the Monterey Bay Community Power CCA program in the City of Capitola; and

**Section 2. AUTHORIZATION TO IMPLEMENT A COMMUNITY CHOICE AGGREGATION PROGRAM.** Based upon the forgoing, and in order to provide businesses and residents within the City of Capitola with a choice of power providers and with the benefits described above, the City Council of the City of Capitola ordains that it shall implement a community choice aggregation program within its jurisdiction by participating as a group with the other counties and cities as described above in the Community Choice Aggregation program of the Monterey Bay Community Power Authority, as generally described in the Joint Powers Agreement approved through Resolution No. [REDACTED].

**Section 3. SEVERABILITY.** In the event any section, clause or provision of this ordinance shall be determined invalid or unconstitutional, such section, clause or provision shall be deemed severable and all other sections or portions hereof shall remain in full force and effect. It is the intent of the City Council that it would have adopted all other portions of this ordinance irrespective of any such portion declared to be invalid or unconstitutional.

**Section 4. ENVIRONMENTAL DETERMINATION.** This ordinance is exempt from the requirements of the California Environmental Quality Act (“CEQA”) pursuant to the CEQA Guidelines, as it is not a “project” as it has no potential to result in a direct or reasonably foreseeable indirect physical change to the environment because energy will be transported through existing infrastructure (14 Cal. Code Regs. § 15378(a)). Further, this ordinance is exempt from CEQA as there is no possibility that this ordinance or its implementation would have a significant effect on the environment (14 Cal. Code Regs. § 15061(b)(3)). This ordinance is also categorically exempt because it is an action taken by

a regulatory agency to assume the maintenance, restoration, enhancement or protection of the environment (14 Cal. Code Regs. § 15308). The City Manager’s Office shall cause a Notice of Exemption to be filed as authorized by CEQA and the CEQA guidelines.

**Section 5. PUBLICATION.** This ordinance shall be published and posted as required by law.

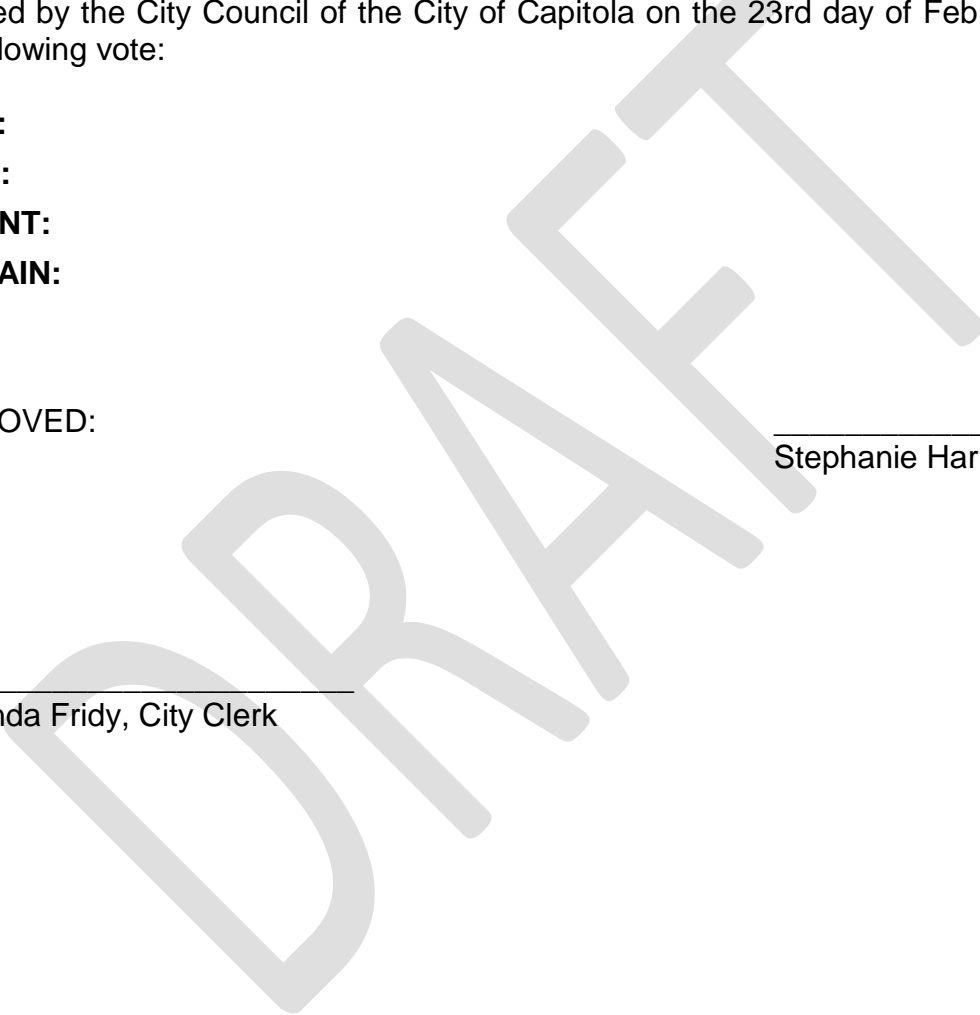
**Section 6. EFFECTIVE DATE.** This Ordinance shall be in full force and effect 30 days after the date of final passage.

This ordinance was introduced on the 9th day of February 2017, and was passed and adopted by the City Council of the City of Capitola on the 23rd day of February 2017, by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

APPROVED: \_\_\_\_\_  
Stephanie Harlan, Mayor

Attest:  
\_\_\_\_\_  
Linda Fridy, City Clerk





## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: Public Works Department

SUBJECT: Reject All Bids Received for the 41st Avenue Adaptive Traffic Signal System Project

**RECOMMENDED ACTION:** Reject all three bids received for the 41<sup>st</sup> Avenue Adaptive Traffic Signal System and direct the Public Works Department to work with the project engineer to modify and redesign the project to bring it in budget.

**BACKGROUND:** On February 8, 2017, the City received three bids for the 41<sup>st</sup> Avenue Adaptive Traffic Signal System project. This project will provide for adaptive signal timing along the 41<sup>st</sup> Avenue corridor from Clares Street to Jade Street.

