



AGENDA COVER
Regular Joint Meeting of the
**CAPITOLA CITY COUNCIL/
REDEVELOPMENT AGENCY**
MEETING DATE: THURSDAY, FEBRUARY 24, 2011

CITY COUNCIL CHAMBERS: 420 CAPITOLA AVENUE, CAPITOLA

CLOSED SESSION

5:00 P.M.

JOINT CITY COUNCIL/REDEVELOPMENT AGENCY REGULAR MEETING

7:00 P.M.

Elected Officials

*Dennis Norton, Mayor
Michael Termini, Vice Mayor
Stephanie Harlan, Council Member
Kirby Nicol, Council Member
Sam Storey, Council Member

Jacques Bertrand, City Treasurer*

City Staff Members

*Jamie Goldstein, City Manager
John G. Barisone, City Attorney
Pamela Greeninger, City Clerk
Mike Card, Chief of Police
Derek Johnson,
Community Development Director
Steven Jesberg, Public Works Director*

Notice regarding City Council/Redevelopment Agency Meetings: The Capitola City Council and Redevelopment Agency meet jointly on the 2nd and 4th Thursday of each month at 7:00 p.m., in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The City Council/Redevelopment Agency Agenda and the complete agenda packet are available on the Internet at the City's website: www.ci.capitola.ca.us. Agendas are also available at the Capitola Post Office located at 826 Bay Avenue, Capitola.

Agenda Document Review: The complete agenda packet is available at City Hall and at the Capitola Branch Library, 2005 Wharf Road, Capitola, on the Monday prior to the Thursday meeting. Need more information? Contact the City Clerk's office at 831-475-7300.

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

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

Televised Meetings: City Council/Redevelopment Agency meetings are cablecast "Live" on Charter Communications Cable TV Channel 8 and are recorded to be replayed at 12:00 Noon on the Saturday following the meetings 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.ci.capitola.ca.us by clicking on the Home Page link "View Capitola Meeting Live On-Line." Archived meetings can be viewed from the website at anytime.

It is the intent of the City Council to adjourn by 11:30 p.m.



AGENDA

Regular Joint Meeting of the CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY Thursday, February 24, 2011

5:00 P.M - CLOSED SESSION - 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/Redevelopment Agency Directors on closed session items only.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Govt. Code §54956.9a)

Talbert vs. City of Capitola, et al [U.S. District Court Case No. C 10-03113 JW (N.D. Cal.)]

Surf and Sand, LLC vs. City of Capitola, et al (Surf & Sand Mobile Home Park) [Superior Court of the State of California for County of Santa Cruz, Case #CV 167716]

Surf and Sand, LLC vs. City of Capitola, et al (Surf & Sand Mobile Home Park) [U.S. District Court N.D., Case No. C09-05542 RS (Judge Richard Seeborg)]

Los Altos/El Granada Investors vs. City of Capitola, et al (Castle Mobile Estates) [U.S. District Court N.D., Case No. CV 04-05138 JF (Judge Jeremy Fogel)]

Vieira Enterprises, Inc. vs. City of Capitola (Cabrillo Mobile Estates)

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9:
One Case: Vieira Enterprises, Inc. vs. City of Capitola (Cabrillo Mobile Estates)

The City is in receipt of a December 30, 2010, Fair Return rent increase application for Cabrillo Mobilehome Park, which claims that if it is not granted in its entirety, the City will be liable for the unconstitutional taking of Mr. Vieira's property and further claims that the City's past enforcement of its rent control ordinance has already functioned to effect such a taking.

7:00 P.M. - REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY

ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Members/Directors Harlan, Termini, Nicol, Storey,
and Mayor/Chairperson Norton

*** * * PRESENTATIONS * * ***

Presentation by Assemblymember Bill Monning

Recognition of Capitola Police Sergeant Cliff Sloma, Officers Marquis Booth, Guillermo Vazquez, and Sarah Ryan for their Outstanding Service and Assistance in a Santa Cruz County Sheriff's Department Homicide Investigation

1. REPORT ON CLOSED SESSION

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda

B. Public Comments

Oral Communications allows time for members of the Public to address the City Council/Redevelopment Agency 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.

C. Staff Comments

D. City Council/RDA Director/Treasurer Comments/Committee Reports
City Council Members/Redevelopment Agency Directors/City Treasurer may comment on matters of a general nature or identify issues for staff response or future council/RDA consideration. Council Members/RDA Directors/Committee Representatives may present oral updates from standing committees at this time.

E. Committee Appointments

Council Members/RDA Directors/Committee Representatives may present oral updates from standing committees at this time. Committee appointments may also be made by the City Council/Redevelopment Agency at this time.

F. Approval of Check Register Reports

1) City: Approval of City Check Register Reports dated February 4 and February 10, 2011.

2) RDA: Approval of Redevelopment Agency Check Register Report dated February 4, 2011.

3. **CONSENT CALENDAR**

All matters listed under “Consent Calendar” are considered by the City Council/Redevelopment Agency to be routine and 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 Council request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following “Other Business.”

- A. Approve Reading by Title of all Ordinances and Resolutions and declare that said Titles which appear on the Public Agenda shall be determined to have been read by Title and Further Reading Waived.
- B. Approve City Council/Redevelopment Agency Minutes – None
- C. City: Receive City Treasurer’s Report for the month ended January 31, 2010 (Unaudited).
- D. City/RDA: Award contract to Harris and Associates for planning and design services for the Clares Street Traffic Calming Project in the amount of \$103,000.
- E. Adopt Resolution Eliminating the Maintenance Worker Classification and Approving the Addition of Maintenance Worker 1, 2 and 3 Classifications, Salary Schedules, and Job Descriptions; Amending the Memorandum of Understanding between the Association of Capitola Employees (ACE) and the City of Capitola to add the new classifications, related salary schedules, and benefits effective February 24, 2011; and authorizing the hiring of one Maintenance Worker 1 position, and recruitment and hiring of one Maintenance Worker 3 position.
- F. Approve the purchase of a 2011 four wheel drive truck with a dump lift from North Bay Ford in Santa Cruz in the amount of \$26,605.41 for the Public Works Department.
- G. Approve Special Event Permit request by the Capitola Art & Cultural Commission for the 18th Annual Art and Music at the Beach Series and the Bandstand in Esplanade Park on six (6) Sundays from June 5 to August 21, 2011, and the Hanging of Banners prior to each Event.

3. CONSENT CALENDAR - Continued

- H. Approve Special Event Permit request by the Capitola Art & Cultural Commission for the 2011 “Movies at the Beach” on Friday, August 26 and Friday, September 9, 2011, at the Main Beach near Esplanade Park, and Authorize the Capitola Police Department to Issue the Permit.
- I. Direct staff to develop a Request for Proposal (RFP) for independent financial audit services of City and Redevelopment Agency records and distribute the RFP to interested audit firms.

4. PUBLIC HEARINGS – None

5. OTHER BUSINESS

- A. Request from The Mermaid Series for approval of a Special Event Permit for the Mermaid Triathlon and Duathlon to be held on Sunday, September 25, 2011, in various areas of Capitola. Staff recommendation: approve Special Event Permit.
- B. City/RDA: 2011 Cooperation Agreement between the City and Redevelopment Agency memorializing pledges of Agency funds in support of specified programs and projects. Staff recommendation: adopt City Council and Redevelopment Agency Resolutions approving the Cooperation Agreement.
- C. RDA: Rispin Mansion proposal. Staff recommendation: consider a proposal to save and restore the Rispin Mansion and provide direction to staff.

AT THIS POINT, ITEMS REMOVED FROM CONSENT CALENDAR WILL BE CONSIDERED

6. COUNCIL/RDA DIRECTOR/STAFF COMMUNICATIONS

7. ADJOURNMENT

Adjourn to the next Joint Regular Meeting of the City Council/ Redevelopment Agency to be held on Thursday, March 10, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: FINANCE DEPARTMENT

DATE: February 16, 2011

SUBJECT: APPROVAL OF CITY CHECK REGISTER REPORTS

Recommended Action: By motion and roll call vote, that the City Council approve the attached Check Register Reports for February 4 and February 10, 2011.

DISCUSSION

The attached Check Registers for:

Date	Starting Check #	Ending Check #	Total Checks	Amount
2/4/11	65405	65466	62	\$271,721.74
2/10/11	65467	65518	52	\$64,683.32
Payroll 2/10/11				\$170,094.37
Total				\$506,499.43

The check register of 1/28/11 ended with check #65404.

Wires issued, and a brief description of the expenditure:

Date	Issued to:	Dept.	Purpose	Amount
2/14/11	PERS Payment	CM	CALPERS - Payroll Contr. for 2/10/11 payroll	\$43,858.40

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

Check	Issued to:	Dept.	Purpose	Amount
65409	Atchison, Barisone & Condotti.	CM	Dec2010 Legal Services	\$21,550.00
65412	Bay Ave Senior Housing	CD	HOME grant, Draw #6	\$159,082.00
65420	Design, Community & Environment	CD	Dec2010 General Plan Update	\$12,034.53
65441	Pacific Gas & Electric	PW	Monthly Gas & Elec, all sites	\$12,460.37
65450	Safety Striping Service Inc.	PW	Street painting, gas tax funded	\$16,793.86
65501	Safety Striping Service, Inc	PW	Street painting, gas fax funded	\$18,403.79

On March 28, 2002, Council adopted Ordinance 838, which amended the City Municipal Code as follows:

“3.28.010 Auditing. All claims for salaries and wages of officers and employees and payroll-related withholdings, assessments, and attachments against the treasury of the City and all other claims for payment may be audited and allowed by the City Manager or his/her designee prior to payment thereof.”

“3.28.050 Approval. All claims against the City treasury are to be allowed for payment by the City Manager or his/her designee and are to be presented to the City Council as an informational item as part of their regularly scheduled meetings after their issuance for ratification.”

RESOLUTION NO. 2683 On September 22, 1994, Resolution No. 2683 was passed and adopted by the City Council. This resolution includes the following text:

Be it hereby resolved by the City Council of the City of Capitola that the City Manager is authorized, as cash shortages arise, to make temporary cash loans between and among the General Fund and all other City funds except the Redevelopment Agency; Special Assessment District funds; and The Village and Beach Parking Fund; and

Be it further resolved that such interfund loans shall be repaid by the borrowing fund to the lending fund as soon as, in the opinion of the City Manager, it is fiscally prudent to do so; and

Be it further resolved that the City Manager shall report to the City Council at its next regularly scheduled meeting, the amounts of such Interfund loans actually made; the funds from which and to which such Interfund loans were made; and the anticipated date the loans will be repaid.

The bank statement reconciliation has not been completed for the month. Bank reconciliation is completed and reported in conjunction with the monthly Treasurer's report. All checks on these registers have been deducted from the corresponding fund's cash balance. Interfund loans are not recorded on the financial records on a regular basis, except at year-end for financial reporting purposes.

There are several significant timing issues that create cash flow shortages:

- Triple flip delay of Sales Tax from monthly to December and April (~\$500,000/2x year)
- Worker's Compensation premiums are paid annually in July (\$473,220)
- Self Insurance/Liability is an annual payment due in July (\$52,270)
- Police Communication JPA annual payment (\$459,500), paid quarterly

As of 2/16/11 the total cash available is \$1,972,630. The General Operating Fund has a cash balance of \$332,564. Internal Service Funds (#2210 through #2214) were created for City budget purposes and are reclassified for financial reporting into the General Fund. The Compensated Absences Fund (#2216) has a positive cash balance of \$23,479. The Capital Improvement Projects has a positive cash balance of \$718,530. By Council direction the Emergency Reserves Fund (#1020) may not participate in cash loans.

For cash flow purposes these funds are available to the General Fund. A consolidation of these cash balances results in a cash position of \$1,972,630.

The following table shows the funds that are consolidated:

CASH POSITION - CITY OF CAPITOLA 2/16/11		
	Temporary <u>Loans</u>	<u>Net Balance</u>
General Fund		332,564
Worker's Comp. Ins. Fund		9,259
Self Insurance Liability Fund		226,761
Stores Fund		19,424
Information Technology Fund		156,203
Equipment Replacement		332,538
Compensated Absences Fund		23,479
Contingency Reserve Fund		-
Public Employee Retirement - PERS		153,616
Open Space Fund		256
Capital Improvement Projects		718,530
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS		<u>1,972,630</u>

On a fiscal year basis the City's annual budget balances expenditures and revenue in the General Fund. Due to the timing of revenue receipts, during most of the fiscal year General Fund expenditures will outpace revenue.

To resolve this cash flow issue, in July of this fiscal year a \$1,247,152 loan from Contingency Reserve was transferred to the General Fund. The Contingency Reserve was established to "provide a prudent level of financial resources to protect against temporary revenue shortfalls or unanticipated operating costs, and/or to meet short-term cash flow requirements."

Although it is anticipated the Contingency Reserve loan will be sufficient to provide operational cash in the General Fund, in some fiscal years the General Fund may borrow additional funds from Internal Service Funds, particularly in November and December prior to the receipt of Property Tax revenue.

It is anticipated the Contingency Reserve loan to General Fund will be repaid by June 30, 2011.

ATTACHMENTS

Check Registers for February 4 and February 10, 2011.

Report Prepared By: Linda Benko
AP Clerk

Reviewed and Forwarded
by City Manager:

Checks dated 2/4/11 numbered 65405 to 65466 for a total of \$271,721.74 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 2/4/11 the unaudited cash balance is \$2,164,885

CASH POSITION - CITY OF CAPITOLA 2/4/11

	<u>Temporary Loans</u>	<u>Net Balance</u>
General Fund		520,624
Worker's Comp. Ins. Fund		9,259
Self Insurance Liability Fund		226,761
Stores Fund		21,057
Information Technology Fund		157,710
Equipment Replacement		332,538
Compensated Absences Fund		24,556
Contingency Reserve Fund		-
Public Employee Retirement - PERS		153,594
Open Space Fund		256
Capital Improvement Projects		718,530
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS		<u>2,164,885</u>

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 Steve Jesberg, Acting City Manager

 2/4/11
 Date

 Jacques J.J. Bertrand, City Treasurer

 Date

City of Capitola
City Checks Issued 2/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65405	02/04/2011 Invoice Jan2011	Open	Date 01/21/2011	Description Employee Health Ins, Employee Funded	AFLAC	\$681.04
65406	02/04/2011 Invoice 111-01	Open	Date 01/11/2011	Description Soquel Creek Fish Monitoring	ALLEY, DONALD	\$352.51
65407	02/04/2011 Invoice 41745	Open	Date 01/11/2011	Description Broken lock	ALLSAFE LOCK COMPANY	\$76.78
65408	02/04/2011 Invoice 305995 306445 306495	Open	Date 01/14/2011 01/24/2011 01/25/2011	Description Fill sand Top soil, Monterey Park Top soil, Monterey Park	APTOS LANDSCAPE SUPPLY, INC.	\$224.27
65409	02/04/2011 Invoice 1040-001Dec10 1040E-Dec10	Open	Date 12/31/2010 12/31/2010	Description Dec10 General Legal Services Additional Legal Services, Dec10	ATCHISON, BARISONE, & CONDOTTI	\$21,550.00
65410	02/04/2011 Invoice 37011 36986	Open	Date 01/24/2011 01/24/2011	Description Jan 2011 Pac Cove meter reading Jan 2011 Wharf meter reading(Fund 1311)	AUTOMATED TEST ASSOCIATES	\$92.00
65411	02/04/2011 Invoice 234400	Open	Date 01/21/2011	Description Blower tube	B & B SMALL ENGINE REPAIR	\$16.00
65412	02/04/2011 Invoice BASAPA#6	Open	Date 02/02/2011	Description BASAPA HOME Draw #6 Fund 1371, HOME Grant	BAY AVENUE SENIOR HOUSING, LP	\$159,082.00
65413	02/04/2011 Invoice 2521400 2942597 2942637	Open	Date 01/06/2011 01/11/2011 01/11/2011	Description Wood - PCPL Wood - Pac Cove parking lot fence Wood - Pac Cove fence	BIG CREEK LUMBER	\$1,323.46

City of Capitola
City Checks Issued 2/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65414	02/04/2011	Open			BOBBY'S PIT STOP INC.	\$517.50
	Invoice		Date	Description		Amount
	321842		01/06/2011	Smog Inspection, PD 2000 Crown Vic		\$51.75
	321838		01/06/2011	Smog Inspection, 1983 Toyota Truck		\$51.75
	321860		01/07/2011	Smog Inspection, 1998 Saturn		\$51.75
	321856		01/07/2011	Smog Inspection, 2000 Ford F-150		\$51.75
	321893		01/10/2011	Smog Inspection, 2002 Chev Impala		\$51.75
	321887		01/10/2011	Smog Inspection, 1997 Aerostar		\$51.75
	321917		01/11/2011	Smog Inspection, 2000 Ford F-150		\$51.75
	321914		01/11/2011	Smog Inspection, 1989 Mazda Truck		\$51.75
	321910		01/11/2011	Smog Inspection, 2004 Ford F-250		\$51.75
	321905		01/11/2011	Smog Inspection, 1999 Ford Ranger		\$51.75
65415	02/04/2011	Open			CDW GOVERNMENT INC.	\$699.20
	Invoice		Date	Description		Amount
	WBT0530		01/07/2011	Computer Supplies, IT Fund 2211, IT		\$699.20
65416	02/04/2011	Open			CERTIFIED FOLDER DISPLAY SERVICE	\$3,045.42
	Invoice		Date	Description		Amount
	421332		01/11/2011	Jan-Jun2011 Advertising Distribution Fund 1321, BIA		\$3,045.42
65417	02/04/2011	Open			Charter Communications	\$129.99
	Invoice		Date	Description		Amount
	Jan-Feb11		01/11/2011	Internet Services, Jan-Feb 2011 Fund 2211, IT		\$129.99
65418	02/04/2011	Open			CHESHIRE RIO PROPERTY MANAGEM	\$207.38
	Invoice		Date	Description		Amount
	515		01/05/2011	Pac Cove MHP Maint, Sp 51, 58, 65		\$207.38
65419	02/04/2011	Open			CRUZIO THE INTERNET STORE INC.	\$39.95
	Invoice		Date	Description		Amount
	28750-10		02/02/2011	Feb-Mar11 Web hosting, Acct 28750 Fund 1313, General Plan Update		\$39.95
65420	02/04/2011	Open			DESIGN, COMMUNITY & ENVIRONMEN	\$12,034.53
	Invoice		Date	Description		Amount
	0010778		12/31/2010	Dec10 General Plan Update (Year 1 of 4) Fund 1313, General Plan Update		\$12,034.53
65421	02/04/2011	Open			DEVCO OIL INC.	\$2,660.09
	Invoice		Date	Description		Amount
	70647		01/06/2011	533 Gal Gas		\$1,819.47
	70648		01/06/2011	75 Gal Diesel		\$248.76
	103489		01/12/2011	Motor Oil, all city vehicles		\$591.86
65422	02/04/2011	Open			ENTENMANN-ROVIN	\$75.82
	Invoice		Date	Description		Amount
	67497-in		01/10/2011	Badge for 531-PD		\$75.82
65423	02/04/2011	Open			ENTERSECT CORP	\$29.75
	Invoice		Date	Description		Amount
	37290		12/31/2010	EPO Live Search-PD		\$29.75

City of Capitola
City Checks Issued 2/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65424	02/04/2011	Open			EWING IRRIGATION	\$153.30
	Invoice		Date	Description		Amount
	2732045		01/06/2011	Grass seed		\$14.17
	2745221		01/12/2011	Irrigation supplies		\$44.97
	2768250		01/21/2011	Irrigation supplies-Medians		\$31.08
	2768251		01/21/2011	Irrigation supplies-Medians		\$63.08
65425	02/04/2011	Open			FERGUSON ENTERPRISES, INC.	\$692.03
	Invoice		Date	Description		Amount
	2003670		01/14/2011	Plumbing supplies		\$692.03
65426	02/04/2011	Open			FERRARI FLORIST & GIFTS	\$66.69
	Invoice		Date	Description		Amount
	164429-1		01/06/2011	Flowers, Wakefield		\$66.69
65427	02/04/2011	Open			FLYNN, CAROLYN	\$2,350.00
	Invoice		Date	Description		Amount
	CBF-1-2011-2A		01/25/2011	41st Avenue/Capitola Mall Re-Visioning Pla		\$150.00
	CBF-1-2011-2B		01/25/2011	41st Avenue/Capitola Mall Re-Visioning Pla		\$150.00
	CBF-1-2011-2C		01/25/2011	Green Economy/Carbon Emissions Invento		\$150.00
	CBF-1-2011-2D		01/25/2011	Green Economy/Carbon Emmissions Inven		\$150.00
	CBF-1-2011-2E		01/25/2011	10/11 CDBG Program Management		\$600.00
	CBF1-2011-2F		01/25/2011	Misc Grant Admin		\$1,150.00
				Fund 1313, General Plan=\$1450.00		
				Fund 1350, CDBG Grants=\$300.00		
				Fund 1351, CDBG Programs=\$600.00		
65428	02/04/2011	Open			HOUSING AUTHORITY OF SCC	\$1,869.25
	Invoice		Date	Description		Amount
	11-06 CFTHB		01/05/2011	2010 First Time Home Buyer Program		\$1,487.25
	11-6 CREHAB		01/05/2011	Dec10 2010 Housing Rehab Program		\$382.00
				Fund 1372, Housing Trust Fund		
65429	02/04/2011	Open			INTERNAT'L ASSOC. OF CHIEFS OF POLICE	\$240.00
	Invoice		Date	Description		Amount
	1000963482		01/31/2011	2011 membership Held		\$120.00
	1000968478		01/31/2011	2011 membership Chief Card		\$120.00
65430	02/04/2011	Open			INTERSTATE BATTERY SYSTEM INC.	\$34.92
	Invoice		Date	Description		Amount
	962647		01/06/2011	Batteries - PD		\$34.92
65431	02/04/2011	Open			JOHNSON, ROBERTS, & ASSOCIATES	\$16.22
	Invoice		Date	Description		Amount
	114652		01/07/2011	Hiring Expense		\$16.22
65432	02/04/2011	Open			LAB SAFETY SUPPLY	\$592.14
	Invoice		Date	Description		Amount
	1016679568		01/12/2011	Two Trash cans		\$592.14

City of Capitola
City Checks Issued 2/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65433	02/04/2011	Open			LABOR READY SOUTHWEST INC.	\$1,775.98
	Invoice		Date	Description		Amount
	52551559		01/14/2011	FY 10/11 Temporary Staff-PW		\$988.57
	52761559		01/21/2011	FY 10/11 Temporary Staff-PW		\$787.41
65434	02/04/2011	Open			LLOYD'S TIRE SERVICE INC.	\$88.76
	Invoice		Date	Description		Amount
	203241		01/06/2011	4 tires, mounted and balanced		\$88.76
65435	02/04/2011	Open			MID-COUNTY AUTO SUPPLY	\$89.13
	Invoice		Date	Description		Amount
	248656		01/10/2011	Auto Parts-PD Motorcycle		\$18.92
	248375		01/07/2011	Auto Parts-Harley		\$31.31
	246174		12/15/2010	Auto Parts, F-800 Dump Truck		\$32.73
	249803		01/21/2011	Sweeper Parts (Fund 1310, Gas Tax)		\$6.17
65436	02/04/2011	Open			MOFFATT & NICHOL	\$788.00
	Invoice		Date	Description		Amount
	55239		01/28/2011	Capitola Flume Rehabilitation Engineering Fund 1200, CIP		\$788.00
65437	02/04/2011	Open			MONTEREY REGIONAL WATER POLLUTION CONTROL AGY	\$380.00
	Invoice		Date	Description		Amount
	06704		02/25/2011	TV Ad Proposal Year 2010-11		\$380.00
65438	02/04/2011	Open			NIXON-EGLI EQUIPMENT CO.	\$1,000.69
	Invoice		Date	Description		Amount
	21100248		01/24/2011	Sweeper Repair Fund 1310, Gas Tax		\$1,000.69
65439	02/04/2011	Open			OLIVE SPRINGS QUARRY, INC.	\$16.68
	Invoice		Date	Description		Amount
	76245		01/10/2011	CL2 Baserock		\$16.68
65440	02/04/2011	Open			ORCHARD SUPPLY HARDWARE	\$29.01
	Invoice		Date	Description		Amount
	6011-1214902		01/11/2011	Paint brush		\$17.47
	6015-2438015		01/21/2011	Plants, Village Streetscape		\$11.54
65441	02/04/2011	Open			PACIFIC GAS & ELECTRIC	\$12,460.37
	Invoice		Date	Description		Amount
	CityElecDec-Jan		01/14/2011	Monthly Elec Fund 1300, SLESF=\$166.28 Fund 1310, Gas Tax=\$6326.22 Fund 1311, Wharf Fund=\$1453.34		\$12,460.37
65442	02/04/2011	Open			PACIFIC GAS & ELECTRIC	\$562.74
	Invoice		Date	Description		Amount
	MHP-Dec-Jan11		01/14/2011	Pac Cove MHP Elec and Gas		\$562.74
65443	02/04/2011	Open			PACIFIC PRODUCTS & SERVICES, INC	\$1,488.49
	Invoice		Date	Description		Amount
	12825		01/12/2011	Street poles Fund 1310, Gas Tax		\$1,488.49

City of Capitola
City Checks Issued 2/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65444	02/04/2011	Open			PALACE ART & OFFICE SUPPLIES	\$261.65
	Invoice		Date	Description		Amount
	883872-0		01/04/2011	Paper, City Hall-Fund 2210, Stores		\$234.34
	884889		01/10/2011	Installation of task lamp-PD		\$27.31
65445	02/04/2011	Open			PHIL ALLEGRI ELECTRIC, INC.	\$85.00
	Invoice		Date	Description		Amount
	15680		01/14/2011	HVAC system		\$85.00
65446	02/04/2011	Open			ProBUILD COMPANY LLC	\$34.38
	Invoice		Date	Description		Amount
	5029016		01/14/2011	Plants		\$23.60
	5174906		01/18/2011	Hinge		\$10.78
65447	02/04/2011	Open			R.L. HASTINGS & ASSOC., LLC	\$2,250.00
	Invoice		Date	Description		Amount
	232		01/18/2011	BASAPA Labor Standards Monitoring-Dec1 Fund 1372, Housing Trust Fund		\$2,250.00
65448	02/04/2011	Open			ROM, HILLEL	\$225.00
	Invoice		Date	Description		Amount
	2011-00000474		01/28/2011	Futsal Official Jan 2011		\$225.00
65449	02/04/2011	Open			SACRAMENTO MAGAZINES CORP.	\$250.00
	Invoice		Date	Description		Amount
	560002		01/18/2011	Advertising, BIA Funded Fund 1321, BIA		\$250.00
65450	02/04/2011	Open			SAFETY STRIPING SERVICE INC.	\$16,793.86
	Invoice		Date	Description		Amount
	714447-P		12/24/2010	Contract Services-Fund 1310, Gas Tax		\$16,793.86
65451	02/04/2011	Open			SANTA CRUZ COUNTY LAW ENFORCEMENT CHIEFS ASSOC.	\$50.00
	Invoice		Date	Description		Amount
	2011		01/18/2011	2011 membership dues SCCLEA		\$50.00
65452	02/04/2011	Open			SOQUEL CREEK WATER DISTRICT	\$686.95
	Invoice		Date	Description		Amount
	Nov-JanH2O		01/20/2011	Semi-monthly water use		\$686.95
65453	02/04/2011	Open			SWIFT, CAROLYN	\$106.85
	Invoice		Date	Description		Amount
	4721		01/27/2011	Reimb Museum Display Exp		\$106.85
65454	02/04/2011	Open			THALER, SHMUEL	\$108.75
	Invoice		Date	Description		Amount
	20110131		01/31/2011	Council Member Photo, Harlan		\$108.75
65455	02/04/2011	Open			TLC ADMINISTRATORS, INC.	\$2,000.00
	Invoice		Date	Description		Amount
	Flex-Jan11		01/31/2011	Flex Plan Cash Replenish-Employee funde		\$2,000.00

City of Capitola
City Checks Issued 2/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65456	02/04/2011 Invoice 93030-Feb11	Open	Date 02/01/2011	Description Employee Dental & Vision Ins, Employee funded	TLC ADMINISTRATORS, INC.	\$4,453.26
65457	02/04/2011 Invoice 199798	Open	Date 01/06/2011	Description Phone System Maint, City Hall Fund 2211, Info Technology	TOTLCOM	\$270.00
65458	02/04/2011 Invoice 954791031	Open	Date 01/15/2011	Description Weekly Shipping, PD	UNITED PARCEL SERVICE	\$22.38
65459	02/04/2011 Invoice 124069-in	Open	Date 12/23/2010	Description Battery backup-PD, Grant Funded	VISION COMMUNICATION	\$3,640.57
65460	02/04/2011 Invoice 57460	Open	Date 01/25/2011	Description HVAC service, City Hall	WESTERN ALLIED MECHANICAL INC.	\$435.00
65461	02/04/2011 Invoice 5068	Open	Date 01/13/2011	Description Paver repair, Bandstand area	WHITLOW CONCRETE, INC.	\$1,952.00
65462	02/04/2011 Invoice CapBIA103A CapBIA102	Open	Date 01/03/2011 11/23/2010	Description December Media Advertising, BIA Funded Commercial TV Production, BIA Funded Fund 1321, BIA	YELLOW BUS LLC	\$9,149.00
65463	02/04/2011 Invoice 2011-00000481	Open	Date 02/02/2011	Description Tree Deposit Refund #10-103	Golino, Bruce	\$500.00
65464	02/04/2011 Invoice Layman	Open	Date 01/27/2011	Description Liability Claim Settlement, Layman	LAYMAN, STEVEN, J.	\$35.00
65465	02/04/2011 Invoice 2011-00000480	Open	Date 02/02/2011	Description Tree Deposit Refund #10-099	Martin, Irene	\$500.00
65466	02/04/2011 Invoice 12133007	Open	Date 01/31/2011	Description Refund cite #12133007	Meyers, Sandra	\$380.00

Check Totals: Count 62 Total \$271,721.74

Checks dated 2/10/11 numbered 65467 to 65518 for a total of \$64,683.32 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 2/10/11 the unaudited cash balance is \$2,023,309

CASH POSITION - CITY OF CAPITOLA 2/10/11

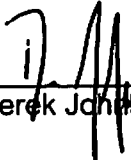
	Temporary <u>Loans</u>	<u>Net Balance</u>
General Fund		377,572
Worker's Comp. Ins. Fund		9,259
Self Insurance Liability Fund		226,761
Stores Fund		19,424
Information Technology Fund		156,203
Equipment Replacement		332,538
Compensated Absences Fund		23,479
Contingency Reserve Fund		-
Public Employee Retirement - PERS		159,286
Open Space Fund		256
Capital Improvement Projects		718,530
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS		<u><u>2,023,309</u></u>

On a fiscal year basis the City's annual budget balances expenditures and revenue in the General Fund. Due to the timing of revenue receipts, during most of the fiscal year General Fund expenditures will outpace revenue.

To resolve this cash flow issue, in July of this fiscal year a \$1,247,152 loan from Contingency Reserve was transferred to the General Fund. The Contingency Reserve was established to "provide a prudent level of financial resources to protect against temporary revenue shortfalls or unanticipated operating costs, and/or to meet short-term cash flow requirements."

Although it is anticipated the Contingency Reserve loan will be sufficient to provide operational cash in the General Fund, in some fiscal years the General Fund may borrow additional funds from Internal Service Funds, particularly in November and December prior to the receipt of Property Tax revenue.

It is anticipated the Contingency Reserve loan to General Fund will be repaid by June 30, 2011.



