



AGENDA COVER
Regular Joint Meeting of the
**CAPITOLA CITY COUNCIL/
REDEVELOPMENT AGENCY**
MEETING DATE: THURSDAY, APRIL 28, 2011

CITY COUNCIL CHAMBERS: 420 CAPITOLA AVENUE, CAPITOLA

CLOSED SESSION

5:30 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, April 28, 2011

5:30 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)
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.

CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION (Govt. Code §54956.9(c))

One Case to be Discussed

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Titles: City Manager and City Attorney

LIABILITY CLAIMS (Govt. Code §54956.95)

Claimant: David and Vanessa Drivon

Claimant: David Moore, on behalf of Dorean Moore

Claimant: Theresa Viola

Claimant: Natthakan Inpong

Claimant: Daniel M. Finkel

Claimant: Edward A. Maghakian

Claimant: Veronica Shepardson

Agency claimed against: City of Capitola

**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

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 April 8 and April 15, 2011.

2) RDA: Approval of Redevelopment Agency Check Register Report dated April 15, 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. City/RDA: Approve Minutes of the Emergency Meeting of the City Council of March 27, 2011, the Special Meeting of the City Council of March 30, 2011, the Joint Special Meeting of the City Council/Redevelopment Agency of April 1, 2011, and the Regular Joint Meeting of the City Council/Redevelopment Agency of April 14, 2011.
- C. Approve hiring one Records Clerk position in the Police Department and authorize the City Manager to proceed with recruitment.
- D. Deny claim of David & Vanessa Drivon in the amount of \$125,000 and forward to the City’s liability insurance carrier.
- E. Deny claim of David Moore, on behalf of Dorean Moore, in the amount of \$2,950 and forward to the City’s liability insurance carrier.
- F. Deny claim of Theresa Viola in the amount of \$921.07 and forward to the City’s liability insurance carrier.
- G. Deny claim of Natthakan Inpong in the amount of \$8,500 and forward to the City’s liability insurance carrier.
- H. Deny claim of Daniel M. Finkel for an undetermined amount and forward to the City’s liability insurance carrier.
- I. Deny claim of Edward A. Maghakian for an undetermined amount and forward to the City’s liability insurance carrier.
- J. Receive City Treasurer’s Report for the month ended March 31, 2011 (Unaudited).

3. CONSENT CALENDAR - Continued

- K. Accept update report on the Rispin Property Hazard Abatement Project and, by 4/5 vote approval, make the determination that all hazards at the Rispin Property have not been eliminated and there is need to continue action.
- L. Accept Quarterly Sales Tax and Transient Occupancy Tax Report for the Second Quarter of FY 2010-2011.
- M. Accept update report on Storm Drain Repair Project and, by 4/5 vote approval, make the determination that an Emergency Condition remains as detailed in Resolution No. 3863 adopted on March 27, 2011, and there is need to continue action.
- N. Set Public Hearing for May 12, 2011, to consider appeal of Planning Commission denial of Project Application #11-024, for a Conditional Use Permit for a medical office use (dialysis clinic) at 3801 Clares Street in the CC (Community Commercial) Zoning District [APN 034-261-47].

4. PUBLIC HEARINGS

Public Hearings are intended to provide an opportunity for public discussion of each item listed as a Public Hearing. The following procedure is followed for each Public Hearing listed: 1) Staff Explanation; 2) Public Discussion; 3) Council Comments; 4) Close public portion of the Hearing; 5) City Council discussion; and 6) Decision.

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

- A. Public Hearing to consider Pacific Cove Mobile Home Park options to respond to flood damage. Presentation: City Manager's Department.
- B. Public Hearing to consider amendments to Sections 12.12.040, 12.12.110, 12.12.190, and 12.12.270 of the Capitola Municipal Code pertaining to Community Tree and Forest Management. [Ordinance 1st Reading] Presentation: Community Development Department.

5. OTHER BUSINESS

- A. Finance Advisory Committee Charter. Staff recommendation: accept the Finance Advisory Committee Charter as submitted.

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

6. COUNCIL/RDA DIRECTOR/STAFF COMMUNICATIONS**7. ADJOURNMENT**

Adjourn to the next Regular Joint Meeting of the City Council/Redevelopment Agency to be held on Thursday, May 12, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: FINANCE DEPARTMENT
 DATE: April 20, 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 April 8 and April 15, 2011.

DISCUSSION

The attached Check Registers for:

Date	Starting Check #	Ending Check #	Total Checks	Amount
4/8/11	65927	66011	85	\$88,569.36
4/15/11	66012	66077	66	\$116,876.27
4/8/11 payroll				\$190,532.02
Total				\$395,977.65

The check register of 4/1/11 ended with check #65926.

Wires issued, and a brief description of the expenditure:

Date	Issued to:	Dept.	Purpose	Amount
4/12/11	PERS Payment	CM	CALPERS - Payroll Contr. for 4/8/11 payroll	\$45,156.87

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
65946	Design, Community & Environment	CDD	Gen Plan Update & 41 st Ave Study, Fund 1313	\$24,597.23
66020	Atchison, Barisone & Condotti	CM	Feb 2011 Legal Fees	\$11,130.00
66065	SCC Planning Dept	CM	Homeless Action Partnership Cost Share	\$16,438.00
66067	SC Regional 911	PD	FY10/11 Debt Service, Part 2	\$25,713.50

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 4/20/11 the total cash available is \$5,763,858. The General Operating Fund has a cash balance of \$1,534,381. 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 \$140,971. The Capital Improvement Projects has a positive cash balance of \$3,270,660. 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 \$5,763,858.

The following table shows the funds that are consolidated:

CASH POSITION - CITY OF CAPITOLA 4/20/11

	<u>Net Balance</u>
General Fund	1,534,381
Worker's Comp. Ins. Fund	9,259
Self Insurance Liability Fund	220,700
Stores Fund	12,450
Information Technology Fund	147,230
Equipment Replacement	279,621
Compensated Absences Fund	140,971
Contingency Reserve Fund	-
Public Employee Retirement - PERS	148,331
Open Space Fund	256
Capital Improvement Projects	3,270,660
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	5,763,858

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 April 8 and April 15, 2011.

**Report Prepared By: Linda Benko
AP Clerk**

**Reviewed and Forwarded
by City Manager:**

Checks dated 4/8/11 numbered 65927 to 66011 for a total of \$88,569.36 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 4/8/11 the unaudited cash balance is \$5,429,671

CASH POSITION - CITY OF CAPITOLA 4/8/11

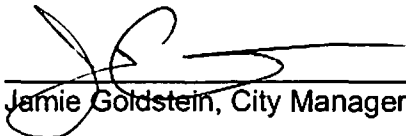
	<u>Net Balance</u>
General Fund	1,188,350
Worker's Comp. Ins. Fund	9,259
Self Insurance Liability Fund	220,700
Stores Fund	13,050
Information Technology Fund	147,238
Equipment Replacement	282,538
Compensated Absences Fund	140,971
Contingency Reserve Fund	-
Public Employee Retirement - PERS	156,649
Open Space Fund	256
Capital Improvement Projects	3,270,660
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>5,429,671</u></u>

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



Jamie Goldstein, City Manager

4/8/11

Date

Jacques J.J. Bertrand, City Treasurer

Date

City of Capitola
City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65927	04/08/2011 Invoice Mar2011	Open	Date 03/24/2011	Description Insurance - Employee Ins.	AFLAC	\$681.04
65928	04/08/2011 Invoice 42034 42032	Open	Date 03/29/2011 03/29/2011	Description Keys for Temp PD Trailers Keys for Temp PD Trailers	ALLSAFE LOCK COMPANY	\$146.20
65929	04/08/2011 Invoice 2013047	Open	Date 04/01/2011	Description Soquel History Books	ARCADIA PUBLISHING COMPANY	\$550.00
65930	04/08/2011 Invoice 2011-00000606	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	ARITCHITA, WIND, C.	\$140.40
65931	04/08/2011 Invoice Feb-Mar2011	Open	Date 03/04/2011	Description Acct C602224134777, Feb-Mar2011 Servi- Fund 2211, IT=\$265.96	AT&T/CALNET 2	\$2,114.82
65932	04/08/2011 Invoice 37202 37226	Open	Date 03/23/2011 03/23/2011	Description March 2011-meter reading-Wharf March 2011 meter reading-PacCove	AUTOMATED TEST ASSOCIATES	\$92.00
65933	04/08/2011 Invoice 2674	Open	Date 03/18/2011	Description Pacific Cove MHP-March 2011	BACK TO EDEN LANDSCAPING INC.	\$575.00
65934	04/08/2011 Invoice 2011-00000608	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	BARRETT, SHARON	\$312.00
65935	04/08/2011 Invoice 2011-00000609	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	BARTLETT, GERRY	\$1,394.90
65936	04/08/2011 Invoice 2011-00000611	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	BETZ, SHERRI	\$3,134.95
65937	04/08/2011 Invoice 02-1829	Open	Date 04/01/2011	Description Rispin Mansion Hazard Elimination Project Fund 1200, CIP	BIOTIC RESOURCES GROUP/LYONS	\$1,017.95
65938	04/08/2011 Invoice 2011-00000612	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	BRESLIN-KESSLER, PAUL	\$3,983.20

City of Capitola
City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65939	04/08/2011 Invoice POA4-8-11	Open	Date 04/06/2011	Description POA Dues, Employee Funded	CAPITOLA PEACE OFFICERS ASSOC.	\$810.26
65940	04/08/2011 Invoice 17469	Open	Date 03/11/2011	Description Printing Late Spring brochure	CASEY PRINTING	\$4,958.30
65941	04/08/2011 Invoice WSH7369	Open	Date 03/14/2011	Description Blackberry-Fund 2211, IT	CDW GOVERNMENT INC.	\$615.45
65942	04/08/2011 Invoice 525	Open	Date 03/14/2011	Description Pac Cove MHP Maint Exp, Feb/Mar2011	CHESHIRE RIO PROPERTY MANAGEM	\$357.51
65943	04/08/2011 Invoice 1162340-00	Open	Date 03/18/2011	Description Cleaning Supplies	CLEAN SOURCE	\$2,129.97
65944	04/08/2011 Invoice 28750-14	Open	Date 04/02/2011	Description Website hosting 04/23/11-05/22/11 Fund 1313, General Plan	CRUZIO THE INTERNET STORE INC.	\$39.95
65945	04/08/2011 Invoice 9055801	Open	Date 03/20/2011	Description Copier Lease, PD	DE LAGE LANDEN FINANCIAL SERVIC	\$337.16
65946	04/08/2011 Invoice 0010878a 2011-00000603	Open	Date 02/28/2011 02/28/2011	Description General Plan Update (Year 1 of 4) 41st Ave Study Fund 1313, General Plan	DESIGN, COMMUNITY & ENVIRONMEI	\$24,597.23
65947	04/08/2011 Invoice 71019 71020	Open	Date 03/10/2011 03/10/2011	Description 100 Gal Diesel 444 Gal Gas	DEVCO OIL INC.	\$2,213.93
65948	04/08/2011 Invoice 2011-00000613	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	DICKS, CHUCK	\$345.80
65949	04/08/2011 Invoice 8902	Open	Date 03/24/2011	Description Water & Carpet Extraction, 422 Capitola A	DOCTOR CLEAN	\$715.00
65950	04/08/2011 Invoice 2011-00000615	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	EVANS, PAT	\$345.80

City of Capitola
City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65951	04/08/2011 Invoice 2928317	Open	Date 03/11/2011	Description Irrigation Supplies	EWING IRRIGATION	\$13.30
65952	04/08/2011 Invoice B120-Apr11	Open	Date 03/15/2011	Description Evidence Storage Expense	EXTRA SPACE STORAGE OF SC INC -	\$262.00
65953	04/08/2011 Invoice 2011-00000607	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	FAIA ARTWORKS	\$318.50
65954	04/08/2011 Invoice 2011-00000616	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	FITZGERALD, AIMEE	\$236.60
65955	04/08/2011 Invoice 2011-00000617	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	FRANCA, CLAUDIO	\$182.00
65956	04/08/2011 Invoice 2011-00000614	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	GEDDES, SESE EGAN	\$128.70
65957	04/08/2011 Invoice Target-3/31	Open	Date 03/31/2011	Description Reimb Purch of Office Supplies, PD Traile	Gonzalez, Amy	\$42.01
65958	04/08/2011 Invoice 4327	Open	Date 03/30/2011	Description Reimb Conf Registration Fee	GREENINGER, PAM	\$560.00
65959	04/08/2011 Invoice 2011-00000618	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	HILL, CAROL	\$234.00
65960	04/08/2011 Invoice 03/21-03/25/11 03/28-04/01/11	Open	Date 04/04/2011 04/04/2011	Description FY 10/11 In-House Mechanic FY 10/11 In-House Mechanic	HOWARD, CHARLIE	\$1,490.00
65961	04/08/2011 Invoice 87732	Open	Date 03/28/2011	Description Event Insurance, 3/13/11	HUB INTERNATIONAL OF CA INSURAF	\$100.21
65962	04/08/2011 Invoice ICMA4-8-11	Open	Date 04/06/2011	Description Retirement Plan Contr, Employee Funded	ICMA RETIREMENT TRUST 457	\$6,282.50
65963	04/08/2011 Invoice 2011-00000619	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	INK, BRUCE	\$666.90

City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65964	04/08/2011	Open			JIN, SANG UN	\$144.95
	Invoice		Date	Description		Amount
	2011-00000620		04/04/2011	Early Spring Instructor Payments 2011		\$144.95
65965	04/08/2011	Open			JOHANNA, ANOUK	\$273.00
	Invoice		Date	Description		Amount
	2011-00000621		04/04/2011	Early Spring Instructor Payments 2011		\$273.00
65966	04/08/2011	Open			KAPLAN, PHIL	\$838.50
	Invoice		Date	Description		Amount
	2011-00000622		04/04/2011	Early Spring Instructor Payments 2011		\$838.50
65967	04/08/2011	Open			KINNAMON, LORRAINE	\$150.15
	Invoice		Date	Description		Amount
	2011-00000623		04/04/2011	Early Spring Instructor Payments 2011		\$150.15
65968	04/08/2011	Open			LABOR READY SOUTHWEST INC.	\$603.49
	Invoice		Date	Description		Amount
	54221559		03/11/2011	FY 10/11 Temporary Staff-2		\$603.49
65969	04/08/2011	Open			LEHMANN, SUSAN	\$250.00
	Invoice		Date	Description		Amount
	21611		02/16/2011	Historic review of plans for 119 Central Av		\$250.00
65970	04/08/2011	Open			MANNION, PATRICK	\$269.10
	Invoice		Date	Description		Amount
	2011-00000624		04/04/2011	Early Spring Instructor Payments 2011		\$269.10
65971	04/08/2011	Open			MARRUJO, SANDY	\$296.40
	Invoice		Date	Description		Amount
	2011-00000625		04/04/2011	Early Spring Instructor Payments 2011		\$296.40
65972	04/08/2011	Open			MARTIN, BRIAN, K.	\$1,563.41
	Invoice		Date	Description		Amount
	Martin3-2011		03/31/2011	March 2011 grant management, PD Fund 1300, SLESF		\$1,563.41
65973	04/08/2011	Open			MATTERN, MARK	\$747.50
	Invoice		Date	Description		Amount
	2011-00000626		04/04/2011	Early Spring Instructor Payments 2011		\$747.50
65974	04/08/2011	Open			MCCUTCHEN, SUELLEN	\$214.50
	Invoice		Date	Description		Amount
	2011-00000627		04/04/2011	Early Spring Instructor Payments 2011		\$214.50
65975	04/08/2011	Open			MCLAUGHLIN, MARY	\$982.80
	Invoice		Date	Description		Amount
	2011-00000628		04/04/2011	Early Spring Instructor Payments 2011		\$982.80
65976	04/08/2011	Open			McMENAMIN, GEORGE	\$337.50
	Invoice		Date	Description		Amount
	14		03/31/2011	Bay St./Wharf Rd. Restoration		\$337.50

City of Capitola
City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65977	04/08/2011	Open			MID-COUNTY AUTO SUPPLY	\$657.67
	Invoice		Date	Description		Amount
	254898		03/10/2011	Auto Parts, all City vehicles		\$30.93
	254864		03/10/2011	Auto Parts, 1999 F-250		\$7.85
	245853		03/10/2011	Auto Parts, 1999 F-250		\$86.15
	255041		03/11/2011	Auto Parts, 1999 F-250		\$4.37
	255040		03/11/2011	Auto Parts, 1999 F-250		\$58.18
	254735		03/09/2011	Auto Parts, 1999 F-250		\$40.95
	255195		03/14/2011	auto parts, PD061		\$7.63
	255374		03/15/2011	auto parts, Parks 1999 F-250		\$100.79
	255478		03/16/2011	auto parts, PD, Spot Lights		\$137.40
	255595		03/17/2011	auto parts, PD Chevy Impala		\$172.60
	255307		03/15/2011	Auto Parts, Parks 1999 F-250		\$10.82
65978	04/08/2011	Open			MISSION PRINTERS	\$230.43
	Invoice		Date	Description		Amount
	40793		03/14/2011	3000 City Window Envelopes Fund 2210, Stores		\$230.43
65979	04/08/2011	Open			MITCHELL, JEANI	\$858.00
	Invoice		Date	Description		Amount
	2011-00000629		04/04/2011	Early Spring Instructor Payments 2011		\$858.00
65980	04/08/2011	Open			MORRISSEY, YOSHIE	\$221.00
	Invoice		Date	Description		Amount
	2011-00000630		04/04/2011	Early Spring Instructor Payments 2011		\$221.00
65981	04/08/2011	Open			MURPHY, COLLEEN, ELLEN	\$444.60
	Invoice		Date	Description		Amount
	2011-00000631		04/04/2011	Early Spring Instructor Payments 2011		\$444.60
65982	04/08/2011	Open			MUSEUM OF ART AND HISTORY	\$40.00
	Invoice		Date	Description		Amount
	Museum2011		04/01/2011	MAH Membership for Capitola Museum		\$40.00
65983	04/08/2011	Open			OFFUTT, MELISSA	\$728.00
	Invoice		Date	Description		Amount
	2011-00000632		04/04/2011	Early Spring Instructor Payments 2011		\$728.00
65984	04/08/2011	Open			ORCHARD SUPPLY HARDWARE	\$510.24
	Invoice		Date	Description		Amount
	6007-7103480		03/18/2011	Tools-Frank		\$143.87
	6005-3521771		03/17/2011	Misc.		\$15.59
	6009-2432853		03/18/2011	Batteries		\$8.72
	6013-8317407		03/21/2011	Misc.		\$4.46
	6007-3523987		03/21/2011	Pick Handles		\$36.03
	6011-100201		03/21/2011	Pitch fork		\$21.84
	6013-1217689		03/24/2011	Small tools-Matt		\$81.42
	6005-3523407		03/30/2011	Cleaning Supplies, Flood recovery		\$56.78
	6008-1084195		03/27/2011	Cable Ties to hang Temp Signs, PD		\$48.05
	6009-2432865		03/18/2011	Equipment-concrete saw		\$16.32
	6007-3523055		03/14/2011	F-250 Tool Rack		\$42.24
	6007-103389		03/16/2011	lamp bulbs		\$34.92

City of Capitola
City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65985	04/08/2011	Open			PALACE ART & OFFICE SUPPLIES	\$738.06
	Invoice		Date	Description		Amount
	8603224		03/17/2011	Public Meeting Supplies, General Plan Up		\$155.80
	896989		03/22/2011	Office Supplies-PD		\$134.17
	896584		03/18/2011	Paper-PD		\$46.87
	896714		03/18/2011	Office Supplies		\$59.63
	896586		03/18/2011	Office Supplies		\$10.36
	892219-0		02/21/2011	Office Supplies, City hall		\$283.03
	892219-1		02/21/2011	Office Supplies, City hall		\$25.72
	898284		03/29/2011	Office Supplies, City Hall		\$22.48
				Fund 1313, Gen Plan=\$155.80		
				Fund 2210, Stores=\$401.22		
65986	04/08/2011	Open			PANARO, YVONNE	\$520.00
	Invoice		Date	Description		Amount
	2011-00000633		04/04/2011	Early Spring Instructor Payments 2011		\$520.00
65987	04/08/2011	Open			PAXSON, JENNIFER	\$263.25
	Invoice		Date	Description		Amount
	2011-00000634		04/04/2011	Early Spring Instructor Payments 2011		\$263.25
65988	04/08/2011	Open			PHOENIX GROUP INFORMATION SYS	\$1,191.82
	Invoice		Date	Description		Amount
	022011070		03/14/2011	Citation processing		\$1,191.82
65989	04/08/2011	Open			POT, TRENISE	\$1,337.05
	Invoice		Date	Description		Amount
	2011-00000635		04/04/2011	Early Spring Instructor Payments 2011		\$1,337.05
65990	04/08/2011	Open			PRAXAIR DISTRIBUTION INC.	\$50.75
	Invoice		Date	Description		Amount
	39143026		03/20/2011	oxy & acet tank refill		\$50.75
65991	04/08/2011	Open			ProBUILD COMPANY LLC	\$97.77
	Invoice		Date	Description		Amount
	5501941		03/21/2011	Mushroom cap		\$97.77
65992	04/08/2011	Open			PROFORCE LAW ENFORCEMENT	\$176.70
	Invoice		Date	Description		Amount
	106360		03/14/2011	Equipment Maintenance, PD		\$176.70
65993	04/08/2011	Open			ROM, HILLEL	\$112.50
	Invoice		Date	Description		Amount
	2011-00000601		03/31/2011	Sports Officials March 2011		\$112.50
65994	04/08/2011	Open			ROSEMAN, LEWIS	\$2,947.24
	Invoice		Date	Description		Amount
	3152011		03/15/2011	March 2011 Parking meeter services		\$2,947.24
65995	04/08/2011	Open			SANTA CRUZ COUNTY SHERIFF-CORP	\$704.48
	Invoice		Date	Description		Amount
	Feb 2011		03/15/2011	Feb 2011 Booking Fees		\$704.48

City of Capitola
City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
65996	04/08/2011 Invoice 82692	Open	Date 03/11/2011	Description Jade St. Kitchen Fire Service	SANTA CRUZ FIRE EQUIPMENT CO.	\$207.78
65997	04/08/2011 Invoice 292103	Open	Date 03/10/2011	Description Business Cards, Saldana	SENTINEL PRINTERS, INC.	\$108.41
65998	04/08/2011 Invoice 71409	Open	Date 02/24/2011	Description Toner-Fund 2211, IT	SoyPrint Inc.	\$264.00
65999	04/08/2011 Invoice 99449	Open	Date 03/30/2011	Description Computer Supplies to relocate PD	STAPLES	\$822.84
66000	04/08/2011 Invoice 2011-00000636	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	STEVENS, CLAUDIA	\$328.90
66001	04/08/2011 Invoice 2011-00000637	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	SWEET, KATHERINE	\$328.90
66002	04/08/2011 Invoice 2011-00000600	Open	Date 03/31/2011	Description Sports Officials March 2011	THILL, WENDY	\$40.00
66003	04/08/2011 Invoice 93030-Apr2011	Open	Date 04/01/2011	Description Dental & Vision Ins, Apr 2011	TLC ADMINISTRATORS, INC.	\$4,613.14
66004	04/08/2011 Invoice PARS4-8-11	Open	Date 04/06/2011	Description PARS Contribution 4-8-11	UNION BANK OF CALIFORNIA	\$399.29
66005	04/08/2011 Invoice 2011-00000638	Open	Date 04/04/2011	Description Early Spring Instructor Payments 2011	WALBRIDGE, BREIGE	\$46.80
66006	04/08/2011 Invoice 2011-00000602	Open	Date 03/31/2011	Description Sports Officials March 2011	WALTER, ERIK	\$180.00
66007	04/08/2011 Invoice 19907	Open	Date 02/28/2011	Description Legal Services, Personnel related	WILEY, PRICE & RADULOVICH, LLP	\$270.00
66008	04/08/2011 Invoice 2000815-002	Open	Date 03/28/2011	Description Class Refund-Rec	Coppeto, Stephanie	\$81.00

City of Capitola
City Checks Issued 4/8/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount	
66009	04/08/2011	Open			Hochman, Nora	\$100.00	
	Invoice		Date	Description		Amount	
	2000817-002		03/28/2011	Security Deposit Refund-Rec		\$100.00	
66010	04/08/2011	Open			Reid, Gina	\$100.00	
	Invoice		Date	Description		Amount	
	2000819-002		04/04/2011	Facility Rental Deposit Refund-Rec		\$100.00	
66011	04/08/2011	Open			Whaley, Nancy	\$51.90	
	Invoice		Date	Description		Amount	
	82516		03/28/2011	Class Refund		\$51.90	
Check Totals:				Count	85	Total	\$88,569.36

Checks dated 4/15/11 numbered 66012 to 66077 for a total of \$116,876.27 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 4/15/11 the unaudited cash balance is \$5,737,005

CASH POSITION - CITY OF CAPITOLA 4/15/11

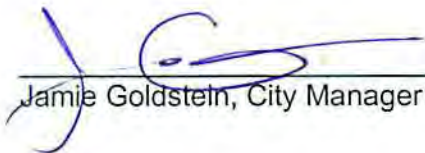
	<u>Net Balance</u>
General Fund	1,507,528
Worker's Comp. Ins. Fund	9,259
Self Insurance Liability Fund	220,700
Stores Fund	12,450
Information Technology Fund	147,230
Equipment Replacement	279,621
Compensated Absences Fund	140,971
Contingency Reserve Fund	-
Public Employee Retirement - PERS	148,331
Open Space Fund	256
Capital Improvement Projects	3,270,660
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>5,737,005</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.