**DISCUSSION:** Unfortunately, of the three bids, two were 80 percent over the estimated cost and the third had significant errors necessitating its disqualification. The construction estimate for the project was \$294,000. The three bids received are listed below:

St. Francis Electric	\$536,456
Tennyson Electric	\$546,575
DV Electric	rejected due to errors

A detailed summary of the bids is attached.

Staff recommends that all the bids be rejected and that Public Works and the project engineer reevaluate the project scope and determine the best approach for rebidding the project.

**FISCAL IMPACT:** This project is funded by a grant from the Monterey Unified Air Pollution Control District. The District has been notified of the bid results and is waiting to hear from the City on options for moving forward.

**ATTACHMENTS:**

1. Capitola 41st Avenue Adaptive Signal Project Bid Results

Report Prepared By: Steve Jesberg  
Public Works Director

41st Ave Signal Coordination Project - Reject Bids  
February 23, 2017

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

2/16/2017





**Construction Bid Sheet**

**Project:** 41st Avenue Adaptive Traffic Signal System  
**Bid Opening Date:** 2/8/2017  
**Contractor:**

Item	Description	Unit	Quantity	Opinion of Probable Cost		St. Francis Electric		Tennyson Electric		DV Electric Co.	
				Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Traffic Control	LS	1	\$11,478	\$11,478	\$17,000	\$17,000	\$28,900	\$28,900	\$22,000	\$22,000
2	Mobilization	LS	1	\$5,023	\$5,023	\$25,000	\$25,000	\$60,000	\$60,000	\$295,000	\$295,000
3	Utility Potholing	EA	12	\$1,800	\$21,600	\$500	\$6,000	\$650	\$7,800	\$185	\$2,220
4	Furnish and Install Adaptive Traffic Signal System	LS	1	\$145,000	\$145,000	\$321,500	\$321,500	\$257,925	\$257,925	\$137,000	\$137,000
5	Furnish and Install Category 5E Cable	LF	1700	\$6	\$10,200	\$1	\$1,700	\$6	\$10,200	\$3,825	\$6,502,500
6	Furnish and Install No. 14 AWG Conductors	LF	1700	\$4	\$6,800	\$1	\$1,700	\$2	\$3,400	\$2,550	\$4,335,000
7	Furnish and Install Ethernet Extender Device	EA	4	\$2,500	\$10,000	\$10,000	\$40,000	\$9,800	\$39,200	\$8,700	\$34,800
8	Furnish and Install Camera Mounting Hardware	EA	16	\$700	\$11,200	\$425	\$6,800	\$500	\$8,000	\$235	\$3,760
9	Furnish and Install 3" Schedule 80 PVC Conduit	LF	350	\$45	\$15,750	\$250	\$87,500	\$265	\$92,750	\$8,050	\$2,817,500
10	Furnish and Install Caltrans No. 5 Pull Box	EA	6	\$800	\$4,800	\$500	\$3,000	\$2,500	\$15,000	\$425	\$2,550
11	Furnish and Install GPS Clock	EA	4	\$2,000	\$8,000	\$1,850	\$7,400	\$1,500	\$6,000	\$550	\$2,200
12	Furnish and Install Wireless Modem	EA	1	\$1,800	\$1,800	\$1,750	\$1,750	\$3,500	\$3,500	\$8,765	\$8,765
13	Establish Cellular (4G) Wireless Connection	LS	1	\$2,500	\$2,500	\$4,500	\$4,500	\$2,650	\$2,650	\$21,000	\$21,000
14	Minor Concrete	SF	450	\$30	\$13,500	\$28	\$12,600	\$25	\$11,250	\$36,000	\$36,000
				<b>Subtotal</b>	\$267,651	<b>Subtotal</b>	\$536,450	<b>Subtotal</b>	\$546,575	<b>Subtotal</b>	\$14,220,295
				<b>Contingency @ 10%</b>	\$26,765					bid in document \$ 314,200	
				<b>Construction Total</b>	<b>\$294,400</b>						

Bid rejected due to multiple errors

Attachment: Capitola 41st Avenue Adaptive Signal Project Bid Results (1769 : 41st Ave Signal



# CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: City Manager Department

SUBJECT: Receive Art & Cultural Commission Annual Report

**RECOMMENDED ACTION:** Receive the 2016 Art and Cultural Commission Annual Report.

**BACKGROUND:** According to Capitola Municipal Code § 2.56.050, each year the Art & Cultural Commission (Commission) is required to offer an assessment of the Commission's annual goals, plans, and objectives from the prior year, and recommend a Commission work plan for the upcoming year for Council consideration.

**DISCUSSION:** In 2016 the Commission organized many successful events to enhance the cultural and artistic environment of Capitola.

Annual events included 13 Twilight Concerts, three "Movies at the Beach," and six "Sunday Art at the Beach" events. The Commission continued with two events that were added in 2015. On September 18, 2016, the Commission hosted Opera at the Beach. The Bay Shore Lyric Opera Company, accompanied by a live orchestra, performed *The Marriage of Figaro*. Capitola en Plein Air, an outdoor, juried painting event, took place November 4, 5 and 6, 2016, throughout Capitola. More than 40 artists created their artwork in the open air throughout Capitola. The public was able to watch artists create their work on Friday and Saturday, and on Sunday each artist displayed his or her works for judging and sale at New Brighton Middle School. The event was a success for the artists and the community.

In 2016, the Commission continued support of the Children's Art Program at the plein air event. A percentage of the sales commissions from the 2016 plein air event will be used to promote children's art in the community.

The Commission added the first and second place winners of the plein air competition to its permanent art collection and will display them in the City Council Chambers. The art exhibition in Capitola government buildings continued in 2016, showcasing student artists from New Brighton Middle School.

For 2017, the Commission will continue to offer free public entertainment events. The Commission is in the process of determining which public art projects will be feasible in 2017. The art exhibition in Capitola government buildings will also continue and possibly expand to include other public buildings.