 Derek Johnson, Acting City Manager

 2/10/11
 Date

 Jacques J.J. Bertrand, City Treasurer

 Date

City of Capitola
City Checks Issued 2/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65467	02/10/2011 Invoice 110061	Open	Date 01/19/2011	Description Dropbox sign @ City Hall	A SIGN ASAP	\$34.96
65468	02/10/2011 Invoice 41771	Open	Date 01/28/2011	Description Keys, PW	ALLSAFE LOCK COMPANY	\$4.91
65469	02/10/2011 Invoice Q1&Q2Grant	Open	Date 02/04/2011	Description Community Grant, Q1 and Q2	AMERICAN RED CROSS, SC CHAPTEF	\$689.50
65470	02/10/2011 Invoice 2012944	Open	Date 01/13/2011	Description Dec-Jan Telephone Service & T-1, all sites Fund 2211-IT=\$267.95	AT&T/CALNET 2	\$2,229.21
65471	02/10/2011 Invoice 321959	Open	Date 01/14/2011	Description Smog Inspection, 2003 Ford Vic	BOBBY'S PIT STOP INC.	\$51.75
65472	02/10/2011 Invoice BK-Feb1	Open	Date 02/08/2011	Description Private Lessons Winter 11	BRESLIN-KESSLER, PAUL	\$735.00
65473	02/10/2011 Invoice POA2-10-11	Open	Date 02/09/2011	Description Payroll Deductions, 2/10/11 payroll	CAPITOLA PEACE OFFICERS ASSOC.	\$704.07
65474	02/10/2011 Invoice Dec 2010	Open	Date 01/01/2011	Description Animal Control Exp-Dec 2010	CHANTICLEER VET HOSPITAL	\$1,299.96
65475	02/10/2011 Invoice 60648121	Open	Date 01/14/2011	Description Adobe Acrobat-Fund 2211, IT	COMPUCOM	\$1,239.00
65476	02/10/2011 Invoice Compliance	Open	Date 01/31/2011	Description 2011 annual fee	CREDIT COMMUNICATIONS, INC	\$20.00
65477	02/10/2011 Invoice 2989-108	Open	Date 01/25/2011	Description Qtrly Web Hosting, Rec	CRUZIO THE INTERNET STORE INC.	\$65.70
65478	02/10/2011 Invoice 8507088	Open	Date 01/22/2011	Description Copier Lease Payment Fund 2210-Stores	DE LAGE LANDEN FINANCIAL SERVIC	\$354.02

City of Capitola
City Checks Issued 2/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65479	02/10/2011	Open			DEVCO OIL INC.	\$2,224.98
	Invoice		Date	Description		Amount
	70672		01/13/2011	125 Gal Diesel		\$426.89
	70671		01/13/2011	522 Gal Gas		\$1,798.09
65480	02/10/2011	Open			ENTENMANN-ROVIN	\$151.96
	Invoice		Date	Description		Amount
	67633-IN		01/14/2011	Badge 529		\$75.98
	67747-in		01/18/2011	Badge 520		\$75.98
65481	02/10/2011	Open			EXPLORE PUBLISHING INC.	\$1,000.00
	Invoice		Date	Description		Amount
	926160		01/18/2011	Advertising, BIA Funded Fund 1321, BIA		\$1,000.00
65482	02/10/2011	Open			EXTRA SPACE STORAGE OF SC INC -	\$262.00
	Invoice		Date	Description		Amount
	B120-Feb2011		01/31/2011	Storage, PD, Feb 2011		\$262.00
65483	02/10/2011	Open			FBINAA, California Chapter	\$90.00
	Invoice		Date	Description		Amount
	2011		01/01/2011	2011 membership dues-PD		\$90.00
65484	02/10/2011	Open			FEDERAL EXPRESS	\$296.70
	Invoice		Date	Description		Amount
	7-368-71287		01/27/2011	Shipping Charges, Jan 2011		\$296.70
65485	02/10/2011	Open			HOWARD, CHARLIE	\$1,440.00
	Invoice		Date	Description		Amount
	01/24-01/28/11		02/07/2011	FY 10/11 In-House Mechanic		\$710.00
	01/31-02/04/11		02/07/2011	FY 10/11 In-House Mechanic		\$730.00
65486	02/10/2011	Open			ICMA RETIREMENT TRUST 457	\$6,242.50
	Invoice		Date	Description		Amount
	ICMA2-10-11		02/09/2011	Payroll Deductions, 2/10/11 payroll Employee Funded		\$6,242.50
65487	02/10/2011	Open			KING'S CLEANERS	\$772.75
	Invoice		Date	Description		Amount
	Jan2011		01/15/2011	Uniform cleaning-PD		\$772.75
65488	02/10/2011	Open			LOOMIS	\$1,176.51
	Invoice		Date	Description		Amount
	10821626		01/31/2011	Armored car service		\$1,176.51
65489	02/10/2011	Open			MARTIN, BRIAN, K.	\$949.92
	Invoice		Date	Description		Amount
	1/2011		02/01/2011	Lexipol and grant management, Jan2011 Fund 1300, SLESF		\$949.92
65490	02/10/2011	Open			MID-COUNTY AUTO SUPPLY	\$262.80
	Invoice		Date	Description		Amount
	249028		01/13/2011	Auto Parts		\$40.38
	248844		01/12/2011	Auto PartsF-800 Dump Truck		\$11.73
	248863		01/12/2011	Auto Parts-F-800 Dump Truck		\$46.81
	249824		01/13/2011	Auto Parts, F-250		\$163.88

City of Capitola
City Checks Issued 2/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65491	02/10/2011	Open			MISSION LINEN SUPPLY	\$767.01
	Invoice		Date	Description		Amount
	Jan2011		02/01/2011	Jan 2011 Cleaning Expense		\$767.01
65492	02/10/2011	Open			NORTH BAY FORD	\$39.42
	Invoice		Date	Description		Amount
	218246		01/27/2011	Auto Parts, F-250		\$39.42
65493	02/10/2011	Open			OLIVE SPRINGS QUARRY, INC.	\$244.26
	Invoice		Date	Description		Amount
	76348		01/17/2011	Street patch - Carl Ln-Fund 1310, Gas Tax		\$70.11
	76349		01/17/2011	Street patch - Fanmar-Fund 1310, Gas Ta:		\$83.76
	76454		01/24/2011	PCMHP repair		\$90.39
65494	02/10/2011	Open			ORCHARD SUPPLY HARDWARE	\$105.53
	Invoice		Date	Description		Amount
	6015-3527443		01/18/2011	Misc.		\$63.32
	6009-4761392		01/19/2011	Plumbing supplies		\$42.21
65495	02/10/2011	Open			PALACE ART & OFFICE SUPPLIES	\$629.14
	Invoice		Date	Description		Amount
	886829		01/19/2011	Office Supplies, City Hall		\$20.75
	887930		01/25/2011	Office Supplies, City hall		\$211.30
	888091		01/26/2011	Office Supplies, City Hall		\$34.85
	888316		01/26/2011	Office Supplies, City Hall		\$21.83
	8583473		01/27/2011	Markers/sweeper log, Corp Yd		\$17.19
	8582362		01/24/2011	Office supplies		\$7.63
	887373		01/21/2011	Office Supplies-Fund 2210, Stores		\$268.72
	887246		01/21/2011	Paper		\$46.87
	887245		01/21/2011	Office Supplies. PD		\$14.81
	C887245		02/01/2011	Return Office Supplies, PD		(\$14.81)
65496	02/10/2011	Open			PHOENIX GROUP INFORMATION SYS'	\$703.92
	Invoice		Date	Description		Amount
	122010070		01/17/2011	Dec2010 Citation Processing		\$703.92
65497	02/10/2011	Open			ProBUILD COMPANY LLC	\$56.96
	Invoice		Date	Description		Amount
	5484717		01/20/2011	Plumbing supplies		\$18.22
	5484848		01/20/2011	City Hall door		\$38.74
65498	02/10/2011	Open			ROBERT SEELEY & ASSOCIATES	\$210.00
	Invoice		Date	Description		Amount
	Q4 2010 Admin		02/02/2011	Oct, Nov, Dec 2010 Admin Hearings		\$210.00
65499	02/10/2011	Open			ROSEMAN, LEWIS	\$2,947.24
	Invoice		Date	Description		Amount
	1152011		01/15/2011	Jan 2011 coin collection		\$2,947.24

City of Capitola
City Checks Issued 2/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65500	02/10/2011	Open			S&S WORLDWIDE	\$452.17
	Invoice		Date	Description		Amount
	6839591		01/20/2011	Volleyballs-Rec		\$193.78
	6829072		01/07/2011	Sports equipment-Rec		\$258.39
65501	02/10/2011	Open			SAFETY STRIPING SERVICE INC.	\$18,403.79
	Invoice		Date	Description		Amount
	714456-F		01/20/2011	Contract Services-Fund 1310, Gas Tax		\$18,403.79
65502	02/10/2011	Open			SANTA CRUZ COUNTY AUDITOR-CON	\$6,997.00
	Invoice		Date	Description		Amount
	Jan2011		02/04/2011	Jan2011 Citation Surcharges, PD		\$6,997.00
65503	02/10/2011	Open			SANTA CRUZ COUNTY G.S.D. WAREH	\$666.00
	Invoice		Date	Description		Amount
	Jan2011		01/18/2011	6 Tires, PD Units		\$666.00
65504	02/10/2011	Open			SANTA CRUZ COUNTY SHERIFF-CORI	\$779.96
	Invoice		Date	Description		Amount
	Dec 2010		01/13/2011	Booking Fees, Dec 2010		\$779.96
65505	02/10/2011	Open			SANTA CRUZ MUNICIPAL UTILITIES	\$555.23
	Invoice		Date	Description		Amount
	Jan11		01/21/2011	WATER BILLS FOR STREET MEDIANS		\$555.23
65506	02/10/2011	Open			SANTA CRUZ SENTINEL	\$132.61
	Invoice		Date	Description		Amount
	2040516-Jan11		01/31/2011	Jan 2011 Advertising		\$132.61
65507	02/10/2011	Open			SANTA CRUZ SENTINEL	\$188.05
	Invoice		Date	Description		Amount
	278050		01/31/2011	Hiring Advertisement		\$188.05
65508	02/10/2011	Open			SIRCHIE	\$55.59
	Invoice		Date	Description		Amount
	24059-IN		01/20/2011	Methamphetamine tests		\$55.59
65509	02/10/2011	Open			SOQUEL CREEK ANIMAL HOSPITAL	\$1,784.86
	Invoice		Date	Description		Amount
	1474-14216		02/03/2011	Nov and Dec 2010		\$1,784.86
65510	02/10/2011	Open			SPRINT	\$2,334.11
	Invoice		Date	Description		Amount
	974855313-110		01/29/2011	PD & PW Mobile Phones		\$2,334.11
65511	02/10/2011	Open			SUMMIT UNIFORM CORP	\$954.84
	Invoice		Date	Description		Amount
	39397		01/04/2011	Uniform Exp, Esmeralda		\$202.11
	39614		01/18/2011	Body armor Minium		\$752.73

City of Capitola
City Checks Issued 2/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount	
65512	02/10/2011	Open			TRI-COUNTY BUSINESS SYSTEMS INC	\$990.67	
	Invoice		Date	Description	Amount		
	CNIN000257		01/14/2011	Copier Maint, City Hall Fund 2210, Stores	\$990.67		
65513	02/10/2011	Open			UNION BANK OF CALIFORNIA	\$383.73	
	Invoice		Date	Description	Amount		
	PARS-Feb10		02/09/2011	Payroll Deductions, 2/10/11 payroll	\$383.73		
65514	02/10/2011	Open			UNITED PARCEL SERVICE	\$48.03	
	Invoice		Date	Description	Amount		
	954791051		01/29/2011	Weekly Shipping,PD	\$48.03		
65515	02/10/2011	Open			YELLOW BUS LLC	\$850.00	
	Invoice		Date	Description	Amount		
	CAPBIA103		11/23/2010	Media Planning, BIA, BIA funded Fund 1321-BIA	\$850.00		
65516	02/10/2011	Open			City of Folsom Police Department	\$172.00	
	Invoice		Date	Description	Amount		
	2011-00000483		02/04/2011	Booth and Vazquez PTO training	\$172.00		
65517	02/10/2011	Open			Lakespur Landing Folsom	\$466.50	
	Invoice		Date	Description	Amount		
	2011-00000484		02/04/2011	Lodging PTO training, Booth (PD)	\$466.50		
65518	02/10/2011	Open			Larkspur Landing Folsom	\$466.50	
	Invoice		Date	Description	Amount		
	2011-00000482		02/04/2011	Lodging Exp, PD Tng, Vazquez	\$466.50		
Check Totals:				Count	52	Total	\$64,683.32



Item #: 2.F.2)

CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: FINANCE DEPARTMENT
DATE: February 16, 2011
SUBJECT: APPROVAL OF RDA CHECK REGISTER REPORT

Recommended Action: By motion and roll call vote, that the RDA Board approve the Check Register Report dated February 4, 2011 as submitted.

DISCUSSION

The attached Check Register for the referenced date:

Date	Starting Check #	Ending Check #	Total Checks	Amount
2/4/11	2900	2904	5	\$30,798.80

The prior RDA check register report of January 21, 2011 ended with check number 2899.

The following check was issued for more than \$10,000.00:

Check	Issued to:	Dept.	Purpose	Amount
2900	Community Action Board	CD	Nov/Dec10 Emerg Housing Asst.	\$28,481.25

As of 2/16/11 the unaudited cash balance in the RDA account is \$4,179,137.53

ATTACHMENTS

Check Register Report dated:
February 4, 2011

Report Prepared By: Linda Benko
AP Clerk

Reviewed and Forwarded
By Executive Director:

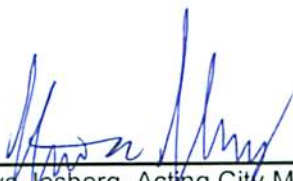
RDA Checks Issued 2/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount	
2900	02/04/2011	Open			COMMUNITY ACTION BOARD OF SC C	\$28,481.25	
	Invoice		Date	Description		Amount	
	Nov10RentAsst		12/17/2010	2010 Emergency Housing Assistance Prog		\$13,881.25	
	Dec10RentAsst		01/20/2011	2010 Emergency Housing Assistance Prog		\$14,600.00	
2901	02/04/2011	Open			FLYNN, CAROLYN	\$800.00	
	Invoice		Date	Description		Amount	
	CBF-1-2011-1		01/25/2011	Affordable Housing Plan Assist		\$800.00	
				/RDA LowMod Housing Fund			
2902	02/04/2011	Open			GOLDFARB & LIPMAN, LLP	\$120.00	
	Invoice		Date	Description		Amount	
	99841		12/16/2010	2010 RDA Legal Services		\$120.00	
2903	02/04/2011	Open			HOUSING AUTHORITY OF SCC	\$1,365.00	
	Invoice		Date	Description		Amount	
	11-06 CSD		01/06/2011	2010 Security Deposit Program		\$1,260.00	
	11-6 CGPS		01/05/2011	2010 General Professional Services		\$105.00	
2904	02/04/2011	Open			SOQUEL CREEK WATER DISTRICT	\$32.55	
	Invoice		Date	Description		Amount	
	10928-2		01/20/2011	Nov-Jan2011 Water Meter, Rispin		\$32.55	
Check Totals:				Count	5	Total	\$30,798.80

The attached checks have been printed and released under the RDA Executive Director's approval. Included are checks numbered 2900 to 2904 totaling \$30,798.80 and dated 2/4/11.

These checks has been reviewed and authorized for distribution.

The unaudited cash balance in the RDA account as of 2/4/11 is \$4,179,137.53


 Steve Jesberg, Acting City Manager
 For Jamie Goldstein, Executive Director-RDA

2/4/11

Date



Debbie Johnson, Treasurer – RDA

2/4/11

Date



CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: CITY TREASURER

DATE: FEBRUARY 9, 2011

SUBJECT: TREASURER'S REPORT FOR THE MONTH ENDED JANUARY 31, 2011
(UNAUDITED)

Recommended Action:

By motion, that the City Council accept the January 2011 Treasurer's Report (unaudited) for the City of Capitola.

BACKGROUND

California Government Code Section 41004 requires that the City Treasurer submit to the City Clerk and the legislative body a written report and accounting of all receipts, disbursements, and fund balances.

The attachment provides various financial data and analysis for the City of Capitola funds, and the State Treasurer's Office (Local Agency Investment Fund) "LAIF" interest rates.

DISCUSSION - EXECUTIVE SUMMARY AT JANUARY 31, 2011

The City Cash Position at January 31, 2011 totals \$4,749,900. LAIF deposits include \$3,909,400 of City and Assessment District Funds. The LAIF investment return as of January 31, 2011 was .538%.

The General Fund Balance Sheet consists of:

Total Assets	\$2,782,400 (includes Rispin receivable of \$1,350,000)
Total Liabilities	\$2,220,800
Total Fund Balance	\$ 561,700 (includes Rispin receivable of \$1,350,000)

Fund Balance

General Fund	\$ 561,700
Designated Reserves:	1,898,900
Capital Improv. Projects	650,200
Special Revenues:	1,651,700
Debt Service	392,200
Internal Services:	900,900
Total	\$ 6,055,600

FISCAL IMPACT: None.

ATTACHMENTS - 1) January 31, 2011 City Treasurer's Report and 2) LAIF rates

Report Prepared By:

Reviewed and Forwarded By:

Lisa Saldana
Supervising Accountant

Jacques Bertrand, City Treasurer



Treasurer's Report for Month Ended January 31, 2011

BACKGROUND

California government code section 41004 requires that the City Treasurer submit to the City Clerk and the legislative body a written report and accounting of all receipts, disbursements, and fund balances. Additionally with the passage of Chapter 687, Statutes of 2000 (AB 943 Dutra), effective January 1, 2001 cities are now required to forward copies of their second and fourth quarter calendar year investment portfolio reports to the California Debt and Investment Advisory Commission (CDIAC) within 60 days.

The CDIAC will use the report as an additional opportunity to examine public investment practices in a more consistent basis than before.

Cities, such as the City of Capitola, that are 100 percent invested in the Local Agency Investment Fund (LAIF) are exempt from the new investment portfolio reporting requirements and are only required to send a letter to CDIAC indicating the total and composition of their investments. This Treasurer's Report will satisfy our reporting requirement to the CDIAC.

The following pages provide various financial data and analysis for the City of Capitola's Funds collectively as well as specifically for the City's General (Operating) Fund, with an attachment from the State Treasurer's Office of quarterly LAIF rates from the 1st quarter of 1977 to present.

DISCUSSION

The following information is for the month ended January 31, 2011. Such information is preliminary and unaudited.

CASH BALANCE BY FUND

As of January 31, 2011, the LAIF deposits include \$3,909,400 of City and Assessment District funds. The LAIF investment return as of January 31, 2011 was .538%. The following summarizes the City's total cash balance of \$4,749,900 at January 31, 2011 amongst the funds:

		January 31, 2011
<u>General Fund</u>		487,900
<u>Special Revenues</u>	S L E S F	8,300
	SCC NARCOTICS ENFORCEMENT TEAM	(13,300)
	GAS TAX	(63,900)
	WHARF FUND	41,800
	DEVELOPMENT FEES FUND	-
	PEG CABLE TV ACCESS FUND	82,000
	CAPITOLA VILLAGE & WHARF BIA	23,500
	GREEN BUILDING	47,800
	PARKING RESERVE FUND	113,400
	TECHNOLOGY FEE FUND	8,700
	CDBG - GRANTS	18,200
	CDBG PROGRAM INCOME	(16,000)
	CDBG PROGRAM INCOME 07-08 RLF	5,300
	HOUSING PROGRAM LOAN FUND	1,000
	HOME GRANT FUND	162,400
	AFFORDABLE HOUSING TRUST FUND	354,100
	BEGIN GRANT FUND	60,000
	PUBLIC ART FUND	142,500
	OPEN SPACE PURCHASE	300
	GENERAL PLAN UPDATE	617,800
<u>Internal Service</u>	WORKER'S COMPENSATION	9,300
	SELF INSURANCE	226,800
	STORES	21,300
	INFORMATION TECHNOLOGY	158,800
	EQUIPMENT REPLACEMENT	332,500
	PUBLIC EMPLOYEE RETIREMENT	154,100
<u>Reserves</u>	EMERGENCY RESERVES	627,100
	CONTINGENCY RESERVES	-
	COMPENSATED ABSENCES	24,600
<u>Capital Projects</u>	VARIOUS CAPITAL PROJECTS	719,300
<u>Debt Service</u>	DEBT SERVICE FUND	394,600
TOTAL ALL FUNDS		<u><u>4,750,200</u></u>
	General Fund	487,900
	Internal Services	902,800
	Reserves	651,700
		<u><u>2,042,400</u></u>

GENERAL FUND SUMMARY BALANCE SHEET

The following is the General Fund summary balance sheet:

General Fund: Summary Balance Sheet	6/30/2010	Incr/Decr	1/31/2011
Cash	274,700	213,200	487,900
Prepaid Expenditures	5,300	(3,300)	2,000
Accounts Receivable	72,100	63,500	135,600
Accounts Receivable - Intergovernmental ¹	43,100	145,800	188,900
Accounts Receivable for Year End ²	1,149,300	(1,149,300)	-
Accounts Receivable - RDA (Rispin)	1,350,000	-	1,350,000
Short Term Loans - RDA	-	-	-
Long Term Loans - RDA	618,000	-	618,000
TOTAL ASSETS	\$ 3,512,500	\$ (730,100)	\$ 2,782,400
Accounts Payable	383,800	(403,400)	(19,600)
Payroll Related Liabilities	329,300	(366,600)	(37,300)
Other Deposits and Other Liabilities	188,200	31,000	219,200
Deferred Revenue -- RDA	618,000	-	618,000
Deferred Revenue	346,800	(153,500)	193,300
Due to Contingency Reserve Fund	-	1,247,200	1,247,200
TOTAL LIABILITIES	\$ 1,866,100	\$ 354,700	\$ 2,220,800
FUND BALANCE³			
Rispin Mansion Transaction	1,350,000	-	1,350,000
Fund Balance Reserves	15,200	-	15,200
Available Fund Balance:			
Prior Year Fund Balance	393,000	-	393,000
Current Year Operating Results	-	(1,196,500)	(1,196,500)
Net, Available Fund Balance	\$ 393,000	\$ (1,196,500)	\$ (803,500)
TOTAL FUND BALANCE	\$ 1,758,200	\$ (1,196,500)	\$ 561,700

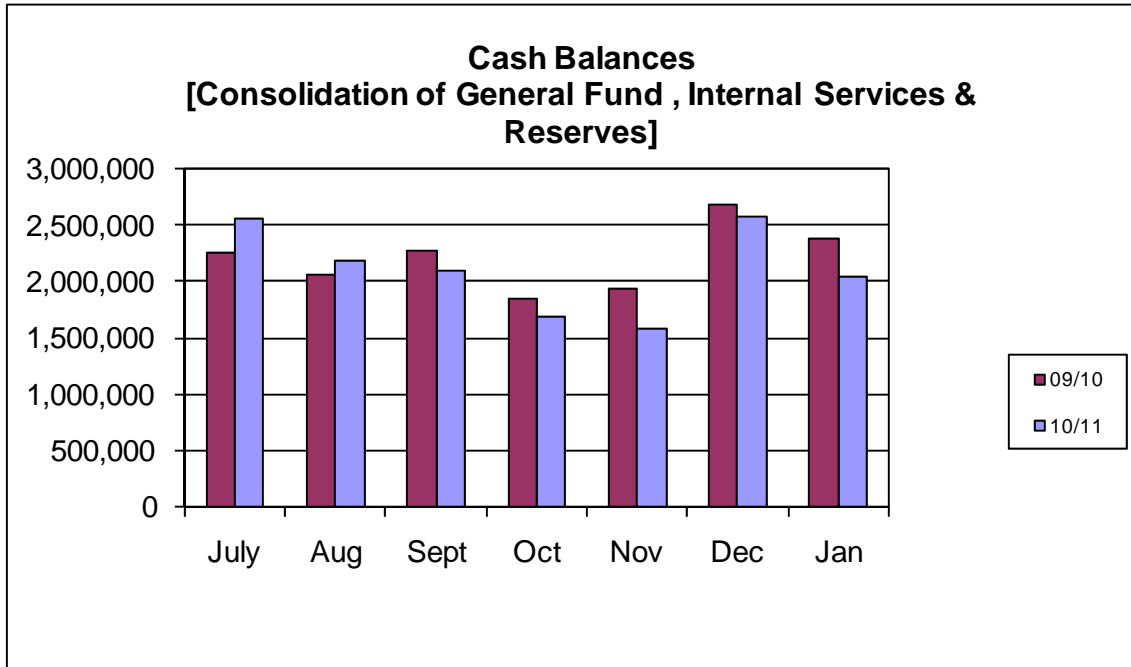
¹ A/R-Intergovernmental is primarily for State Mandated Cost Reimbursements.

² A/R for Year-End is for prior year-end revenues with cash received in July or August 2009 of new fiscal year.

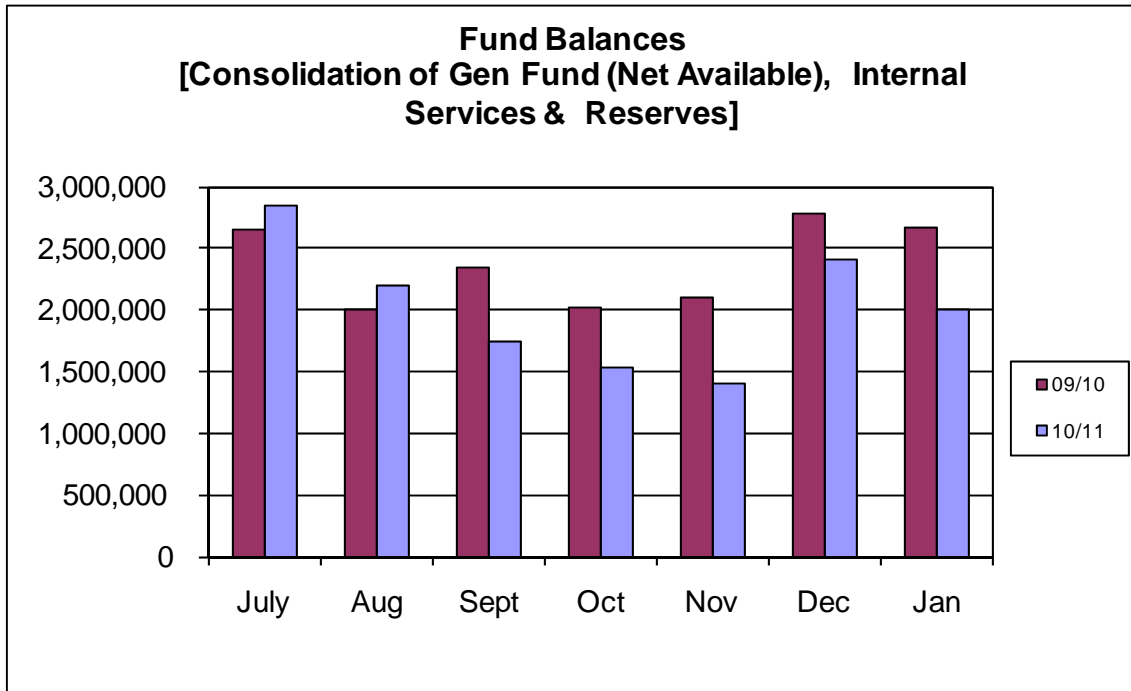
³ Fund Balance is segregated for the amounts related to the Rispin Mansion Note Payable to the City and amount available.

CASH BALANCE & FUND BALANCE

The following graphs compare the monthly Cash and Fund Balance totals in the consolidated General Fund, Internal Service Funds, and Reserves for FY 09/10 and FY 10/11.



January 31, 2011 Total= \$2,042,400: Gen Fund= \$487,900, Internal Service= \$902,800, Reserves= \$651,700



January 31, 2011 Total= \$1,996,300: Gen Fund= (\$803,500), Internal Service= \$900,900, Reserves= \$1,898,900

CHANGES IN TOTAL FUND BALANCE

This table presents the ending Fund Balances for the City's major fund types. (It excludes agency funds where the City acts merely as a third party custodian of an outside party's funds.)

	Beginning Fund Balance: 7/01/10	Incr/(Decr) July-Dec	Revenue	Expenditure	Interfund Transfers	Unaudited Fund Balance: 1/31/11
<u>General Fund: Rispin</u>	1,350,000	-	-	-	-	1,350,000
<u>General Fund: Reserved</u>	15,200	-	-	-	-	15,200
<u>General Fund: Available</u>	393,000	(1,214,300)	874,800	(857,000)	-	(803,500)
<u>Designated Reserves:</u>	-	-	-	-	-	-
Emergency Reserves @ 5%	627,100	-	0	0	-	627,100
Compensated Absences	116,900	(81,700)	0	(10,600)	-	24,600
Contingency Reserves @10%	1,247,200	-	0	0	-	1,247,200
	-	-	-	-	-	-
<u>Capital Improv. Projects:</u>	418,600	(124,800)	368,000	(11,900)	-	649,900
Open Space Purchase	300	-	0	0	-	300
<u>Special Revenues:</u>	-	-	-	-	-	-
Gas Tax	64,600	(69,200)	0	(31,900)	-	(36,500)
Law Enforcement Grants	1,100	8,400	5,600	(9,400)	-	5,700
PEG Cable TV Access	82,800	(1,200)	400	0	-	82,000
Capitola & Wharf BIA	7,500	28,100	500	(7,500)	-	28,600
Development Fees	(1,400)	-	0	0	-	(1,400)
Wharf Fund	38,100	8,500	1,700	(1,900)	-	46,400
Green Building	45,400	1,700	700	0	-	47,800
Parking Reserve Fund	78,700	34,700	0	0	-	113,400
Technology Fee Fund	3,900	3,200	1,600	0	-	8,700
CDBG-Grants (Reimburseme	34,000	(500)	0	0	-	33,500
CDBG - Program Income	(17,800)	(1,500)	0	(200)	-	(19,500)
CDBG - Prog Inc 07-08 RLF	5,200	100	0	0	-	5,300
HOME Program Re-Use	5,100	(5,100)	1,000	0	-	1,000
HOME Grant Fund	(7,500)	3,400	289,200	(122,700)	-	162,400
Affordable Housing Trust	367,800	(22,700)	14,000	(5,000)	-	354,100
Begin Grant Fund	60,000	-	0	0	-	60,000
Public Art Program	162,800	(43,000)	22,600	0	-	142,400
General Plan Maintenance	599,300	7,600	20,900	(10,000)	-	617,800
	-	-	-	-	-	-
<u>Debt Service:POB</u>	468,100	(459,700)	383,800	0	-	392,200
<u>Internal Services:</u>	-	-	-	-	-	-
Equipment Replacement	282,500	50,000	0	0	-	332,500
Information Technology	141,400	25,300	0	(8,600)	-	158,100
Public Employee Retirement	520,400	24,100	109,700	(500,000)	-	154,200
Self-Insurance Liability	253,900	(27,100)	0	0	-	226,800
Stores	25,200	(2,800)	0	(2,300)	-	20,100
Worker's Compensation	174,900	(165,700)	0	0	-	9,200
	-	-	-	-	-	-
TOTAL CITY	7,564,300	(2,024,200)	2,094,500	(1,579,000)	-	6,055,600

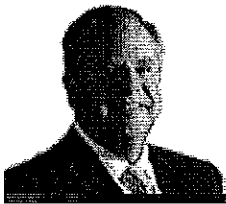
General Fund Balance: Fund Balance is segregated for: the amounts related to the Rispin Mansion Note Payable to the City, the amount reserved for disabled parking, and amount available.

General Fund Revenues: For the month ending January 31, 2011, total revenues were \$874,800 which included Sales Tax of \$308,000 (35%), Business License Tax of \$140,300 (16%), and Charges for Services of \$177,600 (20%).

General Fund Expenditures: For the month ending January 31, 2011, total expenditures were \$857,000 which includes Staffing for (2) pay periods of \$539,900 (62%), and Contract Services of \$270,700, which includes \$46,600 for Legal Services (31%).

CDBG Grant Fund: This fund operates on a reimbursement basis. Therefore the balance will be negative as expenditures are incurred prior to reimbursement.

Internal Services: Internal Service Fund transactions consist of quarterly General Fund transfers and budgeted expenditures.



Bill Lockyer
California State Treasurer

Pooled Money Investment Account
PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538											



Item #: 3.D.

CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: DEPARTMENT OF PUBLIC WORKS

DATE: FEBRUARY 15, 2011

SUBJECT: CLARES STREET TRAFFIC CALMING PROJECT
AWARD OF CONTRACT FOR PLANNING AND DESIGN SERVICES

Recommended Action: By motion and roll call vote, take the following actions:

As the Board of Directors of the Capitola Redevelopment Agency:

1. Authorize that this project be administered by the City, including all contracts, inspection services, and public meetings.

As the City Council:

1. Award a contract to Harris and Associates for Planning and Design Services for the Clares Street Traffic Calming Project in the amount of \$103,000.
-

BACKGROUND

Included in the 2010/11 Capital Improvement Program is funding for a traffic calming project on Clares Street between 41st Avenue and Wharf Road. This project was originally conceived as part of the Rispin Hotel Project and includes several mitigation measures identified in that project's permit conditions. Funding for planning and design services, and a portion of the construction funding was originally to come from the hotel developer. Due to failure of the hotel project to proceed, Public Works staff sought and received grant funding for the project through the Santa Cruz County Regional Transportation Commission and the Redevelopment Agency has increased its funding in the project.

Preliminary engineering for traffic calming on Clares Street was initially reviewed by the Redevelopment Agency in 2004. At that time the RDA Board approved a design that included the chicanes and median islands and included raised and lighted pedestrian crosswalks at 42nd Avenue and 46th Avenue. Minutes and the agenda material from the December 9, 2004 meeting are included as Attachment 2.

DISCUSSION

Staff has purposely waited for the Capitola Road Traffic Calming Project to be constructed before beginning the design of the Clares Street improvements. Obviously much has been learned from the Capitola Road project that will be carried forward. Besides the standard data gathering, surveying, and design work, Harris's scope of work includes holding a community work shop at the 30% design phase. This meeting will be advertised and held at a convenient time and location for seeking public input and buy-in on the project.

The total cost of the contract is \$103,000 and includes design services, bidding services, and construction services consisting of submittal reviews and responding to information requests from the contractor. Local firms Bowman and Williams Engineers and Joni Janecki & Associates are sub-consultants who will complete the survey work and landscape design respectively.

FISCAL IMPACT

Funding

RSTPX funds	\$100,000
RDA funds	\$300,000
<u>TDA funds</u>	<u>\$ 75,000 (pending)</u>
Total	\$475,000

Expenses

Design contract	\$103,000
Construction	\$350,000
<u>Contingency</u>	<u>\$ 22,000</u>
Total	\$475,000

ATTACHMENTS

1. Proposal from Harris and Associates dated September 13, 2010
2. Minutes and Agenda material from December 9, 2004

Report Prepared By: Steven Jesberg
Public Works Director

Reviewed and Forwarded
by the City Manager/
Executive Director _____



September 13, 2010

Mr. Steven E. Jesberg, P.E.
Public Works Director
City of Capitola
420 Capitola Road
Capitola, California 95010

**Re: Clares Street Traffic Calming Improvement Project
Final Design**

Dear Steve:

We are excited to again assist the City in moving the Clares Street Traffic Calming Project into the next design phase. After having provided preliminary engineering services for the conceptual design alternatives of the project, we can seamlessly move forward into the final design of the project- incorporating Alternative 4 chosen by the City Council.

As requested, we are pleased to submit our proposal to prepare final construction documents, based on design Alternative 4, for the project. Our scope of work will include the following tasks:

- Task 1: Project Management
- Task 2: Investigation Phase
- Task 3: Preliminary Design Phase (30%)
- Task 4: Final Design Phase (60% and 100%)
- Task 5: Bidding Services
- Task 6: Design Services During Construction

Please find attached the details of the scope of work, schedule, and level of effort. Design services will be conducted out of our Gilroy Office. We propose the following core Harris team which will be serving the indicated roles:

Millette M. Litzinger, P.E.- will serve as Project Manager providing the project management, coordinating activities, and reporting.

John L. Ilasin, P.E.- will serve as Project Engineer preparing the plans, specifications, and opinion of probable construction cost.

Edgar Andales- will serve as Engineering Technician doing the computer aided drafting (CAD) of the plans and quantity take-off.

Russell Moore, P.E., LEED® AP- will serve as Project Director doing the overall quality control/quality assurance. Russ has over 25 years of professional experience in public infrastructure projects including highway, bridge, street, storm drain, water, sanitary sewer, and site engineering.

In addition, **Bowman & Williams** will provide the land surveying, and **Joni L. Janecki & Associates, Inc.** will provide the landscape architecture and irrigation services.

*Clares Street Traffic Calming Improvement Project
Final Design*

With your authorization, we propose to perform the work for a not-to-exceed fee of **\$103,000**. Our hourly rates include most direct costs such as vehicles, mileage, equipment, computers, communications, and reproduction (except large quantities such as mass reproduction).

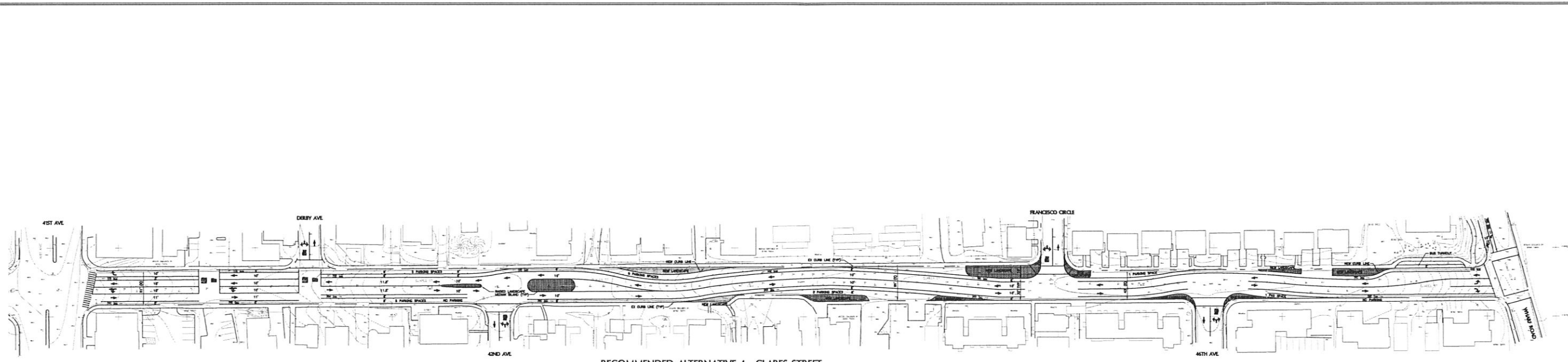
Harris & Associates has the expert staff and qualifications to assist the City in delivering another successful traffic calming project, and we look forward to working with the City again! If you have any questions regarding this matter, please contact Millette at (408) 842-5777, extension 237 or mlitzinger@harris-assoc.com.

Sincerely,

Harris & Associates



Russell Moore, PE, LEED AP, *Vice President*
Project Director



RECOMMENDED ALTERNATIVE 4 - CLARES STREET
 PROPOSED PARKING STALLS - 15 NORTH SIDE
 9 SOUTH SIDE



DATE: 04/18/16	SCALE: 1"=40'	APPROVED BY:
SHEET: 11.01	PROJECT: CLARES STREET	DATE:
PROJECT: CLARES STREET	PROJECT: CLARES STREET	REVISIONS:
 Harris & Associates <small>1111 14th Street, Suite 100, San Francisco, CA 94103</small> <small>WWW.HARRISANDASSOCIATES.COM</small>		
CITY OF CAPITOLA		
CLARES STREET		
ALT-2		
TRAFFIC CALMING PROJECT		
2 OF 2		



CLARES STREET TRAFFIC CALMING IMPROVEMENT PROJECT

SCOPE OF WORK

The Harris team will provide civil engineering, landscape architecture, and surveying design services to prepare construction documents suitable for bidding, and compliant with the City's requirements. In general, the project will construct curbs, gutters, sidewalks, median islands, curb ramps, landscaping, and irrigation on Clares Street from 41st Avenue to Wharf Road. The improvements will be as shown in Alternative 4 of the conceptual design alternatives. It is assumed that all the improvements will remain within the existing right of way.

Harris' scope of work to prepare bid package will include the following tasks:

- Task 1: Project Management
- Task 2: Investigation Phase
- Task 3: Preliminary Design Phase (30%)
- Task 4: Final Design Phase (60% and 100%)
- Task 5: Bidding Services
- Task 6: Design Services During Construction

Task 1: Project Management

Task 1.1 Schedule and Budget. Harris' project management functions will include monitoring the schedule and budget; ensuring the delivery of submittals and conformance with applicable standards; and facilitating verbal and written communication through meetings, project documentation, and progress reports.

Task 1 Deliverables

- Monthly progress reports and invoices
- Project Schedule

Task 2: Investigation Phase

Task 2.1 Kick-off Meeting. Harris will meet with the City to confirm scope of work, schedule, budget, availability of project documents, and format of deliverables. Specifically, the bid package will be discussed and defined taking into consideration the type of work, limits of work, and any funding requirements.

Task 2.2 Field Review. Harris will conduct an initial field review of Clares Street. Follow-up visits will be conducted as necessary to understand the street's unique features that will affect the design, construction, and preparation of the contract documents.

Task 2.3 Data Gathering. Harris will gather and review existing record documents that are pertinent to the project's development. Typical data collection includes:

- Record Drawings/As-built plans
- City design standard plans and specifications
- Readily available mapping and aerial photographs
- Traffic data
- Utility facility maps
- Geotechnical reports

Task 2.4 Utility Coordination. It is not anticipated that any utilities within the right of way will need to be relocated. However, our subconsultant –Bowman & Williams– will contact the utility companies for information on their existing facilities as part of Task 2.5. Based on the information provided from the utility companies, Harris will identify potential utility conflicts and notify the utility companies regarding adjustments.