 Jamie Goldstein, City Manager

4/15/11

 Date

 Jacques J.J. Bertrand, City Treasurer

 Date

City Checks - Payment Register

From Payment Date: 4/11/2011 - To Payment Date: 4/15/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
66012	04/11/2011	Open			THOMPSON, CHRISTIAN	\$2,540.73
	Invoice		Date	Description		Amount
	43855284AP		04/11/2011	Replace Lost Payroll Check		\$2,540.73
66013	04/13/2011	Open			SCC-CLERK OF THE BOARD	\$50.00
	Invoice		Date	Description		Amount
	Macerich-3/2011		04/13/2011	Notice of Exemption, Cap Mall Ped Access		\$50.00
66014	04/15/2011	Open			#76 ANNE SCHROEDEL	\$207.72
	Prepayment Adj			Description		Amount
	10162			Refund Rent Check		207.72
66015	04/15/2011	Open			A-1 Sweeping Service	\$4,550.00
	Invoice		Date	Description		Amount
	3/2001		04/04/2011	Flood clean up		\$4,550.00
66016	04/15/2011	Open			ALLIANT INSURANCE SERVICES	\$1,416.25
	Invoice		Date	Description		Amount
	35812		04/07/2011	Special Event Liability, Flood Relief Event		\$1,416.25
66017	04/15/2011	Open			ANDERSON & BRABANT, INC	\$3,500.00
	Invoice		Date	Description		Amount
	8428		03/25/2011	Surf & Sand MHP Appraisal Service		\$3,500.00
66018	04/15/2011	Open			AP&P Signs	\$87.20
	Invoice		Date	Description		Amount
	31087		04/06/2011	Signs for temp PD location		\$87.20
66019	04/15/2011	Open			AT&T	\$19.15
	Invoice		Date	Description		Amount
	Apr2011		04/01/2011	248-134-2421-674-3, Apr2011		\$11.33
	Apr-2011		04/07/2011	248-134-2209-624-6, Apr2011		\$7.82
66020	04/15/2011	Open			ATCHISON, BARISONE, & CONDOTTI	\$11,130.00
	Invoice		Date	Description		Amount
	1040-001Feb11		02/28/2011	Feb2011 Contract Legal Services		\$11,130.00
66021	04/15/2011	Open			B & B SMALL ENGINE REPAIR	\$319.96
	Invoice		Date	Description		Amount
	238140		04/01/2011	Chainsaw		\$69.44
	238671		04/07/2011	Chainsaw equipment		\$250.52
66022	04/15/2011	Open			BARBARA GRAVES Consulting Services	\$1,262.50
	Invoice		Date	Description		Amount
	10016		04/04/2011	Jan-Apr2011 Consulting Services, BIA Fund		\$1,262.50
				Fund 1321, BIA		
66023	04/15/2011	Open			BEATHAM, LINDA	\$132.60
	Invoice		Date	Description		Amount
	2011-00000652		04/13/2011	Early Spring Last INST Payments 2011		\$132.60

City Checks - Payment Register

From Payment Date: 4/11/2011 - To Payment Date: 4/15/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
66024	04/15/2011	Open			BEYERS, FRED, C	\$66.00
	Invoice		Date	Description		Amount
	2011-00000649		04/12/2011	Softball Umpires April 4 to 9 2011		\$66.00
66025	04/15/2011	Open			BUMGARNER, ERIC, D	\$54.00
	Invoice		Date	Description		Amount
	Bum-ES		04/12/2011	Softball Umpires April 4 to 9 2011		\$54.00
66026	04/15/2011	Open			C&N TRACTORS	\$1,807.73
	Invoice		Date	Description		Amount
	94328W		03/17/2011	Beach rake		\$1,807.73
66027	04/15/2011	Open			CalPERS Member Services Division	\$1,352.44
	Invoice		Date	Description		Amount
	Norton2011		03/08/2011	PERS Adjustment, Norton Fund 2215, PERS		\$1,352.44
66028	04/15/2011	Open			CHEVROLET OF WATSONVILLE	\$26.52
	Invoice		Date	Description		Amount
	159759		03/18/2011	PD vehicle auto parts		\$26.52
66029	04/15/2011	Open			CREDIT COMMUNICATIONS, INC	\$10.00
	Invoice		Date	Description		Amount
	85160		03/31/2011	background check on Kraig Evans		\$10.00
66030	04/15/2011	Open			CrimeReports	\$1,194.00
	Invoice		Date	Description		Amount
	12894		03/16/2011	Command Central Subscription pymt Q1-PC		\$597.00
	12899		03/22/2011	Command Central Subscription pymt Q2-PC		\$597.00
66031	04/15/2011	Open			CVS PHARMACY INC.	\$20.52
	Invoice		Date	Description		Amount
	3218-01		04/06/2011	Cleaning Supplies, PD		\$20.52
66032	04/15/2011	Open			DEVCO OIL INC.	\$2,664.04
	Invoice		Date	Description		Amount
	71039		03/18/2011	100 gal diesel fuel		\$409.25
	71040		03/18/2011	552 gas		\$2,254.79
66033	04/15/2011	Open			EVERCLEAR HYDROJETTING INC.	\$5,832.59
	Invoice		Date	Description		Amount
	3938		04/05/2011	Flood clean up		\$5,832.59
66034	04/15/2011	Open			EWING IRRIGATION	\$65.56
	Invoice		Date	Description		Amount
	2976489		03/23/2011	Valve box pump		\$45.74
	2976490		03/23/2011	Top soil		\$19.82
66035	04/15/2011	Open			FERGUSON ENTERPRISES, INC.	\$171.04
	Invoice		Date	Description		Amount
	2144542		03/24/2011	Misc. Repair Items		\$171.04

City Checks - Payment Register

From Payment Date: 4/11/2011 - To Payment Date: 4/15/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
66036	04/15/2011	Open			FIRST ALARM	\$4,193.20
	Invoice		Date	Description		Amount
	426573		03/31/2011	Security Patrol, Pac Cove		\$4,193.20
66037	04/15/2011	Open			FLYNN, CAROLYN	\$2,050.00
	Invoice		Date	Description		Amount
	CBF-3-2011-2d		03/31/2011	41st Ave/Capitola Mall Re-Visioning Plan		\$200.00
	CBF-3-2011-2f		03/31/2011	Green Economy/Carbon Emmissions Invent		\$100.00
	CBF-3-2011-3		03/31/2011	Cal EMA Grant Coordination		\$1,750.00
				Fund 1313, Gen Plan=\$300.00		
66038	04/15/2011	Open			FOSTER, DAVID	\$93.40
	Invoice		Date	Description		Amount
	20110319		04/07/2011	Reimb snacks for General Plan Meeting		\$93.40
				Fund 1313, Gen Plan=\$300.00		
66039	04/15/2011	Open			GABILAN WELDING INC.	\$2,917.34
	Invoice		Date	Description		Amount
	158135		03/24/2011	Install Tommy Gate		\$2,917.34
				Fund 2212, Equip Replacement		
66040	04/15/2011	Open			GOV'T FINANCE OFFICERS ASSOC.	\$190.00
	Invoice		Date	Description		Amount
	0142001		03/03/2011	Membership fee, Saldana		\$190.00
66041	04/15/2011	Open			GRANITE ROCK COMPANY	\$2,888.12
	Invoice		Date	Description		Amount
	629391		03/26/2011	Asphalt and Aggregate		\$2,028.84
	630247		03/31/2011	Fill material		\$859.28
66042	04/15/2011	Open			HOWELLS, NANCY	\$236.60
	Invoice		Date	Description		Amount
	2011-00000651		04/13/2011	Early Spring Last INST Payments 2011		\$236.60
66043	04/15/2011	Open			INDUSTRIAL SAFETY SUPPLY	\$108.58
	Invoice		Date	Description		Amount
	389820		03/17/2011	Rain Gear, Public Works		\$108.58
66044	04/15/2011	Open			JIMMIE SMITH PLUMBING, INC.	\$4,303.40
	Invoice		Date	Description		Amount
	W01391		03/23/2011	Water leak repair 3/22, Space 50		\$749.65
	W01425		03/31/2011	Pac Cove MHP water line repair		\$3,553.75
66045	04/15/2011	Open			JOHNSON, ROBERTS, & ASSOCIATES	\$16.22
	Invoice		Date	Description		Amount
	114997		03/17/2011	PHQ Report, New Hire Expense, PD		\$16.22
66046	04/15/2011	Open			KRAFT, MARC	\$572.00
	Invoice		Date	Description		Amount
	2011-00000653		04/13/2011	Early Spring Last INST Payments 2011		\$572.00
66047	04/15/2011	Open			LLOYD'S TIRE SERVICE INC.	\$559.46
	Invoice		Date	Description		Amount
	206274		03/31/2011	PD vehicle auto parts		\$559.46

City Checks - Payment Register

From Payment Date: 4/11/2011 - To Payment Date: 4/15/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
66048	04/15/2011	Open			LUICH, JAY	\$88.00
	Invoice		Date	Description		Amount
	2011-00000646		04/12/2011	Softball Umpires April 4 to 9 2011		\$88.00
66049	04/15/2011	Open			MATTHEW BENDER & CO., INC.	\$281.34
	Invoice		Date	Description		Amount
	14800438		02/24/2011	CA P&V Handbook		\$281.34
66050	04/15/2011	Open			McMENAMIN, GEORGE	\$112.50
	Invoice		Date	Description		Amount
	1F		04/07/2011	Soquel Creek bank assessment		\$112.50
66051	04/15/2011	Open			METRO PCS INC.	\$150.00
	Invoice		Date	Description		Amount
	77903		03/22/2011	Text Message retrieval-PD		\$150.00
66052	04/15/2011	Open			MID-COUNTY AUTO SUPPLY	\$828.82
	Invoice		Date	Description		Amount
	255988		03/21/2011	auto parts, Parks 1999 F-250		\$10.82
	256093		03/22/2011	auto parts, Parks 1999 F-250		\$112.37
	256206		03/23/2011	auto parts, F-350 Flatbed		\$7.76
	256171		03/23/2011	auto parts, parks 1999 F-250		\$18.10
	256169		03/23/2011	auto parts		\$5.73
	256340		03/24/2011	auto parts, Sweeper		\$16.37
	256302		03/24/2011	auto parts, F-250 Tool Boxes		\$657.67
66053	04/15/2011	Open			MISSION PRINTERS	\$599.77
	Invoice		Date	Description		Amount
	40830		03/17/2011	5000 City Envelopes		\$289.80
	40858		03/21/2011	Invitations for Volunteer Dinner Fund 2210, Stores		\$309.97
66054	04/15/2011	Open			ORCHARD SUPPLY HARDWARE	\$836.92
	Invoice		Date	Description		Amount
	6007-335692		03/28/2011	Supplies		\$44.36
	6005-2432921		03/28/2011	Supplies		\$22.92
	6010-104434		03/23/2011	Sweeper parts-Fund 1310, Gas Tax		\$21.38
	6011-4761917		03/28/2011	Deadbolt, Temp PD Trailer		\$31.67
	6009-2432886		03/18/2011	Plants-Village		\$27.40
	6011-4790706		03/23/2011	Misc.		\$88.43
	6011-9871587		03/26/2011	Small tools-flood response		\$222.42
	6011-4761887		03/29/2011	Wheelbarrows - flood		\$327.72
	6013-128317		03/30/2011	Oil - flood		\$14.06
	6009-105314		03/30/2011	Concrete		\$16.32
	2011-02-01		02/01/2011	Field Maint Supplies, Rec Sports		\$13.37
	2011-00000656		03/14/2011	bellows		\$6.87

City Checks - Payment Register

From Payment Date: 4/11/2011 - To Payment Date: 4/15/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
66055	04/15/2011	Open			PALACE ART & OFFICE SUPPLIES	\$378.92
	Invoice		Date	Description		Amount
	897714		03/25/2011	Paper-PD		\$46.87
	898173-0		03/29/2011	Office Supplies		\$316.01
	898595-0		03/30/2011	Office Supplies-Rec		\$3.78
	C898173		03/31/2011	Returned Office Supplies		(\$3.78)
	899815		04/07/2011	tape dispenser		\$3.81
	900221		04/11/2011	Wall Clock, PD Trailer		\$12.23
66056	04/15/2011	Open			PAPE MACHINERY	\$97.56
	Invoice		Date	Description		Amount
	1735879		03/23/2011	John Deere loader back-up alarm		\$97.56
66057	04/15/2011	Open			PHIL ALLEGRI ELECTRIC, INC.	\$1,450.00
	Invoice		Date	Description		Amount
	15884		04/04/2011	Emergency Lights, Corp Yd		\$1,450.00
66058	04/15/2011	Open			PRINTING SYSTEMS, INC.	\$151.33
	Invoice		Date	Description		Amount
	68347		03/24/2011	Business License Envelopes		\$151.33
66059	04/15/2011	Open			PRINTWORX	\$1,755.00
	Invoice		Date	Description		Amount
	9866		03/14/2011	Capitola Visitor Brochure, BIA Funded Fund 1321, BIA		\$1,755.00
66060	04/15/2011	Open			QUARTARARO, ROD, V.	\$33.00
	Invoice		Date	Description		Amount
	2011-00000647		04/12/2011	Softball Umpires April 4 to 9 2011		\$33.00
66061	04/15/2011	Open			R & S ERECTION OF MONTEREY BAY	\$210.00
	Invoice		Date	Description		Amount
	32047		04/05/2011	Stuck garage door-CPD		\$210.00
66062	04/15/2011	Open			REED, DANIEL, H.	\$66.00
	Invoice		Date	Description		Amount
	2011-00000648		04/12/2011	Softball Umpires April 4 to 9 2011		\$66.00
66063	04/15/2011	Open			ROYAL WHOLESALE ELECTRIC	\$96.14
	Invoice		Date	Description		Amount
	7719-548117		03/15/2011	Emergency lights		\$96.14
66064	04/15/2011	Open			SACRAMENTO MAGAZINES CORP.	\$350.00
	Invoice		Date	Description		Amount
	560422		03/22/2011	Capitola Ad, BIA Funded Fund 1321, BIA		\$350.00
66065	04/15/2011	Open			SANTA CRUZ COUNTY PLANNING DEP'	\$16,438.00
	Invoice		Date	Description		Amount
	HAP EWS		04/07/2011	Cost Share of Homeless Action Ptnrship/Wi		\$16,438.00
66066	04/15/2011	Open			SANTA CRUZ MUNICIPAL UTILITIES	\$566.00
	Invoice		Date	Description		Amount
	Feb-Mar11		03/24/2011	Water Bills for Street Medians		\$566.00

City Checks - Payment Register

From Payment Date: 4/11/2011 - To Payment Date: 4/15/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
66067	04/15/2011	Open			SANTA CRUZ REGIONAL 911	\$25,713.50
	Invoice		Date	Description		Amount
	SCR911-CapDebt2		03/15/2011	FY10/11 Capital Debt Service, Part II		\$25,713.50
66068	04/15/2011	Open			SENTINEL PRINTERS, INC.	\$108.41
	Invoice		Date	Description		Amount
	292127		03/18/2011	Business Cards, Building Dept		\$108.41
66069	04/15/2011	Open			SPORT ABOUT	\$554.54
	Invoice		Date	Description		Amount
	3582		03/28/2011	T-shirt Awards Sports Leagues-Rec		\$554.54
66070	04/15/2011	Open			STAPLES	\$143.85
	Invoice		Date	Description		Amount
	46514		04/05/2011	Return IT Items		(\$217.98)
	46520		04/05/2011	Misc IT supplies, PD Relocation		\$361.83
66071	04/15/2011	Open			UNITED PARCEL SERVICE	\$33.15
	Invoice		Date	Description		Amount
	954791131		03/26/2011	Shipping-PD		\$33.15
66072	04/15/2011	Open			UNITED STATES POSTAL SERVICE	\$5,300.00
	Invoice		Date	Description		Amount
	6174		04/11/2011	Postage for mailing Summer brochure-Rec		\$5,300.00
66073	04/15/2011	Open			WALZ, CODY	\$33.00
	Invoice		Date	Description		Amount
	2011-00000645		04/12/2011	Softball Umpires April 4 to 9 2011		\$33.00
66074	04/15/2011	Open			WILLIAMS TREE SERVICE, INC.	\$2,985.00
	Invoice		Date	Description		Amount
	6074		03/25/2011	Emergency tree removal @ Soquel Creek b		\$2,985.00
66075	04/15/2011	Open			CSUS	\$350.00
	Invoice		Date	Description		Amount
	2011-00000650		04/08/2011	OTS travel-Eller		\$350.00
66076	04/15/2011	Open			Eller, Matt	\$185.40
	Invoice		Date	Description		Amount
	2011-00000643		04/08/2011	Travel for OTS Flight		\$185.40
66077	04/15/2011	Open			Manchester Grand Hyatt	\$371.25
	Invoice		Date	Description		Amount
	2011-00000642		04/08/2011	Lodging for OTS grant-Eller		\$371.25
Check Totals:				Count	66	Total \$116,876.27



Item #: 2.F.2)

CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: FINANCE DEPARTMENT
DATE: April 20, 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 April 15, 2011 as submitted.

DISCUSSION

The attached Check Register for the referenced date:

Date	Starting Check #	Ending Check #	Total Checks	Amount
4/15/11	2928	2931	4	\$13,888.17

The prior RDA check register report of April 1, 2011 ended with check number 2927.

There were no checks issued for more than \$10,000.00.

As of 4/20/11 the unaudited cash balance in the RDA account is \$71,905.54 allocated as follows:

RDA Operating Fund	\$65,637.78
RDA Low/Mod Housing Fund	\$6,267.76

ATTACHMENTS

Check Register Report dated:
April 15, 2011

Report Prepared By: Linda Benko
AP Clerk

Reviewed and Forwarded
By Executive Director:

RDA Checks Issued 4/15/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
2928	04/15/2011 Invoice 647980	Open	Date 03/08/2011	Description RDA Legal Services	BEST BEST & KRIEGER LLP	\$3,967.60
2929	04/15/2011 Invoice 3	Open	Date 04/01/2011	Description Capitola Library Study	CRITICAL SOLUTIONS INC.	\$5,015.57
2930	04/15/2011 Invoice CBF-3-2011-1	Open	Date 03/31/2011	Description Affordable Housing Plan Assist RDA Low/Mod Housing Fund	FLYNN, CAROLYN	\$1,800.00
2931	04/15/2011 Invoice RDA-1	Open	Date 04/01/2011	Description Rispin Mansion Building Inspections	KOSTELEK, DANIEL	\$3,105.00
Check Totals:					4	Total \$13,888.17

The above listed checks have been printed and released under the RDA Executive Director's approval. Included are checks numbered 2928 through 2931 for \$13,888.17 dated 4/15/11.

These checks has been reviewed and authorized for distribution.

The unaudited cash balance in the RDA account as of 4/15/11 is \$71,905.54:

RDA Operating Fund	\$67,084.32
Low/Mod Housing Fund	\$ 4,821.22

	4/15/11		4/15/11
Jamie Goldstein, City Manager	Date	Debbie Johnson, Treasurer - RDA	Date



Item #: **3.B.**

CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: OFFICE OF THE CITY CLERK/REDEVELOPMENT AGENCY SECRETARY

DATE: APRIL 20, 2011

SUBJECT: **CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY MINUTE APPROVAL:**
MINUTES OF THE EMERGENCY MEETING OF THE CITY COUNCIL OF MARCH 27,
2011, THE SPECIAL MEETING OF THE CITY COUNCIL OF MARCH 30, 2011, THE
SPECIAL JOINT MEETING OF THE CITY COUNCIL/REDEVELOPMENT AGENCY
OF APRIL 1, 2011, AND THE REGULAR JOINT MEETING OF THE CITY
COUNCIL/REDEVELOPMENT AGENCY OF APRIL 14, 2011

Recommended Action: By motion, that the City Council/Redevelopment Agency Directors approve the subject minutes as submitted.

DISCUSSION

Attached for City Council/Redevelopment Agency review and approval are the subject minutes.

ATTACHMENTS

Minutes of March 27 and 30, 2011, and April 1 and 14, 2011

Report Prepared By: Pamela Greeninger, MMC
City Clerk/RDA Secretary

Reviewed and Forwarded by
City Manager/Executive Director: _____

**CITY OF CAPITOLA
CITY COUNCIL**

March 27, 2011
Capitola, California

MINUTES OF AN EMERGENCY MEETING

1:00 P.M. - CLOSED SESSION - CITY MANAGER’S OFFICE

At 1:00 p.m. in the City Hall Council Chambers, Mayor Norton noted that all council members, with the exception of Council Member Harlan, were present. He made an announcement regarding the item to be discussed in Closed Session pursuant to the Notice and Call of an Emergency Meeting issued on March 26, 2011, as follows:

CONFERENCE WITH LEGAL COUNSEL – EMERGENCY SITUATION

(Government Code §54957)

Pursuant to Government Code Section 54957

Mayor Norton asked if there was anyone who wanted to address the Council regarding the Emergency Closed Session.

Seeing no one in the audience, the City Council recessed at 1:01 p.m. to the Closed Session in the City Manager’s Office.

1:30 P.M. - OPEN SESSION

Mayor Norton called the Emergency Meeting of the Capitola City Council to order at 1:30 p.m. on Sunday, March 27, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ROLL CALL AND PLEDGE ALLEGIANCE TO THE FLAG

PRESENT: Council Members Stephanie Harlan, Michael Termini, Kirby Nicol, Sam Storey, and Mayor/Chairperson Dennis Norton *(NOTE: Council Member Harlan was present during the Closed Session, although she was not present for the announcement.)*

ABSENT: None

OTHERS: City Treasurer Jacques Bertrand

STAFF: City Manager Jamie Goldstein, City Attorney John G. Barisone, Chief of Police Mike Card, Community Development Director Derek Johnson, Public Works Director Steve Jesberg, Building Official Mark Wheeler, Assistant to the City Manager Lisa Murphy, and City Clerk Pamela Greeninger

A. REPORT ON CLOSED SESSION [520-25]

No reportable action was taken in Closed Session.

B. EMERGENCY MEETING ON STATUS OF THE CITY OF CAPITOLA LOCAL EMERGENCY (Government Code §54956.5)

1. City Council review of Proclamation of Existence of a Local Emergency and determine that action continues to be necessary to abate all dangerous conditions relating to the floods. [420-50]

Mayor Norton introduced this item, stating that disasters are not new to Capitola; however, the events occurring over the past several days have never been experienced. He asked the City Manager to provide a report on this item.

City Manager Goldstein provided an overview of the events that have occurred in the City, which resulted in the flooding of Capitola Village pursuant to the News Release issued on March 27, 2011, at 1:30 p.m. entitled, "Capitola Village Flood Overview." He also stated that on March 24, 2011, at approximately 4:00 p.m., as Director of Emergency Services of the City of Capitola he issued a Proclamation of Existence of a Local Emergency, and the City Council has a draft resolution to consider, which makes the necessary findings to continue the local emergency.

Following his overview of the emergency situation, City Manager Goldstein informed the council that he and members of the Emergency Management Team are available to answer questions of council members. City Manager Goldstein, Chief of Police Card, and Building Official Wheeler responded to several questions.

Paul Horvat, County Office of Emergency Services, introduced himself and said his office will work closely with City staff in assessing damages to businesses and city infrastructure and will work on a disaster declaration to be sent to the State. Mayor Norton asked if Mr. Horvat could meet with the residents today. He explained that he does not have any forms or handout materials; however, he could provide information about how the process works.

Mayor Norton announced that the city is in the process of declaring this as an emergency and by so doing, asking for assistance and working toward obtaining financial aid.

Mayor Norton opened this matter to the public for comments at 1:50 p.m. The following property owners, residents and business owners addressed the Council:

Craig French said his family owns property at 104 and 106 Lawn Way. He believes it is important to understand if this event will be characterized as a flood or a casualty caused by a broken pipe. This finding will have huge consequences relative to insurance claims. Mr. French said he believes it is the later.

City Manager Goldstein said no final determination has been made on the cause; however, the failure of a drainage pipe underneath the top of Pacific Cove Mobile Home Park resulted in flood waters inundating both the Mobile Home Park and the Village.

Bruce Daniels commented on the repair of the pipe. He commented on significant developments pertaining to the watershed and suggested the city plan ahead, saying it is not wise to replace one thing with something that is not sufficient.

Scott Stein, Lavroma, 309 Capitola Avenue, expressed concern that there was no warning that the pipe would fail again.

Jay Bowyer, 115 Capitola Avenue, felt the response was good. He asked if there were some way the property owners/businesses could get parking permits in the Village for clean-up efforts.

Lin Banks, Capitola resident, commented on the efforts of her husband and the Capitola Volunteers in Policing who helped during the emergency response efforts.

Greg Tedesco, Magellan Street, offered some suggestions for staff to review in critiquing this event, including the possibility of installing a screw gate on the inlet pipe, which would allow the city to raise and lower the screw gate to control the water from Noble Gulch Creek and more openings from the Village to the beach. He also wished to praise the Public Works Department for all their work and also praised Assistant to the City Manager Murphy for tirelessly working for the residents of Pacific Cove Mobile Home Park.

Carol Lerno, Pacific Cove Mobile Home Park resident, urged the council to work with the residents to fix the park.

Kelly Brady, owner of a business at 307 Capitola Avenue (Capitola Suites vacation rentals), commented on the city's response and asked if there were a way they could block the street off so that furniture could be moved out of the building to dry. She also said people who are curious to see what has happened in the Village are making clean-up difficult.

Mayor Norton announced there were clipboards in the back of the room for businesses and residents needing assistance and for volunteers to sign up to help.

Toni Castro, Capitola-Soquel Chamber of Commerce, said this is a very unfortunate disaster. She offered the Chamber's support to assist the City with its clean-up efforts. Mayor Norton said if businesses wanted to contact the Chamber Office to obtain assistance, the phone number is 475-6522.

David Drivon, Pacific Cove Mobile Home Park, commended city staff on their professionalism during this unfortunate event.

David Lyng, Village business, thanked the city public works crew, police department and others. He suggested an email system, like a blog, be established where interested parties could get connected to the latest information. He expressed concern about the lack of communication.

Amie Forest, Oak Drive resident, thanked the Council for setting up the clipboards for volunteers and suggested setting up an account at a local bank to help small businesses during this disaster. She also encouraged people to offer to help and to come back to shop and support local businesses.