**ATTACHMENTS:**

Art & Cultural Commission Annual Report  
February 23, 2017

1. Art & Cultural Annual Report 2016

Report Prepared By: Larry Laurent  
Assistant to the City Manager

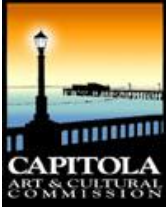
**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

2/17/2017



Capitola Art & Cultural Commission  
 420 Capitola Ave.  
 Capitola, CA 95010  
 831-475-7300

# CAPITOLA ART & CULTURAL COMMISSION

## ANNUAL REPORT 2017

### Background:

The Capitola Art & Cultural Commission's purpose is to advise the City Council as to the allocation of public funds for the support and encouragement of existing and new programs in the arts; acquire by purchase, gift or otherwise, works of art subject to City Council approval; initiate, sponsor or direct special programs which will enhance the cultural climate of the City; establish close liaison with other commissions and civic organizations in order to foster public interest in the arts; and implement the Art & Cultural Master Plan.

The City Council approved the reduction in Commissioners from twelve (12) to nine (9) beginning January 1, 2016. Each commissioner serves a term of two years, with a maximum of three consecutive two year terms. The commission is now composed of the following: One (1) City Council Member; One (1) Planning Commissioner; One (1) Artist or Arts Organization Representative Member; One (1) Arts Professional Member and Five (5) "At-Large" Members. Appointments are made by the City Council. The commission is staffed by a ¼ time administrative assistant and the Assistant to the City Manager.

The Art & Cultural Commission meetings are on the 2nd Tuesday of the month. In addition, the commission holds a planning retreat in the beginning of the year.

### Members during 2016:

Mike Termini (Chair & City Council Representative), Nathan Cross (Vice-Chair), Kim Hogan (Artist), Linda Smith (Planning Commission Member), Dave Kraemer (At Large Member), Joyce Murphy (Arts Professional), Jenny Shelton (At Large Member), Mary Beth Cahalen (At Large Member), & Laurie Hill (At Large Member)

## Yearly Highlights-2016: Events & Entertainment:

### Twilight Concerts:

The Art and Cultural Commission organized the 32<sup>nd</sup> annual Twilight Concerts Series. This annual series offered 13 free concerts in Capitola Village on Wednesday evenings during last summer months. The concerts attract between 500-3,000 attendees to each of the free, family friendly events. Every concert is sponsored by a private donor in the amount of \$1,200. Bands were paid between \$1000 and \$1400 depending on the number of members. A sound engineer provides services for these events. Promotion of the concerts includes the distribution of over 8,000 postcards, as well as press releases to the local newspapers. The concerts are also advertised on the City's website and social media outlets. The Friends of the Art and Cultural Commission sold clothing and other merchandise in 2016. In collaboration with the Begonia Festival, a shed was installed behind the pump station for convenient storage during the summer.

Twilight Event Evaluation: The Commission table has continued to be a welcome addition the event set up, offering concert goers and band members an easy way to locate the main information center and volunteers or staff. The return of the t-shirt sales to the table bought even more people to the area.

2016 Sponsors: Paradise Beach Grille, Lanai Financial Solutions-Christine McBroom, Monterey Bay Properties, Zelda's, Devcon Construction, Marriot-Fairfield Inn – Capitola, Union Bank of California, Gayle's Bakery & Rosticceria, Ow Family Properties, Britannia Arms, Foxxr Web Design and Internet Marketing, The Sand Bar, Stockton Bridge Grille.

2016 Bands: The Cocktail Monkeys, Candelaria, Expendables, Big City Revue, Todd Morgan & the Emblems, Lyin' I's, Mambo Tropical, Spill the Wine, Blackouts, Mark Russo and the Classy Cats, Delta Wires, Extra Large, Digbeats.

Planned/Considered Changes: Organize thirteen Twilight Concerts again in 2017

### Movies at the Beach:

Organized the 12<sup>th</sup> annual Movies at the Beach event. The free Movies on the Beach occurred three times a year and regularly attracts 400-800 attendees per event. The movies were sponsored by Pizza My Heart for \$2,000. The cost of hiring a projectionist and rental of the movies. The movies are promoted on the postcard, as well as the City website and scroll.

- Movie Event Evaluation: The Commission maintained hosting three movies during the Movies at the Beach event for 2016. All movies were shown on a

screen secured to the bandstand stage. A fourth movie event was organized by the Begonia Festival. These free family friendly events continue to grow in popularity. The Commission received popcorn donated by Cinelux Capitola Café and Lounge was offered free to attendees. Volunteers and students served the popcorn to the audience.

Movies: Grease – Sing Along, Night at the Museum, Minions

Sponsors: Pizza My Heart sponsored the all three Art and Cultural movies.

Planned/Considered Changes:

- Retain the same arrangements with sponsors, number of movies, and staffing from Public Works.
- Through Public Announcements, enlist the help of local media to promote these free events.

### **Sunday Art and Music at the Beach:**

The Commission helped organized the Sunday Art and Music at the Beach Events. This event takes place on six Sunday's during the summer months. This event is free to attend. The Sunday Art and Music at the Beach program continues to be coordinated by Leslie Fellows on a contract basis. Artists pay for booth rentals to display and sell their arts and the funds are used to pay the program coordinator. Live music was added in 2010 and requires securing sponsors for the music costs. This music series has been well received by locals, beach goers, artist and event attendees.

Music and Art at the Beach Evaluation: The Commission sponsorship committee was able to secure one corporate sponsor. GreenWaste Recovery donated \$2400 to cover all band cost for the 2016 bands. The bands continue to bring in positive reviews from beach goers as well as art buyers and sellers alike.

Sponsor: GreenWaste Recovery, Inc.

Planned/Considered Changes:

- Maintaining program

### **Opera at the Beach**

In 2015, the Art and Cultural Commission hosted an inaugural opera production by the Bay Shore Lyric Opera. In 2016, Opera at the Beach took place for the second time, the performance of Mozart's Marriage of Figaro was accompanied by conductor Michael

DiGiacinto and members of the Winchester Orchestra. Attendance was higher in 2016, but we need to get the promotion of the event to the arts community.