Task 2.5 Surveying. Our subconsultant –Bowman & Williams– will provide the following surveying services:

- Field reconnaissance and traverse. Tie out found monuments and set control points for survey.
- Compile record maps and deeds for right of way determination.
- Field survey and resolve boundaries for right of way lines.
- Topographic survey. Measure the elevations of the center of the street and the gutter (or bottom of curb) and top of curb on each side, and the back of walk at about 40' intervals. The topographic mapping will be limited to the right of way lines on the south and north, and will begin on the eastern side of 41st Avenue and end on the western side of Wharf Road.
- Locate improvements including storm drain, through curb drains, sanitary sewer, electric, water, telephone, CATV, hydrants, and utility poles based on surface evidence. This includes obtaining available utility information from the agencies and showing them based on the record information and surveyed locations. Measure inverts of storm drainage and sewer system at inlets and manholes.
- Prepare topographic map at a scale of 1" = 10' with 1' contour intervals and spot elevations at 0.01' accuracy. Utilize the aerial survey AutoCAD map provided by the City as background for the drawing to help reduce the field and office time.

Task 2.6 Public Meetings. It is assumed the public meetings will be limited to one community meeting during the 30% design phase and one City Council meeting during the final design phase. Exhibits to be used during the public meetings will be the 30% and 100% design plans.



Task 2 Deliverables

- Kick-off meeting minutes
- Topographic map
- Public meeting minutes

Task 3: Preliminary Design Phase (30%)

Task 3.1 Landscape and Irrigation Design. Our subconsultant –Joni L. Janecki & Associates– will provide the following landscaping and irrigation services:

- Gather existing site information, including City tree planting and irrigation standards, survey information, and conceptual plans.
- Prepare a concept level plan, section, and elevation drawing depicting plant species selections, and design concepts for the medians. Upon approval of the concept plan, prepare presentation plans for use in public meeting and City Council meeting.
- Attend one meeting with the City and two presentations to the City (public meeting and council meeting).

Task 3.2 Preliminary Design. Harris will work closely with the City in preparation of contract documents. Based on the field reviews, information gathered and input from City staff, Harris will develop preliminary plans at 20-scale delineating the new curbs, gutters, sidewalks, median islands, curb ramps, and landscaping. The plans will be reviewed and approved by the City prior to Harris proceeding to Task 4: Final Design.

Task 3.3 Preliminary Opinion of Probable Construction Cost. A preliminary opinion of probable construction cost will also be prepared to confirm the proposed project is within the City's budget.

Task 3.4 Quality Control Review. Deliverables produced for submittals will be checked prior to submission to the City. Harris will utilize staff members who are not affiliated with the project on a day-to-day basis.

Task 3 Deliverables

- Preliminary plans including cover sheet, layout plans with base mapping, and typical section
- Preliminary opinion of probable construction cost



Task 4: Final Design Phase (60% and 100%)

Task 4.1 Final Design. Separate construction documents including plans, technical specifications, and opinions of probable construction costs will be prepared for 60% and 100% submittals. After the 60% and 100% submittals, Harris will participate in a review meeting with the City to discuss and resolve comments. Harris will prepare a written response to comments, as well as incorporate comments into the plans, specifications, and estimate. After comments have been received at the City Council meeting, as noted in Task 2.6: Public Meetings, a final submittal will be prepared. Plans will be developed to scale per the City's standard plan format using AutoCAD. The improvements presented on the plans will be designed to meet the latest Americans with Disabilities Act (ADA) accessibility requirements and to provide positive drainage.

Harris will prepare plans that will include the sheets listed below based on the project limits. Each sheet of the final plans will be stamped and signed by the Engineer of Record:

- Cover (1 sheet)
- Sections and Details (2 sheets)
- Demolition Plan (1 sheet)
- Plan and Profile (4 sheets)
- Signing and Striping Plan (3 sheets)
- Landscape Plans and Details (3 sheets)
- Irrigation Plans and Details (3 sheets)

Final design landscaping and irrigations tasks will include:

- Prepare the construction documents, including 60% and 90% drawings and specifications setting forth in detail the requirements for the construction of the project. The drawings will include complete planting plans and details for all medians to receive landscaping. The planting plan shall include sizes, location, spacing and extent of individual materials.
- Identify all existing trees to remain and be protected during construction and identify them on design plans and in coordination with the civil plans.
- Design an automatic irrigation system to coordinate with the planting plans. Irrigation shall incorporate City standards.
- Revise plans after 60% and 100% review to reflect the City review comments.

Harris will prepare front-end and technical specifications for review and comment by the City. The specifications will be in Caltrans standard format. The technical specifications will include a description of each item on the bid schedule with requirements for measurement and payment. Additionally, the list of submittals, bid schedule, and list of information available to bidders will be prepared and the allowed construction time period determined.



Task 4.2 Opinion of Probable Construction Costs. A detailed cost estimate will be prepared for the 60% and 100% submittals, including quantity takeoffs, unit costs, and cost estimates for each element of the project.

Task 4.3 Quality Control Review. Deliverables produced for submittals will be checked prior to submission to the City. Harris will utilize staff members who are not affiliated with the project on a day-to-day basis.

Task 4 Deliverables

Electronic submittals will be in AutoCAD and Adobe for plans, MS Word, and Adobe for specifications, and MS Excel and Adobe for cost estimates or spreadsheets.

- 60% plans, specifications, and estimates (PS&E) submittal
- 100% PS&E submittal
- Final PS&E submittal
- Written responses to City review comments (along with any mark-ups provided by the City)

Task 5: Bidding Services

Task 5.1 Bidding Services. Harris will attend the pre-bid meeting and prepare minutes of the meeting. Harris will prepare responses to bidder clarifications in a timely manner, including the preparation of addenda, if needed. Harris will prepare technical data required to support addenda materials.

Task 5.2 Construction Contract Award. We will analyze bids, prepare a bid summary, and make written recommendations to the City Council concerning award of the construction.

Task 5 Deliverables

- Minutes of pre-bid meeting
- Written responses to bidder clarifications
- Addenda documentation as needed
- Bid evaluation
- Bid summary
- Award of construction recommendation

Task 6: Design Services during Construction

Task 6.1 Design Services during Construction. Harris will provide the listed design services during construction on an as-needed basis.

- Attend the pre-construction meeting



- Prepare responses to Contractor's Request for Information (RFIs) in a timely manner, including the preparation of additional details and revisions to the plans and specifications
- Review and respond to Contractor's submittals and proposed substitutions for conformance to the plans and technical specifications, as well as proposed contract changes orders
- Prepare record drawings from as-built plans provided by the Contractor and City

Task 6 Deliverables

- Written responses to RFIs, submittals, proposed substitutions, and contract change orders
- Record drawings based on Contractor as-built plans

SCHEDULE

It is anticipated that the design contract will be awarded in early October 2010 and that the design will be complete by April 2011. The approximate schedule is shown below.

- 30% Design Submittal: 5 weeks after notice to proceed, mid-November 2011
- Community Meeting, early December 2010
- 60% Design Submittal: 4 weeks after receiving 30% submittal comments, early February 2011
- 100% Design Submittal: 4 weeks after receiving 60% submittal comments, mid-March 2011
- Council Meeting, late March 2011
- Final Design Submittal: 2 weeks after Council Meeting, early April 2011

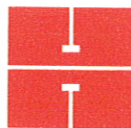


CITY OF CAPITOLA
 Clares Street Traffic Calming Project-Final Design
 Level of Effort
 Date 9/01/10

Task Description	Hours					Subcons.		
	PD	PM	PE	TECH	ADMIN	Landscape Arch. Subcons.	Land Surveyor Subcons.	FEE
Hourly Rate (per Standard Hourly Rate Schedule) ²	\$220.00	\$200.00	\$150.00	\$130.00	\$ 85.00			
1.0 Project Management								
1.1 Schedule and Budget	1	10			6			\$ 2,730
Subtotal	1	10	0	0	6	\$ -	\$ -	\$ 2,730
2.0 Investigation Phase								
2.1 Kick-off Meeting		2	2		4			\$ 1,040
2.2 Field Review			8					\$ 1,200
2.3 Data Gathering			8					\$ 1,200
2.4 Utility Coordination			8					\$ 1,200
2.5 Surveying				2			\$ 16,000	\$ 16,260
2.6 Public Meetings		6	4	2				\$ 2,060
Subtotal	0	8	30	4	4	\$ -	\$ 16,000	\$ 22,960
3.0 Preliminary Design Phase (30%)								
3.1 Landscape Design			4			\$ 7,500		\$ 8,100
3.2 Preliminary Design			16	32				\$ 6,560
3.3 Preliminary Opinion of Probable Construction Cost			8	4				\$ 1,720
3.4 Quality Control Review	2	8						\$ 2,040
Subtotal	2	8	28	36	0	\$ 7,500	\$ -	\$ 18,420
4.0 Final Design Phase (60% and 100%)								
4.1 Final Design (Plans and Specifications)		2	32	60		\$ 16,000		\$ 29,000
4.2 Opinion of Probable Construction Cost		1	16	8				\$ 3,640
4.3 Quality Control Review	2	4						\$ 1,240
Subtotal	2	7	48	68	0	\$ 16,000	\$ -	\$ 33,880
5.0 Bidding Services								
5.1 Bidding Services		2	2	4	4	\$ 2,500		\$ 4,060
5.2 Construction Contract Award		2	8					\$ 1,600
Subtotal	0	4	10	4	4	\$ 2,500	\$ -	\$ 5,660
6.0 Design Services during Construction								
6.1 Design Services during Construction	2	8	24	16		\$ 5,500		\$ 13,220
Subtotal	2	8	24	16	0	\$ 5,500	\$ -	\$ 13,220
Reimbursable Costs						\$ 1,200		
Subconsultant Markup (10%)						\$ 3,270	\$ 1,600	
ROUNDED TOTAL	7	45	140	128	14	\$ 35,970	\$ 17,600	\$ 103,000

ASSUMPTIONS:

- Services will be in accordance to the Scope of Work. Additional services beyond the Scope of Work will require amendment to the Professional Services Agreement.
- Rates are subject to adjustment due to promotions during the effective period of this schedule. A new rate schedule will become effective January 1, 2012. Unless otherwise indicated in the cost proposal, hourly rates include most direct costs such as vehicles, mileage, equipment, computers, communications, and reproduction (except large quantities such as construction documents for bidding purposes).



Harris & Associates SM

D. PUBLIC HEARINGS – None**E. REGULAR BUSINESS****1. 41st Avenue and Gross Road Improvements. [940-40]**

Executive Director Hill informed the directors that Public Works Director Jesberg could not attend tonight's meeting due to injuries he received in a skiing accident. Mike Cooper of Harris & Associates would be making the presentation and responding to questions.

Mike Cooper stated the bid opening date would be January 12, not January 7 as originally noted, and staff hoped to come back to the directors on January 27 with the bids. He then summarized the written agenda report and responded to questions of directors regarding the original engineers' estimate, whether night work is anticipated, concerns about funding the project, preliminary design costs, etc.

Director discussion was followed by this action:

ACTION: Director Norton moved, seconded by Director Termini, to approve the plans, specifications, and engineer's estimate in the amount of \$750,000 for construction of the 41st Avenue and Gross Road Improvements as submitted and authorized staff to re-advertise the project for bids. The motion carried unanimously.

2. Clares Street Traffic Calming Report on Preliminary Engineering. [940-40]

Mike Cooper of Harris & Associates summarized the written agenda report and discussed the key elements of Alternative #4, which was the recommended alternative. Using the overhead projector, traffic engineer Ron Marquez reviewed each alternative for traffic-calming work proposed for Clares Street between 41st Avenue and Wharf Road and responded to questions of directors. Mr. Marquez believed Alternative #4 was a good blend of all previous alternatives and addressed the objectives defined as key elements for the project.

Considerable Director discussion was followed by this action:

ACTION: Director Norton moved, seconded by Director Termini, to accept the report and provided direction to the traffic engineers to move forward with Alternative #4, keeping as much on-street parking available as possible, and adding the possibility of lighted crosswalks at pedestrian crossings. Under discussion, Director Termini commented on the adverse effects of lighted crosswalks and said that many jurisdictions are recommending raised crosswalks instead. Director Norton amended his motion, and Director Termini seconded, to have the engineers bring back recommendations to address concerns expressed regarding pedestrian crossings. The motion carried on the following vote: AYES: Directors Termini, Norton, Harlan, Nicol, and Chairperson Arthur. NOES: None. ABSENT: None. ABSTAIN: None.

**SPECIAL JOINT MEETING OF THE
CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY**

Chairperson Arthur advised that the Special Joint Meeting of the Capitola City Council/Redevelopment Agency was cancelled since a settlement had not been reached.

A. Consideration of Settlement Agreements relating to the five Lawsuits between Save the Habitat and the City of Capitola listed above under Closed Session. [570-40]



CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF DECEMBER 9, 2004

FROM: DEPARTMENT OF PUBLIC WORKS
DATE: NOVEMBER 30, 2004
SUBJECT: CLARES STREET TRAFFIC CALMING
REPORT ON PRELIMINARY ENGINEERING

Recommended Action: Accept report and provide comments and direction on the preliminary engineering work identifying alternatives for the proposed traffic calming work for Clares Street between 41st Avenue and Wharf Road.

BACKGROUND

The consulting team of Harris and Associates and Marquez Transportation has completed the preliminary engineering phase of the Clares Street Traffic Calming project. This work included the development of base maps and preliminary layout of alternative solutions.

Mike Cooper, of Harris and Associates, and Ron Marquez will present the alternatives along with the recommendations.

DISCUSSION

In identifying the possible alternatives the following objectives were defined as the key elements:

- Resolve traffic congestion problems on Clares Street at 41st Avenue by bank parking lot.
- Employ major traffic calming elements at intersections
- Reduce line of sight distance between intersections by utilizing landscaped areas
- Reduce lane width
- Include traffic mitigation measures stipulated in the Rispin Mansion project
 - Right hand turn lane on southbound Wharf Road to Clares Street
 - Raised intersection at Clares and Wharf
 - Bus turnout on Clares adjacent the library

FISCAL IMPACT

The construction estimate for this project is \$325,000. Engineering and construction management is estimated at \$80,000. A funding program for the project is being developed and will be presented to the Board as part of the budget process for next fiscal year.

ATTACHMENTS

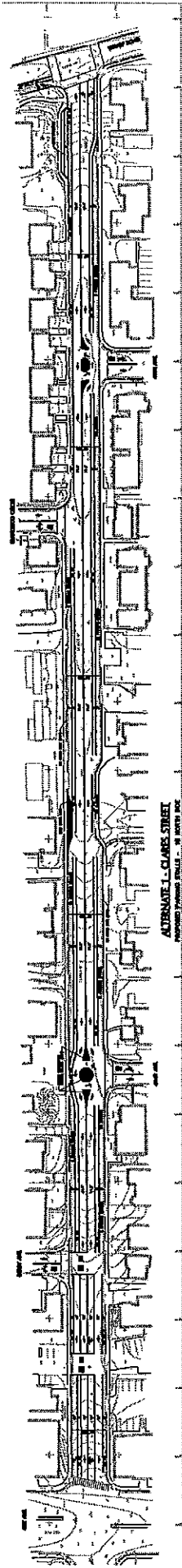
1. Alternative layouts
2. Recommended alternative

Note: Larger scale drawings and displays will be available at the meeting.

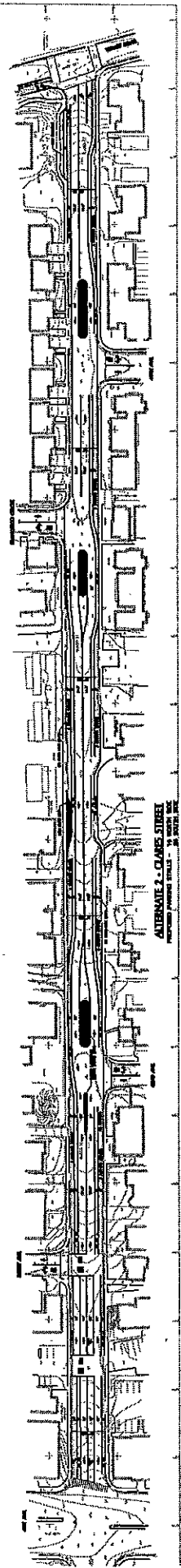
**Report Prepared By: Steven Jesberg
Public Works Director**

**Reviewed and Forwarded
by Executive Director:**

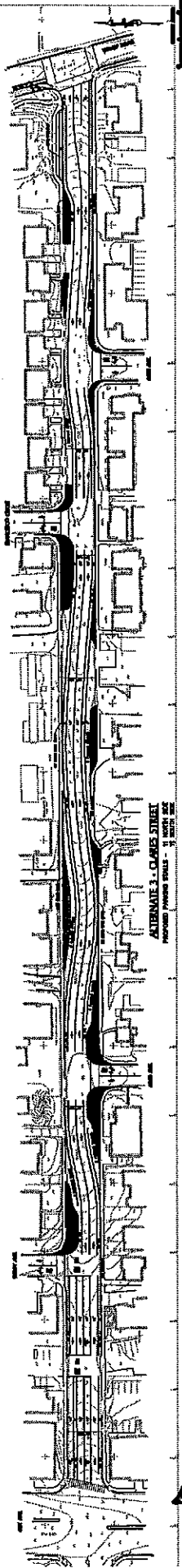
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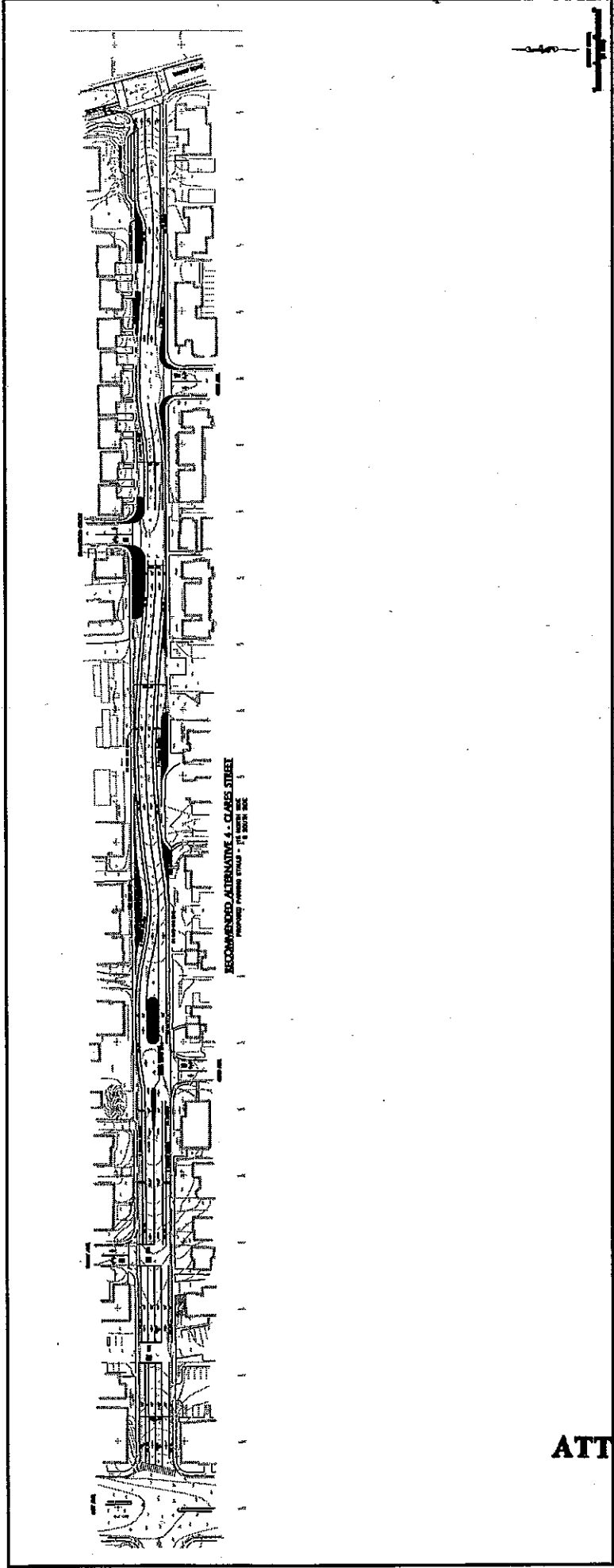
ALTERNATE 1 - CLARES STREET
PROPOSED PARKING SPACES - 30 NORTH SIDE
PROPOSED PARKING SPACES - 30 SOUTH SIDE



ALTERNATE 2 - CLARES STREET
PROPOSED PARKING SPACES - 30 NORTH SIDE
PROPOSED PARKING SPACES - 30 SOUTH SIDE



ALTERNATE 3 - CLARES STREET
PROPOSED PARKING SPACES - 30 NORTH SIDE
PROPOSED PARKING SPACES - 30 SOUTH SIDE



RECOMMENDED ALTERNATIVE 4 - CLARES STREET
Proposed parking spaces - 15' wide



Item #: 3.E.

CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: DEPARTMENT OF PUBLIC WORKS
DATE: FEBRUARY 15, 2011
SUBJECT: CREATION OF A MAINTENANCE WORKER POSITION SERIES
IN THE DEPARTMENT OF PUBLIC WORKS

Recommended Action: By motion and roll call vote that the City Council takes the following actions:

1. Adopt a proposed resolution which approves the following:
 - a. Eliminates the existing Maintenance Worker classification
 - b. Creates Maintenance Worker 1, 2 and 3 classifications, and related job descriptions and salary schedule
 - c. Authorizes the City Manager to fill one Maintenance Worker 1 position in the Department of Public Works
 - d. Authorizes a promotional-only recruitment for a Maintenance Worker 3 position in the Department of Public Works

BACKGROUND

The recent retirement of a maintenance worker in the Public Works Department has given city management the opportunity to review the Maintenance Worker job specification and the organizational structure of the maintenance crews. The current organizational structure includes two Maintenance Supervisors and two crews consisting of four or five crew members. Currently one Maintenance Supervisor position and one Maintenance Worker position are frozen due to budget reductions. There is also one Maintenance Worker position vacancy created by retirement in December.

After careful review and analysis, a structural reorganization of the public works crew is being recommended. The proposed changes will create a Maintenance Worker 1, 2 and 3 series in place of the existing single leveled Maintenance Worker position. All existing Maintenance Worker crew members would be classified into the Maintenance Worker 2 level. The current vacancy and future vacancies would be filled at the Maintenance Worker 1 level. The Maintenance Worker 3 positions would then be created to serve under a single Maintenance Supervisor as a lead worker.

Organization Charts in Attachment 2 show the existing and proposed structures.

DISCUSSION

The proposed organizational structure will allow for new vacancies in the crew to be filled at an entry level pay scale and also provide increased opportunity for advancement in the crew. Incumbent Maintenance Worker 1's may advance to the Maintenance Worker 2 classification after

one year of satisfactory service at the Maintenance Worker 1 level and obtaining one of two possible licenses and upon the recommendation of the Public Works Director. Currently these licenses are not required of maintenance worker crews.

The creation of the two lead Maintenance Worker 3 positions will allow the crew to remain under the supervision of one Maintenance Supervisor by providing project level leaders who can lead a crew as necessary. This type of crew organization is common in other public agencies.

FISCAL IMPACT

Position	# of FTE	Annual Cost
<u>Existing Crew Costs</u>		
Maintenance Worker	9	\$ 453,924
Supervisor	2	\$ 138,792
	11	\$ 592,716
<u>Proposed Crew Costs</u>		
Maintenance Worker 1	1	\$ 37,924
Maintenance Worker 1 & 2	7	\$ 355,320
Maintenance Worker 3	2	\$ 106,596
Supervisor	1	\$ 69,396
	11	\$ 569,236
	cost savings	\$ 23,480
above costs include all currently frozen positions		
above costs do not include longevity bonuses		

The fiscal analysis above assumes a fully mature crew where all employees have attained the top step. The annual savings will vary as new employees are hired at lower steps and as Maintenance Worker 1's achieve promotional opportunities to the Maintenance Worker 2 level.

ATTACHMENTS

1. Draft Resolution
 - a. Exhibit A: Maintenance Worker 1 and 2 job description dated 2/2011
 - b. Exhibit B: Maintenance Worker 3 job description dated 2/2011
2. Public Works Organization Charts
3. Proposed Salary Schedule

**Report Prepared By: Steven Jesberg
Public Works Director**

**Reviewed and Forwarded
By City Manager:**

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
ELIMINATING THE MAINTENANCE WORKER CLASSIFICATION AND APPROVING THE
ADDITION OF MAINTENANCE WORKER 1, 2 AND 3 CLASSIFICATIONS, SALARY
SCHEDULES AND JOB DESCRIPTIONS; AMENDING THE MEMORANDUM OF
UNDERSTANDING BETWEEN THE ASSOCIATION OF CAPITOLA EMPLOYEES (ACE)
AND THE CITY OF CAPITOLA TO ADD THE NEW CLASSIFICATIONS, RELATED SALARY
SCHEDULES AND BENEFITS EFFECTIVE FEBRUARY 24, 2011, AND AUTHORIZING
HIRING ONE MAINTENANCE 1 POSITION AND THE RECRUITMENT AND HIRING OF
A MAINTENANCE WORKER 3 POSITION**

WHEREAS, Section 2.44.030 of the Capitola Municipal Code establishes the City Manager as the personnel officer, and authorizes him to prepare class specifications which shall become effective upon Council approval; and

WHEREAS, the Department of Public Works only has a single Maintenance Worker classification and it would be beneficial to have three tiers of classification to encourage entry level hiring and provide additional promotional opportunities; and

WHEREAS, approval of these classifications will allow for re-organization of the Public Works Maintenance to better provide for the department's needs in the future; and

WHEREAS, the Maintenance Worker classification is being removed from the Classification Plan, as it is appropriate to provide entry and journey level positions; and

WHEREAS, new job descriptions for the classification Maintenance Worker 1, 2 and 3 are attached as Exhibit "A" and Exhibit "B" herein and incorporated by reference.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola as follows:

- 1) The Maintenance Worker classification of the Association of Capitola Employees (ACE) Memorandum of Understanding is hereby deleted;
- 2) The Classifications of Maintenance Worker 1 and 2 and Maintenance Worker 3 and the job descriptions for those classifications, Exhibits A and B attached hereto, are approved;
- 3) The Association of Capitola Employees (ACE) Memorandum of Understanding is amended to add Maintenance Worker 1 and Maintenance Worker 2 and Maintenance Worker 3 classifications and salary schedules as listed below to become effective February 24, 2011:

	A	B	C	D	E
MAINTENANCE WORKER 1	\$2600	\$2730	\$2867	\$3010	\$3160
MAINTENANCE WORKER 2	\$3481	\$3654	\$3837	\$4028	\$4230
MAINTENANCE WORKER 3	\$3655	\$3837	\$4029	\$4229	\$4442

4) All existing full time employees working in the Maintenance Worker classification in the Public Works Department shall be classified at the Maintenance Worker 2 classification;

5) The City Manager is hereby authorized to fill on Maintenance Worker 1 position in the Public Works Department; and

6) The Personnel Director is hereby authorized to complete a promotional only recruitment and hire a Maintenance Worker 3 position in the Public Works Department.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Capitola on the 24th day of February, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dennis R. Norton, Mayor

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk

EXHIBIT A

City of Capitola

MAINTENANCE WORKER I AND MAINTENANCE WORKER 2

GENERAL PURPOSE

Maintenance Worker 1 – Under close supervision, performs a variety of unskilled or routine maintenance tasks, construction work, and repair work in the upkeep of the city's streets, parks, beaches, and facilities; performs other work as assigned or required

Maintenance Worker 2 - Under general supervision, performs a variety of skilled or semi-skilled or routine maintenance tasks, construction work, and repair work in the upkeep of the city's streets, parks, beaches, and facilities; performs other work as assigned or required. Trains Maintenance Worker 1's as directed by supervisor.

SUPERVISION RECEIVED:

Maintenance Worker 1 – work under of Maintenance Supervisor; receive direction and training from Maintenance Worker 3; receive training from Maintenance Worker 2

Maintenance Worker 2 - Works under the supervision of the Maintenance Supervisor; receive direction from Maintenance Worker 3.

SUPERVISION EXERCISED - None

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Responds to after-hours service requests and emergencies.
- Performs asphalt patching and pothole repair.
- Installs and maintains road markings and city signs.
- Clears brush and debris from storm drains, wooded areas, streets, creeks, and ditches.
- Cleans up after various types of road spills and vehicle accidents following proper department procedure.
- Distributes and collects barricades for traffic control during and after city festivals, recreational activities, and flooding of streets and beaches following high tides and heavy storms.
- Cleans sidewalks, picks up litter along streets, and dumps trash cans throughout the city.
- Maintains city buildings, cleans roofs and rain gutters, replaces lights and fixtures, and other tasks as needed.
- Builds and maintains city owned walls and fences.
- May operate power equipment and trucks.
- Maintains and makes minor repairs of equipment.
- Maintains the Capitola Wharf; cleaning bathrooms and performing minor repairs to buildings and structure.
- Mows and edges lawns, weeds, waters, prunes shrubs and trees; in city parks, street islands, and other city right-of-ways and landscaped areas.
- Installs, inspects and repairs sprinkler systems.
- Applies fertilizers and herbicides as necessary.
- Assists in installing, repairing, and maintaining park and recreational equipment.
- Cleans and maintains parks and recreational area restroom facilities.

PERIPHERAL DUTIES

Maintenance Worker 2 only

- Serves on various employee or other committees as assigned.

DESIRED MINIMUM QUALIFICATIONS**Education and Experience:**

Maintenance Worker 1

- Graduation from high school or GED equivalent, and
- General working knowledge of hand tools and small equipment.

Maintenance Worker 2

- Graduation from high school or GED equivalent, and
- One (1) year of experience relating to construction, maintenance, or repair, or
- Any equivalent combination of education and experience.

Necessary Knowledge, Skills and Abilities:

- Knowledge of methods, procedures, and materials used in the maintenance of city parks, beaches, facilities, and other landscaped areas; knowledge of methods and materials used in the control and eradication of plant diseases and pests. Knowledge of safe work procedures necessary to protect the employee, fellow workers and the public. Knowledge of use and operation of various department hand tools and equipment. Knowledge of modern methods and materials used in the maintenance and repair of streets, parking lots, storm drains and traffic control devices. Knowledge of basic carpentry, plumbing and electrical tools and techniques.
- Skill in operation of power tools and small equipment.
- Ability to follow oral and written directions; ability to keep time, keep record of materials and personnel; ability to perform all required tasks in a safe manner; ability to perform skillfully and safely all maintenance, repair or installation tasks; ability to perform heavy manual labor; ability to work well with superiors, fellow employees, and the general public; ability to work in seasonal harsh weather conditions.

SPECIAL REQUIREMENTS

Maintenance Worker 1

- Possession of a valid California Class C Motor Vehicle Operator's license.

Maintenance Worker 2

- Possession of a valid California Class C Motor Vehicle Operator's license.

Possession of one of the following is required to be hired or promoted to a Maintenance Worker 2 depending on the assignments of the position as directed by the Maintenance Supervisor.

- California Class A drivers license
- California Department of Pesticide Regulation (CDPR) Qualified Applicators Certification (QAC)

TOOLS AND EQUIPMENT USED

- Motorized vehicles and equipment, including dump truck, pickup truck, utility truck, JD Loader, small tractors, street sweeper, mowers, chipper, chainsaws, pumps, compressors, generators, as well as common hand and power tools.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is occasionally required to walk; sit; climb or balance; stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 25 pounds and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee frequently works near moving mechanical parts and is frequently exposed to wet and/or humid conditions and vibration. The employee occasionally works in high, precarious places and is occasionally exposed to fumes or airborne particles, toxic or caustic chemicals, and risk of electrical shock. The noise level in the work environment may be loud.

WORK SCHEDULES

Work crews work a modified 40 hour per week schedule.

Monday – Thursday 6:00 a.m. to 3:00 p.m. with a two ½ hour breaks at 8:00 a.m. and noon
Friday 6:00 a.m. to 12:00 p.m. with ½ hour break at 8:00 a.m.

During the summer months from approximately mid-May through September, a portion of the crew has a modified schedule to work Wednesday through Sunday. Any crew member may be assigned this modified schedule at the direction of the Maintenance Supervisor.

All Public Works employees are designated as Emergency Response Personnel. Both the Maintenance Worker 1 and Maintenance Worker 2 positions are required to work overtime and respond to call backs on an as needed basis as part of their employment with the City of Capitola.

SELECTION GUIDELINES

Formal application, rating of education and experience, oral interview, and reference check; job related tests may be required.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

Effective Date:

Rev: 2/2011

EXHIBIT B

City of Capitola

MAINTENANCE WORKER 3

GENERAL PURPOSE

Under general supervision, performs a variety of skilled or routine maintenance tasks, construction work, and repair work in the upkeep of the city's streets, parks, beaches, and facilities; performs other work as assigned or required. Serves as crew leader in the field of small crews made up of Maintenance Workers 1 and 2.

SUPERVISION RECEIVED:

Work under of Maintenance Supervisor.

SUPERVISION EXERCISED

Trains and acts as crew leader to work crews consisting of both Maintenance Worker 1's and 2's.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Responds to after-hours service requests and emergencies.
- Performs asphalt patching and pothole repair.
- Installs and maintains road markings and city signs.
- Clears brush and debris from storm drains, wooded areas, streets, creeks, and ditches.
- Cleans up after various types of road spills and vehicle accidents following proper department procedure.
- Distributes and collects barricades for traffic control during and after city festivals, recreational activities, and flooding of streets and beaches following high tides and heavy storms.
- Cleans sidewalks, picks up litter along streets, and dumps trash cans throughout the city.
- Maintains city buildings, cleans roofs and rain gutters, replaces lights and fixtures, and other tasks as needed.
- Builds and maintains city owned walls and fences.
- May operate power equipment and trucks.
- Maintains and makes minor repairs of equipment.
- Maintains the Capitola Wharf; cleaning bathrooms and performing minor repairs to buildings and structure.
- Mows and edges lawns, weeds, waters, prunes shrubs and trees; in city parks, street islands, and other city right-of-ways and landscaped areas.
- Installs, inspects and repairs sprinkler systems.
- Applies fertilizers and herbicides as necessary.
- Assists in installing, repairing, and maintaining park and recreational equipment.
- Cleans and maintains parks and recreational area restroom facilities.

PERIPHERAL DUTIES

- May serve on various employee or other committees as assigned.

DESIRED MINIMUM QUALIFICATIONS**Education and Experience:**

- Graduation from high school or GED equivalent, and
- Three (3) years of experience as a Maintenance Worker 2 with the City of Capitola
- Any equivalent combination of education and experience.

Necessary Knowledge, Skills and Abilities:

- Knowledge of methods, procedures, and materials used in the maintenance of city parks, beaches, facilities, and other landscaped areas; knowledge of methods and materials used in the control and eradication of plant diseases and pests. Knowledge of safe work procedures necessary to protect the employee, fellow workers and the public. Knowledge of use and operation of various department hand tools and equipment. Knowledge of modern methods and materials used in the maintenance and repair of streets, parking lots, storm drains and traffic control devices. Knowledge of basic carpentry, plumbing and electrical tools and techniques.
- Skill in operation of power tools and small equipment.
- Ability to follow oral and written directions; ability to keep time, keep records of materials and personnel; ability to perform all required tasks in a safe manner; ability to perform skillfully and safely all maintenance, repair or installation tasks; ability to perform heavy manual labor; ability to work well with superiors, fellow employees, and the general public; ability to work in seasonal harsh weather conditions.
- Ability to organize and lead small crews in the completion of a project, including participating in the work, assigning tasks to others, identifying and obtaining necessary equipment, materials and supplies, record keeping, and reporting results to the Maintenance Supervisor.

SPECIAL REQUIREMENTS

Starting requirements

- Possession of a valid California Class C Motor Vehicle Operator's license.

Desired licenses

- California Class A drivers
- California Department of Pesticide Regulation (CDPR) Qualified Applicators Certification (QAC)

TOOLS AND EQUIPMENT USED

- Motorized vehicles and equipment, including dump truck, pickup truck, utility truck, JD Loader, small tractors, street sweeper, mowers, chipper, chainsaws, pumps, compressors, generators, as well as common hand and power tools.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is occasionally required to walk; sit; climb or balance; stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 25 pounds and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee frequently works near moving mechanical parts and is frequently exposed to wet and/or humid conditions and vibration. The employee occasionally works in high, precarious places and is occasionally exposed to fumes or airborne particles, toxic or caustic chemicals, and risk of electrical shock. The noise level in the work environment may be loud.

WORK SCHEDULES

Work crews work a modified 40 hour per week schedule.