Pamela Bone-Hacker, resident of Pacific Cove Mobile Home Park, expressed concern about the inability to get out of the mobile home park. She would like to see another exit route. She also said she would like to be able to get back into the park to take care of her cats.

Brian Warhurst, owner of a triplex at 405 Riverview Avenue, discussed their clean-up efforts on Friday after the first flood. He said no one was prepared on Saturday when it occurred again. He said they could use some help obtaining a dumpster.

Barnaby Clark, property owner at 321 Capitola Avenue, asked for assistance in removing the dirt from the storm drains in the 300 block of Capitola Avenue.

Ann Schroedel, Pacific Cove Mobile Home Park resident, thanked Public Works Director Steve Jesberg, Assistant to the City Manager Lisa Murphy, all the police officers and other employees who have worked so hard during this emergency. She especially wanted to thank the person at the top of the hill who helped them climb up the hillside to safety. She is also thankful that no one was injured.

Gwen Thomas, Avalon Visions, commented that very few businesses were not affected by the flood. She also commented on the loss of business when the Village had to be evacuated for the Tsunami

Ray, the owner of a small business in the 100 block of Capitola Avenue, said it would be helpful if there were a check-list provided to property owners and businesses informing them as to what they needed to be aware of, what might be contaminated, etc. He wants to make sure things are cleaned up properly.

Bob Begun asked who owns the pipeline. Public Works Director Jesberg responded that staff will be looking into that once the emergency situation ends. Mr. Begun also asked if costs were being kept for emergency activities. Public Works Director Jesberg said staff has and will continue to track costs for the flood emergency.

Greg Tedesco asked if there were any chance of isolating the lower section of the park and slowly turning on everyone's power.

Public Works Director Jesberg provided an update on his department's work and responded to questions of council members.

Council Member Nicol suggested putting something on the scroll regarding donations to the flood.

Chief of Police Card said the police department could address the speakers' concerns about parking in the village, but they need direction.

Building Official Wheeler stated that a lot of the work is clean-up in nature, and he encouraged business owners and residents to go ahead and clean up. He doesn't see a lot of the work, such as sheet rock repair and flooring, requiring a permit. He said if there is something that needs more attention, he will work with the property owner to address those items.

Mayor Norton asked if the council would like to entertain a motion to waive building permit fees for flood victims.

ACTION: Council Member Termini moved, seconded by Council Member Storey, to waive building permit fees for all repairs related to the flood.

Under discussion of the motion, there was interest on behalf of the council to issue parking permits to the business owners and people who are performing flood repair work at businesses in the Village so that they can park their vehicles close to businesses for the entire day without needing to feed the meters. In addition, Council Member Termini questioned if it would be possible to allow only permit holders to park on Capitola Avenue for building repairs.

Chief of Police Card said the Police Department could issue transferable permits to the businesses and property owners and could work on signage to put on the meters to limit parking to vehicles with flood repair parking permits.

Public Works Director Jesberg noted that the city would not be charging for encroachment permits if people come in to obtain dumpsters in front of their businesses, and he asked that the council add that to their motion.

Council Member Termini amended his motion to direct staff to issue transferable parking permits to the business owners that can be used by those performing flood damage repair work in the Village, and that only permit holders be allowed to park on Capitola Avenue. In addition, businesses wishing to obtain dumpsters in front of their businesses will not be required to obtain an encroachment permit. Council Member Storey seconded the amended motion.

The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

City Manager Goldstein said a recommended resolution was provided for Council's consideration and adoption.

ACTION: Council Member Termini moved, seconded Council Member Storey, to adopt **Resolution No. 3863, Resolution Declaring that an Emergency condition continues to Exist as a Result of the Proclamation of Existence of a Local Emergency issued by the Director of Emergency Services on March 24, 2011, pertaining to Noble Gulch Creek Pipeline Failure and Subsequent Flooding of Pacific Cove Mobile Home Park, City Hall and Capitola Village.** The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

Mayor Norton then asked the following staff members to stand up, saying these are the people the businesses and residents will work with regarding the flood: Assistant to the City Manager Lisa Murphy, Building Official Mark Wheeler, Community Development Director Derek Johnson, Public Works Director Steve Jesberg, and City Manager Jamie Goldstein. If help is needed, please contact them at City Hall next week.

Mayor Norton announced that the City Council would be walking through the Village following the meeting and invited everyone to join them.

C. ADJOURNMENT

At 2:48 p.m. Mayor Norton adjourned the Emergency Meeting of the City Council to a Special Meeting to be held at 6:00 p.m. on Wednesday, March 30, 2011, and then to the next Regular Joint Meeting of the City Council/Redevelopment Agency to be held on Thursday, April 14, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Dennis R. Norton, Mayor

ATTEST:

Pamela Greeninger, City Clerk, MMC

**CITY OF CAPITOLA
CITY COUNCIL**

March 30, 2011
Capitola, California

MINUTES OF A SPECIAL MEETING

5:30 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE

At 5:34 p.m. in the City Hall Council Chambers, Mayor Norton noted that all council members were present. He made an announcement regarding the additional Closed Session item pertaining to Anticipated Litigation to be discussed pursuant to the Notice and Call of a Special Closed Session Meeting issued on March 29, 2011, as well as the Existing Litigation included on the posted agenda, as follows:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of §54956.9 of the California Government Code - Number of cases: Unknown

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

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)]

Mayor Norton asked if anyone wanted to address the Council regarding items on the Closed Session.

Seeing no one in the audience, the City Council recessed at 5:35 p.m. to the Closed Session in the City Manager's Office.

6:00 P.M. - OPEN SESSION

Mayor Norton called the Special Meeting of the Capitola City Council to order at 6:16 p.m. on Wednesday, March 30, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

1. ROLL CALL AND PLEDGE ALLEGIANCE TO THE FLAG

PRESENT: Council Members Stephanie Harlan, Michael Termini, Kirby Nicol, Sam Storey, and Mayor Dennis Norton

ABSENT: None

OTHERS: City Treasurer Jacques Bertrand

STAFF: City Manager Jamie Goldstein, City Attorney John Barisone, Community Development Director Derek Johnson, Chief of Police Mike Card, Public Works Director Steve Jesberg, Assistant to the City Manager Lisa Murphy, and City Clerk Pamela Greeninger

2. REPORT ON CLOSED SESSION [520-25]

Mayor Norton asked for a report on the Closed Session from the City Attorney.

City Attorney Barisone reported that there was a Special Closed Session Meeting for anticipated litigation, as well as for existing litigation pertaining to ongoing defense of Los Altos/El Granada Investors vs. City of Capitola, et al. (Castle Mobile Estates). The City Council received status reports on both of those matters from the city attorney, the city manager and the public works director. No reportable action was taken in Closed Session.

3. ORAL COMMUNICATIONS

1) Hank Ryan, resident of Surf and Sand Mobile Home Park, expressed concerns pertaining to comments made by Bob Begun in the Capitola Times regarding the mobile home park litigation and settlement. Mr. Ryan submitted written information previously provided to staff pertaining to a “Model Park” approach as it relates to using sustainability as an economic development tool, resource conservation in a mobile home park, infrastructure rehabilitation costs, etc.

Mayor Norton informed Mr. Ryan that Bob Begun is not a council member and does not speak for the city. **[750-25 Surf & Sand Mobile Home Park]**

2) City Manager Goldstein provided an update on the installation of a new pipe at Pacific Cove Mobile Home Park, the status of mobile home park residents, relocation of the Police Department to modular units located in the Pacific Cove Parking Lot, continued clean-up efforts, a fund established by the Capitola Soquel Chamber of Commerce for flood victims, and volunteer efforts.

3) Council Member Termini thanked the Red Cross for their assistance, and he also thanked a number of local contractors who volunteered their time in the clean-up efforts. He announced that plans are under way for a Fundraising Event to be held in Capitola Village on Saturday, April 9. There will be several bands playing at the Bandstand, a tent will be set up for displaced businesses at the Mercantile parking lot, the sign ordinance will be suspended, and businesses will be able to use the sidewalk during this event.

4) Mayor Norton said City Manager Jamie Goldstein has been a great leader through this emergency, and he thanked him and his staff for their efficiency and hard work. **[420-50]**

4. PUBLIC HEARING

A. **Public Hearing to receive presentation from Millennium Housing regarding the proposed acquisition of Castle Mobile Home Estates and to provide direction to staff. Presentation: Community Development Department. [750-25/500-10 City A/C & 760-05 RDA A/C: Millennium Housing/City/Redevelopment Agency]**

Community Development Director Johnson provided the staff report on this item and responded to questions of Council Members.

George Turek, President of Millennium Housing, said they have many mobile home parks in the state, the closest parks being in Morgan Hill and Salinas. Mr. Turek believes this is an exciting project for their organization, and the city will benefit by there being no more litigation. In addition, the residents will make decisions about their park. After his presentation Mr. Turek responded to questions of council members pertaining to the two options contained in the agenda report.

Mayor Norton opened the public hearing at 7:17 p.m.

The following people addressed the Council in support of Millennium Housing’s proposal to acquire Castle Mobile Home Estates:

Brian Seals, Castle Mobile Home Estates resident
 Ken Cook, Castle Mobile Home Estates resident
 Eiko Moss, Castle Mobile Home Estates resident
 Staci Bartle, Castle Mobile Home Estates resident
 Steve Pelton, Castle Mobile Home Estates resident
 Don MacLauchlan, Castle Mobile Home Estates resident
 John Davis, Castle Mobile Home Estates resident

4. A. PUBLIC HEARING (Continued)

The following people addressed the City Council regarding this item:

Rick Halterman, Castle Mobile Home Estates resident, does not agree with the proposed agreement and has concerns about Redevelopment Agency funding should the state prevail in its budget cuts. He also commented that this plan provides for 64 affordable units; however, the last time statistics were done by the Housing Authority for their park, there were 62 very low-income units, 20 lower-income units, and 10 moderate-income units, for a total of 92 units. Mr. Halterman believes of the two options being considered by the Council, Option B would be the best option.

Ken Cook, Surf and Sand Mobile Home Park resident, asked about the income levels and how they are being treated by the City. Mr. Cook asked if this information is uniform across all the agreements that are being made regarding mobile home parks in terms of how they are being treated and looked at, or whether it is individual to each park.

Community Development Director Johnson said the standards set forth in the recent ordinance amendment and what is contemplated in this agreement are the uniform standards for income certification and qualification. He also informed Mr. Cook that a meeting has been scheduled for next Friday afternoon, April 8, 2011, to discuss the adopted ordinance and other questions park residents might have.

Mayor Norton closed the public hearing at 7:39 p.m.

Community Development Director Johnson provided clarification to the council pertaining to the two options provided in the agenda report. He, City Manager Goldstein and Mr. Turek of Millennium Housing responded to questions of council members.

Considerable Council discussion was followed by this action:

ACTION: Council Member Termini moved, seconded by Council Member Storey, to approve the proposal from Millennium Housing to acquire Castle Mobile Home Estates directing staff to revise the tentative rent structure to provide an increased rental subsidy to the lowest income households, fully understanding that the final numbers are not available and could be a lower or higher. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

Council Member Harlan noted that staff has heard the Council's concerns, and she hopes staff will come back with answers to those concerns.

* * * * *

City Manager Goldstein said there may be a need for the City Council/Redevelopment Agency to meet before the end of the week. He asked members to check their calendars for Friday, April 1, 2011.

Council discussion was followed by this action:

ACTION: It was the consensus of City Council to schedule a special joint meeting of the City Council/Redevelopment Agency on Friday, April 1, 2011, at 8:00 a.m.

5. ADJOURNMENT

The City Council adjourned at 8:11 p.m. to a Special Joint Meeting of the City Council/Redevelopment Agency to be held at 8 a.m. on Friday, April 1, 2011, and then to the next Regular Joint Meeting of the City Council/Redevelopment Agency to be held on Thursday, April 14, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Dennis R. Norton, Mayor

ATTEST:

Pamela Greeninger, City Clerk, MMC

**CITY OF CAPITOLA
CITY COUNCIL/REDEVELOPMENT AGENCY**

April 1, 2011
Capitola, California

MINUTES OF A SPECIAL JOINT MEETING

Mayor/Chairperson Norton called the Special Joint Meeting of the Capitola City Council/Redevelopment Agency to order at 8:03 a.m. on Friday, April 1, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

A. ROLL CALL AND PLEDGE ALLEGIANCE

PRESENT: Council Members/Directors Stephanie Harlan, Michael Termini, Kirby Nicol, Sam Storey, and Mayor/Chairperson Dennis Norton.

ABSENT: None

STAFF: City Manager/Executive Director Jamie Goldstein, Community Development Director/Deputy Executive Director Derek Johnson, and City Clerk/Secretary Pamela Greeninger

B. ORAL COMMUNICATIONS

Ann Schroedel, Pacific Cove Mobile Home Park resident, thanked everyone for all their assistance, especially the city staff and the Red Cross. She said everyone is doing a great job, and the residents of Pacific Cove really appreciate everything that people are doing. Mayor Norton also commented that Kim Hogan and Gayle Ortiz have been providing meals to the residents and should be recognized for their efforts.

Richard Tessen, 340 Bay Avenue, submitted a letter regarding the recent flooding that occurred at Pacific Cove Mobile Home Park and in Capitola Village. He also submitted a photo taken in Noble Gulch Park, which shows the entrance to the culvert of Noble Gulch Creek. He expressed concern that there was very little effort to clear that culvert, and believes the culvert is adequate, but there is a lack of ongoing clearing of trees, brush and debris from the steel guard posts at the entrance. **[420-50]**

Council Member Storey asked what day and time the photo was taken. Mr. Tessen said it was about 10 a.m. on Saturday morning.

Mayor Norton asked how the culvert appeared at 5 p.m. on Thursday. Mr. Tessen said it was flowing at that time.

City Manager Goldstein provided a brief update regarding the replacement of pipes and responded to questions of council members.

City Attorney Barisone commented that members of the public may want to attend the next Zone 5 meeting to express their concerns about this incident and to ask the board to inform them of the facilities and how they function, especially during a storm. Council Member Nicol, the city's representative to Zone 5, said the board just met; they typically meet on a quarterly basis. He will check with their staff regarding the next meeting date.

Council Member Harlan suggested Council Member Nicol see if a special meeting could be called. He said the board really could not do much until the engineer's report is completed. City Attorney Barisone said the report should be done within the next 30 days.

C. PUBLIC HEARING

1. **City/RDA: Public Hearing to Consider a Public Infrastructure Agreement between the City of Capitola, the Redevelopment Agency of the City of Capitola, and The Macerich Partnership to fund pedestrian access improvements, landscaping, and public transit facilities as part of redevelopment of the Capitola Mall. Presentation: City Manager/Executive Director. [500-10 CITY A/C & 760-05 RDA A/C: Macerich Property Management Company, LLC]**

City Manager/Executive Director Goldstein summarized the written agenda report utilizing a PowerPoint Presentation. He explained this matter is coming before the Agency/City now as it relates to project timing, including the state budget and the complexities of redevelopment of Capitola Mall. He provided an overview of the key elements of the proposed agreement, summarized the recommended action, and responded to questions of Council Members/Directors.

Chuck Davis, Vice President of Development for the Macerich Property Management Company, Santa Monica, California, provided an overview of properties in the Bay area for which he is responsible. He also explained the complexity of Mall ownership and challenges they have when considering improvements to the Mall. Following his presentation, Mr. Davis responded to members' questions.

Mayor/Chairperson Norton opened the public hearing at 9 a.m.

Gary Wetsel, Capitola resident and business owner, stated that he is in favor of modernizing the Mall; however, he is concerned about this meeting being called at this time and the public not having an opportunity to speak to this item. He is also concerned that the council members and public have not had a chance to thoroughly review this information, and he would like the council/ directors to take more time before making this commitment.

Bob Begun, Capitola resident and member of the Finance Advisory Committee, asked for the history as to how this proposed agreement came about.

City Manager/Executive Director Goldstein explained the city's involvement in discussions going back to the sale of the Gottschalks property when Rich Hill was City Manager. He provided a summary of events leading to the proposed agreement and responded to additional questions from Bob Begun.

Community Development Director/Deputy Executive Director Johnson said there is a growing optimism regarding continuance of Redevelopment; however, bills are still on the table before the senate and the assembly to eliminate Redevelopment, and they are both on call to meet this weekend.

Mayor/Chairperson Norton closed the public portion of the hearing at 9:13 a.m.

There was no additional comment prior to the following motion being made:
ACTION: Council Member/Director Nicol moved, seconded by Council Member/Director Termini, to approve the recommended actions, including adoption of the proposed City Council and Redevelopment Agency resolutions, authorization to City Manager/Executive Director to execute a Public Infrastructure Agreement, and determination that the project is exempt pursuant to Sections 15301 and 15302 of the California Environmental Quality Act.

C. 1. PUBLIC HEARING (Continued)

There were additional council/directors comments regarding the motion prior to the following vote being taken: The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor/Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

Pursuant to the above-mentioned action, the City and the Redevelopment Agency actions are as follows:

CITY ACTION:

- 1) Adopted City Council **Resolution No. 3864, Resolution Authorizing the City Manager to Execute a Public Infrastructure Agreement and making required Statutory Findings in Connection Therewith;** and
- 2) Directed the City Manager to execute a Public Infrastructure Agreement between the City of Capitola, the Redevelopment Agency of the City of Capitola, and The Macerich Partnership in a form substantially similar to the proposed Agreement.

The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

RDA ACTION:

- 1) Adopted **Agency Resolution No. 2011-6, Resolution Authorizing the Executive Director to Execute a Public Infrastructure Agreement and making required Statutory Findings in Connection Therewith;** and
- 2) Directed the Executive Director to execute a Public Infrastructure Agreement between the City of Capitola, the Redevelopment Agency of the City of Capitola, and The Macerich Partnership in a form substantially similar to the proposed Agreement.

The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey, and Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

D. ADJOURNMENT

The City Council/Redevelopment Agency adjourned at 9:24 a.m. to the next Joint Regular Meeting of the City Council/Redevelopment Agency to be held on Thursday, April 14, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Dennis R. Norton, Mayor
Redevelopment Agency Chairperson

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk
Redevelopment Agency Secretary

**CITY OF CAPITOLA
CITY COUNCIL/REDEVELOPMENT AGENCY**

April 14, 2011
Capitola, California

MINUTES OF A REGULAR JOINT MEETING

5:30 P.M - CLOSED SESSION - CITY MANAGER’S OFFICE

At 5:32 p.m. in the City Hall Council Chambers, Mayor/Chairperson Norton noted that all Council Members/Redevelopment Agency Directors were present. He made an announcement regarding the items to be discussed in Closed Session, as follows:

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

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.

LIABILITY CLAIMS (Govt. Code §54956.95)

Claimant: David and Vanessa Drivon
Agency claimed against: City of Capitola

Claimant: Theresa Viola
Agency claimed against: City of Capitola

Claimant: David Moore, on behalf of Dorean Moore
Agency claimed against: City of Capitola

Claimant: Natthakan Inpong
Agency claimed against: City of Capitola

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Titles: City Manager and City Attorney

Mayor/Chairperson Norton noted that there was no one in the audience; therefore, the City Council/Redevelopment Agency recessed at 5:33 p.m. to the Closed Session in the City Manager’s Office.

REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY

Mayor/Chairperson Norton called the Regular Joint Meeting of the Capitola City Council/Redevelopment Agency to order at 7:06 p.m. on Thursday, April 14, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ROLL CALL AND PLEDGE OF ALLEGIANCE

PRESENT: Council Members/Directors Stephanie Harlan, Michael Termini, Kirby Nicol, Sam Storey, and Mayor/Chairperson Dennis Norton

ABSENT: None

OTHERS: City Treasurer Jacques Bertrand and Redevelopment Agency Treasurer Debbie Johnson

STAFF: City Manager/Executive Director Jamie Goldstein, Deputy City Attorney/General Counsel Celestial Cassman, Community Development Director/Deputy Executive Director Derek Johnson, Police Captain Tom Held, Public Works Director Steve Jesberg, Assistant to the City Manager Lisa Murphy, and City Clerk/Secretary Pamela Greeninger

*** * * PRESENTATIONS * * ***

**Presentation on the United Way
by Mary Lou Goeke, Executive Director [330-30]**

Mary Lou Goeke thanked the council members for the opportunity to provide information regarding the use of the city's community grant funding to the United Way. She said the funding is used by the Child Abuse Prevention Committee to provide information to parents about strengthening and connecting families, so as to prevent child abuse and neglect and to keep children safe. Ms. Goeke provided packets of materials regarding the work of the Child Abuse Prevention Committee, including information regarding their Positive Planning Program (Triple P), which is being launched to increase parents' knowledge and skills in parenting. The United Way appreciates the support Capitola has given to help them make this program available to parents in the community.

Ms. Goeke also commented on the 2-1-1 system, and thanked the Council for their support. She informed the Council that they received approximately 900 calls in March responding to various emergency situations, including the Capitola flood, the tsunami, etc. Council Member Storey said it was very helpful for him to refer people to 2-1-1 during the city's flood. It was suggested that information regarding the 2-1-1 number be put on the city's scroll and website.

**Presentation by the Capitola Police Department regarding
Code Enforcement Projects by Community Service Officer Chad Keane [480-05]**

Police Captain Held introduced the city's Community Service Officer Chad Keane, who provided a report on Code Enforcement Projects. Utilizing a PowerPoint Presentation, Officer Keane shared an example of an abandoned vehicle/visual blight situation, which was corrected. He said the Police Department has been working with the Community Development Department to develop a process for addressing code enforcement issues. He informed the council that Community Development Director Johnson developed a tracking matrix for code enforcement items that has worked very well, and sample violation letters have been prepared and were approved by the city attorney. Following his presentation, Community Service Officer Keane responded to questions of council members.

Mayor Norton and the council members thanked Chad for an excellent presentation.

1. REPORT ON CLOSED SESSION [520-25]

Deputy City Attorney Cassman advised that all members of the City Council/ Redevelopment Agency were present for the Closed Session, which commenced at approximately 5:35 p.m. in the City Manager's Office.

1. REPORT ON CLOSED SESSION (Continued)

Deputy City Attorney Cassman reported that the Council/Directors received status updates and provided direction on each of the four agenda items of existing litigation, and took no reportable action on these cases in Closed Session.

There was brief mention of significant exposure to litigation between Vieira Enterprises, Inc., vs. City of Capitola (Cabrillo Mobile Estates).

The City Council received a report on the four liability claims against the City listed on the agenda, provided direction to staff, and took no reportable action in closed session in the interest of collecting additional information and potential further claims to be discussed in an open session meeting on April 28, 2011.

Public employee evaluations of the City Manager and the City Attorney were conducted and no reportable action was taken.

2. ORAL COMMUNICATIONS**A. Additions and Deletions to Agenda – None****B. Public Comments**

1) Margaret Kinstler, representing the Capitola Village Residents' Association, reported that Mayor Norton had asked their group to collect donations for the flood victims. She was happy to report that the CVRA collected \$6,188. Mayor Norton thanked them for all their work.

2) City Clerk Greeninger informed the Council that Bob Begun asked her to read a statement for him under Oral Communications, as he had eye surgery and was not able to read it himself. In his email statement he thanked staff and the council for doing an excellent job with respect to the flood. He expressed concerns about the infrastructure to Pacific Cove Mobile Home Park and his concern regarding it being used as a place of residence. Mr. Begun strongly suggested that the council have a public hearing on the future use of the mobile home park as soon as possible. *(A copy of Mr. Begun's statement is on file.)* [260-10]

C. Staff Comments

1) City Manager Goldstein stated that due to the flood emergency, staff is recommending that the Budget Calendar be adjusted. He provided a tentative, revised schedule on the overhead for the Council to view. He said the distribution of the budget would be pushed back two weeks, to May 20, and the presentation of the proposed budget would be held on Wednesday, May 25. He would recommend this revised calendar in order to capture costs of flood damage. City Manager Goldstein noted that staff can revise the Budget Calendar without City Council action, but he wanted to make certain the revised meeting dates would work for everyone.

ACTION: It was the consensus of the City Council to approve the Revised Budget Calendar proposed by staff and directed that the final document be distributed to the council and all interested parties. [330-05/520-40]

2) Police Captain Held announced that Police Officers Guillermo Vazquez and Kelly Minium received awards from MADD for their efforts in arresting DUI's. In addition, Sergeant Darrell Harrison was recognized by the Office of Traffic Safety for his years of service and his dedication and commitment in removing drunk drivers from our roads. The awards were presented on Wednesday, April 13, 2011, at a luncheon ceremony held at the Steinbeck Center in Salinas.

2. ORAL COMMUNICATIONS (Continued)

D. City Council/RDA Director/Treasurer Comments/Committee Reports

1) Council Member Termini commented on the party that was held in the Village on Saturday to raise funds for residents and businesses affected by the flood in Capitola Village and Pacific Cove Mobile Home Park. He also reminded everyone that on April 15 and 16 New Leaf Market will be donating a percentage of their sales to the Flood Relief Fund. In addition, Council Member Termini announced that Bay Federal Credit Union has special zero percent interest loans for flood victims.

2) Council Member Nicol advised that he spoke to management of Fairfield Inn, and the new target date for opening the hotel is June 1.

3) As the City's Representative on Santa Cruz County Regional Transportation Commission, Council Member Nicol announced that he has appointed Andy Ward to serve as the city's representative on the SCCRTC Bicycle Committee. Andy has served as the city's alternate to Daniel Kostelec for several years. Council Member Nicol said he is looking for an alternate for that committee, and he encouraged anyone interested in serving to contact him. **[770-05/110-10]**

4) Council Member Harlan reported on her attendance at the AMBAG meeting held in Watsonville this week. Under the Monterey Bay Sanctuary Report, she said a motion of the AMBAG Board was approved to support the resolution of the Monterey Bay National Marine Sanctuary Advisory Council which supports the efforts of local businesses to transition away from single use plastics bags and supports efforts to remove plastic bag litter from the shores, rivers and waters of Monterey Bay National Marine Sanctuary.