Sponsor: Arranged by the Bay Shore Lyric Opera

Planned/Considered Changes: Sponsorship committee will need to secure sponsorship for the Opera in 2017.

### **The Magic of Capitola - En Plein Air**

The Art and Cultural Commission added a Plein Air event in 2015. In, 2016, the event was expanded and moved to New Brighton Middle School. The event took place on November 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup>. Artists painted throughout the City, but primarily along the coast and Soquel Creek. The juried competition, exhibition and sale attracted over 40 artists, who created art in the open air throughout Capitola. People had the opportunity to watch artists create art throughout the weekend. The judging and sale took place on the November 6<sup>th</sup> at New Brighton Middle School and was a tremendous success.

The Plein Air event took many volunteer hours to coordinate and run with many commissioner assisting. Special acknowledgement needs to go to Commissioners Jenny Shelton and Laurie Hill who all donated a significant number of hours to ensure second year event took place and was a tremendous success.

A portion of the commission on sales will be used to promote children's art in Capitola.

The City Council approved \$3500.00 for the production of the Plein Air event and \$2250.00 to purchase the 1<sup>st</sup> and 2<sup>nd</sup> place winners in the professional division, which will remain part of the City's permanent art collection. Artists were charged entry fees and contributed a portion of sales for future children's art in the community.

Sponsors: Gayle's Bakery & Rosticceria, Monterey Bay Properties, Palace Arts, Lenz Arts, Beach House Rentals, Shadowbrook Restaurant, San Lorenzo Floors

Planned/Considered Changes: Commission needs to form a subcommittee to decide how to continue the event now that Commissioner Shelton's term on the Commission has expired.

## **Community Enrichment:**

- A Children's Art Project that took place during the Capitola Plein Air Event
- A portion of the proceeds from the Plein Air event will be used to foster art in the community.

## **Public Art Project & Improvements:**

In 2004, the City Council approved the implementation of a Public Arts Fee. The purpose was to ensure that 2% of the cost of eligible municipal capital improvement, renovation, or restoration projects funded in whole or in part by the City of Capitola, or any private, non-residential development project with a total building permit valuation of \$250,000 or more be set aside for the acquisition of works of art to be displayed in or about public places within the City. For a private development, there is an "in lieu" option to contribute 1% of the total budget of the project to the Public Arts Program. Fees collected are placed in a restricted Public Arts fund.

The Art and Cultural Commission is working on finding appropriate public art projects and locations for public art. The Current balance of the Public Art fund is about \$250,000.

The following is a list of projects funded in 2016 by the Public Art Fee:

- Professional winning paintings from Plein Air Event. Will be displayed in the City Council chamber and become part of the City's permanent collection.

## **Continuing in 2017:**

### **Events & Entertainment:**

- Twilight Concerts-33<sup>rd</sup> annual concert series offer 13 free concerts in Capitola Village on Wednesday evenings during the summer months.
- Movies at the Beach event-13<sup>th</sup> annual event offered 3 free movies on the beach.
- Sunday Art and Music at the Beach events-6 Sunday's during the summer months several artists display and sell their arts. Offer live music during all the events. Musician costs are covered by sponsorship.
- Capitola Opera at the Beach
- Capitola en Plein Air



Community Enrichment:

- Children's Art Event for the Begonia Festival
- Children's Art at the Plein Air event

**Future Public Art and Project to be considered (Based on 2016 retreat)**

## Short-Range

- 41<sup>st</sup> Avenue landscaping and art maintenance.
- Capitola Avenue Railing
- Welcome Signs
- Mural at McGregor Skate Park
- Climbing Sculpture
- Esplanade Park Master Plan
- Maintenance of existing public art

## Mid-Range

- Seawall/Jetty Sculpture
- Annual performing arts event at New Brighton
- Fish Tank
- Interactive stage events

## Long-Range

- Rispin Mansion Gardens & fountain (need to resolve ADA & government issues before this can become a viable project for Art & Cultural)
- Sculpture on Capitola Road near Target
- Sculpture on Roundabout by Gayles
- Archway entrance to Bay Avenue
- Film Festival
- Art at Upper Esplanade
- Town clock



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: City Manager Department

SUBJECT: Consider Letter of Support for Efforts by Central Fire and Aptos/La Selva Fire Protection Districts to Improve Efficiencies Through Cooperation

**RECOMMENDED ACTION:** Direct the Mayor to send the attached letter to the Central Fire Protection District and Aptos/La-Selva Fire Protection District in support of efforts to cooperate, improving service levels in Capitola.

**BACKGROUND:** Over the past three decades there have been numerous studies regarding consolidation efforts between the Central Fire District (Central) and the Aptos-La Selva Fire District (Aptos-La Selva).

Recently, this endeavor has become a priority. At the December 2016 Santa Cruz Local Agency Formation Commission (LAFCO) meeting, Commissioners asked about options to pursue consolidation efforts. At the same meeting, labor representatives from both Central (Local 3605) and Aptos-La Selva (Local 3555) stated that they want to see a “consolidation” between the districts.

**DISCUSSION:** Management at both districts agreed that there are potential efficiencies that could be gained through cooperative efforts. In an effort to move the process forward, staff from both fire districts has been working with LAFCO staff to complete the following:

- Both Fire Chiefs met to identify potential efficiencies in working closer together.
- The Chairman of Central’s Board met with Aptos-La Selva’s Board Chair to review cooperation options.
- Each Fire Board has authorized a “Scope-of-Study” committee. The intent of this committee will be to identify the points needed for a Request for Proposal for a Joint Powers Agreement/Merger/Consolidation Study. The committee is composed of:
  - Fire Chiefs from Central and Aptos-La Selva Fire
  - Labor Presidents from Central and Aptos-La Selva Fire
  - Two members from each Board of Directors
  - Three members from the LAFCO Commission

The initial kick-off meeting for the committee will take place in the near future. Fire district management anticipates the committee will complete its work in early spring, and the JPA/Merger/Consolidation Study will be completed early this fall.

