

City of Capitola Agenda



Mayor: Michael Termini
Vice Mayor: Stephanie Harlan
Council Members: Kirby Nicol
Dennis Norton
Sam Storey
Treasurer: Jacques Bertrand

**CAPITOLA CITY COUNCIL
REGULAR MEETING
THURSDAY, JULY 26, 2012
CLOSED SESSION – 6:00 PM
CITY MANAGER’S OFFICE**

An announcement regarding the items to be discussed in Closed Session will be made in the City Hall Council Chambers prior to the Closed Session. Members of the public may, at this time, address the City Council on closed session items only.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Govt. Code §54956.8)

Property: Pacific Cove Property, 426 Capitola Avenue [APN 035-141-33]
Agency/City Negotiator: Steven Jesberg, Public Works Director
Negotiating parties: Bill and Joyce Budisch (520 Pilgrim Drive)
Under Negotiation: Resolution of property line encroachment

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of GC §54956.9: Three cases:

1. City of Capitola Insurance Coverage Claim Against Lexington Insurance (Noble Gulch Storm Drain Failure);
2. Pacific Cove Mobile Home Park Pipe Failure and Closure;
3. Consideration of lawsuit against the Department of Finance – Disputed Recognized Obligations of the Successor Agency;

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

1. Kevin Calvert, D.D.S. and Pamela Calvert vs. City of Capitola, et al. [Superior Court of the State of California for County of Santa Cruz, Case #CV 172804];
2. Katie Saldana vs. City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 172324];
3. Foremost Insurance Company vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 173228];
4. Truck Insurance vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV173071];
5. David Ross; Carousel Taffy Morro Bay, Inc.; Village Mouse dba; The Thomas Kinkade Gallery Capitola; Judith Ferro vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 173642];
6. American Alternative Insurance Corporation; Central Fire Protection District of Santa Cruz County vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV173926].

CONFERENCE WITH LABOR NEGOTIATOR (Govt. Code §54957.6)

Negotiator: Jamie Goldstein, City Manager
Employee Organizations: Capitola Police Officers Association; Association of Capitola Employees; and Capitola Police Captains.

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL – 7:00 PM**1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

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

2. PRESENTATIONS

A. Presentation by the Police Chief regarding Nixle, a new Community Information Service designed to deliver important and timely information to residents; and the City of Capitola Police Department Facebook site.

3. REPORT ON CLOSED SESSION**4. ADDITIONS AND DELETIONS TO AGENDA****5. PUBLIC COMMENTS**

Oral Communications allows time for members of the Public to address the City Council on any item not on the Agenda. Presentations will be limited to three minutes per speaker. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and will not be permitted to engage in dialogue. All speakers are requested to print their name on the sign-in sheet located at the podium so that their name may be accurately recorded in the minutes. A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.

6. COUNCIL/STAFF ANNOUNCEMENTS**7. COMMITTEE APPOINTMENTS**

A. Appointment to Capitola Historical Museum Board.

ALL MATTERS LISTED ON THE REGULAR MEETING OF THE CAPITOLA CITY COUNCIL AGENDA SHALL BE CONSIDERED AS PUBLIC HEARINGS.**8. CONSENT CALENDAR**

All items listed in the "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Council votes on the action unless members of the public or the City Council request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Government.

Note that all Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and further reading waived.

- A. Approve City Council Minutes of the Regular Meeting of May 24, 2012.
RECOMMENDED ACTION: Approve Minutes.

8. CONSENT CALENDAR (continued)

- B. Consideration of a Resolution to accept grant revenue of \$1,000 for the 2012 Target National Night Out, and authorize budget expenditures of \$1,000 for Fiscal Year 2012-2013.
RECOMMENDED ACTION: Adopt Resolution.
- C. Approval of City Check Register Reports dated June 22, 2012, June 29, 2012, July 6, 2012, and July 13, 2012.
RECOMMENDED ACTION: Approve the City Check Register Reports.
- D. Consideration of an amendment to Title 3 Section 16 of the Capitola Municipal Code pertaining to Purchasing and Purchasing Contracts [2nd Reading], and amending related Financial Management Policies.
RECOMMENDED ACTION:
1. Adopt an Ordinance amending Title 3 Section 16 of the Capitola Municipal Code to pertaining to Alternative Bidding Procedures; and
2. Approve amending the related Council Financial Management Policies to be consistent with the Alternative Bidding Procedures:
a. Purchasing and Procurement Policy
b. Credit Card Purchasing Program Policy
- E. Consideration of an Ordinance amending Section 17.57.040(D) of the Municipal Code pertaining to Prohibited Signs and adding Sections 17.57.020(B)(4) and 17.57.060(F) pertaining to the Use of Sidewalk Signs in the Central Village Zoning District [2nd Reading]; adopt a Resolution authorizing submittal of an Local Coastal Plan Amendment.
RECOMMENDED ACTION: Adopt Ordinance and Resolution.
- F. Continued from the July 12, 2012 City Council Meeting:
Consideration of approving the list of contractors for removal of coaches from the Pacific Cove Mobile Home Park.
RECOMMENDED ACTION Take the following actions:
1. Approve a list of qualified contractors in response to the request for statements of interest from contractors for removal of coaches from the soon to be closed Pacific Cove Mobile Home Park; and
2. Authorize the City Manager to enter into contracts with the low bidder from the qualified contractors list for all phases of the coach removal work.
- G. Consideration of a Resolution accepting a Homeland Security Grant in the amount of \$5,842, and amending the Fiscal Year 2012-2013 General Fund Operating Budget by increasing both revenues and expenditures by \$5,842.
RECOMMENDED ACTION: Adopt Resolution.
- H. Consideration of the proposed revised language of the “Argument in Favor” of a Permanent Quarter Cent Sales Tax Measure to be printed in the ballot for the November 6, 2012 Election.
RECOMMENDED ACTION: Approve revised argument.

9. GENERAL GOVERNMENT/PUBLIC HEARINGS

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

- A. Consideration of options for future uses on the former Pacific Cove Mobile Home Park Site.
RECOMMENDED ACTION: Identify a preferred short-term option for uses on the Pacific Cove/City Hall property and direct staff to develop plans and financing options.
- B. Consideration of approving a contract for the sale of a portion of City property located at 426 Capitola Avenue to 520 Pilgrim Avenue to correct building encroachment, and authorize the City Manager to execute the contract.
RECOMMENDED ACTION: Approve sale of property and authorize the City Manager to execute the contract.
- C. Continued from the June 28, 2012 City Council meeting:
 Consideration of a Visitor Service Fee (Transient Occupancy Tax – TOT) Measure for the November 6, 2012 General Municipal Election.
RECOMMENDED ACTION: Council discretion to either:
 1. Retain the current Visitor Service Fee (TOT) tax at 10%, or
 2. Direct staff to prepare a Resolution to increase the TOT consistent with measures considered by other local jurisdictions.

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

10. COUNCIL/STAFF COMMUNICATIONS

A. Staff Comments

B. City Council/Treasurer Comments/Committee Reports

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

11. ADJOURNMENT

Adjourn to the next Regular Meeting of the City Council to be held on Thursday, August 9, 2012, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

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

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

Agenda and Agenda Packet Materials: The City Council Agenda and the complete agenda packet are available 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 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.



Item #: 7.A.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: CITY CLERK'S OFFICE

SUBJECT: APPOINTMENT TO CAPITOLA HISTORICAL MUSEUM BOARD

RECOMMENDED ACTION: Accept the recommendation of the Capitola Historical Museum Board and appoint Stephanie Kirby to fill the vacancy on the Capitola Historical Museum Board for three (3) years to expire the second Thursday in June 2015.

DISCUSSION: The required notice regarding the vacancy was posted on May 25, 2012, at City Hall and the Capitola Branch Library, scrolled on Charter Community Channel 8, included on the city's website and press releases issued to local publications.

Two applications were received during the recruitment period. At its meeting of July 12, 2012, the board voted to recommend the appointment of Stephanie Kirby.

FISCAL IMPACT - None

ATTACHMENTS

1. Memo from Carolyn Swift, Capitola Museum Director
2. Applications Received
3. Vacancy Notice
4. List of Current Members

Report Prepared By: Michele Deiter, CMC
Records Coordinator

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



**Capitola Historical Museum
Memo**

Date: July 12, 2012

To: Mayor Mike Termini and Capitola City Council

From: Carolyn Swift, Capitola Museum Director

RE: Capitola Historical Museum Board of Trustees Appointment Recommendations

Mayor Termini and City Council Members:

The Capitola Historical Museum Board of Trustees recommends the appointment of Stephanie Kirby.

Stephanie is a retired school teacher with genealogy and historical research as favorite pursuits, and is a Capitola resident. Museum Board members are confident that she will be an asset in work to accomplish museum goals and to assist with interpretation and presentation of history for the community and its visitors.

No other applicants appeared for interview at the Museum Board of Trustees meeting held July 12, 2012.



RECEIVED

MAY 15 2012

CITY OF CAPITOLA

CITY OF CAPITOLA
420 Capitola Avenue
Capitola, CA 95010
(831) 475-7300
FAX (831) 479-8879

APPLICATION FOR SERVICE ON THE
CAPITOLA HISTORICAL MUSEUM BOARD

PLEASE TYPE OR PRINT

NAME OF APPLICANT: Stephanie L. Kirby

RESIDENCE ADDRESS: 300 Plum St #90
Capitola, CA 95010

MAILING ADDRESS: _____
(If Different)

EMAIL ADDRESS: canyon_wren@hotmail.com

TELEPHONE NO.: (H) 831-475-3319 (C) _____ (W) _____

EMPLOYMENT: retired

DESCRIBE YOUR QUALIFICATIONS AND INTEREST IN SERVING ON THE
CAPITOLA HISTORICAL MUSEUM BOARD: *(Use additional page if necessary)*

Letter attached.

DATE: May 14, 2012

Stephanie Kirby
(Signature of Applicant)

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

A vacancy notice with an application form can also be obtained on the Web (for printing) by clicking on current vacancies at: <http://www.ci.capitola.ca.us/capacity.nsf/Cty/CncIComm.html>

*Stephanie Lee Kirby
300 Plum Street #90
Capitola, CA 95010*

TO: The City of Capitola
RE: The Capitola Historical Museum Board

I would like to be considered for a volunteer position on the Capitola Historical Museum Board. I believe my qualifications and interests fit your requirements.

I have lived in Capitola since 1996. Before that, I lived for 20 years on Laurel Glen Road in Soquel, so I feel I know the local area well.

I am a retired elementary school teacher with 32 years of experience. I first taught in Los Gatos, then for almost 20 years in Boulder Creek. I especially enjoyed developing curriculum for California history, natural science and Native Americans.

In the past I have been a docent for Long Marine Lab and Watsonville Wetlands Watch, and a member of the Santa Cruz Bird Club. I have taken numerous courses at Cabrillo College. I was a school board member for Mountain School for eight years.

For two years I was the editor of the Brookvale Terrace Property Owners' Association Newsletter, and also wrote articles about Capitola history and the birds of the area for each issue. I have enclosed a sample.

I now do extensive genealogy research as an interest and a profession. I belong to the Santa Cruz County Genealogy Society.

My personal interests are gardening, cooking, reading, archaeology, sewing, graphic arts, historical research, birding and traveling, among others. I am married and have grown children.

I would enjoy participating in the advancement of the understanding and appreciation of Capitola, as I feel it is the perfect place to live!

Stephanie Kirby

June
2010

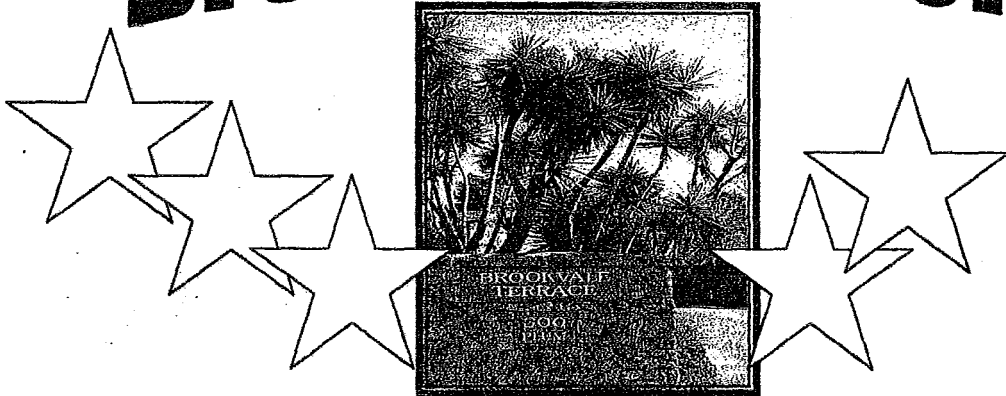
300 Plum Street
Capitola, CA
95010

Phone:
831-475-9499

Fax:
831-475-1378

Email:
Brookvale0955
@sbcglobal.net

Brookvale Briefs



Brookvale Terrace Property Owners' Association, Inc.

Board of Directors

President:
Tegan Speiser

Vice President:
Jerry Bowles

Secretary:
Ron Compton

Treasurer:
Christine
Bentley

Board Member:
Roy Pendley

Park Manager:
Timo Sorri

Maintenance:
Paul Drake

Newsletter Ed:
Stephanie Kirby

Mascot:
Northern Mallard

In Our Backyard - The Capitola Airfield and Camp McQuaide

Early in the 1920s, 27 flat acres near Park Avenue were home to the first informal airfield in the midcounty and the first anti-aircraft base on the California coast! Today it is the site of New Brighton School!

Beginning about 1922, six-week training camps were held each summer at Camp McQuaide, adjacent to the informal airfield, first by the 63rd Regiment and then by the 250th Coast Artillery. In 1938, Camp McQuaide was transferred to government lands near Sunset Beach. Although the 250th Coast Artillery wished to stay in Capitola, a disgruntled resident whose property was next to the airfield threatened legal action to prevent the camp from firing cannons, and it was said that gunfire disturbed the chickens on the nearby poultry farms!



In 1926 well-known local flier Russ Rice founded a glider club in Capitola. The club worked toward the founding of an official airfield. In 1934, the land was leased to the county for \$1.00 so WPA funds could be used for grading of the field, completion of the runway and the establishment of a municipal airport.

When WWII ended, Russ and Esther Rice operated the Santa Cruz-Capitola Airport. They managed the facility through 1954, when the airport moved to Skypark in Scotts Valley.

1. 1948 (Highway 1 under construction) 2. Battery C, 250th, 1935 3. 250th, 1941

The Birds of Brookvale Terrace

By Stephanie Kirby

If you only know three birds, this is probably one of them! Some people think highly of the intelligent and clever **American Crow**, and others don't, perhaps finding their *caaw caaw caaw* annoying. They can be seen here in Brookvale Terrace hopping along our streets and paths looking for edibles, and dropping walnuts on Rosedale Avenue for passing cars to crack open for them.



Crows are found all over North America. They are common, thrive around human habitation, and will live anywhere except deserts. They are shiny black all over, with long legs, a straight heavy bill, and a short square tail. (In comparison, North American Ravens are larger, longer winged, and have a diamond shaped tail.) The western crow is slightly smaller than the eastern crow.

Crows are very social: almost never alone, living in family groups of up to 15, and sleeping in huge communal roosts (of up to a million!) during winter. They live from 6 to 10 years in the wild, but one captive crow in New York, named Tata, lived for 59 years!

Crows will eat almost anything - they are true omnivores. They don't especially like birdseed but will eat peanuts if you desire to feed them!

What's great about crows? They are smart, inquisitive, good learners and good problem solvers! They can count to 3 or 4, mimic human speech ("howdy do", for example), catch fish, find your outdoor dog food bowl, work with each other to drive off predators or find food, collect shiny objects (for fun?), and communicate warnings, taunts, threats or cheer through variations in their call.

Crows are federally protected but some states still allow them to be hunted. Probably not to eat - according to Indian legend the Creator made sure crows didn't taste good as a reward to **Rainbow Crow with the Beautiful Voice**, who flew to the sun and back to bring fire to the freezing people and was burned black and lost his lovely song.

A group of crows are: a *cauldron*, a *Congress*, a *murder*, or a *muster*.



RECEIVED

MAY 17 2012

CITY OF CAPITOLA

CITY OF CAPITOLA
420 Capitola Avenue
Capitola, CA 95010
(831) 475-7300
FAX (831) 479-8879

APPLICATION FOR SERVICE ON THE
CAPITOLA HISTORICAL MUSEUM BOARD

PLEASE TYPE OR PRINT

NAME OF APPLICANT: Kevin Newhouse

RESIDENCE ADDRESS: 7996 E Soquel Dr. Aptos, CA 95003

MAILING ADDRESS: PO Box 1253, Aptos, CA 95001
(If Different)

EMAIL ADDRESS: Kev21surf@yahoo.com

TELEPHONE NO.: (H) 831-708-2159 (C) 831-332-4568 (W) _____

EMPLOYMENT: Morgan Stanley Smith Barney

**DESCRIBE YOUR QUALIFICATIONS AND INTEREST IN SERVING ON THE
CAPITOLA HISTORICAL MUSEUM BOARD:** (Use additional page if necessary)

* See Attached Page *

DATE: 5/15/12

Kevin Newhouse
(Signature of Applicant)

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

A vacancy notice with an application form can also be obtained on the Web (for printing) by clicking on current vacancies at: <http://www.ci.capitola.ca.us/capacity.nsf/Cty/CnclComm.html>

For as long as I can remember, the history of Santa Cruz County has been an interest of mine. I am currently on the committee of the Aptos History Museum where I created and maintain the website, www.aptohistory.org and am currently working with Arcadia Publishing to publish a book of historic images of Aptos. I have taken the full 2-semester course, The History of Santa Cruz County and Monterey Bay, taught by Sandy Lydon (where I obtained my unofficial "Certified Local" status.) I have also participated in numerous day-long events taught by Sandy Lydon and Carolyn Swift. To sum it up, I have a desire to learn and a huge amount of pride in my community. I want to do everything I can to discover, discuss, and teach the history of our great community.



CITY OF CAPITOLA
420 Capitola Avenue
Capitola, CA 95010
(831) 475-7300
FAX (831) 479-8879

APPLICATIONS FOR APPOINTMENT TO:
Capitola Historical Museum Board

NOTICE IS HEREBY GIVEN, that there is one (1) seat on the Capitola Historical Museum Board up for appointment in June of 2012. The term of Office shall be for three (3) years. The City Council is seeking applications from persons who are preferably Capitola residents, 18 years of age or older, with a general interest in local history and in becoming involved in local government. Duties of the board are specified in the attached Municipal Code Chapter 2.28. The board meets on the first Thursday of each month in the Museum at 410 Capitola Avenue, at 5:30 p.m. Specific questions regarding duties or other information regarding the Capitola Historical Museum Board can be directed to Carolyn Swift, Museum Director, at (831) 464-0322 or by email at cswift@ci.capitola.ca.us.

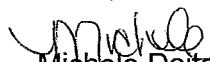
Pursuant to the board's bylaws, applications to serve as a Museum Board member will be received by the City and forwarded to the President of the Museum Board. Applicants will be interviewed by the Chair and Members of the Museum Board at one of their regular scheduled meetings. The President will forward the Board's recommendations for approval to the City Clerk and Mayor. The appointment to the Museum Board shall be made by the Mayor, subject to the approval of three (3) Council Members (one of whom can be the Mayor) at one of their regular scheduled City Council meetings.

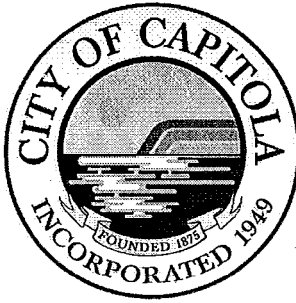
Application Deadline: Ongoing until filled

Applications may be obtained from the Receptionist at Capitola City Hall, 420 Capitola Avenue, or by calling (831) 475-7300 and requesting an application be sent to you. In addition, a notice with an application form is available in the foyer at City Hall, at the Capitola Branch Library, 2005 Wharf Road, and on the City's Website (for printing) by clicking on **current vacancies** at <http://www.ci.capitola.ca.us/capcity.nsf/CtyCnclComm.html>

I, Michele Deiter, Records Coordinator of the City of Capitola, California, hereby certify that the above Notice was posted on May 25, 2012.

Dated: May 25, 2012


Michele Deiter, CMC
Records Coordinator



CITY OF CAPITOLA
 420 Capitola Avenue
 Capitola, CA 95010
 (831) 475-7300
 FAX (831) 479-8879

**CAPITOLA
 HISTORICAL MUSEUM BOARD
 CURRENT MEMBERS**

<u>NAME</u>	<u>ADDRESS AND PHONE NUMBER</u>	<u>DATE APPOINTED</u>	<u>TERM EXPIRES*</u>
Anderson, Bob	360 Bay Avenue Capitola, CA 95010 (H) 475-6248 (W) 408-735-2755 Email: bobnliz@cruzio.com	4/26/07 6/28/07 7/08/10	6/27/13
Kisling, Niels	1820 Wharf Road Capitola, CA 95010 (H) 476-7532 (W) 332-7454 Email: nkisling@pacbell.net	9/27/07 7/08/10	6/27/13
McGranahan, Thomas	2435 Felt Street #45 Santa Cruz, CA 95062 (H) 475-1015 Email: Maryjanemcg@yahoo.com	6/23/94 6/25/98 6/28/01 6/24/04 6/28/07 7/08/10	6/27/13
Shoaf, David	1580 Lincoln Avenue Capitola, CA 95010 (H) 462-4605 (C) 706-7650 Email: david.m.shoaf@gmail.com	6/24/04 6/28/07 12/09/10	6/25/15
Smith, Linda	1587 Prospect Avenue Capitola, CA 95010 (H) 475-6494 (C) 818-3049 Email: capitolalinda2@gmail.com	2/08/07 6/25/09	6/25/15
van Zuiden, Gordon	206 Fanmar Way Capitola, CA 95010 (H) (408) 205-5440 (C) 205-5440 Email: gordon@cybermanor.com Mailing address: 17573 Eaton Lane, Monte Sereno, CA 95030	6/24/04 6/28/07 7/08/10	6/27/13
VACANT	Capitola, CA 95010 (H) (C) Email:		6/25/15

Museum Coordinator:

Swift, Carolyn

Museum

410 Capitola Ave, Capitola, CA 95010

464-0322

Email: cswift@ci.capitola.ca.us

Swift, Carolyn

Home

208 Halton Lane, Watsonville, CA 95076

662-8106

Email: carolyn.swift@gmail.com

* Second Thursday in June (Pursuant to Municipal Code §2.28.020 D.)

[Revised: 6/12 md]



Item #: 8.A.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: OFFICE OF THE CITY CLERK

SUBJECT: APPROVAL OF THE MAY 24, 2012 MINUTES OF THE REGULAR MEETING OF THE
CAPITOLA CITY COUNCIL

RECOMMENDED ACTION: Approve the subject minutes as submitted.

DISCUSSION: Attached for City Council review and approval are the minutes to the subject meeting.

ATTACHMENTS

1. May 24, 2012 Minutes of the regular meeting of the Capitola City Council

Report Prepared By: Susan Sneddon, CMC
City Clerk

Reviewed and Forwarded
By City Manager: 

NOT OFFICIAL UNTIL APPROVED BY COUNCIL

CITY OF CAPITOLA
CITY COUNCIL

May 24, 2012
Capitola, California

MINUTES OF A REGULAR MEETING
5:30 P.M. – CLOSED SESSION – CITY MANAGER’S OFFICE

CALL TO ORDER

Mayor Termini called the meeti

ng to order at 5:30 p.m. on Thursday, May 24, 2012, in the City Hall Council Chambers. Council Members present: Council Member Norton, Council Member Nicol, Council Member Storey, and Mayor Termini. Council Member Harlan was absent. Mayor Termini made an announcement regarding the items to be discussed in Closed Session, as follows:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of GC §54956.9: Two cases:

1. City of Capitola Insurance Coverage Claim Against Lexington Insurance (Noble Gulch Storm Drain Failure);
2. Pacific Cove Mobile Home Park Pipe Failure and Closure.

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

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2. Katie Saldana vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 172324];
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4. Truck Insurance vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV173071];
5. David Ross; Carousel Taffy Morro Bay, Inc.; Village Mouse; The Thomas Kinkade Gallery Capitola; Judith Ferro vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 173642];
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CONFERENCE WITH LABOR NEGOTIATOR (Govt. Code §54957.6)

Negotiator: Jamie Goldstein, City Manager

Employee Organizations: Association of Capitola Employees, Capitola Police Captains, Capitola Police Officers Association, Confidential Employees, Mid-Management Group, and Department Head Group.

Negotiator: John Barisone, City Attorney
City Manager’s Contract

LIABILITY CLAIMS (Govt. Code §54956.95)

Claimant: Bay Federal Credit Union

Claimant: Ann Schroedel

Agency claimed against: City of Capitola

Mayor Termini noted that there was no one in the audience; therefore, the City Council recessed at 5:35 p.m. to the Closed Session in the City Manager’s Office.

7:00 P.M. – OPEN SESSION

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL

CALL TO ORDER

Mayor Termini called the Regular Meeting of the Capitola City Council to order at 7:01 p.m. on Thursday, May 24, 2012, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE:

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

ABSENT: None

OTHERS: City Treasurer Jacques Bertrand

STAFF: City Manager Jamie Goldstein, City Attorney John Barisone, Interim Community Development Director Susan Westman, Public Works Director Steve Jesberg, Senior Planner Ryan Bane, Police Chief Rudy Escalante, and City Clerk Susan Sneddon

2. PRESENTATIONS:

Presentation by New Brighton Middle School Environmental Club.

Mimi Edgar, New Brighton Middle School, introduced students involved in the school's Environmental Club.

Mahalaya, Alyn and Luca (New Brighton Middle School Environmental Club members) shared some of the club's activities and read the club's mission statement.

3. REPORT ON CLOSED SESSION [520-25]

City Attorney Barisone stated that items that the City Council discussed are the items listed on the May 24, 2012, Closed Session Agenda; the Council received a brief status report concerning the City of Capitola insurance coverage claim against Lexington Insurance (filed with the Santa Cruz Superior Court on May 18, 2012). **Mr. Barisone** stated that City Manager Goldstein provided a status report regarding ongoing settlement negotiations with various tenants of the Pacific Cove Mobilehome Park relative to relocation benefits resulting from the park closure; however, the Council took no reportable action. **Mr. Barisone** stated that there were no developments to report on the following 6 existing litigation items: (1) Kevin Calvert, D.D.S. and Pamela Calvert vs. City of Capitola, et al.; (2) Katie Saldana vs. the City of Capitola, et al.; (3) Foremost Insurance Company vs. the City of Capitola, et al.; (4) Truck Insurance vs. the City of Capitola, et al.; (5) David Ross; Carousel Taffy Morro Bay, Inc.; Village Mouse; The Thomas Kinkade Gallery Capitola; Judith Ferro vs. the City of Capitola, et al.; (6) American Alternative Insurance Corporation; Central Fire Protection District of Santa Cruz County vs. the City of Capitola, et al. **Mr. Barisone** stated that the City Council received a status report from Administrative Services Director Murphy and City Manager Goldstein, the City's labor negotiators, regarding the following employee bargaining organizations; (1) Association of Capitola Employees; (2) Capitola Police Captains; (3) Capitola Police Officers Association; (4) Confidential Employees; (5) Mid-Management Group; and (6) Department Head Group; Council took no reportable action. **Mr. Barisone** stated that Council provided direction regarding an amendment to the City Manager's contract; however, Council

3. REPORT ON CLOSED SESSION (continued)

did not approve the bargaining agreement. **Mr. Barisone** stated that Council received a report regarding the 2 following tort claims: (1) Bay Federal Credit Union; (2) Ann Schroedel; Council took no reportable action in closed session.

4. ADDITIONS AND DELETIONS TO AGENDA (None)

5. PUBLIC COMMENTS

Marilyn Garrett stated concerns regarding the SmartMeters.

Darrel Johnson, Seniors Council of Santa Cruz and San Benito Counties Board Member, stated concerns regarding the City Council recommending to not fund the 2012/2013 Community Grants.

Margaret Kinstler, Capitola Village Residents' Association representative, requested that the Capitola Village Residents' Association be notified of the date/time of the next City's General Plan public workshop.

Gary Richard Arnold, expressed concerns regarding political policy as it relates to government and outsourcing jobs to foreign countries.

Sandra Williams, City's representative for Seniors Council of Santa Cruz and San Benito Counties, and the Santa Cruz County representative on the Advisory Council of the Area Agency on Aging, stated concerns regarding the Council considering not funding the Community Grants in Fiscal Year 2012/2013.

Clay Kempf, Executive Director of Seniors Council of Santa Cruz & San Benito Counties, stated concerns regarding the Council reducing the Fiscal Year 2012/2013 Community Grants.

Carol Lerno, Pacific Cove Mobile Home Park, provided support for the City to continue funding the Community Grants.

Peter Latour, Santa Cruz Hostel, provided information regarding SmartMeters.

6. COUNCIL/STAFF ANNOUNCEMENTS

Council Member Harlan, City's representative for the Santa Cruz County Sanitation District, provided a report regarding the District's May 17, 2012 meeting.