5) Mayor Norton announced that he attended the electric charging station dedication at Ecology Action on April 12, 2011.

E. Committee Appointments – None

F. Approval of Check Register Reports

1) **City: Approval of City Check Register Reports for March 18, March 25 and April 1, 2011. [300-10]**

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to approve the Check Register Reports dated March 18, March 25, and April 1, 2011, including checks numbered 65757 through 65804 in the amount of \$55,880.66, checks numbered 65805 through 65888 in the amount of \$149,186.19, and checks numbered 65889 through 65926 in the amount of \$171,216.29, respectively; and payroll disbursements for the March 25, 2011, payroll in the amount of \$177,060.42, for a Grand Total of \$553,343.51, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

2) **RDA: Approval of Redevelopment Agency Check Register Report dated March 18 and April 1, 2011. [760-25]**

Director Nicol had question about the low-moderate housing transfer of \$730,000. Executive Director Goldstein said the transfer was made as a result of the Cooperation Agreement between the City and the Redevelopment Agency.

Director discussion was followed by this action:

ACTION: Director Nicol moved, seconded by Director Harlan, to approve the Check Register Report dated March 18 and April 1, 2011, including checks numbered 2913 through 2923 in the amount of \$1,306,797.70, and checks numbered 2924 through 2927 in the amount of \$13,511.79, as submitted. The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey, and Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

3. CONSENT CALENDAR

Mayor/Chairperson Norton asked if there were any items on the Consent Calendar that members of the public or the City Council/Redevelopment Agency Directors wished to pull for separate discussion. No items were pulled for separate discussion.

CONSENT CALENDAR ACTION: Council Member/Director Termini moved, seconded by Council Member/Director Storey, to approve the Consent Calendar, as recommended. The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor/Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

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.

ACTION: The City Council unanimously approved the reading by title of all Ordinances and Resolutions and declared that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

B. City/RDA: Approve City Council/Redevelopment Agency Minutes of the Joint Regular Meetings of March 10 and March 24, 2011, and the Special Joint Meetings of March 14 and March 18, 2011.

ACTION: Council Member/Director Termini moved, seconded by Council Member/Director Storey, to approve the Minutes of the Joint Regular Meetings of the City Council/Redevelopment Agency of March 10 and March 24, 2011, and the Special Joint Meetings of the City Council/Redevelopment Agency of March 14 and March 18, 2011, as submitted. The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor/Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

C. Receive Planning Commission Action Minutes for the Regular Meeting of April 7, 2011. [740-50]

ACTION: Council Member Termini moved, seconded by Council Member Storey, to receive the Planning Commission Action Minutes for the Regular Meeting of April 7, 2011, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

4. PUBLIC HEARINGS - None**5. OTHER BUSINESS**

A. Capitola Village Parking Structure Planning Project and Traffic Impact Analysis. Staff recommendation: receive and accept reports from Watry Design, Inc., and RBF Consulting, and direct staff to develop a financing plan for the project and allocate funds as available in the FY 2011/2012 Budget. [265-10/700-20]

Public Works Director Jesberg provided a brief verbal report on this item and summarized the recommended action.

Michelle Wendler of Watry Design, Inc., presented the results of the study utilizing a PowerPoint Presentation. She responded to questions of council members regarding various aspects of the report.

Mayor Norton opened this item to the public for comments at 8:24 p.m. (*NOTE: It was decided to receive and take action on each report separately.*)

Nels Westman, on behalf of the Traffic & Parking Commission, commended the council for taking this positive step toward a solution of the parking shortage in Capitola Village. He said the Commission was impressed with the report and is supportive of a parking structure.

5. A. OTHER BUSINESS (Continued)

Mr. Westman said the Commission supports Option 1 of the Watry report and would urge the council to continue working toward a parking solution.

There being no other speakers, Mayor Norton closed the item to the public at 8:27 p.m.

After considerable council discussion, the following action was taken:

ACTION: Council Member Termini moved, seconded by Council Member Storey, to receive and accept the report prepared by Watry Design, Inc., with Field Paoli Architects, on the Capitola Village Parking Structure Planning Project for the City of Capitola, dated February 18, 2011, and provided direction to staff to forward the report to the General Plan Advisory Committee for review, to incorporate solar panels (photovoltaic) into future design, and to develop and return to Council with a financing plan to include private sector participation when staff workload permits. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

Mayor Norton then asked for the presentation on the Traffic Impacts from RBF Consulting.

Frederik Venter, RBF Consulting Monterey Bay, provided an overview of the Final Traffic Impact, Circulation and Congestion Relief Study for the Pacific Cove Village Parking Structure utilizing a PowerPoint Presentation. He discussed the Levels of Service (LOS) in various areas in the city, reviewed the various options that were considered for various intersections (including roundabouts), commented on variable message signs (VMS) at the gateways of the City directing motorists to the city's parking facilities, etc. Following his presentation, Mr. Venter responded to questions of council members.

Mayor Norton asked if anyone from the public wished to address the council on this item. No one came forward.

Council discussion was followed by this action:

ACTION: Council Member Termini moved, seconded by Council Member Storey, to receive and accept the Traffic Impact, Circulation and Congestion Relief Study for the Pacific Cove Village Parking Structure prepared by RBF Consulting, Monterey Bay, and directed that the report also go to the General Plan Advisory Committee for review. The motion carried unanimously.

B. Lease of City Property located at 504 Beulah Avenue to Tiki Cab LLC for storage of Pedi-Cabs during the months of May through September. Staff recommendation: approve lease agreement. [860-10 Leases-City Property/500-10 A/C: Tiki Cab LLC]

Public Works Director Jesberg provided a brief staff report on this item utilizing a PowerPoint Presentation. He said the Traffic & Parking Commission looked at various options to store vehicles during the summer months, and they unanimously support the proposed location. Following his presentation, he responded to questions of council members.

Rob Yount addressed the council, saying it has been a great learning process providing the Pedi-Cab service to Capitola Village. He said having a central storage area location will be advantageous to the Tiki Cab drivers.

Public Works Director Jesberg asked Mr. Yount to announce the Job Fair for Tiki Cab drivers. Mr. Yount responded there would be a Job Fair on Saturday, April 23, from 8 am to 12 noon in the Pacific Cove Parking Lot behind City Hall for persons, 21 years of age or older, who are interested in driving a pedi-cab this summer.

5. A. OTHER BUSINESS (Continued)

Council Member Storey said Tiki Cabs are such a creative solution to the traffic problems in Capitola Village. He asked for a phone number people can call to schedule a Tiki Cab. Mr. Yount said the main number to call is 831-421-1718, and that each driver will have his/her own cell phone number.

Council Member Harlan said there are people who cannot walk out to the end of the Wharf, and she asked if the Tiki Cabs would go on the Wharf. Mr. Yount said they could.

Council discussion was followed by this action:

ACTION: Council Member Termini moved, seconded by Council Member Harlan, to approve the Lease between the City of Capitola and Tiki Cab LLC, for a portion of City property located at 504 Beulah Avenue for the storage of pedi-cabs used to transport people to and from the Village during the summer months, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

C. Rispin Property Hazard Abatement Project. Staff recommendation: Accept update report and, by 4/5 vote approval, make the determination that all hazards at the Rispin Property have not been eliminated, and there is need to continue action. [275-60]

Utilizing a PowerPoint Presentation, Public Works Director Jesberg updated the council on the hazard abatement project on the Rispin site. He also announced that there would be a Public Planning Workshop to receive input from the public for developing a master plan for Rispin Park. He said RMM has been contracted to conduct a workshop, which is tentatively scheduled for Wednesday, May 4, 2011. The time and place is yet to be determined.

Council discussion was followed by this action:

ACTION: Council Member Termini moved, seconded by Council Member Storey, to accept the update report on the Rispin Property Hazard Abatement Project and made the determination that all hazards at the Rispin Property as detailed in the March 1, 2011, Notice of Summary Abatement Order to Abate Dangerous Buildings and Grounds have not been eliminated and that there is a need to continue action. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

D. Pacific Cove Storm Drain Repair Project. Staff recommendation: Accept update report and, by 4/5 vote approval, make the determination that an emergency condition remains as detailed in Resolution No. 3863 adopted on March 27, 2011, and there is need to continue action. [260-50/420-50]

Utilizing a PowerPoint Presentation, Public Works Director Jesberg provided an update on the storm drain repairs in the Pacific Cove Mobile Home Park, as well as the sanitary sewer work. He said final grading and road repairs should be completed next week, and he anticipates water and electrical power should also be restored next week. Public Works Director Jesberg reviewed the estimated flood response costs and potential funding sources and disaster assistance from the state and/or federal government. He also discussed private assistance available and criteria to receive such assistance.

Public Works Director Jesberg and City Manager Goldstein then discussed repairs to the Police Department.

5. D. OTHER BUSINESS (Continued)

In addition, Public Works Director Jesberg announced that the Capitola Village Flood Relief Fund has approximately \$21,000 available for businesses and residents affected by the flood. The Capitola-Soquel Chamber of Commerce is administering the fund and will be processing applications for assistance. The deadline to apply is May 1, 2011. Applications are available at the Chamber office and on their website at <http://www.capitolachamber.com>. Proper documentation will need to be submitted. Businesses and residents can call the Chamber at 831-475-6522 with questions.

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to accept the update report on the Pacific Cove Storm Drain Repair Project and made the determination that an emergency condition remains as detailed in Resolution No. 3863 adopted on March 27, 2011, and that there is a need to continue action. The Council also agreed with the staff's pursuit of obtaining estimates to repair the police department as it exists and for an estimate to reconfigure the offices based on the proposed plan presented by Public Works Director Jesberg. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

6. COUNCIL/RDA DIRECTORS/STAFF COMMUNICATIONS

Council Member Nicol asked how much longer the residents of Pacific Cove Mobile Home Park would need to stay at Capitola Inn. Public Works Director Jesberg said it would probably be for about two weeks.

Council Member Nicol also stated he wished to go on record commending the efforts of everyone during this disaster. He really feels this community has come together in the trials and tribulations of the floods, and he is heartened by the civic pride and community spirit.

7. ADJOURNMENT

The City Council/Redevelopment Agency adjourned at 10:04 p.m. to its next Regular Joint Meeting to be held on Thursday, April 28, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Dennis R. Norton, Mayor
Redevelopment Agency Chairperson

ATTEST:

, MMC
Pamela Greeninger, City Clerk
Redevelopment Agency Secretary



Item #: **3.C.**

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: POLICE DEPARTMENT
DATE: APRIL 20, 2011
SUBJECT: APPROVAL TO HIRE ONE RECORDS CLERK POSITION IN THE POLICE DEPARTMENT AND AUTHORIZE THE CITY MANAGER TO RECRUIT

Recommended Action: By motion and roll call vote, that the City Council approve hiring of one Records Clerk position in the Police Department and authorize the City Manager to proceed with the recruitment.

BACKGROUND

The Police Department's Records Manager has submitted a letter of intent to retire effective July 1, 2011, thereby creating a vacancy in the Records Department. After the Records Manager's retirement, the senior Records Clerk will assume the Records Manager position on an interim basis, working out of class as the City explores alternatives to the existing Police Department Records staffing. Another Records Clerk is required to fill the position being vacated by the senior Records Clerk.

DISCUSSION

Before the staffing reductions in the Police Department during the 2009/2010 Fiscal Year, there were 3.5 regular Records Clerks, one thirty-hour Records Clerk at the Mall Outreach location (through grant funding), and the Records Manager. With the retirement of the current Records Manager, two total personnel will make up the Police Department Records staff. It is important to fill this position as soon as possible to maintain the department's records and evidence integrity.

Council has given direction that a general hiring freeze is in place for all City employment except for Police Officer positions. The Records Clerk position is essential to the day-to-day operation of the front office of the Police Department. The staffing of the Records Department is at bare minimum at this time with only three staff members. The attached job description provides an overview of the extensive range of services provided by the Records Clerk position.

FISCAL IMPACT

The Records Department is fully funded for one Records Manager and two Records Clerk full-time positions at this time. While the interim Records Manager is filling that position, there would be a salary savings.

ATTACHMENTS - Records Clerk Job Description

Report Prepared By: Mike Card, Chief of Police

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

RECORDS CLERK

GENERAL PURPOSE

Performs a variety of administrative and record keeping functions including but not limited to data entry via a computer, customer service, answering phones and records maintenance.

SUPERVISION RECEIVED

Works under the close supervision of the Police Records Manager.

SUPERVISION EXERCISED: None.

ESSENTIAL DUTIES AND RESPONSIBILITIES

Organizes, assembles and files Criminal Offender Record Information and other police records, both current and archival.

Purges and destroys old police records and files.

Receives incoming calls, determines nature and urgency of calls, and coordinates appropriate response.

Operates a cash register during the course of selling permits, accepting various payments, and releasing vehicles.

Provides a variety of police related information to the public and governmental agencies & conducts tours of police department.

Coordinates repairs and service on city-owned equipment.

Receives, stamps and distributes mail, processes outgoing mail.

Acts as court liaison, processing and tracking subpoenas.

Assists in training and supervising student interns and new or subordinate employees.

Secures and maintains evidence and associated monitoring and record keeping.

Issues, maintains and tracks parking permit program.

Administers the city's parking adjudication program.

Prepares and composes a variety of reports, correspondence and forms.

hand truck.

Transports files, parking meter proceeds and supplies weighing up to 60 pounds requiring use of

Fingerprints members of the public, when required, for various licenses or permits.

Maintains daily police blotter.

Records and files citations; maintains report files.

Enters and queries a variety of law enforcement management systems, i.e., LEADS, DMV, CLETS, NCIC, etc.

Prepares the Uniform Crime Reports (UCR) and monthly arrest and citation register (MACR).

Processes and tracks all 11590 and 290 registrants.

Provides administrative support for the Lieutenants and Police Chief, as well as the investigation unit.

Distributes vehicle abatement letters.

Maintains and orders all office supplies.

Maintains Departmental Manual.

Designs police flyers and brochures.

Sign-off correctable moving violation tickets

Processes special event permits.

Maintains and tracks all police invoices, process to appropriate accounts.

Daily deposit reconciliation.

Credit Consulting Service liaison, responsible for processing all DUI/Booking Fee reimbursements.

Order and track coin machine in Pacific Cove parking lot.

Perform record clerk job functions in offsite locations.

PROPERTY DUTIES AND RESPONSIBILITIES

Responsible for destruction of guns and biohazard items.

Process and track court requests.

Testifies in court as necessary.

Organize property to auction.

Asset forfeiture – distribution of funds, maintains respective bank account.

Maintains bank account for found and auctioned property.

DESIRED MINIMUM QUALIFICATIONS

General: (A) Must be 18 years or older at the time of employment; (B) Must possess, or be able to obtain by time of hire, a valid California driver's license; (C) No felony convictions or disqualifying criminal histories; (D) Must be able to read and write the English language.

Education and Experience:

(A) High school diploma or GED equivalent; and (B) Two years of general office or records management experience, or (C) An equivalent combination of education and experience.

Necessary Knowledge, Skills and Abilities:

(A) Some knowledge of modern law enforcement principles, procedures, techniques, and equipment;
(B) Proficiently learn and operate listed tools and equipment.
(C) Ability to learn the applicable laws, ordinances, and department rules and regulations; Ability to communicate effectively orally and in writing; Ability to establish and maintain effective working relationships with subordinates, peers and supervisors; Ability to follow verbal and written instructions.

TOOLS AND EQUIPMENT USED

Telephone, personal computer including Windows 95 and specialized software (45 wpm keyboard skill), copy machine, fax, cash register, calculator, hand truck.

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 frequently required to sit and talk or hear. The employee is occasionally required to stand; walk; use hands to finger, handle, or operate objects, tools, or controls; reach with hands and arms; climb or balance; stoop, kneel, crouch, or crawl; and taste or smell.

The employee must occasionally lift and/or move more than 60 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 occasionally works in outside weather conditions. The noise level in the work environment is usually quiet to moderately noisy.

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: 8/19/98

Revised: 3/20/03.



Item #: 3.D.

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: CITY MANAGER'S DEPARTMENT
DATE: APRIL 4, 2011
SUBJECT: CLAIM OF DAVID & VANESSA DRIVON

RECOMMENDED ACTION:

Deny claim and forward to the City's liability insurance carrier.

DISCUSSION

David & Vanessa Drivon have filed a liability claim against the City of Capitola. The claim is in the amount of \$125,000.

Report Prepared By: Liz Nichols
Executive Assistant to the City Manager

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



Item #: 3.E.

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: CITY MANAGER'S DEPARTMENT

DATE: APRIL 4, 2011

SUBJECT: CLAIM OF DOREAN MOORE

RECOMMENDED ACTION:

Deny claim and forward to the City's liability insurance carrier.

DISCUSSION

David Moore has filed a liability claim against the City of Capitola on behalf of claimant Dorean Moore. The claim is in the amount of \$2,950.

Report Prepared By: Liz Nichols
Executive Assistant to the City Manager

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



Item #: 3.F.

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: CITY MANAGER'S DEPARTMENT

DATE: APRIL 4, 2011

SUBJECT: CLAIM OF THERESA VIOLA

RECOMMENDED ACTION:

Deny claim and forward to the City's liability insurance carrier.

DISCUSSION

Theresa Viola has filed a liability claim against the City of Capitola. The claim is in the amount of \$921.07.

Report Prepared By: Liz Nichols
Executive Assistant to the City Manager

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



Item #: **3.G.**

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: CITY MANAGER'S DEPARTMENT

DATE: APRIL 11, 2011

SUBJECT: CLAIM OF NATTHAKAN INPONG

RECOMMENDED ACTION:

Deny claim and forward to the City's liability insurance carrier.

DISCUSSION

Natthakan Inpong has filed a liability claim against the City of Capitola. The claim is in the amount of \$8,500.

Report Prepared By: Liz Nichols
Executive Assistant to the City Manager

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



Item #: 3.H.

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: CITY MANAGER'S DEPARTMENT

DATE: APRIL 11, 2011

SUBJECT: CLAIM OF DANIEL M. FINKEL

RECOMMENDED ACTION:

Deny claim and forward to the City's liability insurance carrier.

DISCUSSION

Daniel M. Finkel has filed a liability claim against the City of Capitola. The claim is for an undetermined amount at this time.

Report Prepared By: Liz Nichols
Executive Assistant to the City Manager

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



Item #: 3.I.

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: CITY MANAGER'S DEPARTMENT
DATE: APRIL 15, 2011
SUBJECT: CLAIM OF EDWARD A. MAGHAKIAN

RECOMMENDED ACTION:

Deny claim and forward to the City's liability insurance carrier.

DISCUSSION

Edward A. Maghakian has filed a liability claim against the City of Capitola. The claim is for an undetermined amount at this time.

Report Prepared By: Liz Nichols
Executive Assistant to the City Manager

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



CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: CITY TREASURER

DATE: APRIL 17, 2011

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

Recommended Action:

By motion, that the City Council accept the March 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 MARCH 31, 2011

The City Cash Position at March 31, 2011 totals \$8,415,200. LAIF deposits include \$7,809,400 of City and Assessment District Funds. The LAIF investment return as of March 31, 2011 was .5%.

The General Fund Balance Sheet consists of:

Total Assets	\$3,758,300 (includes Rispin receivable of \$1,350,000)
Total Liabilities	\$2,310,400
Total Fund Balance	\$1,447,900 (includes Rispin receivable of \$1,350,000)

Fund Balance

General Fund	\$ 1,447,900
Designated Reserves:	2,015,300
Capital Improv. Projects	3,202,600
Special Revenues:	1,571,800
Debt Service	484,400
Internal Services:	812,200
Total	\$ 9,534,200

FISCAL IMPACT: None.

ATTACHMENTS - 1) March 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 March 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 March 31, 2011. Such information is preliminary and unaudited.

CASH BALANCE BY FUND

As of March 31, 2011, the LAIF deposits include \$7,809,400 of City and Assessment District funds. The LAIF investment return as of March 31, 2011 was .5%. The following summarizes the City's total cash balance of \$8,415,200 at March 31, 2011 amongst the funds:

		March 31, 2011
<u>General Fund</u>		1,468,700
<u>Special Revenues</u>	S L E S F	(12,000)
	SCC NARCOTICS ENFORCEMENT TEAM	(7,700)
	GAS TAX	(68,800)
	WHARF FUND	45,600
	DEVELOPMENT FEES FUND	-
	PEG CABLE TV ACCESS FUND	81,700
	CAPITOLA VILLAGE & WHARF BIA	7,600
	GREEN BUILDING	47,800
	PARKING RESERVE FUND	169,300
	TECHNOLOGY FEE FUND	9,700
	CDBG - GRANTS	17,900
	CDBG PROGRAM INCOME	(17,300)
	CDBG PROGRAM INCOME 07-08 RLF	5,300
	HOUSING PROGRAM LOAN FUND	2,000
	HOME GRANT FUND	79,500
	AFFORDABLE HOUSING TRUST FUND	349,700
	BEGIN GRANT FUND	60,000
	PUBLIC ART FUND	137,500
	OPEN SPACE PURCHASE	300
	GENERAL PLAN UPDATE	684,700
<u>Internal Service</u>	WORKER'S COMPENSATION	9,300
	SELF INSURANCE	220,700
	STORES	14,000
	INFORMATION TECHNOLOGY	148,400
	EQUIPMENT REPLACEMENT	282,500
	PUBLIC EMPLOYEE RETIREMENT	152,300
<u>Reserves</u>	EMERGENCY RESERVES	627,100
	CONTINGENCY RESERVES	-
	COMPENSATED ABSENCES	141,000
<u>Capital Projects</u>	VARIOUS CAPITAL PROJECTS	3,271,700
<u>Debt Service</u>	DEBT SERVICE FUND	486,800
TOTAL ALL FUNDS		<u>8,415,300</u>
	General Fund	1,468,700
	Internal Services	827,200
	Reserves	768,100
		<u>3,064,000</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	3/31/2011
Cash	274,700	1,194,000	1,468,700
Prepaid Expenditures	5,300	(2,400)	2,900
Accounts Receivable	72,100	28,300	100,400
Accounts Receivable - Intergovernmental ¹	43,100	175,200	218,300
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	\$ 245,800	\$ 3,758,300
Accounts Payable	383,800	(367,600)	16,200
Payroll Related Liabilities	329,300	(368,900)	(39,600)
Other Deposits and Other Liabilities	188,200	57,700	245,900
Deferred Revenue -- RDA	618,000	-	618,000
Deferred Revenue	346,800	(124,100)	222,700
Due to Contingency Reserve Fund	-	1,247,200	1,247,200
TOTAL LIABILITIES	\$ 1,866,100	\$ 444,300	\$ 2,310,400
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	-	(310,300)	(310,300)
Net, Available Fund Balance	\$ 393,000	\$ (310,300)	\$ 82,700
TOTAL FUND BALANCE	\$ 1,758,200	\$ (310,300)	\$ 1,447,900

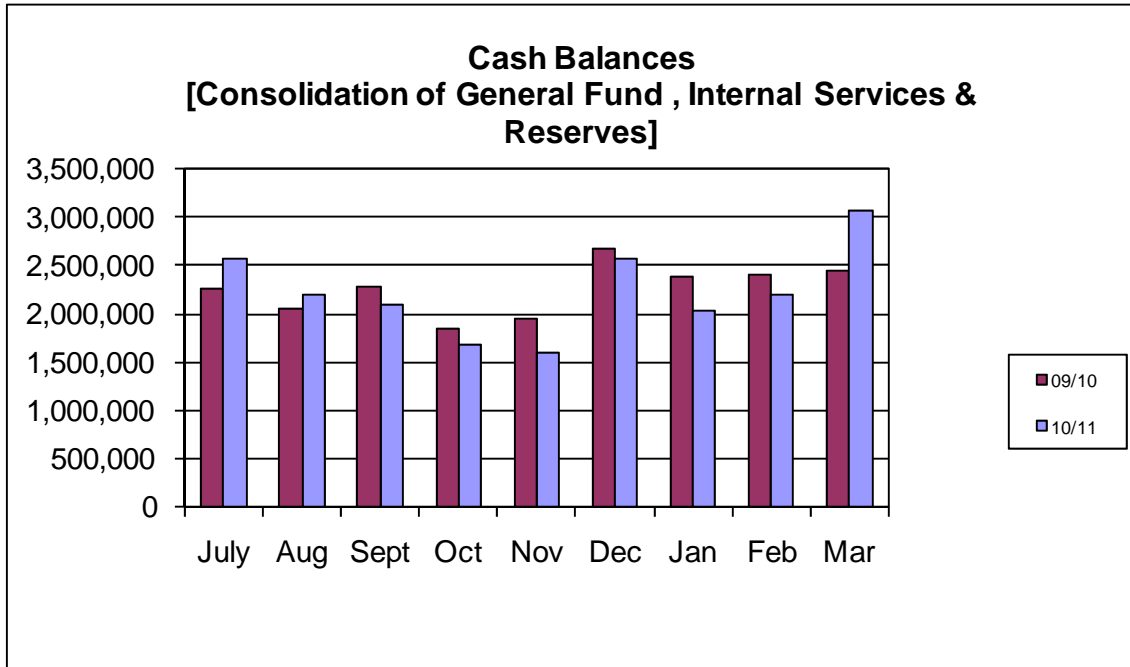
¹ A/R-Intergovernmental is primarily for State Mandated Cost Reimbursements.