As Capitola residents will benefit if Central Fire is able to improve efficiencies through

Fire Department Consolidation (tent)  
February 23, 2017

cooperation with Aptos-La Selva Fire, staff recommends the City support the current process to evaluate the options. A draft letter of support is attached.

FISCAL IMPACT: None.

ATTACHMENTS:

1. Draft Support Letter for Fire Cooperation

Report Prepared By: Linda Fridy  
City Clerk

**Reviewed and Forwarded by:**



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Jamie Goldstein, City Manager

2/17/2017

February 24, 2017

Chair of the Board of Directors  
Central Fire Protection District  
930 17th Avenue  
Santa Cruz, CA 95062

Chair of the Board of Directors  
Aptos-La Selva Fire Protection District  
6934 Soquel Drive  
Aptos, CA 95003

Board Chairs:

As Mayor of the City of Capitola, I am writing to express the City's support for the current efforts to evaluate opportunities for future partnerships, or a merger, between Central Fire Protection District and Aptos-La Selva Fire Protection District.

The City of Capitola believes that through a cooperative effort, the two Fire Protection Districts very likely will be able to improve upon the already high level of service that Central Fire Protection District currently provides Capitola residents.

Sincerely,

Stephanie Harlan  
Mayor



# CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: City Manager Department

SUBJECT: Approve Letters of Support for State Transportation Measures

**RECOMMENDED ACTION:** Direct Mayor to sign letters on behalf of the City supporting measures AB1 and SB1.

**BACKGROUND:** Following the February 9 presentation by Alex Clifford of the Santa Cruz Metropolitan Transit District, City Council directed staff to prepare letters of support for state measures AB1 and SB1. These propose similar legislation that would provide additional and much needed funding not only to METRO for its transit service, but also to the City of Capitola and other local municipalities for roads projects. AB1 is currently under review in the State Assembly Transportation Committee and SB1 is in the Senate Environmental Quality Committee.

**DISCUSSION:** The proposals would raise revenue from a variety of sources, such as a 12-cent increase to the gas tax, ending the Board of Equalization's "true up" process on the price-based excise tax on gas, a \$38 increase to the vehicle registration fee, a \$100 vehicle registration fee on zero emission vehicles, a 20-cent increase to the diesel excise tax, \$300 million from existing cap and trade funds, and returning \$500 million in vehicle weight fees phased in over five years.

In addition to raising revenue, the legislation includes a series of reforms to improve efficiency, transparency, and accountability. These include restoring independence to the California Transportation Commission, creating the Office of the Transportation Inspection General with audit and investigation authority over the state's transportation spending, and establishing local reporting requirements on local transportation spending.

To streamline roadwork, the bill permanently extends and expands on the limited exemptions to California's Environmental Quality Act (CEQA) for repair, maintenance, and minor alteration projects on state roadways and existing roadways to cities and counties with populations greater than 100,000. The proposal also creates an advanced mitigation program that authorizes the Natural Resources Agency to establish state and regional transportation mitigation plans and mitigation banks to allow transportation projects to fulfill their environmental requirements in advance.

Capitola would benefit from both direct funding for much needed road maintenance and support of our regional partners, including METRO.

**FISCAL IMPACT:** The California League of Cities estimates that Capitola could be eligible for

letter of support for transportation measures  
February 23, 2017

about \$400,000 in funding based on the initial legislation.

ATTACHMENTS:

1. AB1 & SB1 Draft Support Letters

Report Prepared By: Linda Fridy  
City Clerk

**Reviewed and Forwarded by:**



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Jamie Goldstein, City Manager

2/17/2017

February 24, 2017

The Honorable Bob Wieckowski  
 Chair, Senate Environmental Quality Committee  
 California State Capitol, Room 2205  
 Sacramento, CA 95814

**RE: SUPPORT for SB 1 (Beall) Transportation Funding**

Chair Wieckowski:

On behalf of the City of Capitola, I write to you to voice our City's Council's strong **SUPPORT** for SB 1 (Beall). Its combination of sensible reforms, modest increases to existing revenue sources, and robust infrastructure investment would greatly support not only the efforts of our City but also our regional transit agency and neighboring jurisdictions whose roads our residents and visitors use.

The Legislature must act now to address the \$73 billion unmet funding need for local streets and roads and \$72 billion backlog to the State's Highway System. For local streets and roads alone, the funding need grows by an additional \$20 billion in just 10 years. The environmental impacts of infrastructure failures and the resulting traffic backups should not be underestimated. We urge prompt action on this proposal.

Capitola's estimated share of the proposed legislation may seem insignificant at about \$400,000, but the potential impact is far greater. Our residents have already done their part to support infrastructure improvements by passing local taxes, and the City has made significant headway. But many roads are still waiting to be repaved, and we don't run our own bus service, which is so vital to the mix of students and seniors in our community. Recent storms have underscored the need for road maintenance throughout the region as our citizens have struggled to get around locally and to jobs in other jurisdictions.

SB 1 offers a balanced solution to the state's infrastructure challenges that is greatly welcomed by our City, local transit agency, and regional transportation partners. We can no longer afford to ignore our most basic repair and maintenance needs if we wish to avoid systematic failure of the state's entire transportation infrastructure. For these reasons, the City of Capitola supports SB1 (Frazier).

Sincerely,

Stephanie Harlan  
 Mayor

February 24, 2017

The Honorable Jim Frazier  
 Chair, Assembly Transportation Committee  
 1020 N Street Room 112  
 Sacramento, California 95814

**RE: SUPPORT for AB 1 (Frazier) Transportation Funding**

Chair Frazier:

On behalf of the City of Capitola, I write to you to voice our City's Council's strong **SUPPORT** for AB 1 (Frazier). Its combination of sensible reforms, modest increases to existing revenue sources, and robust infrastructure investment would greatly support not only the efforts of our City but also our regional transit agency and neighboring jurisdictions whose roads our residents and visitors use.

The Legislature must act now to address the \$73 billion unmet funding need for local streets and roads and \$72 billion backlog to the State's Highway System. For local streets and roads alone, the funding need grows by an additional \$20 billion in just 10 years. We urge prompt action on this proposal.