Monday – Thursday 6:00 a.m. to 3:00 p.m. with a two ½ hour breaks at 8:00 a.m. and noon
Friday 6:00 a.m. to 12:00 p.m. with ½ hour break at 8:00 a.m.

During the summer months from approximately mid-May through September, a portion of the crew has a modified schedule to work Wednesday through Sunday. Any crew member may be assigned this modified schedule at the direction of the Maintenance Supervisor.

All Public Works employees are designated as Emergency Response Personnel. The Maintenance Worker 3 position is required to work overtime and respond to call backs on an as needed basis as part of their employment with the City of Capitola.

SELECTION GUIDELINES

Formal application, rating of education and experience, oral interview, and reference check; job related tests may be required.

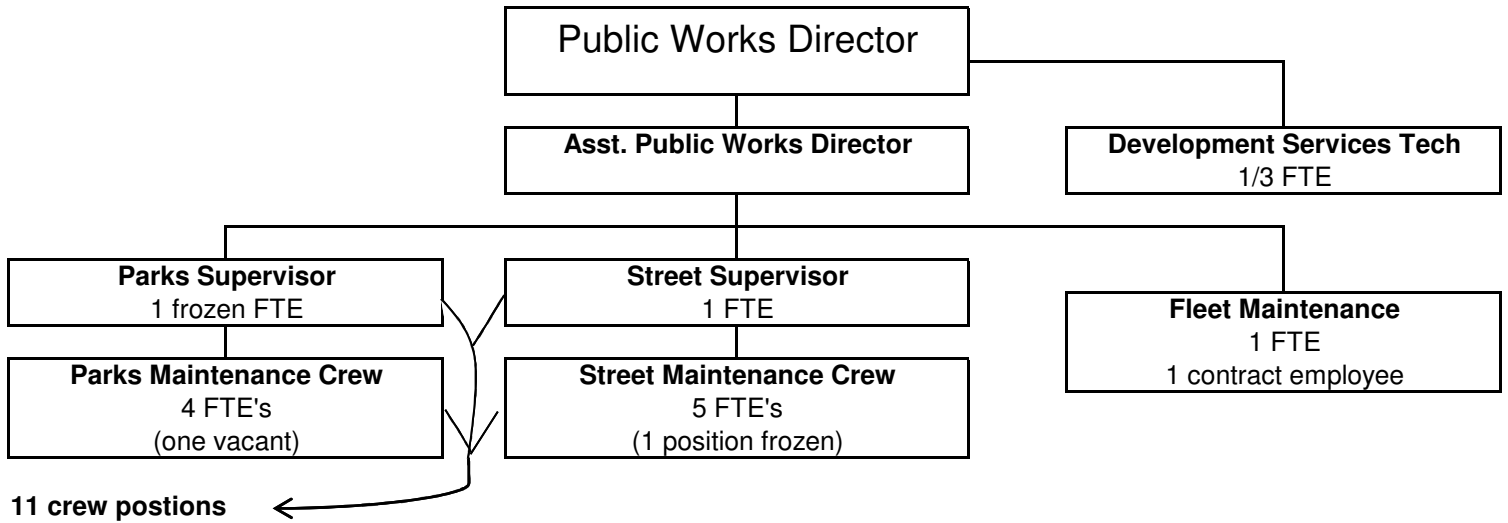
The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

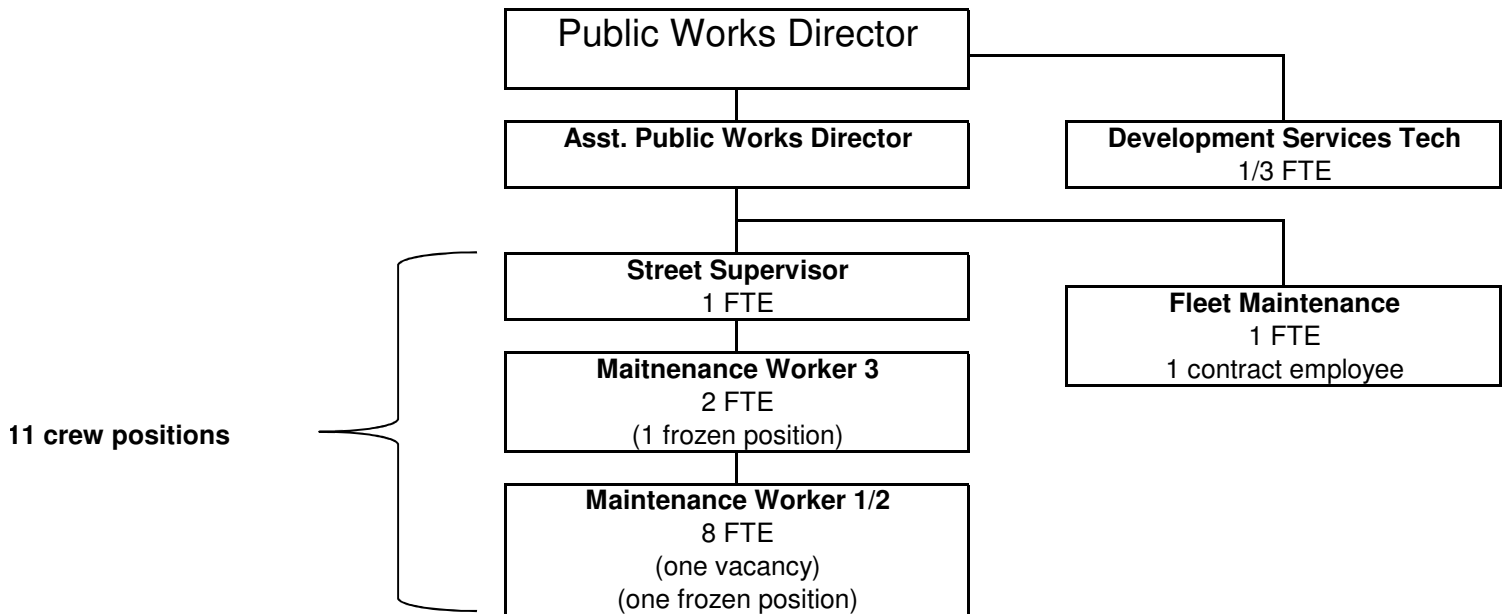
The candidate chosen for the position will be subject to a pre-employment medical examination.

Effective Date:
Rev: 2/2011

Existing Organization



Proposed Organization



CITY OF CAPITOLA
DEPARTMENT OF PUBLIC WORKS

**City of Capitola
Department of Public Works**

Proposed Maintenance Worker Series Salary Schedule

<u>Proposed Positions</u>	<u>Step</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Maintenance Worker 1 (entry level, unskilled)	monthly	\$ 2,600	\$ 2,730	\$ 2,867	\$ 3,010	\$ 3,160
	hourly	\$ 15.00	\$ 15.75	\$ 16.54	\$ 17.36	\$ 18.23
Maintenance Worker 2 (journey level, semi-skilled)	monthly	\$ 3,481	\$ 3,654	\$ 3,837	\$ 4,028	\$ 4,230
	hourly	\$ 20.08	\$ 21.08	\$ 22.14	\$ 23.24	\$ 24.40
	% over MW1	33.9%	33.8%	33.9%	33.8%	33.8%
Maintenance Worker 3 (skilled, crew leaders)	monthly	\$ 3,655	\$ 3,837	\$ 4,029	\$ 4,229	\$ 4,442
	hourly	\$ 21.09	\$ 22.13	\$ 23.24	\$ 24.40	\$ 25.62
	% over MW2	5.0%	5.0%	5.0%	5.0%	5.0%

Current Staffing

	Today	Frozen	Total
Maintenance Worker	8	1	9
Maintenance Supervisor	1	1	2
	<hr/>		
	total		11

Proposed Staffing

	Today	Frozen	Total
Maintenance Worker 1 & 2	7	1	8
Maintenance Worker 3	1	1	2
Maintenance Supervisor	1		1
	<hr/>		
	total		11



Item #: **3.F.**

CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: DEPARTMENT OF PUBLIC WORKS
DATE: FEBRUARY 16, 2011
SUBJECT: VEHICLE PURCHASE – PUBLIC WORKS PARKS DEPARTMENT

Recommended Action: By motion and roll call vote approve the purchase of a 2011 four wheel drive truck with a dump lift for hauling trash at the price of \$26,605.41 including tax from North Bay Ford in Santa Cruz for the Public Works Department.

BACKGROUND

Included in the 2010/11 budget is \$30,000 in the equipment replacement fund for a new public works truck. Staff is recommending that the City purchase a new 4-wheel drive pickup with a dump bed to assist the crews in picking up and hauling garbage off the beach. Public Works staff solicited bids from local dealers and received three bids. The lowest price was received from North Bay Ford in Santa Cruz with a vehicle price of \$26,183.63

DISCUSSION

A summary of the bids is as follows:

	Utility Truck
North Bay Ford	\$26,183.63
Franich Ford	\$26,546.33
Ford Store Gilroy	\$29,320

FISCAL IMPACT

Source of funds

Equipment Replacement Fund \$30,000

Use of funds

2011 4-Wheel Pickup w/dump bed \$26,605.41

The remaining funding will be used to purchase lift gates for existing Public Works vehicles to assist the crew in hauling heavy equipment to various job sites.

ATTACHMENT

Bid Summary

Report Prepared By: Steven Jesberg
Public Works Director

Reviewed and Forwarded
By City Manager:

TELEPHONE QUOTES: 2011 DPW TRUCK PURCHASE

Staff Contact : ED MORRISON Extension: 475-7300 X217

#1

Date: 1/24/2011 Vendor Name: North Bay Ford - Santa Cruz Contact Name: Bobbie Robinson Phone # 457-5858

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX	TOTAL
(1)	1		23,849.00	4X4 F-250 WITH A DUMP BED	yes \$ 2,270.88	\$ 26,119.88
(2)			-	DOC FEES	no \$ 55.00	\$ 55.00
(3)			-	Tire Fee	no \$ 8.75	\$ 8.75
(4)			-		\$ -	\$ -
(5)			-		\$ -	\$ -
Freight - if applicable					no \$ -	\$ -
TOTAL BID						\$ 26,183.63

#2

Date: 1/27/2011 Vendor Name: Franich Ford Contact Name: Kris Guertner Phone # 261-1148

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX	TOTAL
(1)	1		24,298.70	4X4 F-250 WITH A DUMP BED	yes \$ 2,247.63	\$ 26,546.33
(2)			-		\$ -	\$ -
(3)			-		\$ -	\$ -
(4)			-		\$ -	\$ -
(5)			-		\$ -	\$ -
Freight - if applicable					no \$ -	\$ -
TOTAL BID						\$ 26,546.33

#3

Date: 2/10/2011 Vendor Name: The Ford Store Gilroy Contact Name: Eric Phone # 408-782-8215

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX	TOTAL
(1)	1		27,023.04	4X4 F-250 WITH A DUMP BED	yes \$ 2,296.96	\$ 29,320.00
(2)			-		\$ -	\$ -
(3)			-		\$ -	\$ -
(4)			-		\$ -	\$ -
(5)			-		\$ -	\$ -
Freight - if applicable					no \$ -	\$ -
TOTAL BID						\$ 29,320.00

Procedures:

The Departments are responsible for obtaining and documenting quotes

Circle the number of the bid that you are awarding

Telephone Quotes are submitted with request for Purchase Order (PO) . - Please complete on your PC

Sales Tax - in the "SALES" column enter either yes or no

Freight is entered in the far right column

If the department is not recommending the lowest bidder have the City Manager , initial and date his approval by the bid # selected



Item #: 3.G.

CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: POLICE DEPARTMENT

DATE: FEBRUARY 15, 2011

SUBJECT: SPECIAL EVENT PERMIT REQUEST BY THE CAPITOLA ART AND CULTURAL COMMISSION FOR PERMISSION TO HOLD THE 18TH ANNUAL ART AND MUSIC AT THE BEACH SERIES IN ESPLANADE PARK DURING SIX SUNDAYS BEGINNING JUNE 5 AND ENDING AUGUST 21, 2011, WITH LIVE MUSIC ON THE BANDSTAND, AND THE HANGING OF BANNERS PRIOR TO EACH EVENT

Recommended Action: By motion and roll call vote, that the City Council:

- (1) Approve the use of Esplanade Park and Bandstand on Sundays twice a month from June through August for a total of six art shows (June 5 & 19, July 10 & 17, and August 7 & 21),
- (2) Approve the Special Event Permit and authorize the Capitola Police Department to issue the permit for the Art and Music at the Beach series as requested, and
- (3) Authorize Public Works to hang the event banner on the Friday preceding each event.

BACKGROUND

Attached is the Special Event Permit Application from the City's Art and Cultural Commission for the 2011 Art and Music at the Beach series. The Art and Cultural Commission have put on a series of art shows in Esplanade Park for the last 17 years. Last year the permit included live jazz or classical music on the Bandstand from 2 to 4 pm. The events have attracted local residents and visitors and generally require little in the way of City services. The music was well-received last year and the commission is requesting the continuation of live music on the Bandstand for 2011.

DISCUSSION

This application is consistent with prior "Art at the Beach" applications made by the Art and Cultural Commission. The proposed schedule is for two Sunday events per month from June through August. The events would be between the hours of 11 am until 6 pm, with live music from 2 pm to 4 pm. "Art at the Beach" does not generally draw large crowds, but is enjoyed by normal numbers of visitors and residents frequenting the Village during the summer months. Many of the attendees walk to the art show from their homes, utilize public parking facilities, or take the shuttle to the Village. Traffic during Art at the Beach is minimally impacted. Few calls for Police Department service have been noted. Alcohol and dog violations have generally not been a problem.

The Art and Cultural Commission requests that their banner announcing "Art at the Beach" be hung on Monterey Avenue by Public Works on the Friday preceding each event, and that the trash containers in the area be emptied during the weekend by Public Works.

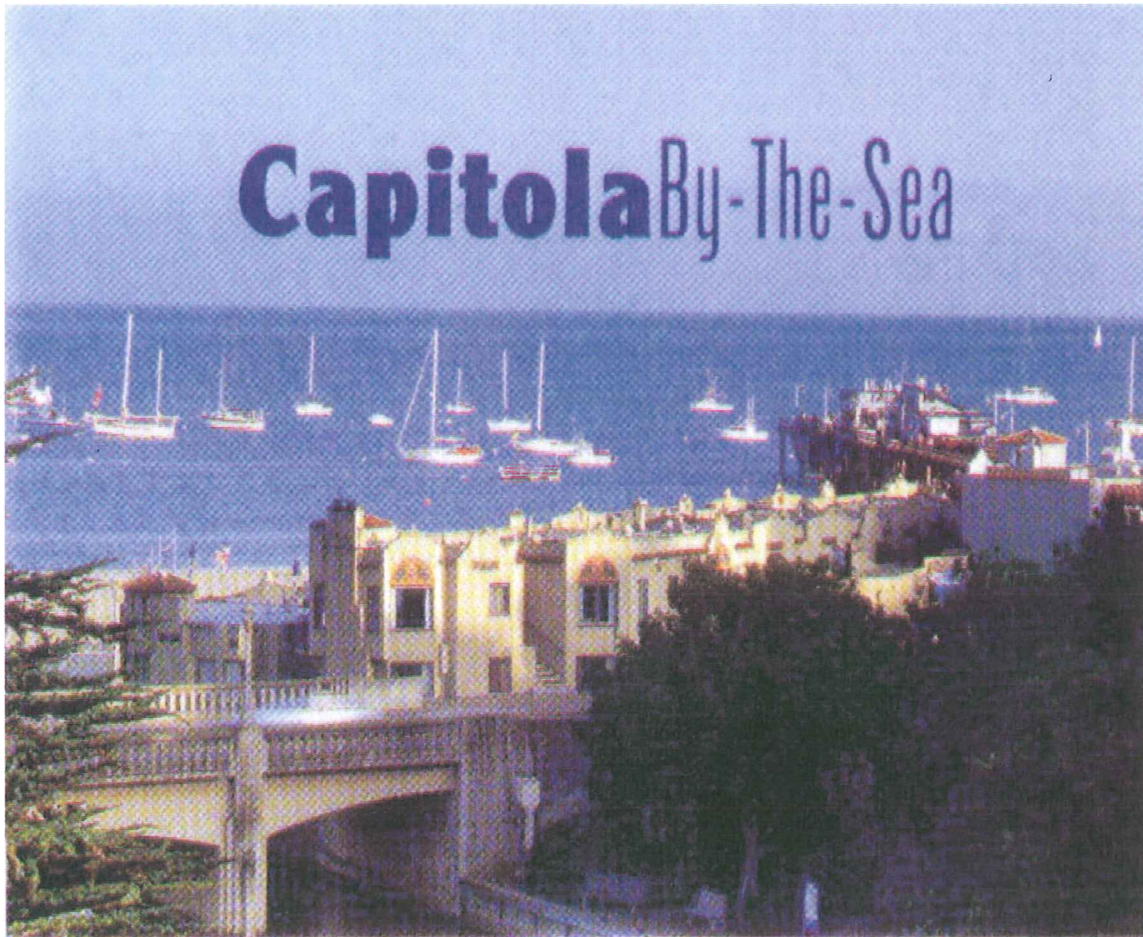
ATTACHMENTS

Special Event Permit Application

Report Prepared By: Captain Tom Held

**Reviewed and Forwarded
By City Manager:** _____

**SPECIAL EVENT PERMIT
APPLICATION**



CITY OF CAPITOLA

Art at the Beach 2011

SPONSORING ORGANIZATION AND APPLICANT INFORMATION

- Event Name: *Sunday Art and Music At The Beach*
 - Event Description: *Art booth sales and live music*
 - Event Purpose: *Display and sale of local art*
 - Sponsor: *Capitola Art & Cultural Commission Staff: Kelly Barreto*
 - Sponsor's Address: *420 Capitola Avenue Capitola, CA 95010*
 - Sponsoring Organization's Phone: *831.475-7300 voice mail x297*
 - FAX Number: *831. 479-8879* E-Mail Address: *kbarreto@ci.capitola.ca.us*
- Contact Event Coordinator's Name: *Leslie Fellows*
2630 Portola Drive #13 Santa Cruz, CA 95062
Cell Phone: 831-419-7485

Will you be using a professional Special Event Organizer? If yes, please include all foregoing information about the organizer on a separate sheet of paper and attach to your application.

EVENT INFORMATION

- Type of event: Run Festival Parade Sale Motion Picture Block Party
- Other (specify) *Art Show -Local Artists displaying art work / quality crafts*
- Event Location: *Esplanade Park & Bandstand*
- Event Dates: *6 Sundays ~ June 5 & 19, July 10 & 17 August 7 & 21*
- Anticipated Attendance: *100-250: weather and holidays will vary the attendance*
- Web Site Information: www.ci.capitola.ca.us
- E-Mail Address: *kbarreto@ci.capitola.ca.us*
- Will the public be invited? Yes No
- Actual hours open to the public or "advertised" event hours:
- Date: *6 Sundays* Time: *11 am to 6 pm (With music from 2-4pm)*
- Has this event taken place before? Yes No Any changes to this event? Yes No
- If yes, what changes?.

PROMOTION – ADVERTISING – MARKETING - INTERNET

- If yes, please attach a copy of your last permit for this event, if available.
- Will this event be promoted, advertised or marketed in any manner? Yes No
- Will there be live media coverage during your event? Yes No

- If yes, please explain
- Are admission, entry or vendor participant fees required? Yes No
- If yes, explain: Public admission fees: \$ _____ per person
Participant entry fees: \$ _____ per person
Vendor fees: \$55/sm; \$75/lg per booth
Number of vendors: **6-12 per show**
How many vendors are for profit? **All**
How many vendors are nonprofit? _____
- **\$3000+/- per show** Total estimated gross receipts, including tickets, product and sponsorship sales from this event. Explain how this amount was computed. Indicate amount per item.

\$ _____ Admission fees
 \$ _____ Product fees
 \$ \$2400 ? Sponsorship (for bands only)
 \$ 400-600+/- Participant entry fees per show
 \$ _____ Other (Please specify): _____

- \$ _____ Total estimated expenses for this event.
 \$ 350.00 Advertising
 \$ 1500.00 + commission Wages, salaries
 \$ _____ City services (police, fire, street closures)
 \$ _____ Insurance
 \$ _____ Business license fee
 \$ _____ Other (Please specify): _____
- Is the organization a “tax exempt, nonprofit” organization? Yes No
- \$ no cost event = 0 Projected amount of revenue the Sponsoring Organization(s) will receive as a result of this event.
- Specify the organization(s) to receive funding: _____

City sponsorship requested? Yes No

If yes, please describe: ***This is a cost neutral event. A&C Commission request fee waivers for all fees involved. The addition of the live music will not add any extra cost, as the bandstand is not rented during these events. *List of costs requested in fee waiver attached.***

OVERALL EVENT DESCRIPTION

- Will a staging/setup/assembly location be required? Yes No
- If yes, begin day/date: **6 Sundays** Start time: **9:30-11am**
- Location: **Esplanade Park**
Description of the scope of the setup/assembly work (Attach additional pages and drawings as needed): **art display panels/pop up canopies/tables/chairs**
- If yes, dismantle day date: **6 Sundays** - Completion time: **6-7 pm**

- List the street(s) requiring closure as a result of this event. Include street names, day, date and time of closing and the time of reopening: _____
City of Capitola to conduct street closures as needed (cost to be specified)
- List street(s) requiring the posting of "No Parking" signs. Indicate days, dates, and times needed and an explanation of necessity for "No Parking" zone: _____
NOTE: "No Parking" signs will be posted twenty-four hours in advance of required days, dates and time. Cost for the posting of "No Parking" signs will be specified upon review of the application by City staff.
- Attach a diagram (please try to make diagram reasonably to scale), showing the overall layout and setup locations. Using the letters below, indicate the site for these on your diagram.

- A Alcoholic and nonalcoholic concession
- B First-aid facilities
- C Tables and chairs: *either inside or outside of the exhibit display*
- D Fencing, barriers and/or barricades
- E Generator locations and/or sources of electricity
- F Canopies or tent locations: *Depending on weather conditions or at discretion of artists-use of 10 x 10 canopies (awnings)*
- G Booths, exhibits, displays or enclosures: *individual hinged/folding display panels, 10 x10 canopies (awnings)*
- H Scaffolding, bleachers, platforms, stages, grandstands, related structures
- I Vehicles and/or trailers
- J Trash containers or dumpsters
- K Non-food vendor locations
- L Food concession and/or food preparation areas
- M Portable toilet locations
- N Other related event components not covered above (describe separately)

- Please describe how food will be served at the event: _____
- Will food be cooked in the event area? Yes No **X**
- If yes, specify method: Gas Electric Charcoal Other (specify): _____
- Does the event involve the sale or use of alcoholic beverages? Yes No **X**
- If yes, please describe: _____
- If alcohol is to be sold, how will the alcohol sales be regulated? _____
Please attach a copy of your ABC license.
- Will there be items or services sold at the event? Yes **X** No
- If yes, please describe: *Fine Art Paintings/ Quality Crafts*
- Do the vendors have City of Capitola business licenses? Yes No **X**

Portable and/or permanent toilet facilities:

- Number of portable toilets: _____ (Recommended: 1 for every 250 people)
- Number of ADA-accessible toilets: _____ (Recommended: 10% of total toilets)

(NOTE: Unless the Applicant can substantiate the availability of both accessible and non-accessible toilet facilities in the immediate area of the site, the above is required.

Portable toilet facilities must be in place 24 hours in advance, cleaned and sanitized daily during the event, and must be removed by 8:00 a.m. the next business day following the event. Location sites for portable toilets must be pre-approved prior to installation.)

- Number of trash receptacles: _____
- Number of dumpsters with lids: _____ (Recommended 1 per 400 people)
- Number of recycling containers: _____ (Voluntary)
- Describe the plan for cleanup and removal of waste and garbage during and after the event:
___ This event should create no additional refuse that would be associated with the event.

(Note: It is the event organizer's responsibility to dispose of waste and garbage daily throughout the term of the event, unless otherwise contracted with City staff, which will require a fee. Immediately upon conclusion of the event, the venue must be returned to a clean condition. Street sweeping can be arranged with City crews for an additional fee.)

PARKING PLAN – SHUTTLE PLAN – MITIGATION OF IMPACT

- Please provide a detailed description or diagram that indicates the proposed parking plan and/or shuttle plan for the event. Include a description of the parking plan/shuttle plan for the disabled. *The Summer Shuttle program is in effect during this event*
- Describe plan to notify those residents, businesses, churches, etc. that will be impacted by this event.
- Does this event involve a moving route of any kind along streets or sidewalks? Yes No
If yes, highlight your proposed route on the enclosed map, indicating directions of travel and provide a written narrative to explain your route and its impact.

SAFETY - SECURITY

- Does this event involve a fixed venue site? Yes No
If, yes, highlight the site on the enclosed map, showing all the streets impacted by the event.
- Is there a professional security organization to handle security arrangements for this event?
Yes No
- If yes, please name security company: _____
- If no, do you wish to contract police services from the Capitola Police Dept.?
Yes No (See fee schedule)

- Security company's address: _____
street

city state zip code
- Security Director's name: _____
- Security Director's phone number: (__) _____
- Security company's state license number: _____
- Security company's business license number: _____
- Security company's insurance carrier: _____ City or privately secured?
- On-site contact person (security supervisor): _____
- Any searches prior to entering? Yes No
- Bottle and can check? Yes No
- Metal detectors? Yes No
- How many security guards at each entrance? _____

Parking Lot Patrol (Private Security):

- Security company: _____
- Contact person (security supervisor): _____
- Number of security guards patrolling the parking lot: _____

Lighting:

- If this is an evening event, please state how the event and surrounding areas will be illuminated to ensure the safety of the participants and spectators.

Medical:

- Indicate what arrangements have been made for providing first-aid staffing:

ENTERTAINMENT – ATTRACTION – RELATED EVENT ACTIVITIES

- Is there any musical entertainment or amplified sound related to your event?
Yes No If yes, what kind: Contact person's name: Kelly Barreto (City of Capitola Art & Cultural Commission)
Phone number: Contact person's address: 831-475-7300 ext. 297
- Number of stages: **one (bandstand)** Number of bands: **one each Sunday listed**
- Type of music: **Jazz/Classical/Misc** Sound amplification? Yes No
- If yes, start time: **2:00pm** Finish Time: **4:00pm**
- Have you applied for a sound permit? Yes No (Refer to city ordinance 9.12.040)
- Will sound checks be conducted prior to the event? Yes No

- If yes, do you wish to have the city provide the checks? Yes No **X**

Describe sound equipment that will be used: ***Professional Sound Engineer will not be present for any of these events. All amplification equipment will be provided by bands. Bands are aware that the music sound level for these events will be kept low as this is only "background" type music, which will allow for minimal sound equipment use.***

- Will fireworks, rockets or other pyrotechnics be used? Yes No **X**

- If yes, name and phone number of pyrotechnic company:

_____ () _____

- Describe (indicate dates, times and locations for launching and fallout areas):

- Has a permit been issued? Yes No n/a

- Will there be any type of open flames used? Yes No **X**

- If yes, please describe: _____

- Will any signs, banners, decorations or special lighting be used? Yes **X** No

- If yes, please describe: ***Event Banner provided to be hung in advance of the event at the Monterey Banner Pole location (as in previous years) by the Public Works Department as per the banner schedule.***

- ***Remove bicycle racks from park to center island on Sundays of the Art Show***

(Refer to city ordinance chapter 17.57)

INSURANCE REQUIREMENTS

INSURANCE

Applicant must provide insurance at the following minimal limits: \$1,000,000 (one million) combined single limit. (Two million for the annual Art and Wine Festival). This Certificate of Insurance must name the City as an additional insured throughout the event duration, including setup and breakdown. The Certificate of Insurance, including limits of insurance, must be received by the Special Events Coordinator by _____ to finalize this permit.

HOLD HARMLESS

The Applicant will, at its sole expense, provide the City with evidence of insurance for general liability and Worker's Compensation benefits for accidents or injuries that occur or are sustained in connection with the special event which is the subject of this permit application and contract. The Applicant agrees on behalf of itself and on behalf of its agents and employees that the Applicant will not make a claim against, sue, attach the property of, or prosecute the City or any of the City's agencies, employees, contractors or agents for injury or damages resulting from negligence or other acts, however caused, which might be asserted against the City in connection with actions taken by the City or the City's employees or agents in connection with this Special Event Permit. In addition, Applicant, on behalf of itself and its agents and employees, as well as its successors and assigns, hereby releases, discharges and holds the City harmless from, and indemnifies the City against, all actions, claims or demands Applicant, or Applicant's employees, agents, successors or assigns, or any third person now has or may hereafter have for personal injury or property damage resulting from the actions of the Applicant, the Applicant's employees or agents, or any other person under the control

of the Applicant, taken pursuant to this Special Event Permit whether said actions are characterized as negligent or intentional.

Applicant Signature: _____

ADVANCED CANCELLATION NOTICE REQUIRED

If this event is cancelled, notify the Special Events Coordinator at (831) 475-4242 at least 48 hours in advance.

I certify that the information contained in the foregoing application is true and correct to the best of my knowledge and belief, that I have read, understand and agree to abide by the rules and regulations governing the special event under Capitola Municipal Code, and that I understand that this applications is made subject to the rules and regulations established by the City Council and/or the City Manager or the City Manager's designee. I agree to comply with all permit conditions and with all other requirements of the City, County, state and federal governments and any other applicable entity that may pertain to the use of the event premises and the conduct of the event. I agree to abide by these rules and further certify that I, on behalf of the organization, am also authorized to commit that organization and, therefore, agree to be financially responsible for any costs and fees that may be incurred by or on behalf of the event to the City of Capitola.

Name of Applicant (print): _____

Title: _____

Signature of Applicant: _____ Date: _____

CITY OF CAPITOLA SPECIAL EVENTS CHECKLIST AND REVIEW

C = Completed N/A = Not Applicable

- Completed Application Package
- All Fees Paid in advance Minor Event 30 days General Event 90 days
- Copies of IRS 501(c) Tax Exemption Letter
- Projected Event Gross Project Budget
- Detailed Plans With Times Lines (for set-up exceeding one day)
- Santa Cruz Health Services Agency Food Permit
- Dept. of Alcoholic Beverage Control Daily License
- Diagram of Event Layout and Set-Up Locations
- Notice of Mitigation Measures for Negative Consequences
- Event Traffic Advisory Signs
- Description of Proposed Parking and/or Shuttle Plan
- City Building Permit

Insurance Certificate

Banner(s) and/or sign(s)

Check if Required

Sign if Approved

Police Department _____

Fire Department _____

Public Works _____

Finance _____

County Health _____

City Manager _____



City of Capitola
422 Capitola Avenue
Capitola, CA 95010
(831) 475-4242

APPLICATION FOR LIVE ENTERTAINMENT PERMIT

(Application fee of \$31.00 must be submitted with completed application.)

BUSINESS NAME Art and Cultural Commission Sunday Art and Music at the Beach

ADDRESS 420 Capitola Ave. Capitola, CA 95010

BUSINESS PHONE 831-475-7300

RESPONSIBLE PARTY City of Capitola Art and Cultural Commission (Sunday Art and Music at the Beach Coordinator Leslie Fellows will be on site for events.

(NAME)

(TITLE)

HOME ADDRESS _____

HOME PHONE _____ BUSINESS PHONE _____

TYPE OF PERMIT APPLIED FOR (Check One):

SINGLE EVENT ENTERTAINMENT PERMIT (\$31.00)

MINOR ENTERTAINMENT PERMIT

REGULAR ENTERTAINMENT PERMIT

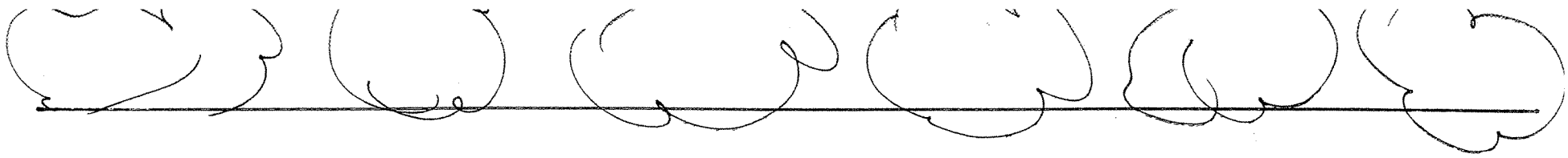
NATURE OF ENTERTAINMENT: (Please provide explanation; i.e. live band, disc jockey, etc.)

HOURS OF ENTERTAINMENT: Live music is from 2-4pm

DAYS OF ENTERTAINMENT: 6 Sundays (June 5 & 19, July 10 & 17, August 7 & 21)

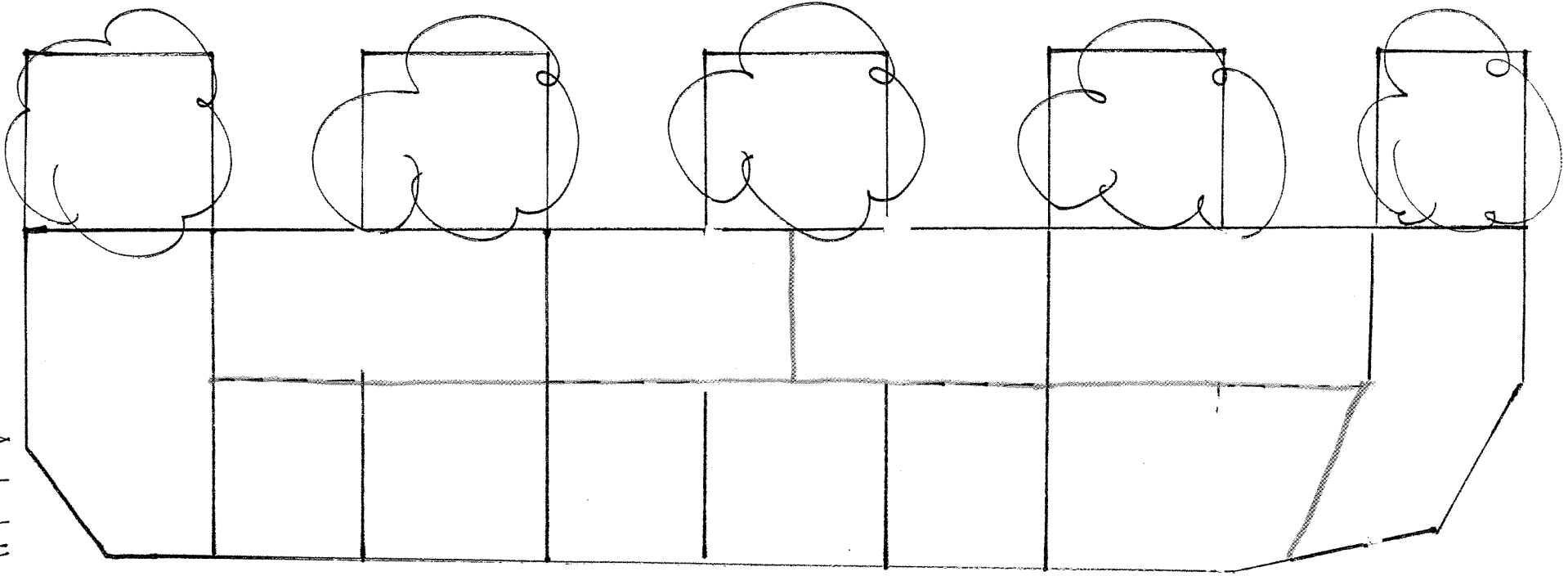
DATE: _____

SIGNATURE OF APPLICANT



Driveway

Sidewalk



Art at the Beach
Booth Assignment

Seawall



Item #: 3.H.

CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: POLICE DEPARTMENT

DATE: FEBRUARY 15, 2011

SUBJECT: SPECIAL EVENT REQUEST BY THE CAPITOLA ART & CULTURAL COMMISSION FOR THE 2011 MOVIES AT THE BEACH ON FRIDAY, AUGUST 26 AND FRIDAY, SEPTEMBER 9, 2011, AT THE MAIN BEACH NEAR ESPLANADE PARK

Recommended Action: By motion, that the City Council approve the Special Event Permit for the 2011 Movies at the Beach and authorize the Capitola Police Department to issue said permit.

BACKGROUND

The Capitola Art & Cultural Commission has sponsored a series of movies on the beach. The movies are attended typically by local residents, resulting in few impacts to City services.

DISCUSSION

The 2011 application requests authorization for two movies. The movies will be shown on the Main Beach near the Esplanade Park on a large blow-up screen. Popcorn will be served during the movies. The movies are planned for local residents, which usually generates walk-in participation thus creating negligible impacts. There are 500 anticipated attendees for each movie. Few calls for Police Department services have been noted.

The Art & Cultural Commission requests the following assistance from Public Works staff:

- Hang event banner announcing the event on Monterey Avenue the Monday preceding the concerts.
- Empty trash receptacles prior to the concerts and provide additional receptacles at entrances to the beach and in Esplanade Park. Empty trash receptacles as needed.
- Clean and stock Esplanade Park restrooms prior to and during the concerts as needed.
- Place signs at the entrance to Esplanade Park and the beach with alcohol, smoking, and dog ordinance information.