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

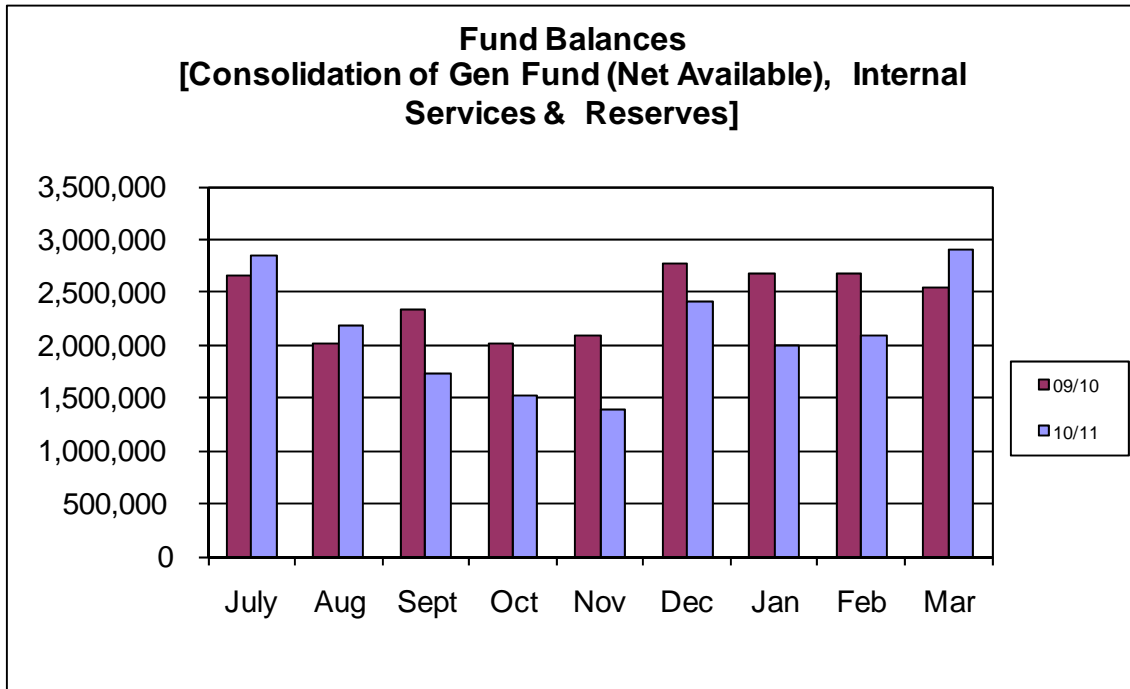
³ Fund Balance is segregated for the amounts related to the Rispin Mansion Note Payable to the City and amount available.

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.



March 31, 2011 Total= \$3,064,000: Gen Fund= \$1,468,700, Internal Service= \$827,200, Reserves= \$768,100



March 31, 2011 Total= \$2,910,200: Gen Fund= \$82,700, Internal Service= \$812,200, Reserves= \$2,015,300

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-Feb	Revenue	Expenditure	Interfund Transfers	Unaudited Fund Balance: 3/31/11
General Fund: Rispin	1,350,000	-		-	-	1,350,000
General Fund: Reserved	15,200	-		-	-	15,200
General Fund: Available	393,000	(1,084,600)	1,674,800	(780,500)	(120,000)	82,700
Designated Reserves:	-					-
Emergency Reserves @ 5%	627,100	-	0	0	-	627,100
Compensated Absences	116,900	(93,400)	0	(2,500)	120,000	141,000
Contingency Reserves @10%	1,247,200	-	0	0	-	1,247,200
Capital Improv. Projects:	418,600	87,400	2,700,000	(3,700)	-	3,202,300
Open Space Purchase	300	-	0	0		300
Special Revenues:	-					-
Gas Tax	64,600	(121,300)	39,200	(19,600)	-	(37,100)
Law Enforcement Grants	1,100	38,300	5,300	(59,100)		(14,400)
PEG Cable TV Access	82,800	(1,100)	0	0	-	81,700
Capitola & Wharf BIA	7,500	10,500	12,600	(19,600)		11,000
Development Fees	(1,400)	-	0	0		(1,400)
Wharf Fund	38,100	12,500	7,300	(4,300)		53,600
Green Building	45,400	2,400	0	0		47,800
Parking Reserve Fund	78,700	23,500	18,600	(1,600)	50,000	169,200
Technology Fee Fund	3,900	5,100	700	0		9,700
CDBG-Grants (Reimburseme	34,000	(800)	0	0	-	33,200
CDBG - Program Income	(17,800)	(2,300)	0	(700)		(20,800)
CDBG - Prog Inc 07-08 RLF	5,200	100	0	0		5,300
HOME Program Re-Use	5,100	(4,100)	1,000	0	-	2,000
HOME Grant Fund	(7,500)	10,800	76,200	(74,200)		5,300
Affordable Housing Trust	367,800	(17,900)	0	(4,400)		345,500
Begin Grant Fund	60,000	-	0	0		60,000
Public Art Program	162,800	(25,300)	0	0		137,500
General Plan Maintenance	599,300	(72,000)	189,500	(33,100)	-	683,700
Debt Service:POB	468,100	(42,000)	58,300	0	-	484,400
Internal Services:	-					-
Equipment Replacement	282,500	50,000	0	0	(50,000)	282,500
Information Technology	141,400	9,400	0	(15,800)	-	135,000
Public Employee Retirement	520,400	(366,900)	109,700	(110,900)	-	152,300
Self-Insurance Liability	253,900	(32,800)	0	(400)		220,700
Stores	25,200	(6,700)	0	(6,000)	-	12,500
Worker's Compensation	174,900	(165,700)	0	0	-	9,200
TOTAL CITY	7,564,300	(1,786,900)	4,893,200	(1,136,400)	-	9,534,200

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 March 31, 2011, total revenues were \$1,674,800 which included Sales Tax of \$296,900 (17%), and Charges for Services of \$313,300 (18%). In addition to the operating revenue, \$872,800 was transferred into the general fund, which represents 52% of the revenue for the month.

General Fund Expenditures: For the month ending March 31, 2011, total expenditures were \$780,500 which includes Staffing for (2) pay periods of \$491,900 (63%), and Contract Services of \$138,900 (28%).

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.

Transfers:

In addition to the transfers from the RDA to the City General Fund, the Equipment Replacement Fund transferred \$50,000 to the Parking Reserve Fund to assist with the purchase of paystations and the General Fund transferred \$120,000 to the Compensated Absence Fund, as budgeted.



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	0.512	0.500									



Item #: **3.K.**

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: DEPARTMENT OF PUBLIC WORKS
DATE: APRIL 22, 2011
SUBJECT: RISPIN PROPERTY HAZARD ABATEMENT UPDATE NO. 3

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

1. Accept this update report on the Rispin Property Hazard Abatement Project, and
 2. By 4/5 approval, make the determination that all hazards at the Rispin Property as detailed in the March 1, 2011, Notice of Summary Abatement Order to Abate Dangerous Buildings and Grounds have not been eliminated and that there is a need to continue action.
-

BACKGROUND

On March 10, 2011 the City Council adopted Resolution No. 3859 declaring that an emergency condition exists as a result of the receipt of an Order to Abate a Hazardous Condition at the Rispin Mansion Property. Pursuant to Public Contracting Code Section 22050 the City Council must review this action at each subsequent regularly scheduled meeting and by 4/5 vote authorize work to continue under the emergency declaration.

DISCUSSION

Project status:

Work has continued on stabilizing the mansion and infilling all windows and doors. The City and the contractor are currently working on permitting the next phases of work which will include building new roof trusses and installing doors and interior bracing.

FISCAL IMPACT

Contracts in the amount of \$650,000 have been issued. As of April 22, 2011, there has been \$9,032.61 in invoices paid.

ATTACHMENTS - None

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

**Reviewed and Forwarded
By City Manager:**



CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: FINANCE DEPARTMENT

DATE: APRIL 19, 2011

SUBJECT: QUARTERLY SALES TAX AND TRANSIENT OCCUPANCY TAX – Q2, FY2010-11

Recommended Action: By motion, that the City Council receive and file 2nd Quarter 2010-11 Sales Tax and Transient Occupancy Tax Status Report (unaudited) for the City of Capitola.

BACKGROUND

The State Board of Equalization (SBOE) advances a portion of the City's anticipated sales tax on a monthly basis. Quarterly, the SBOE trues up the actual sales tax results with the advances. This final true-up calculation and resulting payment or reimbursement to the state is made approximately three months after the end of the quarter. As a result, the final figures for second quarter FY 2010-11 shown below reflect transactions that took place in the City for October, 2010 – December, 2010.

Capitola's Municipal Code, Section 3.32 requires any operator that rents to transients (defined as a stay of 30 days or less) to charge, collect, and remit to the City a 10% tax of the room rate. Transient Occupancy Tax (TOT) revenues are recorded in the General Fund for unrestricted use.

DISCUSSION & FISCAL IMPACT

In late March, the City received its final true up from the SBOE for the quarter ending December 30, 2010.

	SALES TAX REVENUE - Q2 PERFORMANCE							
	REVENUE			\$		%		
	2009-10 Actual	Final 2010-11 Budget Allocation	2010-11 Actual	2010-11 Actual vs. 2009-10 Actual	2010-11 Actual vs. 2010-11 Budget	2010-11 Actual vs. 2009-10 Actual	2010-11 Actual vs. 2010-11 Budget	
Bradley Burns (3/4%)	\$ 850,654	\$ 864,264	\$ 850,163	\$ (491)	\$ (14,101)	-0.1%	-1.6%	
Triple Flip (1/4%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Local Tax (1/4%)	\$ 243,226	\$ 242,912	\$ 239,917	\$ (3,309)	\$ (2,995)	-1.4%	-1.2%	
Q2 Performance (excl. SBOE adj.)	\$ 1,093,880	\$ 1,107,176	\$ 1,090,080	\$ (3,800)	\$ (17,096)	-0.3%	-1.5%	

Bradley Burns ¾% revenue for the quarter was essentially flat as compared to last fiscal year and \$14,101 or 1.6% below the adopted budget. Local District tax was \$3,309 or 1.4% below prior year and \$2,995 or 1.2% below budget.

SALES TAX REVENUE - YTD PERFORMANCE							
	REVENUE			\$		%	
	2009-10 Actual	Final 2010-11		2010-11 Actual vs. 2009-10 Actual	2010-11 Actual vs. 2010-11 Budget	2010-11 Actual vs. 2009-10 Actual	2010-11 Actual vs. 2010-11 Budget
		Budget Allocation	2010-11 Actual				
Bradley Burns (3/4%)	\$ 1,573,034	\$ 1,598,202	\$ 1,619,545	\$ 46,511	\$ 21,343	3.0%	1.3%
Triple Flip (1/4%)	\$ 276,589	\$ 527,407	\$ 510,595	\$ 234,006	\$ (16,812)	84.6%	-3.2%
Local Tax (1/4%)	\$ 453,226	\$ 449,194	\$ 455,573	\$ 2,347	\$ 6,379	0.5%	1.4%
Year-To-Date Performance (Q1/Q2 Actual excl. SBOE adj.)	\$ 2,302,849	\$ 2,574,803	\$ 2,585,713	\$ 282,864	\$ 10,910	12.3%	0.4%

Bradley Burns ¾ revenue for the first half of the year was \$46,511 or 3.0% above 2009-10 and \$21,343 or 1.3% above budget. Local District tax was 0.5% above prior year and \$6,379 or 1.4% above budget. The triple flip increase of \$234,000 over prior year is due to a negative adjustment in fiscal 2009-10. The second triple flip payment is due in late April.

Transient Occupancy Tax collected was:

Quarterly Transient Occupancy Tax (TOT) Revenue							
Fiscal Quarter	TOT Revenue		2010-11 vs. 2009-10		% of full year		Memo: 2009-10 Actual % of Total Yr.
	2009-10 Actual	2010-11 Actual	\$	%	2009-10 Actual % of Total Yr.	2010-11 Actual % of Budget	
	Q1	\$ 230,200	\$ 233,000	\$ 2,800	1.2%	38.9%	
Q2	\$ 104,000	\$ 118,200	\$ 14,200	13.7%	17.6%	16.9%	17.6%
Q3	\$ 91,500						15.5%
Q4	\$ 160,793						27.2%
Penalty, prior yr	\$ 5,432	\$ 3,239	\$ (2,193)	-40.4%	0.9%	0.5%	0.8%
Total	\$ 591,925	\$ 354,439	\$ 14,807	2.5%	57.4%	50.6%	100.0%
Memo: YTD Subtotal	\$ 339,632	\$ 354,439	\$ 14,807	4.4%	57.4%	50.6%	
2010-11 Budget		\$ 700,000					
2010-11 Act. vs Budget		\$ (345,561)					

Second quarter 2010-11 TOT was \$14,200 or 13.7% above second quarter 2009-10. For the year-to-date, total TOT receipts are \$14,807 or 4.4% above the same point in time last fiscal year.

Transient occupancy tax figures are on a cash-received basis. Second quarter results include a catch up payment covering several prior months. The first half of 2010-11 represents 50.6% of the full year budget as compared to 57.4% for the first half of 2009-10.

Report Prepared By: Lonnie Wagner
 Accountant II

Reviewed and Forwarded
 By City Manager: _____



CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: DEPARTMENT OF PUBLIC WORKS
DATE: APRIL 22, 2011
SUBJECT: PACIFIC COVE STORM DRAIN UPDATE

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

- 1) Accept this update report on the Pacific Cove Storm Drain Repair Project, and
 - 2) By 4/5 approval, make the determination that an emergency condition remains as detailed in Resolution No. 3863 adopted on March 27, 2010 and that there is a need to continue action.
-

BACKGROUND

The City Manager executed a Proclamation of Existence of a Local Emergency on March 24, 2011. At an emergency meeting of the City Council, Resolution No. 3863 was adopted declaring that an emergency condition continues to exist as a result of the aforementioned proclamation. Pursuant to Public Contracting Code Section 22050 the City Council must review this action at each subsequent regularly scheduled meeting and by 4/5 vote authorize work to continue under the emergency declaration.

DISCUSSION

Project status:

Granite Construction has completed the storm drain reconstruction, site backfill and re-grading in the Pacific Cove Mobile Home Park. At this time the roadway reconstruction and utilities (water, gas and electric) are being restored in preparation to re-open the park.

The emergency declaration will continue the authorization for housing costs associated with the displaced residents from the Pacific Cove Mobile Home Park if it is necessary due to the park being closed to habitation. The cost to house the displaced residents is approximately \$1,300 per day.

FISCAL IMPACT

As of April 22, 2011, the estimated cost of contracts and city resources is \$2,000,000. A detail of these costs are included in the attachment.

ATTACHMENTS

Estimated Flood Response Costs as of April 22, 2011

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

**Reviewed and Forwarded
By City Manager:**

DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE	Potential Funding Source
<u>On-going projects</u>		
Repairs to 72-inch Storm Drain and all related work	\$ 600,000	City, Zone 5, EMA, Insurance
Flood Debris Removal	\$ 60,000	City, EMA
Flood Response Activities	\$ 60,000	City, EMA
Repair flood damage to City Hall and Police Department	\$ 450,000	Insurance
Repair utilities to coaches in Pac Cove MHP	\$ 155,000	City, EMA, Ins
Police, Public Works, and City staff overtime	\$ 25,000	City, EMA
<u>Future projects</u>		
Repair various slip outs on north slope of the Pacific Cove MHP	\$ 350,000	City, EMA
Stream erosion on City owned property along Soquel Creek	\$ 100,000	City, EMA, Grant
Regrade and repave roadway through Pac Cove MHP	\$ 200,000	City, EMA, ins
TOTAL	\$ 2,000,000	



Item #: **3.N.**

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: APRIL 22, 2011

SUBJECT: APPEAL OF PLANNING COMMISSION DENIAL OF CONDITIONAL USE PERMIT
3801 CLARES STREET

PROPERTY OWNER: CAPITOLA ROTH INVESTMENTS, LLC
REPRESENTATIVE: BARRY MANERS, ENTOS DESIGN

Recommended Action: By motion, direct staff to set a Public Hearing for the appeal of Application #11-024, for the City Council meeting on May 12, 2011.

BACKGROUND

On April 7, 2011, the Planning Commission denied the Conditional Use Permit for a dialysis clinic at an existing retail location at 3801 Clares Street. A timely appeal¹ of the Planning Commission's approval was received on April 18, 2011 by Barry Maners, acting on behalf his clients, Capitola Roth Investments LLC. Community Development staff requests that the City Council set the Public Hearing on the appeal for May 12, 2011.

ATTACHMENTS

April 18, 2011 Appeal Letter

Report Prepared By: Derek Johnson
Community Development Director

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

¹ §2.52.020, Capitola Municipal Code

April 15, 2011

Ryan Bane
Senior Planner
City of Capitola
420 Capitola Ave.
Capitola, CA 95010

RE: CUP Application @11-024 Satellite Dialysis, 3801 Clares Street

Mr. Bane

We have received the "Notice of Local Action" dated April 8, 2011 informing us that our CUP application was denied. We would like to appeal this decision to the City Council as soon as possible for the following reasons.

First, only four of the five board members were present to vote. The vote resulted in a three to one decision denying the CUP application. Two of the three members were "on the fence" until the final vote was called.

Second, after the vote three board members told us, on the record, that we should appeal the decision to city council.

Third, kidney dialysis is a life-sustaining necessity for many people in the Capitola area who have Chronic Kidney Disease. Our proposed state-of-the-art facility will help save lives and provide patients with the highest possible standard of care and an improved quality of life. Furthermore, the Capitola residents who care for loved ones on dialysis – and who currently drive them to an out-of-town center three or four times per week – will also see the quality of their lives improved. For some area residents, this is literally a life or death matter.

In addition to the above, we would like to restate the key points of our presentation.

- Specific requirements - Satellite's criteria for selecting a site is very unique. It has taken four years to locate an appropriate site in Capitola.
- Established history – Satellite began serving the area from Santa Cruz in 1978.

- Contributing employer - Annual payroll \$1,508,535.
- Initial economic boost
 - Projected construction cost is \$970,000.
 - The four general contractors we work with will employ approximately 200+/- sub-trade employees.
- Supports tourism industry – an average of 38 patients per year who are visiting Capitola use our facility.
- Continual economic impact
 - 72 patients and their families would visit Capitola daily, Monday through Saturday, between the hours of 6:00am to 9:00pm.
 - Family members tend to frequent local eateries and shops during each 3-4 hour procedure.
 - Patients tend to shop before procedure.
- Supports other businesses – The facility would maintain contracts with seven local vendors who employ 70 to 110 people.
- Improved quality of life – Convenient location for citizens and neighbors.

In summary, we believe there are both humanitarian and economic reasons to approve this very worthwhile addition to the Capitola community.

Sincerely,



Barry Maners, Architect



Item #: 4.A.

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: OFFICE OF THE CITY MANAGER
DATE: APRIL 22, 2011
SUBJECT: CONSIDERATION OF OPTIONS FOR THE PACIFIC COVE MOBILE HOME PARK
SITE TO ADDRESS FLOOD DAMAGE

Recommended Action: By motion, that the City Council direct staff to proceed with one of the two options outlined in this staff report.

BACKGROUND

On March 24, 2011 following a heavy storm event, the 72" storm drain that carries Noble Gulch Creek water from Bay Avenue to Soquel Creek catastrophically failed resulting in a flood of the Pacific Cove Mobile Home Park, City Hall and the Village. City crews and contractors immediately mobilized, and using heavy equipment cleared the failed storm drain and established an above ground channel between the sections of intact pipe by March 25. However, the following day, on March 26, the watershed was again subjected to very heavy rainfall, and crews were unable to contain the torrential flows down Noble Gulch Creek with the temporary channel. As a result, the same area flooded again.

The City Manager executed a Proclamation of Existence of a Local Emergency on March 24, 2011. On March 27, at an emergency meeting of the City Council, Resolution No. 3863 was adopted declaring an emergency condition continues to exist. On April 15, the Governor declared a state of emergency for 19 counties, including Santa Cruz County, following the sever March storms.

DISCUSSION

Following the failed storm drain, staff contracted with Ifland Engineering to determine the costs to repair and bring Pacific Cove Mobile Home Park up to current code. Ifland Engineering has concluded their report and estimates the infrastructure cost to bring the Park to a temporary operable condition for one year to be \$255,275, and \$1.33 million to bring the Park up to current code. Other project costs are outlined below. A project budget for each alternative can be found on pages 7 and 11 of the Ifland Report (hereafter, "Report").

Park Repair to Code

As mentioned above, the Report estimates bringing the Park up to code will cost \$1.33 million. In addition, the Report notes that 11 coaches would need to be moved in order to widen the road. Staff estimates acquisition/relocation of these coaches would add approximately \$300,000 to the cost to bring the Park to code. Staff also recommends Council consider the long term costs associated with repairs to the entire storm drain through the mobile home park. While the storm drain will ultimately require repair/capacity-increase independent of the future of the mobile home park, the cost to repair the pipe will be marginally more expensive if crews must work in a mobile home park. City engineers estimate the work will be 20-30% more expensive if operators must work around existing mobile homes, adding approximately \$250,000 to the ultimate pipe repair costs.

Park Repair – to Meet Code

Item	Cost	Source
Infrastructure repair	\$1,328,000	Debt issuance and City insurance
Coach acquisitions/relocation to widen roadway	\$ 300,000	Debt issuance
Marginal increase to pipe repair cost	\$ 250,000	Debt issuance – longer term
Total	\$1,878,000	

Regardless of any infrastructure investment by the City, the Pacific Cove Mobile Home Park will remain in the flood plain and thus continue to pose a serious potential hazard to life and property that cannot be effectively mitigated through infrastructure improvements.

If Council directs staff to proceed with a complete repair of the Park to meet all applicable building and state codes, staff recommends the issuance of debt. Debt could be in the form of General Obligation Bonds, which would require voter approval. Alternatively, Lease Revenue Bonds/IBank loan, which do not require voter approval, could be obtained, but would require the City to collateralize an essential City asset to guarantee payment.

To finance \$1.8 million, the City would need to identify approximately \$135,000/yr in revenue. In addition, if the Council directs repairs to the Park, staff recommends the current annual budget to maintain and repair the Park should be increased from \$70,000/yr to \$100,000/yr to ensure long term preservation of the asset, for a total annual cost to bring the Park up to code to approximately \$165,000/yr. Should those costs be offset by rent increases, space rents in the Park would need to increase by \$350 - \$475/mo, depending on how the costs are distributed.

Park Closure

If Council determines the costs to rebuild the site infrastructure are infeasible due to the location of the site in the flood plain and based on long term community goals, Council could direct staff to prepare the documentation necessary to consider Park closure or cessation of use, consistent with the Mobile Home Tenancy Law, the Mello Act, and other applicable State and Municipal Code requirements.

Such documents would describe the assistance the City would offer to park residents to help offset the impacts of the park closure, consistent with State Law. Using the relocation benefit formula recommended by a City subcommittee in 2009, staff estimates the relocation payments would be \$1.2 - \$1.5 million. It should be noted the relocation formula recommended by the subcommittee was particular to Surf and Sand MHP, was not adopted by Council, and could be adjusted by Council based on circumstances specific to Pacific Cove and current market conditions.

Staff estimates there are currently approximately 17 full-time households in the Park, of which 13 own coaches, and four rent coaches from the City.

Summary of Options

Park Repair. Direct staff to:	Park Closure. Direct staff to:
<ol style="list-style-type: none"> 1. Proceed with short-term repairs. 2. Prepare a financing plan to fund short and long term repairs. 3. Identify if General Obligation Bonds or Lease Revenue Bond options should be pursued. 4. Seek grant funding to offset repairs to the extent feasible. 5. Direct staff to proceed with a Fair Rate of Return application to increase space rents to finance the debt service. 	<ol style="list-style-type: none"> 1. Proceed with short-term repairs. 2. Issue a 12-month notice of Park closure consistent with State Law. 3. Prepare the documentation necessary to consider Park closure or cessation of use. 4. Prepare a CDBG grant application to consider future uses. 5. Develop a draft financing plan to fund relocation and site improvement costs. 6. Seek grant funding to offset repairs to pipe and relocation costs.

Should the Council direct staff to begin preparation of the necessary documents to consider park closure, the Community Development Block Grant (CDBG) program has recently released a new round of funding that could provide up to \$70,000 to fund a Pacific Cove Alternatives Analysis. This Analysis would provide a structured process for the City to review possible alternative uses for the Park and develop an equitable relocation plan for the current residents, in coordination with the public General Plan process. That grant application would be due at end of May 2011.

FISCAL IMPACT

City costs associated with either option are outlined in the staff report. A complete financing plan for the Council-selected option will be developed and brought back to Council for future review.

ATTACHMENTS

Ifland Engineering Report

Report Prepared By: Jamie Goldstein
City Manager

Reviewed and Forwarded by
City Manager: 

R:\Agenda Staff Reports\2011 Agenda Reports\4-28-11\Pacific Cove Flood Options.docx

INFRASTRUCTURE STUDY

OF

Pacific Cove Mobile Home Park

*426 Capitola Avenue
Capitola, CA*

For

City of Capitola

April 2011

Job 11022



5200 Soquel Avenue Suite 101
Santa Cruz, CA 95062
(831) 426-5313 FAX (831) 426-1763
www.iflandengineers.com

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INTRODUCTION

In March a series of storms over a short period saturated the soil such that the storm runoff produced localized flooding in many low lying areas including Capitola Village. The extreme rainfall impacted the drainage infrastructure throughout the mid section of Santa Cruz County. As a result of those storms, the Pacific Cove Mobile Home Park at 426 Capitola Avenue in downtown Capitola was heavily damaged when a 72 inch diameter corrugated metal pipe that traversed the full length of the park, a distance of 1220 feet, failed. This pipe was installed years ago in the 1960's to take the storm drainage from Noble Gulch and convey it to the drainage system that flows into Soquel Creek and then on to Monterey Bay.

The 120 lineal feet of the upper end of the pipeline was replaced with 72" reinforced concrete pipe. Also, the 12" sanitary sewer pipeline running approximately parallel to the storm drain had to be removed and replaced. This work was already underway by Granite Construction Company when the City authorized this report be prepared. The cost of Granite's work is not included in the accompanying cost estimate.

Mobile Home Parks are regulated under the State of California, Department of Housing and Community Development, Title 25, Chapter 2. Any additions, re-construction, or replacements to the park infrastructure must meet these code requirements.