Capitola's estimated share of the proposed legislation may seem insignificant at about \$400,000, but the potential impact is far greater. Our residents have already done their part to support infrastructure improvements by passing local taxes, and the City has made significant headway. But many roads are still waiting to be repaved, and we don't run our own bus service, which is so vital to the mix of students and seniors in our community. Recent storms have underscored the need for road maintenance throughout the region as our citizens have struggled to get around locally and to jobs in other jurisdictions.

AB 1 offers a balanced solution to the state's infrastructure challenges that is welcomed by our City, local transit agency, and regional transportation partners. We can no longer afford to ignore our most basic repair and maintenance needs if we wish to avoid systematic failure of the state's entire transportation infrastructure.

Thank you for your leadership on this issue. We look forward to continuing to voice our **SUPPORT** for AB 1 as it progresses.

Sincerely,

Stephanie Harlan  
 Mayor

Attachment: AB1 & SB1 Draft Support Letters (1768 : letter of support for transportation measures)



cc: The Honorable Edmund G. Brown, Jr., Governor, State of California  
The Honorable Bill Monning, Senate District 17  
The Honorable Mark Stone, Assembly District 29  
Meg Desmond, League of California Cities (via email)  
Deanna Sessums, Monterey Bay Regional Public Affairs Manager, League of California  
Cities (via email)  
Santa Cruz Metropolitan Transit District (via email)

DRAFT



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: Finance Department  
SUBJECT: Mid-Year Budget Report

**RECOMMENDED ACTION:** Receive mid-year report, amend the Fiscal Year 2016/17 Budget based on the budget adjustment, and authorize the staff changes.

**BACKGROUND:** The Mid-Year Budget Report provides an update on the City's financial status and recommends budget adjustments. The City's major revenue sources continue to improve and currently match or exceed budget estimates. Staff is recommending a \$110,000 increase in Transient Occupancy Tax revenue, with a total General Fund revenue increase of \$86,200. The City remains cautiously optimistic that the local economy will continue its growth for the remainder of this fiscal year and next.

The General Fund Expenditures continue to be below the budgeted amounts and staff anticipates the General Fund Expenditures to end the year below budget. The mid-year budget adjustment includes a negative \$69,600 amendment to the budget based on current trends.

### **Revenues**

General Fund revenues are projected to increase by \$86,200. The largest component of this increase is due to an increase of \$110,000 in Transient Occupancy Tax revenue. The TOT revenue for May and June of 2016 outpaced estimates used for the FY 2016/17. The Finance Department projects that TOT revenue will increase about 3-5 percent over last fiscal year, but does not recommend a large increase due to the impacts of a wet winter.

**Sales Tax:** The City's sales tax continues to experience steady growth. The Bradley Burns sales tax performance for the first two quarters of Fiscal Year 2016/17 improved 3.25 percent compared to the budgeted 2.75 percent. The performance of the two District Taxes (0.25 percent each) increased 2.2 percent compared to the budgeted 2 percent. The primary driver of the difference between the two taxes is due to strong sales growth in firms who sell products to buyers outside of the City limits. While the sales tax performance to date has slightly exceeded budget projections (\$19,241), staff is not recommending any adjustments at this time.

**Property Tax:** With increased housing valuations, the City's property tax collections have increased 12 percent compared to the 7 percent budgeted. Staff is not recommending any changes to the budget. The recommendation is based on an uncertainty that Sales Tax and Parking Revenue will remain above budgeted increases due to a wet winter.

Mid-Year Budget Report  
February 23, 2017

**Transient Occupancy Tax (TOT):** The City's TOT collections have shown strong growth over the last several years, with double digit percentage growth increases. The same experience is not being seen this fiscal year. The optimistic TOT increase is 3-5 percent. The TOT revenue for some properties has not grown this fiscal year, while others have seen a decrease. The improved short-term rental program has increased overall revenue collections. Staff is recommending a \$110,000 increase to the TOT budget to reflect small growth from last fiscal year actual collection amount.

**Expenditures**

City Departments have consistently maintained expenditures within the adopted budget. Through January the City General Fund has expended 55 percent of the Budget, while being 58 percent through the year. The City prepaid the Unfunded Actuarial Pension Liability this year, instead of monthly payments, which makes the personnel line item higher at this time of year compared to where we expect personnel cost to end the year.

Account Classification	2016/17 Budget	YTD Transactions	% Used/ Rec'd	Prior Year YTD
Personnel	8,817,789.00	5,086,463.71	58	4,807,544.45
Contract services	2,832,844.00	1,531,126.34	56	1,534,231.32
Training & Memberships	112,830.00	53,357.69	47	61,979.30
Supplies	568,500.00	281,131.66	49	327,469.14
Grants and Subsidies	275,000.00	132,273.00	48	137,700.00
Internal service fund charges	1,159,000.00	579,500.00	50	477,250.00
Other financing uses	1,658,730.00	803,152.50	48	1,394,513.00
<b>EXPENSE TOTALS</b>	<b>\$15,424,693.00</b>	<b>\$8,467,004.90</b>	<b>55%</b>	<b>\$8,740,687.21</b>

The only major budget amendment proposal is to increase personnel \$110,000 for an added Civil Engineer/Project Manager position in Public Works. We do not expect to spend \$110,000 on this position in FY 2016/17 with the difference being available for allocation in the next fiscal year.

Staff has remained cautiously optimistic in preparing the mid-year estimate. All core General Fund revenues are performing relatively consistent with their budgeted amount. The attached budget amendment proposes to make adjustments for the identified increases, as well as the reductions. Proposed adjustments to other funds are also presented. The other Fund adjustments reflect updated Gas Tax Revenue estimates, and account for library contracts previously approved and changes to Supplemental Law Enforcement Service to purchase additional vehicles.