7. COMMITTEE APPOINTMENTS

- A. Appointment/Reappointment to the Capitola Historical Museum Board to fill the unexpired terms ending June 21, 2012. [240-40]

ACTION: Motion by Council Member Norton, seconded by Council Member Storey, to accept the staff recommendation to reappoint Linda Smith and David Shoaf to fill two of the three expiring terms on the Capitola Historical Museum Board. The recommended appointments are for three-year terms expiring on June 21, 2015. The motion carried unanimously with the following vote: AYES: Council Members Harlan, Nicol, Norton, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

8. CONSENT CALENDAR

Mayor Termini and Council Member Norton stated that due to a conflict of interest they will recuse themselves from participating on Item No. 8.B. regarding a Capitola Municipal Code amendment to Chapter 17.50 Floodplain District; they both reside within 500 feet of the Floodplain District.

- A. Approval of City Check Register Reports dated April 20, April 27, May 4 and May 11, 2012. [300-10]
- B. Adoption of Ordinance No 970 amending Chapter 17.50 Floodplain District in the Capitola Municipal Code as required by the Federal Emergency Management Agency (FEMA) for the community to participate in the National Flood Insurance Program (NFIP) [2nd reading]. [740-30]
- C. Adoption of Ordinance No 971 amending Title 8 Chapter 6 (Recycling) of the Capitola Municipal Code regarding mandatory commercial recycling [2nd reading]. [930-30]
- D. Confirmation of the City's Investment Policy, Administrative Policy Number III-1. [100-10]
- E. Consideration of declaring a wheelchair as surplus property and direct the City Manager's Department to donate the property to Shriners Hospital. [370-10]
- F. Deny liability claims and forward to the City's liability insurance carrier: [Claims Binder]
1. Bay Federal Credit Union, in the amount of \$82,500 and forward to the City's liability insurance carrier;
 2. Ann Schroedel in the amount of \$136,000 and forward to the City's liability insurance carrier.

8. CONSENT CALENDAR (continued)

ACTION: Motion by Council Member Harlan, seconded by Council Member Storey, to approve the Consent Calendar. The motion carried on the following vote: **AYES:** Council Members Harlan, Nicol, Norton, Storey, and Mayor Termini (*Exception: Council Member Norton and Mayor Termini abstained from Item 8.B.). **NOES:** None. **ABSENT:** None. **ABSTAIN*:**

9. GENERAL GOVERNMENT/PUBLIC HEARINGS

A. 700 Escalona Drive – Project Application # 12-019: Appeal of Planning Commission decision to deny a Coastal Permit and Design Permit to construct a new two-story single-family residence in the R-1 (Single-Family Residence) Zoning District [APN 036-141-20]. Filed 2/14/12. Property Owner: Lori Perpich & Alberto Munoz. Representative: Derek Van Alstine. [730-10]

Council Member Storey stated that he will recuse himself from participating on this item because he lives within 500 feet of this property; he left the dias.

Senior Planner Bane introduced this item regarding an appeal of Planning Commission's decision to deny a Coastal Permit and Design Permit to construct a new single-family house located at 700 Escalona Drive. He provided the following brief history of this item: April 19, 2012, the Planning Commission approved the demolition of the existing house and construction of a single-family residence on the standard 4,000-square-foot parcel and denied the proposed house on the smaller 1,800-square-foot parcel; April 24, 2012, staff received an appeal from the applicant; May 9, 2012, staff received revised plans that eliminate requested side yard variances. **Senior Planner Bane** stated that staff is recommending that the City Council overturn the Planning Commission's denial and approve the application.

Mayor Termini opened the public hearing.

Derek Van Alstine, property owner's representative, requested the Council grant the variance.

Stewart Greeninger, 701 Escalona Drive, stated he is against the project because the lot-size is too small for the proposed residence.

Resident, 603 Escalona Drive, stated he opposes this project.

DJ Pop, 722 Escalona Drive, provided her support for this project.

Mayor Termini closed the public hearing.

Council discussion ensued regarding this item.

Motion by **Council Member Norton**, seconded by **Mayor Termini**, to overturn the Planning Commission denial and approve Project Application # 12-019 for 700 Escalona Drive with the condition that no side yard fences will be deed restricted, and there will be a maintenance agreement for the tuff block.

After Council discussion **Council Member Norton** withdrew his motion, and the City Council took no action on the request.

9. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

Council Member Harlan stated that she is not in favor of the proposed landscaping in the right-of-way.

Council Member Nicol stated that he supports a smaller house, which is more acceptable to the neighborhood.

Council Member Norton withdrew his motion, and recommended that Council give the applicant an opportunity to provide a redesign to be reviewed by the Planning Commission.

ACTION: Motion by Council Member Norton, seconded by Mayor Termini, to continue this item regarding 700 Escalona Drive (Project Application # 12-019) to the June 28, 2012 City Council meeting. The motion carried with the following vote: AYES: Council Member Norton, Council Member Nicol, and Mayor Termini. NOES: Council Member Harlan. ABSENT: None. ABSTAIN: Council Member Storey.

Council Member Storey returned to the dias.

B. 115 San Jose Avenue – Project Application #11-100: Appeal of Planning Commission decision to deny a Conditional Use Permit for a take-out restaurant with the sale and dispensing of alcohol in the CV (Central Village) Zoning District [APN 035-221-27]. Filed 9/15/11. Property Owner: Peter Dwares. Representative: Ron Hirsch. [730-10]

Council Member Norton and **Mayor Termini** recused themselves from participating on this item since the project application property is located within 500 feet of their properties; they left the dias.

Senior Planner Bane provided a brief background of this item:

1. October 20, 2011, the Planning Commission denied the requested Conditional Use Permit followed by a submittal of an appeal to City Council;
2. December 1, 2011, the application was returned to the Planning Commission for reconsideration;
3. Planning Commission requested additional information;
4. Planning Commission continued this application at their February 2, 2012, and March 1, 2012, meetings;
5. April 5, 2012, the Planning Commission denied the application.

Senior Planner Bane stated that under the Central Village Zoning District a conditional use permit is required for take-out restaurants and business establishments that sell/dispense alcoholic beverages. He stated that staff recommends that the City Council uphold the Planning Commission denial of this application.

9. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

Chris Shoemaker, property owner representative, provided a brief history regarding seeking approval for this application. He stated that they are seeking a continuance to allow for additional time in order to present a successful proposal to the Planning Commission. He stated that his understanding was that this application would be continued to the May 3, 2012 Planning Commission when they were prepared to present a complete application. Staff advised Mr. Shoemaker that he did not need to attend the April 5, 2012 Planning Commission meeting as they were simply recommending a continuance to bring the application to the May 3, 2012 Planning Commission meeting. He stated that they were notified after the April 5, 2012, Planning Commission that the continuation was not granted, and a new application fee would be required if they wanted to re-apply. He appealed the application in order to present this application to the City Council.

Senior Planner Bane stated he met with the applicant in late March 2012; the applicant stated they were compiling information requested by the Planning Commission. **Senior Planner Bane** stated that he requested the Planning Commission continue this application to the May 3, 2012 meeting; however at the April 5, 2012, meeting the Planning Commission did not accept staff's recommendation to continue this item and denied the application.

City Manager Goldstein stated that the Planning Commission continued this application multiple times; both the commissioners and residents were becoming discouraged that this application kept being continued. The Planning Commission requested that the applicant resubmit the application. **City Manager Goldstein** suggested that the Council could deny the project and allow the applicant time to resubmit their application, and the City could apply the applicant's existing credit to the future application and waive the reapplication fee.

Chris Shoemaker, property owner representative, requested that the Council grant the applicant a continuance until the July 5, 2012, Planning Commission meeting as the final opportunity to present the application.

Interim Community Development Director Westman stated that the applicant did obtain approval from the Planning Commission for a portion of the project. She stated that the Planning Commission felt discouraged because the item was noticed, public attended, and then the item had to be continued. She suggested that, as a courtesy to the public, the project be denied and the applicant be allowed to start over and reapply.

City Manager Goldstein stated that this item could be agendized for the July 5, 2012, Planning Commission meeting, provided that the staff has a complete application by the first week in June 2012.

Interim Community Development Director Westman suggested that the Council deny this application without prejudice so the applicant can return with a new application.

Council Member Harlan opened the public hearing.

9. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

There was no public comment.

Council Member Harlan closed the public hearing.

Motion by Council Member Nicol, seconded by Council Member Harlan to deny the application without prejudice and to require the applicant submit a new application. The motion failed.

Council Member Storey stated he does not support requiring the applicant to re-start the process. He is in favor of allowing the applicant to go to the July 5, 2012, Planning Commission meeting with the condition that, if they do not have the proper materials to staff in the time required, then the application would be denied.

Interim Community Development Director Westman stated procedurally it would need to be on the City Council and the Planning Commission agenda to be denied.

There was further discussion and deliberation prior to calling for a vote on this item.

ACTION: Motion by Council Member Harlan, seconded by Council Member Nicol, to deny the application regarding 115 San Jose Avenue (Project Application #11-100) regarding a Conditional Use Permit for a take-out restaurant with the sale and dispensing of alcohol in the CV (Central Village) Zoning District. This application will be denied without prejudice, and the applicant may submit a new application with the reapplication fee waived. The motion carried with the following vote: AYES: Council Member Harlan and Council Member Nicol. NOES: Council Member Storey. ABSENT: None. ABSTAIN: Council Member Norton and Mayor Termini.

Council Member Norton and Mayor Termini returned to the dias.

C. Progress report on the City's General Plan Update. [740-40]

Interim Community Development Director Westman introduced Ben Noble of DC&E (City's General Plan consultant).

Ben Noble, DC&E, provided an update on the primary project components and the completed tasks related to the City's General Plan Update and the Environmental Impact Report. He stated that 9 General Plan Advisory Committee meetings have occurred; 4 community workshops; 4 stakeholder interviews, and other community meetings. He stated that draft goals, policies and actions for all the elements of the General Plan will be prepared. He summarized the vision of the updated General Plan that encompasses unique values of the community, promotes sustainability, and a balance of visionary thinking with practical solutions.

9. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

Interim Community Development Director Westman commented that there was low attendance at the last General Plan community workshop. She stated that DC&E will provide the first draft of the General Plan Update to the General Plan Advisory Committee and the community will be notified regarding the meeting date and time; followed by Planning Commission public hearings; and then to the City Council for the final adoption. She stated that staff will take an extra step in notifying the community of future workshops.

Mayor Termini opened the public hearing.

Jacques Bertrand and **Anna Marie Gotti** stated there was inadequate notice for the General Plan Update Community Workshops.

Mayor Termini closed the public hearing.

- D. Presentation regarding streaming web video services of City Council and Planning Commission meetings; authorize the City Manager to execute a two-year agreement with SIRE Technologies in an amount not to exceed \$25,000 and reaffirm the implementation of action minutes as the City's formal record of City Council meetings. [160-80/500-10 A/C: SIRE Technologies]**

City Clerk Sneddon introduced this item.

Information System Specialist Laurent briefly reviewed proposed SIRE Technologies streaming web video services.

ACTION: Motion by Council Member Nicol, seconded by Council Member Norton, to approve a two-year agreement with SIRE Technologies in an amount not to exceed \$25,000, and reaffirm the implementation of action minutes as the City's formal record of City Council meetings. The motion carried unanimously with the following vote: AYES: Council Members Harlan, Nicol, Norton, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

- E. Proposal for July 4, 2012, Police Department Public Safety Operation for Capitola Beach. [485-10]**

Police Chief Escalante reviewed staff's recommendation to provide adequate public safety services and requested Council's approval of the proposed program.

ACTION: Motion by Council Member Norton, seconded by Council Member Harlan, to approve the proposal for July 4, 2012, Police Department Public Safety Operation for Capitola Beach. The motion carried unanimously with the following vote: AYES: Council Members Harlan, Nicol, Norton, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

7. COUNCIL/STAFF COMMUNICATIONS**A. Staff Comments**

Council Member Norton requested that the proposed Plastic Bag Ordinance be agendaized to a July City Council meeting. He stated that there will be a Memorial Day celebration in front of City Hall on May 21 at 10:00 a.m. He requested that a Visitor Service Fee (Transient Occupancy Tax) Measure be placed on the next Council Agenda for consideration to be included in the November ballot along with the sales tax measure.

Council Member Harlan stated that Santa Cruz is hosting a Memorial Day event with a barbeque and a tour of Evergreen Cemetery.

Mayor Termini stated that on May 16 he attended the Red Cross Heroes Breakfast sponsored by the American Red Cross of Santa Cruz County.

Jacques Bertrand suggested that the Red Cross schedule a blood donation drive on the weekends.

B. City Council/Treasurer Comments/Committee Reports (none provided)**8. ADJOURNMENT**

Mayor Termini adjourned at 10:30 p.m. to the next Special Budget Study Session of the City Council to be held on Thursday, May 31, 2012, at 6:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Item #: 8.B.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: POLICE DEPARTMENT

SUBJECT: ADOPT RESOLUTION TO ACCEPT GRANT REVENUE OF \$1,000 FOR THE 2012 TARGET NATIONAL NIGHT OUT AND AUTHORIZE BUDGET EXPENDITURES OF \$1,000 FOR FY 2012-2013

RECOMMENDED ACTION: Adopt resolution to amend the Fiscal Year 2012-2013 General Fund Budget to accept Target grant revenue of \$1,000 and increase expenditures by \$1,000.

BACKGROUND: Each year the Target Corporation offers grants to local law enforcement agencies to support National Night Out celebrations. National Night Out is an annual event designed to heighten crime and drug awareness; bridge the community and emergency services community; generate support for, and participation in, local anticrime programs; strengthen neighborhood spirit and police-community partnerships; and send a message to criminals letting them know that neighborhoods are organized and fighting back. Activities include meeting with local emergency services personnel, food and drinks, art, games, jump houses and a climbing wall for the kids. The Police Department has hosted a National Night Out event since 2004.

DISCUSSION: The Police Department relies on volunteers and donations to support National Night Out. The Department applied for and was granted \$1,000 from Target for the 2012 event, which will be used to rent equipment and purchase supplies. The event will be held August 7th at Jade Street Park.

FISCAL IMPACT: Amend the Fiscal Year 2012-2013 General Fund Budget to accept \$1,000 in grant revenue and increase expenditures by \$1,000.

ATTACHMENTS

1. Draft resolution.

Prepared by: Denice Pearson
Administrative/Records Analyst

Reviewed and Forwarded
By City Manager: 

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING THE BUDGET TO ACCEPT TARGET GRANT REVENUE OF \$1,000 AND
AUTHORIZING BUDGET EXPENDITURES OF \$1,000 FOR THE 2012-2013 FISCAL YEAR**

WHEREAS, the Capitola Police Department is a recipient of a Target grant for National Night Out; and

WHEREAS, a budget amendment must be enacted before funds can be accepted and expended for their intended and legally mandated purposes.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola that the 2012-2013 budget is amended as follows:

1. Accept \$1,000 in Target grant funds for Fiscal Year 2012-2013;
2. Authorize expenditures of \$1,000.

BE IT FURTHER RESOLVED that the Finance Department shall record these changes into the City's accounting records in accordance with appropriate accounting practices.

BE IT FURTHER RESOLVED that these grants will be expended pursuant to the conditions of the grant program.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 26th day of July, 2012, by the following vote:

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

Michael Termini, Mayor

ATTEST:

_____, CMC
Susan Sneddon, City Clerk



CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: FINANCE DEPARTMENT
SUBJECT: CITY CHECK REGISTER REPORT

RECOMMENDED ACTION: Approve the attached Check Register Reports for June 22, June 29, July 6, and July 13, 2012.

DISCUSSION: Check Registers are attached for:

Date	Starting Check #	Ending Check #	Total Checks	Amount
6/22/2012	69994	70099	106	\$273,674.06
6/29/2012	70100	70162	63	\$839,794.56
7/6/2012	70163	70244	82	\$484,484.67
7/13/2012	70245	70307	63	\$60,215.54

The check register of June 15, 2012 ended with check #69993.

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
70001	Bank of America VISA	CM	May-June Cr Card Charges	\$11,209.97
70012	CalPERS Health Ins	CM	Employee Funded Health Ins.	\$51,671.10
70022	Community Bridges	CM	Q4 Community Grant	\$27,632.00
70078	Stewart Title	CM	Pac Cove Spc56 Escrow	\$87,591.56
70102	Atchison, Barisone, et al	CM	May 2012 Legal Services	\$11,138.25
70114	Design, Community & Envir.	CDD	Gen Plan & CDBG Grant Svcs	\$23,990.30
70115	Ca Employment Dev Dept	CM	Q2 2012 Unemployment	\$12,543.80
70128	KNN Public Finance	CM	MHP Relocation Services	\$12,578.33
70150	Stewart Title	CM	Pac Cove Spc84 Escrow	\$127,304.40
70162	Wells Fargo Bank	FIN	Pens. Obl Bond Pymt FY12/13	\$586,418.75
70170	CalPERS Health Ins	CM	Employee Funded Health Ins.	\$52,750.15
70173	Cornerstone Title Co.	CM	Pac Cove Spc74 Escrow	\$72,237.96
70176	Dept Housing & CommDev	CDD	Begin Contract Refund	\$60,171.00
70193	PG&E	PW	Monthly Electric	\$13,472.43
70233	Linda Penner	CM	Pac Cove Spc80 Escrow	\$32,925.00
70243	Stewart Title	CM	Pac Cove Spc68 Escrow	\$95,000.00
70244	Stewart Title	CM	Pac Cove Spc64 Escrow	\$83,866.94

ATTACHMENTS:

1. Check Register for June 22, 2012
2. Check Register for June 29, 2012
3. Check Register for July 6, 2012
4. Check Register for July 13, 2012

Report Prepared By: Linda Benko
AP Clerk

Reviewed and Forwarded
by City Manager 

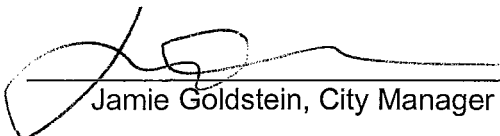
Checks dated 6/22/12 numbered 69994 to 70099 for a total of \$273,674.06 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 6/22/12 the unaudited cash balance is \$2,765,180

CASH POSITION - CITY OF CAPITOLA 6/22/12

	<u>Net Balance</u>
General Fund	463,786
Contingency Reserve Fund	404,896
Worker's Comp. Ins. Fund	175,135
Self Insurance Liability Fund	239,101
Stores Fund	8,959
Information Technology Fund	189,294
Equipment Replacement	438,933
Compensated Absences Fund	4,112
Public Employee Retirement - PERS	243,881
Open Space Fund	256
Capital Improvement Projects	596,830
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>2,765,180</u></u>

The Emergency Reserve Fund balance is \$153,045.54 and is not included above.



 Jamie Goldstein, City Manager

6/22/12

 Date

 Jacques J.J. Bertrand, City Treasurer

 Date

City of Capitola
City Check Register

6/22/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69994	06/18/2012 Invoice AAD7997	Open	Date 06/18/2012	Description Transfer Fee, Mobile Home Fund 1420, The Cove Bond	DEPT OF HOUSING AND COMM DEV	\$35.00 \$35.00
69995	06/18/2012 Invoice ABE9634-a	Open	Date 06/18/2012	Description Mobile Home Registration Fund 1420, The Cove Bond	DEPT OF HOUSING AND COMM DEV	\$25.00 \$25.00
69996	06/18/2012 Invoice S982-Title	Voided	Incorrect Amount Date 06/18/2012	06/22/2012 Description Mobile Home Duplicate Title Fee	DEPARTMENT OF MOTOR VEHICLES	\$0.00 \$0.00
69997	06/22/2012 Invoice 70502049	Open	Date 04/24/2012	Description Evidence Storage temp. monitoring	ADT SECURITY SERVICES, INC.	\$174.00 \$174.00
69998	06/22/2012 Invoice 2012-00000836	Open	Date 05/30/2012	Description Q4 Community Grant	ADVOCACY INC.	\$1,058.75 \$1,058.75
69999	06/22/2012 Invoice 43627	Open	Date 06/12/2012	Description PD Ford keys	ALLSAFE LOCK COMPANY	\$16.00 \$16.00
70000	06/22/2012 Invoice 674-Jun2012 624-Jun2012	Open	Date 06/01/2012 06/01/2012	Description Long Distance Service, Jun2012 Long Distance Service, Jun 2012	AT&T	\$22.92 \$7.28 \$15.64
70001	06/22/2012 Invoice May-Jun12	Open	Date 06/06/2012	Description May-Jun12 Credit Card Charges Fund 1000, Gen Fund=\$8007.11 Fund 1320, PEG=\$2709.99 Fund 2210, Stores=\$106.92 Fund 2211, IT=\$385.95	BANK OF AMERICA	\$11,209.97 \$11,209.97
70002	06/22/2012 Invoice 702	Open	Date 06/09/2012	Description Maint on motor	BEN'S MOTORCYCLE WORKS	\$750.58 \$750.58
70003	06/22/2012 Invoice Beyers-Jun13	Open	Date 06/19/2012	Description Softball Umpires	BEYERS, FRED C	\$264.00 \$264.00
70004	06/22/2012 Invoice 2012-00000820	Open	Date 05/30/2012	Description Q4 Community Grant	BIG BROTHERS BIG SISTERS OF SCC	\$690.50 \$690.50

City of Capitola
City Check Register

6/22/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70005	06/22/2012 Invoice 26	Open	Date 06/15/2012	Description Tinting, 2011 Toyota Camry, PD	BLACKOUT TINTING	\$450.00
70006	06/22/2012 Invoice Bum-Jun14	Voided	Incorrect Amount Date 06/19/2012	Description Softball Umpires	BUMGARNER, ERIC D	\$0.00
70007	06/22/2012 Invoice 911366	Open	Date 06/06/2012	Description May 2012 fingerprints-PD	CA DEPARTMENT OF JUSTICE	\$32.00
70008	06/22/2012 Invoice 2012-00000829	Open	Date 05/30/2012	Description Q4 Community Grant	CABRILLO COLLEGE STROKE CTR	\$1,689.50
70009	06/22/2012 Invoice 126602	Open	Date 05/30/2012	Description May active meters	CALE AMERICA INC.	\$770.00
70010	06/22/2012 Invoice 2012-00000814	Open	Date 05/30/2012	Description Q4 Community Grant	CALIFORNIA GREY BEARS INC.	\$3,485.25
70011	06/22/2012 Invoice 2012-00000838	Open	Date 05/30/2012	Description Q4 Community Grant	CALIF RURAL LEGAL ASSIST INC.	\$906.50
70012	06/22/2012 Invoice Jun2012	Open	Date 06/18/2012	Description Jun 2012 Health Ins Premium, Employee F	CalPERS Health Insurance	\$51,671.10
70013	06/22/2012 Invoice 2012-00000830	Open	Date 05/30/2012	Description Q4 Community Grant	CAMPUS KIDS CONNECTION INC.	\$4,141.25
70014	06/22/2012 Invoice 2012-00000846	Open	Date 05/30/2012	Description Q4 Community Grant	CASA OF SANTA CRUZ COUNTY	\$556.75
70015	06/22/2012 Invoice 2012-00000834	Open	Date 05/30/2012	Description Q4 Community Grant	CENTRAL COAST CENTER FOR INDEPENDENT	\$3,674.25
70016	06/22/2012 Invoice Jun-Jul12	Open	Date 06/11/2012	Description Internet Access, Jun-Jul 2012 Fund 2211, IT	Charter Communications	\$129.99
70017	06/22/2012 Invoice 120718-0808A	Open	Date 06/05/2012	Description Twilight Concert Sound	CLASSIFIED SOUND	\$1,650.00

City of Capitola
City Check Register

6/22/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70018	06/22/2012 Invoice 1223996-00	Open	Date 06/01/2012	Description cleaning supplies	CLEAN SOURCE	\$939.66
70019	06/22/2012 Invoice 49918	Open	Date 04/25/2012	Description Tow Service, Unit 072 - PD	COAST COUNTIES TOWING	\$95.00
70020	06/22/2012 Invoice 1144	Open	Date 05/31/2012	Description Storm Water Education and Outreach Svc	COASTAL WATERSHED COUNCIL	\$4,999.71
70021	06/22/2012 Invoice 2012-00000833	Open	Date 05/30/2012	Description Q4 Community Grant	COMMUNITY ACTION BOARD OF SCC	\$339.00
70022	06/22/2012 Invoice 2012-00000817	Open	Date 05/30/2012	Description Q4 Community Grant	COMMUNITY BRIDGES	\$27,632.00
70023	06/22/2012 Invoice Q4	Open	Date 05/30/2012	Description Q4 Community Grant	CONFLICT RESOLUTION CTR OF SC	\$689.50
70024	06/22/2012 Invoice 3114854-0001	Open	Date 06/12/2012	Description 2012 Beach Grading	CRESCO EQUIPMENT RENTALS	\$8,997.50
70025	06/22/2012 Invoice May2012	Open	Date 05/31/2012	Description Drinking Water Service, May 2012	CRYSTAL SPRINGS WATER CO.	\$124.25
70026	06/22/2012 Invoice 2012-00000828	Open	Date 05/30/2012	Description Q4 Community Grant	CULTURAL COUNCIL OF SANTA CRUZ	\$1,036.75
70027	06/22/2012 Invoice 2012-00000827	Open	Date 05/30/2012	Description Q4 Community Grant	DIENTES COMMUNITY DENTAL CARE	\$344.50
70028	06/22/2012 Invoice 11773	Open	Date 05/29/2012	Description Benefit Handout Brochure	DYNAMIC PRESS	\$108.01
70029	06/22/2012 Invoice D9303	Open	Date 06/01/2012	Description Quarterly lube and inspection	ELEVATOR SERVICE COMPANY, INC.	\$165.00
70030	06/22/2012 Invoice 80302-in	Open	Date 05/11/2012	Description Damein badge-PD	ENTENMANN-ROVIN	\$62.50

City of Capitola
City Check Register

6/22/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70031	06/22/2012	Open			EVANS, KRAIG	\$24.83
	Invoice		Date	Description		Amount
	Post-Jun2012		06/18/2012	Reimb meals, POST Training		\$24.83
70032	06/22/2012	Open			FAMILIES IN TRANSITION	\$605.50
	Invoice		Date	Description		Amount
	2012-00000844		05/30/2012	Q4 Community Grant		\$605.50
70033	06/22/2012	Open			FAMILY SVC AGY OF THE CENTRAL COAST	\$2,149.75
	Invoice		Date	Description		Amount
	2012-00000821		05/30/2012	Q4 Community Grant		\$2,149.75
70034	06/22/2012	Open			FERRASCI-HARP, AMY	\$725.00
	Invoice		Date	Description		Amount
	11		06/18/2012	May 2012 BIA Services Fund 1321, BIA		\$725.00
70035	06/22/2012	Open			FIRST ALARM	\$113.34
	Invoice		Date	Description		Amount
	540614		06/15/2012	1855 41st Ave Spc J9, Jul-Sep2012		\$113.34
70036	06/22/2012	Open			FLYERS ENERGY, LLC	\$5,853.71
	Invoice		Date	Description		Amount
	12-736829		06/07/2012	403 Gal Ethanol		\$1,672.69
	12-736830		06/07/2012	210 Gal Diesel		\$770.92
	12-735629		06/01/2012	454 Gal Ethanol		\$2,010.63
	12-735630		06/01/2012	110 Gal Diesel		\$405.02
	12-734817		05/30/2012	260 Gal Diesel		\$994.45
70037	06/22/2012	Open			GOLDFARB & LIPMAN, LLP	\$3,105.00
	Invoice		Date	Description		Amount
	105059		05/29/2012	April Legal Services, Pac Cove Closure Fund 1420, The Cove Bond		\$3,105.00
70038	06/22/2012	Open			HOMELESS SVC CTR OF SCC	\$627.00
	Invoice		Date	Description		Amount
	2012-00000842		05/30/2012	Q4 Community Grant		\$627.00
70039	06/22/2012	Open			HOSPICE of SANTA CRUZ COUNTY	\$345.00
	Invoice		Date	Description		Amount
	2012-00000843		05/30/2012	Q4 Community Grant		\$345.00
70040	06/22/2012	Open			KEANE, CHAD	\$779.45
	Invoice		Date	Description		Amount
	20120615		06/15/2012	Education Reimbursement, Police Acader		\$779.45
70041	06/22/2012	Open			KERKO, BRYAN T.	\$495.00
	Invoice		Date	Description		Amount
	010		06/12/2012	Operation of CAT D6T		\$495.00
70042	06/22/2012	Open			LABOR READY SOUTHWEST INC.	\$948.74
	Invoice		Date	Description		Amount
	72251559		06/08/2012	11/12-12/13 Seasonal Labor		\$948.74