**IFLAND
ENGINEERS**

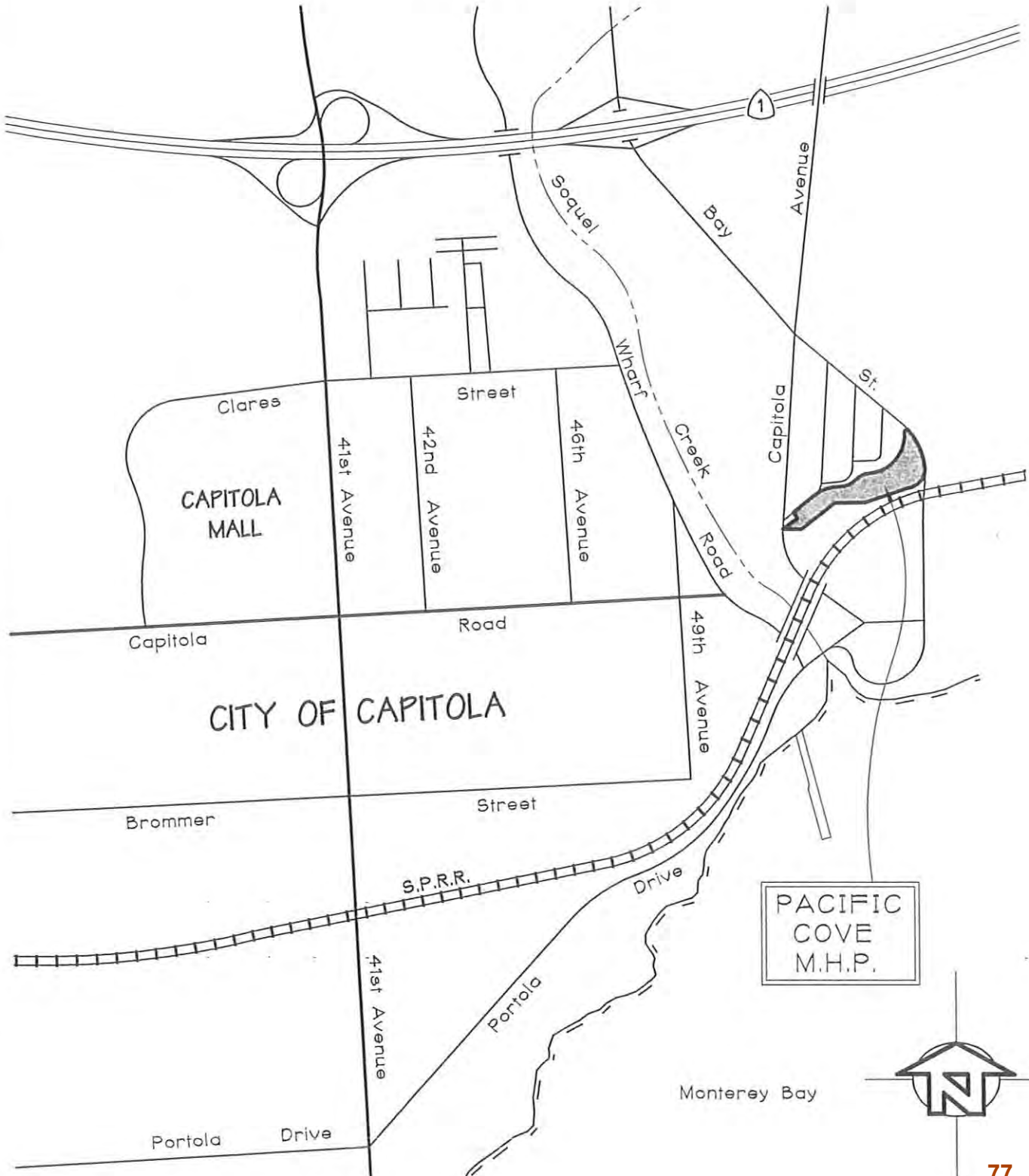
CIVIL ENGINEERING ■ LAND PLANNING ■ STRUCTURAL DESIGN

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TEL (831) 426-5313
FAX (831) 426-1763
www.iflandengineers.com

JOB NO. 11022 - CITY OF CAPITOLA
SHEET NO. _____ OF _____
DRAWN BY JAI DATE 04/07/11
SCALE: NOT TO SCALE

Vicinity Map

NOT TO SCALE





This study includes two phases to address park infrastructure repairs or replacement. Phase I addresses the immediate needs necessary to make the park livable with adequate access over the roadway, and to assure all utilities are in good, serviceable condition, that the site drainage is adequate, and that repairs or replaced infrastructure will serve the park tenants and prolong the useful life of the park for a minimum of one year.

PHASE I

Roadways

Title 25 requires that all park roadways to have a clear and unobstructed access to a public thoroughfare. The existing roadway through the park connects to Capitola Avenue at the southwesterly end and to Bay Avenue at the northeasterly end, both avenues being public streets. The roadways in parks constructed after September 15, 1961 must be two-way roadways, not less than 25 feet wide.

The existing roadway varies in width from 17 feet to 30 feet. In this phase no change is proposed. The areas of damaged pavement need to be dug out, replaced with Class II aggregate base, compacted, and an application of asphalt emulsion applied then covered with pea gravel.

Lot Parking Space

Flood damage to the parking spaces along side the individual homes was extensive enough to require many be removed and rebuilt. In some cases, small sink-holes developed due to soil being washed out from under the limited pavement. These sink holes need to be filled with Class II base-rock, and compacted.

Sanitary Sewers

The park is served by the Santa Cruz County Sanitation District by means of a 12" main running through the site. This pipeline is a collection line serving a large area upslope from the park and is located within a 10 foot wide easement. It is unusual that this easement is not left open and clear of all structures for the maintenance of the sewer pipeline. (Some of the homes are no longer mobile.) If the pipe needed repair and replacement, many of the homes would need to be moved. Individual laterals from the main are extended to each space. Some spaces have vent pipes and some spaces do not have cleanouts at the utility islands, indicating an old outdated lateral system.

Since there are no available plans which indicate the pipeline layout, the pipe size, the pipe material, or the slope of the pipe, it cannot be determined if the lateral system is in need of replacement. However, those spaces without cleanouts at the utility island should have cleanouts installed and all vent pipes removed provided that the mobile home has a vented system.

Water Supply

Water service to the park is provided by Soquel Creek Water District by means of a 1" master meter located just off Bay Avenue above the park lot #57. The static pressure in the system is 50 pounds per square inch, which is more than adequate. The pipe distribution system is unknown.

The one inch metered service can provide for 50 gallons per minute which is slightly undersized for 40 mobile homes. However, since all the homes are not occupied full time, at the present the system should remain adequate.

Gas System

The natural gas distribution system is owned and metered by P.G. & E. Meters are installed at the roadway frontage of each home, protected by steel post bollards. (In Phase I, no change in this utility service is proposed)

Mail Boxes

There are existing two locations within the park where clustered U.S.P.S. boxes are located. They meet the postal service requirements so no change is required.

Laundry/Restroom Building

This building is situated such that the concrete floor elevation is just slightly above the adjoining roadway grade. The walkways along the two sides where the doors to the restrooms and laundry room are located are asphalt paved, but the pavement is higher in elevation than the building floor. This situation makes for poor drainage around the building. The walkways and the clothes drying yard at the rear of the building needs to be lowered and area drains installed to pick up the roof downspouts and surface drainage, then piped to the nearest connection to the 72" pipe. The plumbing and lighting fixtures, water heater, doors, toilet partitions and showers need replacement. The roof, the rainwater gutters and downspouts may need replacement, and the entire building needs repainting inside and out. Commercial washers and dryers should be installed in the laundry room.

Telephone Service

Telephone service is provided by A.T.& T to each mobile home space. The route of the underground cable is unknown. No improvements are proposed.

Cable Television

Comcast cable is provided at each mobile home space. The route of the underground cable is unknown.

Fire Protection

The park does not have any public or private on-site fire hydrants. There are three hydrants in the neighborhood connected to the Soquel Creek Water District water mains. One is located on Capitola Avenue in front of City Hall and one at the southeast corner of Beulah Drive. The third hydrant is located at the northeastern

corner of Bay Avenue and Pilgrim Drive. The midpoint of the park is 700 feet from any one of these hydrants. This does not provide adequate fire protection. However, no improvements are proposed for Phase I.

Electrical Service

Electrical service to the park is provided by P.G.&E. from an overhead line from a service pole located in the City parking lot adjacent to a pole located behind the Laundry Building. From this location the distribution system is extended underground to each individual home service pedestal on which the P.G.&E. meter is located. The service is 130 amps to each home. The route of the underground system is unknown. No change in the system is proposed at this time.

Ifland Engineers, Inc.
 Civil and Structural Design
 5200 Soquel Ave. Ste. 102
 Santa Cruz, California 95062
 831-426-5313

Job: 11022
Pacific Cove Mobile Home Park

Estimate Date: April 2011
 By: GHI

Phase I Engineer's Estimate of Probable Cost

		Quantity		Unit Cost	Item Total
1	Roadway Repair	30,740	SF @	\$ 2.00	\$ 61,480.00
2	Parking Space Repairs	40	EA @	850.00	34,000.00
3	Pavement Seal Coating	30,740	SF @	1.00	30,740.00
4	Fill in Washouts at Several Lots	1	LS @	5000.00	5,000.00
5	Laundry Building (Some Work Already Underway)	1	LS @	60000.00	60,000.00
6	Truck Turn-Around	1	LS @	5000.00	<u>5,000.00</u>
	Subtotal				196,220.00
	<i>Contingencies</i>			15%	<u>29,433.00</u>
	Subtotal				\$ 225,653.00
7	Engineering Plans and Specifications	10%	of	\$ 196,220.00	<u>19,622.00</u>
	Subtotal				\$245,275.00
8	Construction Support Services	1	LS @	10,000	<u>10,000.00</u>
	TOTAL				<u>\$ 255,275.00</u>

At the time this estimate was prepared, Granite Construction Co. is continuing the repair and replacement of damage resulting from the flooding. Just how much work Granite will be doing beyond the pipe replacement is not known at this time.

Note: Since Ifland Engineers, Inc has no control over the cost of labor, materials, or equipment, or over the contractors' methods of determining prices, or over competitive bidding or market conditions, our opinions of probable project cost or construction cost provided for herein are made on the basis of our experience and qualifications and represent our best judgment as design professionals familiar with the construction industry; but Ifland Engineers, inc. cannot, and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost prepared by our firm.

PHASE II

Phase II addresses the infrastructure improvements to prolong the useful life of the park for twenty years and bring it into conformance with Title 25.

Roadways

Although the roadway is connected to public streets at both ends, we recommend that a fire truck turn-around be constructed at approximately the midpoint of the 120 feet long roadway. Under emergency conditions, if the roadway is blocked, this would enable a large truck to turn around and avoid having to back up to exit the park. In order to give the park a 20 year serviceable roadway, total reconstruction is required by excavation to a new sub-grade installing a minimum of 6" aggregate base and paved with 2" of asphaltic concrete. Also, the width needs to be increased to 25 feet over most of its length.

In order to obtain the 25' width, 11 homes would need to be moved back several feet. This would be along the northwesterly side of the roadway, affecting homes 62 through 67 and 70 through 74. On the southeasterly side of the roadway, all the road widening can take place on the southeast side where there are no homes fronting the road.

Roadway Drainage

To improve the surface drainage, a concrete valley gutter needs to be constructed along the centerline of the easterly portion of the road and along the northerly side of the westerly portion of the road.

Lot Drainage Improvements

Some of the lots do not have adequate drainage around the homes. Some areas under the homes have standing water due to poor site grading prior to the homes being placed on the lot. The overall park has a 2.5% slope along the entire 1200 foot length. This is an adequate slope providing that the slope is continuous and that the rear of the lot is higher in elevation than the front. Some lots slope to the rear instead of to the roadway.

Graded swales, asphalt dikes or concrete curbs need to be installed on some lots on the high side of the parking space or patio areas to prevent runoff collecting under the homes. Each lot may require a different solution. Some lots have an awning over the car parking space which helps divert rainwater away from the homes.

Lot Parking Space

Some of the parking spaces do not adequately drain. They will require re-grading to assure that the water does not drain off and pass under the homes. After re-grading and installing a minimum of 4" Class II aggregate base, the surface should be paved with 2" of asphalt concrete.

Water Supply

In this phase the need is to extend the life of the park for 20 years which means the water system needs to be replaced with a 6" water main the full length of the roadway. This will make it possible to provide fire hydrants along the pipeline to assure proper fire protection and meet the full demand for 40 homes at full use.

Gas System

The gas meters and home connections need to be re-located to a new utility island located at the rear 1/3 of the lot on the driveway side of the homes. The P.G.&E. gas main is located along the edge of the roadway, no change is proposed.

Retaining Walls

In order to widen the roadway to 25 feet to meet code requirements, some grading into the slope alongside the road will be needed. Some retaining walls already exist in these locations. However, some walls need to be re-built and some additional walls will be required. The most practical and attractive walls for these locations would be "Keystone" or "Allan Block" walls. Drain piping would be required at the bottom rear of all walls with the pipe day lighting onto the roadway pavement or connected to the underground drainage system.

Fire Protection

The park does not have any public or private on-site fire hydrants. There are three hydrants in the neighborhood connected to the Soquel Creek Water District water mains. One is located on Capitola Avenue in front of City Hall and one at the southeast corner of Beulah Drive. The third hydrant is located at the northeastern corner of Bay Avenue and Pilgrim Drive. The midpoint of the park is 700 feet from any one of these hydrants. This does not provide adequate fire protection.

Therefore, the improvement needed is the installation of 3 fire hydrants, equally spaced along the mobile home park's roadway for Central Fire District use when necessary.

Electrical Service

Electrical service to the park is provided by P.G.&E. from an overhead line from a service pole located in the City parking lot adjacent to a pole located behind the Laundry Building. From this location the distribution system is extended underground to each individual home service pedestal on which the P.G.&E. meter is located. The service is 130 amps to each home. The route of the underground system is unknown.

Due to the age of the electrical system, maintenance has been difficult. The entire system needs to be replaced including undergrounding the current overhead service from the adjacent parking lot. The new trench would be along the roadway parallel to the gas piping. This would be completed prior to any road work re-paving.

The length of the trench would be about 1100 feet with lateral feeds off to each utility island, new cable T.V. and telephone can utilize the same trench.

Utility Islands

At present the utilities to each home are not grouped together in a uniform condition. The water, gas, electrical, telephone, cable T.V. and sanitary sewer points of connection should be together and installed on a utility concrete island at the rear 1/3 of the home space on the car-parking side of the mobile home space.

Laundry/Restroom Building

(See Phase I)

Visitor Parking Spaces

At present there is a need for at least 4 parking spaces off the roadway for visitor parking. There is room for these spaces between lots 43 and 45 (former lot 44). These spaces should be paved with 6" aggregate base and 2" asphaltic concrete.

Stormwater Pollution Prevention Plan

If the reconstruction of the park disturbs the ground surface by grading in excess of 1 acre of land, a SWPPP is required to be filed with the State Regional Water Quality Control Board. This would be one of the permits required

Lot Line Markers (Title 24, Chapter 2, 1104)

As stated in Title 24, Chapter 2, 1104, "All lots shall be defined by permanent corner markers that are visible at grade". With the amount of damage that resulted from the flooding and subsequent removal of silt, dirt and debris, the lot corner markers, both front and rear of each lot, were lost or destroyed. Therefore, a Licensed Land Surveyor will need to be engaged to set new lot corners with iron pipes (or other permanent marker) driven at least 18" into the ground. The surveyor then needs to prepare a map of the park showing the location of the permanent markers and the dimension of each lot. The map is to be kept on record by the park owner or manager, in this case the City of Capitola

Job: 11022 Pacific Cove Mobile Home Park	Estimate Date: April 2011 By: GHI
--	---

Phase II Engineer's Estimate of Probable Cost

		Quantity	Unit Cost	Item Total
1	Roadway Re-construction	36,000 SF @	\$ 7.00	\$ 252,000.00
2	Concrete Valley Gutters	1,400 LF @	30.00	42,000.00
3	Parking Spaces	37 EA @	2500.00	92,500.00
4	Storm Drain Catch Basins	4 EA @	500.00	2,000.00
5	Storm Drains	1 LS @	5000.00	5,000.00
6	Water Mains	1,400 LF @	50.00	70,000.00
7	Fire Hydrants	3 EA @	4000.00	12,000.00
8	Retaining Walls	400 LF@	150.00	60,000.00
9	New Utility Islands	37 EA @	1500.00	55,500.00
10	Street Lighting	10 EA @	1200.00	12,000.00
11	New Electrical System	1,200 LF@	175.00	210,000.00
12	Relocate Gas Meters	37 EA @	300.00	11,100.00
13	Laundry/Restroom Building	1 LS @	100000.00	100,000.00
14	Visitor Parking Spaces	4 EA @	2000.00	8,000.00
15	Water Service Laterals	37 EA @	800.00	29,600.00
16	Lot Drainage Improvements	20 EA @	1,500.00	30,000.00
17	SWPPP	1 LS @	5000.00	5,000.00
18	Lot Line Markers (4 corners all lots)	37 EA@	650.00	24,050.00
19	Construction Surveying/Staking	1 LS @	25000.00	25,000.00
	Subtotal			1,045,750.00
20	Engineering/Construction Support/ Plans and Specs		12%	125,490.00
	Subtotal			1,171,240.00
	Contingencies		15%	156,862.00
	TOTAL			<u>\$ 1,328,102.00</u>

Ifland Engineers, Inc.
Civil and Structural Design
5200 Soquel Ave. Ste. 102
Santa Cruz, California 95062
831-426-5313

This estimate assumes that the existing 72" storm drain and 12" sanitary sewer will remain in place and that mobile homes will be allowed to be installed over these pipes, and the gas piping system is to remain the ownership of PG&E.

At the time this estimate was prepared, Granite Construction Co. is continuing the repair and replacement of damage resulting from the flooding. Just how much work Granite will be doing beyond the pipe replacement is not known

Note: Since Ifland Engineers, Inc has no control over the cost of labor, materials, or equipment, or over the contractors' methods of determining prices, or over competitive bidding or market conditions, our opinions of probable project cost or construction cost provided for herein are made on the basis of our experience and qualifications and represent our best judgment as design professionals familiar with the construction industry; but Ifland Engineers, inc. cannot, and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost prepared by our firm.

One significant factor that is not included in the cost estimate to prolong the use of the park for an additional 20 years, is the question, "Will the 72" storm drain pipe last that long?" Studies of the durability of corrugated metal pipe show that in some instances the useful life is 50 years. The type of soil around the pipe and the water flow contents have a lot to contribute to the deterioration of the pipe, especially the invert, (inside bottom). It is not uncommon to see rust developing along the pipe invert which indicates the beginning of the pipe failure. There are methods to repair rusted inverts and since the pipe size is large enough to allow workers inside, it is recommended that a full inspection be made of the pipe interior, and if there is any question as to the pipe lasting an additional 20 years, the cost of coating and paving the invert needs to be added to the estimate.

If the pipe should be replaced with R.C.P., 22 homes would have to be moved out during construction since these homes are situated over the pipe. This would also mean major reconstruction of the lot improvements before the homes could be moved back in place.

EXHIBIT A: County Assessors Map

The following page is a copy of the current County Assessor's Map showing the City of Capitola owned land adjacent to City Hall. The land against the railroad is the parking lot and the northern portion is the mobile home park. Note that in 1930, when the land along Noble Gulch was subdivided into lots, the Gulch meandered along the rear of the lots. These lots are now abandoned and are part of the park. In 1962 the 72" storm drain pipeline was installed, the gulch was filled in and the park was built over the pipeline.

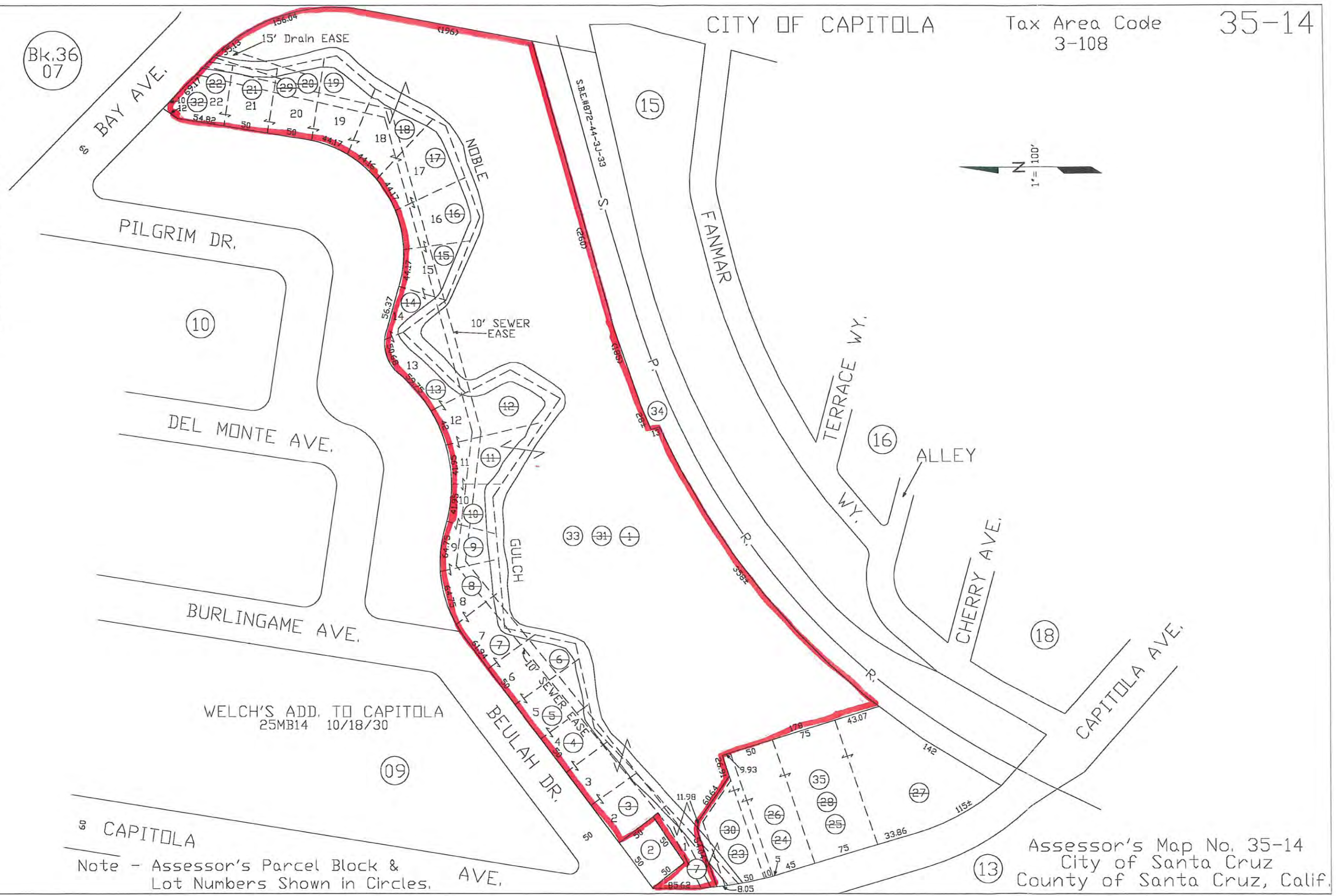
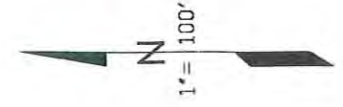
FOR TAX PURPOSES ONLY
THE ASSESSOR MAKES NO GUARANTEE AS TO MAP ACCURACY NOR ASSUMES ANY LIABILITY FOR OTHER USES. NOT TO BE REPRODUCED. ALL RIGHTS RESERVED.
© COPYRIGHT SANTA CRUZ COUNTY ASSESSOR 1998

CITY OF CAPITOLA

Tax Area Code
3-108

35-14

Bk.36
07



WELCH'S ADD. TO CAPITOLA
25MB14 10/18/30

Note - Assessor's Parcel Block &
Lot Numbers Shown in Circles.

Assessor's Map No. 35-14
City of Santa Cruz
County of Santa Cruz, Calif.

EXHIBIT B: Topographic Maps of Pacific Cove Mobile Home Park

The following maps were made from a survey performed in 1998. The maps were updated to 2011 site conditions showing several homes that have been replaced and the newly installed reinforced concrete storm drain pipeline.