**Staffing Changes**

Staff is proposing a new Civil Engineer/Project Manager in Public Works. This position was originally anticipated in the FY 2015/16 Budget cycle as part of a restructuring plan for the Public Works Department. Staff is recommending creating the position now to oversee existing Capital Improvement Projects along with new projects approved by Measure F (local sales tax) and Measure D (RTC sales tax). The position will alleviate the need for an outside project manager, with a current contract of \$100,000.

Some of the projects this position will manage include the Wharf, jetty, flume, Rispin Park, street and sidewalk projects, and the Monterey Rail Trail. Staff anticipates the position will also be

Mid-Year Budget Report  
February 23, 2017

responsible for designing a few smaller projects in-house, thus reducing the need for outside design work.

If the position and budget amendment are approved, staff will return with a job description and salary range at a later Council meeting. It is anticipated that a new employee could be hired by the end of May.

**Other Funds**

**Supplemental Law Enforcement Services Funds (SLESF):** Increased budget to purchase 1 canine vehicle, 2 Community Service Officer trucks, and a vehicle for the Police Chief. These SLESF funds need to be expended prior to June 30, 2017.

**Library:** Increased budget to reflect previously approved Library contracts. Increase revenue to reflect first Library Facilities Finance Authority allocation of Measure S funding.

**Gas Tax:** Increased revenue based on current trends and an increase in Operating Expenditures and repairs to the sweeper.

**IT Fund:** Increased budget to reflect the Information Technology Consultant contract. The increase is offset by a decrease in the personnel budget for the City Manager's Office.

**Wharf:** Increased appropriations of \$15,000 for Engineering Consultant.

**Home Re-use/Housing Successor:** Increased based on loan repayments.

**ATTACHMENTS:**

1. Fiscal Year 2016/17 Mid-Year Budget Adjustments

Report Prepared By: Mark Welch  
Finance Director

**Reviewed and Forwarded by:**

\_\_\_\_\_  
Jamie Goldstein, City Manager

2/17/2017

**Budget Amendment- Mid-Year Update (2/23/17)**

Incr / (Decr.)\$	Fund	Account	Purpose
\$ 30,000.00	1000-00-00	3170.001	TOT year end estimate
\$ 10,000.00	1000-00-00	3170.006	TOT year end estimate
\$ 70,000.00	1000-00-00	3170.008	TOT year end estimate
\$ 7,300.00	1000-20-20	3310.100	AVOID & BVP completed, Homeland Security Grant to be received
\$ 2,400.00	1000-20-20	3320.100	ABC completed
\$ (7,100.00)	1000-20-20	3330.110	Discontinued AVA
\$ 6,000.00	1000-20-20	3330.130	Increase POST training revenue
\$ (4,400.00)	1000-20-20	3420.012	Fee reduced in 16/17
\$ (3,000.00)	1000-20-20	3420.013	FYTD
\$ 2,000.00	1000-20-20	3420.031	FYTD & Car Show
\$ (35,000.00)	1000-50-50	3470.020	Reduced Junior Guard Revenue
\$ 8,000.00	1000-50-52	3700.001	Plein Air Sponsorship and Commission
<b>\$ 86,200.00</b>			<b>General Fund Revenue Increase</b>
\$ (40,000.00)	1000-10-11	4110.000	Removing IT employee and Increasing CM salary
\$ 12,500.00	1000-20-20	4120.100	Chief's wages, Damsen training Yeung, special events & BADGES
\$ (41,300.00)	1000-20-20	4130.200	Grants completed
\$ (15,000.00)	1000-20-20	4325.403	Fiscal yr bookings, Ombudsman donation
\$ (800.00)	1000-20-20	4335.401	FYTD
\$ (4,000.00)	1000-20-20	4400.510	Remaining training per sgt
\$ 9,000.00	1000-20-20	4400.510	POST Training expense
\$ 2,000.00	1000-20-20	4400.600	FYTD. Includes paint ball guns
\$ 10,000.00	1000-20-21	4335.502	Cr Card Merch fees
\$ 1,000.00	1000-20-21	4375.553	Meter repair
\$ 7,000.00	1000-20-21	4375.555	Pay station repair
\$ 110,000.00	1000-30-30	4110.000	PW Wages for Project Manager
\$ (15,000.00)	1000-40-40	4350.700	Library Planning
\$ 5,000.00	1000-50-52	4370.203	Plein Air Expenses
<b>\$ 40,400.00</b>			<b>General Fund Expenditure Decrease</b>
<b>\$ 45,800.00</b>			<b>Net Impact to General Fund- Positive Position</b>
\$ (8,752.00)	1310	3300's	Total HUTA Revenue - update from Michael Coleman 1/11/17 (Gas Tax)
\$ 15,000.00	1351	3630's	CDBG PI already received
\$ 50,000.00	5552	3630's	Housing Successor PI already received
\$ (14,900.00)	1300	4450.500	PD replacement vehicles - 1 canine, 2 CSO trucks
\$ 171,200.00	1300	4650.400	PD replacement vehicles - 1 canine, 2 CSO trucks, 1 Chief vehicle
\$ 11,500.00	1311	4355.356	PW Engineering Cons - Wharf cond assess.
\$ 236,777.00	1360	3350.015	LLFA Funds
\$ 137,000.00	1360	4355.601	Library Design Contract
\$ 210,000.00	1360	4390.100	Library Project Management
\$ 50,000.00	2211	4315.101	Adding IT Contract
\$ 5,000.00	5552	4500.112	HSA Security Deposit Program

Attachment: Fiscal Year 2016/17 Mid-Year Budget Adjustments (1737 : Mid-Year Budget Report)



# CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF FEBRUARY 23, 2017**

FROM: Finance Department

SUBJECT: Fiscal Year 2017/18 Budget Principles and Goals

**RECOMMENDED ACTION:** Adopt the Fiscal Year 2017/18 Budget Principles and Goals.

**BACKGROUND:** Each year, the City prepares and adopts an annual budget. The annual budget is at the very heart of the City's operations, giving direction from the City Council to the City Manager about how to run the day-to-day City functions. The budget not only outlines the City's financial plan, but also establishes the framework of how the City will provide services to the community. Principles and goals identified in the budget establish metrics against which actual performance can be measured.