City of Capitola
City Check Register

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Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70043	06/22/2012	Open			LABORMAX STAFFING	\$1,050.06
	Invoice		Date	Description	Amount	
	26-15702		06/08/2012	11/12-12/13 Seasonal Labor	\$1,050.06	
70044	06/22/2012	Open			LIUNA PENSION FUND	\$484.00
	Invoice		Date	Description	Amount	
	LIUNA-Jun12		06/18/2012	Pension Dues, Jun12, Employee Funded	\$484.00	
70045	06/22/2012	Open			LLOYD'S TIRE SERVICE INC.	\$88.68
	Invoice		Date	Description	Amount	
	228847		06/08/2012	Tire Repair	\$88.68	
70046	06/22/2012	Open			LUICH, JAY	\$176.00
	Invoice		Date	Description	Amount	
	Luich-Jun16		06/19/2012	Softball Umpires	\$176.00	
70047	06/22/2012	Open			Mainstreet Media dba GOODTIMES	\$200.00
	Invoice		Date	Description	Amount	
	71704		05/03/2012	Capitola Village page, BIA Funded Fund 1321, BIA	\$200.00	
70048	06/22/2012	Open			LAURA MALLON/SINGING WOOD MARIMBA	\$400.00
	Invoice		Date	Description	Amount	
	Sunday Music		06/07/2012	July 1, 2012 Art & Music @ the Beach	\$400.00	
70049	06/22/2012	Open			MEGAPATH COVAD COMMUNICATION	\$643.86
	Invoice		Date	Description	Amount	
	47977636		05/28/2012	Internet Access Fund 2211, IT	\$643.86	
70050	06/22/2012	Open			MID-COUNTY AUTO SUPPLY	\$794.68
	Invoice		Date	Description	Amount	
	304530		05/31/2012	auto parts-John Deere Loader	\$20.52	
	304424		05/30/2012	auto parts-fleet	\$75.02	
	304361		05/30/2012	auto parts-PD082	\$4.75	
	304264		05/29/2012	auto parts-PD071	\$54.61	
	304586		05/31/2012	auto parts-Fleet	\$64.90	
	305324		06/07/2012	auto parts-PD82	\$102.93	
	305061		06/05/2012	auto parts-Fleet	\$34.27	
	305057		06/05/2012	Turn rotors, PD072	\$40.00	
	305031		06/05/2012	auto parts-PD072	\$78.29	
	304896		06/04/2012	auto parts-Fleet	\$41.31	
	304893		06/04/2012	Filters, Oil & Air, Fleet	\$158.01	
	304937		06/04/2012	auto parts-PD091	\$96.45	
	304921		06/04/2012	auto parts-John Deere Loader	\$22.14	
	305468		06/08/2012	auto parts-PD061	\$1.48	
70051	06/22/2012	Open			MONTEREY BAY AREA SELF INS AUTI	\$484.42
	Invoice		Date	Description	Amount	
	MBA11-0503a		05/29/2012	Claim Settlement, Larson Fund 2213, Self-Ins Liability	\$484.42	

City of Capitola
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Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70052	06/22/2012	Open			MURPHY, LISA	\$34.00
	Invoice		Date	Description		Amount
	Pkg-Murphy		03/20/2012	Reimb Parking Exp, Murphy		\$19.00
	AB7884Trx		06/18/2012	Reimb DMV Transfer Fee, Vasko Mobile F		\$15.00
70053	06/22/2012	Open			NATIVE ANIMAL RESCUE	\$297.00
	Invoice		Date	Description		Amount
	2012-00000839		05/30/2012	Q4 Community Grant		\$297.00
70054	06/22/2012	Open			NORTH BAY FORD	\$63.98
	Invoice		Date	Description		Amount
	228504		06/12/2012	auto parts-PD031		\$51.27
	228494		06/11/2012	auto parts-PD061		\$12.71
70055	06/22/2012	Open			O'NEILL SEA ODYSSEY	\$1,454.00
	Invoice		Date	Description		Amount
	2012-00000815		05/30/2012	Q4 Community Grant		\$1,454.00
70056	06/22/2012	Open			ORCHARD SUPPLY HARDWARE	\$20.04
	Invoice		Date	Description		Amount
	6011-9877536		06/06/2012	Tools, Shop Use		\$20.04
70057	06/22/2012	Open			PALACE ART & OFFICE SUPPLIES	\$169.31
	Invoice		Date	Description		Amount
	960922		06/06/2012	Office Supplies, City Hall		\$220.98
	C955865		06/04/2012	Return Office Supplies, City Hall		(\$67.20)
	960688		06/05/2012	office supplies-PD		\$79.26
	C956458		06/06/2012	Return Office Supplies, City Hall		(\$63.73)
70058	06/22/2012	Open			PARENTS CENTER OF SANTA CRUZ	\$1,772.00
	Invoice		Date	Description		Amount
	2012-00000822		05/30/2012	Q4 Community Grant		\$1,772.00
70059	06/22/2012	Open			PFX PET SUPPLY, LLC	\$28.84
	Invoice		Date	Description		Amount
	CD11745597		11/17/2011	K-9 food-PD		\$28.84
70060	06/22/2012	Open			POM INCORPORATED	\$974.44
	Invoice		Date	Description		Amount
	23168		06/07/2012	Parking meter parts		\$974.44
70061	06/22/2012	Open			PRINTWORX	\$1,604.31
	Invoice		Date	Description		Amount
	13056		05/30/2012	Twilight Concert Postcards		\$1,604.31
70062	06/22/2012	Voided	Incorrect Amount	06/22/2012	QUARTARARO, ROD V.	\$0.00
	Invoice		Date	Description		Amount
	Quart-Jun12		06/19/2012	Softball Umpires		\$0.00
70063	06/22/2012	Open			REED, DANIEL H.	\$198.00
	Invoice		Date	Description		Amount
	Reed-Jun14		06/19/2012	Softball Umpires		\$198.00

City of Capitola
City Check Register

6/22/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70064	06/22/2012	Open			SANTA CRUZ AIDS PROJECT	\$2,287.50
	Invoice		Date	Description	Amount	
	2012-00000824		05/30/2012	Q4 Community Grant	\$2,287.50	
70065	06/22/2012	Open			SANTA CRUZ COMMUNITY COUNSELING CTR	\$1,721.50
	Invoice		Date	Description	Amount	
	2012-00000841		05/30/2012	Q4 Community Grant	\$1,721.50	
70066	06/22/2012	Open			SCC DEPT OF PUBLIC WORKS	\$216.66
	Invoice		Date	Description	Amount	
	20120518		05/18/2012	Special discharge permit renewal and 201	\$216.66	
70067	06/22/2012	Open			SCC OFFICE OF EDUCATION	\$339.00
	Invoice		Date	Description	Amount	
	2012-00000816		05/30/2012	Q4 Community Grant	\$339.00	
70068	06/22/2012	Open			SANTA CRUZ TODDLER CARE CENTE	\$308.50
	Invoice		Date	Description	Amount	
	2012-00000845		05/30/2012	Q4 Community Grant	\$308.50	
70069	06/22/2012	Open			SAVE OUR SHORES	\$344.75
	Invoice		Date	Description	Amount	
	2012-00000847		05/30/2012	Q4 Community Grant	\$344.75	
70070	06/22/2012	Open			SECOND HARVEST FOOD BANK	\$2,456.25
	Invoice		Date	Description	Amount	
	2012-00000819		05/30/2012	Q4 Community Grant	\$2,456.25	
70071	06/22/2012	Open			SENIOR CITIZENS LEGAL SERVICES	\$2,435.75
	Invoice		Date	Description	Amount	
	2012-00000826		05/30/2012	Q4 Community Grant	\$2,435.75	
70072	06/22/2012	Open			SENIOR NETWORK SERVICES, INC.	\$615.25
	Invoice		Date	Description	Amount	
	2012-00000832		05/30/2012	Q4 Community Grant	\$615.25	
70073	06/22/2012	Open			SENIORS COUNCIL OF SC COUNTY	\$819.25
	Invoice		Date	Description	Amount	
	2012-00000823		05/30/2012	Q4 Community Grant	\$819.25	
70074	06/22/2012	Open			SENTINEL PRINTERS, INC.	\$214.83
	Invoice		Date	Description	Amount	
	293569		05/24/2012	Business Cards, Saldana & Bane	\$214.83	
70075	06/22/2012	Open			SOQUEL NURSERY GROWERS, INC.	\$20.68
	Invoice		Date	Description	Amount	
	306504		06/12/2012	plants	\$20.68	
70076	06/22/2012	Open			SPRINT	\$3,408.26
	Invoice		Date	Description	Amount	
	974855313-126		05/24/2012	Cell Phone Service	\$3,408.26	

City of Capitola
City Check Register

6/22/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70077	06/22/2012	Open			STAPLES	\$55.15
	Invoice		Date	Description		Amount
	2883426001		05/08/2012	Misc Supplies, IT Fund 2211, IT		\$55.15
70078	06/22/2012	Open			STEWART TITLE OF CALIFORNIA, INC	\$87,591.56
	Invoice		Date	Description		Amount
	Machado/Lerno		06/19/2012	PacCove MHP #56/Escrow #442250 Fund 1420, The Cove Bond		\$87,591.56
70079	06/22/2012	Open			SURVIVORS HEALING CENTER	\$132.00
	Invoice		Date	Description		Amount
	2012-00000835		05/30/2012	Q4 Community Grant		\$132.00
70080	06/22/2012	Open			THE HARTFORD -PRIORITY ACCOUNT	\$1,716.23
	Invoice		Date	Description		Amount
	5931698-4		06/18/2012	City Employee Life and Disability Ins-Jul12		\$1,716.23
70081	06/22/2012	Open			THILL, WENDY	\$160.00
	Invoice		Date	Description		Amount
	2012-00000870		06/19/2012	Volleyball Officials May 19 to June 16		\$160.00
70082	06/22/2012	Open			TLC ADMINISTRATORS, INC.	\$175.00
	Invoice		Date	Description		Amount
	16321		06/08/2012	Jun 2012 Admin Fee		\$175.00
70083	06/22/2012	Open			UNITED PARCEL SERVICE	\$14.82
	Invoice		Date	Description		Amount
	954791232		06/09/2012	Shipping-PD		\$14.82
70084	06/22/2012	Open			UNITED STATES POSTAL SERVICE	\$146.23
	Invoice		Date	Description		Amount
	20120621		06/18/2012	Add'l Postage, City Newsletter		\$146.23
70085	06/22/2012	Voided	Incorrect Amount	06/22/2012	UNITED WAY OF SCC	\$0.00
	Invoice		Date	Description		Amount
	2012-00000837		05/30/2012	Q4 Community Grant		\$0.00
	Q4		05/30/2012	Q4 FY11/12 Community Grant-211		\$0.00
70086	06/22/2012	Open			UPEC LIUNA LOCAL 792	\$1,856.50
	Invoice		Date	Description		Amount
	Jun2012Dues		06/18/2012	Union Dues, Jun 2012, Employee Funded		\$1,856.50
70087	06/22/2012	Open			US BANCORP EQUIPMENT FINANCE,	\$250.06
	Invoice		Date	Description		Amount
	205140759		06/01/2012	Monthly Copier Lease, PD		\$250.06
70088	06/22/2012	Open			VISTA CENTER FOR THE BLIND	\$460.25
	Invoice		Date	Description		Amount
	2012-00000825		05/30/2012	Q4 Community Grant		\$460.25

City of Capitola
City Check Register

6/22/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70089	06/22/2012	Open			VMI INC.	\$2,692.80
	Invoice		Date	Description		Amount
	222911		06/01/2012	TV for Council Chamber Fund 1320, PEG		\$2,692.80
70090	06/22/2012	Open			VOLUNTEER CENTERS OF SCC	\$339.00
	Invoice		Date	Description		Amount
	2012-00000818		05/30/2012	Q4 Community Grant		\$339.00
70091	06/22/2012	Open			WATSONVILLE BLUEPRINT	\$35.40
	Invoice		Date	Description		Amount
	34638		06/14/2012	scan plans-Bldg		\$35.40
70092	06/22/2012	Open			WOMEN'S CRISIS SUPPORT	\$903.25
	Invoice		Date	Description		Amount
	2012-00000831		05/30/2012	Q4 Community Grant		\$903.25
70093	06/22/2012	Open			WOMENCARE	\$566.25
	Invoice		Date	Description		Amount
	2012-00000840		05/30/2012	Q4 Community Grant		\$566.25
70094	06/22/2012	Open			Quinn, Paula	\$261.00
	Invoice		Date	Description		Amount
	202001360-002		06/19/2012	JG refund		\$261.00
70095	06/22/2012	Open			Robinson, Jennifer	\$2,434.00
	Invoice		Date	Description		Amount
	20120618		06/18/2012	Claim Settlement Fund 2213, Self-Ins Liability		\$2,434.00
70096	06/22/2012	Open			BUMGARNER, ERIC D	\$216.00
	Invoice		Date	Description		Amount
	Jun14		06/21/2012	Sports Official, Softball, thru Jun 14		\$216.00
70097	06/22/2012	Open			QUARTARARO, ROD V.	\$198.00
	Invoice		Date	Description		Amount
	Jun12		06/21/2012	Sports Official, Softball, through Jun 12		\$198.00
70098	06/22/2012	Open			UNITED WAY OF SCC	\$2,026.75
	Invoice		Date	Description		Amount
	2012-00000837		05/30/2012	Q4 Community Grant Fund 2211, IT=\$500.00		\$2,026.75
70099	06/22/2012	Open			DEPARTMENT OF MOTOR VEHICLES	\$609.00
	Invoice		Date	Description		Amount
	S982Title		06/22/2012	Fees associated w/title transfer Fund 1420, The Cove Bond		\$609.00

Type Check Totals: Count 106 Total \$273,674.06


Checks dated 6/29/12 numbered 70100 to 70162 for a total of \$839,794.56 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 6/29/12 the unaudited cash balance is \$2,637,393

CASH POSITION - CITY OF CAPITOLA 6/29/12

	<u>Net Balance</u>
General Fund	336,923
Contingency Reserve Fund	404,896
Worker's Comp. Ins. Fund	175,135
Self Insurance Liability Fund	226,557
Stores Fund	8,831
Information Technology Fund	188,032
Equipment Replacement	438,933
Compensated Absences Fund	4,112
Public Employee Retirement - PERS	256,890
Open Space Fund	256
Capital Improvement Projects	596,830
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>2,637,393</u></u>

The Emergency Reserve Fund balance is \$153,045.54 and is not included above.



 Jamie Goldstein, City Manager

 6/29/12
 Date

 Jacques J.J. Bertrand, City Treasurer

 Date

City Checks Issued 6/29/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70100	06/29/2012 Invoice 4517	Open	Date 06/11/2012	Description Sweeper brooms Fund 1310, Gas Tax	ACME ROTARY BROOM SERVICE	\$1,651.89
				Amount \$1,651.89		
70101	06/29/2012 Invoice Jun2012	Open	Date 06/25/2012	Description June Suppl Health Ins, employee funded	AFLAC	\$377.61
				Amount \$377.61		
70102	06/29/2012 Invoice May2012	Open	Date 05/31/2012	Description May 2012 Legal Services	ATCHISON, BARISONE, & CONDOTTI	\$11,138.25
				Amount \$11,138.25		
70103	06/29/2012 Invoice 38792 38793	Open	Date 06/22/2012 06/22/2012	Description June 2012-Wharf Meter Reading June 2012 PacCove MHP meter reading	AUTOMATED TEST ASSOCIATES	\$92.00
				Amount \$25.00 \$67.00		
70104	06/29/2012 Invoice 2941	Open	Date 06/18/2012	Description Pac Cove MHP June 2012 landscape maini	BACK TO EDEN LANDSCAPING INC.	\$575.00
				Amount \$575.00		
70105	06/29/2012 Invoice 629 639	Open	Date 05/30/2012 06/02/2012	Description Uniform Expense, Caudle-PD Explorer Uniform Expense, Evans-PD	CALIFORNIA COAST UNIFORM CO	\$247.68
				Amount \$236.85 \$10.83		
70106	06/29/2012 Invoice POA6-29-12	Open	Date 06/25/2012	Description POA Dues, Employee Funded	CAPITOLA PEACE OFFICERS ASSOC.	\$780.50
				Amount \$780.50		
70107	06/29/2012 Invoice CB060112	Open	Date 06/01/2012	Description Consultation & Web development, BIA Fund 1321, BIA	CARDILLA, PETER	\$270.00
				Amount \$270.00		
70108	06/29/2012 Invoice 491A-557-2/2	Open	Date 05/29/2012	Description Pac Cove MHP #83 Jackson-moving costs Fund 1420, Cove Bond	CHIPMAN RELOCATIONS INC	\$3,974.26
				Amount \$3,974.26		
70109	06/29/2012 Invoice 9760	Open	Date 05/31/2012	Description May Cleaning Service, All Sites	CLEAN BUILDING MAINTENANCE	\$3,542.00
				Amount \$3,542.00		
70110	06/29/2012 Invoice 20120711	Open	Date 06/25/2012	Description Jul 11 Twilight Concert Performance	COCKTAIL MONKEYS	\$1,000.00
				Amount \$1,000.00		
70111	06/29/2012 Invoice 10451 10440	Open	Date 06/13/2012 06/12/2012	Description Remove limb by Nob Hill Remove dead oak tree @ city hall	COMMUNITY TREE SERVICE	\$600.00
				Amount \$75.00 \$525.00		

City Checks Issued 6/29/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70112	06/29/2012	Open			CVS PHARMACY INC.	\$49.92
	Invoice		Date	Description		Amount
	Tran #1138		06/14/2012	Supplies-Rec		\$49.92
70113	06/29/2012	Open			D & G SANITATION	\$344.71
	Invoice		Date	Description		Amount
	195771		05/31/2012	Portable bathrooms-1400 Wharf Rd Fund 1311, Wharf Fund		\$344.71
70114	06/29/2012	Open			DESIGN, COMMUNITY & ENVIRONMEN	\$23,990.30
	Invoice		Date	Description		Amount
	48847		05/31/2012	Professional Services May 1-31, 2012		\$13,981.18
	48684		04/30/2012	Professional Services April 1-30, 2012 Fund 1313, Gen Plan=\$4716.12 Fund 1350, CDBG Grants=\$19274.18		\$10,009.12
70115	06/29/2012	Open			EMPLOYMENT DEVELOPMENT DEPT	\$12,543.80
	Invoice		Date	Description		Amount
	Q2-2012		06/18/2012	Unemployment Tax, Q2 2012 Fund 2213, Self Insurance Liability		\$12,543.80
70116	06/29/2012	Open			EWING IRRIGATION	\$233.41
	Invoice		Date	Description		Amount
	4852598		05/30/2012	Tree stakes - beach flume		\$81.91
	4858671		06/01/2012	Drip tubing		\$122.71
	4892656		06/07/2012	Parts		\$28.79
70117	06/29/2012	Open			FARWEST NURSERY	\$33.57
	Invoice		Date	Description		Amount
	602501		06/13/2012	Plants		\$33.57
70118	06/29/2012	Open			FEDERAL EXPRESS	\$50.48
	Invoice		Date	Description		Amount
	7-921-24163		06/18/2012	Shipping		\$50.48
70119	06/29/2012	Open			FLYERS ENERGY, LLC	\$2,798.35
	Invoice		Date	Description		Amount
	12-739439		06/14/2012	592 Gal Ethanol		\$2,255.93
	12-739208		06/14/2012	150 Gal Diesel		\$542.42
70120	06/29/2012	Open			GOLDFARB & LIPMAN, LLP	\$6,967.00
	Invoice		Date	Description		Amount
	105064		05/31/2012	April Legal Services, Pac Cove Closure Fund 1420, Cove Bond		\$6,967.00
70121	06/29/2012	Open			GROGAN, JASON	\$1,654.11
	Invoice		Date	Description		Amount
	20120629		06/25/2012	Advance Disability Pension Payment		\$1,654.11
70122	06/29/2012	Open			GUMBINER & ESKRIDGE LLP	\$3,752.94
	Invoice		Date	Description		Amount
	11220		06/19/2012	Legal Services, Insurance Loss		\$3,752.94

City Checks Issued 6/29/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70123	06/29/2012 Invoice	Open			HOWARD, CHARLIE	\$1,500.00
	6/11-6/15/12		06/25/2012	mechanic		\$740.00
	6/18-6/22/12		06/25/2012	mechanic		\$760.00
70124	06/29/2012 Invoice	Open			INTERNATIONAL CODE COUNCIL	\$300.00
	20120712a		06/04/2012	Class Registration, Wheeler & Van Son		\$300.00
70125	06/29/2012 Invoice	Open			INTERSTATE BATTERY SYS OF SAN JOSE INC.	\$227.22
	50226568		06/18/2012	auto parts		\$227.22
70126	06/29/2012 Invoice	Open			JOHNSON, ROBERTS, & ASSOCIATES	\$32.50
	117610		06/04/2012	Background Check, PD		\$32.50
70127	06/29/2012 Invoice	Open			KING'S PAINT AND PAPER, INC.	\$141.75
	A160148		06/01/2012	Paint - kiosk		\$21.01
	A160786		06/12/2012	Curb paint		\$120.74
70128	06/29/2012 Invoice	Open			KNN Public Finance	\$12,578.33
	726-06-12		06/04/2012	Financial Advisory Fee, Mobile Home Reloc Fund 1420, Cove Bond		\$12,578.33
70129	06/29/2012 Invoice	Open			LABORMAX STAFFING	\$901.60
	26-15814		06/15/2012	11/12-12/13 Seasonal Labor		\$901.60
70130	06/29/2012 Invoice	Open			LIUNA PENSION FUND	\$242.00
	LIUNA6-29-12		06/25/2012	Pension Dues, Employee Funded		\$242.00
70131	06/29/2012 Invoice	Open			LLOYD'S TIRE SERVICE INC.	\$487.26
	229603		06/22/2012	Flat Repair		\$25.00
	229150		06/14/2012	Tire		\$462.26
70132	06/29/2012 Invoice	Open			LOOMIS	\$1,275.17
	11066256		05/31/2012	Armored car service		\$1,275.17
70133	06/29/2012 Invoice	Open			MAMBO TROPICAL	\$1,400.00
	002		06/25/2012	Twilight Concert Artist		\$1,400.00
70134	06/29/2012 Invoice	Open			MEDCO SUPPLY CO.	\$192.58
	41520012		06/05/2012	Sun Screen		\$192.58

City Checks Issued 6/29/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70135	06/29/2012	Open			MICROFLEX CORP #774353	\$394.37
	Invoice		Date	Description		Amount
	in1283054		06/01/2012	3 cases of gloves-PD		\$394.37
70136	06/29/2012	Open			MID-COUNTY AUTO SUPPLY	\$300.02
	Invoice		Date	Description		Amount
	305710		06/11/2012	auto parts-PD061		\$118.29
	305647		06/10/2012	Misc.		\$27.22
	306436		06/18/2012	auto parts-PD 072		\$108.20
	306978		06/13/2012	Parks F-250		\$39.40
	306033		06/13/2012	PW Trucks		\$6.91
70137	06/29/2012	Open			NATIVE REVIVAL NURSERY	\$36.99
	Invoice		Date	Description		Amount
	35548		06/12/2012	Plants - Rotary Park		\$36.99
70138	06/29/2012	Open			ORCHARD SUPPLY HARDWARE	\$347.43
	Invoice		Date	Description		Amount
	5182012		05/18/2012	Trashcans		\$175.30
	6013-8323138		06/13/2012	Bandstand hardware		\$64.01
	6014-7062140		06/08/2012	Posts		\$64.84
	6007-3523507		06/13/2012	Shop Equipment Repair		\$32.26
	6009-2434027		06/13/2012	auto parts-Fleet		\$11.02
70139	06/29/2012	Open			OUTDOOR WORLD	\$839.87
	Invoice		Date	Description		Amount
	943370		06/17/2012	JG supplies		\$736.06
	943895		06/26/2012	JG supplies		\$103.81
70140	06/29/2012	Open			PACIFIC PRODUCTS AND SERVICES	\$2,470.24
	Invoice		Date	Description		Amount
	15035		06/08/2012	Sign posts		\$1,019.78
	15036		06/08/2012	Sign posts		\$1,450.46
				Fund 1310, Gas Tax		
70141	06/29/2012	Open			PALACE ART & OFFICE SUPPLIES	\$559.87
	Invoice		Date	Description		Amount
	961446		06/11/2012	Batteries, City Hall		\$5.61
	C960851		06/12/2012	Return office supplies, city hall		(\$278.09)
	8778484		06/14/2012	Office supplies-Rec		\$69.30
	17432		06/14/2012	Office Chair		\$316.09
	962149		06/15/2012	Paper-PD		\$46.44
	C926885		10/17/2011	Return office Supplies		(\$16.89)
	960851		06/06/2012	Office Supplies, City Hall		\$417.41
70142	06/29/2012	Open			PHIL ALLEGRI ELECTRIC, INC.	\$750.39
	Invoice		Date	Description		Amount
	16904		05/30/2012	Install fan in City Hall		\$549.14
	16916		06/01/2012	Counsel Chambers Outlet relocation		\$201.25
				Fund 1320, PEG=\$201.25		
70143	06/29/2012	Open			PK SAFETY SUPPLY	\$314.66
	Invoice		Date	Description		Amount
	161570		05/30/2012	Safety supplies		\$314.66

City Checks Issued 6/29/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70144	06/29/2012 Invoice RI-132028	Open	Date 05/31/2012	Description FY 11/12 Traffic Signal Maintenance Fund 1310, Gas Tax	REPUBLIC ITS INC.	\$659.93
70145	06/29/2012 Invoice 2382 2381 2380 2379	Open	Date 06/10/2012 06/10/2012 06/10/2012 06/10/2012	Description Opacity Test, 2008 Ford Opacity Test, 2000 John Deere Opacity Test, 2007 Cummins Opacity Test, 1990 Ford	RobNetty Equipment Repair, Inc.	\$300.00
70146	06/29/2012 Invoice 35779	Open	Date 05/31/2012	Description Progress Billing, FY11-12 Audit	ROGERS, ANDERSON, MALODY & SCOTT, LLP	\$8,000.00
70147	06/29/2012 Invoice 11597 11596	Open	Date 06/05/2012 06/05/2012	Description Fingerprinting-Rec Fingerprints for Explorer Preston	SCC OFFICE OF EDUCATION	\$60.00
70148	06/29/2012 Invoice I-5885	Open	Date 05/31/2012	Description Treadmill Stress Test, New Employee Exan	SANTA CRUZ OCCUP. MED. CTR	\$300.00
70149	06/29/2012 Invoice 6252012	Open	Date 06/25/2012	Description Kiosk repair	SMITH, BRET	\$1,400.82
70150	06/29/2012 Invoice Escrow#470076	Open	Date 06/25/2012	Description Pacific Cove MHP #84_Bloomenkamp Fund 1420, Cove Bond	STEWART TITLE OF CALIFORNIA, INC	\$127,304.40
70151	06/29/2012 Invoice PARS6-29-12	Open	Date 06/25/2012	Description PARS Contr assoc with semi weekly payroll	UNION BANK OF CALIFORNIA	\$1,765.39
70152	06/29/2012 Invoice 20120622	Open	Date 06/22/2012	Description May-Jun2012 Comm Dev Director Services	WESTMAN, SUSAN	\$9,840.00
70153	06/29/2012 Invoice T9262	Open	Date 06/01/2012	Description K-9 training, May 2012	WITMER-TYSON IMPORTS INC.	\$500.00
70154	06/29/2012 Invoice 87441393	Open	Date 06/20/2012	Description POST Tng Expense for Eller, Conf No. 874	Double Tree Hilton Sacramento	\$286.24
70155	06/29/2012 Invoice 2001378-002	Open	Date 06/21/2012	Description JG refund	Draga, Mary	\$261.00

City Checks Issued 6/29/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70156	06/29/2012 Invoice 2001373-002	Open	Date 06/21/2012	Description Transfer	Duke, Steve	\$41.00 \$41.00
70157	06/29/2012 Invoice 2001371-002	Open	Date 06/21/2012	Description JG refund	Higgins, Tamara	\$228.00 \$228.00
70158	06/29/2012 Invoice 20201379-002	Open	Date 06/21/2012	Description JG refund	Morgan, Shannon	\$48.00 \$48.00
70159	06/29/2012 Invoice 11135390	Open	Date 06/21/2012	Description Refund cite 11135390	Mozhda, Kabir	\$96.00 \$96.00
70160	06/29/2012 Invoice 2012-00000882	Open	Date 06/25/2012	Description AMBAG TransCAD class-Uharriett	RAPS	\$300.00 \$300.00
70161	06/29/2012 Invoice 2012-00000879	Open	Date 06/21/2012	Description Fingerprinting reimbursement	Sisney, Kelly	\$25.00 \$25.00
70162	06/29/2012 Invoice POB-FY12-13	Open	Date 06/16/2012	Description Pension Obligation Bond Pymt, FY12-13 Fund 1410, Pension Obligation Bond Fund	WELLS FARGO BANK	\$586,418.75 \$586,418.75
Check Totals:				Count	63	Total \$839,794.56

Checks dated 7/6/12 numbered 70163 to 70244 for a total of \$484,484.67 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 7/6/12 the unaudited cash balance is \$2,594,497

CASH POSITION - CITY OF CAPITOLA 7/6/12

	<u>Net Balance</u>
General Fund	296,582
Contingency Reserve Fund	404,896
Worker's Comp. Ins. Fund	175,135
Self Insurance Liability Fund	226,557
Stores Fund	6,543
Information Technology Fund	187,764
Equipment Replacement	438,933
Compensated Absences Fund	4,112
Public Employee Retirement - PERS	256,890
Open Space Fund	256
Capital Improvement Projects	596,830
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>2,594,497</u></u>

The Emergency Reserve Fund balance is \$153,045.54 and is not included above.