REVISIONS
 APPROVED
 PROFESSIONAL LAND SURVEYOR NO. 7367

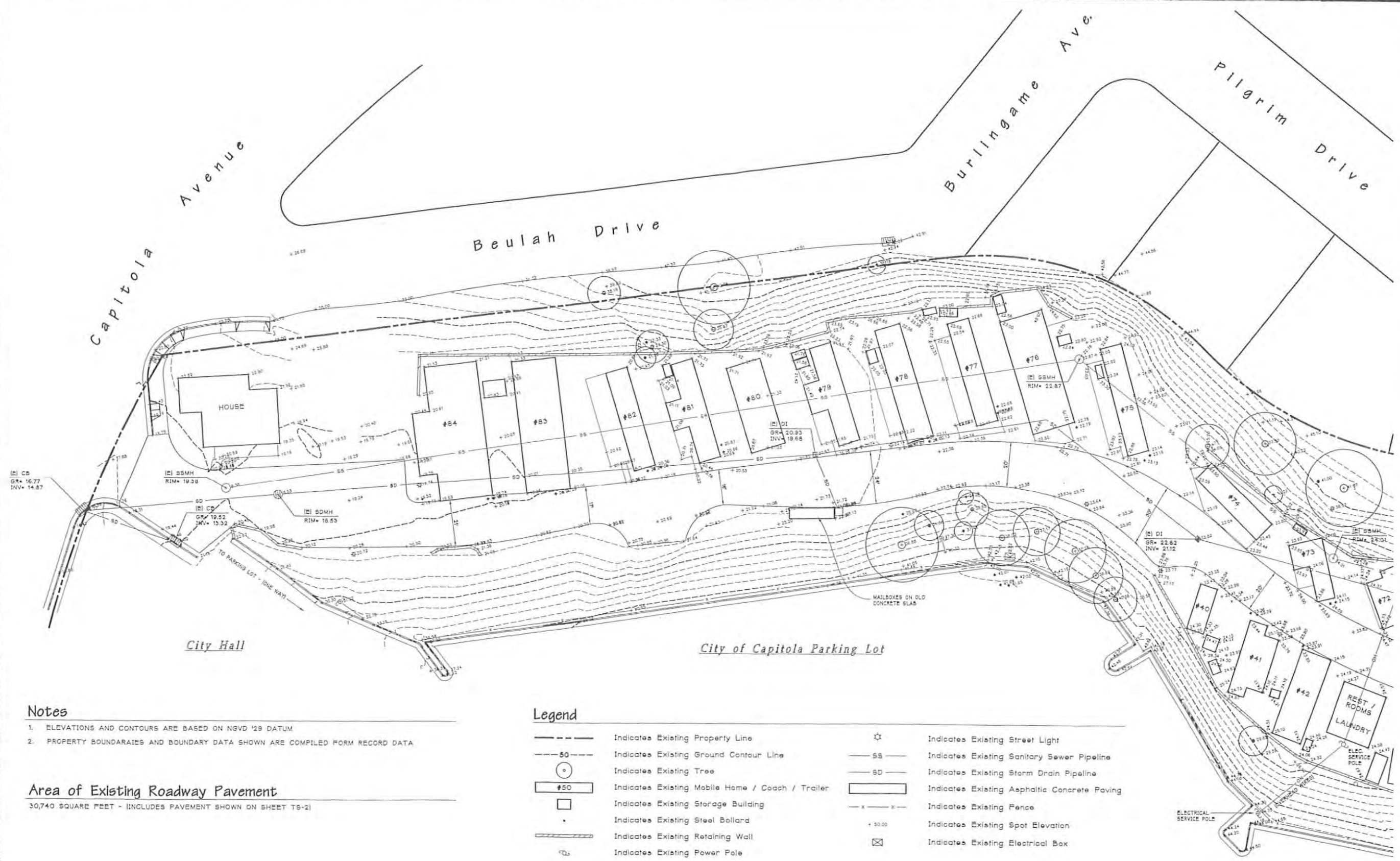
5200 SOQUEL AVE. SUITE 101
 SANTA CRUZ, CA 95062
 FAX (317) 424-1743
 www.iflandengineers.com



Existing Topographic Survey For:
Pacific Cove - M.H.P.
 426 Capitola Avenue, Capitola, California

Assessor's Parcel Number:
 035-141-33
 DATE 04/08/11 DRAWN Jim
 SCALE 1" = 20' CHECKED Gary

SHEET
TS-1
 OF 2 SHEETS
 JOB NO. 11022

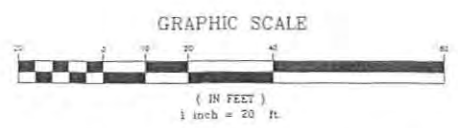


- Notes**
- ELEVATIONS AND CONTOURS ARE BASED ON NGVD '29 DATUM.
 - PROPERTY BOUNDARIES AND BOUNDARY DATA SHOWN ARE COMPILED FROM RECORD DATA.

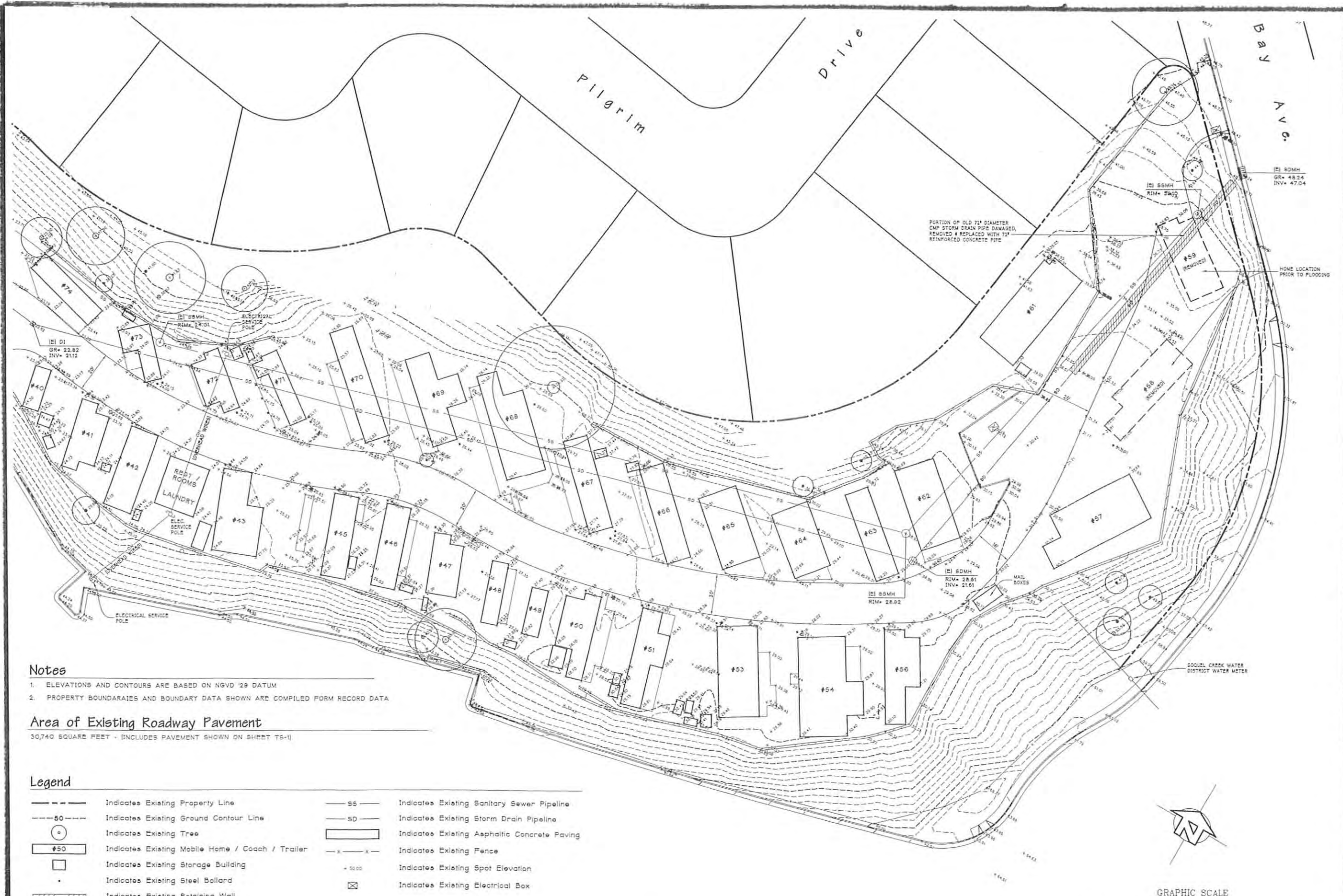
Area of Existing Roadway Pavement
 30,740 SQUARE FEET - (INCLUDES PAVEMENT SHOWN ON SHEET TS-2)

Legend

	Indicates Existing Property Line		Indicates Existing Street Light
	Indicates Existing Ground Contour Line		Indicates Existing Sanitary Sewer Pipeline
	Indicates Existing Tree		Indicates Existing Storm Drain Pipeline
	Indicates Existing Mobile Home / Coach / Trailer		Indicates Existing Asphaltic Concrete Paving
	Indicates Existing Storage Building		Indicates Existing Fence
	Indicates Existing Steel Bollard		Indicates Existing Spot Elevation
	Indicates Existing Retaining Wall		Indicates Existing Electrical Box
	Indicates Existing Power Pole		



Existing Topographic Survey
 SCALE: 1" = 20'



Notes

- ELEVATIONS AND CONTOURS ARE BASED ON NGVD '29 DATUM
- PROPERTY BOUNDARIES AND BOUNDARY DATA SHOWN ARE COMPILED FROM RECORD DATA

Area of Existing Roadway Pavement

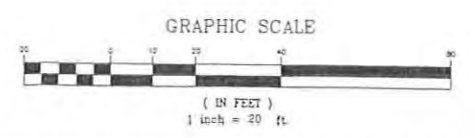
30,740 SQUARE FEET - (INCLUDES PAVEMENT SHOWN ON SHEET TS-1)

Legend

- | | | | |
|-----------|--|---------|--|
| — — — — — | Indicates Existing Property Line | — SS — | Indicates Existing Sanitary Sewer Pipeline |
| ---50--- | Indicates Existing Ground Contour Line | — SD — | Indicates Existing Storm Drain Pipeline |
| ○ | Indicates Existing Tree | ▭ | Indicates Existing Asphaltic Concrete Paving |
| ⊠ | Indicates Existing Mobile Home / Coach / Trailer | -x-x- | Indicates Existing Fence |
| □ | Indicates Existing Storage Building | + 50.00 | Indicates Existing Spot Elevation |
| • | Indicates Existing Steel Bollard | ⊠ | Indicates Existing Electrical Box |
| ▬▬▬▬▬ | Indicates Existing Retaining Wall | | |
| ⊕ | Indicates Existing Power Pole | | |
| ⊙ | Indicates Existing Street Light | | |

Existing Topographic Survey

SCALE: 1" = 20'



REVISIONS
APPROVED
PROFESSIONAL LAND SURVEYOR - NO. 7387

5200 SOQUEL AVE. SUITE 101
SANTA CRUZ, CA 95062
TEL (831) 438-5313
FAX (831) 438-1783
www.jeifland.com



CIVIL ENGINEERING • LAND PLANNING • STRUCTURAL DESIGN

Existing Topographic Survey For:
Pacific Cove - M.H.P.
426 Capitola Avenue; Capitola, California

Assessor's Parcel Number:
035-141-03
DATE: 04/08/11
SCALE: 1" = 30'
DRAWN: Jim
CHECKED: Gary

SHEET
TS-2
OF 2 SHEETS

92 11022

EXHIBIT C: Flood Insurance Rate Map

The following page is a copy of a portion of the (FIRM) flood map. The Pacific Cove Mobile Home Park is located in the area in the center of the map where the word "Culvert" is shown. This area is in the 100 year Flood Zone..

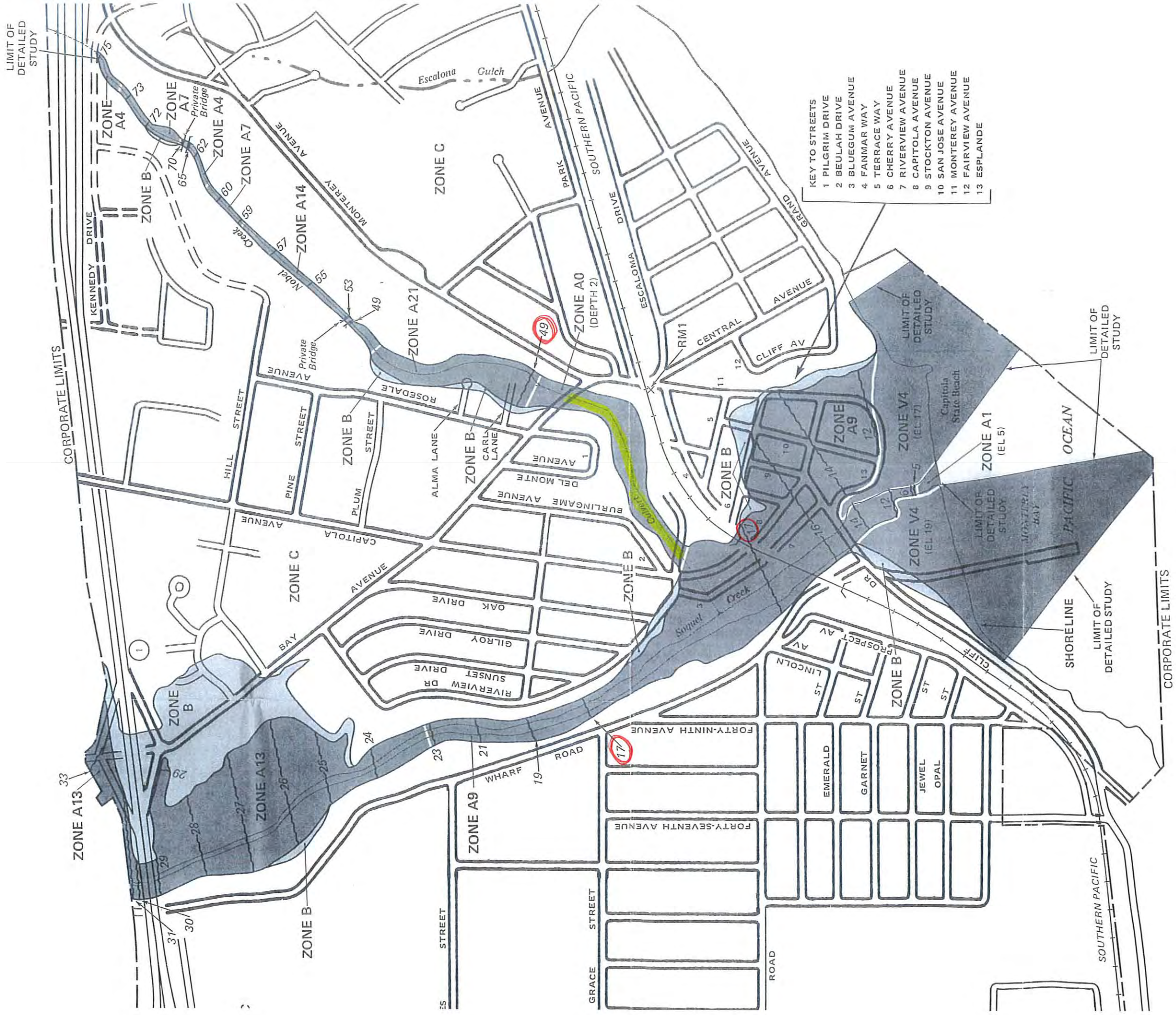
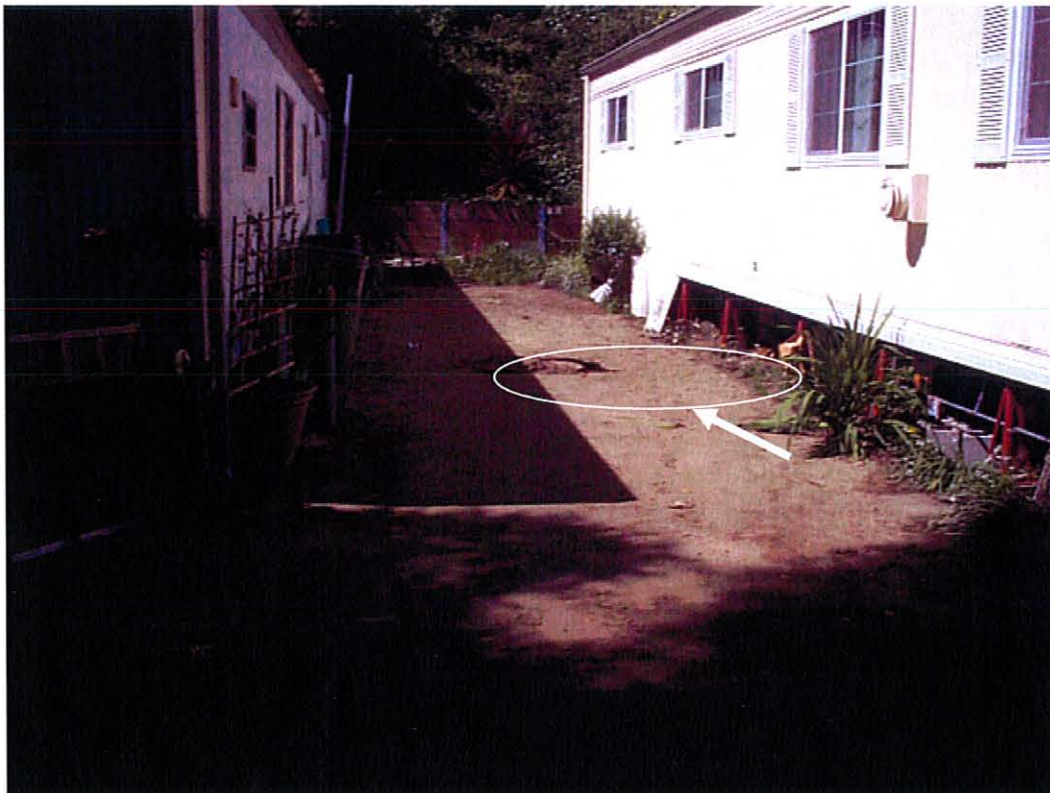


EXHIBIT D: PHOTOS

The following photos were taken on April 1, 2011, one week after the flooding and resulting damage.



Roadway condition after flooding on 3/26/11



Storm damaged parking space – Note sinkhole



Damaged car parking spaces adjacent to mobile home



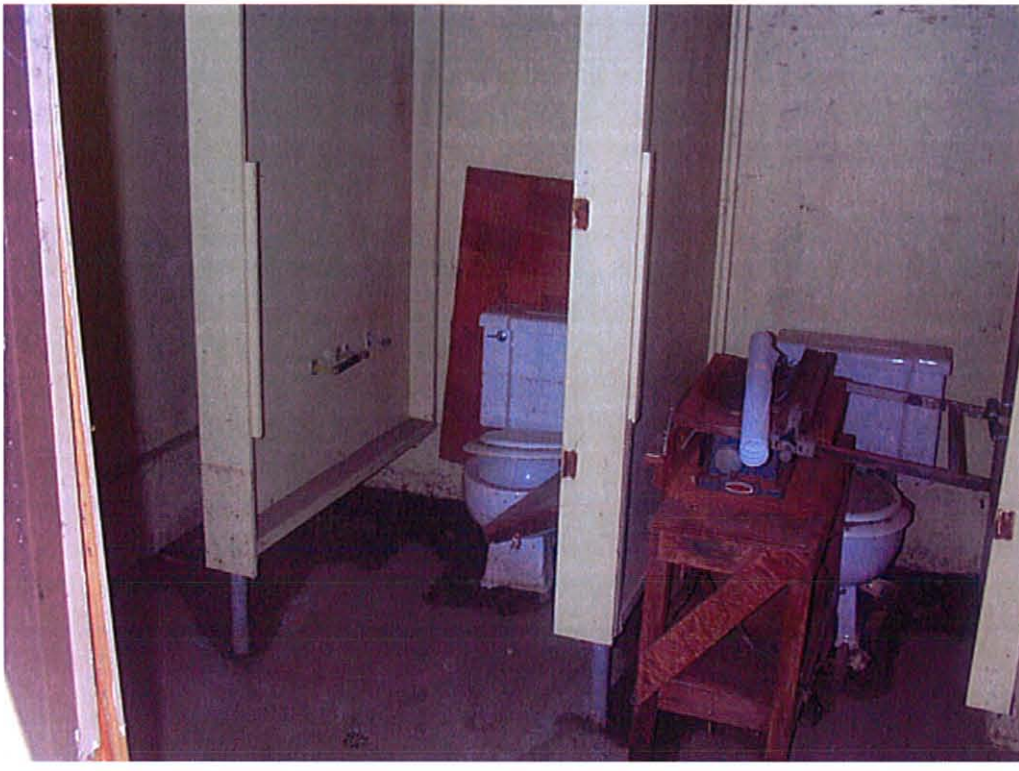
Soil washed away under and around home destroying landscape and walkway



Flood damaged public restroom



Flood damaged public restroom



Flood damage public restroom



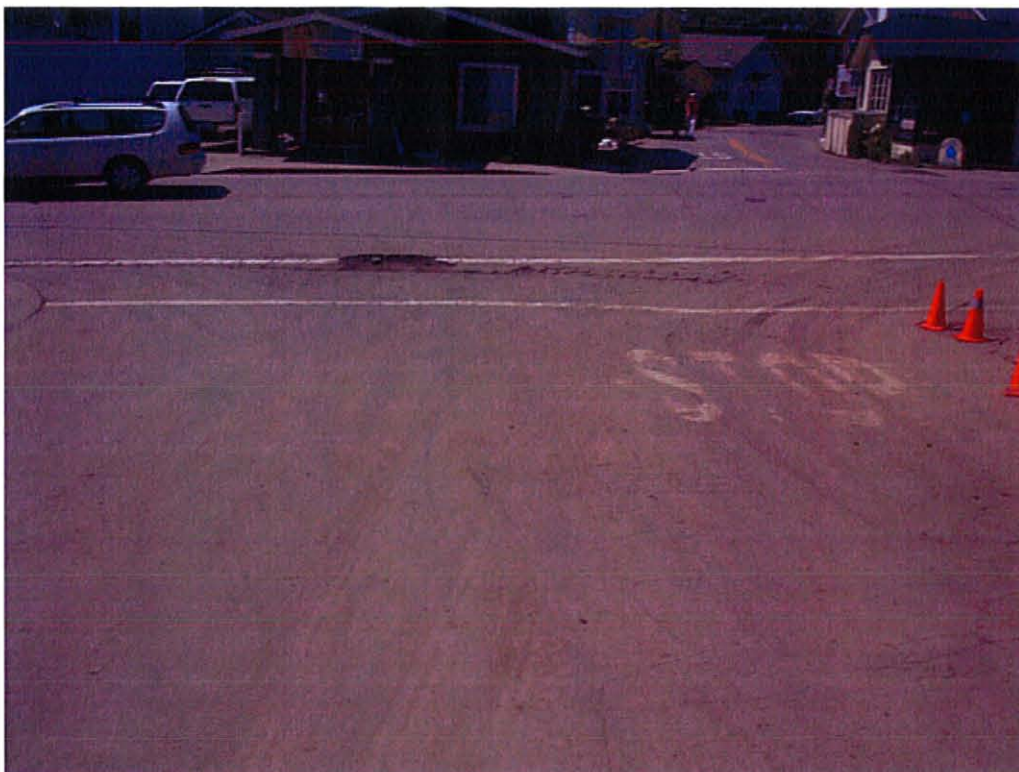
Rear of laundry building



Front of restroom building



Side and front of restroom building



Pavement damaged at park entrance at Capitola Avenue



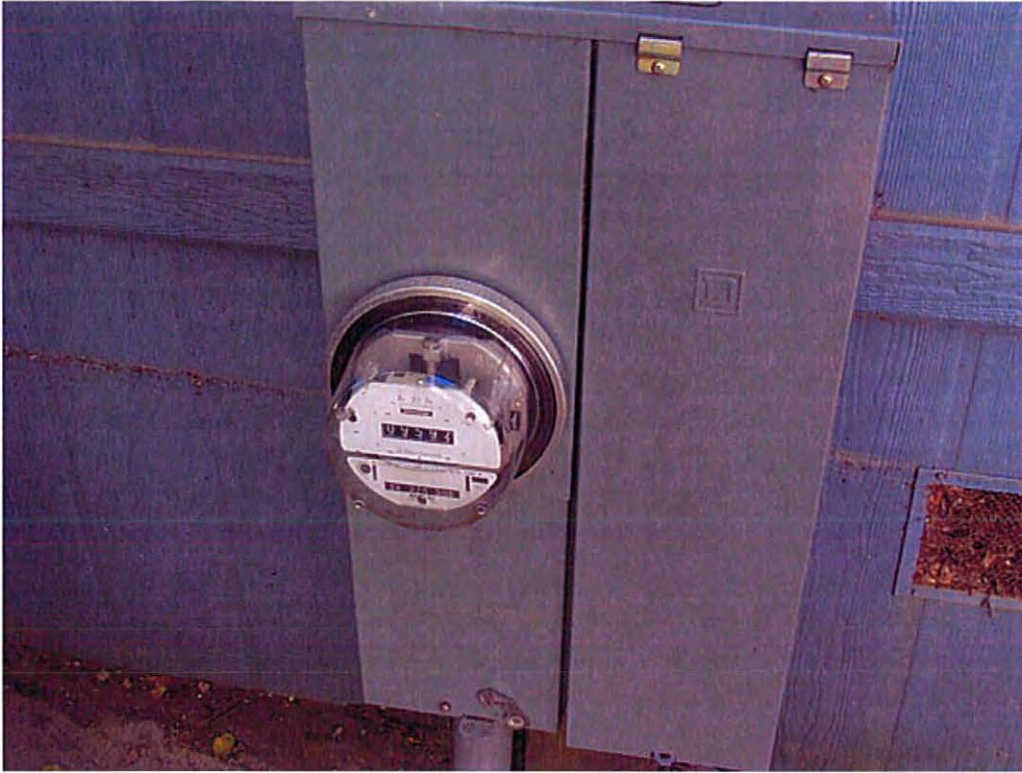
Typical existing roadway lighting



Typical gas meter installation



Existing mailboxes



Typical electrical pedestal with meter



CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: APRIL 18, 2011

SUBJECT: AMENDMENTS TO THE COMMUNITY TREE AND FOREST MANAGEMENT
ORDINANCE [1ST READING]

Recommended Action: By motion and roll call vote, that the City Council pass the proposed Ordinance Amending Sections 12.12.040, 12.12.110, 12.12.190, and 12.12.270 of the Capitola Municipal Code pertaining to Community Tree and Forest Management to a second reading, as submitted.

BACKGROUND

In 2004, the City adopted updates to its Community Tree and Forest Management ordinance. The overall goal of the ordinance is to protect and increase the level of tree cover on public and private lands within the city, maintain trees in a healthy and non-hazardous condition, and promote planting of additional trees to increase tree cover throughout the city. The ordinance includes sections on Tree Planting, Maintenance and Protection Strategy, Tree Removal and Replacement, and Enforcement and Evaluation.

On February 25, 2010, City Council directed staff to prepare an overview of the City's existing tree ordinance and summary of how the ordinance is enforced. On March 11, 2010, City Council directed staff to bring the City's tree ordinance to the Planning Commission for review within the next six months.

Staff first brought the tree ordinance to the Commission on the Environment (COE) for their review and consideration. The COE made a recommendation to clarify current enforcement protocols and rewrite the ordinance during the General Plan update at their May 25, 2010 meeting. On June 6, 2010, the Planning Commission concurred with the COE recommendations.