FISCAL IMPACT

Because the movies are funded by sponsorship fees, there is little, if any, fiscal impact.

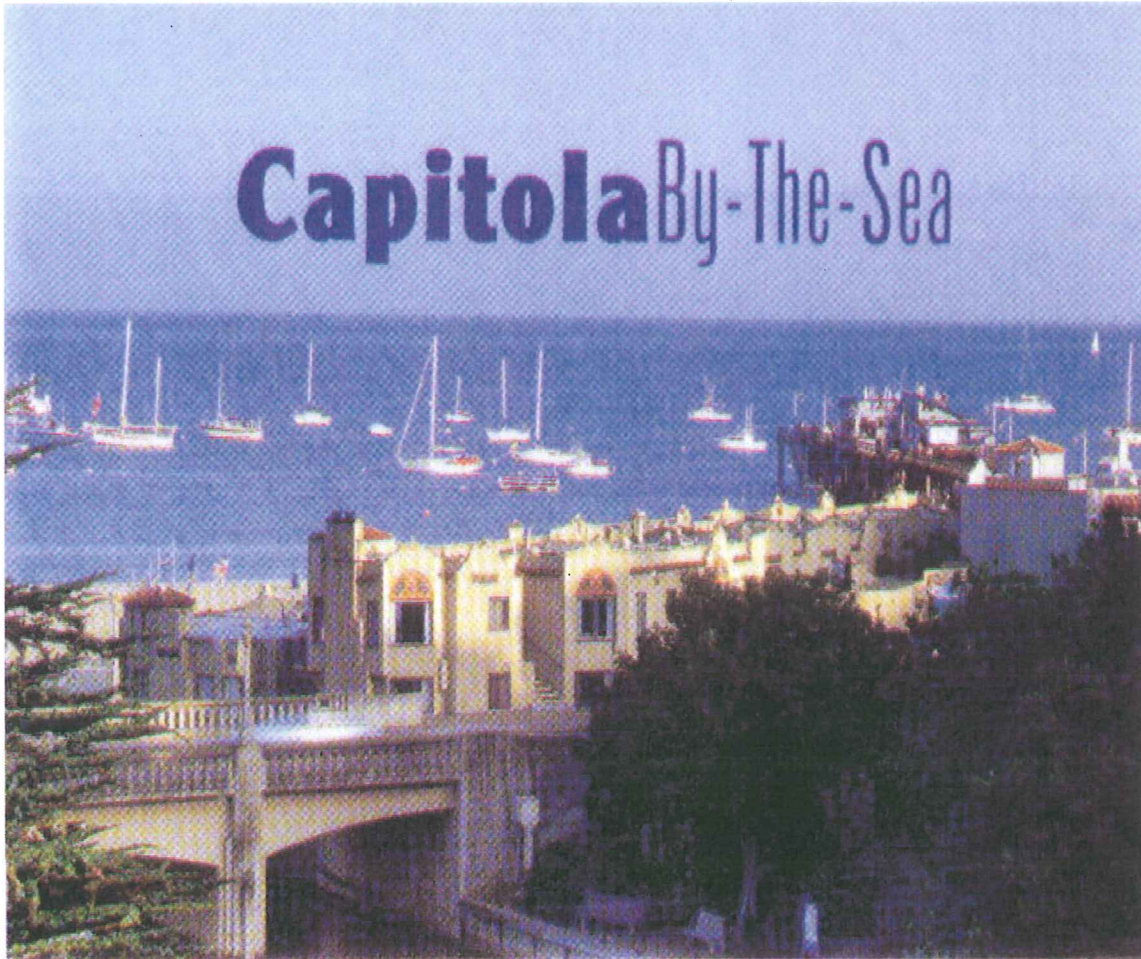
ATTACHMENT

Special Event Permit Application (including application for Live Entertainment Permit)

Report Prepared By: Captain Tom Held

**Reviewed and Forwarded
By City Manager:** _____

**MINOR SPECIAL EVENT
PERMIT APPLICATION**



**CITY OF
CAPITOLA**

SPONSORING ORGANIZATION AND EVENT INFORMATION

- Type of Event: *Movies on the Beach*
 - Sponsor: *Capitola Art & Cultural Commission*
 - Sponsor's Address: *420 Capitola Avenue Capitola CA 95010*
 - Sponsoring Organization's Phone: *(831) 475-7300*
 - Contact Person's Name: *Kelly Barreto*
 - Phone: *(831) 475-7300x 297* E-Mail Address: *kbarreto@ci.capitola.ca.us*
 - Event Location: *Bandstand @ Esplanade Park*
 - Event Date(s): *Aug. 26, September 9, 2011*
 - Anticipated Attendance: *500 +/-*
 - Event open to the public? Yes *X* No
 - Is a fee being charged? Yes No *X* If yes, how much?
-
- Will food be served? Yes *X* No (See County Health Dept. requirements)
 - Will alcoholic beverages be served? Yes No *X*
 - Will there be amplified sound? Yes *X* No
 - Will security personnel be present? Yes No *X* (Attach how many and their job duties)
 - Will you need Police Officers for this event? Yes No *X*
 - Will you need to close streets for your event? Yes No *X*
 - Will any tents, booths or structures be erected? Yes *X* (*Movie Screen*) No
 - Will your event impact parking or traffic in the area? Yes No *X*
If yes, attach description of parking and/or traffic impact stating which lots or streets, and what provisions will be made to accommodate others in the area.
 - Have notices been provided to residential/business owners or tenants? Yes *X* No
 - City Sponsorship? Yes *X* No If yes, please describe: _____
-

INSURANCE REQUIREMENTS

INSURANCE

Applicant must provide insurance at the following minimal limits: \$1,000,000 (one million) combined single limit. (Two million for the annual Art and Wine Festival). This Certificate of Insurance must name the city as an additional insured throughout the event duration, including setup and breakdown. The Certificate of Insurance, including limits of insurance, must be received by the Special Events Coordinator by _____ to finalize this permit.

HOLD HARMLESS

The Applicant will, at its sole expense, provide the City with evidence of insurance for general liability and Worker's Compensation benefits for accidents or injuries that occur or are sustained in connection with the special event which is the subject of this permit application and contract. The Applicant agrees on behalf of itself and on behalf of its agents and employees that the Applicant will not make a claim against, sue, attach the property of, or prosecute the City or any of the City's agencies, employees, contractors or agents for injury or damages resulting from negligence or other acts, however caused, which might be asserted against the City in connection with actions taken by the City or the City's employees or agents in connection with this Special Event Permit. In addition, Applicant, on behalf of itself and its agents and employees, as well as its successors and assigns, hereby releases, discharges and holds the City harmless from, and indemnifies the City against, all actions, claims or demands Applicant, or Applicant's employees, agents, successors or assigns, or any third person now has or may hereafter have for personal injury or property damage resulting from the actions of the Applicant, the Applicant's employees or agents, or any other person under the control of the Applicant, taken pursuant to this Special Event Permit whether said actions are characterized as negligent or intentional.

Applicant Signature: _____

ADVANCED CANCELLATION NOTICE REQUIRED

If this event is cancelled, notify the Special Events Coordinator at (831) 475-4242.

I certify that the information contained in the foregoing application is true and correct to the best of my knowledge and belief, that I have read, understand and agree to abide by the rules and regulations governing the special event under Capitola Municipal Code, and that I understand that this applications is made subject to the rules and regulations established by the City Council and/or the City Manager or the City Manager's designee. I agree to comply with all permit conditions and with all other requirements of the City, County, state and federal governments and any other applicable entity that may pertain to the use of the event premises and the conduct of the event. I agree to abide by these rules and further certify that I, on behalf of the organization, am also authorized to commit that organization and, therefore, agree to be financially responsible for any costs and fees that may be incurred by or on behalf of the event to the City of Capitola.

Name of Applicant (print): _____

Title: _____

**CITY OF CAPITOLA
SPECIAL EVENTS CHECKLIST AND REVIEW**

C = Completed N/A = Not Applicable

- Completed Application Package
- All Fees Paid
- Copies of IRS 501(c) Tax Exemption Letter
- Projected Event Gross Project Budget
- Detailed Plans With Times Lines (for set-up exceeding one day)
- Santa Cruz Health Services Agency Food Permit
- Dept. of Alcoholic Beverage Control Daily License
- Diagram of Event Layout and Set-Up Locations
- Notice of Mitigation Measures for Negative Consequences
- Event Traffic Advisory Signs
- Description of Proposed Parking and/or Shuttle Plan
- City Building Permit
- Insurance Certificate

Check if Required

Sign if Approved

- Police Department _____
- Fire Department _____
- Public Works _____
- Finance _____
- County Health _____
- City Manager _____



City of Capitola
420 Capitola Avenue
Capitola, CA 95010
(831) 475-7300

APPLICATION FOR LIVE ENTERTAINMENT PERMIT
(Application fee of \$27 must be submitted with completed application.)

BUSINESS NAME Art & Cultural Commission-City of Capitola
ADDRESS 420 Capitola Avenue, Capitola, CA 95010

BUSINESS PHONE 831-475-7300 x297

RESPONSIBLE PARTY Kelly Barreto Administrative Assistant
(NAME) (TITLE)

HOME ADDRESS _____

HOME PHONE _____ BUSINESS PHONE 831-475-7300- x297

TYPE OF PERMIT APPLIED FOR (Check One):

- SINGLE EVENT ENTERTAINMENT PERMIT (\$27.00)
 MINOR ENTERTAINMENT PERMIT (\$132.00)
 REGULAR ENTERTAINMENT PERMIT (\$503.00)

NATURE OF ENTERTAINMENT: (Please provide explanation; i.e. live band, disc jockey, etc.)

2 Public Movies on the Main Beach at Esplanade Park

HOURS OF ENTERTAINMENT: 7:00pm-10:00pm

DAYS OF ENTERTAINMENT: Friday Aug. 26 & Friday September 9

DATE: February 9, 2011

SIGNATURE OF APPLICANT



Item #: **3.I.**

CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: FINANCE DEPARTMENT

DATE: FEBRUARY 11, 2011

SUBJECT: DIRECT STAFF TO OBTAIN PROPOSALS FOR INDEPENDENT FINANCIAL AUDIT SERVICES FOR FISCAL YEARS 2011-12 THROUGH 2013-14, WITH AN OPTION TO RENEW FOR TWO ADDITIONAL FISCAL YEARS

Recommended Action: Direct staff to develop a Request for Proposal (RFP) for independent financial audit services of City and Redevelopment Agency records and distribute the RFP to interested audit firms.

BACKGROUND

The City and Redevelopment Agency independent auditors, Teaman, Ramirez and Smith, performed their first audit in fiscal year 05/06 and have conducted each of the subsequent audits since. Their original contract was for two years and was extended by two each two year periods with the current end date being the FY10/11 audit. At this time it is prudent that the City pursue a change in auditing agency for FY11/12.

DISCUSSION

Generally accepted accounting principles and the Sarbanes-Oxley Act (SOX) of 2002 recommend that local government agencies change their financial audit services every 3 to 5 years. The California Society of Municipal Financial Officers (CSMFO) recommends no more than 6 consecutive years with the same audit agency. The City's agreement with Teaman, Ramirez and Smith will exceed both of those standards if extended beyond the FY10/11 audit. In order to complete the change in a timely manner, staff needs to begin the process now so that the new auditors are in place for FY11/12 late spring pre-audit survey.

FISCAL IMPACT

The fiscal impact of a change in auditors is not immediately predictable until proposals are obtained. The fee for Teaman, Ramirez and Smith for audit services for FY10/11 will be a total of \$31,300 with \$22,000 for the City, \$5,800 for RDA, and \$2,500 for a single audit.

ATTACHMENTS

None

**Report Prepared By: Lonnie Wagner
Accountant II**

**Reviewed and Forwarded
By City Manager:**



Item #: **5.A.**

CITY COUNCIL AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: POLICE DEPARTMENT

DATE: FEBRUARY 15, 2011

SUBJECT: REQUEST FROM THE MERMAID SERIES FOR APPROVAL OF A SPECIAL EVENT PERMIT FOR THE MERMAID TRIATHLON AND DUATHLON IN CAPITOLA ON SUNDAY, SEPTEMBER 25, 2011

Recommended Action: By motion and roll call vote, that the Council approve a Special Event Permit for the "Mermaid Triathlon and Duathlon" to be held in Capitola on Sunday, September 25, 2011; including approval of an Encroachment Permit, an Entertainment Permit, and the hanging of banners on Monterey and Capitola Avenues by Public Works prior to the event.

BACKGROUND

The Mermaid Triathlon / Duathlon is promoted by organizers of By the Beach Productions, LLC, (Limited Liability Company), with a DBA (Doing Business As), Mermaid Series. This is the 6th Annual Mermaid Triathlon Race and the first time the race will be held in Capitola. The race is scheduled to take place on Sunday, September 25, 2011, from 7:30 AM to 12:00 PM.

The Triathlon race will begin on Hooper's Beach and the participants will swim around the Capitola Wharf to the Main Beach where they will exit the water. They will make their way up Monterey Avenue to the Pacific Cove Parking Lot where the transition area will be located. Participants will bike out the east end of the Pacific Cove Parking Lot onto Park Avenue to McGregor Drive, and into the unincorporated area of the County. They will return from McGregor Drive onto Park Avenue, and into the Pacific Cove Parking Lot. The participants will run out the west end of Pacific Cove Parking Lot, onto Capitola Avenue to Stockton Avenue, up Cliff Drive and left onto Opal Cliff Drive. They will return on Cliff Drive and turn right onto Wharf Road where they will enter onto Capitola Beach. They will complete the race by running east under Capitola Wharf along the water's edge toward the Jetty. Prior to reaching the Jetty they will run up the beach toward Esplanade Park to the Finish Line.

There will be two Triathlon races occurring simultaneously. One will be an Olympic Triathlon and the other a Sprint Triathlon. The Sprint Triathlon will be a shorter distance, but the same events. The Duathlon will be similar, but it will be of a shorter distance and only include biking and running.

There will be amplified music during the event and a race announcer. The Capitola Bandstand will be used after the event for presentation of awards. The event will be staffed by Capitola Police Officers, Capitola Lifeguards, State Lifeguards and volunteers.

DISCUSSION

Event organizers anticipate 1500 spectators and participants at this year's event and approximately three vendors. Total participants will be about 700. Vendors will be restricted to the lower Esplanade Park. There will be a pancake breakfast prepared for the participants in the upper Esplanade Park

area above the observation platform. Event organizers will be contacting the County Health Department regarding the food service. Organizers of this event are requesting Public Works hang banners on Monterey Avenue and Capitola Avenue prior to the event. They are also requesting to allow vendors signage at their booths and an aluminum banner arch and fencing at the finish line on the beach with sponsor signage on the fencing.

The Pacific Cove Parking Lot will be posted as a No Parking Zone 72 hours before the event, and local merchants and residents will receive a flyer noticing them of the event, restricted parking, and traffic delays at least 10 days before the event. The parking lot will be used as the transition area between the biking and running legs of the race. Bicycle racks, temporary fencing, a portable toilet and First Aid Station will be set up in the parking lot. The East end of the parking lot and the two north parking rows will be closed for 12 hours, from Midnight to Noon on September 25, 2011. The West end and the remainder of the parking lot will be closed for 15 hours, from Midnight to Noon that same day.

Event organizers will provide a van to shuttle spectators and staff in and out of the Village from the Capitola Mall. There will be an additional First Aid Station in the Esplanade Park. The Mermaid Series will secure liability insurance for this event in compliance with the city's standard coverage requirements.

There will be a four-yard dumpster placed in the Esplanade Park behind the Lifeguard Office and 10 portable toilets in the Capitola Theater parking lot. All trash and recyclables will be policed by event staff.

The Special Events Permit also serves as a permit for the stage in Esplanade Park, Race activities, music and race announcer at the finish line and in Esplanade Park, as well as a banner request with the following conditions:

- Encroachment permit has been applied for
- Entertainment permit has been applied for
- A Certificate of Insurance indemnifying the City of Capitola has been requested
- Traffic control for the event will be provided by law enforcement
- Hours of operation have been clearly established
- Adequate portable restrooms and trash containers have been secured for the event
- The Fire Marshal will review and approve the event
- Public Works will hang banners as requested
- Abide by all Capitola Municipal Codes

FISCAL IMPACT

The fiscal impact of this event to the City of Capitola is minimal. Public Works will supply two barricades for the Pacific Cove Parking Lot and hang the banner(s). Volunteer staff will place and remove the barricades, post the parking meters and perform all clean up after the event.

The fees are as follows: Special Event Permit \$54, Encroachment Permit \$56, Entertainment Permit Application \$31, Entertainment Permit \$31, Banner Permit \$34, Full Day Bandstand Rentals \$600.00 with \$1500 deposit. Total fees: \$2306. The cost for personnel is as follows: 6 Police Officers at \$120.00/hour at 4.5 hours each, \$3240; Lifeguard Captain at \$33/hour for 3 hours, \$99; and 4 lifeguards at \$16/hour at 3 hours each, \$192.

Fees:	\$2306
Personnel:	<u>\$3531</u>
Total:	\$5837

ATTACHMENTS

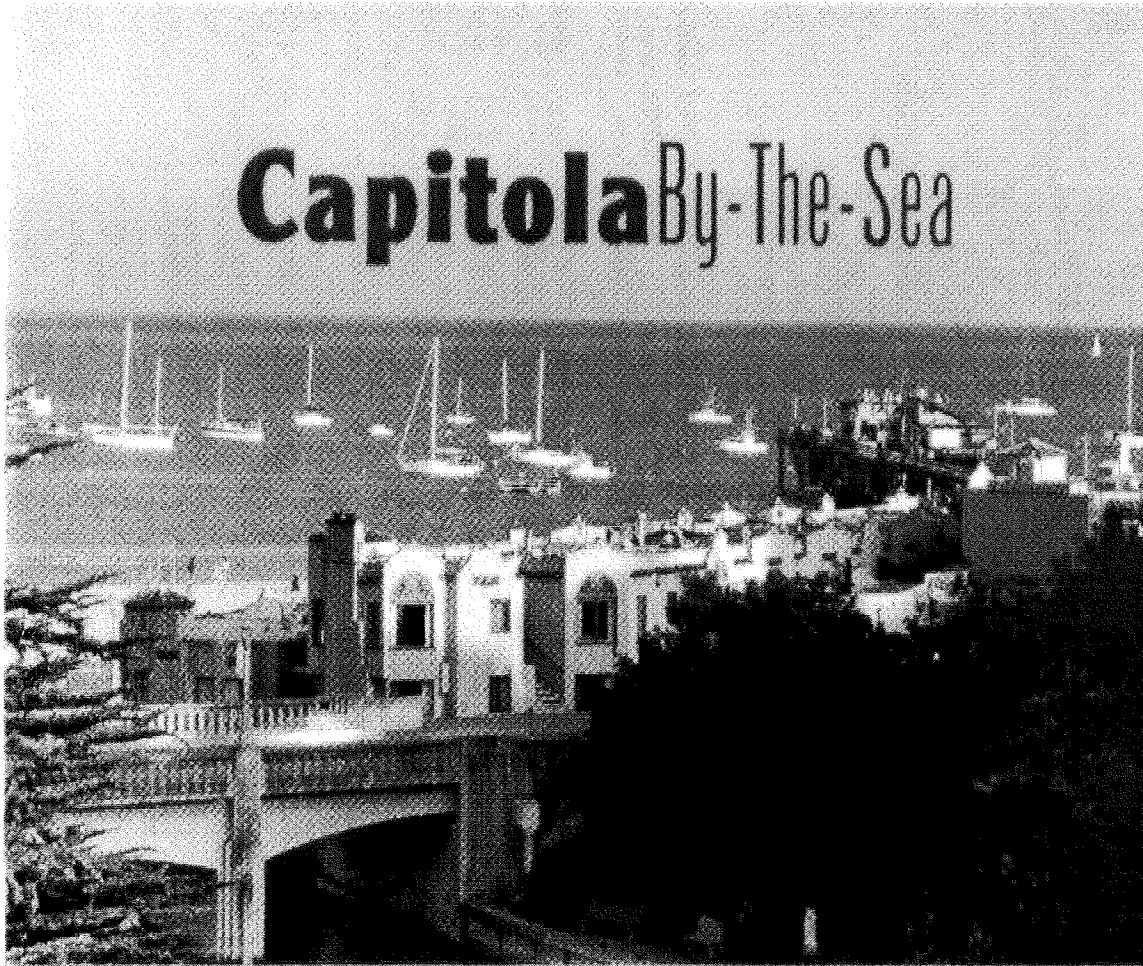
Special Event Permit Application (Including applications for Entertainment & Banner Permits)

Report Prepared By: Captain Tom Held

Reviewed and Forwarded

By City Manager: _____

**GENERAL SPECIAL EVENT
PERMIT
APPLICATION**



CITY OF CAPITOLA

SPONSORING ORGANIZATION AND APPLICANT INFORMATION

- Event Name: Mermaid Triathlon and Duathlon
- Event Description: All women's swim, bike and running race
- Event Purpose: Promote a healthy competition and lifestyle
- Sponsor: Mermaid Series
- Sponsor's Address: 1575 Newhall Street

<u>Santa Clara</u>	<u>CA</u>	<u>street</u>
<small>city</small>	<small>state</small>	<small>zip code</small>
- Sponsoring Organization's Phone: (408) 314-1718
- FAX Number: () _____ E-Mail Address: carlo@mermaidtriathlon.com
- Contact Person's Name: Carlo Facchino
- Business Phone: (408) 314-1718 Cellular Phone: (408) 314-1718
- FAX Number: () _____ E-Mail Address: carlo@mermaidtriathlon.com

Will you be using a professional Special Event Organizer? If yes, please include all foregoing information about the organizer on a separate sheet of paper and attach to your application.

EVENT INFORMATION

- Type of event: Run Festival Parade Sale Motion Picture Block Party
- Other (specify) Triathlon
- Event Location: Esplanade, Capitola Beach, Overflow parking lot
- Event Dates: 9/25/11 Anticipated Attendance: 700
- Web Site Information: www.mermaidtriathlon.com E-Mail Address: info@mermaidtriathlon.com
- Will the public be invited? Yes No

Actual hours open to the public or "advertised" event hours:

- Date: 09/25/2011 Time: 07:30 AM to 12:00 PM
- Date: 09/25/2011 Time: 07:30 AM to 12:00 PM
- Date: 09/25/2011 Time: 07:30 AM to 12:00 PM
- Has this event taken place before? Yes No Any changes to this event? Yes No
- If yes, what changes? Time is from 7:30 a.m. to 12:00 p.m.
- If yes, please attach a copy of your last permit for this event, if available.
- Will this event be promoted, advertised or marketed in any manner? Yes No
- Will there be live media coverage during your event? Yes No
- If yes, please explain: _____

- Are admission, entry or vendor participant fees required? Yes No
- If yes, explain: Public admission fees: \$ 0 per person
 Participant entry fees: \$ Avg. 80 per person
 Vendor fees: \$ N/A per booth
 Number of vendors: ~~10~~ 3
 How many vendors are for profit? 5
 How many vendors are nonprofit? 5
- \$ 50,000.00 Total estimated gross receipts, including tickets, product and sponsorship sales from this event. Explain how this amount was computed. Indicate amount per item.

\$ <u>0</u>	Admission fees
\$ <u>0</u>	Product fees
\$ <u>1,000.00</u>	Sponsorship
\$ <u>48,000.00</u>	Participant entry fees
\$ <u>1,000.00</u>	Other (Please specify): <u>Race apparel sales</u>
- \$ 47,500.00 Total estimated expenses for this event.

\$ <u>3,000.00</u>	Advertising
\$ <u>10,000.00</u>	Wages, salaries
\$ <u>5,000.00</u>	City services (police, fire, street closures)
\$ <u>1,500.00</u>	Insurance
\$ _____	Business license fee
\$ <u>28,000.00</u>	Other (Please specify): <u>CHP, Food, tshirts, awards, etc</u>
- Is the organization a "tax exempt, nonprofit" organization? Yes No
- \$ 2,500 Projected amount of revenue the Sponsoring Organization(s) will receive as a result of this event.
- Specify the organization(s) to receive funding: By the Beach Productions, LLC
 (DBA: Mermaid Series)
- City sponsorship requested? Yes No If yes, please describe:
Will be bringing in approximately 1,500 athletes and spectators to Capitola for the weekend

OVERALL EVENT DESCRIPTION

- Will a staging/setup/assembly location be required? Yes No
- If yes, begin day/date: 9/24/2011 Start time: 3:00 AM/ PM
- Location: Esplanade at 2:00 p.m., Overflow parking lot after 5:00 p.m.
- Description of the scope of the setup/assembly work (Attach additional pages and drawings as needed): On the Esplanade at the Band Stand we will set up 10 x 10 EZ-Ups and the finish line. As cars exit the overflow parking lot we will set up bike racks and temporary fencing

- If yes, dismantle day date: 09/25/2011 Completion time: 3:00 AM/PM
- List the street(s) requiring closure as a result of this event. Include street names, day, date and time of closing and the time of reopening: _____

City of Capitola to conduct street closures as needed (cost to be specified)

- List street(s) requiring the posting of “No Parking” signs. Indicate days, dates, and times needed and an explanation of necessity for “No Parking” zone: _____

~~No parking in the overflow parking lot after 8:00 p.m. on Saturday, 9/24 until 12:00 p.m. on Sunday, 9/25. Cars left overnight will be towed at 4:00 a.m.~~

NOTE: “No Parking” signs will be posted twenty-four hours in advance of required days, dates and time. Cost for the posting of “No Parking” signs will be specified upon review of the application by City staff.

OVERALL EVENT DESCRIPTION (continued)

- Attach a diagram (please try to make diagram reasonably to scale), showing the overall layout and setup locations. Using the letters below, indicate the site for these on your diagram.

- A Alcoholic and nonalcoholic concession
- B First-aid facilities
- C Tables and chairs
- D Fencing, barriers and/or barricades
- E Generator locations and/or sources of electricity
- F Canopies or tent locations
- G Booths, exhibits, displays or enclosures
- H Scaffolding, bleachers, platforms, stages, grandstands, related structures
- I Vehicles and/or trailers
- J Trash containers or dumpsters
- K Non-food vendor locations
- L Food concession and/or food preparation areas
- M Portable toilet locations

N Other related event components not covered above (describe separately)

- Please describe how food will be served at the event: Participants receive a post race pancake breakfast. Prepared on electric stoves near the finish line
- Will food be cooked in the event area? Yes No
- If yes, specify method: Gas Electric Charcoal Other (specify):

- Does the event involve the sale or use of alcoholic beverages? Yes No
- If yes, please describe: _____
- If alcohol is to be sold, how will the alcohol sales be regulated? _____

Please attach a copy of your ABC license.

- Will there be items or services sold at the event? Yes No
- If yes, please describe: _____
We will be selling event shirts and apparel as well as hand bags

- Do the vendors have City of Capitola business licenses? Yes No

OVERALL EVENT DESCRIPTION (continued)

Portable and/or permanent toilet facilities:

- Number of portable toilets: 15 10 (Recommended: 1 for every 250 people)
- Number of ADA-accessible toilets: 1 (Recommended: 10% of total toilets)

(NOTE: Unless the Applicant can substantiate the availability of both accessible and non-accessible toilet facilities in the immediate area of the site, the above is required. Portable toilet facilities must be in place 24 hours in advance, cleaned and sanitized daily during the event, and must be removed by 8:00 a.m. the next business day following the event. Location sites for portable toilets must be pre-approved prior to installation.)

- Number of trash receptacles: 6
- Number of dumpsters with lids: 1 (Recommended 1 per 400 people)
- Number of recycling containers: 6 (Voluntary)
- Describe the plan for cleanup and removal of waste and garbage during and after the event:

Event staff will clean up area post race and place all trash into dumpster. All recycling will also be picked up by event staff

(Note: It is the event organizer’s responsibility to dispose of waste and garbage daily throughout the term of the event, unless otherwise contracted with City staff, which will require a fee. Immediately upon conclusion of the event, the venue must be returned to a clean condition. Street sweeping can be arranged with City crews for an additional fee.)

PARKING PLAN SHUTTLE PLAN MITIGATION OF IMPACT

- Please provide a detailed description or diagram that indicates the proposed parking plan and/or shuttle plan for the event. Include a description of the parking plan/shuttle plan for the disabled.

Parking will be at the Capitola Mall and we'll run a shuttle for participants and spectators

- Describe plan to notify those residents, businesses, churches, etc. that will be impacted by this event.

Capitola resident event notification system, banners place on Capitola and Monterrey Ave

- Does this event involve a moving route of any kind along streets or sidewalks?
 Yes No
- If yes, highlight your proposed route on the enclosed map, indicating the directions of travel, and provide a written narrative to explain your route and its impact.

- ---

- Does this event involve a fixed venue site? Yes No
- If yes, highlight the site on the enclosed map, showing all the streets impacted by the event.

SAFETY - SECURITY

- Is there a professional security organization to handle security for this event? Yes
 No
- If yes, please name security company: Capitola Police Department for Traffic Safety
- If no, do you wish to contract police services from the Capitola Police Dept.? Yes No (See fee schedule)
- Security company's address: _____
 street

 city state zip code
- Security Director's name: _____
- Security Director's phone number: (__) _____
- Security company's state license number: _____
- Security company's business license number: _____
- Security company's insurance carrier: _____ City or privately secured?
- On-site contact person (security supervisor): _____
- Any searches prior to entering? Yes No
- Bottle and can check? Yes No
- Metal detectors? Yes No
- How many security guards at each entrance? _____

Parking Lot Patrol (Private Security):

- Security company: N/A
- Contact person (security supervisor): _____
- Number of security guards patrolling the parking lot: _____

Lighting:

- If this is an evening event, please state how the event and surrounding areas will be illuminated to ensure the safety of the participants and spectators.

N/A

Medical:

- Indicate what arrangements have been made for providing first-aid staffing:

EMT's (3) will be on site with a First Aid / Medical Tent

ENTERTAINMENT ATTRACTION RELATED EVENT ACTIVITIES

- Is there any musical entertainment or amplified sound related to your event?
 Yes No
- If yes, what kind: Race announcer will be on a PA system with background music
playing. Background music will be family oriented
- Contact person's name: Carlo Facchino Phone number: (408) 314-1718
- Contact person's address: 1575 Newhall Street
street
Santa Clara CA 95050
city state zip code
- Number of stages: Bandstand / Parking Lot Number of bands: _____
- Type of music: Family Oriented Sound amplification? Yes No
- If yes, start time: 6:00 AM/ PM Finish time: 12:00 AM/ PM
- Have you applied for a sound permit? Yes No (Refer to city ordinance 9.12.040)
- Will sound checks be conducted prior to the event? Yes No
- If yes, do you wish to have the city provide the checks? Yes No
- Describe sound equipment that will be used: Amplifier and Speakers
- Will fireworks, rockets or other pyrotechnics be used? Yes No
- If yes, name and phone number of pyrotechnic company: _____
_____ () _____
- Describe (indicate dates, times and locations for launching and fallout areas):

- Has a permit been issued? Yes No
- Will there be any type of open flames used? Yes No
- If yes, please describe: _____
- Will any signs, banners, decorations or special lighting be used? Yes No
- If yes, please describe: Finish line arch, temporary fencing and sponsor banners
(Refer to city ordinance chapter 17.57)

INSURANCE REQUIREMENTS

INSURANCE

Applicant must provide insurance at the following minimal limits: \$1,000,000 (one million) combined single limit. (Two million for the annual Art and Wine Festival). This Certificate of Insurance must name the City as an additional insured throughout the event duration, including setup and breakdown. The Certificate of Insurance, including limits of insurance, must be received by the Special Events Coordinator by Attached to finalize this permit.

HOLD HARMLESS

The Applicant will, at its sole expense, provide the City with evidence of insurance for general liability and Worker's Compensation benefits for accidents or injuries that occur or are sustained in connection with the special event which is the subject of this permit application and contract. The Applicant agrees on behalf of itself and on behalf of its agents and employees that the Applicant will not make a claim against, sue, attach the property of, or prosecute the City or any of the City's agencies, employees, contractors or agents for injury or damages resulting from negligence or other acts, however caused, which might be asserted against the City in connection with actions taken by the City or the City's employees or agents in connection with this Special Event Permit. In addition, Applicant, on behalf of itself and its agents and employees, as well as its successors and assigns, hereby releases, discharges and holds the City harmless from, and indemnifies the City against, all actions, claims or demands Applicant, or Applicant's employees, agents, successors or assigns, or any third person now has or may hereafter have for personal injury or property damage resulting from the actions of the Applicant, the Applicant's employees or agents, or any other person under the control of the Applicant, taken pursuant to this Special Event Permit whether said actions are characterized as negligent or intentional.

Applicant Signature: _____

Carlo Facchino

Digitally signed by Carlo Facchino
DN: cn=Carlo Facchino, o=Mermaid Series, ou=
email=carlo@mermaidrathlon.com, c=US
Date: 2011.02.10 05:02:03-0800

ADVANCED CANCELLATION NOTICE REQUIRED

If this event is cancelled, notify the Special Events Coordinator at (831) 475-4242.

I certify that the information contained in the foregoing application is true and correct to the best of my knowledge and belief, that I have read, understand and agree to abide by the rules and regulations governing the special event under Capitola Municipal Code, and that I understand that this applications is made subject to the rules and regulations established by the City Council and/or the City Manager or the City Manager's designee. I agree to comply with all permit conditions and with all other requirements of the City, County, state and federal governments and any other applicable entity that may pertain to the use of the event premises and the conduct of the event. I agree to abide by these rules and further certify that I, on behalf of the organization, am also authorized to commit that organization and, therefore, agree to be financially responsible for any costs and fees that may be incurred by or on behalf of the event to the City of Capitola.

Name of Applicant (print): Carlo Facchino

Title: Event Director

Signature of Applicant: _____

Carlo Facchino

Digitally signed by Carlo Facchino
DN: cn=Carlo Facchino, ou=Mermaid Series, ou=
email=carlo@mermaidrathlon.com, c=US
Date: 2011.02.10 05:02:03-0800

Date: 2/10/11

Submit to Capitola PD

ATT3451094

Form Returned: Mermaid_MajorEvtApp(police.pdf)

The attached file is the filled-out form. Please open it to review the data.

Mermmaid Triathlon & Duathlon

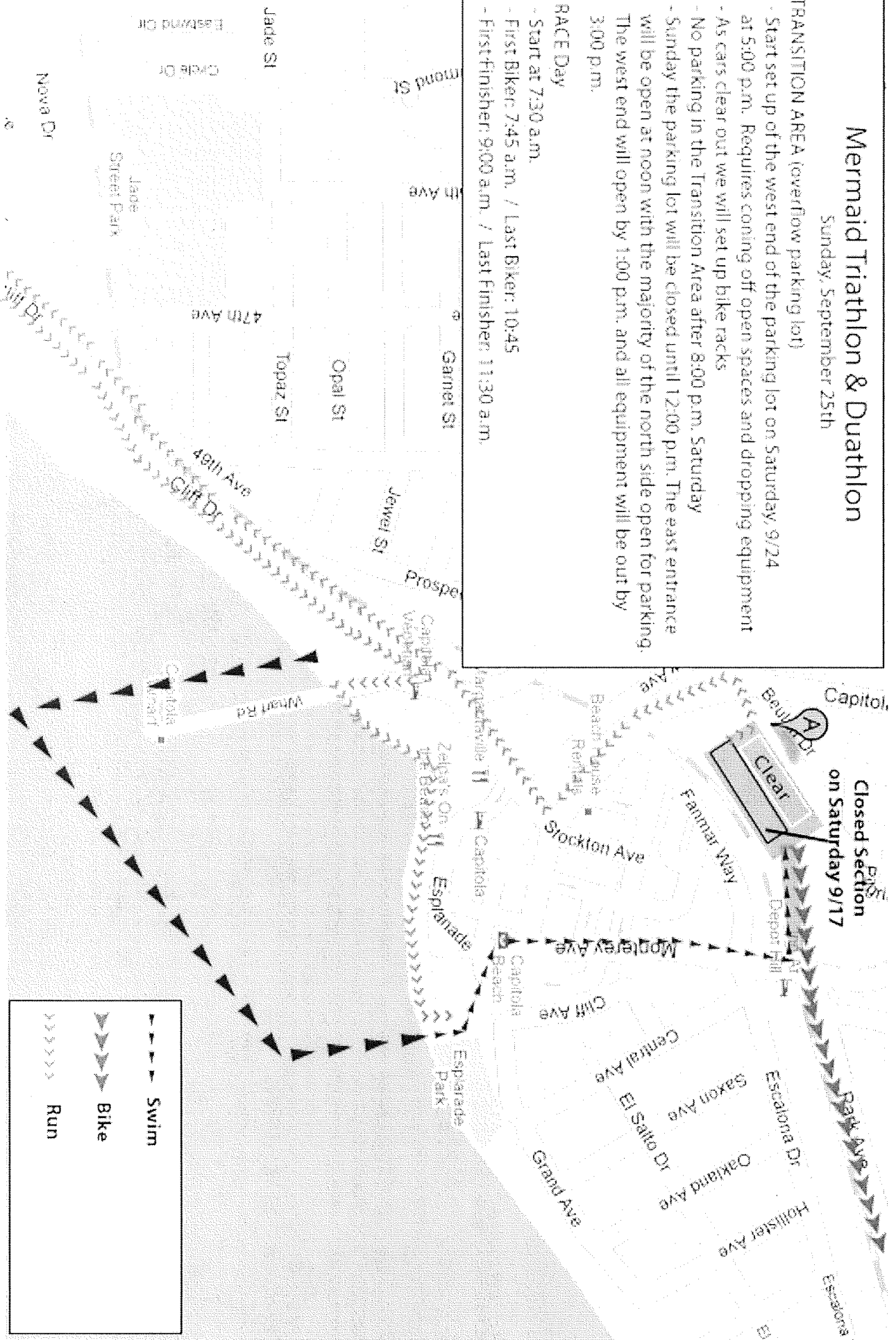
Sunday, September 25th

TRANSITION AREA (overflow parking lot)

- Start set up of the west end of the parking lot on Saturday, 9/24 at 5:00 p.m. Requires coning off open spaces and dropping equipment
- As cars clear out we will set up bike racks
- No parking in the Transition Area after 8:00 p.m. Saturday
- Sunday the parking lot will be closed until 12:00 p.m. The east entrance will be open at noon with the majority of the north side open for parking. The west end will open by 1:00 p.m. and all equipment will be out by 3:00 p.m.