Steve Jesberg, Acting City Manager

7/6/12

Date

Jacques J.J. Bertrand, City Treasurer

Date

City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70163	07/06/2012 Invoice 3457885	Open	Date 06/12/2012	Description May-Jun2012 Phone Service	AT&T/CALNET 2	\$2,069.38
70164	07/06/2012 Invoice 20120805	Open	Date 06/01/2012	Description Art & Music at the Beach Artist, Aug 5 2012	AUSTIN, SHERRY	\$400.00
70165	07/06/2012 Invoice 2974961	Open	Date 06/14/2012	Description ADA ramp on beach	BIG CREEK LUMBER	\$190.07
70166	07/06/2012 Invoice Q3CY2011 Q4CY2011 Q1CY2012 Q2CY2012	Open	Date 07/05/2012 07/05/2012 07/05/2012 07/05/2012	Description Bldg Standards Admin-Q3CY11 Bldg Standards Admin-Q4CY11 Bldg Standards Admin-Q1CY12 Bldg Standards Admin-Q2CY12	CALIF. BUILDING STANDARDS COMM.	\$1,206.00
70167	07/06/2012 Invoice 646 647 649	Open	Date 06/06/2012 06/06/2012 06/08/2012	Description Uniform Expense, Caudle-PD Uniform Expense, Maruna VIP-PD Uniform Expense, Ryan-PD	CALIFORNIA COAST UNIFORM CO.	\$439.93
70168	07/06/2012 Invoice Jul2012	Open	Date 06/20/2012	Description Jul 2012 Long Term Disability Ins, PD	CALIF. LAW ENFORCEMENT ASSOC.	\$563.50
70169	07/06/2012 Invoice Conf-Dec12	Open	Date 06/07/2012	Description Conf Reg (Dec 2012) and FY12/13 Membe	CALPELRA	\$910.00
70170	07/06/2012 Invoice Jul2012	Open	Date 06/19/2012	Description Jul 2012 Health Ins, Employee Funded	CalPERS Health Insurance	\$52,750.15
70171	07/06/2012 Invoice 41504	Open	Date 05/26/2012	Description Towed BMW plate 81A04	CHAZ TOWING	\$75.00
70172	07/06/2012 Invoice 120620-0711A 120620-0711B	Open	Date 07/02/2012 06/01/2012	Description Twilight Concert Sound Engineer Twilight Concert Sound Engineer	CLASSIFIED SOUND	\$1,650.00
70173	07/06/2012 Invoice Escrow #SR-1107	Open	Date 06/28/2012	Description Pac Cove MHP Space #74 Sullivan Fund 1420 Pac Cove Bond	CORNERSTONE TITLE COMPANY	\$72,237.96

City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70174	07/06/2012	Open			CRUZIO THE INTERNET STORE INC.	\$79.90
	Invoice		Date	Description		Amount
	28750-42		07/02/2012	Jun 2012 Website Hosting		\$39.95
	28750-42z		07/02/2012	Jul 2012 Website Hosting		\$39.95
				Fund 1313, Gen Plan Update		
70175	07/06/2012	Open			CVS PHARMACY INC.	\$103.39
	Invoice		Date	Description		Amount
	Tran #9714		06/21/2012	Supplies - Rec		\$44.64
	Tran #3653		06/25/2012	Supplies-Rec		\$31.50
	20120622		06/22/2012	Supplies-Rec		\$81.36
	20120622-Return		06/25/2012	Supplies-Rec		(\$54.11)
70176	07/06/2012	Open			DEPT OF HOUSING AND COMMUNITY DEV (HCD	\$60,171.00
	Invoice		Date	Description		Amount
	07-BEGIN-0092		07/02/2012	BEGIN Contract 07-BEGIN-0092		\$60,171.00
				Fund 1380, Begin Grant		
70177	07/06/2012	Open			DEPARTMENT OF MOTOR VEHICLES	\$5,560.00
	Invoice		Date	Description		Amount
	PC-Spc 51		07/02/2012	Sales Tax & Registration, Pac Cove Spc 5'		\$5,560.00
				Fund 1420 Pac Cove Bond		
70178	07/06/2012	Open			EWING IRRIGATION	\$11.53
	Invoice		Date	Description		Amount
	4965325		06/20/2012	Irrigation supplies		\$11.53
70179	07/06/2012	Open			EXTRA SPACE STORAGE OF SC INC	\$282.00
	Invoice		Date	Description		Amount
	2012-07		06/14/2012	Evidence storage-PD		\$282.00
70180	07/06/2012	Open			FELLOWS, LESLIE	\$1,035.00
	Invoice		Date	Description		Amount
	20120702		07/02/2012	Jul 1 Art & Music at the Beach Coord. Fee		\$425.00
	20120618		06/18/2012	Art & Music at the Beach Coord Fee		\$360.00
	20120618x		06/18/2012	Art & Music at the Beach Coord Fee		\$250.00
70181	07/06/2012	Open			FLYNN, CAROLYN	\$3,550.00
	Invoice		Date	Description		Amount
	CBF-6-2012A		06/29/2012	Professional Services June 1-June 29, 201		\$600.00
	CBF-6-2012B/C		06/29/2012	Professional Services June 1-June 29, 201		\$2,950.00
				Fund 1313, Gen Plan Update=\$600.00		
				Fund 1350, CDBG Grants=\$2950.00		
70182	07/06/2012	Open			JETMULCH INC.	\$1,900.00
	Invoice		Date	Description		Amount
	2161		05/13/2012	Playground chips		\$1,900.00
70183	07/06/2012	Open			KING'S CLEANERS	\$842.00
	Invoice		Date	Description		Amount
	June 2012		06/20/2012	Jun 2012 Uniform cleaning, PD		\$842.00
70184	07/06/2012	Open			LABOR READY SOUTHWEST INC.	\$1,695.01
	Invoice		Date	Description		Amount
	72621559		06/15/2012	11/12-12/13 Seasonal Labor		\$746.27
	73001559		06/22/2012	11/12-12/13 Seasonal Labor		\$948.74

City of Capitola
City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70185	07/06/2012 Invoice 26-15923	Open	Date 06/22/2012	Description 11/12-12/13 Seasonal Labor	LABORMAX STAFFING	\$901.60
70186	07/06/2012 Invoice 20120718	Open	Date 06/01/2012	Description Twilight Concert Artist, Jul 18 2012	LARSON, CYNTHIA	\$1,000.00
70187	07/06/2012 Invoice KIT-8-1-12	Open	Date 06/01/2012	Description Twilight Concert Artist, Aug 1 2012	LOPEZ, CHRISTINA	\$1,000.00
70188	07/06/2012 Invoice 306909 306917 306904 307515	Open	Date 06/21/2012 06/21/2012 06/21/2012 06/27/2012	Description PW F-250 Dump Pick Up PD 2011 Toyota Camry PD 2011 Toyota Camry auto parts, fleet	MID-COUNTY AUTO SUPPLY	\$679.95
70189	07/06/2012 Invoice 6 6a	Open	Date 07/02/2012 07/02/2012	Description Public Works Inspection Services Contract contract services 6/1-6/30/12	MORRISON, ED	\$2,550.00
70190	07/06/2012 Invoice 11628	Open	Date 06/12/2012	Description plants	NATIVE REVIVAL NURSERY	\$36.99
70191	07/06/2012 Invoice 6007-3524710 6007-3525422 6013-1138959	Open	Date 06/19/2012 06/22/2012 05/18/2012	Description Misc. Earthquake Kit Supplies Trash cans	ORCHARD SUPPLY HARDWARE	\$284.71
70192	07/06/2012 Invoice RCT 945840	Open	Date 06/29/2012	Description Camp supplies-Rec	OUTDOOR WORLD	\$57.99
70193	07/06/2012 Invoice 2013-00000002	Open	Date 06/15/2012	Description Monthly Elec Fund 1000, Gen fund=\$4475.36 Fund 1300, SLESF=\$95.63 Fund 1310, Gas Tax=\$6860.51 Fund 1311, Wharf Fund=\$2040.93	PACIFIC GAS & ELECTRIC	\$13,472.43
70194	07/06/2012 Invoice 2013-00000003	Open	Date 06/22/2012	Description Pac Cove MHP Elec and Gas	PACIFIC GAS & ELECTRIC	\$451.71

City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70195	07/06/2012	Open			PACIFIC MONARCH	\$7,650.00
	Invoice		Date	Description		Amount
	40633a		06/21/2012	Trans for Jr Guard Competition, Jul 2012		\$3,575.00
	40632b		06/21/2012	Trans for Jr Guard Competition, Jul 2012		\$4,075.00
70196	07/06/2012	Open			PALACE ART & OFFICE SUPPLIES	\$432.74
	Invoice		Date	Description		Amount
	961878		06/13/2012	Office Supplies, PD		\$4.05
	8780278-0		06/19/2012	Office supplies-Rec		\$36.87
	8780430		06/19/2012	Misc Supplies, Museum		\$77.81
	963191		06/25/2012	Office Supplies, City Hall		\$185.76
	963117		06/22/2012	Office Supplies, City Hall		\$9.59
	963350		06/26/2012	Office Supplies		\$31.26
	963742		06/28/2012	Paper, City Hall		\$41.09
	963876		07/01/2012	Paper		\$46.44
	C8769151z		06/14/2012	adj cr memo to actual amt Fund 1000, Gen Fund=\$165.04 Fund 2210, Stores=\$267.70		(\$0.13)
70197	07/06/2012	Open			PHIL ALLEGRI ELECTRIC, INC.	\$95.36
	Invoice		Date	Description		Amount
	16951		06/25/2012	Police Dept Electrical repair		\$95.36
70198	07/06/2012	Open			PHOENIX GROUP INFORMATION SYS.	\$1,504.85
	Invoice		Date	Description		Amount
	32012070		04/12/2012	Citation Processing		\$1,504.85
70199	07/06/2012	Voided	Incorrect Amount	07/06/2012	PITNEY BOWES INC.	\$0.00
	Invoice		Date	Description		Amount
	Refill5-30-12		06/19/2012	Postage Meter Refill, City Hall		\$0.00
70200	07/06/2012	Open			PITNEY BOWES INC.	\$2,019.99
	Invoice		Date	Description		Amount
	MayRefill		06/19/2012	City Hall Postage Meter Refill, May 2012 Fund 2210, Stores		\$2,019.99
70201	07/06/2012	Open			PRAXAIR DISTRIBUTION INC.	\$62.00
	Invoice		Date	Description		Amount
	43248088		06/20/2012	Gases, Corp Yard		\$62.00
70202	07/06/2012	Open			ProBUILD COMPANY LLC	\$119.95
	Invoice		Date	Description		Amount
	5057824		06/10/2012	Plants		\$50.65
	5632773		06/20/2012	Wood posts for flume		\$69.30
70203	07/06/2012	Open			PUBLIC ENGINES, INC./CRIME REPORT	\$597.00
	Invoice		Date	Description		Amount
	15672		06/01/2012	July 1 2012 to Sept 30 2012		\$597.00

City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70204	07/06/2012	Open			REPUBLIC ITS INC.	\$903.52
	Invoice		Date	Description		Amount
	RR-132753		06/12/2012	FY 11/12 Traffic Signal Maintenance		\$698.24
	RR-132754		06/12/2012	FY 11/12 Traffic Signal Maintenance		\$205.28
				Fund 1310, Gas Tax Fund		
70205	07/06/2012	Open			RODGERS, PETER A	\$220.00
	Invoice		Date	Description		Amount
	May-Jun12		06/28/2012	Softball Umpire May 19 to June 23 2012		\$220.00
70206	07/06/2012	Open			ROYAL WHOLESALE ELECTRIC	\$19.36
	Invoice		Date	Description		Amount
	7719-561407		06/15/2012	Misc.		\$19.36
70207	07/06/2012	Open			S&S WORLDWIDE	\$540.73
	Invoice		Date	Description		Amount
	7370896		06/13/2012	Camp supplies-Rec		\$540.73
70208	07/06/2012	Open			SALOMON, MARCUS	\$1,400.00
	Invoice		Date	Description		Amount
	20120725		03/01/2012	Twilight Concert Artist, Jul 25 2012		\$1,400.00
70209	07/06/2012	Voided	Incorrect Pmt Code	07/06/2012	SCC AUDITOR-CONTROLLER	\$0.00
	Invoice		Date	Description		Amount
	LAFCO12-13		05/04/2012	LAFCO FY12-13 Fees		\$0.00
	PC-Spc57, 83		07/02/2012	Prop Taxes on Pac Cove Spc 57 and 83		\$0.00
70210	07/06/2012	Open			SANTA CRUZ FIRE EQUIPMENT CO.	\$164.39
	Invoice		Date	Description		Amount
	91527		05/31/2012	Fire Service-City Hall		\$164.39
				Fund 1311, Wharf Fund		
70211	07/06/2012	Open			SANTA CRUZ VETERINARY HOSPITAL	\$215.66
	Invoice		Date	Description		Amount
	369287		06/21/2012	Animal Control Expense, PD		\$215.66
70212	07/06/2012	Open			SIMON, VIVIAN	\$400.00
	Invoice		Date	Description		Amount
	20120715		06/01/2012	Art & Music at the Beach artist, Jul 15 2012		\$400.00
70213	07/06/2012	Open			SPORT ABOUT	\$550.80
	Invoice		Date	Description		Amount
	4424		06/29/2012	Camp shirts Session 2		\$550.80
70214	07/06/2012	VOID			STEWART TITLE OF CALIFORNIA, INC	\$0.00
	Invoice		Date	Description		Amount
	Escrow #467599		06/28/2012	Pac Cove MHP Space #68 - Brown		\$95,000.00
	Escrow #442276		06/28/2012	Pac Cove MHP Space #64 - Maghakian		\$83,866.94
				Fund 1420, Pac Cove Bond		
70215	07/06/2012	Open			THE INTERNET CONNECTION INC.	\$150.00
	Invoice		Date	Description		Amount
	3917-15853		07/01/2012	Website Hosting, Jul 2012 Reg#10311742		\$150.00

City of Capitola
City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70216	07/06/2012 Invoice 0257975 0260175	Open	Date 06/21/2012 06/26/2012	Description Lights, Captain's Car, PD Siren, Captain's Car-PD	The LightHouse	\$566.30 Amount \$404.27 \$162.03
70217	07/06/2012 Invoice 93030-Jul2012	Open	Date 07/01/2012	Description Jul Dental & Vision Claims	TLC ADMINISTRATORS, INC.	\$5,000.64 Amount \$5,000.64
70218	07/06/2012 Invoice 36606	Open	Date 02/06/2012	Description Jet stream foam w/cover-Valdez	WHEELCHAIRS OF SAN MATEO & TECH	\$219.00 Amount \$219.00
70219	07/06/2012 Invoice 2012-00000892	Open	Date 06/29/2012	Description Jr Leader Payment	Amarlon, Navid	\$160.00 Amount \$160.00
70220	07/06/2012 Invoice 12-070	Open	Date 06/28/2012	Description Tree Removal Deposit #12-070	Anderson, William and Frank	\$500.00 Amount \$500.00
70221	07/06/2012 Invoice 2012-00000893	Open	Date 06/29/2012	Description Jr Leader Payment	Andrade, Sierra	\$160.00 Amount \$160.00
70222	07/06/2012 Invoice 32152	Open	Date 06/27/2012	Description No Fireworks signs	AP&P Signs	\$459.00 Amount \$459.00
70223	07/06/2012 Invoice 2012-00000902	Open	Date 06/29/2012	Description JG refund	Aubuchon, Kristin	\$218.00 Amount \$218.00
70224	07/06/2012 Invoice 2012-00000888	Open	Date 06/28/2012	Description Pac Cove MHP Space #68 - Brown (moving Fund 1420, Pac Cove Bond	Brown, Carol	\$1,425.00 Amount \$1,425.00
70225	07/06/2012 Invoice 2012-00000894	Open	Date 06/29/2012	Description Jr Leader Payment	Campagnolo, Justice	\$64.00 Amount \$64.00
70226	07/06/2012 Invoice 2012-00000895	Open	Date 06/29/2012	Description Jr Leader Payment	Cartwright, Jake	\$80.00 Amount \$80.00
70227	07/06/2012 Invoice 2012-00000896	Open	Date 06/29/2012	Description Jr Leader Payment	Dolton, Parker	\$40.00 Amount \$40.00

City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70228	07/06/2012 Invoice 2012-00000897	Open	Date 06/29/2012	Description Jr Leader Payment	Horton, Madeline	\$80.00
70229	07/06/2012 Invoice 12-079	Open	Date 06/28/2012	Description Tree Deposit Refund #12-079	Lance, Lynn	\$500.00
70230	07/06/2012 Invoice 0189117	Open	Date 04/06/2012	Description Targets - PD	Law Enforcement Targets	\$128.21
70231	07/06/2012 Invoice 2012-00000889	Open	Date 06/28/2012	Description Pac Cove MHP Space #64 - Maghakian Fund 1420, Pac Cove Bond	Maghakian, Edward	\$1,175.00
70232	07/06/2012 Invoice 2012-00000898	Open	Date 06/29/2012	Description Jr Leader Payment	Pedrotti, Genevieve	\$80.00
70233	07/06/2012 Invoice 2012-00000904	Open	Date 06/28/2012	Description Pac Cove MHP Space #80-Penner Fund 1420, Pac Cove Bond	Penner, Linda	\$32,925.00
70234	07/06/2012 Invoice 12-048	Open	Date 06/28/2012	Description Tree Deposit Refund #12-048	Schmidt, Dana	\$500.00
70235	07/06/2012 Invoice 2012-00000899	Open	Date 06/29/2012	Description Jr Leader Payment	Servin, Margarita	\$112.00
70236	07/06/2012 Invoice 2012-00000900	Open	Date 06/29/2012	Description Jr Leader Payment	Stevens, Leela	\$80.00
70237	07/06/2012 Invoice 2012-00000905	Open	Date 06/28/2012	Description Pac Cove MHP Space #74 Sullivan Fund 1420, Pac Cove Bond	Sullivan, Anne	\$9,900.00
70238	07/06/2012 Invoice 2012-00000901	Open	Date 06/29/2012	Description Jr Leader Payment	Taylor, Jordan	\$72.00
70239	07/06/2012 Invoice LAFCO12-13	Open	Date 05/04/2012	Description LAFCO FY12-13 Fees	SCC AUDITOR-CONTROLLER	\$5,535.34

City Checks Issued 7/6/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
70240	07/06/2012 Invoice PC-Spc57, 83	Open	07/02/2012	Prop Taxes on Pac Cove Spc 57 and 83	SANTA CRUZ COUNTY AUDITOR-CON	\$360.00
70241	07/06/2012 Customer Type Standard	Open		10140 06/29/2012	#43 MARGARET HOPE Transaction Date Prepayment Adustment	\$39.69
70242	07/06/2012 Invoice RH3726A	Open	07/06/2012	Transfer Fee, Spc 43, Ser No. RH3726A	DEPARTMENT OF HOUSING AND COM	\$35.00
70243	07/06/2012 Invoice Escrow #467599	Open	06/28/2012	Pac Cove MHP Space #68 - Brown	STEWART TITLE OF CALIFORNIA, INC	\$95,000.00
70244	07/06/2012 Invoice Escrow #442276	Open	06/28/2012	Pac Cove MHP Space #64 - Maghakian	STEWART TITLE OF CALIFORNIA, INC	\$83,866.94
Check Totals:				Count	82	Total \$484,484.67

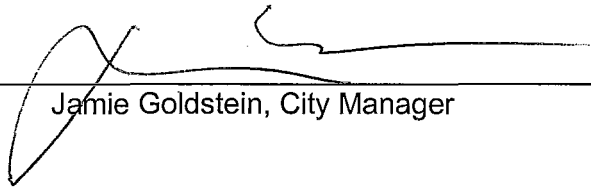
Checks dated 7/13/12 numbered 70245 to 70307 for a total of \$60,215.54 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 7/13/12 the unaudited cash balance is \$2,618,690

CASH POSITION - CITY OF CAPITOLA 7/13/12

	<u>Net Balance</u>
General Fund	308,377
Contingency Reserve Fund	404,896
Worker's Comp. Ins. Fund	175,135
Self Insurance Liability Fund	226,557
Stores Fund	5,776
Information Technology Fund	187,869
Equipment Replacement	438,933
Compensated Absences Fund	4,112
Public Employee Retirement - PERS	269,950
Open Space Fund	256
Capital Improvement Projects	596,830
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u>2,618,690</u>

The Emergency Reserve Fund balance is \$153,045.54 and is not included above.



Jamie Goldstein, City Manager

7/13/12
Date

Jacques J.J. Bertrand, City Treasurer

Date

City of Capitola
City Checks Issued 7/13/12

Check Number	Invoice Number	Status	Invoice date	Description	Payee Name	Transaction Amount
70245	07/13/2012 Invoice 2013-00000006	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	ADAMS, BECKY	\$200.20
70246	07/13/2012 Invoice 186239	Open	Date 06/27/2012	Description Keane credit check for background Reserve	ADVANTAGE CREDIT INC.	\$10.00
70247	07/13/2012 Invoice 2013-00000007	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	ARITCHITA, WIND C.	\$117.00
70248	07/13/2012 Invoice 2013-00000008	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	BARRETT, SHARON	\$78.00
70249	07/13/2012 Invoice 2013-00000009	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	BARTLETT, GERRY	\$861.90
70250	07/13/2012 Invoice 2013-00000010	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	BETZ, SHERRI	\$3,199.30
70251	07/13/2012 Invoice 2013-00000011	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	BOSSO, AMY TOY	\$2,083.25
70252	07/13/2012 Invoice Q2CY2012	Open	Date 07/02/2012	Description Strong Motion Fee, Apr-Jun 2012	CA DEPARTMENT OF CONSERVATION	\$692.58
70253	07/13/2012 Invoice 916849	Open	Date 06/30/2012	Description Fingerprint appts for June 2012	CA DEPARTMENT OF JUSTICE	\$32.00
70254	07/13/2012 Invoice 16976	Open	Date 06/21/2012	Description Street Signs Fund 1310, Gas Tax	CAL TRAFFIC	\$509.94
70255	07/13/2012 Invoice 665	Open	Date 06/15/2012	Description Uniform Exp, Keane	CALIFORNIA COAST UNIFORM CO.	\$562.58
70256	07/13/2012 Invoice POA7-7-12	Open	Date 07/11/2012	Description POA Dues, Employee Funded	CAPITOLA PEACE OFFICERS ASSOC.	\$756.50
70257	07/13/2012 Invoice 2013-00000018	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	CHARLEBOIS, FREDERIC	\$6,258.20

City of Capitola
City Checks Issued 7/13/12

Check Number	Invoice Number	Status	Invoice date	Description	Payee Name	Transaction Amount
70258	07/13/2012 Invoice 1230115	Open	Date 06/19/2012	Description Cleaning supplies	CLEAN SOURCE	\$1,426.94
70259	07/13/2012 Invoice 2013-00000034	Open	Date 07/10/2012	Description Soccer Official, Jun-July 2012	DAUERMAN, MIKE	\$174.00
70260	07/13/2012 Invoice 2013-00000013	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	DAVIDSON, ANA LUCIA	\$167.70
70261	07/13/2012 Invoice 14140321	Open	Date 06/23/2012	Description Monthly Lease Payment, City Hall Copier Fund 2210, Stores	DE LAGE LANDEN FINANCIAL SERVICE	\$334.07
70262	07/13/2012 Invoice 2013-00000014	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	DICKS, CHUCK	\$160.55
70263	07/13/2012 Invoice 1277	Open	Date 07/02/2012	Description Green Business Coordination, May 2012	ENVIRONMENTAL INNOVATIONS	\$300.00
70264	07/13/2012 Invoice 2013-00000015	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	EVANS, PAT	\$160.55
70265	07/13/2012 Invoice 2013-00000016	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	FITZGERALD, AIMEE	\$284.05
70266	07/13/2012 Invoice 12-741855	Open	Date 06/21/2012	Description 400 Gal Ethanol, 140 Gal Diesel	FLYERS ENERGY, LLC	\$1,972.14
70267	07/13/2012 Invoice 2013-00000017	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	FRANCA, CLAUDIO	\$299.00
70268	07/13/2012 Invoice 20120713	Open	Date 07/06/2012	Description Final Advance Disability payment	GROGAN, JASON	\$1,654.11
70269	07/13/2012 Invoice 20120418	Open	Date 04/18/2012	Description Reimb Conf Reg & Membership, Muni Treas	HANNAH, TORI	\$405.00
70270	07/13/2012 Invoice 298328	Open	Date 06/22/2012	Description Coin program	HENDERSON, ADAM	\$375.00

City of Capitola
City Checks Issued 7/13/12

Check Number	Invoice Number	Status	Invoice date	Description	Payee Name	Transaction Amount
70271	07/13/2012 Invoice 2013-00000035	Open	Date 07/10/2012	Description Soccer Officials Jun to July 2012	HERNANDEZ, JAMIE	\$26.00 \$26.00
70272	07/13/2012 Invoice 2013-00000012	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	HO KUK MU SUL CORPORATION	\$52.65 \$52.65
70273	07/13/2012 Invoice Jun-Week4 Jul-Week1	Open	Date 07/06/2012 07/06/2012	Description Mechanic, June 2012 Week 4 Mechanic, July 2012 Week 1	HOWARD, CHARLIE	\$1,410.00 \$730.00 \$680.00
70274	07/13/2012 Invoice 2013-00000019	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	HOWELLS, NANCY	\$354.90 \$354.90
70275	07/13/2012 Invoice ICMA7-7-12	Open	Date 07/11/2012	Description Retirement Plan Contr, Employee Funded	ICMA RETIREMENT TRUST 457	\$4,416.18 \$4,416.18
70276	07/13/2012 Invoice 2013-00000020	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	INK, BRUCE	\$222.30 \$222.30
70277	07/13/2012 Invoice 2013-00000022	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	KAPLAN, PHIL	\$726.70 \$726.70
70278	07/13/2012 Invoice 2013-00000023	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	LANCASTER, HELEN	\$364.65 \$364.65
70279	07/13/2012 Invoice 2013-00000024	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	MAC LAUGHLIN, DAWN	\$345.80 \$345.80
70280	07/13/2012 Invoice 2013-00000025	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	MARRUJO, SANDY	\$273.00 \$273.00
70281	07/13/2012 Invoice 2-2012	Open	Date 07/06/2012	Description 2nd quarter consultant fees for grant mgmt. Fund 1300, SLESF	MARTIN, BRIAN K.	\$158.32 \$158.32
70282	07/13/2012 Invoice 2013-00000026	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	MATTERN, MARK	\$364.65 \$364.65
70283	07/13/2012 Invoice	Open	Date	Description	MCCUTCHEN, SUELLEN	\$250.25 Amount

City of Capitola
City Checks Issued 7/13/12

Check Number	Invoice Number	Status	Invoice date	Description	Payee Name	Transaction Amount
	2013-00000027		07/10/2012	Summer 1 2012 Instr. Payments		\$250.25
70284	07/13/2012 Invoice RP-1	Open	Date 07/11/2012	Description Jul1-11 2012 Riparian Corridor Restoration	McMENAMIN, GEORGE	Amount \$937.50
70285	07/13/2012 Invoice 2013-00000028	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	MILES, MITCHELL A.	Amount \$1,168.05
70286	07/13/2012 Invoice 2013-00000029	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	MITCHELL, JEANI	Amount \$552.50
70287	07/13/2012 Invoice 2013-00000030	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	MORRISSEY, YOSHIE	Amount \$345.80
70288	07/13/2012 Invoice 6007-2434952	Open	Date 06/20/2012	Description trash cans	ORCHARD SUPPLY HARDWARE	Amount \$292.17
70289	07/13/2012 Invoice 8782210-0	Open	Date 06/25/2012	Description supplies-Rec	PALACE ART & OFFICE SUPPLIES	Amount \$8.09
70290	07/13/2012 Invoice 52012070	Open	Date 06/14/2012	Description May 2012 Citation collection	PHOENIX GROUP INFORMATION SYS.	Amount \$1,852.85
70291	07/13/2012 Invoice 10062	Open	Date 07/01/2012	Description Co-Op Print Campaign, 2013 Fund 1321, BIA	SCC CONFERENCE & VISITORS COUN	Amount \$1,995.00
70292	07/13/2012 Invoice 2013-00000001	Open	Date 06/18/2012	Description WATER BILLS FOR STREET MEDIANS	SANTA CRUZ MUNICIPAL UTILITIES	Amount \$948.50
70293	07/13/2012 Invoice 2013-00000031	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	SEE-CABARGA, DIANE	Amount \$889.20
70294	07/13/2012 Invoice 2013-00000032	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	SENDEJAS, LINDA M.	Amount \$266.50
70295	07/13/2012 Invoice 4401	Open	Date 06/20/2012	Description Camp Coordinators' Shirts	SPORT ABOUT	Amount \$83.59
70296	07/13/2012 Invoice	Open	Date	Description	SPRINT	Amount \$3,479.97

City of Capitola
City Checks Issued 7/13/12

Check Number	Invoice Number	Status	Invoice date	Description	Payee Name	Transaction Amount
	974855313-127		06/29/2012	Cell Phone Service-Jun12		\$3,479.97
70297	07/13/2012 Invoice 60128	Open	Date 07/02/2012	Description IT Supplies Fund 2211, Info Technology	STAPLES	\$103.67
70298	07/13/2012 Invoice 46831 46820 46801	Open	Date 06/09/2012 06/08/2012 06/06/2012	Description Uniform Exp, Brantly-new Reserve Officer Uniform Exp, Sloma Uniform Exp, Irao	SUMMIT UNIFORM CORP	\$2,631.56
70299	07/13/2012 Invoice 16456	Open	Date 07/02/2012	Description July 2012 Admin Fee, Sec 125 Plan	TLC ADMINISTRATORS, INC.	\$175.00
70300	07/13/2012 Invoice PARS7-7-12	Open	Date 07/11/2012	Description PARS contribution, Employee Funded	UNION BANK OF CALIFORNIA	\$2,759.47
70301	07/13/2012 Invoice 6362EF	Open	Date 07/09/2012	Description Postage for Mailing Early Fall brochure	UNITED STATES POSTAL SERVICE	\$5,350.00
70302	07/13/2012 Invoice 206268740	Open	Date 06/23/2012	Description Lease Agreement, Rec Copier Fund 2211, Info Technology	US BANCORP EQUIPMENT FINANCE	\$80.12
70303	07/13/2012 Invoice 2013-00000021	Open	Date 07/10/2012	Description Summer 1 2012 Instr. Payments	WEINSTEIN, JOHANNA	\$319.80
70304	07/13/2012 Invoice 20120629	Open	Date 06/29/2012	Description June Comm Dev Dir Exp	WESTMAN, SUSAN	\$2,880.00
70305	07/13/2012 Invoice 2013-00000033	Open	Date 07/10/2012	Description Soccer Official, Jun-July 2012	YAHYA, IB	\$273.00
70306	07/13/2012 Invoice Costco-250511303	Open	Date 07/06/2012	Description Reimb Purch of Finance Safe from Costco Fund 2210, Stores	Benko, Linda	\$432.99
70307	07/13/2012 Invoice 2001389-002	Open	Date 07/09/2012	Description JG scholarship refund (not participating)	Capitola Public Safety Community Service Found.	\$350.25
Check Totals:				Count	63	Total \$60,215.54



Item #: 8.D.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: FINANCE DEPARTMENT
SUBJECT: ADOPTION OF AN ORDINANCE AMENDMENT TO TITLE 3 SECTION 16 OF THE CAPITOLA MUNICIPAL CODE PERTAINING TO PURCHASING AND PURCHASING CONTRACTS [2ND READING] AND AMENDING RELATED FINANCIAL MANAGEMENT POLICIES

RECOMMENDED ACTION:

- (1) Adopt an Ordinance amending Chapter 3.16 of the Capitola Municipal Code to pertaining to Alternative Bidding Procedures [2nd reading].
- (2) Approve amending the related Council financial management policies to be consistent with the Alternative Bidding Procedures:
 - a. Purchasing and Procurement Policy
 - b. Credit Card Purchasing Program Policy

BACKGROUND: At its meeting of July 12, 2012, the Capitola City Council considered an amendment to Title 3 Section 20.050(D) of the Capitola Municipal Code pertaining to pertaining to Alternative Bidding Procedures.