**DISCUSSION:** To ensure the draft budget is prepared consistent with the Council's direction, the City adopts Budget Principles. In the preparation of the draft budget, staff integrates these principles into specific objectives for the fiscal year. The Fiscal Year 2016/17 accomplishments and planned activities are attached for reference.

While the Budget Principles provide an overarching guide to budget development the Council can provide more specific plans by adopting goals. The goals for the City Council can be specific projects or service level changes.

The advantages of adopting Budget Principles and Goals are increased clarity and direction, and communicating these priorities to Capitola residents and other stakeholders.

The intent of this item will be to discuss Council's priorities heading into budget development. The proposed Budget Principles serve as the high-level policy for the budget development but the goals allow for more concrete short term priorities to be developed.

Key accomplishments in FY 2016/17 (a more extensive list provided as attachment) completed/or will be completed this fiscal year include:

- Completed multiple major paving projects including Park and Monterey avenues
- Ensured Junior Guard certification
- Opened bicycle pump track at McGregor Park
- Completed and/or schedule Crisis Intervention Training for all CPD officers.
- Hired library project manager, design team, and initiated design process
- Adopted the Community Choice Energy JPA
- Transitioned to a new Police Chief and City Clerk

FY 2017/18 Budget Principles and Goals  
February 23, 2017

- Adopted a new wireless telecommunications ordinance which complies with state and federal law
- Completed Planning Commission and City Council hearings on the first draft of the Zoning Code Update.

Departments have identified several objectives for next fiscal year, FY 2017/18. The objectives listed are provided as a starting point for Council discussion.

Administration:

- Ensure adequate funds are available for the library construction
- Negotiate MOUs with all bargaining units
- Review community grant program in the context of regional changes to local agency grant programs
- Initiate public process for mall redevelopment project (dependent on mall owners proceeding with redevelopment plans)

Police Department:

- Seek viable grant opportunities
- Complete Emergency Operations Plan
- Assess the opportunity and need for re-introduction of Neighborhood Watch Program
- Increase participation in Capitola On Watch Program.

Public Works:

- Implement Measure D Projects (RTC)
- Complete library design and construction bidding process
- Continue street paving projects
- Begin design on Measure F projects including the Wharf and Flume

Community Development:

- Local adoption of the Zoning Code Update and submission to Coastal Commission
- Adoption of a Green Building Program update
- Present updates to Medical Marijuana Ordinance to ensure consistency with Proposition 64

FISCAL IMPACT: The annual review and revision of Budget Principles is the first step in the budget process. The Budget Principles clearly articulate the City's financial management strategies.

ATTACHMENTS:

1. Fiscal Year 2017/18 Budget Principles
2. Fiscal Year 2016/17 Accomplishments

Report Prepared By: Mark Welch  
Finance Director

FY 2017/18 Budget Principles and Goals  
February 23, 2017

**Reviewed and Forwarded by:**

A handwritten signature in blue ink, appearing to be 'JG', is written above a horizontal line.

Jamie Goldstein, City Manager

2/17/2017



## FISCAL YEAR 2017/18 BUDGET PRINCIPLES

### FISCAL POLICY PRINCIPLES

- Maintain a balanced budget that ensures ongoing revenue are sufficient to cover the ongoing expenses of the City.
- Ensure that the budget plans for future cost increases.
- In accordance with Council policy, maintain the Contingency and Emergency Reserve levels at or above the targets amount.
- Utilize one-time revenue for one-time expenditures.
- Maintain, and improve upon, the transparency of the City financial operations and overall assess to city operations.
- Maintain Measure F commitment to specific capital project.

### PUBLIC SERVICE PRINCIPLES

- Continue to analyze organizational effectiveness to ensure the highest service level to the community.
- Continue to meet the high priority the residents place on Public Safety.
- Analyze future service level increases with the long-term financial impact to ensure future financial stability.

### PUBLIC IMPROVEMENT PRINCIPLES

- Maintain the City's infrastructure by providing a maximum funding for the pavement management program.

## **Fiscal Year 2016/17 Accomplishments/Planned Accomplishments**

### Administration:

- Adopted the Community Choice Energy Joint Purchasing Agreement
- Implemented a Financial Transparency Website
- Began accepting credit cards in the Police Department
- Transitioned all employees to a single time entry system
- Ensured Junior Guard certification
- Opened bicycle pump track at McGregor Park
- Implemented safety measures at City facilities
- Worked to improve electronic access and communication

### Museum:

- Celebrated 50th birthday with a party and open house
- “The Nature of Capitola” exhibit will open March 2017

### Art and Cultural:

- Put on over 20 events, including 13 Twilight Concerts
- Plein Air event expanded greatly over its inaugural year
- Found suitable locations for public art

### Police Department:

- Hired 3 new police officers and provided necessary training
- Brittney Long, Scott Newton, and Aron Quolas have completed all training and are working as solo officers
- Hired a new police chief
- Complete and/or schedule Crisis Intervention Training for all CPD officers. Projected completion date 3-24-17
- Increased total participants in the Cadet Program
- Purchased and equipped 4 new police vehicles; (2) CSO, (1) K9, (1) Admin vehicle
- Publish Annual Report, projected June 2017
- Complete Teambuilding Workshop - April 2017

### Public Works:

- Completed multiple paving projects
- Opened bicycle pump track at McGregor Park
- Completed tennis courts
- Hired library project manager and design teams
- Excellent crew work
- Initiate Measure F projects
- Complete green bike lane project
- Complete Pavement Condition Assessment
- Update Capital Improvement Program with Measure D and F funding

Community Development:

- Adopted a new wireless telecommunications ordinance which complies with state and federal law
- Initiated an update to the City's American's with Disabilities Act (ADA) Transition Plan
- Completed Planning Commission and City Council hearings on the first draft of the Zoning Code Update
- Developed guidance documents to assist customers with permit processing
- Initiate an update of the City's Green Building Program to advance Climate Action Plan goals
- Complete the grant-funded Coastal Climate Change Vulnerability Report and present to City Council
- Submit grant application(s) for library and affordable housing funding