RACE DAY

- Start at 7:30 a.m.
- First Biker: 7:45 a.m. / Last Biker: 10:45
- First Finisher: 9:00 a.m. / Last Finisher: 11:30 a.m.



--->	Swim
--->>>	Bike
>>>>>>	Run

Mermaid Triathlon & Duathlon

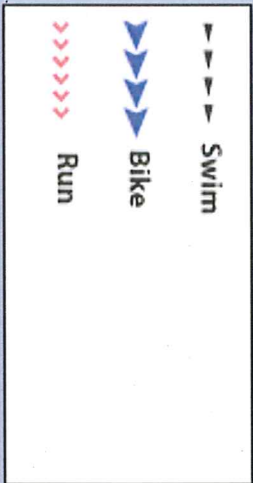
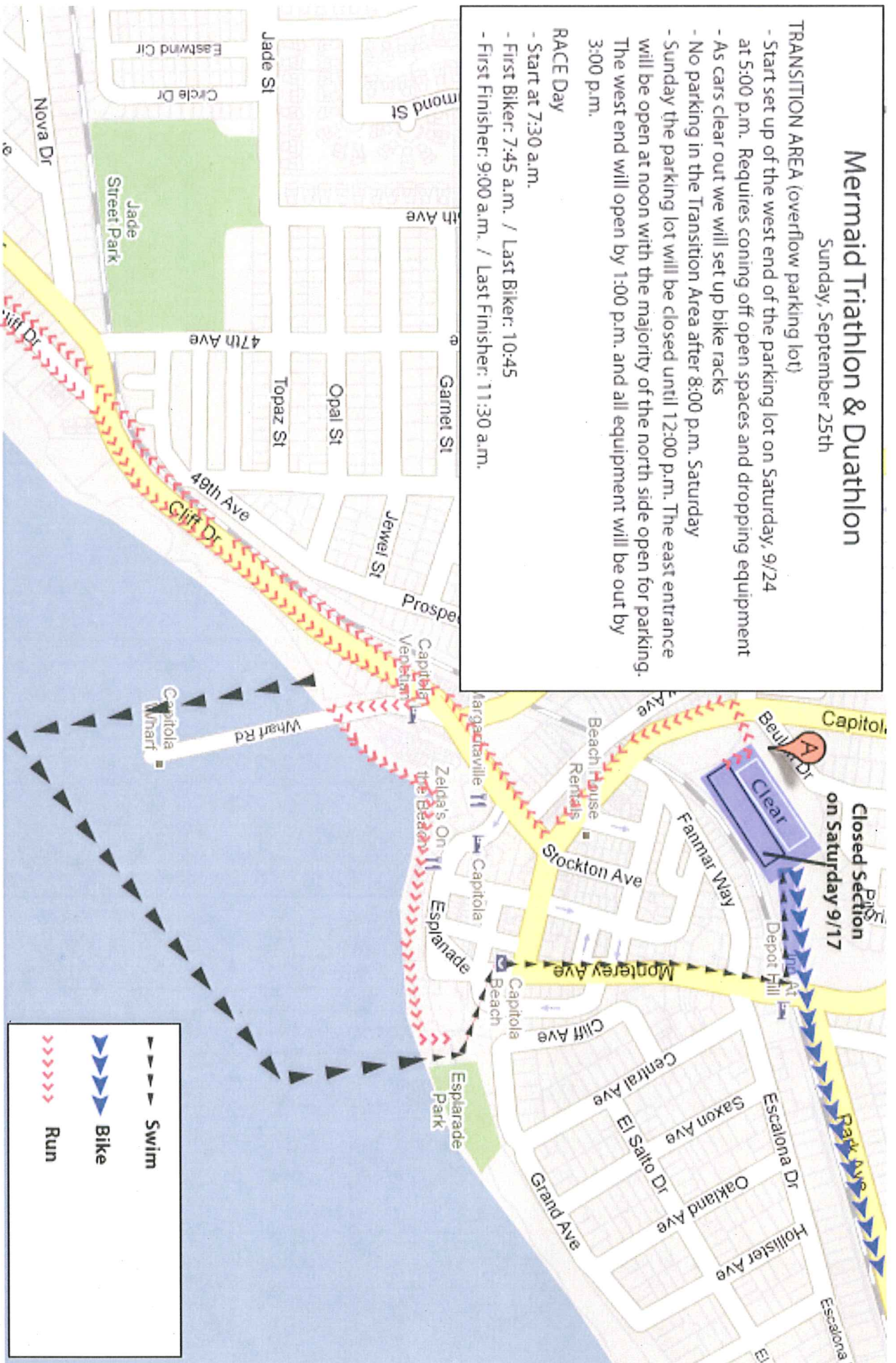
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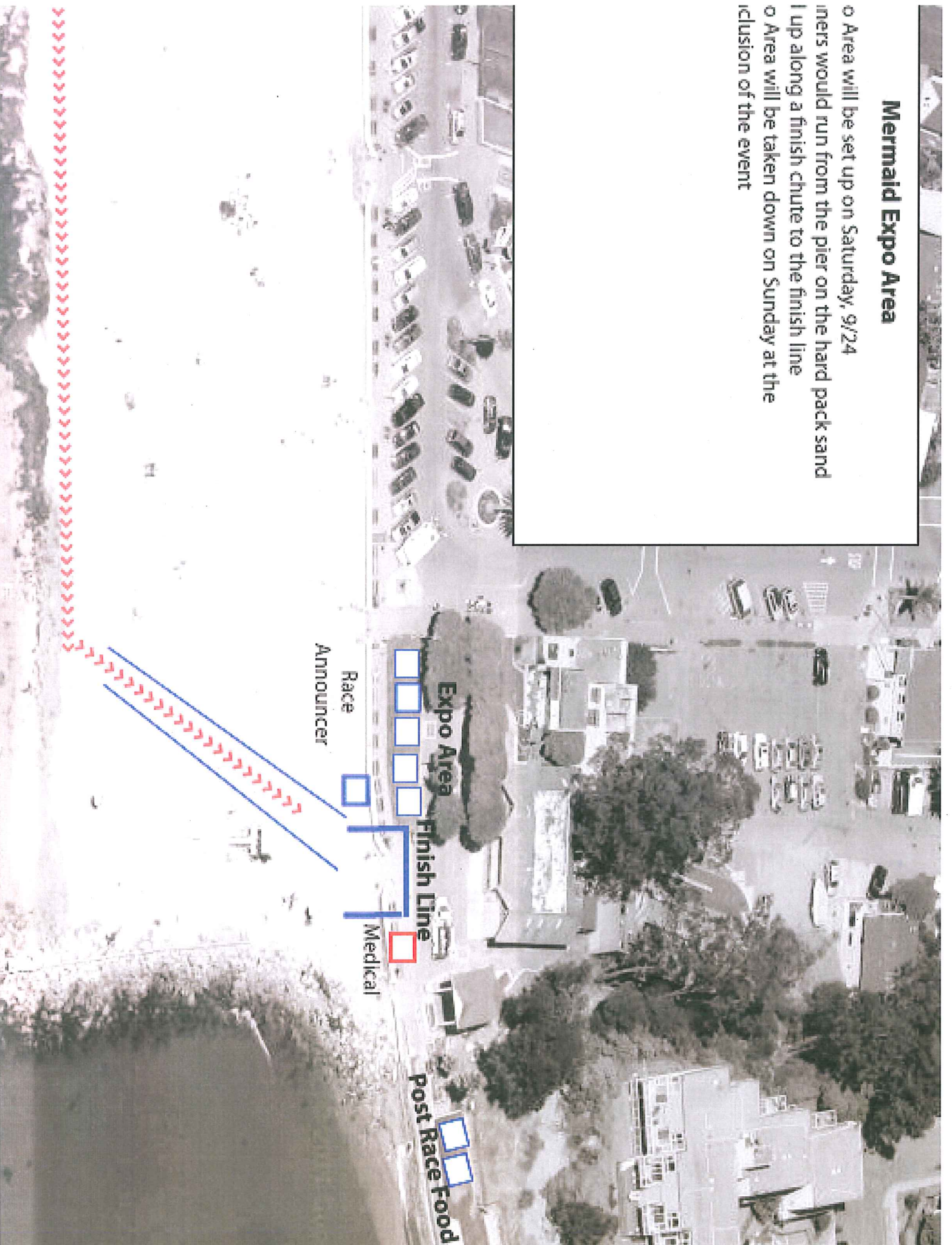
RACE DAY

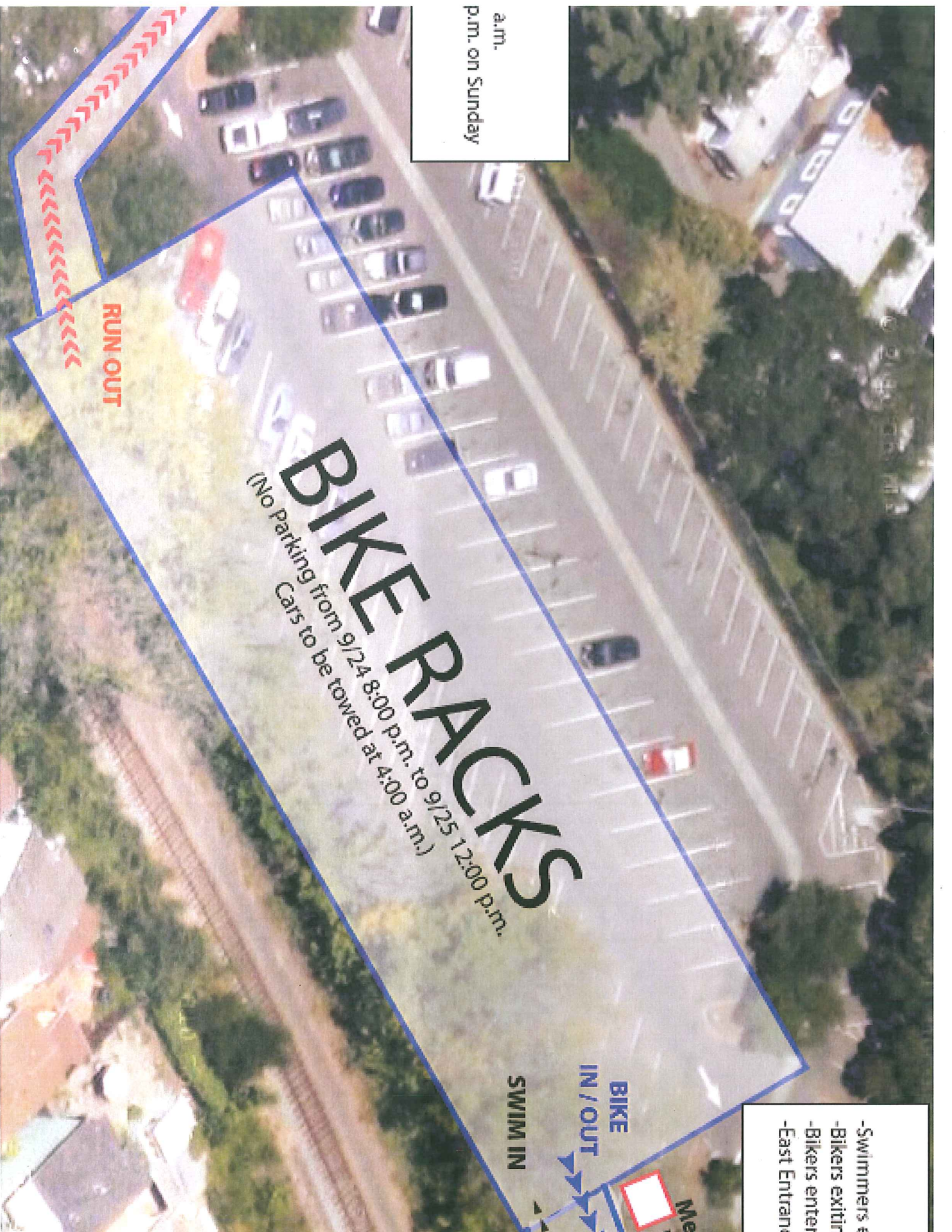
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- First Finisher: 9:00 a.m. / Last Finisher: 11:30 a.m.



Mermaid Expo Area

- o Area will be set up on Saturday, 9/24
- o Runners would run from the pier on the hard pack sand
- o Turn left up along a finish chute to the finish line
- o Area will be taken down on Sunday at the conclusion of the event





a.m.
p.m. on Sunday

RUN OUT

BIKE RACKS
(No Parking from 9/24 8:00 p.m. to 9/25 12:00 p.m.
Cars to be towed at 4:00 a.m.)

BIKE IN / OUT
SWIM IN

- Swimmers e
- Bikers exitin
- Bikers enteri
- East Entranc

Mermaid Triathlon & Duathlon

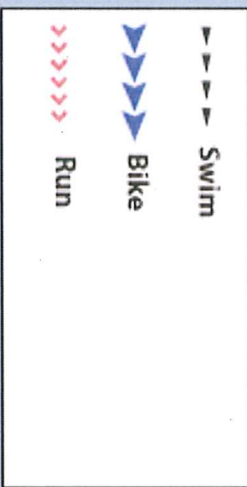
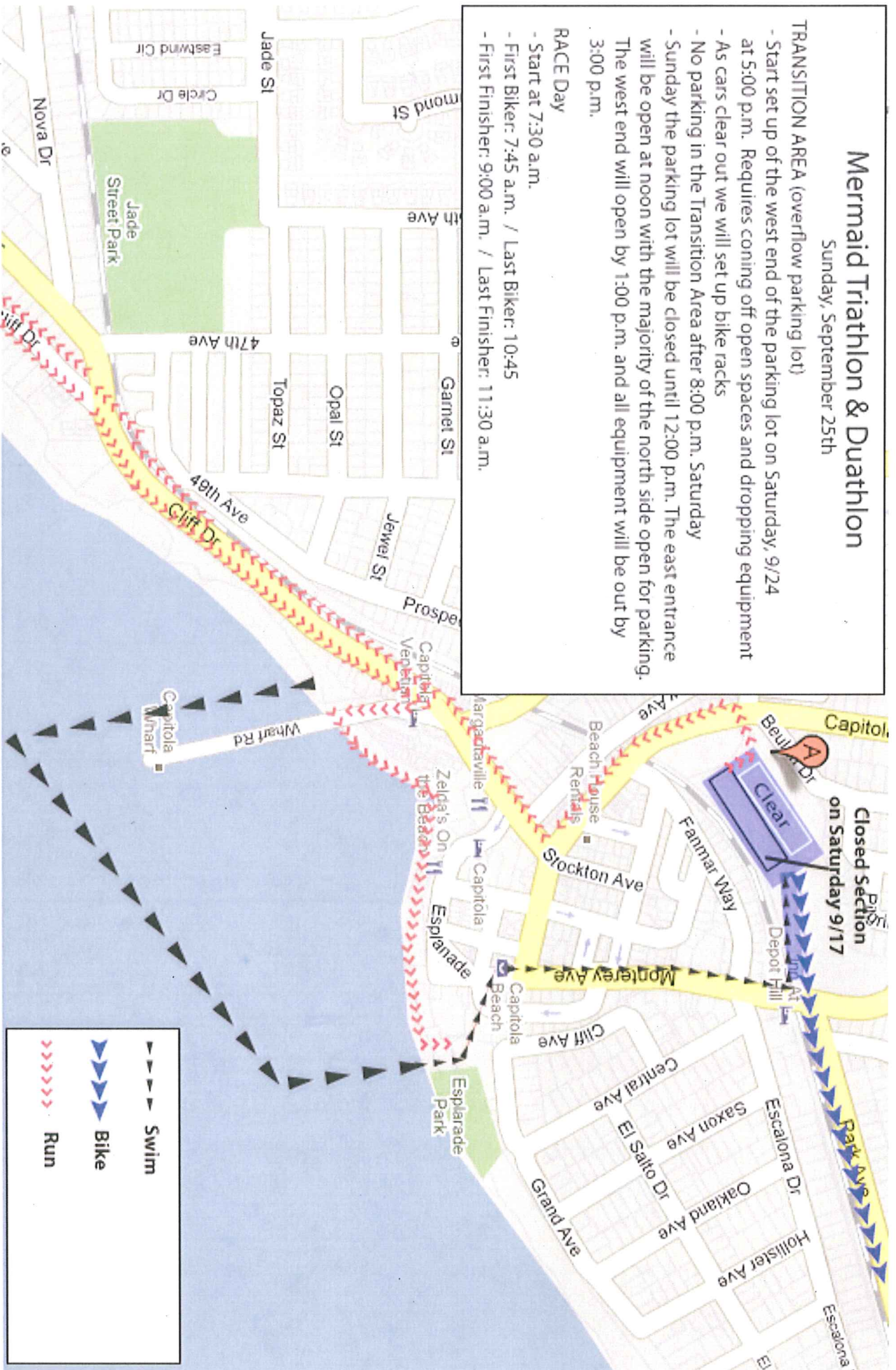
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City of Capitola
420 Capitola Avenue
Capitola, CA 95010
(831) 475-7300

APPLICATION FOR LIVE ENTERTAINMENT PERMIT
(Application fee of \$31 must be submitted with completed application.)

BUSINESS NAME By the Beach Productions, LLC (dba. Mermaid Series)

ADDRESS 1575 Newall Street, Santa Clara, CA 95050

BUSINESS PHONE 408-314-1718

RESPONSIBLE PARTY Carlo Facchino Owner
(NAME) (TITLE)

HOME ADDRESS 1575 Newall Street, Santa Clara, CA 95050

HOME PHONE 408-314-1718 BUSINESS PHONE 408-314-1718

TYPE OF PERMIT APPLIED FOR (Check One):

- SINGLE EVENT ENTERTAINMENT PERMIT (\$31.00)*
 MINOR ENTERTAINMENT PERMIT (\$139.00)
 REGULAR ENTERTAINMENT PERMIT (\$520.00)

NATURE OF ENTERTAINMENT: (Please provide explanation; i.e. live band, disc jockey, etc.)

Event Announcer and background music.

HOURS OF ENTERTAINMENT: 6:00 a.m. - 12:00 p.m.

DAYS OF ENTERTAINMENT: 1 day (9/25/11)

DATE: 2/16/11

Carlo Facchino
SIGNATURE OF APPLICANT



CITY OF CAPITOLA

STREET BANNER PERMIT APPLICATION

DATE 2/16/11

APPLICANT/NONPROFIT CORPORATION: By The Beach Productions, LLC PHONE: 408-314-1718

DATE OF EVENT: Sunday, September 25th

DATE(S) OF DISPLAY: 9/12 to 9/26
(MAXIMUM: 2 WEEKS PRIOR TO EVENT; REMOVED 2 DAYS AFTER EVENT)

LOCATION OF BANNER: MONTEREY AVENUE POLES CAPITOLA AVENUE POLES

DESCRIPTION OR PURPOSE OF BANNER: _____
Notify Residents and Community about the Event.

SIZE OF BANNER: 18' x 3.5'
(MAXIMUM: 18' WIDE X 3.5' HIGH)

BANNER TEXT: Mermaid Triathlon & Duathlon - Sunday, September 25th - 7:30 a.m. to 12:00 p.m.
www.mermaidseries.com

BANNER COLORS AND FABRIC: White / Orange / Aqua / Black - Vinyl

- SUBMIT A GRAPHIC OR PICTURE OF THE BANNER DESIGN
- REFER TO THE ADMINISTRATIVE POLICY 1-17 FOR DETAILED BANNER INFORMATION
- SUBMIT COMPLETED APPLICATION TO THE CITY OF CAPITOLA PUBLIC WORKS DEPARTMENT, 420 CAPITOLA AVENUE, CAPITOLA, CA 95010

I, THE UNERSIGNED, CERTIFY THAT I WILL COMPLY WITH ALL THE PROVISIONS OF ADMINISTRATIVE POLICY 1-17 OF THE CITY OF CAPITOLA.

SIGNATURE OF APPLICANT: *Carlos Facchini*

PHONE NUMBER: 408-314-1718

APPROVALS:

- PUBLIC WORKS: _____
- CITY MANAGER: _____
- CITY COUNCIL: _____



Item #: 5.B.

CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
DATE: FEBRUARY 16, 2011
SUBJECT: 2011 COOPERATION AGREEMENT BETWEEN THE CITY AND
REDEVELOPMENT AGENCY MEMORIALIZING PLEDGES OF AGENCY
FUNDS IN SUPPORT OF SPECIFIED PROGRAMS AND PROJECTS

Recommended Action: By motion and roll call vote,

1. That the City Council adopt the proposed Resolution approving a Cooperation Agreement between the City of Capitola and the City of Capitola Redevelopment Agency in support of specified programs and projects and approving a Notice of Exemption pursuant to State CEQA Guidelines Section 15378(b)(4).
 2. That the Redevelopment Agency Board of Directors adopt the proposed Agency Resolution approving a Cooperation Agreement between the City of Capitola and the City of Capitola Redevelopment Agency in support of specified programs and projects and approving a Notice of Exemption pursuant to State CEQA Guidelines Section 15378(b)(4).
-

BACKGROUND

The Governor of California put forth a budget proposal that includes elimination of redevelopment as of July 1, 2011. The California Legislative Analyst's Office recommended to the State Legislature that urgency legislation be adopted to prohibit redevelopment agencies from entering into new contractual agreements or issuing bonded debt subsequent to the Governor's announcement. The purpose of the proposed Cooperation Agreement presented herein is to memorialize previously identified and committed Redevelopment funding for critical ongoing Capitola projects and programs. In all cases, projects or programs identified in the cooperation agreement are a substantial investment which would be diminished or halted were funding to disappear. Although the timing of this action is triggered by State action, the funding activities identified are consistent with previous budgeting, reporting, adopted redevelopment plans, and planning efforts and actions, widely distributed to appropriate agencies and available at City Hall and previously presented Council and Board documents.

DISCUSSION

The Redevelopment Agency is a separate governmental entity created by the City of Capitola pursuant to California Community Redevelopment Law. The purpose of the Redevelopment Agency is to alleviate blight within its Project Area through investment in public and private activities. Funds for Agency operations come from property tax increment, which is property tax growth in the Project Area since the adoption of the Redevelopment Plan.

The governing document for the Agency is the Redevelopment Plan. The Plan documents blighting conditions in the Project Area and identifies projects that the Agency intends to pursue. The Capitola Plan was last amended in July 2004. The Agency also has a 2010-14 Five-Year Implementation Plan identifying specific capital projects, economic development programs, and affordable housing activities.

The City and the Agency have a Cooperation Agreement addressing services that will be provided to the Agency by the City. The Agency also has "Pass-Through" Agreements with County of Santa Cruz and special districts, providing them a share of the Agency's tax increment. The Pass-Through Agreements financially "holds harmless" these agencies from the establishment of the City's RDA. All agreements were recently reviewed by Special Counsel, Brent Hawkins, who determined that each was a valid debt or contract for the purposes of encumbering tax increment.

The purpose of this proposed 2011 City-RDA Cooperation Agreement is to contractually bind the Agency and support previously committed programs and projects as outlined in Exhibit A of the Cooperation Agreement. Failure to complete these would have a negative impact on previously invested funds and would impede ongoing efforts to provide low and moderate income housing for Capitola residents, in accordance with Redevelopment Law. The Cooperation Agreement incorporates commitments made as part of the Capitola Five-Year Budget and Capital Improvement Program, including the Redevelopment Agency Budget, and Capitola Redevelopment Agency Project 2010-2014 Implementation Plan and 2004-2014 Housing Strategy Update.

The list of projects enumerated in Exhibit A is estimated at \$32,781,897. The City does not have the financial ability to fund its debt, pass through, project, or program obligations without the commitment of tax increment. As such, the proposed Redevelopment Agency resolution includes the appropriate Health and Safety §33445 findings that no other reasonable means of financing the installation or construction of the listed public improvements and programs.

The list of projects in Exhibit A are projects which have been identified in RDA planning documents and are considered exempt from CEQA review or have previously been reviewed in certified environmental documents. Staff recommends favor is given to projects that have existing momentum, certified environmental documents, consist of authorized repair and maintenance, or consist of the rehabilitation and reconstruction of existing facilities, such as the library. Staff's recommendation is that existing reserves should be directed to projects that will be completed prior to June 30, 2011, to ensure funds are protected by any state efforts to eliminate Redevelopment Agencies.

CEQA

Section 15378(b)(4) of the California Environmental Quality Act defines a project and does not include the creation of government funding mechanisms or other fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact. Both the RDA and City Council resolutions stipulate that the Cooperation Agreement is a funding agreement and to that extent does not specifically commit funds to a project and that CEQA review shall be completed prior to the commencement of any public improvement project listed in the Cooperation Agreement.

FISCAL IMPACT

The Redevelopment Agency is estimated to collect \$2.4 million in gross unrestricted tax increment during the 2010-2011 fiscal year. After pass-through agreements, ERAF/SERAF, and Santa Cruz County administration fees have been satisfied, approximately \$1.9 million is available for professional services, debt service, negotiated pass through agreements, and projects. The following table summarizes the general tax increment for the 2010-2011 fiscal year:

SOURCES	
Beginning Fund Balance	\$ 2,955,796
Total Additional Sources (tax increment)	2,444,774
Total Sources	\$ 5,400,570
USES	
Net Pass Thrus	1,952,152
RDA Board	4,000
Professional Services	209,700
Debt - Principal & Interest pmts	428,976
Projects	507,100
Total Uses	\$ 3,101,928
ESTIMATED JUNE 30, 2011 YEAR END FUND BALANCE	\$2,298,642

The Low and Moderate Housing Fund is estimated to receive \$464,460 this year. The following table summarizes the Low-Moderate Housing Fund for the 2010-2011 fiscal year:

SOURCES	
BEGINNING FUND BALANCE	\$725,212
Housing Set Aside (20% tax increment)	463,400
Total Sources:	\$1,188,612
USES	
	145,000
Grants & subsidies	
BASAPA loan	0
Funding of RDA Housing Loans	60,000
City staff time reimbursement	200,000
Contract Administration - C. Flynn	10,152
General & Administrative	27,000
Legal & audit fees	21,400
Training & Supplies	2,300
Total Uses:	\$465,852
ESTIMATED JUNE 30, 2011 YEAR END FUND BALANCE	\$722,760

Both of these funds have significant existing and projected fund balances. The operating RDA fund began the fiscal year with \$2.9 million dollars and the Low-Moderate Housing Fund had \$725,212. The proposed Cooperation Agreement would pledge these reserves in addition to ongoing tax increment to projects identified in the Cooperation Agreement.

A highlight of the Cooperation Agreement is that it provides additional tax increment funding for the library and related improvements within the project area, such as Clares Street improvements. This commitment would supplement existing funding in the County Library Funding Agreement.

ATTACHMENTS

1. City Council Resolution
2. RDA Resolution
3. Cooperation Agreement (Exhibit A to both City and RDA Resolutions)

Report Prepared By: Derek Johnson
Deputy Executive Director
Community Development Director

**Reviewed and forwarded
By Executive Director/
City Manager _____**

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
APPROVING THE COOPERATION AGREEMENT
BY AND BETWEEN THE CITY OF CAPITOLA AND
THE REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA**

WHEREAS, the Agency has prepared a Redevelopment Plan (“Redevelopment Plan”) for the Capitola Redevelopment Project Area (“Project Area”), which results in the allocation of taxes from the Project Area to the Agency for purposes of redevelopment; and

WHEREAS, the intent of the Redevelopment Plan is, in part, to document blighted conditions in the Project Area and identify projects that the Agency intends to pursue; and

WHEREAS, the Agency has adopted the Capitola Redevelopment Project 2010-2014 Implementation Plan and 2004-2014 Housing Strategy Update, which identifies specific capital projects, economic development programs, and affordable housing activities to be undertaken for the benefit of the Project Area (“Projects”); and

WHEREAS, pursuant to Section 33220 of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the Agency and the City desire to enter into an agreement (“Agreement”) for the purpose of obtaining the City’s assistance and cooperation in the implementation and completion of the Projects and to provide funding necessary to effectuate the completion of the Projects and existing financial obligations, and to provide City services and assistance to Agency and Agency reimbursement to the City; and

WHEREAS, pursuant to State CEQA Guidelines Section 15378(b)(4), approval of the Agreement is not a project subject to the California Environmental Quality Act (“CEQA”), because the Agreement consists of the creation of a governmental funding mechanism for various public improvements, but does not commit funds to any specific public improvement, in that environmental review required by CEQA shall be completed prior to the commencement of any public improvement listed in the Agreement; and

WHEREAS, the obligations of the Agency under the Agreement shall constitute an indebtedness of the Agency for the purpose of carrying out the Redevelopment Plan.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CAPITOLA DOES HEREBY RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

SECTION 1. The City Council approves the Cooperation Agreement by and between the City and Agency in substantially the form attached hereto as Exhibit “A” and directs the City Manager to execute the Agreement and take all necessary actions to implement the purpose and intent of this Resolution.

SECTION 2. Pursuant to Title 14, California Code of Regulations Section 15378, this action is not a Project under California Environmental Quality Act as it is merely the creation of a government funding mechanism or other government fiscal activity which does not involve the commitment to a specific project which may result in a potentially significant physical impact on the environment.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 24th day of February, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dennis R. Norton, Mayor

ATTEST:

Pamela Greeninger, City Clerk, MMC

APPROVED AS TO FORM:

John G. Barisone
City Attorney

COOPERATION AGREEMENT

This Cooperation Agreement (this “**Agreement**”) is entered into this 24th day of February, 2011 (“**Effective Date**”), by and between the CITY OF CAPITOLA, a California municipal corporation (“**City**”), and the REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA, a public body, corporate and politic (“**Agency**”).

RECITALS

A. The Agency has prepared a Redevelopment Plan (“**Redevelopment Plan**”) for the Capitola Redevelopment Project Area (“**Project Area**”), which results in the allocation of taxes from the Project Area to the Agency for purposes of redevelopment. The intent of the Redevelopment Plan is, in part, to document blighted conditions in the Project Area and identify projects that the Agency intends to pursue.

B. The Agency has adopted the Capitola Redevelopment Project 2010-2014 Implementation Plan and 2004-2014 Housing Strategy Update, which identifies specific capital projects, economic development programs, and affordable housing activities to be undertaken for the benefit of the Project Area, which, in addition to the Agency’s existing contractual obligations, are listed in Exhibit “A” attached hereto and incorporated herein by this reference (the “**Projects**”).

C. Pursuant to Section 33220 of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (“**CRL**”), the Agency and the City desire to enter into this Agreement for the purpose of obtaining the City’s assistance and cooperation in the implementation and completion of the Projects and to provide funding necessary to effectuate the completion of the Projects and existing financial obligations.

TERMS

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE CITY AND THE AGENCY HEREBY AGREE AS FOLLOWS:

1. Purpose of this Agreement. The purpose of this Agreement is to provide for the City’s cooperation and assistance in Agency services, projects and programs and the reimbursement of funding for such cooperation and assistance from the Agency to the City. The obligations set forth in this Agreement are contractual obligations between the parties.

2. Administrative Services.

2.1 The City agrees to provide for the Agency such staff assistance, supplies, technical services and other services and facilities of the City as the Agency may require in carrying out its functions under the CRL. Such assistance and services may include the services of officers and employees, as well as special consultants.

2.2 The City may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for the preparation and implementation of a Redevelopment Plan including, but not limited to, the costs of surveys, planning, studies and environmental assessments for the adoption of a Redevelopment Plan, the costs of acquisition of

property within the Project Area, the demolition and clearance of properties acquired, building and site preparation, public improvements and relocation assistance to displaced residential and nonresidential occupants as required by law.

2.3 The City will keep records of activities and services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Agency a statement of the costs incurred by the City in rendering activities and services of the City to the Agency pursuant to this Agreement. Such statement of costs may include a proration of the City's administrative and salary expenses attributable to services of City officials, employees and departments rendered for the Agency.

2.4 Except as otherwise provided in Section 5.3, the Agency agrees to reimburse the City for all costs incurred for services by the City pursuant to this Agreement from Agency Funds, as such term is defined in Section 3.2.

3. Projects.

3.1 The City agrees to design and cause the construction and installation of and carry out the Projects described in Exhibit A, or to provide assistance to the Agency in the completion of the Projects, to serve and benefit the Project Area.

3.2 Except as otherwise provided in Section 5.3, the Agency agrees to reimburse the City the amounts set forth in Exhibit A as work on the Projects are completed, from Net Available Tax Increment, Low/Mod Funds, or from other agency funds (collectively, "**Agency Funds**").

(a) For purposes of this Agreement, "**Net Available Tax Increment**" is defined as any tax increment, net of existing debt service payments, and existing contractual obligations received by the Agency or any lawful successor of the Agency and/or to any of the powers and rights of the Agency pursuant to any applicable constitutional provision, statute or other provision of law now existing or adopted in the future, levied by or for the benefit of taxing agencies in the Project Area, and allocated to the Agency and/or any lawful successor of the Agency and/or any entity established by law to carry out the Redevelopment Plan and/or expend tax increment or pay indebtedness of the Agency to be repaid with tax increment, pursuant to Section 33670 *et seq.* of the CRL or any applicable constitutional provision, statute or other provision of law now existing or adopted in the future. "Net Available Tax Increment" shall additionally include existing Agency cash reserves as of the Effective Date.

(b) For purposes of this Agreement, "**Low/Mod Funds**" is defined as the portion of Net Available Tax Increment set aside pursuant to CRL Sections 33334.2, 33334.3 and 33334.6 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at an affordable housing cost to persons and families of low or moderate income. "Low/Mod Funds" shall additionally include existing funds held in the Agency's Low and Moderate Income Housing Fund as of the Effective Date.

4. Authority to Issue Debt. Agency understands that the City may contemplate the use of debt to finance some of the Projects or services covered by this Agreement and the

Agency consents to the City's reliance and pledge of Agency's payments for the repayment of such debt, as long as the City agrees to bear full responsibility for the debt.

5. Indebtedness of the Agency.

5.1 Any prior or future appropriation to the Agency from the City shall be an obligation of the Agency subject to the terms of this Agreement, including but not limited to the repayment of such funds to the City and any administrative cost recovery charges, unless specifically exempt by City Council action. In consideration for the City's obligations under this Agreement, the City shall assess an administrative cost recovery rate of fifteen percent to the Agency's Net Available Tax Increment, less pass through agreements, prior to disbursing any dollars to the Agency's Low and Moderate Income Housing Fund.

5.2 The Agency's obligations under this Agreement, including without limitation the Agency's obligation to make payments to the City, shall constitute an indebtedness of the Agency for the purpose of carrying out the redevelopment of the Project Area and a pledge of Agency Funds from the Project Area to repay such indebtedness, under the provisions of Section 16 of Article XVI of the California Constitution and Sections 33670-33674 of the CRL. The obligations of the Agency set forth in this Agreement are contractual obligations that, if breached, will subject the Agency to damages and other liabilities or remedies, as set forth in Section 8.

5.3 Notwithstanding the provisions of Section 5.2, the indebtedness of Agency under this Agreement shall be subordinate to pledges of tax increment to repay indebtedness existing on the date of this Agreement and the right of the Agency to pledge or commit Agency Funds to repay (and otherwise comply with the obligations and covenants of) other indebtedness incurred by the Agency in the future in the redevelopment of the Project Area.