DISCUSSION: The City Council held a Public Hearing on the proposed Ordinance at a Regular Meeting of the City Council held on Thursday, July 12, 2012. After receiving public comments and deliberating on this matter, the City Council took the following action:

ACTION: Council Member Nicol moved, seconded by Council Member Harlan, to adopt the first reading of the proposed Ordinance amending Chapter 3.16 of the Capitola Municipal Code to pertaining to Alternative Bidding Procedures, and passed the Ordinance to a second reading at the next Capitola City Council Regular Meeting to be held on July 26, 2012. The motion carried on the following vote: AYES: Council Members Harlan, Norton, Nicol, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

The proposed Ordinance is before the City Council for its second reading and final adoption. If adopted, the ordinance will take effect in thirty (30) days; on August 25, 2012.

Approval of the attached Council financial management policies will reflect provisions in the proposed ordinance and provide staff with implementation guidelines.

ATTACHMENTS:

1. Draft Ordinance;
2. Purchasing and Procurement Policy;
3. Credit Card Purchasing Program Policy.

Report Prepared By: Tori Hannah, Finance Director

Reviewed and Forwarded
by City Manager: 

ORDINANCE NO. ____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING CHAPTER 3.16 OF THE MUNICIPAL CODE
REGARDING PURCHASING AND PURCHASING CONTRACTS**

THE CITY COUNCIL OF THE CITY OF CAPITOLA HEREBY ORDAINS AS FOLLOWS:

Chapter 3.16 of the Municipal Code shall be amended to read as follows:

Sections:

- 3.16.010 Purpose.
- 3.16.020 Limitations.
- 3.16.030 General procedural requirements.
- 3.16.040 Definitions.
- 3.16.045 Contractors List
- 3.16.050 City Manager authority.
- 3.16.060 City Manager delegation of authority.
- 3.16.070 Informal Purchases – Purchases under \$5,000
- 3.16.075 Open Market Purchases – Between 5,000 and \$25,000.
- 3.16.080 Formal Purchases – Purchases greater than \$25,000

3.16.010 Purpose. The purpose of this chapter is to:

A. Provide for the authority of city officers to enter into certain contracts even without a formal city council approval of the specific contract or transaction and to set forth procedural requirements; and

B. Establish efficient procedures for the purchase of supplies, equipment and general services at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases to clearly define authority for the purchasing function, and to assure the quality of purchases; and

C. To inform those wishing to contract with the City of the authority of the city employee or official to create a binding contract; and

D. To assist the City Treasurer in carrying out his/her duties under Government Code Section 41001.

3.16.020 Limitations. The authority created by this chapter applies only to contracts, the predominant purchase of which is the purchase by the city of goods or services; and the city's primary performance under such contract is the payment of money. This chapter does not confer authority to authorize the payment of money for grants, gifts, or other expenditure that is without consideration.

Authority conferred in this chapter upon the City Manager applies to situations in which an Interim City Manager is serving or in situations in which the City Manager has appointed an Acting City Manager.

3.16.030 General procedural requirements. All contracts must be in writing and be signed in the name of the City. They may be transmitted by facsimile or electronic mail.

3.16.040 Definitions. For the purposes of this chapter, the following definitions shall apply:

A. "Best value" means the best value to the City based on all factors, including but not limited to, the following:

1. Cost;
2. The ability, capacity, and skill of the contractor to perform the contract or provide the supplies, services or equipment required;
3. The ability of the contractor to provide the supplies, services, or equipment promptly or within the time specified without delay or interference;
4. The character, integrity, reputation, judgment, experience, and efficiency of the contractor;
5. The quality of the contractor's performance on previous purchases or contracts with the City; and
6. The ability of the contractor to provide future maintenance, repair, parts, and services for the use of the supplies purchased.
7. The contractor's ability to supply or act in a timely manner.
8. Compliance by the contractor with federal acts, executive orders, and state statutes governing nondiscrimination in employment
9. The results of any evaluation relating performance and price, such as testing, life-cycle costing, and analysis of service, maintenance, and technical data.

B. "Change order" means a change or addendum of an executed contract.

C. "Consultant or professional services" means the services of an attorney, engineer, doctor, financial consultant, planning or environmental consultant, investment advisor, bank or trustee officer, or other professional.

D. "Contract" means any agreement to do or not do a certain thing. "Contract" and "agreement" are synonymous. The term "contract" includes, but is not limited to, a purchase order, a contract for services, an addendum or change order or a letter agreement.

E. "Emergency" means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, or proclaimed pursuant to Municipal Code §8.08.060.

F. "General services" means and includes any work performed or services rendered by an independent contractor, with or without the furnishing of materials, including, but not limited to, the following:

1. Maintenance work as defined in Section 22002 (d) of the Public Contract Code
 - a. Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 - b. Minor repainting
 - c. Resurfacing of streets and highways at less than one inch
 - d. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinklers systems
 - e. Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher
2. Repair, modifications and maintenance of city equipment and software;
3. Cleaning, analysis, testing, moving, removal or disposal (other than by sale) of city supplies and equipment;
4. Providing temporary personnel services;
5. Providing other miscellaneous services to facilitate city operations;
6. Performing repair, demolition or other work required to abate nuisances under this code;
7. Licensing software;
8. Leasing or rental of equipment (personal property) for use by the City;
9. A maintenance agreement for equipment owned or leased by the City.

"General services" does not include:

(a) Work defined as public projects that must be put out to bid pursuant to Public Contract Code Section 22002 (c) .

(b) Items such as meals or transportation, which personally are consumed or utilized by the individual who contracts for the item.

G. "Public project" is defined by Section 22002 (c) of the Public Contract Code as construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operating facility. It also includes painting or repainting of any publicly owned, leased, or operated facility. Section 20002 (d) does not include maintenance work included in Section 3.16.040 (F)(1):

H. "Supplies and equipment" means and includes all such items purchased on behalf of the City except for supplies or materials finished for a public project.

3.16.045 Contractors List

A list of contractors shall be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code California

3.16.050 City Manager authority.

A. The City Manager is authorized to enter into and sign for and on behalf of the City, without the prior approval of the City Council, a contract:

1. Which contains an initial maximum compensation figure of \$25,000 or less, or a change order not exceeding \$7,500. (Cumulative additional orders exceeding \$25,000 must be approved by the City Council); and
2. Contracts for single capital equipment purchases that do not exceed \$50,000; which are clearly defined and identified in the budget.
3. For which moneys have been appropriated; and
4. For which he determines the City has made reasonable efforts to obtain best value.

B. In an emergency (as defined in §3.16.040), the City Manager may authorize the expenditure of any unencumbered moneys in the emergency reserve fund, notwithstanding the fact that such moneys may not have been appropriated for such purpose, to the extent that other moneys have not been appropriated or are otherwise unavailable therefor.

C. Contracts wherein all the City's costs will be reimbursed pursuant to an existing separate

contract.

3.16.060 City Manager delegation of purchasing authority.

Providing the City Manager first establishes written procedures, the City Manager may delegate the purchasing authority for other city employees to enter into contracts for purchases of general services or supplies and equipment for \$25,000 or less.

3.16.070 Informal Purchases – Purchases under \$5,000.

Purchases under \$5,000 may be made by persons authorized by Section 3.16.060 in the open market. There are no specific bidding requirements for these purchases; however competitive bidding should be used whenever practical. Quotations for these purchases may be written or verbal. All purchases subject to this section will be awarded by the department either by voucher or purchase order.

3.16.075 Open Market Purchases - Purchases between \$5,000 and \$25,000. The purchase of supplies, equipment and general services of a value from \$5,000 to \$25,000 may be made by persons authorized by Section 3.16.060 in the open market, following the procedure prescribed in this section and the City Manager's procedures.

A. Invitation for Bids

1. Supplies, equipment, and general services between \$5,000 and \$25,000
Open-market purchases shall, whenever feasible, be based on at least three quotations. The purchasing employee shall solicit quotations by written request or telephone to prospective vendors. Telephone quotations shall be memorialized in a contemporaneous writing.

2. Public Projects between \$5,000 and \$25,000

Notices inviting bids for public projects between \$5,000 and \$25,000, shall be mailed to list of qualified contractors, identified according to categories of work, at least ten calendar days before the bids are due. Notices shall also be mailed within ten calendar days before the bids are due to all construction trade journals as required by the Commission. If the City does not have a qualified list of contractors for the particular type of work to be performed, notices inviting bids will only be sent to the construction trade journals as required by the Commission. If the product or service is proprietary in nature and can only be obtained from a certain contractor or contractors, notices inviting bids will only be mailed to such contractor or contractors.

3. Exceptions. The quotation procedure under this section may be dispensed with for purchases between \$5,000 and \$25,000 where supplies and equipment are purchased through cooperative purchasing arrangements with the State or other group of multiple governmental entities.

B. Bids – Retention. Quotations shall be submitted to the Finance Director who shall keep a record of all open-market orders and quotes for a period of one year after the submission of quotes or placing of orders. This record is open to public inspection. For a purchase in an amount between \$5,000 and \$25,000, the quotations shall be written (including facsimile and electronic mail).

C. Rejection. The purchasing authority may reject:

1. Any quotations which fail to meet the specific purchase requirements in any respect; or
2. All quotations, for any reason whatsoever, and may invite new quotations.

D. Award of Contract. A contract shall be awarded to the quotation representing the best value as defined in Section 3.16.040. The basis upon which the award is made shall be in writing.

E. Public Projects – In Excess of Limit

In the event that all bids received for a construction project are more than the maximum allowed under 3.16.075, and bids were invited pursuant to the provisions of 3.16.075, the Council may, by adoption of a resolution by four-fifths of a vote, award the contract, in an amount not to exceed the maximum set forth in Section 22034 (f) of the Public Contract Code, to the lowest responsible bidder, if it determines that the cost estimate was reasonable. Otherwise, the bids shall be rejected; and if the agency decides to go forward with the project, shall be re-bid in accordance with the procedures set forth in Section 3.16.080.

3.16.080 Formal Purchases - General services, supplies, and equipment greater than \$25,000

A. Notice inviting bids shall include, but not be limited to, the following:

1. A general description of the item(s) or services to be purchased, or the public work to be constructed or improved;
2. The location where bid blanks and specifications may be secured;
3. The time and place assigned for the opening of sealed bids;
4. The type and character of bidder's security required, if any; and
5. The location and deadline for submission of bid

B. Notices inviting bids shall be made as follows:

1. For supplies, general services, and equipment, notices inviting bids shall be published at least once in the official newspaper of the city, with the first publication occurring at least ten calendar days before the date of opening the bids.
2. For public projects greater than \$25,000, notices inviting bids distinctly describing the project be published at least once in the official newspaper of the City, with the first publication at least fourteen calendar days before the date of the opening bids. Notices inviting bids distinctly describing the project shall also be mailed at least thirty calendar days before the date of opening bids to all construction journals as required by the Commission.
3. The City may also give such other notice as it deems appropriate

C. Bids – Security requirement

Bidder's security may be required when deemed necessary by the purchasing authority.

When required, the security form, amount and conditions, will be included in the bid documents. Bidders shall be entitled to return of bid security. However, a successful bidder shall forfeit his bid security upon refusal or failure to execute a contract within fifteen days after notice of award of that contract, unless the City is responsible for the delay. The contract may be awarded to the next lowest responsible bidder upon the refusal or failure of the successful bidder to execute the contract within the time herein prescribed.

D. Bids - Opening and Retention

Sealed bids shall be submitted to the purchasing authority and shall be identified as bids on the envelope. Bids shall be opened in a public and read aloud at the time and place stated in the public notice. A tabulation of all bids received shall be available for public inspection during regular business hours for a period not less than thirty (30) calendar days after the bid opening

E. Rejection of Bids

The purchasing authority may reject:

1. Any bid that fails to meet the bidding requirements in any respect; or
2. All bids, for any reason whatsoever, and may readvertise for new bids or abandon the purchase
3. In the case of public projects, the council may, by passage of a resolution by a four-fifths vote, declare that the project can be performed more economically by employees of the City and may have the project done by force account

F. Bids-None Received

If no bids are received the purchase may be made through negotiated contract or other process approved by the Finance Director, including, in the case of public projects, performing the work by employees of the City by force account.

G. Contract Award

Subject to the approval of the City Manager, contracts shall be awarded by the purchasing authority to the bid which represents the best value to the City as defined in Section 3.16.040, except as follows:

1. If at the time of bid opening, two or more bids received are for the same total amount or unit price, quality and service being equal, and if the discretion of the purchasing authority the public interest will not permit the delay of readvertising for bids, then the purchasing authority may accept the one he or she chooses or the lowest bid obtained through subsequent negotiation with tied bidders.
2. Sellers, vendors, suppliers and contractors who maintain places of business located within the limit of the City shall be given preference, if quality, price, service, and all other factors are equal.

The basis upon which the award is made shall be in writing.

H. Requiring Bond of Successful Bidder

The purchasing authority may require as a condition to executing a contract on behalf of the

City, a performance bond or a labor and material bond, or both, in such amounts as the purchasing authority shall determine appropriate to protect the best interests of the City. The form and amounts of such bond(s) shall be described in the notice inviting bids.

I. Insurance

Insurance requirements will be provided via Purchase Order terms and conditions, or Request for Proposal terms and conditions information, or City contract

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

This ordinance was introduced on the 12th day of July, 2012, and was passed and adopted by the City Council of the City of Capitola on the 26th day of July, 2012, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Draft

APPROVED:

Michael Termini, Mayor

ATTEST:

_____, CMC
Susan Sneddon, City Clerk



ADMINISTRATIVE POLICY

ATTACHMENT 2

Number: III-4

Issued: August 29, 2002

Revised: 7/26/12

Jurisdiction: City Council

PURCHASING & PROCUREMENT POLICY

PURPOSE

To establish policies and procedures to meet the City's requirements which provide an economic and efficient process for the purchase of materials, supplies, services and equipment for the City consistent with the City's Municipal Code, and State and Federal laws, rules and regulations.

POLICY

It is the policy of the City of Capitola to comply with all purchasing rules and regulations established by the City, the State of California and the Federal Government. Within this context, it is the City's goal to establish efficient procedures for the purchase of supplies, equipment and general services at the lowest cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function, and to assure the quality of purchases.

AUTHORITY

The City's purchasing ordinance delegates purchasing authority to the City Manager, as well as any other representatives designated by the City Manager. The maximum purchasing authority level of the City Manager is defined in Section 3.16.050 of the Capitola Municipal Code as \$25,000; with the exception of single capital equipment purchases that do not exceed \$50,000 and are approved in the budget.

Each year, the City Manager will approve purchasing authority levels on an Expenditure Authorization Form (Exhibit A). The recommended purchasing levels are presented in Exhibit A; however they may be adjusted based on operational needs or economic changes. The delegated purchasing levels shall not exceed the City Manager's purchasing authority.

The City Manager also has the authority to approve individual changes orders up to \$7,500; with cumulative totals not to exceed \$25,000. If cumulative change orders exceed \$25,000, they must be approved by City Council.

RESPONSIBILITY

The City maintains a decentralized purchasing system; and Department Heads are responsible for distributing, advertising, collecting and evaluating all procurement activities conducted within their Departments. Additional purchasing responsibilities are outlined in the chart presented below:

PURCHASING STANDARDS OF CONDUCT

Every employee or official engaged in purchasing activities on behalf of the City is required to employ the following standards of conduct:

- Consider the interests of the City first, in all transactions
- Carry-out established policies of the City
- Seek to obtain the maximum value for each expenditure of public funds
- Inspect materials, supplies and equipment delivered to determine their conformance with the specifications set forth in the order or contract
- Maintain confidentiality of information furnished by vendors and/or contractors regarding price, terms, performance specifications, or other data prior to a bid opening. All information that is presented during the public bid opening will be made available after the award.

The following practices are specifically prohibited in performing purchasing activities on behalf of the City:

- Having a financial or personal beneficial interest (directly or indirectly) in any contract or purchase
- Accepting or receiving (directly or indirectly) from any person, firm, or corporation to whom any contract or purchase order may be awarded any money or anything of value, or promise or obligation or contract for future reward or compensation. Inexpensive advertising items bearing the name of the firm - such as pencils, pens, paperweights, or calendars - are not considered articles of value or gifts in relation to the policy
- Using position or status in the City to solicit (directly or indirectly) business of any kind; or to purchase products at special discounts or upon special concessions for private use from any person or firm who sells or solicits sales to the City.
- Dividing purchases with the intent to circumvent the purchasing authority levels

LOCAL VENDOR PREFERENCE

Departments are encouraged, whenever legal and economical to do so and whenever product is of competitive quality, to do business with Capitola-based businesses due to the benefit to the community and the advantages in timing and availability. Purchasers will actively seek to identify local vendors interested and able to conduct business with the City of Capitola. It is important that purchasers include in their inquiry or invitation to bid, the opportunity for vendors to identify themselves as local and to provide necessary supporting evidence (see definition of local vendor).

Bids, quotes, or offers submitted by Capitola-based vendors will be credited with the current local (City) sales tax and local (City) transactions & use tax in effect. This net bid will be used to compare bids. In the event of a tie, bids submitted by Capitola vendors will be given preference.

ALTERNATIVE FUEL VEHICLES

Vehicles powered by clean alternative fuels as defined by the Energy Policy Act of 1992 and other energy efficient advanced technology vehicles shall be given consideration when purchasing new and replacement fleet vehicles

TERMINOLOGY

Best Value (Lowest Responsible Bidder): Best value is largely based on cost; however the following factors could be considered in awarding a contract: Skills of the contractor, ability to provide supplies or services; timely processing; and compliance with governing statutes. The complete definition of best value is provided in Section 3.16.040 (A) of the Municipal Code.

Bid: Formal process to obtain lowest responsive responsible bidder or price for materials, supplies and services, and equipment

Consultant or Professional Services: Services of an attorney, engineer, doctor, financial consultant, planning or environmental consultant, investment advisor, bank or trustee office, or other professional

Contract: A written agreement between two or more persons setting forth a matter of performance and compensation or consideration given for the performance. The term contract includes, but is not limited to; purchase orders, contract for services, an addendum or change order or a letter agreement.

Formal Purchases – Purchases over \$25,000 which are subject to formal bid requirements and Council approval. Different levels of purchasing requirements may be imposed on whether the purchase is for general services, supplies, materials, and equipment or a public project

Local Business (Local vendor/Capitola-based business): Any business which has a retail outlet within city limits of the City of Capitola and holds the required licenses and permits for conducting its business within the City.

Maintenance: Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes. It also includes minor painting, resurfacing of streets less than one inch; and landscape maintenance. This definition is provided in Section 22002 (c) of the Public Contract Code and should be contrasted with Public Project.

Open Market Purchases: Purchases of supplies, equipment, and general services from \$5,000 - \$25,000.

Over the Counter or Informal Purchases: Purchases under \$5,000 made by authorized personnel.

Petty Cash: Cash used to reimburse authorized purchases up to \$80. All reimbursements must be accompanied by a receipt.

Public Project: Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This can also include the painting or repainting of publicly owned, leased, or operated facility. This definition is provided in Section 22002 (c) of the Public Contract Code and should be contrasted with the definition of Maintenance.

Purchase Order: A document used to acknowledge acceptance of a bid quotation or offer, and a contractual relationship is established upon its issuance and acceptance by the vendor.

Request for Proposal (RFP): An offer in to provide materials, supplies or services where the City selects vendor/consultant usually based upon criteria specified in Request for Proposal such as competence, qualifications and expertise in the field. Price is not the sole basis for selection, but may be considered in the criteria for evaluating proposals. Typically used for consultant or professional service contracts.

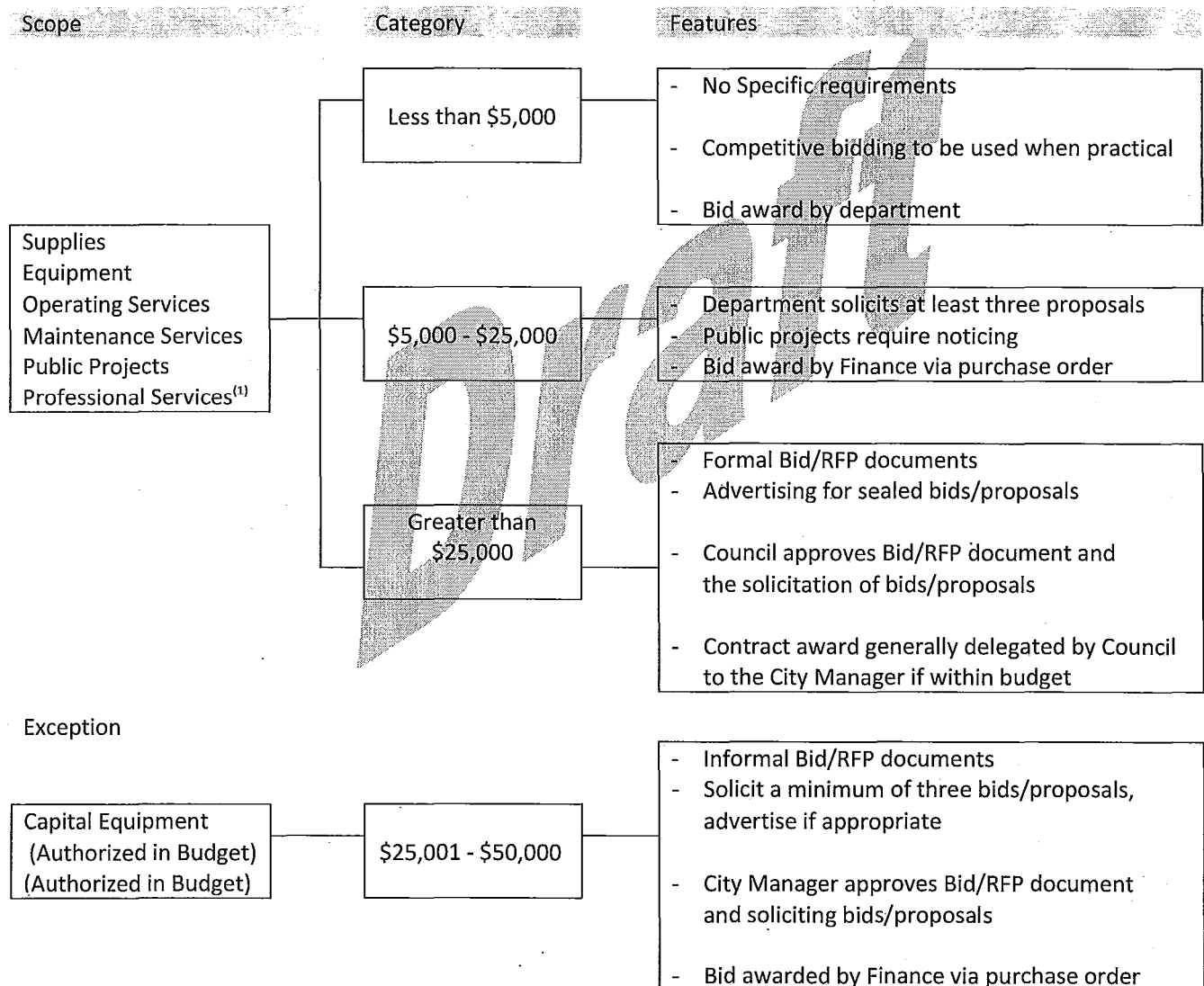
General Services: Any work performed or services rendered by an independent contractor, with or without the furnishing of materials such as a professional consultant.

Sole Source: Sole source purchases are used where no secondary source is reasonably available precluding the use of a competitive process.

PURCHASING SYSTEM OVERVIEW

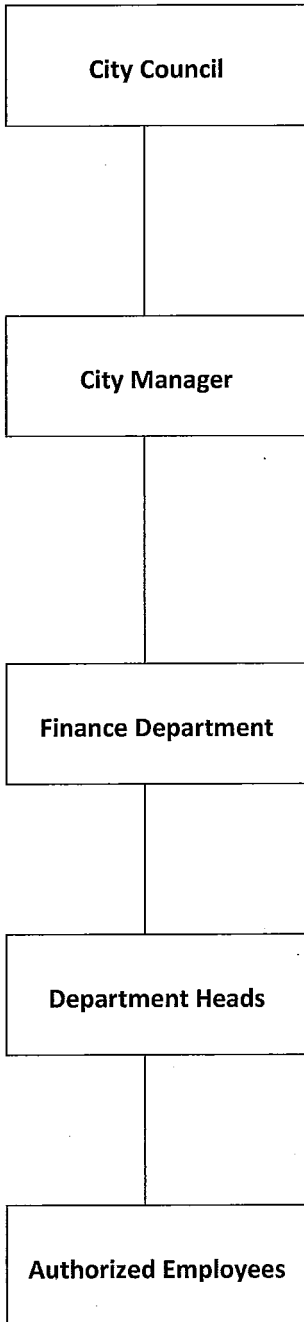
A general overview of the City’s purchasing procedures; thresholds, and responsibilities are presented in the following charts. Detailed procedures for each Purchasing Category are provided in subsequent sections of this policy.

Purchasing System Chart



(1) Additional information related to Professional Services/RFP’s is provided in the Supplemental Information section.
(2) The Capitola Municipal Code and this Administrative Procedure provides additional guidelines regarding emergency situations

Purchasing System Responsibilities



Purchasing Policies and Ordinance

- Adopts Purchasing Ordinance
- Approves Purchasing and Procurement Policy
- Approves invitation for Bids/RFP's over \$25,000
- Delegates authority to award contracts to the City Manager
- Awards contracts if they exceed the budgeted amount

Purchasing Policies, Ordinances, and Resolutions

- Implements purchasing policies
- Delegates purchasing authority
- Awards major contracts
- Approves Bids/RFP's up to \$25,000
- Approves single Capital Equipment purchases up to \$50,000
(Contingent upon Council approval in the budget)

Administrative Policies and Procedures

- Develops and implements purchasing guidelines
- Monitors and evaluates system performance
- Sets payment schedule
- Approves authorized purchase orders up to \$25,000
- Assists departments with purchasing needs

Organization Wide Procedures

- Develops and implements departmental purchasing procedures
- Delegates department purchasing authority
- Approves major departmental purchases

Department Procedures

- Purchases, receives, and pays for goods and services in accordance with the City and departmental guidelines
- Prepares necessary bid documents
- Maintains required purchasing records
- Manages department inventories

PURCHASING CATEGORIES AND PROCEDURES

I. Over the Counter/Informal Purchases – General Purchases under \$5,000
Purchases under \$5,000 may be made by an authorized Purchasing Authority.