Staff returned to the City Council on September 23, 2010, and provided a summary of code enforcement activities. At the hearing, Mayor Norton expressed concern about weekend tree ordinance enforcement. Staff detailed the weekend enforcement protocols and the Council unanimously received the report.

Subsequent to the September 2010 hearing, a series of tree ordinance violations occurred that brought renewed attention to the efficacy of the tree ordinance. On October 14, 2010, Staff briefed the Council about alleged illegal tree removals and Staff indicated ordinance revisions should be made to strengthen the ordinance's enforcement provisions. In November and December, Staff collected fines related to illegal tree removal.

While Staff researched ordinance amendments, the City's Tree Ordinance was featured in the December 2010 issue of *Capitola Currents*. Additionally, a summary of the City's Tree Ordinance was mailed to all tree contractors and arborists located in Santa Cruz County. Revisions were also

made to the City's tree permit application, requiring a licensed tree contractor and property owner to acknowledge and sign off on all permit conditions. (Permit application form attached.)

Staff briefed the Commission on the Environment at its March 22, 2011, meeting about the proposed changes pending before the Council at this meeting. The COE requested that in addition to strengthening the Ordinance's enforcement and penalty provisions, they recommended that the following changes be made:

1. Clarify findings and conditions of removal.
2. Provide the ability for the City to require an independent arborist report to support the findings, if necessary.
3. Prioritize native trees for replacement if appropriate. If natives are not appropriate, allow non-invasive exotic replacement trees.

DISCUSSION

In preparing the proposed amendments, Staff reviewed tree protection ordinances of neighboring jurisdictions to determine a commonly accepted approach for removal findings and determining fines for illegally removed trees. The City's removal findings generally follow neighboring jurisdictions. However, the City's escalating fine related to trunk diameter was used in other jurisdictions, but was not as common. This approach does not take into consideration species, location, health, or other conditions related to the aesthetic or ecological value of a tree.

The following is a summary of the proposed amendments:

1. Clarifies findings and conditions of removal.
2. Requires applicants, if necessary, to cover the costs to prepare an independent arborist report to support findings necessary for approval.
3. Specifies types of trees for replacement.
4. Increases penalties for illegal tree removal by:
 - a. Holding the property owner, contractor, or certified arborist liable.
 - b. Allowing for the replacement of trees if the replacement provides an equivalent aesthetic quality in terms of size, height, location, appearance, age and other characteristic of the unlawfully removed tree.
 - c. In the case where a replacement tree does not provide reasonably equivalent aesthetic quality, the fine shall be the value as determined by latest edition of the Guide for Plant Appraisal.
 - d. Doubling fines for repeat offenders.

A comprehensive update of the City's Tree Ordinance will be completed as part of the General Plan Update. The proposed revisions address immediate issues related to fines, findings, and tree replacement.

FISCAL IMPACT: None.

ATTACHMENTS: Tree Ordinance Amendments

1. Draft Ordinance
2. Excerpts from the Municipal Code of current code sections
3. Tree Permit Application Form

Report Prepared By: Derek Johnson
Community Development Director

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

ORDINANCE NO.

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING SECTIONS 12.12.040, 12.12.110, 12.12.190, AND 12.12.270 OF THE CAPITOLA
MUNICIPAL CODE PERTAINING TO COMMUNITY TREE AND FOREST MANAGEMENT**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAPITOLA AS FOLLOWS:

Section 1. Subsection A. of Section 12.12.040 of the Capitola Municipal Code is hereby amended to add paragraph 6. to read as follows:

“6. Require applicants to cover the costs to prepare an independent arborist report to support the findings under Section 12.12.110 D. or deny an application under this Section.”

Section 2. Subsection D. of Section 12.12.110 of the Capitola Municipal Code is amended to read as follows:

“D. Findings and Conditions.

1. The tree removal is in the public interest based on one of the following:
 - a. Because of the health or condition of the tree, with respect to disease or infestation, or danger of falling on persons or property; or
 - b. For safety considerations or danger of falling on persons or property; or
 - c. In situations where a tree has caused, or has the potential to cause, unreasonable property damage.

2. Pruning, root removal, and all other feasible alternatives to removal have been applied and were not sufficient to resolve the problem.

3. Replacement trees and locations have been identified, and as a last resort in-lieu fees were paid as a condition of the permit in accordance with Section 12.12.190, especially subsections D and E of Section 12.12.190.

4. The removal of the tree would not be contrary to the purposes of this chapter or Chapter 17.95.

5. The approved pruning of heritage trees shall be conducted in the presence of a licensed certified arborist.

Section 3. Subsection A. of Section 12.12.190 of the Capitola Municipal Code is amended to read as follows:

A. Tree Replacement Ratio. An approval for tree removal under this chapter shall be conditioned upon the applicant planting, at some other location on the subject property, replacement trees to compensate for the removed tree(s) on a ratio of at least two trees or more for each one tree removed, as determined by the director. Replacement trees and/or in-lieu fees are not required if post-removal tree canopy coverage on the site or parcel will be thirty percent or more. Native trees grown from locally or regionally collected stock are preferred, in the case where a native tree is not appropriate as determined by the Community Development Director, a non-invasive exotic tree may be planted.

Section 4. Paragraphs 1 and 2 of Subsection B. of Section 12.12.270 of the Capitola Municipal Code are hereby amended to read as follows:

- “1. Non-heritage Tree Violations.
- ~~a. Eight hundred dollars per tree for trees between six inches and ten inches in diameter measured forty-eight inches from the ground;~~
- ~~b. Twelve hundred dollars per tree for trees between ten inches and twenty inches measured forty-eight inches from the ground;~~
- ~~c. Two thousand dollars per tree for any tree over twenty inches in diameter measured forty-eight inches from the ground;~~
- ~~d. Double penalty for second violation within one year;~~

a. The violation of any provision contained in this chapter is declared to be unlawful and shall constitute a public nuisance, subject to the penalties as prescribed in this chapter. Such penalties may be assessed also against a certified arborist, property owner, or contractor who performed work in violation of this section. In addition thereto, any person unlawfully removing, destroying or damaging any protected tree shall be penalized as follows:

1) Replacing the unlawfully removed tree with one or more new trees which, in the opinion of the community development director or planning commission, will provide equivalent aesthetic quality in terms of size, height, location, appearance, age and other characteristics of the unlawfully removed tree. Such trees shall be located on site where the tree was removed.

2) Where similar replacement trees will not provide reasonably equivalent aesthetic quality because of the size, height, location, appearance, age and other characteristics of the unlawfully removed or damaged tree at the discretion of the Community Development Director or Planning Commission, the Community Development Director shall calculate the value of the removed tree in accordance with the latest edition of the Guide for Establishing Values of Trees and Other Plants, as prepared by the Council of Tree and Landscape Appraisers. Upon the determination of such value, the Community Development Director may require either a cash payment to the City, and/or the planting of replacement trees as designated by the Community Development Director, or any combination thereof, in accordance with the following:

a) Cash payment for any portion or all of the value of the removed tree in accordance with this section, and

b) The replacement of removed trees, the retail costs of such trees, as shown by documentary evidence satisfactory to the Community Development Director, shall be offset against the value of the removed or damaged tree, but no credit shall be given for transportation, installation, maintenance and other costs incidental to the planting and care of the replacement trees.

3) Where a violation(s) of this section has previously occurred with the same property owner, agent, certified arborist or contractor, or advance knowledge of the requirements of this section have been provided to the property owner, agent certified arborist or contractor, the Community Development Director or Planning Commission, at their discretion, shall require payment of a double penalty fee pursuant to Section 12.12.270 B. 1.

4) All applications and permit fees paid to the city shall be forfeited.

eb. In addition to the civil penalty herein above prescribed, the city shall also recover the cost of staff time, attorney fees and court proceedings incurred in connection with the violation.

2. For Heritage Trees. A penalty pursuant to Section 12.12.270 B. 1. shall be charged. ~~of two thousand five hundred dollars for a first offense and in doubling increments for each successive violation within one year of the prior violation.~~ In addition to the penalty herein prescribed, the city shall also recover the cost of staff time, attorney fees and court proceedings incurred in connection with the violation.

Section 5. This ordinance shall take effect and be in full force thirty (30) days after its final adoption.

This ordinance was introduced on the 28th day of April, 2011, and was passed and adopted by the City Council of the City of Capitola on the 12th day of May, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DISQUALIFIED:

APPROVED:

Dennis R. Norton, Mayor

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk

EXCERPTS FROM CAPITOLA MUNICIPAL CODE CHAPTER 12.12 PERTAINING TO AMENDMENTS TO SECTIONS 12.12.040, 12.12.110, 12.12.190 AND 12.12.270 REGARDING COMMUNITY TREE AND FOREST MANAGEMENT

12.12.040 Authority and duties.

A. Community Development Director. The community development director or designee shall be responsible for administering and enforcing this chapter. The community development director or designee shall have the following powers and duties:

1. Grant or deny applications for non-heritage tree removal permits as set forth in Section 12.12.180 and make recommendations on permit applications involving heritage trees that are reviewed by the planning commission;
2. Provide technical information to assist owners in maintaining heritage trees on private property;
3. Review all development and construction applications for the purpose of determining canopy coverage requirements and any development impacts on the community forest;
4. Make recommendations to the planning commission pertaining to the management of the city's community forest;
5. Help process and pursue grants to implement the community forest program.

12.12.110 Permit process for removal and pruning of heritage trees.

- D. Findings and Conditions.
1. The tree removal is in the public interest based on one of the following:
 - a. Because of the health or condition of the tree, with respect to disease, infestation, or danger of falling on persons or property; or
 - b. For safety considerations; or
 - c. In situations where a tree has caused, or has the potential to cause, unreasonable property damage.
 2. Pruning, root removal, and all other feasible alternatives to removal have been applied and were not sufficient to resolve the problem.
 3. Replacement trees and locations have been identified, and as a last resort in-lieu fees were paid as a condition of the permit in accordance with Section 12.12.190, especially subsections D and E of Section 12.12.190.
 4. The removal of the tree would not be contrary to the purposes of this chapter or Chapter 17.95.
 5. The approved pruning of heritage trees shall be conducted in the presence of a licensed certified arborist.

12.12.190 Tree replacement.

A. Tree Replacement Ratio. An approval for tree removal under this chapter shall be conditioned upon the applicant planting, at some other location on the subject property, replacement trees to compensate for the removed tree(s) on a ratio of at least two trees or more for each one tree removed, as determined by the director. Replacement trees and/or in-lieu fees are not required if post-removal tree canopy coverage on the site or parcel will be thirty percent or more.

12.12.270 Penalty for violation.

A. Criminal Penalty. Any person alone, or through an agent, employee or representative, who violates any provision of this chapter shall be guilty of a separate offense for each act constituting a violation of this chapter. Persons criminally liable for a violation of this chapter include, but are not limited to, a property owner, an arborist, a tree trimming business, or contractor who perform work or cause work to be performed in violation of this chapter. The city attorney shall have the discretion to prosecute any violation of this chapter as either a misdemeanor or an infraction punishable by a fine in the maximum amount authorized by the California Penal Code for misdemeanors and infractions.

B. Civil Penalty. As an alternative to criminally prosecuting violations of this chapter, the city may seek civil penalties as herein below set forth.

1. Non-heritage Tree Violations.

a. Eight hundred dollars per tree for trees between six inches and ten inches in diameter measured forty-eight inches from the ground;

b. Twelve hundred dollars per tree for trees between ten inches and twenty inches measured forty-eight inches from the ground;

c. Two thousand dollars per tree for any tree over twenty inches in diameter measured forty-eight inches from the ground;

d. Double penalty for second violation within one year;

e. In addition to the civil penalty herein above prescribed, the city shall also recover the cost of staff time, attorney fees and court proceedings incurred in connection with the violation.

2. For Heritage Trees. A penalty be charged of two thousand five hundred dollars for a first offense and in doubling increments for each successive violation within one year of the prior violation. In addition to the penalty herein prescribed, the city shall also recover the cost of staff time, attorney fees and court proceedings incurred in connection with the violation.

C. Restitution. As an alternative, or in addition to criminal or civil penalties the city may require restitution of any person unlawfully removing, destroying or damaging any trees as prohibited in this chapter as follows:

1. Replace the unlawfully removed tree with one or more trees that, in the opinion of the community development director, will provide equivalent aesthetic quality and other values in terms of size, height, location, appearance, age and other characteristics of the unlawfully removed tree. Such trees may be required to be located either on or off-site where the tree was removed.

2. Where similar replacement trees cannot be planted on-site, in lieu fees shall be paid into the community tree fund to compensate for the planting and maintenance of the tree and the canopy coverage removed.

D. Disqualification. In the event a violation is committed by or under the direction of a certified arborist, a “permitted” tree trimmer or other contractor included in the city’s list, he or she will be removed from the city’s list for a minimum of one year. A person or company may petition to be re-listed. The community development director may grant the petition if he or she concludes that the petitioner will follow this chapter’s regulations in the future. (Ord. 863 § 2 (part), 2004)



CITY OF CAPITOLA TREE PERMIT APPLICATION

ATTACHMENT 3

APPLICATION# _____
FILING DATE: _____
TOTAL FEE: _____
RECEIVED BY: _____

Tree Permits are required for the following tree work:

1. Pruning, trimming, removing , and/or performing any work , on a single occasion or cummulatively, over a three-year period, affecting 25% or more of the crown and/or volume of foliage and branches of any tree tree with a minimum six-inch thick truck measured forty-eight inches above grade or at average breast height; or
2. Pruning, trimming or removing trees located withing an environmentally sensitive habitat area.

Tree Removal, Pruning or Trimming >25% – Staff Approval + 5% Information Technology Fee	\$114.00 + \$5.70
Tree Removal – Planning Commission Approval + 5% Information Technology Fee	Cost; \$1,000 min. deposit
Tree Removal – 3 or more trees on a property + 5% Information Technology Fee	\$250 + hourly cost for staff beyond 3 hours
Refundable Deposit – Replacement Tree Obligation	\$500.00
TOTAL FEES:	

Property Address: _____

Property Owner: _____ Phone: _____

Mailing Address: _____

Applicant: _____ Phone: _____
(If other than applicant)

Mailing Address: _____

I understand that the tree(s) may be removed, pruned or trimmed, only in accordance with the criteria established in Chapter 12.12 of the Capitola Municipal Code, and that by signing this application, I am agreeing to the conditions of the permit. If the tree(s) are requested for removal, my signature certifies that they are located solely on my property.

Property Owner/Applicant Signature _____ Date _____

Tree Service Performing Work: _____ CA D-49 License No.: _____

I agree to comply with the conditions placed on the permit and agree to perform the work in conformance with this permit and the Chapter 12.12 of the Capitola Municipal Code.

Tree Service Signature _____ Date _____

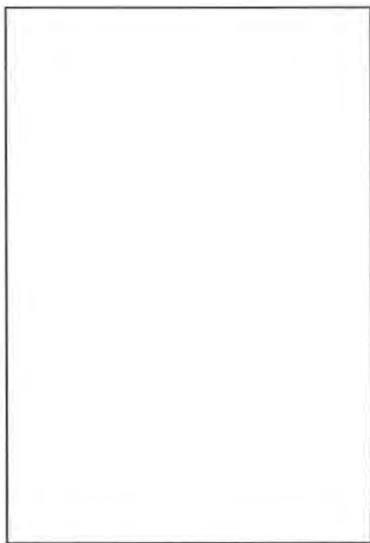
- List the tree(s) and mark the appropriate box for tree(s) to be removed, pruned or trimmed.

Species	Remove	Prune or Trim >25%	Reason

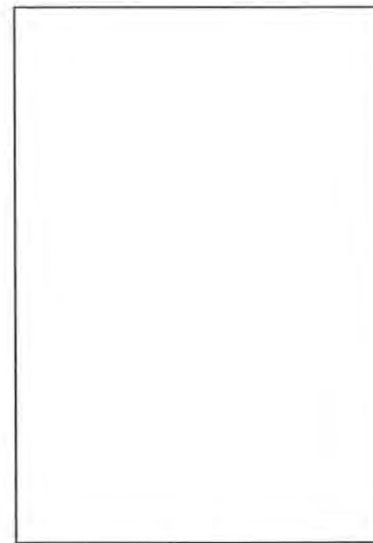
- List the species of tree(s) and number to be replanted.

Species	No.

- Prepare a site plan in the area below showing the trees(s) to be removed from the property. Include existing structures and dimensions from property lines.
- Show the location of replacement trees on property.



Street



Street



Item #: 5.A.

CITY COUNCIL AGENDA REPORT

MEETING OF APRIL 28, 2011

FROM: OFFICE OF THE CITY MANAGER
DATE: APRIL 21, 2011
SUBJECT: REVIEW OF A CHARTER FOR THE FINANCE ADVISORY COMMITTEE

Recommended Action: By motion, that the City Council accept and file the Finance Advisory Committee Charter, as submitted.

BACKGROUND

On February 24, 2005, the City adopted Resolution No. 3437 which defined the purpose and composition of the Capitola Finance Advisory Committee (FAC). Late last year members of the FAC sought to more closely define their role and produced a Finance Advisory Committee Charter. The Charter was approved by the FAC on February 15, 2011.

DISCUSSION

The Charter is intended to be "Operating Direction" for the City of Capitola Finance Advisory Committee. It is expected this document will be used to clarify roles and responsibilities of the Committee to the City Manager, City Council and its members. It is further anticipated that the meetings of this Committee will be scheduled and agendized around these guidelines.

The purpose of the Charter is not to replace Resolution No. 3437, but to establish working principles to guide interactions between the FAC and the City. The basic premise of the FAC Charter is:

The Finance Advisory Committee works closely with the City Manager to investigate and develop recommendations on projects or policies identified by the City Council and/or the City Manager. The overall fiscal well being of the City is the guiding principle of the Advisory Committee.

The Committee must develop and maintain a basic working knowledge of the City Budget as well as the operational and organizational departments within the City structure. To be effective the City Manager must keep the Committee informed of items that may have a significant impact on the City budget or events that will or may impact the fiscal future of the City.

FISCAL IMPACT - None

ATTACHMENTS

1. Finance Advisory Committee Charter
2. Resolution No. 3437

Report Prepared By: Jamie Goldstein
City Manager

Reviewed and Forwarded by
City Manager: _____

Memo

To: Capitola City Council and Jamie Goldstein, Capitola City Manager
From: City of Capitola Finance Advisory Committee
Date: 4/21/2011
Re: Finance Advisory Committee Charter

The following is intended to be a "Charter", "Guidelines" or "Operating Direction" for the City of Capitola Finance Advisory Committee. It is expected that this will be used to clarify roles and responsibilities of the Committee to the City Manager, City Council and its members. It is further anticipated that the meetings of this Committee will be scheduled and agenzized around these guidelines.

Basic Premise

The Finance Advisory Committee works closely with the City Manager to investigate and develop recommendations on projects or policies identified by the City Council and/or the City Manager. The overall fiscal well being of the City is the guiding principle of the Advisory Committee.

The Committee must develop and maintain a basic working knowledge of the City Budget as well as the operational and organizational departments within the City structure. To be effective the City Manager must keep the Committee informed of items that may have a significant impact on the City budget or events that will or may impact the fiscal future of the City.

Responsibilities

The Committee acts strictly in an advisory capacity in that it has no authority except the responsibility to provide unbiased reports on projects specifically assigned or advise the City Council of potential City budget impacts and to quantify and qualify these impacts.

Specific Project Areas

Budgets & Projections

1. The Committee will review, on a high level, budget components of revenues and expenditures of the City's Annual Budget.
 - a. This review requires the development of an understanding of the departmental organizations and functions.
 - b. The Committee must understand of the measurements and rational for significant revenue components of the budget.
 - c. The Committee must understand non-departmental expenditures (such as debt repayments, etc.), inter-fund transactions, fund requirements, and balances and reserves

- d. In order to fulfill this requirement the City Manager will “walk” the Committee through the proposed budget, by department and at a high level. This presentation must be sufficient detail level that the Committee will understand the departmental; organizational structure, staffing requirements and responsibilities, negotiated contracts, fixed expenses and variable expenses.

2. Five Year Projection

- a. The Committee will work with the City Manager and Staff to develop a Five Year Financial Projection
 - i. The first year (base year) will be the detailed Annual Budget
 - ii. The second year through the fifth year (or longer if possible) should consist of a yearly “variance analysis”. The variance analysis shall consist of identified and quantified increments to the current year’s revenue and expense levels. Ex. Negotiated pay increases, COLA salary increases, , expected increases or decreases in sales tax, changes in debt repayment, etc,
 - iii. It is essential that in all projections the City Manager, Staff and Finance Advisory Committee insure that to the best of their ability and known facts that the Five Year Projection includes as many anticipated or planned revenues and expenditure events as possible.
- b. The purpose of the Five Year Projection is to plan, as best as possible, the fiscal responsibilities of the City of Capitola to allow for:
 - i. Timely, complete and unbiased analysis
 - ii. Long-term fiscal planning
 - iii. Better informed decision making in the short-term

Special Projects

1. The knowledge and information gained from the above Budgets and Projections responsibilities are necessary to form a analysis and recommendation on Special Projects that maybe assigned by the City Council or City Manager.
2. Special Projects may include- To be determined based on the importance and how much the subject matter could impact The City
 - a. Future revenues (variance analysis items):
 - b. Future expense implications (“variance analysis” items):
 - c. Bond issues or other indebtedness
 - d. Inter fund transactions and an understanding of fund functionality
 - e. Financial impact of employee benefit plans
 - f. Financial impact of labor negotiations

Committee Membership

The Committee is appointed by members of the City Council, two members of the Council, the City Manager, the RDA Treasurer, the City Treasurer and a business representative. Appointment of the members by the council should consider the experience and knowledge of the appointees based up the charter of the Committee. The Committee elects a Chairman annually.

Summary

The City Council, City Manager and the Committee must agree on this charter, as well as a timetable to the completion of the annual events or special projects that may be assigned.

COPY

RESOLUTION NO. 3437

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
REPEALING RESOLUTION NO. 3423
AND DEFINING THE COMPOSITION AND PURPOSE OF THE
CAPITOLA FINANCE ADVISORY COMMITTEE**

WHEREAS, the City Council adopted Resolution No. 3063 on January 27, 2000, establishing and defining the Finance Advisory Committee's role and responsibilities; and

WHEREAS, Resolution No. 3113 was adopted on January 25, 2001, repealing Resolution No. 3063 to modify the composition of the committee to include the Redevelopment Agency Treasurer as a member on the Finance Advisory Committee in order to broaden its mission to include consideration of Redevelopment Agency finances; and

WHEREAS, Resolution No. 3116 was adopted and then repealed by Resolution No. 3337 to amend Sub-section (c) of Section 2 of Resolution No. 3113 to change the meeting time and day; and

WHEREAS, Resolution No. 3423 was adopted on January 13, 2005, repealing Resolution No.'s 3113 and 3337 to amend Sub-section (c) of Section 2 to provide for scheduling of Finance Advisory Committee meetings to be determined by the committee, rather than to be set in the implementing resolution; and

WHEREAS, as a result of proposed changes to the Capitola Redevelopment Agency Treasurer position, it is the desire of the Council to include a provision under Section 2.a. that "Any staff member serving in the capacity of a Finance Advisory Committee member would be an ex-officio member and not a voting member of the committee."

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

- Section 1. Resolution No. 3423 is hereby repealed in its entirety.
- Section 2. The composition and purpose of the Finance Advisory Committee is hereby defined below:
- a. The Finance Advisory Committee shall be comprised of the following representation:

The Mayor and Vice Mayor shall serve on this committee. When either or both the Mayor and Vice Mayor do not want to serve on this committee, other member(s) of the City Council shall be appointed by the Mayor, with the concurrence of the City Council.

The Capitola City Treasurer.

The Capitola Redevelopment Agency Treasurer.

Four additional members, serving at the pleasure of the City Council for a term of one year or shorter, ending in December of each year, as follows:

Three members, each appointed by the remaining Capitola City Council members not on the committee.

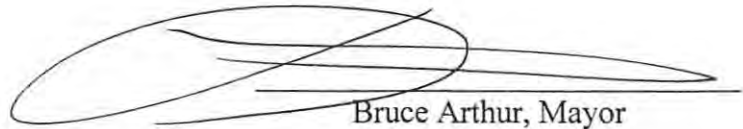
One member representing the business community appointed by the Capitola City Council with a recommendation from the Capitola Chamber of Commerce.

Any staff member serving in the capacity of a Finance Advisory Committee member would be an ex-officio member and not a voting member of the committee.

- b. The purpose of the Finance Advisory Committee is:
 - 1. To provide financial and budget alternatives to the City Council
 - 2. To provide financial and budget advice to the City Manager
 - 3. To conduct financial studies on the request of the City Council or City Manager
 - 4. To review the budget and financial reports of the City and Redevelopment Agency
- c. The regular meetings of the Finance Advisory Committee will be held a minimum of four times per year, with meeting dates and times to be determined by the committee.
- d. The City will provide staff support to the Finance Advisory Committee with the Finance Director to be primarily responsible for ensuring this support, to include preparation of agendas and minutes, compilation of material for discussion at committee meetings and follow-up as necessary.

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, 2005, by the following vote:

AYES: Council Members Termini, Norton, Harlan, Nicol, and Mayor Arthur
 NOES: None
 ABSENT: None
 ABSTAIN: None
 DISQUALIFIED: None



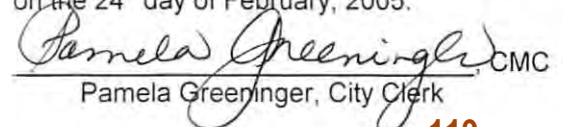
Bruce Arthur, Mayor

ATTEST:



Pamela Greeninger, City Clerk

This is to certify that the above and foregoing is a true and correct copy of Resolution No. 3437 passed and adopted by the Capitola City Council on the 24th day of February, 2005.



Pamela Greeninger, City Clerk