6. Liability and Indemnification. Pursuant to Section 895.4 of the Government Code, the Agency and the City agree that each will assume the full liability imposed upon it or any of their respective officers, agents or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve the above-stated purpose, each party agrees to indemnify and hold harmless the other party for any liability, loss, cost or expense that may be imposed upon such other party by reason of Sections 895.2 and 895.6 of the Government Code.

7. Termination. This Agreement shall terminate upon the earlier of: (a) the completion of the Projects; or (b) the termination dates for the time limit to receive Agency Funds and repay debt.

8. Defaults and Remedies. Failure by any party to perform any action or covenant required by this Agreement within the time periods provided herein following written notice and expiration of any applicable cure period shall constitute a "**Default**" under this Agreement. A party claiming a Default shall give written notice to the defaulting party specifying the alleged Default. Except as otherwise expressly provided in this Agreement, the claimant shall not institute any proceeding against any other party, and no other party shall not be in Default if such

party within thirty (30) days following receipt of such notice immediately, with due diligence, commences to cure, correct or remedy such failure or delay and completes such cure, correction or remedy with diligence. Except as otherwise specifically provided herein, upon the occurrence of a Default, the party or parties claiming a Default shall have the right, in addition to any other rights or remedies, to institute any action at law or in equity to cure, correct, prevent or remedy any Default, or to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of Santa Cruz County, State of California, in an appropriate municipal court in that County or in the Federal District Court.

9. Binding on Successors. This Agreement shall be binding on and shall inure to the benefit of all successors and assigns of the parties, whether by agreement or operation of law.

10. Severability. If any term, provision or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

[Signatures on following page]

IN WITNESS WHEREOF, the Agency and the City have executed this Agreement as of the date first above written.

AGENCY:

CITY:

REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA, a public body, corporate and politic

CITY OF CAPITOLA, a California municipal corporation

By: _____
Jamie Goldstein
Executive Director

By: _____
Jamie Goldstein
City Manager

ATTEST:

ATTEST:

By: _____
Pamela Greeninger, Secretary

By: _____
Pamela Greeninger, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
T. Brent Hawkins, General Counsel

By: _____
John Barisone, City Attorney

**EXHIBIT A
PROJECTS/PROGRAMS**

Redevelopment Agency of the City of Capitola Committed obligations			
Contract with	Amount	Notes	Funding Source
Debt			
1 Santa Cruz County	\$ 2,490,000	Capitola Library Construction Contract	Projected RDA operating tax increment
2 City of Capitola	\$ 2,467,655	Rispin Land Purchase Cooperative Agreement	Projected RDA operating tax increment
3 Chase NYC	\$ 1,178,100	Tax Allocation Note	Projected RDA operating tax increment
4 City of Capitola	\$ 1,129,923	1997-2001 Pass Through Cooperative Agreement Loan	Projected RDA operating tax increment
5 Santa Cruz County	\$ 91,820	Yrs 1-20 Pass Through Loan - Library	Projected RDA operating tax increment
6 Santa Cruz County	\$ 40,231	Yrs 1-20 Pass Through Loan - Special Districts	Projected RDA operating tax increment
Pass-through agreements			
7 Santa Cruz County	\$ 7,014,220	Pass Through Agreement	Projected RDA operating tax increment
8 Central Fire Protection District	\$ 3,970,100	Pass Through Agreement	Projected RDA operating tax increment
9 Library District	\$ 763,100	Pass Through Agreement	Projected RDA operating tax increment
10 Special Districts	\$ 335,100	Pass Through Agreement	Projected RDA operating tax increment
11 State of California/Santa Cruz County	\$ 289,232	Supplemental Educational Relief Augmentation Fund(SERAF) 2008-09, 2010-11	Projected RDA operating tax increment
12 City of Capitola	\$ 1,223,455	Pass Through Agreement	Projected RDA operating tax increment
Capital projects			
13 Rispin	\$ 2,300,000	Rispin Rehabilitation	Operating Reserves
14 Clares & Wharf Traffic Calming	\$ 300,000	RDPs Received	Projected RDA operating tax increment
15 Misc Capitola Projects	\$ 207,100	CIP In ProjectArea	Projected RDA operating tax increment
16 Clares & 41st Overlay	\$ 350,000	2009-2014 Implementation Plan	Projected RDA operating tax increment
17 Library Site Improvements	\$ 500,000	Site Improvements & FF&E	Projected RDA operating tax increment
18 Clares/Wharf Road Improvements, Library Parking	\$ 566,959	Additional Library Funding for Clares/Wharf Road Improvements and Library Parking, Property Acquisition	Projected RDA operating tax increment
Project planning			
19 Library	\$ 450,000	EIR, Architechtural Plans, Special Studies	Projected RDA operating tax increment
Operating administration			
20 Audit and Attorney fees	\$ 378,141	Administration Costs	Projected RDA operating tax increment
21 Contract Services fees	\$ 334,901	Administration Costs	Projected RDA operating tax increment
22 RDA Board	\$ 48,000	Administration Costs	Projected RDA operating tax increment
Affordable housing obligations - 20% housing set aside projects			
23 Administrative	\$ 2,371,100	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
24 Professional services	\$ 560,000	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
25 Ongoing programs	\$ 2,100,000	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
26 Other projects and loans	\$ 600,000	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
27 Affordable Housing Acquistiion	\$ 722,760	Implementation Plan, RDA cashflow budget	Low-Mod Housing Reserves
Total project/program commitments	\$ 32,781,897		

AGENCY RESOLUTION NO. 2011-___

**RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA
APPROVING THE COOPERATION AGREEMENT BY AND BETWEEN THE CITY OF
CAPITOLA AND THE REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA
AND ENCUMBERING FUNDS PURSUANT THERETO**

WHEREAS, the Agency has prepared a Redevelopment Plan ("Redevelopment Plan") for the Capitola Redevelopment Project Area ("Project Area"), which results in the allocation of taxes from the Project Area to the Agency for purposes of redevelopment; and

WHEREAS, the intent of the Redevelopment Plan is, in part, to document blighted conditions in the Project Area and identify projects that the Agency intends to pursue; and

WHEREAS, the Agency has adopted the Capitola Redevelopment Project 2010-2014 Implementation Plan and 2004-2014 Housing Strategy Update, which identifies specific capital projects, economic development programs, and affordable housing activities to be undertaken for the benefit of the Project Area ("Projects"); and

WHEREAS, pursuant to Section 33220 of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the Agency and the City desire to enter into an agreement ("Agreement") for the purpose of obtaining the City's assistance and cooperation in the implementation and completion of the Projects and to provide funding necessary to effectuate the completion of the Projects and existing financial obligations, and to provide City services and assistance to Agency and Agency reimbursement to the City; and

WHEREAS, under the California Redevelopment Law (Health and Safety code Section 33100 *et seq.*; the "Law"), before the Agency can expend money for public improvements, the Agency and the City must make specified findings pursuant to Health and Safety Code Section 33445; and

WHEREAS, pursuant to the Law, the Agency is authorized, with the consent of the City Council to pay for pm or all, of the costs of public improvements that are of benefit to the Project Areas; and

WHEREAS, no other reasonable means of financing the estimated costs of the public improvements are available to the City or the community; and

WHEREAS, by approving and entering into the Agreement, Agency has approved the pledge of certain funds from the Project Area to finance the Projects; and

WHEREAS, pursuant to State CEQA Guidelines Section 15378(b)(4), approval of the Agreement is not a project subject to the California Environmental Quality Act ("CEQA"), because the Agreement consists of the creation of a governmental funding mechanism for various public improvements, but does not commit funds to any specific public improvement, in that environmental review required by CEQA shall be completed prior to the commencement of any public improvement listed in the Agreement; and

WHEREAS, the obligations of the Agency under the Agreement shall constitute an indebtedness of the Agency for the purpose of carrying out the Redevelopment Plan.

NOW, THEREFORE, THE GOVERNING BOARD OF THE REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA DOES HEREBY RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

SECTION 1. The Agency Board approves the Agreement by and between the City and Agency in substantially the form attached hereto as Exhibit "A" and directs the Executive Director to execute the Agreement and take all necessary actions to implement the purpose and intent of this Resolution.

SECTION 2. The Agency Board does hereby encumber and appropriate all funds necessary and available for the implementation of the Agreement.

SECTION 3. Pursuant to Title 14, California Code of Regulations Section 15378, this action is not a Project under California Environmental Quality Act as it is merely the creation of a government funding mechanism or other government fiscal activity which does not involve the commitment to a specific project which may result in a potentially significant physical impact on the environment.

SECTION 4. In compliance with Section 33445 of the Law the Agency hereby finds that: (a) the acquisition of public land or the installation or construction of the public improvements listed in the Agreement that are publicly owned are of benefit to the Project Area by helping to eliminate blight within the Project Area or providing housing for low- or moderate-income persons; (b) no other reasonable means of financing the acquisition of public land or the installation or construction of the public improvements listed in the Agreement that are publicly owned are available to the community; and (c) the appropriation and payment of funds by the Agency for the acquisition of public land or cost of the public improvements listed in the Agreement that are publicly owned is consistent with the Agency's current Five-Year Implementation Plan. These findings are based on the facts and analysis in the Staff Report incorporated in this Resolution. The Agency agrees to make the expenditures as called for in the Agreement for public improvement projects listed in the Agreement, subject to completion of any environmental review required by CEQA prior to the commencement of any improvement listed in the Agreement.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the Board of the Redevelopment Agency of the City of Capitola on the 24th day of February, 2011, by the following vote:

AYES:
 NOES:
 ABSENT:
 ABSTAIN:

 Dennis R. Norton, Chairperson

ATTEST:

 Pamela Greeninger, Secretary

APPROVED AS TO FORM:

 T. Brent Hawkins, General Counsel

COOPERATION AGREEMENT

This Cooperation Agreement (this “**Agreement**”) is entered into this 24th day of February, 2011 (“**Effective Date**”), by and between the CITY OF CAPITOLA, a California municipal corporation (“**City**”), and the REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA, a public body, corporate and politic (“**Agency**”).

RECITALS

A. The Agency has prepared a Redevelopment Plan (“**Redevelopment Plan**”) for the Capitola Redevelopment Project Area (“**Project Area**”), which results in the allocation of taxes from the Project Area to the Agency for purposes of redevelopment. The intent of the Redevelopment Plan is, in part, to document blighted conditions in the Project Area and identify projects that the Agency intends to pursue.

B. The Agency has adopted the Capitola Redevelopment Project 2010-2014 Implementation Plan and 2004-2014 Housing Strategy Update, which identifies specific capital projects, economic development programs, and affordable housing activities to be undertaken for the benefit of the Project Area, which, in addition to the Agency’s existing contractual obligations, are listed in Exhibit “A” attached hereto and incorporated herein by this reference (the “**Projects**”).

C. Pursuant to Section 33220 of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (“**CRL**”), the Agency and the City desire to enter into this Agreement for the purpose of obtaining the City’s assistance and cooperation in the implementation and completion of the Projects and to provide funding necessary to effectuate the completion of the Projects and existing financial obligations.

TERMS

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE CITY AND THE AGENCY HEREBY AGREE AS FOLLOWS:

1. Purpose of this Agreement. The purpose of this Agreement is to provide for the City’s cooperation and assistance in Agency services, projects and programs and the reimbursement of funding for such cooperation and assistance from the Agency to the City. The obligations set forth in this Agreement are contractual obligations between the parties.

2. Administrative Services.

2.1 The City agrees to provide for the Agency such staff assistance, supplies, technical services and other services and facilities of the City as the Agency may require in carrying out its functions under the CRL. Such assistance and services may include the services of officers and employees, as well as special consultants.

2.2 The City may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for the preparation and implementation of a Redevelopment Plan including, but not limited to, the costs of surveys, planning, studies and

environmental assessments for the adoption of a Redevelopment Plan, the costs of acquisition of property within the Project Area, the demolition and clearance of properties acquired, building and site preparation, public improvements and relocation assistance to displaced residential and nonresidential occupants as required by law.

2.3 The City will keep records of activities and services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Agency a statement of the costs incurred by the City in rendering activities and services of the City to the Agency pursuant to this Agreement. Such statement of costs may include a proration of the City's administrative and salary expenses attributable to services of City officials, employees and departments rendered for the Agency.

2.4 Except as otherwise provided in Section 5.3, the Agency agrees to reimburse the City for all costs incurred for services by the City pursuant to this Agreement from Agency Funds, as such term is defined in Section 3.2.

3. Projects.

3.1 The City agrees to design and cause the construction and installation of and carry out the Projects described in Exhibit A, or to provide assistance to the Agency in the completion of the Projects, to serve and benefit the Project Area.

3.2 Except as otherwise provided in Section 5.3, the Agency agrees to reimburse the City the amounts set forth in Exhibit A as work on the Projects are completed, from Net Available Tax Increment, Low/Mod Funds, or from other agency funds (collectively, "**Agency Funds**").

(a) For purposes of this Agreement, "**Net Available Tax Increment**" is defined as any tax increment, net of existing debt service payments, and existing contractual obligations received by the Agency or any lawful successor of the Agency and/or to any of the powers and rights of the Agency pursuant to any applicable constitutional provision, statute or other provision of law now existing or adopted in the future, levied by or for the benefit of taxing agencies in the Project Area, and allocated to the Agency and/or any lawful successor of the Agency and/or any entity established by law to carry out the Redevelopment Plan and/or expend tax increment or pay indebtedness of the Agency to be repaid with tax increment, pursuant to Section 33670 *et seq.* of the CRL or any applicable constitutional provision, statute or other provision of law now existing or adopted in the future. "Net Available Tax Increment" shall additionally include existing Agency cash reserves as of the Effective Date.

(b) For purposes of this Agreement, "**Low/Mod Funds**" is defined as the portion of Net Available Tax Increment set aside pursuant to CRL Sections 33334.2, 33334.3 and 33334.6 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at an affordable housing cost to persons and families of low or moderate income. "Low/Mod Funds" shall additionally include existing funds held in the Agency's Low and Moderate Income Housing Fund as of the Effective Date.

4. Authority to Issue Debt. Agency understands that the City may contemplate the use of debt to finance some of the Projects or services covered by this Agreement and the

Agency consents to the City's reliance and pledge of Agency's payments for the repayment of such debt, as long as the City agrees to bear full responsibility for the debt.

5. Indebtedness of the Agency.

5.1 Any prior or future appropriation to the Agency from the City shall be an obligation of the Agency subject to the terms of this Agreement, including but not limited to the repayment of such funds to the City and any administrative cost recovery charges, unless specifically exempt by City Council action. In consideration for the City's obligations under this Agreement, the City shall assess an administrative cost recovery rate of fifteen percent to the Agency's Net Available Tax Increment, less pass through agreements, prior to disbursing any dollars to the Agency's Low and Moderate Income Housing Fund.

5.2 The Agency's obligations under this Agreement, including without limitation the Agency's obligation to make payments to the City, shall constitute an indebtedness of the Agency for the purpose of carrying out the redevelopment of the Project Area and a pledge of Agency Funds from the Project Area to repay such indebtedness, under the provisions of Section 16 of Article XVI of the California Constitution and Sections 33670-33674 of the CRL. The obligations of the Agency set forth in this Agreement are contractual obligations that, if breached, will subject the Agency to damages and other liabilities or remedies, as set forth in Section 8.

5.3 Notwithstanding the provisions of Section 5.2, the indebtedness of Agency under this Agreement shall be subordinate to pledges of tax increment to repay indebtedness existing on the date of this Agreement and the right of the Agency to pledge or commit Agency Funds to repay (and otherwise comply with the obligations and covenants of) other indebtedness incurred by the Agency in the future in the redevelopment of the Project Area.

6. Liability and Indemnification. Pursuant to Section 895.4 of the Government Code, the Agency and the City agree that each will assume the full liability imposed upon it or any of their respective officers, agents or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve the above-stated purpose, each party agrees to indemnify and hold harmless the other party for any liability, loss, cost or expense that may be imposed upon such other party by reason of Sections 895.2 and 895.6 of the Government Code.

7. Termination. This Agreement shall terminate upon the earlier of: (a) the completion of the Projects; or (b) the termination dates for the time limit to receive Agency Funds and repay debt.

8. Defaults and Remedies. Failure by any party to perform any action or covenant required by this Agreement within the time periods provided herein following written notice and expiration of any applicable cure period shall constitute a "**Default**" under this Agreement. A party claiming a Default shall give written notice to the defaulting party specifying the alleged Default. Except as otherwise expressly provided in this Agreement, the claimant shall not institute any proceeding against any other party, and no other party shall not be in Default if such

party within thirty (30) days following receipt of such notice immediately, with due diligence, commences to cure, correct or remedy such failure or delay and completes such cure, correction or remedy with diligence. Except as otherwise specifically provided herein, upon the occurrence of a Default, the party or parties claiming a Default shall have the right, in addition to any other rights or remedies, to institute any action at law or in equity to cure, correct, prevent or remedy any Default, or to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of Santa Cruz County, State of California, in an appropriate municipal court in that County or in the Federal District Court.

9. Binding on Successors. This Agreement shall be binding on and shall inure to the benefit of all successors and assigns of the parties, whether by agreement or operation of law.

10. Severability. If any term, provision or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

[Signatures on following page]

IN WITNESS WHEREOF, the Agency and the City have executed this Agreement as of the date first above written.

AGENCY:

CITY:

REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA, a public body, corporate and politic

CITY OF CAPITOLA, a California municipal corporation

By: _____
Jamie Goldstein
Executive Director

By: _____
Jamie Goldstein
City Manager

ATTEST:

ATTEST:

By: _____
Pamela Greeninger, Secretary

By: _____
Pamela Greeninger, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
T. Brent Hawkins, General Counsel

By: _____
John Barisone, City Attorney

EXHIBIT A
PROJECTS/PROGRAMS

Redevelopment Agency of the City of Capitola Committed obligations			
Contract with	Amount	Notes	Funding Source
Debt			
1 Santa Cruz County	\$ 2,490,000	Capitola Library Construction Contract	Projected RDA operating tax increment
2 City of Capitola	\$ 2,467,655	Rispin Land Purchase Cooperative Agreement	Projected RDA operating tax increment
3 Chase NYC	\$ 1,178,100	Tax Allocation Note	Projected RDA operating tax increment
4 City of Capitola	\$ 1,129,923	1997-2001 Pass Through Cooperative Agreement Loan	Projected RDA operating tax increment
5 Santa Cruz County	\$ 91,820	Yrs 1-20 Pass Through Loan - Library	Projected RDA operating tax increment
6 Santa Cruz County	\$ 40,231	Yrs 1-20 Pass Through Loan - Special Districts	Projected RDA operating tax increment
Pass-through agreements			
7 Santa Cruz County	\$ 7,014,220	Pass Through Agreement	Projected RDA operating tax increment
8 Central Fire Protection District	\$ 3,970,100	Pass Through Agreement	Projected RDA operating tax increment
9 Library District	\$ 763,100	Pass Through Agreement	Projected RDA operating tax increment
10 Special Districts	\$ 335,100	Pass Through Agreement	Projected RDA operating tax increment
11 State of California/Santa Cruz County	\$ 289,232	Supplemental Educational Relief Augmentation Fund(SERAF) 2008-09, 2010-11	Projected RDA operating tax increment
12 City of Capitola	\$ 1,223,455	Pass Through Agreement	Projected RDA operating tax increment
Capital projects			
13 Rispin	\$ 2,300,000	Rispin Rehabilitation	Operating Reserves
14 Clares & Wharf Traffic Calming	\$ 300,000	RDPs Received	Projected RDA operating tax increment
15 Misc Capitola Projects	\$ 207,100	CIP In ProjectArea	Projected RDA operating tax increment
16 Clares & 41st Overlay	\$ 350,000	2009-2014 Implementation Plan	Projected RDA operating tax increment
17 Library Site Improvements	\$ 500,000	Site Improvements & FF&E	Projected RDA operating tax increment
18 Clares/Wharf Road Improvements, Library Parking	\$ 566,959	Additional Library Funding for Clares/Wharf Road Improvements and Library Parking, Property Acquisition	Projected RDA operating tax increment
Project planning			
19 Library	\$ 450,000	EIR, Architechtrual Plans, Special Studies	Projected RDA operating tax increment
Operating administration			
20 Audit and Attorney fees	\$ 378,141	Administration Costs	Projected RDA operating tax increment
21 Contract Services fees	\$ 334,901	Administration Costs	Projected RDA operating tax increment
22 RDA Board	\$ 48,000	Administration Costs	Projected RDA operating tax increment
Affordable housing obligations - 20% housing set aside projects			
23 Administrative	\$ 2,371,100	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
24 Professional services	\$ 560,000	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
25 Ongoing programs	\$ 2,100,000	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
26 Other projects and loans	\$ 600,000	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
27 Affordable Housing Acquistiion	\$ 722,760	Implementation Plan, RDA cashflow budget	Low-Mod Housing Reserves
Total project/program commitments		\$ 32,781,897	

ATTACHMENT 3

COOPERATION AGREEMENT

This Cooperation Agreement (this “**Agreement**”) is entered into this 24th day of February, 2011 (“**Effective Date**”), by and between the CITY OF CAPITOLA, a California municipal corporation (“**City**”), and the REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA, a public body, corporate and politic (“**Agency**”).

RECITALS

A. The Agency has prepared a Redevelopment Plan (“**Redevelopment Plan**”) for the Capitola Redevelopment Project Area (“**Project Area**”), which results in the allocation of taxes from the Project Area to the Agency for purposes of redevelopment. The intent of the Redevelopment Plan is, in part, to document blighted conditions in the Project Area and identify projects that the Agency intends to pursue.

B. The Agency has adopted the Capitola Redevelopment Project 2010-2014 Implementation Plan and 2004-2014 Housing Strategy Update, which identifies specific capital projects, economic development programs, and affordable housing activities to be undertaken for the benefit of the Project Area, which, in addition to the Agency’s existing contractual obligations, are listed in Exhibit “A” attached hereto and incorporated herein by this reference (the “**Projects**”).

C. Pursuant to Section 33220 of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (“**CRL**”), the Agency and the City desire to enter into this Agreement for the purpose of obtaining the City’s assistance and cooperation in the implementation and completion of the Projects and to provide funding necessary to effectuate the completion of the Projects and existing financial obligations.

TERMS

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE CITY AND THE AGENCY HEREBY AGREE AS FOLLOWS:

1. Purpose of this Agreement. The purpose of this Agreement is to provide for the City’s cooperation and assistance in Agency services, projects and programs and the reimbursement of funding for such cooperation and assistance from the Agency to the City. The obligations set forth in this Agreement are contractual obligations between the parties.

2. Administrative Services.

2.1 The City agrees to provide for the Agency such staff assistance, supplies, technical services and other services and facilities of the City as the Agency may require in carrying out its functions under the CRL. Such assistance and services may include the services of officers and employees, as well as special consultants.

2.2 The City may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for the preparation and implementation of a

Redevelopment Plan including, but not limited to, the costs of surveys, planning, studies and environmental assessments for the adoption of a Redevelopment Plan, the costs of acquisition of property within the Project Area, the demolition and clearance of properties acquired, building and site preparation, public improvements and relocation assistance to displaced residential and nonresidential occupants as required by law.

2.3 The City will keep records of activities and services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Agency a statement of the costs incurred by the City in rendering activities and services of the City to the Agency pursuant to this Agreement. Such statement of costs may include a proration of the City's administrative and salary expenses attributable to services of City officials, employees and departments rendered for the Agency.

2.4 Except as otherwise provided in Section 5.3, the Agency agrees to reimburse the City for all costs incurred for services by the City pursuant to this Agreement from Agency Funds, as such term is defined in Section 3.2.

3. Projects.

3.1 The City agrees to design and cause the construction and installation of and carry out the Projects described in Exhibit A, or to provide assistance to the Agency in the completion of the Projects, to serve and benefit the Project Area.

3.2 Except as otherwise provided in Section 5.3, the Agency agrees to reimburse the City the amounts set forth in Exhibit A as work on the Projects are completed, from Net Available Tax Increment, Low/Mod Funds, or from other agency funds (collectively, "**Agency Funds**").

(a) For purposes of this Agreement, "**Net Available Tax Increment**" is defined as any tax increment, net of existing debt service payments, and existing contractual obligations received by the Agency or any lawful successor of the Agency and/or to any of the powers and rights of the Agency pursuant to any applicable constitutional provision, statute or other provision of law now existing or adopted in the future, levied by or for the benefit of taxing agencies in the Project Area, and allocated to the Agency and/or any lawful successor of the Agency and/or any entity established by law to carry out the Redevelopment Plan and/or expend tax increment or pay indebtedness of the Agency to be repaid with tax increment, pursuant to Section 33670 *et seq.* of the CRL or any applicable constitutional provision, statute or other provision of law now existing or adopted in the future. "Net Available Tax Increment" shall additionally include existing Agency cash reserves as of the Effective Date.

(b) For purposes of this Agreement, "**Low/Mod Funds**" is defined as the portion of Net Available Tax Increment set aside pursuant to CRL Sections 33334.2, 33334.3 and 33334.6 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at an affordable housing cost to persons and families of low or moderate income. "Low/Mod Funds" shall additionally include existing funds held in the Agency's Low and Moderate Income Housing Fund as of the Effective Date.

4. Authority to Issue Debt. Agency understands that the City may contemplate the use of debt to finance some of the Projects or services covered by this Agreement and the Agency consents to the City's reliance and pledge of Agency's payments for the repayment of such debt, as long as the City agrees to bear full responsibility for the debt.

5. Indebtedness of the Agency.

5.1 Any prior or future appropriation to the Agency from the City shall be an obligation of the Agency subject to the terms of this Agreement, including but not limited to the repayment of such funds to the City and any administrative cost recovery charges, unless specifically exempt by City Council action. In consideration for the City's obligations under this Agreement, the City shall assess an administrative cost recovery rate of fifteen percent to the Agency's Net Available Tax Increment, less pass through agreements, prior to disbursing any dollars to the Agency's Low and Moderate Income Housing Fund.

5.2 The Agency's obligations under this Agreement, including without limitation the Agency's obligation to make payments to the City, shall constitute an indebtedness of the Agency for the purpose of carrying out the redevelopment of the Project Area and a pledge of Agency Funds from the Project Area to repay such indebtedness, under the provisions of Section 16 of Article XVI of the California Constitution and Sections 33670-33674 of the CRL. The obligations of the Agency set forth in this Agreement are contractual obligations that, if breached, will subject the Agency to damages and other liabilities or remedies, as set forth in Section 8.

5.3 Notwithstanding the provisions of Section 5.2, the indebtedness of Agency under this Agreement shall be subordinate to pledges of tax increment to repay indebtedness existing on the date of this Agreement and the right of the Agency to pledge or commit Agency Funds to repay (and otherwise comply with the obligations and covenants of) other indebtedness incurred by the Agency in the future in the redevelopment of the Project Area.

6. Liability and Indemnification. Pursuant to Section 895.4 of the Government Code, the Agency and the City agree that each will assume the full liability imposed upon it or any of their respective officers, agents or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve the above-stated purpose, each party agrees to indemnify and hold harmless the other party for any liability, loss, cost or expense that may be imposed upon such other party by reason of Sections 895.2 and 895.6 of the Government Code.

7. Termination. This Agreement shall terminate upon the earlier of: (a) the completion of the Projects; or (b) the termination dates for the time limit to receive Agency Funds and repay debt.

8. Defaults and Remedies. Failure by any party to perform any action or covenant required by this Agreement within the time periods provided herein following written notice and expiration of any applicable cure period shall constitute a "**Default**" under this Agreement. A

party claiming a Default shall give written notice to the defaulting party specifying the alleged Default. Except as otherwise expressly provided in this Agreement, the claimant shall not institute any proceeding against any other party, and no other party shall not be in Default if such party within thirty (30) days following receipt of such notice immediately, with due diligence, commences to cure, correct or remedy such failure or delay and completes such cure, correction or remedy with diligence. Except as otherwise specifically provided herein, upon the occurrence of a Default, the party or parties claiming a Default shall have the right, in addition to any other rights or remedies, to institute any action at law or in equity to cure, correct, prevent or remedy any Default, or to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of Santa Cruz County, State of California, in an appropriate municipal court in that County or in the Federal District Court.

9. Binding on Successors. This Agreement shall be binding on and shall inure to the benefit of all successors and assigns of the parties, whether by agreement or operation of law.

10. Severability. If any term, provision or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

[Signatures on following page]

IN WITNESS WHEREOF, the Agency and the City have executed this Agreement as of the date first above written.

AGENCY:

REDEVELOPMENT AGENCY OF THE
CITY OF CAPITOLA, a public body,
corporate and politic

By: _____
Jamie Goldstein
Executive Director

CITY:

CITY OF CAPITOLA, a California municipal
corporation

By: _____
Jamie Goldstein
City Manager

ATTEST:

By: _____
Pamela Greeninger, Secretary

ATTEST:

By: _____
Pamela Greeninger, City Clerk

APPROVED AS TO FORM:

By: _____
T. Brent Hawkins, General Counsel

APPROVED AS TO FORM:

By: _____
John Barisone, City Attorney

**EXHIBIT A
PROJECTS/PROGRAMS**

Redevelopment Agency of the City of Capitola			
Committed obligations			
Contract with	Amount	Notes	Funding Source
Debt			
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Pass-through agreements			
7 Santa Cruz County	\$ 7,014,220	Pass Through Agreement	Projected RDA operating tax increment
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Capital projects			
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14 Clares & Wharf Traffic Calming	\$ 300,000	RDPs Received	Projected RDA operating tax increment
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Affordable housing obligations - 20% housing set aside projects			
23 Administrative	\$ 2,371,100	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
24 Professional services	\$ 560,000	Implementation Plan, RDA cashflow budget	Projected 20% Housing Set Aside
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27 Affordable Housing Acquistiion	\$ 808,200	Implementation Plan, RDA cashflow budget	Low-Mod Housing Reserves
Total project/program commitments		\$ 32,084,137	



RDA Item #: **5.C.**

CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF FEBRUARY 24, 2011

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: FEBRUARY 16, 2011

SUBJECT: RISPIN MANSION

Recommended Action: Provide direction to City Staff to proceed with an option as described in Attachment 5 of the January 27, 2011 staff report.

BACKGROUND

On January 27, 2011, the RDA Board of Directors continued the Rispin Mansion item to provide RDA attorneys and staff with the opportunity to review existing debt and pass thru agreements in light of the proposal to eliminate RDA's. Staff forwarded all of the related pass thru and debt agreement to Brent Hawkins, RDA Special Council who concluded, based on the Governor's proposal, as it exists today, that the RDA's existing debt and pass thru agreements were valid and would need to be honored in consideration of state and federal constitutional contract clauses.

One of the primary expressed concerns related to the City's agreement with the County that pledged \$2.7 million dollars in tax increment to construct a new library in Capitola over 14 years. Based on review of the library agreement, Special Counsel concluded the agreement obligates tax increment to construct the Capitola branch library and would likely be considered a valid pledge of tax increment and contract should RDA's be eliminated.

DISCUSSION

It is recommended that the Board of Directors provide direction at this meeting to proceed with a specific option to address ongoing blight at the Rispin Mansion. The Governor's RDA proposal has generated urgency amongst local governments to dedicate both cash reserves and ongoing tax increment to projects identified in five-year implementation plans. It continues to be uncertain if and/or what type of bill may ultimately be brought forward. Staff recommends the Board select an option that has either completed environmental review or is likely to be considered exempt and funds can be encumbered by May 2011. Those two options are:

	Capital Costs	Preserves Mansion	Approved CDP	Environmental Document	Time to Start Construction
Mothballing	\$450,000	Yes	Yes	Exemption	3-Months
Phased Hotel Project	\$2.3 Million	Yes	Yes	Completed	5-Months

FISCAL IMPACT

The BSB proposal requests \$2.3 million in RDA funding. \$1.2 million in the form of a grant and \$1.1 million as a low interest deferred loan. The pro-forma indicates the City's return on the low interest deferred loan would range from 4.86-6.82% or \$53,465-\$75,074 per year. The City's return would vary, based on actual occupancy and average room rates.

Appropriation of \$50,000 for the cost of required environmental review and permits to demolish the mansion will increase RDA Operating Fund expenditures from \$2,820,600 to \$2,820,650. The RDA currently has adequate reserves to fund either the requested funding under the BSB proposal or to initiate environmental review for the other options.

ATTACHMENT

Attachment 1- January 27, 2011 Rispin Mansion Staff Report

Report Prepared By: Derek Johnson
Deputy Executive Director

**Reviewed and forwarded
By Executive Director:** _____



CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF JANUARY 27, 2011

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JANUARY 19, 2011

SUBJECT: RISPIN MANSION

Recommended Action: 1) Consider a proposal from Barry Swenson Builders to save and restore the Rispin Mansion, or 2) authorize the appropriation and expenditure of \$50,000 of Redevelopment Agency Operating Fund monies for the preparation of required environmental review documents and consideration of Coastal Development permits pertaining to demolition of the Rispin Mansion, or 3) Other direction as determined by the RDA Directors.

BACKGROUND

On December 9, 2010, staff requested that the Redevelopment Agency Directors authorize the appropriation and expenditure of \$50,000 to prepare the required environmental documents to demolish the Rispin Mansion. The item was continued in order for Staff to consult with the business and philanthropic community to determine if any viable partnerships could be identified to save and restore the Rispin Mansion.

DISCUSSION

On December 21, 2010, staff distributed Requests for Proposals (RFP) to seven prominently known builders and philanthropists. A copy of the RFP and distribution list is included as attachment 1 and 2. A proposal for a two phased hotel project was submitted by the January 12, 2011 deadline by Barry Swenson Builder is included as attachment 3.

In summary, the proposal is to restore and preserve the Rispin Mansion as a nine-room hotel under phase 1 and on or before 2021, add sixteen more hotel rooms and the conservatory, consistent with the entitled 25 room hotel project under phase 2. The financial and construction cost information indicates that phase 1 would cost \$3.8 million dollars. A total of \$2.3 million dollars in RDA funding is being requested by BSB builders, \$1.2 million in grant funding and \$1.1 in a low interest loan. BSB is proposing to provide \$1.5 million dollars in the form of cash and a bank loan. A copy of the operating pro-forma is included in the proposal.

Should the RDA Directors determine that the Agency is not interested in further considering the BSB proposal or provide other direction, the Director should consider the continued agenda item which was a request to authorize the appropriation and expenditure of \$50,000 to prepare environmental documents required to demolish the Rispin Mansion. Demolition of the mansion, even with preservation of some elements requires the preparation of an environmental document consistent with the California Environmental Quality Act (CEQA). The document will be used to

support the issuance of a Coastal Development Permit (CDP). It is anticipated, given the nature and location of the Rispin Mansion, that a focused Environmental Impact Report (EIR) will be required. An initial study will be prepared, and the CEQA document will likely consider alternatives prepared by Mark Sandoval and presented to the City Council at the November 20, 2010 meeting.

In conjunction with the environmental review process, preparation of construction documents for the demolition work will begin. The estimated cost of the construction documents is \$104,000. This work includes site plans including quantity estimates, redesign of the Wharf Road wall per the alternatives prepared by Mark Sandoval, well abandonment permits and reports, geotechnical reports for grading and storm water pollution prevention measures, and re-vegetation plans. If the Board chooses the demolition option, staff will return in the near future for further budget appropriations and contract approvals for this work.

Public comments received prior to the meeting have recapped the various options that the City Council has considered over the past few months. Staff has prepared a matrix, included as attachment 5, which summarizes the anticipated financial impacts and characteristics of each of the options previously or currently being considered by the Directors.

FISCAL IMPACT

It was reported at the January 13th meeting that the Governor proposed to abolish redevelopment agencies as of July 1, 2011. The implications of the proposal are uncertain and staff will continue to update Directors as information becomes available. Nonetheless, should the Governor's proposal be realized, it may severely limit resources available for RDA projects.

The BSB proposal requests \$2.3 million in RDA funding. \$1.2 million in the form of a grant and \$1.1 million as a low interest deferred loan. The pro-forma indicates that the City's return on the low interest deferred loan would range from 4.86-6.82% or \$53,465-\$75,074 per year. The City's return would vary, based on actual occupancy and average room rates.

Appropriation of \$50,000 for the cost of required environmental review and permits will increase RDA Operating Fund expenditures from \$2,820,600 to \$2,820,650. The RDA currently has adequate reserves to fund either the requested funding under the BSB proposal or to initiate environmental review.