- Bids/Quotations: There are no specific bidding requirements for these purchases; however competitive bidding should be used whenever practical. Quotations for these purchases may be written or verbal.
- Selection: Purchases can be awarded by the department and initiated with an invoice, purchase order, credit card, or petty cash (reimbursements up to \$80). All credit card purchases must be made in accordance with Administrative Procedure II-5 Credit Card Purchasing Program.
- Invoices: Invoices should be submitted to the Finance Department for payment. All requests for payment shall be accompanied by the appropriate electronic or manual signature authorizations and accounting information.

II. Open Market Purchases – Purchases between \$5,000 and \$25,000.

The purchase of supplies, equipment and general services of a value from \$5,000 to \$25,000 may be made by authorized personnel. An additional bidding requirement is outlined for purchases that are defined as a Public Project.

A. Invitation for Bids/Requests for Proposals

1. Supplies, equipment, and general services

Open-market purchases shall, whenever feasible, be based on at least three quotations. The purchasing employee shall solicit quotations by written request or telephone to prospective vendors. Telephone quotations shall be documented in writing. A "Quotation Evaluation Form" is provided for reference in Exhibit A; however departments may use an alternate form if it includes the following information:

- Date of request for quote
- Exact request for quote
- Vendor information (contact name)
- Vendor's response to the quote
- Justification for selection of the vendor

2. Public Projects

Public projects between \$5,000 and \$25,000 shall be in accordance with the Uniform Cost Accounting Act. The purchasing authority should carefully review the definition of "Maintenance" and "Public Project" to determine if this section is applicable. This section is only required if the purchase meets the definition of Public Project.

Procedures include:

- Sending notices inviting bids to a list of qualified contractors at least ten calendar days before the bids are due.
- Mailing notices within ten calendar days before the bids are due to all construction trade journals. If the City does not have a qualified list of contractors for the particular type of work to be performed, notices inviting bids will only be sent to the construction trade journals as required by the Uniform Public Construction Cost Accounting Act.

If the product or service is proprietary in nature and can only be obtained from a certain contractor or contractors, notices inviting bids will only be mailed to such contractor or contractors.

B. Rejection of Bids

The purchasing authority may reject bids or invite new quotations for any reason.

C. Award of Contract

Once a purchasing authority has determined that a quotation is the best value to the City, a contract will be awarded by the Finance Department via a purchase order. The process for issuing a purchase order is listed below:

Departments

- Initiate a purchase order in the financial software system
- Forward the Quotation Evaluation Form to the Finance Department
- Notify the vendor of the award

Finance

- Approves contract based on purchasing authorization and supporting documents
- Maintains copies of Quotation Evaluation Forms for a period of one year

D. Bids for Public Projects – In Excess of Limit

In the event that all bids received for a public project are more than \$25,000, and bids were invited pursuant to this section, the Council may adopt a resolution by a four-fifths of a vote to award the contract based on best value. If Council rejects the bids and the City chooses to pursue the project, the purchasing authority should follow procedures outlined in Section III – Formal Purchase.

E. Exceptions

1. Cooperative Purchasing Agreements with Governmental Entities
The quotation procedure under this section may be dispensed with for purchases between \$5,000 and \$25,000 where supplies and equipment are purchased through cooperative purchasing arrangements with the State or other group of multiple governmental entities.
2. Sole source purchases

III. Formal Purchases - General, services, supplies, and equipment greater than \$25,000

A. Notice inviting bids/RFPs shall include, but not be limited to, the following:

1. A general description of the item(s) or services to be purchased, or the public work to be constructed or improved;
2. The location where bid blanks and specifications may be secured;
3. The time and place assigned for the opening of sealed bids;
4. The type and character of bidder's security required, if any; and
5. The location and deadline for submission of bid

B. Notices inviting bids/RFP's shall be made as follows:

1. For supplies, services, and equipment, notices inviting bids shall be published at least once in the official newspaper of the city, with the first publication occurring at least ten calendar days before the date of opening the bids.
2. For public projects greater than \$25,000, notices inviting bids distinctly describing the project be published at least once in the official newspaper of the City, with the first publication at least fourteen calendar days before the date of the opening bids. Notices inviting bids distinctly describing the project shall also be mailed at least thirty calendar days before the date of opening bids to all construction journals as required by the Commission.
3. The City may also give such other notice as it deems appropriate

C. Security requirement on Bids/RFP's

Bidder's security may be required when deemed necessary by the purchasing authority. When required, the security form, amount and conditions, will be included in the bid documents. Bidders shall be entitled to return of bid security. However, a successful bidder shall forfeit his bid security upon refusal or failure to execute a contract within fifteen days after notice of award of that contract, unless the City is responsible for the delay. The contract may be awarded to the next lowest responsible bidder upon the refusal or failure of the successful bidder to execute the contract within the time herein prescribed.

D. Opening and Retention of Bids/RFP's

Sealed bids shall be submitted to the purchasing authority and shall be identified as bids on the envelope. Bids shall be opened in a public and read aloud at the time and place stated in the public notice. A tabulation of all bids received shall be available for public inspection during regular business hours for a period not less than thirty (30) calendar days after the bid opening

E. Rejection of Bids/RFP's

The purchasing authority may reject:

1. Any bid that fails to meet the bidding requirements in any respect
2. All bids, for any reason whatsoever, and may readvertise for new bids or abandon the purchase
2. In the case of public projects, the council may, by passage of a resolution by a four-fifths vote, declare that the project can be performed more economically by employees of the City and may have the project done by force account

F. Bids/RFP's - None Received

If no bids are received the purchase may be made through negotiated contract or other process approved by the Finance Director, including, in the case of public projects, performing the work by employees of the City by force account.

H. Contract Award

Subject to the approval of the City Manager, contracts shall be awarded by the purchasing authority to the bid which represents the best value to the City as defined in Section 3.16.040, except as follows:

1. If at the time of bid opening, two or more bids received are for the same total amount or unit price, quality and service being equal, and if the discretion of the purchasing authority the public interest will not permit the delay of readvertising for bids, then the purchasing authority may accept the one he or she chooses or the lowest bid obtained through subsequent negotiation with tied bidders.
2. Sellers, vendors, suppliers and contractors who maintain places of business located within the limit of the City shall be given preference, if quality, price, service, and all other factors are equal.

The basis upon which the award is made shall be in writing.

I. Requiring Bond of Successful Bidder

The purchasing authority may require as a condition to executing a contract on behalf of the City, a performance bond or a labor and material bond, or both, in such amounts as the purchasing authority shall determine appropriate to protect the best interests of the City. The form and amounts of such bond(s) shall be described in the notice inviting bids.

J. Insurance

Insurance requirements will be provided via Purchase Order terms and conditions, or Request for Proposal terms and conditions information, or City contract

IV. Capital Equipment Purchases between \$25,001 - \$50,000

Section 3.16.050 (A)(2) of the Municipal Code provides the City Manager with the authority to approve contracts for single equipment purchases based on the following criteria:

- Single equipment purchases are not greater than \$50,000
- The equipment was clearly identified and described in the budget
- City Council approves the capital equipment purchase in the budget
- The equipment description listed in the budget is consistent with the item purchased
- The final cost does not exceed the amount approved in the budget

The purchasing authority shall follow the procedures listed for Open Market Purchases; however the City Manager must approve any specifications prior to the solicitation of bids. If there is a change to the equipment description or if the quotations exceed the budget, the purchase becomes subject the Formal Procedures outlined in Section III.

V. Emergency Procedures

An emergency is defined as an unexpected occurrence or threatened occurrence that poses a danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, or any emergency proclaimed pursuant to Municipal Code 8.08.060.

Upon approval of the City Manager or Finance Director, authorized purchasing authorities may exceed the purchasing limits of \$25,000. The following procedures are applicable to emergency purchases:

- Documentation. It will be the responsibility of the requesting department to attach a copy of the written justification of the emergency signed by the City Manager to any invoices at the time the invoice is submitted to accounts payable for payment.
- Reporting. All emergency purchases of goods and services over \$25,000 will be immediately reported by the department responsible for the purchase to the City Clerk for inclusion as an information item on the Agenda for the next scheduled meeting of the City Council.

In accordance with Chapter 2.5, Section 22050(a) of the Public Contract Code, the information on emergency purchase action shall be presented to the City Council for review and determination, by a four-fifths vote, that there is a need to continue the emergency action. This must occur within seven days after the action, or at the City Council's next regularly scheduled meeting if that meeting will occur within 14 days after the action. The emergency purchase action shall be presented to the City Council at least at every subsequent regularly scheduled meeting until the action is terminated. The City Council must determine, by a four-fifth vote, that there is a need to continue the emergency action.

SUPPLEMENTAL PURCHASING INFORMATION

I. Requests for Proposals (RFP)

Request for Proposal (RFP) are typically associated with general or professional service contracts over \$5,000. This document requests a firm to submit a proposal to perform the a scope of work associated with a specific project. Cost is not the sole basis for selection in an RFP, other criteria such as experience, turn around time, and approach to work are determining factors when evaluating a proposal. Based on the estimated cost of service, the corresponding Open Market and Formal bid procedures are applicable.

Additional information related to the development and criteria of RFP's is listed below:

A. RFP Requirements

The RFP will be specific to the project and preparation will require some general knowledge of the project. However, preparation of the RFP should not involve any work for which the proposer would normally be compensated during the project. For example, on engineering projects, free preliminary engineering in the RFP should be discouraged. The RFP should address the following:

- 1) Required Information: In the RFP, the consultant shall be advised of the following requirements:
 - a. Standard contract requirements
 - b. Selection criteria.
 - c. Date and time proposal is due.
 - d. The name and telephone number of the staff member responsible for the project.
- 2) Selection & Evaluation Criteria. Proposals will be evaluated on the basis of the evaluation factors listed in the Request for Proposal. Respondents should be ranked based on the selection criteria. As a minimum, the following criteria will be used to evaluate the RFP.
 - a. Firm experience (including work and project-related references).
 - b. Specific staff experience and availability (including work and project-related references).
 - c. Approved methods to accomplish the work.
 - d. Scope of work and schedule
- 3) Price Considerations. Although price is always a consideration in recommending awarding the final selection, prices will not be a mandatory consideration in the initial evaluation process. At the discretion of the department, a department may opt to adopt an RFP procedure with price information in a separate sealed envelope. The envelopes shall not be opened until the highest rated firm is identified based upon demonstrated competence and professional qualifications. At that time, the price information will be compared to professional qualification to ensure that the price is

fair and reasonable. If a major discrepancy between highest rated firm and the others exist, that discrepancy shall be evaluated and explained before award of the work. If not satisfactorily resolved, the department may to negotiate with the next-highest-ranked firm.

II. Sole Source

1. Materials, Supplies & Equipment:

a. Definition. Sole source purchases are used where no secondary source is reasonably available precluding the use of a competitive process. The following are examples of circumstances, which could necessitate sole source procurements:

- 1) Where compatibility of equipment, accessories or replacement parts is an important consideration;
- 2) Where public utility services are to be procured;
- 3) Where a sole supplier's item is needed for trial use or testing;
- 4) Where a used item is offered at a bargain price and subject to prior sale;
- 5) Where a cooperative purchasing agreement has been developed with another public agency that used a competitive selection process.
- 6) Where supply proximity is an important consideration.

2. Consultant or General Services:

- a. In the case where a consulting firm has satisfactorily performed the previous stage of a project (e.g. a pre-design), or has acquired extensive background and working knowledge, the firm may be selected for follow-up work without solicitations from other firm upon written justification and recommendation of the department head and approval by the City Manager or designee.
- b. If a firm is a highly recognized authority in a field or specialty, or has unique specific knowledge regarding the project, then the firm may be selected without other solicitations for contracts and upon written justification and recommendation of the department head and approval by the City Manager or designee.
- c. Upon those infrequent occasions when confidence in the consultant and quality of service are important.

3. Documentation: It is the responsibility of the requesting department to maintain in their files a complete, written justification of the sole source purchase approved by the City Manager.

4. Authorization & Reporting: All sole source purchases of more than \$25,000 are authorized by the City Council and fully disclosed in the staff agenda report. Sole

source purchases between \$5,000 and \$25,000 are authorized by the City Manager. Sole source purchases less than \$5,000 are authorized by the Department Heads.

III. Multiple Year Contracts

1. Applicability. When it is in the best interest of the City, multiple year contracts will be allowed. High vendor "startup costs" or the need for continuity may make a multiple year contract financially or operationally advantageous to the City. Under no circumstances should a multiple year contract be used to avoid competitive procurement procedures.
2. Termination Due to Lack of Funds. All multiple year contracts should contain a clause allowing the City to terminate the contract in thirty (30) days or subsequent fiscal years due to a lack of budgeted funds.
3. Term. The term of a multiple year contract should be clearly delineated. "Open end" contracts will not be used.
4. Authority. Multiple year contracts are subject to the same authority levels detailed above.
5. Changes. Changes to multiple year contracts are covered under "Change Orders" below.
6. Extension. Extension of contracts requires the approval of the City Manager via City contract amendment form.
7. Addendum. Increase in dollar amounts on an agreement, which results in an aggregate total in excess of \$25,000 requires approval from the City Council.

IV. Purchasing Policy Waiver

If the Finance staff receives an invoice for payment in excess of \$5,000 and it appears that this policy was not followed (i.e., three bids are not documented or copy of purchase order is not attached to the invoice), the invoice will be stamped with the "Purchasing Policy Waived" stamp and submitted to the City Manager or Finance Director for payment approval.

This policy was approved and authorized by the City Council on July 26, 2012:

Jamie Goldstein
City Manager

Exhibit A

DEPARTMENT EXPENDITURE AUTHORIZATION FORM FISCAL YEAR 2011-2012

Description	Dept Head	City Manager	City Council	PO Required	# of Quotes	Telephone Quote ⁽²⁾
Contract or Agreement		= or < \$25,000	> \$25,000	Yes	3	< \$25,000
Change Order (CO)		= or < \$7,500	> \$7,500	Yes	1	< \$25,000
Cumulative Change Order		= or < \$25,000	> \$25,000	Yes	1	< \$25,000
Equipment	= or < \$10,000			No	Invoice	N/A
Consultant or Professional Services	= or < \$10,000			No	Invoice	N/A
General (contract) Services	= or < \$10,000			No	Invoice	N/A
All purchase types			> \$25,000	Yes	3	No
Capital Asset		= or < \$25,000	> \$25,000	Yes	3	< \$25,000
Capital Equipment (Approved in Budget)		= or < \$50,000			3	

AUTHORIZED EMPLOYEE	VENDOR INVOICES	MILEAGE CLAIMS	EMPLOYEE REIMBURSEMENT	DEPT. PO	LIMIT	COMMENTS	SIGNATURE
Director ⁽¹⁾	yes	yes	yes	yes	\$10,000		_____
Supervisor	yes	yes	yes	no	\$2,000		_____

(1) Department Heads cannot authorize reimbursement or mileage claims to themselves, ONLY to employees in their department. Department Heads will present completed and signed requests for themselves to the City Manager or his designated personnel for approval. All purchase Orders will be prepared in New World by the Departments.

(2) All quotes should be documented on a Quotation Evaluation Form, vendor provided documents, or a departmental form with the required fields.

City Manager's Approval

 Jamie Goldstein

Contracts are selected, approved, and administered in accordance with the City Purchasing Policy, which is summarized in the above chart. After the contract is properly authorized, the corresponding invoices are approved by the department head or contract manager.

Date Approved

Exhibit B
City of Capitola
Quotation Evaluation Form

Staff Contact : _____ Extension: _____

#1

Date: _____ Vendor Name: _____ Contact Name: _____ Phone # _____

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX		Phone #	TOTAL
(1)			-		\$	-	\$	-
(2)			-		\$	-	\$	-
(3)			-		\$	-	\$	-
(4)			-		\$	-	\$	-
(5)			-		\$	-	\$	-
				Freight - if applicable	\$	-	\$	-
TOTAL BID								\$ -

#2

Date: _____ Vendor Name: _____ Contact Name: _____ Phone # _____

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX		Phone #	TOTAL
(1)			-		\$	-	\$	-
(2)			-		\$	-	\$	-
(3)			-		\$	-	\$	-
(4)			-		\$	-	\$	-
(5)			-		\$	-	\$	-
				Freight - if applicable	\$	-	\$	-
TOTAL BID								\$ -

#3

Date: _____ Vendor Name: _____ Contact Name: _____ Phone # _____

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX		Phone #	TOTAL
(1)			-		\$	-	\$	-
(2)			-		\$	-	\$	-
(3)			-		\$	-	\$	-
(4)			-		\$	-	\$	-
(5)			-		\$	-	\$	-
				Freight - if applicable	\$	-	\$	-
TOTAL BID								\$ -

Procedures:

The Departments are responsible for obtaining and documenting quotes
 Circle the number of the bid that you are awarding
 Telephone Quotes are submitted with request for Purchase Order (PO) - When entering data, please copy and save this form on your computer
 Sales Tax - in the "SALES" column enter either yes or no
 Freight is entered in the far right column
 If the department is not recommending the lowest bidder have the City Manager , initial and date his approval by the bid # selected



ADMINISTRATIVE POLICY

Number: III-5

Issued: 4/13/00

3/14/02

9/26/02

7/26/12

Jurisdiction: City Council

CREDIT CARD PURCHASING PROGRAM

I. PURPOSE

The purpose of the City credit card or Gas card is to provide controls for an efficient, cost-effective method of making purchasing when it is inconvenient to use cash, a purchase order, a check, or when there may be a benefit to immediately make the purchase, such as securing a discount.

II. POLICY

A City credit card and/or gas card (Cards) will be used to make purchases for services and supplies to reduce the need for open blanket orders, petty cash and check requests. The Cards are for official City business use only and shall not be used for personal purchases. Unauthorized purchases or misuse of the Cards may result in disciplinary actions up to and including termination.

In order to avoid a conflict of interest, the Finance Director will not be issued a City Credit Card or Gas Card.

A. The Cards are a supplement to the procurement process. The following requirements must be met when using the Cards.

1. Each single purchase may be comprised of multiple items (excluding gas cards), but the total including tax and shipping cannot exceed the single purchase dollar limit on the Card as per the employee agreement. (Exhibit A)
2. Each purchase on the gas card can not exceed the limits of the card.
3. Cardholders must ensure that sufficient funds are available in the budget before making any purchases. The Finance Director will assist in verifying availability of funds.
4. Itemized receipts must be submitted for every purchase.

B. If a purchase made with a Card is questioned, the employee must be able to explain the nature of the purchase. If the purchase cannot be substantiated that the purchase was for official City business, the department manager or City Manager will address the situation in accordance with City policy and rules.

C. Maximum Credit limits are as follows:
 C.

<u>POSITION</u>	<u>Total Amount</u>	<u>Per Transaction</u>
1. City Manager	\$10,000	\$10,000
1. City Manager	\$25,000	\$10,000
2. Department Head	\$ 5,000	\$ 2,000
3. Authorized Employee	\$ <u>500</u> 250	\$ <u>100</u> 50

III. PROCEDURE

A. Obtaining a Card: Prior to receiving a Card, employees will receive a copy of the request for credit card/gas card, which indicates the maximum dollar amount for each single purchase and a total for all purchases made with the Card per month. The City Manager will approve employee requests for a Card. Authorized employees must sign a "City of Capitola Credit Card User Agreement" (Exhibit A) prior to issuance.

B. Card Restrictions:

1. Authorized Card Uses: The Card can be used to purchase services and supplies. It can be used for phone orders for materials or books, subscriptions, conference registration, and authorized business travel expenses.
2. Unauthorized Card Uses:
 - a. Cash advances
 - b. Personal use
 - c. Alcohol
 - d. Splitting purchases to circumvent procurement regulations
 - e. Cash refunds for returned purchases
 - f. Fixed Assets
 - g. Capital projects

Other restrictions may be applied by the City Manager.

C. Card Usage

1. **Direct Purchase**: The Card should not be used to bypass the purchase order system. The occasional direct purchase shall include a receipt or a copy of the card in-print.
2. **Telephone or Mail Order Procedures**: When ordering an item via the telephone or mail order, the cardholder must obtain a detailed confirmation of the order from the vendor. Request the company fax or email a copy of

your order to you, specifying the name and address of the business, items purchased, pricing, tax and shipping. When the order is received, attach the packing slip to the order confirmation and include that with the reconciled statement receipts.

3. **Travel Purchases:** The Card may be used for authorized travel and in accordance with the Administrative Policy. Retain all itemized receipts and submit with the statement.

Gasoline: An employee authorized by the City Manager may obtain a designated company Gas Card, which may be used to purchase gasoline from an authorized station by employees driving a city owned vehicle if the corporation yard gas pump is not available.

D. Reconciling Card Statement

1. At the close of each billing cycle, each cardholder will receive a Statement of Account from the Bank. Cardholders will have 5 days to reconcile the statement and return to Finance. The statement will itemize each transaction, which was charged to the employees credit card account. Upon receipt of the statement, complete each of the steps below:
 - a. Review the statement for accuracy
 - b. Indicate the appropriate accounting code or department account by each transaction.
 - c. Attach all itemized sales receipts or copies of telephone/mail orders with the statement. Receipts must be attached to process the statement. Sign the statement and forward to your supervisor for approval within five working days who will then forward to the City Manager within two working days of receipt.
 - d. The City Manager will sign and forward the statement to the Finance Director for processing.

If you are charged for an item incorrectly contact the Finance Director immediately. The Finance Director will contact the vendor bank for an adjustment.

If a cardholder will be unavailable to review the Statement of Account within the five day period, forward all paperwork including receipts to the Finance Director to process in your absence. Upon return, the cardholder will still be required to sign the original Statement of Account.

E. Lost or Stolen Cards

Immediately notify the Finance Director and the Bank. Provide the following information: Name; card number; the date reported to police if stolen; and what purchases were made before losing the card. A new card will

be mailed within three business days from the time you reported the loss or theft to Bank of America.

F. Changes to Cardholder Information

Any changes to a Cardholder's account should be immediately reported to the Finance Director who will inform the Bank.

This policy is approved and authorized by:

~~Richard Hill~~ Jamie Goldstein

City Manager

Exhibit A: Employee Card Agreement

RH/lgm

Draft

EMPLOYEE CREDIT CARD AGREEMENT

I ("Cardholder") am being entrusted with a City of Capitola Credit Card. The Card is being provided to me to enable me to purchase services and supplies for the City of Capitola only, or for authorized travel or training. I understand that my use of the Card is not a benefit to which I am entitled because of my employment or because of my job title or position I hold at the City. I understand the Card may be revoked at any time at the discretion of the City Manager. My signature below indicates I have read and will comply with the terms of this agreement.

1. **LIMITED BUSINESS USE ONLY.** The Credit Card Account requested (the "Card") may be used for authorized business purchases only. I understand I am authorized to use the Card to purchase services and supplies only for the City of Capitola and for authorized travel and training related costs.

I understand my total dollar amount restriction is a maximum of \$ _____ for a single transaction and \$ _____ a month, or amount specified by the City Manager.

I understand and agree that I must NOT use the Card for personal purchases or for purchases by any other person or entity other than City of Capitola and that I may be financially responsible for any such misuse of the Card. I agree that if I do not completely reimburse the City of Capitola for the full amount of such misuse, the City may make deductions from my paycheck until the City has received the total unauthorized amount. I understand that transactions for individual purchase may not be split in order to circumvent the single item dollar limit. I understand the City will issue me one Card for the account, and I will sign the back of the Card as soon as I receive it.

2. **RECONCILIATION.** I agree to reconcile my monthly statement within 5 working days after receipt from the Bank to ensure all charges are accurate, have the City Manager review and sign, and submit statement and receipts to the Finance Director.
3. **TERMINATION.** I understand either the City or I may terminate this Agreement at any time, for any or no reason, by notice to the other. When that happens, I agree to immediately stop using the Card, and return it to my supervisor.
4. **DEFAULT.** I understand I am in default of this agreement if I use my account without authorization, misuse of my Card in any way, or give false or misleading information. I understand that if I default, the City may cancel my Card account and privileges. It is also understood that if for any reasons, determined personal or disallowed charges are initiated and not repaid by the cardholder, the City shall retain a prior lien against, and a right to withhold, a reasonable amount as not to interfere with an employee's ability to meet his or her living expenses, until all inappropriate charges are re-paid. This would include any interest or penalty.

I further understand that if I am in default, I may be subject to employee disciplinary action, including termination of my employment for misappropriation of City funds.

5. **LOST OR STOLEN.** I agree that if the Card issued to me is lost or stolen, or if I think my account is being used without my permission, I will notify the Bank immediately and follow-up with written confirmation to the Finance Director or his/her designee.

6. **EMPLOYMENT TERMINATION.** I understand and agree that if my employment with the City terminates for any reason, I will immediately surrender the Card issued to me to the City Manager or the Director of Finance.

Print Name

Signature

Date

Draft



CITY COUNCIL AGENCY AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

SUBJECT: ORDINANCE AMENDING SECTION 17.57.040(D) OF THE CAPITOLA MUNICIPAL CODE PERTAINING TO PROHIBITED SIGNS AND ADDING SECTIONS 17.57.020(B)(4) AND 17.57.060(F) OF THE CAPITOLA MUNICIPAL CODE PERTAINING TO THE USE OF SIDEWALK SIGNS IN THE CENTRAL VILLAGE [2nd READING]; AND ADOPT A RESOLUTION AUTHORIZING SUBMITTAL OF AN LOCAL COASTAL PLAN AMENDMENT

RECOMMENDED ACTION: Adopt an Ordinance amending Section 17.57.040(D) of the Municipal Code pertaining to Prohibited Signs and adding Sections 17.57.020(B)(4) and 17.57.060(F) pertaining to the Use of Sidewalk Signs in the Central Village Zoning District; certify the project is categorically exempt from CEQA; and adopt a Resolution authorizing submittal of a Local Coastal Plan Amendment.

BACKGROUND: On July 12, 2012, the City Council passed for a first reading an amendment to the City's Sign Ordinance to allow for sidewalk signs in the Central Village Zoning District. The proposed Ordinance was modified by the City Council to reduce the width of the signs to 18 inches, to have the permit issued "over the counter" by the Community Development Director, and to increase the minimum spacing between the signs from 15 to 30 feet. The Ordinance was corrected to represent the height of the Capitola Village & Wharf Business Improvement Area Advisory Committee proposed sign and to eliminate the wording that the sign would not be transferrable to new business owners. In addition, a section was added to allow the City to remove illegal signs from the village sidewalks. The Public Works Director will determine the location of holes drilled into the sidewalk as part of the encroachment permit process.

The Council is also being asked to adopt a Resolution authorizing staff to submit this revision of the Sign Ordinance to the California Coastal Commission as an amendment to the City's Local Coastal Plan.

CEQA REVIEW: Two sections of the California Environmental Quality Act apply to the proposed amendments, which would temporarily allow sidewalk board signs in the Central Village and Neighborhood Commercial Zone Districts. Section 15311(a) of the CEQA Guidelines consists of the construction, or replacement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities, including but not limited to on-premises signs.

Section 15061(B)(3) provides that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

JULY 26, 2012: ORDINANCE AMENDING THE CAPITOLA MUNICIPAL CODE PERTAINING TO PROHIBITED SIGNS AND THE USE OF SIDEWALK SIGNS IN THE CENTRAL VILLAGE

Sign placement in an existing urban environment will not have a significant impact on the environment. Allowing sidewalk signs in the Central Village Zone Districts would be insignificant as it is already a built-out environment with urban amenities and would have a minimal impact on visual resources and the environment.


The Council is certifying that this change to the City's sign regulations is exempt from CEQA based on the information present above.

FISCAL IMPACT: None

ATTACHMENTS:

1. Draft Ordinance amending Section 17.57.040(D) of the Municipal Code pertaining to Prohibited Signs and adding Section 17.57.020(B)(4) and 17.57.060(F) pertaining to the Use of Sidewalk Signs in the Central Village Zoning District.
2. Draft Resolution authorizing submittal of an amendment to the Local Coastal Program to amending Section 17.57.040(D) of the Municipal Code pertaining to Prohibited Signs and adding Section 17.57.020(B)(4) and 17.57.060(F) pertaining to the Use of Sidewalk Signs in the Central Village Zoning District.

Report Prepared By: Susan Westman
General Plan Coordinator

Reviewed and Forwarded
by City Manager: 

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING SECTION 17.57.040 D. OF THE MUNICIPAL CODE PERTAINING TO
PROHIBITED SIGNS AND ADDING SECTIONS 17.57.020 B. 4. AND 17.57.060 F.
TO THE MUNICIPAL CODE PERTAINING THE USE OF SIDEWALK SIGNS
IN THE CENTRAL VILLAGE

THE CITY COUNCIL OF THE CITY OF CAPITOLA HEREBY ORDAINS AS FOLLOWS:

Section 1. Section 17.57.020 B. 4. is added to the Capitola Municipal Code to read as follows:

"4. Sidewalk signs as allowed in this chapter."

Section 2. Section 17.57.040 D. of the Capitola Municipal Code is amended to read as follows:

"D. Sidewalk signs ; except as allowed in this chapter."

Section 3. Section 17.57.060 F. is added to the Capitola Municipal Code to read as follows:

"F. Sidewalk signs are permitted in the Central Village Zoning District subject to the following standards:

1. Only one (1) two sided sidewalk sign per business establishment is permitted.
2. The sidewalk in front of the business must be at least 78 inches in width.
3. Sidewalk signs consistent with the approve BIA Design can be issued an over the counter sign permit by the Community Development Director
4. Sidewalk signs shall be no larger than eighteen inches in width and no taller than 58 inches measured from the ground.
5. The signs may be placed on poles which will either be placed in a hole drilled into the sidewalk or in moveable stand. The moveable stands cannot be more than 18 inches wide will need to be approved as part of the sign permit. Lights, banners, flags or similar objects shall not be placed on or adjacent to sidewalk signs.
6. All sidewalk signs will need to obtain an encroachment permit. The encroachment permit will identify the location and method used to drill a hole in the sidewalk and/or the location of a sign on a base.
7. Sidewalk signs shall not interfere with pedestrian ingress or egress as required by the Building Code or obstruct vehicular traffic sight distance requirements. A forty eight (48) inch level clear path of travel on concrete or similar material must be maintained where the sign if located.
8. Sidewalk signs shall be spaced a minimum of 30 linear feet from all other permitted sidewalk signs.
9. Sidewalk signs must use the approved Business Improvement Association master design approved by the Community Development Director. A copy of the approved sidewalk sign shall be maintained in the Planning Department of the City of Capitola.
10. Sidewalk signs may be used only during the hours when the business is open to the public. At all other times the sign and base must be stored within the business premises.
11. No other temporary advertising signs may be used at the same time as the sidewalk sign is in use. This includes all banners, flags, window signs covering more than 1/3 of the window or other temporary signage.

12. All other signs on the property receiving a permit for a sidewalk sign much be in conformance with the City's sign regulations prior to a sidewalk sign permit being issued.
13. Damaged or dilapidated sidewalk signs shall be replaced at the discretion of the Community Development Director.
14. No sidewalk sign may contain lights of any kind.
15. No more than 30 sidewalk signs will be allowed in the Central Village Zoning District at any time.
16. The owner of any business desiring to place a sidewalk sign on the City right-of-way shall provide an executed City hold harmless waiver and proof of liability insurance to the satisfaction of the City Attorney in the amount of \$1,000,000 prior to placing the sign within said right-of-way.
17. Multi-tenant developments shall be permitted one sandwich board sign per each common exterior public business entrance.
18. Individual signs may advertise more than one business.
19. Illegal signs or sign stands may be removed by the City of Capitola to insure public safety.

Section 3. This ordinance shall remain in effect for 12 months from the date of the Coastal Commission approval of the amendment to the City's Local Coastal Plan.

Section 4. This ordinance shall be in full force and take effect on the date of the Coastal Commission approval of the amendment to the City's Local Coastal Plan.

This ordinance was introduced on the 12th day of July, 2012 and was passed and adopted by the City Council of the City of Capitola on the July 26, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Michael Termini, Mayor

ATTEST:

Susan Sneddon, City Clerk

ATTACHMENT 2

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AUTHORIZING SUBMITTAL OF AMENDMENTS TO SECTION 17.040D OF THE MUNICIPAL
CODE PERTAINING TO PROHIBITED SIGNS AND ADDING SECTION 17.57.020 B.4 AND
17.57.060 F TO THE MUNICIPAL CODE PERTAINING TO THE USE OF SIDEWALK SIGNS IN
THE CENTRAL VILLAGE ZONING DISTRICT**

WHEREAS, the City of Capitola's Local Coastal Program (LCP) was certified by the California Coastal Commission in December of 1981 and has since been amended from time to time; and

WHEREAS, the City of Capitola's General Plan was adopted on September 29, 1989, and has since been amended from time to time; and

WHEREAS, the City of Capitola reviews land use designations and zoning in order to regulate appropriate use of land and to protect the public health, safety and welfare; and

WHEREAS, the proposed amendments to the City of Capitola Municipal Code are exempt from the California Environmental Quality Act Section 15265 (a) (1), and no significant impacts have been identified; and

WHEREAS, the City of Capitola incorporated section 17.57 of the Municipal Code regarding signs into the Local Coastal Program on September 29, 1989; and

WHEREAS, the City Council conducted a public hearing on July 12, 2012, and finalized on July 26, 2012, an amendment to the City's Local Coastal Program by adopting Ordinance No. 936, which includes the following:

Allowing up to 30 sidewalk signs on the public sidewalk in the Central Village Zoning District.

NOW, THEREFORE, the City Council of the City of Capitola hereby finds:

1. This Coastal Commission Local Coastal Program (LCP) Amendment is Categorically Exempt pursuant to CEQA Section 15265 (a) (1).
2. The City of Capitola intends to carry out this amendment to its LCP in a manner fully consistent with the California Coastal Act.
3. This LCP Amendment is consistent with the Local Coastal Land Use Plan and the Coastal Act.
4. This LCP Amendment, as drafted, will secure the purposes of the Zoning Ordinance, General Plan, and Local Coastal Program and will take effect upon certification by the Coastal Commission and final acceptance by City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola that the Local Coastal Program Amendments as presented in Exhibit "1", attached hereto and made a part hereof, are hereby adopted as being in full conformance with the City of Capitola General Plan, the City of Capitola Local Coastal Program, and the provisions of the California Coastal Act and authorized for submittal to the Coastal Commission for certification.

BE IT FURTHER RESOLVED that the amendment will take effect upon certification of the amendment by the California Coastal Commission

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 26th day of July, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DISQUALIFIED:

ATTEST:

Susan Sneddon, City Clerk

Michael Termini, Mayor

Draft

Exhibit 1: Exact copy of adopted amendment

AMENDED MUNICIPAL CODE SECTION 17.57

ORDINANCE NO. ____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING SECTION 17.57.040 D. OF THE MUNICIPAL CODE PERTAINING TO
PROHIBITED SIGNS AND ADDING SECTIONS 17.57.020 B. 4. AND 17.57.060 F.
TO THE MUNICIPAL CODE PERTAINING THE USE OF SIDEWALK SIGNS IN THE
CENTRAL VILLAGE.**

THE CITY COUNCIL OF THE CITY OF CAPITOLA HEREBY ORDAINS AS FOLLOWS:

Section 1. Section 17.57.020 B. 4. is added to the Capitola Municipal Code to read as follows:

"4. Sidewalk signs as allowed in this chapter."

Section 2. Section 17.57.040 D. of the Capitola Municipal Code is amended to read as follows:

"D. Sidewalk signs ; except as allowed in this chapter."

Section 3. Section 17.57.060 F. is added to the Capitola Municipal Code to read as follows:

"F. Sidewalk signs are permitted in the Central Village Zoning District subject to the following standards:

1. Only one (1) two sided sidewalk sign per business establishment is permitted.
2. The sidewalk in front of the business must be at least 78 inches in width.
3. Sidewalk signs consistent with the approve BIA Design can be issued an over the counter sign permit by the Community Development Director
4. Sidewalk signs shall be no larger than eighteen inches in width and no taller than 58 inches measured from the ground.
5. The signs may be placed on poles which will either be placed in a hole drilled into the sidewalk or in moveable stand. The moveable stands cannot be more than 18 inches wide will need to be approved as part of the sign permit. Lights, banners, flags or similar objects shall not be placed on or adjacent to sidewalk signs.
6. All sidewalk signs will need to obtain an encroachment permit. The encroachment permit will identify the location and method used to drill a hole in the sidewalk and/or the location of a sign on a base.
7. Sidewalk signs shall not interfere with pedestrian ingress or egress as required by the Building Code or obstruct vehicular traffic sight distance requirements. A forty eight (48) inch level clear path of travel on concrete or similar material must be maintained where the sign if located.
8. Sidewalk signs shall be spaced a minimum of 30 linear feet from all other permitted sidewalk signs.
9. Sidewalk signs must use the approved Business Improvement Association master design approved by the Community Development Director. A copy of the approved sidewalk sign shall be maintained in the Planning Department of the City of Capitola.

10. Sidewalk signs may be used only during the hours when the business is open to the public. At all other times the sign and base must be stored within the business premises.
11. No other temporary advertising signs may be used at the same time as the sidewalk sign is in use. This includes all banners, flags, window signs covering more than 1/3 of the window or other temporary signage.
12. All other signs on the property receiving a permit for a sidewalk sign must be in conformance with the City's sign regulations prior to a sidewalk sign permit being issued.
13. Damaged or dilapidated sidewalk signs shall be replaced at the discretion of the Community Development Director.
14. No sidewalk sign may contain lights of any kind.
15. No more than 30 sidewalk signs will be allowed in the Central Village Zoning District at any time.
16. The owner of any business desiring to place a sidewalk sign on the City right-of-way shall provide an executed City hold harmless waiver and proof of liability insurance to the satisfaction of the City Attorney in the amount of \$1,000,000 prior to placing the sign within said right-of-way.
17. Multi-tenant developments shall be permitted one sandwich board sign per each common exterior public business entrance.
18. Individual signs may advertise more than one business.
19. Illegal signs or sign stands may be removed by the City of Capitola to insure public safety.

Section 3. This ordinance shall remain in effect for 12 months from the date of the Coastal Commission approval of the amendment to the City's Local Coastal Plan.

Section 4. This ordinance shall be in full force and take effect on the date of the Coastal Commission approval of the amendment to the City's Local Coastal Plan.

This ordinance was introduced on the 12th day of July, 2012 and was passed and adopted by the City Council of the City of Capitola on the July 26, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Michael Termini, Mayor

ATTEST:

Susan Sneddon, City Clerk



Item #: 8.F.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: DEPARTMENT OF PUBLIC WORKS

SUBJECT: APPROVAL OF THE LIST OF QUALIFIED CONTRACTORS FOR REMOVAL OF COACHES FROM THE PACIFIC COVE MOBILE HOME PARK

RECOMMENDED ACTION: Take the following actions:

1. Approve a list of qualified contractors in response to the request for statements of interest from contractors for removal of coaches from the soon to be closed Pacific Cove Mobile Home Park; and
2. Authorize the City Manager to enter into contracts with the low bidder from the qualified contractors list for all phases of the coach removal work.

BACKGROUND: The City received five letters of interest from contractors interested in contracting with the City for removal of mobile homes and manufactured housing from the Pacific Cove Mobile Home Park.

DISCUSSION: It is recommended that the City Council approve the following three of the contractors to bid on this project as coaches are released for removal.

1. Coffelt Construction & Transportation Inc., Watsonville, CA
2. Strong's Mobile Home Service, Salinas CA
3. Vieira Enterprises, Santa Clara CA

The other two contractors failed to adequately respond to the notice and provided no evidence of experience in this type of work.

FISCAL IMPACT: Financing for the coach removal was included in the financing plan approved by the City Council on January 26, 2012. All contracts awarded under this item will be in compliance with that plan.

ATTACHMENTS

1. Response letters

Report Prepared By: Steven Jesberg
Public Works Director

Reviewed and Forwarded
By City Manager:

ATTACHMENT 1

To City of Capitola
Pacific Cove Mobile Home Park Coach removal

From Coffelt Construction & Transporting Inc
PO Box 3393 Freedom Ca 95019
Ph 831-728-3518 Fax 831-722-7293
Email jscoffelt@yahoo.com

My company would be interested in bidding the removal of coaches from Pacific Cove park. James Coffelt has been working in the manufactured home industry since 1985 and self employed since 1992. We are also a local mobile home transporter since 2006.

Contractors license 616751 Class A and Class B along with commercial drivers license for transporting.

We have read the contract form and are prepared to sign.

The city should already have our insurance information on file. If needed again please email me a fax # and we will send over all needed items.

References Ray schmidt Coastal Home Solutions Salinas Ca 831-663-1114. Strongs mobile home service Salinas Ca 831-449-2916.

Thank You
Please Call James @ 831-212-4998 anytime.

STRONG'S
MOBILE HOME SERVICE
435 ESPINOSA ROAD, SALINAS, CA. 93907
Tel. (831) 442-9999 Fax. (831) 449-2943

July 6, 2012

Mr. Steven E. Jesberg
Public Works director
420 Capitola Avenue
Capitola, CA. 95010

Re: Statement of Interest, Mobile Home Removal, Pacific Cove MHP, City of Capitola.

Dear Mr. Jesberg

In response to your invitation, regarding the above captioned, we submit the following for your consideration.

Strong's Mobile home Service has been in business since 1990. We have, since our beginning, remained domiciled in Salinas, although we operate throughout Central and Northern California. We specialize in the transport and complete installation of both new and used mobile and manufactured homes, in parks as well as on private property, including foundation systems, utility services and ancillary structures such as carports, storage sheds, skirting, awnings, etc. We also provide disassembly, transport and disposal of used and or discarded units including attached ancillary structures. Where required, in the provision of such work, we have and will secure the necessary permits.

At our facility in Salinas, we provide, temporary storage for units in transient, accept units on consignment for resale, maintain a parts and service department and provide consulting, advisory and contractor services to mobile and manufactured home park owners and operators as well the general public.

In accordance with your requirements, please find attached, 1) list of employees who will be working on this project, 2) proof of current contractor's license issued by the State of California, 3) proof of ability to meet liability insurance requirements, 4) references with contact numbers of two clients. Further, we have reviewed the contract form and are prepared to sign it without changes. If you require further, please advise. Thank you for the opportunity to submit information for your consideration.

Very truly yours,

Ronald S. Strong



Vieira Enterprises Inc.

2001 Lafayette Street
Santa Clara, CA 95050

Phone: 408-727-8734 Fax: 408-727-4222
Contractors Lic. # 246323
Dealers Lic. # 94901

July 10, 2012

Steven E. Jesberg
Public Works Director
City of Capitola
420 Capitola Ave.
Capitola, CA. 95010

Dear Mr. Jesberg,

We are interested in participating in the Pacific Cove Mobile Home Park Coach removal project.

Our company has been involved in the manufactured home business since the early 1990's. Prior to retailing manufactured homes we owned a drywall and taping company since 1965.

We have tremendous experience in the removal of manufactured homes since we own seven (7) mobile home parks and often replace old homes with brand new manufactured homes to upgrade the Park. We also removed all the dilapidated old homes and replaced with new homes in the Ace High Mobile Home Park in Soquel and Clearview Court in Santa Cruz.

We have removed and replaced several homes in the Seaside Mobile Estates and continue to beautify the Park. Glen Watkins, the owner of the Park, can attest to our performance and can be reached at 209-605-8728.

In addition, we have completed a similar project in the Lonesome Dove Estates Mobile Home Park in Livermore. Please contact Jim Wagar at 408-314-4653, as another reference.

We have reviewed the City of Capitola's contract form and are willing to sign it without changes.

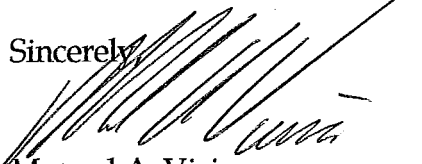
Furthermore, if necessary or any unexpected HCD Title issues arise, we have a storage lot less than 5 miles away from Pacific Cove, on Chittenden Ln. in Capitola, to store any of the old mobile homes, to prevent any time schedule delays.

A list of our employees are Manuel Vieira, Vice - President and contact person, Jose Perez, Jose Godina, Sergio Salazar, Arturo Anaya and Martin Elias.

Included with this letter are our Class B Contractor's License, State of California Occupational Dealer License, proof of General Liability Insurance and Worker's Compensation.

Thank you for the opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read 'Manuel A. Vieira', written over the word 'Sincerely,'.

Manuel A. Vieira
Vice - President
408-595-7300



Item #: 8.G.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: POLICE DEPARTMENT

SUBJECT: ADOPT RESOLUTION ACCEPTING A HOMELAND SECURITY GRANT IN THE AMOUNT OF \$5,842 AND AMENDING THE FY 2012-13 GENERAL FUND OPERATING BUDGET BY INCREASING BOTH REVENUES AND EXPENDITURES BY \$5,842

RECOMMENDED ACTION: Adopt the proposed Resolution amending the General Fund Fiscal Year 2012-2013 Operating Budget to accept Homeland Security Grant Program Funds (HSGP) in the amount of \$5,842 and authorize budget expenditures of \$5,842 for the purchase of police protective equipment and/or equipment for projects that are predetermined and authorized by the Federal Authorized Equipment List (AEL).

BACKGROUND: The City of Capitola, in conjunction with other public safety agencies in Santa Cruz County, annually apply for and receive Homeland Security Grant Program funding through the Anti Terrorism Approval Authority. The City's share of the Homeland Security Grant Program for Fiscal Year 2012-2013 is \$5,842. Funding for this grant is based on each city or jurisdiction's proportion of the total county population. Funding for this grant is designed to provide financial support to the City for the purchase of police protective equipment that is predetermined and authorized by the AEL.

DISCUSSION: As required by the grant, the Police Department intends to utilize the funds to pay for the purchase of police protective equipment and/or equipment for projects that is predetermined and authorized by the AEL.

FISCAL IMPACT: This will not require additional general fund resources. All of the funds received from this grant will be used to purchase police protective equipment and/or equipment for projects that is predetermined and authorized by the Federal Authorized Equipment List (AEL).

ATTACHMENTS:

1. Draft Resolution
2. 2012 HSGP Funding Allocation Chart
3. Budget Adjustment

Report Prepared By: Rudy Escalante
Chief of Police

Reviewed and Forwarded
By City Manager

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING THE GENERAL FUND FY2012-13 OPERATING BUDGET
TO ACCEPT HOMELAND SECURITY GRANT PROGRAM FUNDS IN THE
AMOUNT OF \$5,842 AND AUTHORIZING BUDGET EXPENDITURES
OF \$5,842 FOR THE PURCHASE OF POLICE PROTECTIVE EQUIPMENT THAT IS
AUTHORIZED BY THE FEDERAL AUTHORIZED EQUIPMENT**

WHEREAS, the Capitola Police Department will be awarded \$5,842 in Homeland Security Grant Program funds for Fiscal Year 2012-2013.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Capitola hereby will accept Homeland Security Grant Program Funds totaling \$5,842 and authorizes Fiscal Year 2012-2013 General Fund budget amendments to increase both revenues and expenditures by \$5,842, with expenditures of \$5,842 allocated for the purchase of police protective equipment and/or equipment for projects that is predetermined and authorized by the Federal Authorized Equipment List (AEL).

BE IT FURTHER RESOLVED that the Finance Director shall record these changes into the City's accounting records in accordance with appropriated accounting practices.

BE IT FURTHER RESOLVED that these grant funds will be expended pursuant to the conditions of the grant program.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 26th day of July, 2012, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Michael Termini, Mayor

ATTEST:

_____, CMC
Susan Sneddon, City Clerk

Anti Terrorism Approval Authority

2012 Homeland Security Grant Funding Allocations

	<u>TOTAL</u>		<u>TOTAL BY AGENCY</u>
Grant Allocation	250,943	County SO/OES/EMS	120,174
Admin. Allowance (5.0%)	12,547	Santa Cruz	33,765
Available for projects	<u>238,396</u>	Watsonville	30,077
		Scotts Valley	6,818
		Capitola	5,842
		Fire	41,719
		Admin	12,547
		Total	250,943

Law Enforcement 25% 59,599

Allocated by population		
50.63%	County	30,175
21.79%	Santa Cruz	12,987
19.41%	Watsonville	11,568
4.40%	Scotts Valley	2,622
3.77%	Capitola	2,247

Total

Fire Agencies 17.5% 41,719

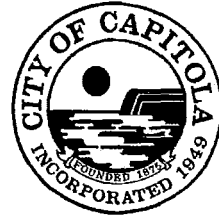
County EMS 17.5% 41,719

Discretionary 40% 95,358

County	48,280
Santa Cruz	20,779
Watsonville	18,509
Scotts Valley	4,196
Capitola	3,595

Projects:

City of Capitola Budget Adjustment Form



Date 7/26/2012

Requesting Department Police

Administrative
 Council

Item # 8.G.
 Council Date: 7/26/12
 Council Approval

Revenues		
Account #	Account Description	Increase/Decrease
1000-20-20-000-3310.200	Grant Revenue-Federal Capital	\$5,842
Total		\$5,842

Expenditures		
Account #	Account Description	Increase/Decrease
1000-20-20-000-4650.400	Capital Outlay-Equipment	\$5,842
Total		\$5,842

Net Impact -

Purpose: To accept FY 12/13 Homeland Security Grant

Department Head Approval _____

Finance Department Approval _____

City Manager Approval _____



Item #: 8.H.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: CITY MANAGER'S DEPARTMENT

SUBJECT: REVISED ARGUMENT IN FAVOR OF CITY SALES TAX MEASURE

RECOMMENDED ACTION: Approve the proposed revised argument.

BACKGROUND: At its July 12, 2012 meeting the City Council approved an "Argument in Favor" of a Permanent Quarter Cent Sales Tax Measure to be printed in the ballot for the November 6, 2012 Election (Attachment 1).

DISCUSSION: The Mayor worked with a member of the community to streamline and further clarify the argument, and submitted a revised argument to staff on July 18, 2012 (Attachment 2). The proposed argument contains 295 words; the total number of words allowed for the initial argument is 300 words.

FISCAL IMPACT: None

ATTACHMENT

1. Draft revised argument;
2. Argument approved at the July 12, 2012 City Council meeting.

Report Prepared By: Susan Sneddon
City Clerk

Reviewed and Forwarded
By City Manager: _____

Argument in Favor of Measure __

The March floods depleted the city's Emergency Reserves Fund to a dangerously low level. Although the floods were officially declared a disaster, due to state & federal fiscal difficulties, Capitola received NO emergency reimbursement for flood disaster expenses.

In addition, Capitola has been hard-hit by the prolonged economic downturn. This, combined with the floods, means that Capitola is facing unprecedented fiscal challenges. In response, over the last 5 years Capitola City staffing has been significantly reduced by eight full-time employees. During this period, maintenance to the City's streets, storm drains and other infrastructure has also had to be decreased. *At least \$450,000 annually is needed to keep local streets in a stable condition. Yet only 1/3 of this has been available to spend annually on streets and infrastructure maintenance during the last three years.*

Of even greater concern are delays in preventive pavement maintenance. If preventive maintenance is delayed, our roads will deteriorate to the point where repair costs will increase dramatically, by a factor of 50 times.

Added to all of this, elimination of the Redevelopment Agency has meant that funds to manage congestion along 41st Avenue are not available.

Help keep our town of Capitola intact. If this Measure passes, the City can;

- Improve local roads at the level necessary;
- Maintain City fiscal stability to provide essential services;
- Maintain police services;
- Restore emergency reserves;
- Assist in relocating Pacific Cove Mobilehome Park residents displaced by the flood.

This measure has broad community support because;

- Visitors and nonresidents will pay 83% of the tax;
- The impact is only 25 cents for every \$100 of taxable expenditures;
- Proceeds are reinvested in Capitola, and not sent to the State or Federal government.

Please vote YES on this measure. Let's keep Capitola the very best place to live!

295 words

ORIGINAL ARGUMENT APPROVED AT THE JULY 12, 2012 CITY COUNCIL MEETING

Argument in Favor of Measure ___

As we all know, the March 2011 floods depleted our emergency reserves to a dangerous level. During the last 5 years the City of Capitola has experienced unprecedented fiscal challenges. City staffing has been reduced by 8 full time employees.

More critically during this period, maintenance and improvements to the City's streets, storm drains and other infrastructure has had to be decreased. At least \$450,000 / year is needed to keep the streets in a stable condition.

Unfortunately only an average of \$150,000 / year has been able to be spent on streets during the last three fiscal years. Of greater concern are the delays in preventive pavement maintenance. If we delay this work it will cause our roads to deteriorate to the point where the cost of repair will increase by a factor of 50 times!

Furthermore with the elimination of the Redevelopment Agency by the State, resources for improving 41st Avenue to manage traffic congestion have been eliminated.

If this measure passes, the City can;

- Improve streets and roads;
- Maintain long-term City fiscal stability;
- Maintain police services;
- Restore emergency reserves depleted by the recent flood damage repairs;
- Assist in relocating Pacific Cove Mobile Home Park residents who were displaced by the flood.

This measure has broad community support because;

- Visitors and nonresidents will pay 83% of the tax;
- The impact is only 25 cents for every \$100 of taxable expenditures;
- Proceeds are reinvested in Capitola, and not sent to the State or Federal government.

Please vote yes on this measure, and support your City in its efforts to achieve fiscal stability and effectively deliver the most essential services.

Let's keep Capitola the very best place to live!

273 words



CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: PUBLIC WORKS/CITY MANAGER'S DEPARTMENT

SUBJECT: CONSIDER OPTIONS FOR FUTURE USES ON THE FORMER PACIFIC COVE MOBILE HOME PARK SITE

RECOMMENDED ACTION: That City Council identify a preferred short-term option for uses on the Pacific Cove/City Hall property and direct staff to develop plans and financing options.

BACKGROUND: In 1984 the City of Capitola acquired the Pacific Cove Mobile Home Park, "with the intention of using it for public purposes..." The Resolution to acquire the property goes on to state the purpose of the acquisition was to create a parking lot open to the general public.

During the 1980's, the City developed a 234-space public parking lot on the upper terrace by relocating existing mobile home residents to the lower terrace. In March 2011, a 72" storm drain failed at the top of the lower terrace of the mobile home park, resulting in a flow of water through the mobile home park, City Hall, and the Village. Earlier this year the Council approved the Relocation Impact Report (RIR) for the closure of the City-owned mobile home park. Since that time, the City has worked with the 36 households to help facilitate their relocation. The park is scheduled to close on July 31, 2012.

The decision to close the park has generated renewed community interest in the use of not only the former mobile home area but also the entire property. Capitola is fortunate that the City owns approximately seven acres of land close to the Capitola Village. Currently, City Hall and the Police Department occupy the Capitola Avenue property frontage; the upper part of the property is being used as a surface parking lot. The closure of the mobile home park on the lower part of the property necessitates an immediate need to discuss the short-term future of this soon to be vacant area.

The City is currently going through a process to update the City's General Plan and Coastal Land Use Plan. This process has included the review of four special areas in the City, one of which is the Pacific Cove/City Hall site. As part of this process a workshop to discuss the future of the Pacific Cove/City Hall site was held on May 12, 2012 (Attachments 1 and 2). In addition to the workshop, the General Plan Advisory Committee and the Traffic and Parking Commission have held discussions on this topic and made recommendations. The general consensus from these meetings is as follows:

- The entire former mobile home park site should be used for temporary parking to address the immediate parking needs of the Village.
- The City should actively pursue the construction of parking structure over the existing Pacific Cove parking lot to address current and future parking demands for the Village.
- Long-term plans for other uses of the mobile home park property should be made and implemented once the parking demands have been satisfied elsewhere.

The complete recommendations of the General Plan Advisory Committee (Attachment 3) and the Traffic and Parking Commission (Attachment 4) are attached to the staff report.

DISCUSSION: Parking is an issue that has been discussed for a long time in the City of Capitola. Members of the General Plan Advisory Committee (GPAC) and the Parking and Traffic Commission appear to have reached a consensus that the long-term solution to Capitola's parking problem is the construction of a parking structure. There continues to be ongoing discussion about the size, exact location and how to finance such a structure.

While there are many long-term issues to consider, the City's immediate need is to make decisions regarding short-term uses of the lower part of Pacific Cove. The budget for the park-closure project includes funding necessary to remove the existing coaches and secure the site. This piece of property is a valuable City asset. It provides a viable opportunity for the City to be involved in a meaningful way in Village revitalization by establishing a site for offsite parking, and to help resolve some of the chronic village parking problems. The crux of the debate is not whether or not some temporary parking should be provided on the available property but how much, where and for how long.

Many other cities allow developers to pay a fee in lieu of providing the parking spaces required by zoning ordinances, and use this revenue to finance public parking spaces to replace the private parking spaces the developers would have provided. This is particularly useful in downtown areas and can help to fund a central municipal parking facility.

This mechanism can provide flexibility and efficiency in providing parking in downtown areas and other commercial districts to meet the needs of new development; however, the fees generated cannot be used to remedy existing parking shortfalls. Advantages of in lieu parking fee programs include: better continuity between new and old projects in historic shopping districts, fewer variances, and historic preservation by allowing reuse of older buildings which may be under-parked.

The ultimate long-term public use of the lower part of Pacific Cove is a discussion that deserves analysis and significant community involvement. The long-term use discussion should continue to be a part of the City's on-going General Plan and Local Coastal Plan discussions. Keeping the long-term use as a General Plan and Local Coast Plan topic will give the public, the Planning Commission and City Council, adequate time to review the plans in a very transparent process.

In reviewing the various short-term options for increasing parking on the site, and distilling the demand estimates previously developed by the City's Parking and Traffic Commission, staff has identified several thresholds, which may be helpful to consider.

Number of new temporary parking spaces	Supports in-lieu parking fee program for Village redevelopment projects	Possible "remote lot" for beach shuttle	Potentially facilitate relocation of Village parking (Esplanade Pedestrian Walk)	Reduce parking deficit, increase beach/Village visitation (address shortfall)
0-70	X	?		
71-150	X	X		
151-220	X	X	X	X

It is worth noting that the Parking and Traffic Commission identified a long-term need of between 325 and 799 parking spaces. A temporary parking in lower Pacific Cove cannot meet that demand. Therefore the thresholds presented above would be the minimum necessary to jump-start the various programs.