ATTACHMENT

Attachment 1- Request for Proposal
Attachment 2- Request for Proposal Mailing List
Attachment 3- Barry Swenson Builder's Proposal
Attachment 4- Draft RDA Budget Resolution
Attachment 5- Project Matrix

Report Prepared By:

Derek Johnson
Deputy Executive Director

**Reviewed and forwarded
By Executive Director: _____**

ATTACHMENT 1

December 21, 2010

«Name»
«Title_»
«Company»
«Address_»
«City», «State_» «Zip»

RE: *Request for Proposals to Save the Rispin Mansion*

Dear Mr. «Name»:

The City of Capitola is soliciting financially viable conceptual proposals from the development and philanthropic community to preserve and restore the historic Rispin Mansion. In the past, the City of Capitola partnered with a local developer to revive the mansion. That proposal consisted of an inn/hotel with eight rooms in a restored mansion, and 17 additional rooms in new buildings. Due to current economic conditions and other extenuating circumstances, the hotel project never materialized and the Council recently expressed opposition to a hotel project. The Council has expressed an interest in an alternative plan for the restoration and reuse of the mansion.

The City has limited resources to take on the restoration of the mansion and wishes to review proposals to partner with the community to secure the necessary resources and momentum to complete a building restoration project. The Council has extended development permits for one-year with an option for further extensions in October 2011. The City currently has allocated funds for additional planning and improvements. However, current resources do not allow for the City to restore the mansion on its own, a collaborative approach will be required.

The City is requesting that persons interested in partnering with the City, submit a summary describing the general approach, budget and funding sources to preserve and restore the Rispin Mansion. Please submit proposals to the City by January 12, 2011. If viable proposals and partnerships do not materialize in the near future, the City may have no other alternative but to proceed with the demolition of the mansion.

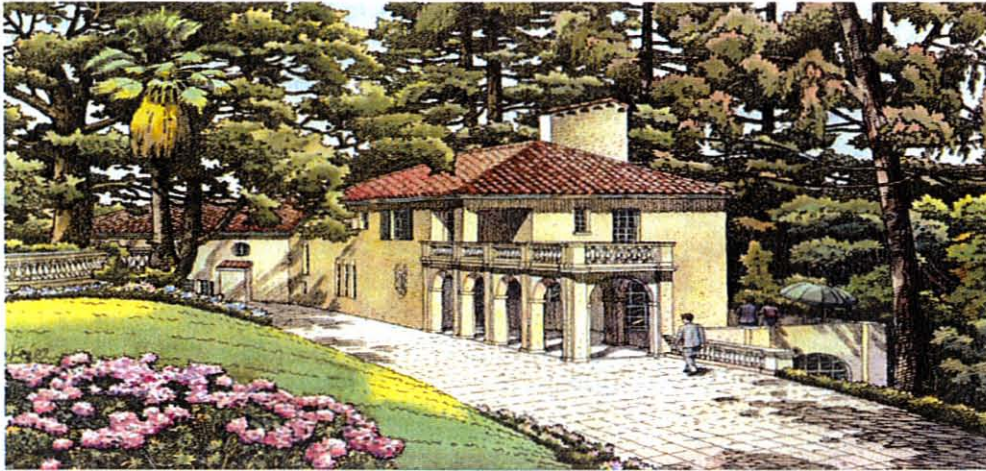
Please contact Derek Johnson, Community Development Director or myself directly should you be interested in working with the City, and for a copy of the complete RFP package. Both Derek Johnson and I can be reached at (831) 475-7300. Thank you in advance of your consideration.

Sincerely yours,

Jamie Goldstein
City Manager

Name	Title	Company	Address	City	State	Zip
Jesse L. Nickell III	Vice-President	BSB Builders	2400 Chanticleer Ave, Suite H	Santa Cruz	Ca	95062
Richard Novak	President	NHS	502 Riverview Drive	Capitola	Ca	95010
Gary Filizetti	President	Devcon	21532 East Cliff Drive,☐	Santa Cruz	CA	95062
Matt DiNapoli			109 Sacramento Ave	Capitola	CA	95010
George Ow	President	Ow Family Properties	1601 41st Avenue, Suite 202	Capitola	Ca	95010
Julie E. Packard	Vice-President	David & Lucile Packard	300 Second Street	Los Altos	CA	94022
Robert Ridno	President/CEO	SAR Enterprises	P.O Box 350	Aptos	Ca	95001

Rispin Mansion



2000 WHARF ROAD
CAPITOLA, CALIFORNIA

PROPOSAL TO SAVE THE RISPIN MANSION

JANUARY 12, 2011

PRESENTED TO:

CITY OF CAPITOLA
420 CAPITOLA AVENUE
CAPITOLA, CA 95010

January 12, 2011

City of Capitola
420 Capitola Avenue
Capitola, CA 95010

RE: Rispin Mansion

To Capitola City Council Members:

With enthusiasm Barry Swenson Builder would like to propose a partnership intended to redevelop and save the historic Rispin Mansion. The renovation project will result in a working historic building on City property, a new public park, numerous public improvements, habitat restoration, on-going revenue to the City, and 24 hour a day presence on the site. We propose a **hotel project consisting of two phases.**

Phase one restores the existing mansion as a nine room hotel with décor reminiscent of the original 1922 mansion with gardens and water features. Phase one would begin in spring of 2011 and create a historic oasis within the vibrant beach side community of Capitola. The fire damaged portions of the building would be removed and rebuilt to match the non-damaged portions of the mansion. Phase one would also include a driveway approach, the re-construction of the existing well house tower, and construction of the off-site roadway improvements. The property would remain publicly accessible with public interior tours available. All the original concrete walls to the building and fences and exterior finishes would be restored. All the interiors of the mansion would remain with the historical theme.

Phase two would begin on or before 2021 and add sixteen more hotel rooms and conservatory bringing us back to the original 25 room Hotel project. The ADA paths for Rispin Perry Trail will be included in this phase. Phase two would be privately funded if financially feasible. Barry Swenson Builder and the City of Capitola would form a subcommittee with all stake holders to ensure the project would meet all goals both private and public alike.

The approximate total project costs for phase one would be \$3.8 million dollars (see the attached hard construction and soft cost budget). The **Funding** would break into three sources: First, Capitola's Redevelopment Agency would invest \$1.2 million in grant funding and \$1.1 in a low interest loan to the project. In turn, this public owned property would receive \$2.3 million worth of public improvements for saving the Mansion. Second, Barry Swenson Builder would inject an additional \$500,000 cash into the project, and third, Barry Swenson Builder would secure a private bank loan from Bank of the West for \$1 million dollars.

\$2.3 Million RDA Funds: of the \$2.3 million RDA Funds, \$1.2 million would be a grant towards public property improvements and \$1.1 million would be a 30 year 2% low interest loan. **RETURNS ON CITY**

LOAN: See the attached financial proforma for the returns on this community investment. The RDA loan would be getting 4% to 6% return on investment.

This proposed project does not include historical tax credits, but we will stay with the historical theme. Any additional non-standard third party special inspections or audits, unrelated to standard construction procedures, will be paid by the City of Capitola.

SUMMARY OF BENEFITS:

- Conserves and restores the Rispin historical structure.
- Creation of a new, high profile luxury hotel and a tourist destination for the City of Capitola.
- The conversion of a City of Capitola liability into a productive long-term asset.
- Income producing asset for the City of Capitola in the form of Lease Revenue, Possessory Interest Tax (PIT), and Transient Occupancy Tax (TOT).
- Provides good environmental stewardship for the property and habitat.
- The RDA's \$2.3 million provides a way to save the building and offsite public improvements.
- 10 acres of Open Space will be preserved in perpetuity with professional monitoring of a wide array of sensitive habitat including Monarch Butterflies, Nesting Raptors, Roosting Bats, riparian flora & fauna.
- Public access to gardens, grounds, and pathways.
- Ancillary generated sales tax revenues from Rispin Resort activity and operations.
- Creates new short term jobs during project construction phases.
- Creates new long term permanent jobs in hotel operations upon completion.
- City of Capitola financial relief in yearly property maintenance expenses and issues (ie. maintenance, police, general staff time), and provides an on-site presence; however this proposal excludes the cost of a quick attack (Type 4) fire engine.
- Long term lease is a stable way of continuous revenues for the city an RDA.
- City revenues include: TOT, Property Tax, Rent @ 2% of gross room revenues starting after year 5 (See attached Proforma), and repaid RDA loan if profit expectations are exceeded.

All proposed terms and conditions of the new LDA are subject to review and will be required to stay in line with the Stipulation Agreement, Stipulation Amendment, and Conditions of Approval.

If the City of Capitola approves an LDA, in substantially the same form as proposed in this letter, Barry Swenson Builder will make a good faith non-refundable deposit of \$10,000 to initiate the project.

The following next steps are:

1. Community Development review of the project in the context of the existing entitlements and stipulations.
2. Prepare a draft LDA
3. One City/RDA hearing to approve new LDA.
4. Revise working drawings with reduced Phase 1 scope
5. Get building permits
6. Build it

Now is the time to solve this long term issue with the Rispin Mansion and adopt a new positive vision. This private and public joint venture will use redevelopment funds in a way to restore a blighted, empty shell into a community asset. This project is an opportunity for RDA funds to be used in such a way as to shift liability from the City of Capitola to Barry Swenson Builder as the new steward of this community property. This transition will create new jobs, city long term revenue, and preserve a biological sensitive habitat under a visitor serving hospitality business model. We are proud to be part of the process and look forward to bringing back the Rispin Mansion.

If you have any questions or need any further information, I can be reached at (831) 475-7100 ext 113. I look forward to discussing this proposal in depth before the City Council.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jesse Nickell III', with a stylized flourish at the end.

Jesse Nickell III
Vice President
Barry Swenson Builder

THE RISPIN
 2000 Wharf Rd, Capitola CA 95010
 APN 035-371-01 & 02
 JOB # 1265

BARRY SWENSON BUILDER
 2400 Chanticleer Ave, Suite H
 Santa Cruz, CA 95062

8709 Square feet total

PHASE I

Prepared By: Jesse Nickell, Frank Narciso
 DATE: January 12, 2011

The Phase I project consist of the demolition of portions of the fire damage of the existing 8,709 sf, 4 story mansion, the re-building of all elements of the mansion only. No Villas, no Creek side, no Kiosk, No Rispin Perry Trial ramp work, install garden but not the rose arbor or conservatory; each of these excluded items will be included in Phase II. Re create mansion and drive approach to mansion, and well house tower and off site roadway work.

	DESCRIPTION	TOTAL	NOTES
GENERAL CONDITIONS			
	PreCon services	\$40,000.00	Drawing development, Bidding, contract writing, Schedule
01-009	Vice president	\$35,000.00	
01-009	Project Manager	\$81,000.00	
01-009	Project Engineer / admin	\$20,000.00	
01-009	Superintendent	\$75,000.00	
01-009	Office time	\$5,000.00	
01-012	Railings, cables, barriers	\$2,500.00	
01-013	Project Trailer	\$2,500.00	
01-014	Sanitary Facilities	\$2,500.00	
01-015	Telephone	\$2,250.00	
01-016	Temporary Electricity (PG&E)	\$2,000.00	
01-017	Water (Temporary)	\$500.00	
01-018	Fences (Temporary)	\$5,000.00	
01-019	Barricades, sidewalk covers	\$2,500.00	
01-021	Trash Bins and Hauling	\$4,000.00	
01-022	Equipment Rentals	\$3,500.00	
01-024	Miscellaneous Items	\$2,500.00	
01-026	Safety Equipment	\$1,250.00	
01-029	Miscellaneous Tools	\$3,500.00	
01-032	Express Mail Charges	\$400.00	
01-035	Mobile Air Time	\$3,750.00	
01-039	Blue Print Reproducible	\$12,500.00	
		\$307,150.00	
SITWORK DEMOLITION			
02-003	Well Abandonment	\$5,000.00	Protection of creek included
02-010	Erosion Control management	\$9,360.00	Creek area
02-034	Asbestos removal	\$0.00	Work is finish already
02-034	Lead Removal	\$0.00	Work is finish already
02-034	Underground Storage Tank Removal	\$0.00	Work is finish already
	Prep around to restore well tank tower	\$4,000.00	Shore up foundation
02-047	Tree Work and removal	\$10,000.00	
02-047	Root pruning and arborist time	\$25,000.00	during the corse of construction
02-070	Demolition site & inside and Saw cutting	\$71,000.00	Phase 1 areas.
16-004	Removal of existing temp power pole	\$5,500.00	Must contact PGE early
	FROM FIRE - Install temp shoring and removal	\$45,000.00	Prepare for construction
		\$174,860.00	
OFF-SITE KIOSK / LIBRARY			
02-038	Parking Lot Striping	\$5,325.00	Library
02-038	Crosswalk striping and signage for Wharf	\$750.00	
02-082	Slurry coat and patching- Library parking lot	\$4,888.00	Library
06-140	Framing of Gate off of library/homes	\$1,200.00	
06-140	Wood Fence at Library Lot	\$1,200.00	
		\$13,363.00	

	DESCRIPTION	TOTAL	NOTES
ON- SITE WORK			
02-004	Construction Staking	\$7,000.00	On site work
02-075	Landscaping and irrigation	\$116,950.00	Phase I areas only
02-037	Excavation, underground, street work	\$250,000.00	
02-037	Sidewalk for wharf road	\$0.00	In site work number
02-037	Baserock for driveway	\$0.00	In site work number
02-037	Pervious Concrete Paving	\$56,187.90	In site work number
02-043	Fire water systems - 6"	\$0.00	In site work number
02-041	Domestic Water - 4"	\$0.00	In site work number
02-039	Bike parking	\$2,200.00	10 Bike parking spaces for phase 1
02-037	Sewer system pump	\$0.00	In site work number
02-048	Signs	\$3,500.00	
02-051	Transformer bollards (removable steel pipe)	\$0.00	See electrical
02-048	Project Signage	\$0.00	
			\$435,837.90
CONCRETE			
03-001	Sack and patch at walls and concrete fence	\$20,000.00	All along roadway
03-001	Rebuild pool - Waterproof and seal	\$6,253.00	Also for small pool below
03-001	Concrete misc	\$95,000.00	Ramps, borders for walkways, Step
02-036	Retaining wall near garage	\$6,440.00	Demo of old, build back of new
03-001	New path east of retaining wall	\$21,875.00	
03-001	Concrete stairs	\$8,750.00	Repair of (e) stairs
03-002	Precast concrete bollards, etc	\$65,000.00	
03-002	Install of precast	\$50,000.00	
03-089	Grand balustrade foundation	\$10,000.00	
03-001	Concrete flatwork between Creekside and Villa	\$0.00	No scope of work in this phase
03-001	Allowance for entry Pillars at main gate	\$10,000.00	
03-091	Gypcrete	\$5,625.00	ground floor and 2nd floor areas
			\$298,943.00
MASONRY			
04-105	Lawn Paving Cells	\$15,000.00	this is for emergency 3 point turn in lawn area.
04-105	Brick Stairs	\$12,600.00	
04-105	Repair allowance for brick terrace near living rd	\$20,000.00	
04-102	CMU Wall Pillars	\$8,000.00	
04-102	Rock Wall recreation	\$5,000.00	
			\$60,600.00
METALS			
05-001	Structural Steel, wrought iron at ramps, steel ramps	\$217,725.00	
05-126	Wrought Iron fence Wharf rd and perimeter	\$56,675.00	
			\$274,400.00
CARPENTRY			
06-001	Framing Rose Arbor top	\$0.00	Not in this phase
06-001	Wood applied to steel frame of Garden Gate	\$1,200.00	
06-001	Framing Guest Rooms (Mansion) drill and epoxy	\$150,014.00	Reuse of as much (e) as possible.
06-001	Wharf road stucco wall - Framing only	\$9,000.00	Close off wall along Wharf
06-001	Re build Well pump house	\$8,800.00	
	Frame Rispin Terrace floor	\$11,200.00	
	Casework	\$20,000.00	
06-148	Finish Millwork (Trim & Moldings)	\$26,127.00	
06-152	Wood Stairs & Hand Railings (Mansion)	\$54,000.00	
			\$280,341.00

	DESCRIPTION	TOTAL	NOTES
THERMAL & MOISTURE			
07-160	Waterproofing below grade (Mansion)	\$21,064.00	
	Waterproofing of decks and balconies	\$12,000.00	
07-161	Insulation - (Mansion)	\$11,321.70	
07-164	Roofing - (Mansion)	\$44,362.50	
07-164	Roofing Well house, incl sidewall - check framing	\$3,382.00	
07-169	Flashing (total 3 buildings)	\$0.00	
07-172	Awnings Canvas	\$7,500.00	
07-170	Gutters downspouts and Arch sheet metal (galvan)	\$0.00	In HVAC number
07-179	Sealants & Caulking	\$8,500.00	
			\$108,130.20
DOORS AND WINDOWS			
08-192	Doors, Frames (Mansion)	\$24,570.00	
08-191	Door installation (Mansion)	\$12,600.00	
	Custom Doors for Mansion	\$15,000.00	
	Door Hardware + Electronic locks	\$1,500.00	
08-001	Windows Mansion	\$44,850.00	Non historical wood clad
08-001	Windows installation (Mansion)	\$6,175.00	
	Custom Barrel type windows	\$13,000.00	
	Knox Box	\$250.00	
			\$117,945.00
FINISHES			
09-205	Stucco (Mansion) patch and repair	\$37,500.00	
	Site Stucco - New walls gate wraps	\$20,000.00	
	Wooden fence around Rispin Perry trial	\$3,740.00	
09-206	Scaffolding	\$22,500.00	
09-207	Painting (Mansion)	\$56,134.50	
09-207	Paint Historic main wall (Wharf road)	\$8,850.00	
09-207	Paint Well house	\$2,000.00	
09-208	Drywall (Mansion)	\$89,692.00	
09-219	Granite Slabs	\$10,800.00	
09-218	FRP	\$1,500.00	
09-210	Tile Flooring (Mansion)	\$71,500.00	
	Motor bed under clay tile	\$8,000.00	
09-212	Wood Flooring (Mansion)	\$53,257.00	
09-212	Carpet	\$2,750.00	
09-222	Resilient Flooring & Coved base kitchen/service	\$4,772.50	
			\$392,996.00
SPECIALTIES			
10-232	Mirrors and Glass int. towel bars, etc. (9 shr doors)	\$7,900.00	
	Signage	\$9,500.00	
	Toilet and bath accessories. (9 rooms)	\$4,500.00	
10-250	Fireplace unit installation	\$4,250.00	
10-250	Fireplaces Heater units	\$11,834.50	
			\$37,984.50
EQUIPMENT			
	Kitchen Hood Ansul System (Fire Suppression)	\$0.00	out for now, If this is needed please add \$5,000. 1/5/11
	Kitchen Hood	\$2,000.00	
11-704	Kitchen equipment	\$0.00	Put in FFE, Finishing cost
			\$2,000.00

	DESCRIPTION	TOTAL	NOTES
SPECIAL CONSTRUCTION			
13-319	Safety and Construction clean & general labor	\$42,674.10	
13-319	Final Building Clean-Up	\$4,354.50	
			\$47,028.60
CONVEYING SYSTEMS			
14-350	Elevator ADA lift (1 exterior grade)	\$32,000.00	
			\$32,000.00
MECHANICAL/PLUMBING			
15-360	Plumbing	\$174,180.00	
	Water Softener system Mansion	\$4,500.00	
15-362	HVAC base bid	\$68,000.00	
15-362	Gal louvers	\$1,200.00	
15-362	Architectural Sheet Metal base bid	\$18,000.00	
15.364	Fire Sprinklers (all areas)	\$24,385.20	
			\$290,265.20
ELECTRICAL			
	Low voltage between units and Stub up	\$5,000.00	
16-382	General electrical	\$240,978.03	
16-382	Afire Alarm and flow switches	\$3,000.00	
16-382	Generator and installation	\$35,000.00	
16-382	Historical wall scones Allowance	\$0.00	
16-382	1 light pole at Library	\$3,900.00	
16-383	Lowery pad between rooms	\$750.00	
16-387	Fire alarm allowance	\$13,934.40	
	Alarm control panel, Camera and monitor	\$2,217.00	
16-394	Telephone wiring, cable TV and jacks, data cabling	included	
	Temp power service	\$0.00	In general conditions
			\$304,779.43
SOFT COSTS 9 rooms			
CODE	DESCRIPTION	TOTAL	
00-010	Staff Preconstruction	\$0.00	
	Development fee	\$0.00	
00-920	Development Staff time during construction	\$10,000.00	
01-009-200	Expenses Account during construction	\$5,000.00	
01-031	Pre partnership Estimating	\$0.00	
01-032	Overnight Shipping	\$0.00	
01-035	Mobile Air Time	\$0.00	
01-039	Blue Print Reproducible	\$0.00	
	Builders Risk insurance	\$30,000.00	
17-001	Historical Report - Archaeological Resources Mgmt	\$0.00	No historical SHPO
17-002	Geotechnical Engineer Report - Haro & Kasunich	\$4,400.00	
17-003	Engineering Civil - construction Services	\$5,000.00	Design build
17-004	Architectural - Construction Adminis.	\$25,000.00	
17-005	Hotel Operation Proforma - ACME Henderson & Spa consultant & Structural Peer Review	\$0.00	
17-006	Architectural Landscape	\$2,200.00	
17-008	Arborists Tree and root observation during construction	\$0.00	
17-009	Misc. Engineering - Redwood Struct. Eng. & Sustainable Design (Bill Shadely), Reade & Assoc	\$13,400.00	
17-011	Engineering Electrical -BRK Assoc & Design Assist	\$2,000.00	Design build
17-014	Reinstall Weather Stations & Butterfly collect data	\$12,000.00	
17-034	Traffic & Parking Study (hotel Operating agreement)	\$10,000.00	
17-045	Planning fees Bud's time	\$0.00	Jammie can do this

	DESCRIPTION	TOTAL	NOTES	
17-401	Special Inspection D & M Consulting Engs.	\$15,000.00	No historical SHPO	
17-402	Permit Building permit (city giving tit to us)	\$0.00		
17-403	Sanitation Fees (based on 9 rooms)	\$12,800.00		
17-403	Zone 5 storm Fees	\$38,110.36		
17-404	Utility Fees (PG&E, PacBell,)	\$51,200.00		
17-404-002	Water meter & Sewer hook up fees based on 9 rooms)	\$21,600.00		
17-406	W,D,O's 6 acres ft X 20/acer ft (WE SHOULD HAVE ENOUGH)	\$0.00		
17-406	State Water Resources Control Board Permit	\$367.35		
17-411	Legal and Title	\$11,000.00		
17-417	Additional SHPO Fees	\$0.00		
17-418	Art In Public Places Program	\$0.00		
17-418	Other Permits	\$5,000.00		
17-419	RDA LDA Deposit & get it back at C of O	\$0.00		
17-425	Performance Bonds & Letter of Credit	\$30,000.00		
17-435	Reappraisals - Bank of the West	\$8,000.00		
17-451	Loan Fees (cash and City \$ 3million Loan)	\$21,000.00		
17-464	BSB sign, Banners and Web Page	\$0.00		
17-466	Warranty work (9rms X 500/rm)	\$0.00		
17-469	Environmental Review doing construction	\$5,000.00		
	CDBG Consultant	\$0.00		
17-469	Affordable housing fee	\$0.00		
17-430	Coastal Commission lobbyist/ consultant	\$0.00		
17-416	Encroachment Permits (City to wave fees)	\$1,500.00		
17-	Condition 94 - Bus turn out design	\$50,000.00		
17-	Condition 95 - Fair Share Clares St improvements	\$2,000.00		
17-	Condition 100 - Fair Share Traffic Study	\$3,000.00		
17-	Prevailing Wage Third Party Review	\$0.00		
17-	Condition 65 - Steelhead Monitoring Program	\$7,000.00		
17-700	Operation loss 1st year Revenue	\$0.00		
17-710	Interest reserves (private loan from RDA)	\$0.00		
	SOFT COSTS SUMMARY			
	SUBTOTAL SOFT COSTS	\$401,578		
	Overhead on soft cost @ 4%	\$0		
	TOTAL OF SOFT COST	\$401,578		
	SOFT S.F.	\$46.11		
	SOFT PER KEY (ROOM) 9	\$44,619.75		
	CONSTRUCTION HARD COSTS	\$3,178,624		\$3,178,624
	SUBTOTAL - (Construction, Contingency)	\$3,178,624		
	Overhead @ 0% cost	\$0		
	Profit @ 0% cost	\$0		
	CONTINGENCY @ 7.0%	\$219,799		
	CONSERVATORY PLUG	\$0		
		Total Const. Public & Private \$/SqFt, based on 8,709sf		
		\$3,398,423		\$390
	Cost per Key:	\$377,603		BASED ON 9 room B & B
	FFE & ZEV's Cost per Key:	\$225,000		\$26
	SOFT COSTS	\$401,578	\$46	
		\$3,800,000	\$436	
	Total Cost per Key:	\$422,222		

CITY OF CAPITOLA "SAVE THE MANSION" 9 Room Scenario

City of Capitola--January 12th, 2010

FUNDING SOURCES:	
REDEVELOPMENT AGENCY-GRANT	\$ 1,200,000
REDEVELOPMENT AGENCY-RESID. RECEIPTS LOAN	\$ 1,100,000
BSB	\$ 500,000
BANK LOAN	\$ 1,000,000
TOTAL FUNDING SOURCES	\$ 3,800,000

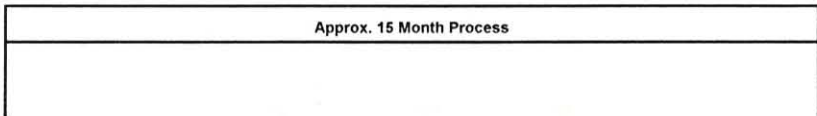
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
REVENUE:											
Rooms	448,403	470,438	486,512	503,040	503,040	513,100	525,235	542,882	553,740	553,740	\$ 5,100,129
Food and wine	1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	\$ 10,950
Other Aquarium/Boardwalk tickets	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	\$ 11,464
TOTAL REVENUE	\$ 450,403	\$ 472,488	\$ 488,613	\$ 505,194	\$ 505,248	\$ 515,364	\$ 527,555	\$ 545,261	\$ 556,179	\$ 556,240	\$ 5,122,543
EXPENSES:											
Operating & Staff Salaries Expenses	121,069	127,018	131,358	135,821	135,821	138,537	141,813	146,578	149,510	149,510	\$ 1,377,035
Employee Expenses	9,008	9,450	9,772	10,104	10,105	10,307	10,551	10,905	11,124	11,125	\$ 102,451
Advertising & Marketing	22,520	23,624	24,431	25,260	25,262	25,768	26,378	27,263	27,809	27,812	\$ 256,127
Business Expenses	49,995	52,446	54,236	56,076	56,082	57,205	58,559	60,524	61,736	61,743	\$ 568,602
Misc. Expense	4,504	4,725	4,886	5,052	5,052	5,154	5,276	5,453	5,562	5,562	\$ 51,225
Building Expenses	73,818	77,509	80,609	84,640	88,025	91,546	96,124	99,969	104,967	109,166	\$ 906,372
Property Tax	17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250	17,250	\$ 172,500
Food Expense	16,097	16,556	16,786	18,232	18,232	18,232	18,478	19,973	19,973	19,973	\$ 182,531
General Office and Room Supplies	25,898	27,168	28,095	29,049	29,052	29,633	30,334	31,353	31,980	31,984	\$ 294,546
Fish/Butterfly Monitoring Expenses	10,000	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	\$ 107,546
City of Capitola Land Lease						10,262	10,505	10,858	11,075	11,075	\$ 53,774
TOTAL EXPENSES	\$ 350,158	\$ 365,747	\$ 377,624	\$ 391,887	\$ 395,494	\$ 414,719	\$ 426,308	\$ 441,386	\$ 452,472	\$ 456,915	\$ 4,072,711
NOI	\$ 100,244	\$ 106,741	\$ 110,989	\$ 113,307	\$ 109,754	\$ 100,644	\$ 101,247	\$ 103,875	\$ 103,707	\$ 99,325	\$ 1,049,832
BANK LOAN:											
Debt Service (Interest Rate)***	7.50%	\$ 88,128	\$ 88,128	\$ 88,128	\$ 88,128	\$ 88,128	\$ 88,128	\$ 88,128	\$ 88,128	\$ 88,128	\$ 881,281
Amortization Period (Years)***	25										
RDA LOAN:											
Debt Service-DEFERRED (Interest Rate)	2.00%	\$ 48,709	\$ 48,709	\$ 48,709	\$ 48,709	\$ 48,709	\$ 48,709	\$ 48,709	\$ 48,709	\$ 48,709	\$ 487,086
Amortization Period (Years)	30										
RDA Residual Receipts Loan Payment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NOI After Debt Service (Bank Loan ONLY)	\$ 12,116	\$ 18,613	\$ 22,861	\$ 25,179	\$ 21,626	\$ 12,516	\$ 13,119	\$ 15,747	\$ 15,579	\$ 11,196	\$ 168,551
INVESTOR RETURNS:											
City of Capitola (Room Revenue Only)**	2%						10,262	10,505	10,858	11,075	\$ 53,774
Redevelopment Agency Tax Increment		8,625	8,625	8,625	8,625	8,625	8,625	8,625	8,625	8,625	\$ 86,250
City of Capitola TOT (% of Room Revenue Only)	10%	44,840	47,044	48,651	50,304	50,304	51,310	52,523	54,288	55,374	\$ 510,013
Residual Receipts Loan Payment (Threshold)**	\$ 600,000	0	0	0	0	0	0	0	0	0	
Profit Sharing Percentage over Threshold	10%										
TOTAL CITY RETURN		\$ 53,465	\$ 55,669	\$ 57,276	\$ 58,929	\$ 58,929	\$ 70,197	\$ 71,653	\$ 73,771	\$ 75,074	\$ 75,074
City of Capitola ROI (Loan Only)		4.86%	5.06%	5.21%	5.36%	5.36%	6.38%	6.51%	6.71%	6.82%	6.82%
TOTAL BSB RETURN		\$ 12,116	\$ 18,613	\$ 22,861	\$ 25,179	\$ 21,626	\$ 12,516	\$ 13,119	\$ 15,747	\$ 15,579	\$ 11,196
BSB Percentage ROI		2.42%	3.72%	4.57%	5.04%	4.33%	2.50%	2.62%	3.15%	3.12%	2.24%
(Does not include Past Investment of \$2M)											
TOTAL AVAILABLE ROOMS		3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285	
Total Occupied Rooms		2,300	2,365	2,398	2,431	2,431	2,431	2,464	2,497	2,497	
% OCCUPANCY		70%	72%	73%	74%	74%	74%	75%	76%	76%	
AVERAGE ROOM RATE		\$ 195	\$ 199	\$ 203	\$ 207	\$ 207	\$ 211	\$ 213	\$ 217	\$ 222	\$ 222
Room Rate Increase Per Year			2%	2%	2%	0%	2%	1%	2%	2%	0%

*Property Tax Value to be Approved by Assessor

** Percentage of Gross Room Revenue Calc.

***Interest Rate/Amort. Period from Bank of the West (12/22/2010)

Rispin Mansion - Conceptual Schedule



I. Pre Construction (Approx. 3.5 Month Process)

A. Submit Proposal and Review - Jan. 12th, 2011

Submit Proposal and Review - Jan. 12th, 2011



B. 1st Council Meeting - Jan. 27th, 2011 (1 month)

1st Council Meeting - Jan. 27th, 2011

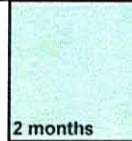
1. Revise LDA
2. Building & Public Works review
3. CEQA - Historical, Coastal Commission / City of Capitola
4. Revise drawings for deduct scope of work



C. 2nd Council Meeting - Feb. 27th, 2011 (Approx. 2 months)

2nd Council Meeting - Feb. 27th, 2011

1. Review Drawings
2. Pursue Building Permits



II. Construction (Approx. 12 Month Process)

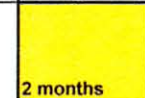
A. Start Construction - May 1st, 2011 (Approx. 10 months)

Start Construction - May 1st, 2011



B. Building Start-up - Mar. 1st, 2012 (Approx. 2 months)

Building Start-up - Mar. 1st, 2012



C. Building Grand Opening - May 1st, 2012



AGENCY RESOLUTION NO. 2011-___

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CITY OF CAPITOLA REDEVELOPMENT AGENCY
AUTHORIZING APPROPRIATION AND EXPENDITURE OF \$50,000
OF REDEVELOPMENT AGENCY OPERATING FUND MONIES FOR THE
PREPARATION OF ENVIRONMENTAL DOCUMENTS AND CONSIDERATION OF
COASTAL DEVELOPMENT PERMITS FOR DEMOLITION OF THE RISPIN MANSION**

WHEREAS, the Redevelopment Agency Directors directed staff to proceed with preparing documents for a full demolition of Rispin Mansion on November 10, 2010; and

WHEREAS, Rispin Mansion is situated within sensitive protected riparian habitat, and located in the Coastal Zone; and

WHEREAS, the California Environmental Quality Act, Public Resources Code §21000 et seq., requires governmental agencies to take action to provide clean air and water, enjoyment of aesthetic, natural, scenic, and historic environmental qualities; and

WHEREAS, the California Environmental Quality Act declares that public agencies and projects are subject to the same level of review and consideration as that of private projects approved by public agencies; and

WHEREAS, the California Environmental Quality Act requires the evaluation of alternatives when preparing an Environmental Impact Report and provides public agencies with the systematic ability to select alternatives or projects based on economic, social, or other conditions related to feasibility.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Redevelopment Agency of the City of Capitola hereby authorizes the appropriation and expenditure of \$50,000 from the Redevelopment Agency Operating Fund for the preparation of required environmental review documents and consideration of Coastal Development permits pertaining to the demolition of the Rispin Mansion.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the Board of Directors of the Capitola Redevelopment Agency at its regular meeting held on the 27th day of January, 2011, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:
- DISQUALIFIED:

Dennis Norton, Chairperson

ATTEST: _____
Pamela Greeninger, Secretary

	Capital Costs	Ongoing Costs (yearly)	Preserves Mansion	Approved CDP	Anticipated Environmental Document	Conditions Compliance	Public Benefits	Project Resolution	Time to Start Construction
"Mothballing"	\$450,000	(\$20,000-\$25,000)	Yes	No	Exemption	None	reduction in attractive nuisance, saving mansion for future uses	Partial	3 months
Demolition	\$500,000	(\$10,000-\$15,000)	No	No	Focused EIR	Unknown	removal of attractive nuisance, reduction in costs	Partial	9 months
Demolition with Park	\$1.6 million	(\$75,000-\$100,000)	No	No	Focused EIR	Unknown	removal of attractive nuisance, habitat restoration, passive park	Full	1.5 years
"Mothballing with Park"	\$2.1 million	(\$100,000-\$125,000)	Yes	No	Focused EIR	Unknown	reduction in attractive nuisance, saving mansion for future uses, active park development, habitat restoration	Full	3 months for mothballing 1.5 years for park
Phased Hotel Project	\$2.3 Million	\$53,465-\$75,074	Yes	Yes	Completed	Per CDP	full time presence on property, restoration of public spaces & mansion, habitat restoration, positive financial impact,	Full	5 months

Greeninger, Pam

From: Ron Skelton [ronskelton@cruzio.com]
Sent: Monday, January 17, 2011 1:48 PM
To: City Council
Cc: City Manager; Gayle Ortiz
Subject: Rispin Reprieve

Mr Mayor and Council members

I read in the Post that another plan is to be presented by the developer and I hope to be here to take part in the public forum. In any event I would like to place on record my general and specific thoughts on the topic.

I see 3 main imperfect options each with pros and cons; restoration of the garden area and adhering to the environmental constrains are mandatory requirements.

1. Demolition.

Permanent loss of this historic structure, would be regrettable and may not be permitted if there are other realistic options. However this is the least-cost option and provides the most open public space for performing arts and similar activities.

2. Moth balling.

Securing historic structures and retaining them as revered ruins is very common in many parts of the world. Here this would leave open the possibility of a complete restoration at some point in the future. The public would loose the use of parts of the site and there are initial and ongoing costs associated with securing the structure.

3. Restoration as an Inn.

A restored structure would be a high-end visitor-serving amenity and generate a modest amount of TOT. As a commercial development It would provide the least opportunity for public access and use. Impacts on the residential area, size and degree of cost sharing are the principal concerns.

As this is public property any decision to apply public funds should be weighted heavily by the public amenity it provides. For several years the RDA funds have been retained for the project instead of carrying out much needed neighborhood improvements and preparations for a permanent library. Moreover I have grave concerns about the tactics of this particular developer. Missing the January 12 dead-line is just the latest in a long series of missed deadlines and misinformation. They are not indispensable from either construction or funding standpoints.

My bottom line is rather reluctantly Option 3 provided that cost sharing is kept to no more than is required to restore of the garden area. An absolute short-fuse deadline needs to be established for reaching agreement. If this isn't accomplished then I favor Option 1. In any event the balance of the RDA funds should be placed under contract for local projects without delay and as a matter of urgency.

I am always happy to discuss this topic and wish you wisdom in bringing this perennial discussion to an end