Staff has developed three alternatives for short-term uses on site for the Council to consider based on the range of options now open to the City. There is considerable debate about some of the advantages and disadvantages to each option. Obviously there are other options which could be considered.

Lastly, when reviewing the near-term options, staff suggests the Council consider how these short-term improvements might articulate with longer term goals for the site. Temporary City projects often remain in place longer than originally planned because of budgetary restraints or other issues.

Alternative 1 – Stabilize the site. Project would include installing split rail fencing to block vehicular access, but allow bike and pedestrian access, seal restroom building, establish hours of use, limited new landscaping, no new parking, and determine future uses on the site through the General Plan Update process.

Advantages

- No additional funding required;
- City could engage in a comprehensive process prior to establishing any uses on the site.

Disadvantages

- Limited public access;
- Site provides no new public parking spaces or relief to adjacent residential neighborhoods;
- Site is not achieving expressed community goals;
- Does not allow for public use of the restrooms;
- Does not generate additional parking revenue;
- Does not allow the property to be used as a shuttle bus parking lot.

Alternative 2 – Partial parking (Attachment 5). Project would include installing a public parking lot on a portion of the site, associated improvements, pay stations, restroom renovations – leaving some land available for other uses. Based on the natural site topography, staff estimates the lowest cost per parking space could be achieved with either a 71 or 110-space lot and a budget of \$300,000 or \$415,000 depending on the number of spaces.

Advantages

- Develop in-lieu parking fee program to help revitalize the Village. This would include new development such as a hotel or redevelopment of existing uses;
- In-lieu fees could be set aside for the construction of a parking structure;
- Provides centrally located land for other uses.

Disadvantages

- Likely would not reduce parking deficit;
- Other uses for the site not yet identified;
- Depending on the number of new spaces, may not provide adequate new parking to allow the property to be used as a shuttle bus parking lot.

Alternative 3 – Full parking (Attachment 6). Project would include installing a public parking lot on the entire site, associated improvements, pay stations, and restrooms renovations. Staff estimates the area could accommodate approximately 223 parking spaces with a budget \$725,000.

Advantages

- Develop in-lieu parking fee program to help revitalize the Village. Supports hotel or redevelopment of existing uses;
- In-lieu fees could be set aside for the construction of a parking structure;
- Helps to resolve City's long-standing parking deficit;
- May allow for consideration of reducing number of parking spaces in the Village.

Disadvantages

- Large amount of public land to dedicate to parking;
- Could reduce the momentum to build a parking structure;
- Does not provide new recreational uses or open space in the center of town.

STAFF SUGGESTED PLANNING CONSIDERATIONS:

1. Consider using all or a portion of the Pacific Cove Mobile Home Park property in the near-term as temporary parking until a parking structure is built;
2. Establish an in-lieu fee program for the Village in concert with the development of the temporary lot, to assure the City maintains flexibility in the use of the temporary lot. Set the fee based on the estimated costs to build structured parking plus land costs;
3. Establish the temporary lot as the remote parking lot for the beach shuttle;
4. If a portion of the site is not used for parking, hold future public hearings regarding other uses on the site;
5. If a temporary parking lot is established, construct the lot from cost-effective all-weather material, renovate the restrooms and install landscaping/lighting/parking pay stations; and
6. Refer the long-term plans for the entire Pacific Cove/City Hall site to be part of the General Plan Update.

CEQA: The final scope of the City's selected near-term project will determine the appropriate CEQA review/permit path for the project. Most proposed new uses on the lower part of the Pacific Cove property will require a Coast Development Permit.

NEXT STEPS: For Alternative 1, staff will proceed with securing the site and City Council will consider future long-term uses during the General Plan Update process. For Alternatives 2 & 3, staff will return to Council on August 9, 2012 with a draft final project description and an overview of financing options.

FISCAL IMPACT: Currently the City has a loan for the cost of closing the Pacific Cove Mobile Home Park. The financing of this loan is a standard taxable loan at a 5.2% interest rate. It is possible this debt could be refinanced as a tax-exempt loan at a lower interest rate, while additional project financing could be secured through the State's IBank at an approximate rate of 3%. Refunding of the Pacific Cove debt, coupled with the IBank's low interest rates, would help to minimize the City's debt service payments for this project. Staff would need direction as to the proposed project to apply for an IBank loan and develop financing models.

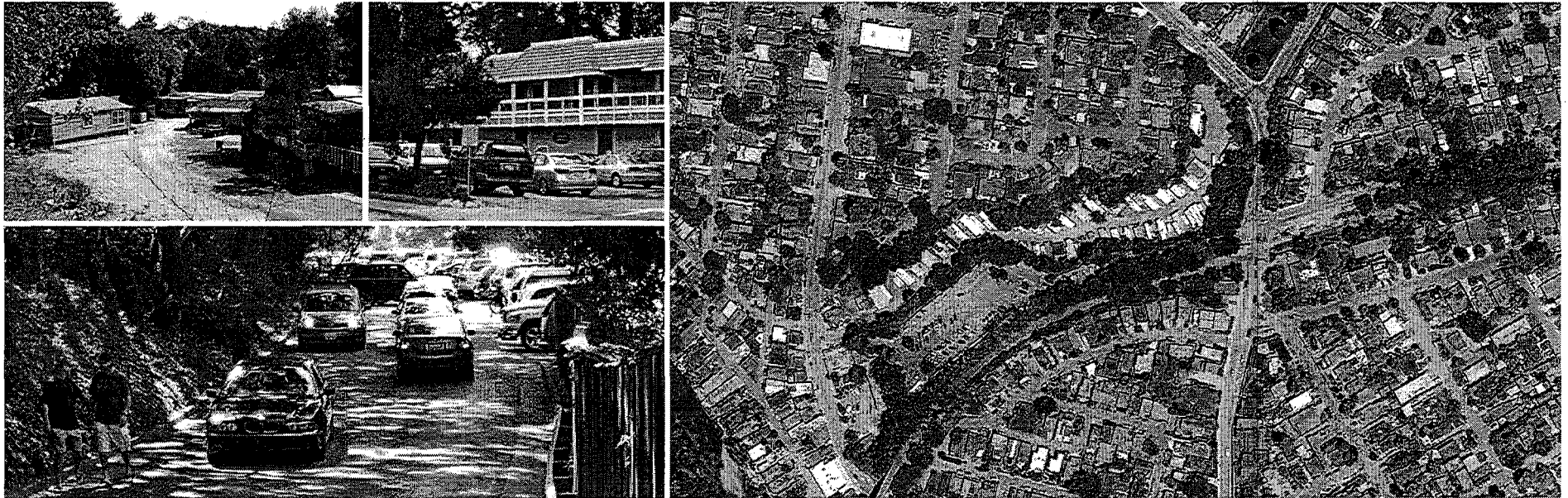
Parking spaces in the Pacific Cove lot currently generate approximately \$300/year. Conservatively estimating new parking spaces generate \$175/year, a new 110-space lot would add about \$20,000/year in revenue to the City. This projected revenue from the new spaces would roughly cover the payments on \$400,000 of new debt.

ATTACHMENTS:

1. Visioning Workbook;
2. Workshop Summary;
3. General Plan Advisory Committee Recommendations;
4. Traffic and Parking Commission Recommendations;
5. Partial parking site plan options for Alternative 2;
6. Full parking site plan for Alternative 3.

Report Prepared By: Steve Jesberg
Public Works Director

Reviewed and Forwarded
By City Manager: 



MAY 2012

VISIONING WORKBOOK

Pacific Cove/City Hall Special Study

ATTACHMENT 1

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INTRODUCTION

The City of Capitola is conducting a special study of the Pacific Cove/City Hall site as part of the comprehensive General Plan Update. The purpose of this study is to establish a community-based vision for the future use, conservation, and redevelopment of this site. Main issues to consider as part of this study include:

- ◆ Future use of the Pacific Cove mobile home park.
- ◆ Expanded parking to serve Capitola Village.
- ◆ Possible relocation of City Hall and Capitola Police facilities away from flood prone areas.

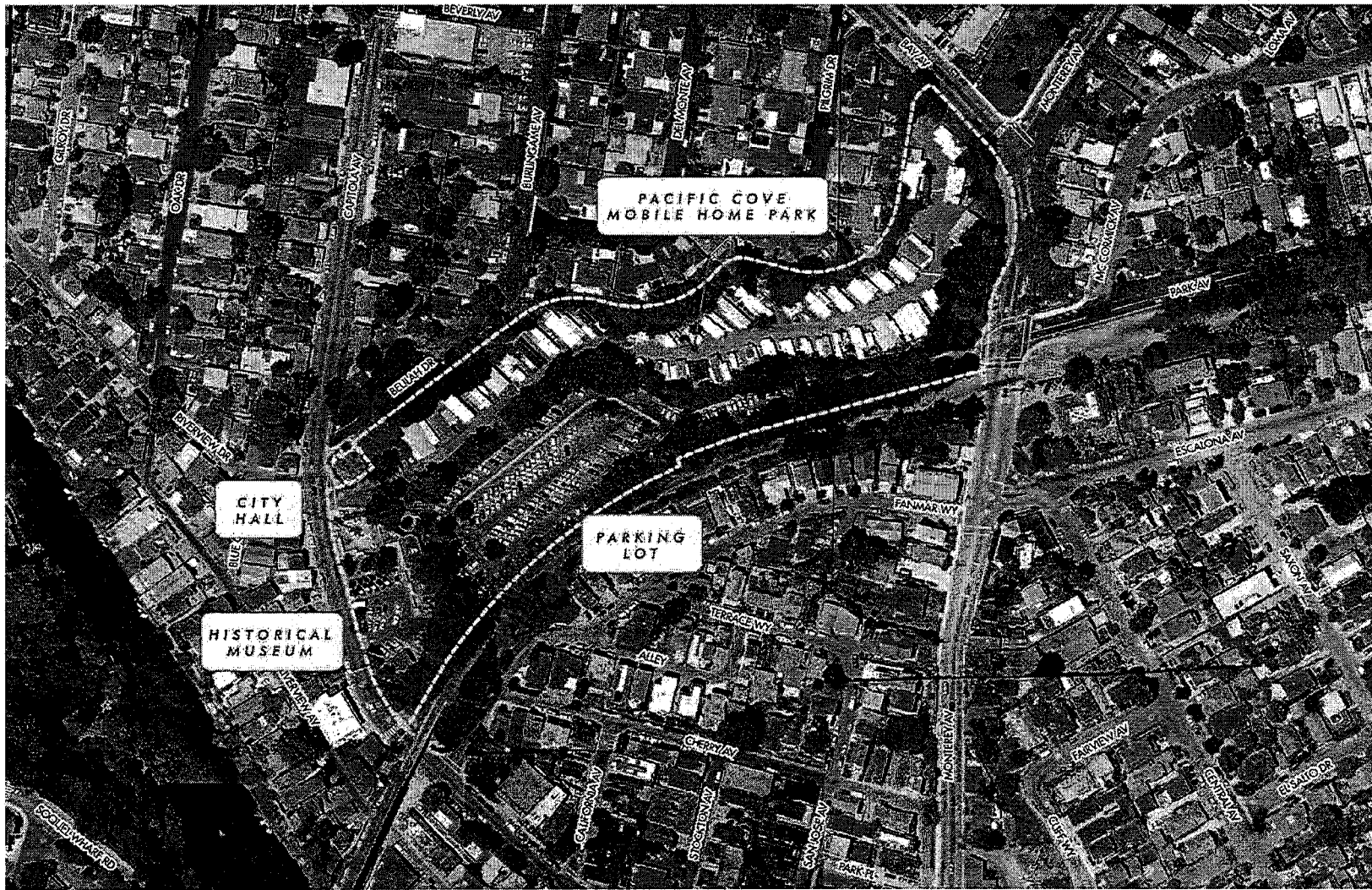
The Pacific Cove/City Hall site is 7 acres in size, located on the northern edge of Capitola Village. As shown in Figure 1, the site is bounded by Capitola Avenue to the west, the Santa Cruz Branch rail tracks to the south, Monterey Avenue to the east, and residential homes to the north. Located on the site are the City Hall and Police facilities, Capitola Historical Museum, public parking lots, and the Pacific Cove Mobile Home Park. The City of Capitola owns the entire site. Noble Gulch flows under the site in a six-foot pipe.

The City has been considering for many years the possible closure of the mobile home park and the construction of a parking structure to replace the current parking lot. In March of 2011 a pipe under the mobile home park burst, resulting in severe flooding and damage to the mobile home park, City Hall, Police Station, and the Village. This flooding contributed to the City's decision in January 2012 to permanently close the mobile home park. The City is currently assisting park residents to find alternative housing; the park is expected to be fully closed by July 2012.

The Pacific Cove/City Hall study now provides Capitola with the opportunity to think holistically about the City Hall and Police facilities, Village parking, and the former mobile home park property within the larger context of the General Plan Update. This study builds on a number of previous reports about the sites, including:

- ◆ *Final Traffic Impact, Circulation and Congestion Relief Study for the Pacific Cove Village Parking Structure*, RBF Consulting, 2011
- ◆ *Report on Parking Expansion Alternatives*, Capitola Traffic and Parking Commission, 2010
- ◆ *Capitola Village Parking Structure Planning Project*, Watry Design, Inc. and Field Paoli Architects, 2010

FIGURE 1 SITE BOUNDARIES



- ◆ *Capitola City Hall Site Reuse Study*, Applied Development Economics, 2010
- ◆ *Parking Analysis for the Capitola Village Area*, RBF Consulting, 2008
- ◆ *Parking Expansion Study*, RBF Consulting, 2006
- ◆ *Parking Garage and Housing Feasibility Study*, RBF Consulting, 2005

Copies of these reports are available at City Hall or on www.plancapitola.com.

Capitola residents are invited to attend a workshop for the Pacific Cove/City Hall special study on May 12, 2012 from 9:30 to 12:30 AM at the Capitola Community Center, 4400 Jade Street. Workshop participants will learn about key issues for the study and will share their vision for the future of the site. Please review the contents of this workbook prior to the workshop to be fully prepared to participate in discussions about the site with other Capitola residents.

Following the May 12th workshop, the General Plan Advisory Committee (GPAC) will meet on June 20th to discuss a draft concept plan for the Pacific Cove/City Hall site. This concept plan, and accompanying policies, will be incorporated into the City's updated General Plan. The draft updated General Plan is expected to be completed for public review and comment in early 2013.

OPPORTUNITIES AND CONSTRAINTS

Developing a vision for the Pacific Cove/City Hall site requires careful consideration of the existing conditions that create opportunities and constraints for future uses on the site. Figures 2 through 5 graphically illustrate some of these conditions. Below are some more specific ideas about the opportunities that the site presents for Capitola, as well as the constraints that may limit the possibilities for redevelopment and future uses on the site.

Opportunities

- ◆ Provide additional parking to serve the Village
- ◆ Increase visibility and awareness of parking facility
- ◆ Relocate Police Station and City Hall out of the flood and tsunami hazard zone
- ◆ Promote sustainability goals (e.g., green building, renewable energy, low-impact development)
- ◆ Restore natural systems (e.g., daylight creek)
- ◆ Expand park and recreational opportunities
- ◆ Create new and improved civic center and public meeting place
- ◆ Connect to the planned rail trail along the adjacent Santa Cruz Branch rail line
- ◆ Improve pedestrian connections across site from Bay Avenue to Capitola Avenue
- ◆ Improve pedestrian and bicycle and facilities on Monterey and Capitola Avenue
- ◆ Improve pedestrian access at the entry to parking lot from Capitola Avenue
- ◆ Generate City revenue (e.g., sell or lease property, sales tax revenue, hotel tax, parking fees)
- ◆ Increase vitality of lower Capitola Avenue
- ◆ Meet community housing needs (e.g., senior and affordable housing)
- ◆ Strengthen the gateway to central Village along Capitola Avenue
- ◆ Enhance the gateway to the Village at the Bay/Monterey intersection

Constraints

- ◆ Areas with steep slopes on the site
- ◆ Mature Live Oaks, other trees, and vegetation on the site
- ◆ Narrow width of site
- ◆ Flood zones
- ◆ Tsunami inundation zone
- ◆ Vehicle entrances and circulation needs (e.g., need for vehicles to access site from both Capitola Avenue and Monterey Street)
- ◆ Proximity of residential homes (impacts from light, noise, and activity)
- ◆ Congestion at Bay/Monterey intersection (school traffic)

First Responder Relocation Criteria

One option for the site is to relocate the Police Department out of the flood hazard zone to a higher elevation on the site. Potential alternative locations for the Police Department need to meet certain requirements for first responders such as police and fire. As part of an ongoing process to prepare a Local Hazard Mitigation Plan, City staff and consultants have identified the following first responder facility siting criteria to help guide discussions of potential relocation of the Police Department:

1. **Visibility.** Will the facility serve as an identifiable public structure within the community? Is the site appropriate for a community focal point?
2. **Accessibility.** Is the site easily accessed by the public? Does the site provide adequate access to the City's service areas for emergency response (i.e. ease of accessing acceptable routes to traverse the city)?
3. **Ingress/Egress.** Is there adequate ingress and egress from adjacent roadways?
4. **Space.** Does the site possess enough space to support the future needs of the Police Department? Does the site possess enough space to support the future needs for other appropriate law enforcement agencies?
5. **Hazards.** Would the site have low risk for damage to the facility in the event of an earthquake, flood, fire, or wind storm, causing an interruption in service?

6. **Site Acquisition.** Is the site currently vacant or underdeveloped? Does the City own the land?
7. **Site Improvements.** Are there site remediation costs? Any cost for demolition of existing structures?
8. **Compatibility with Adjacent Uses.** Is the site surrounded by compatible uses? Is the area impact positive?
9. **Partnership Opportunity.** Are there opportunities to develop partnerships with other services (e.g., city hall, library, fire)?

FIGURE 2 EXISTING LAND USES

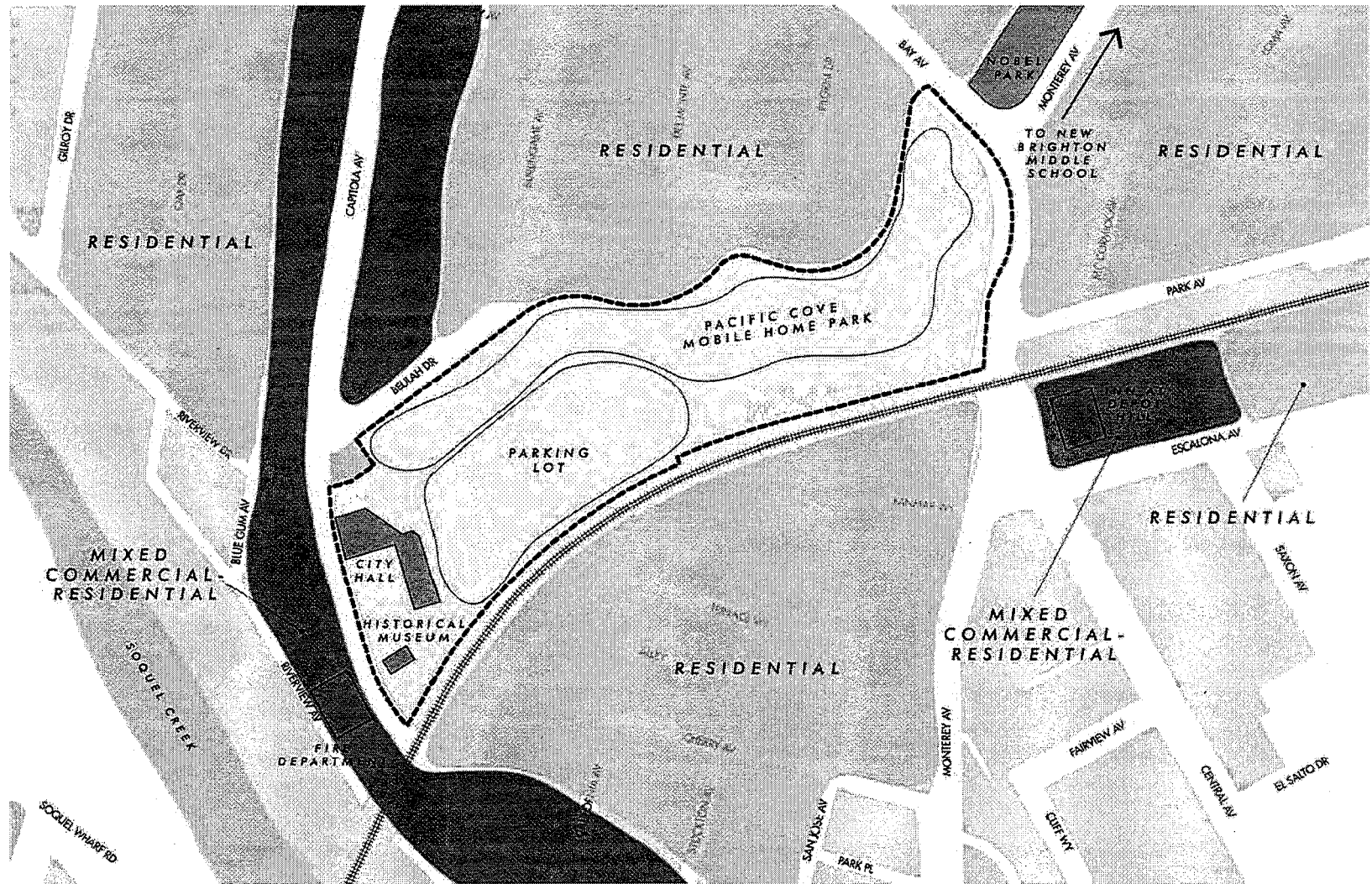


FIGURE 3 NATURAL ENVIRONMENT

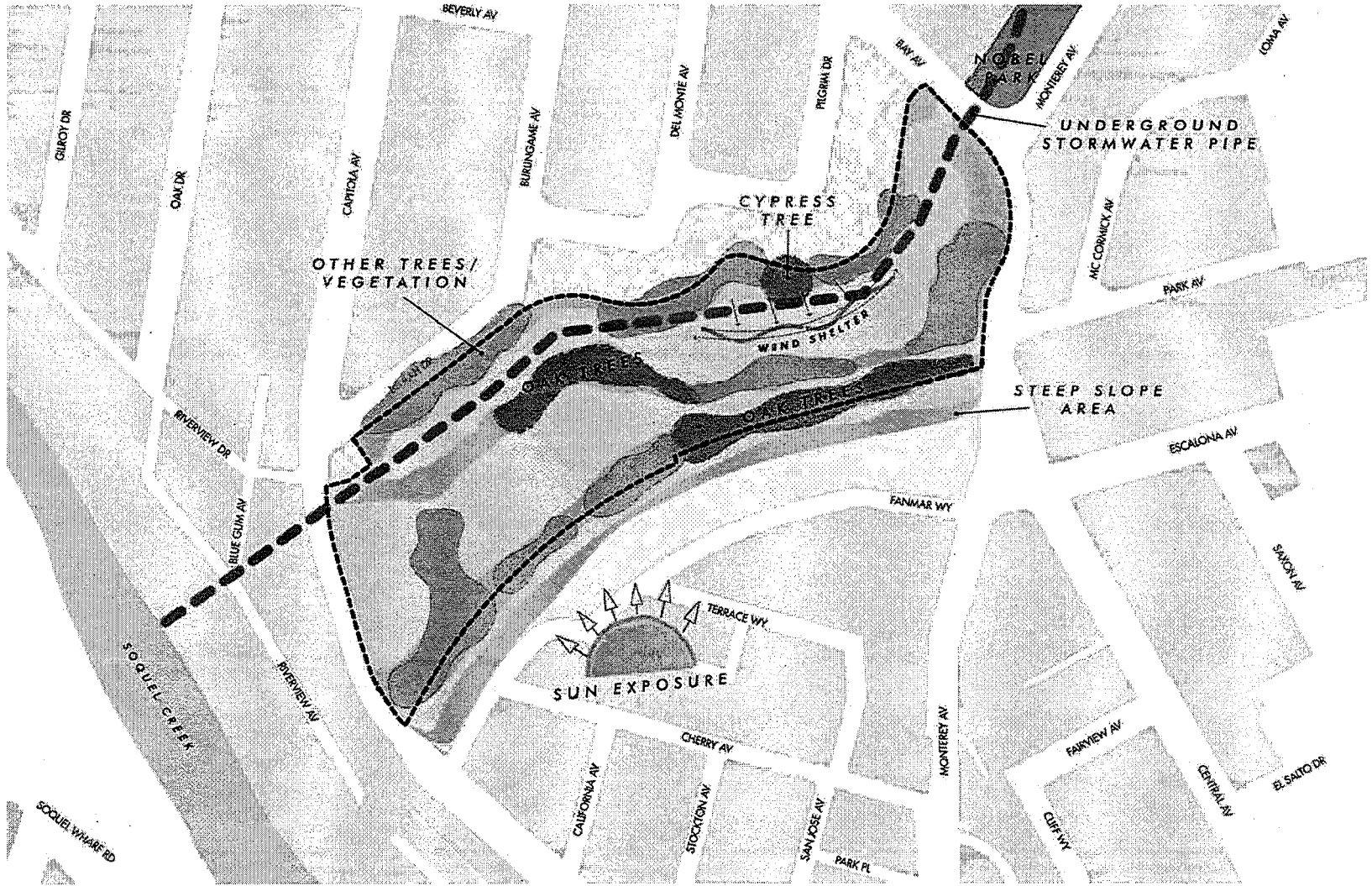


FIGURE 4 HAZARDS

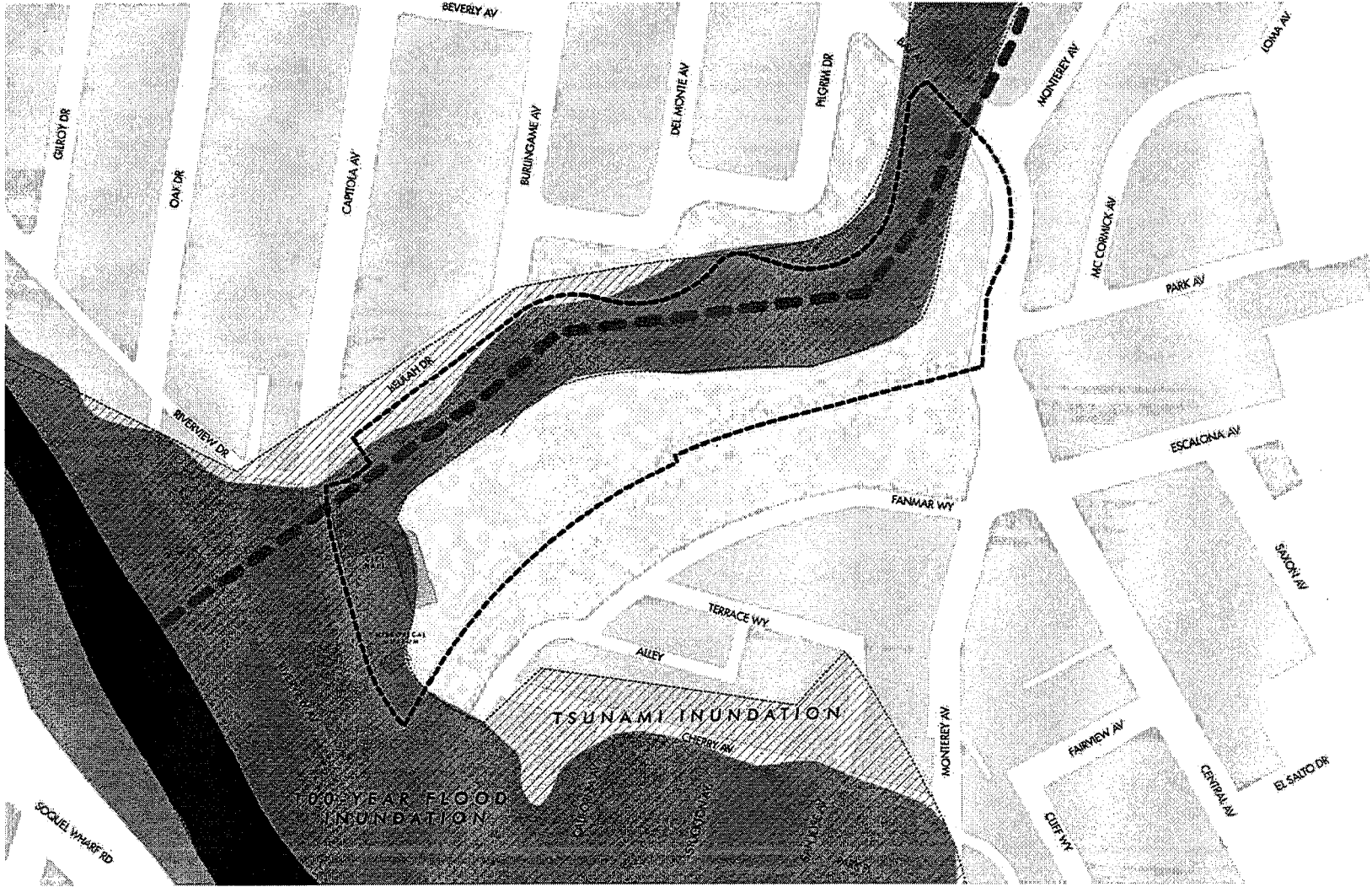
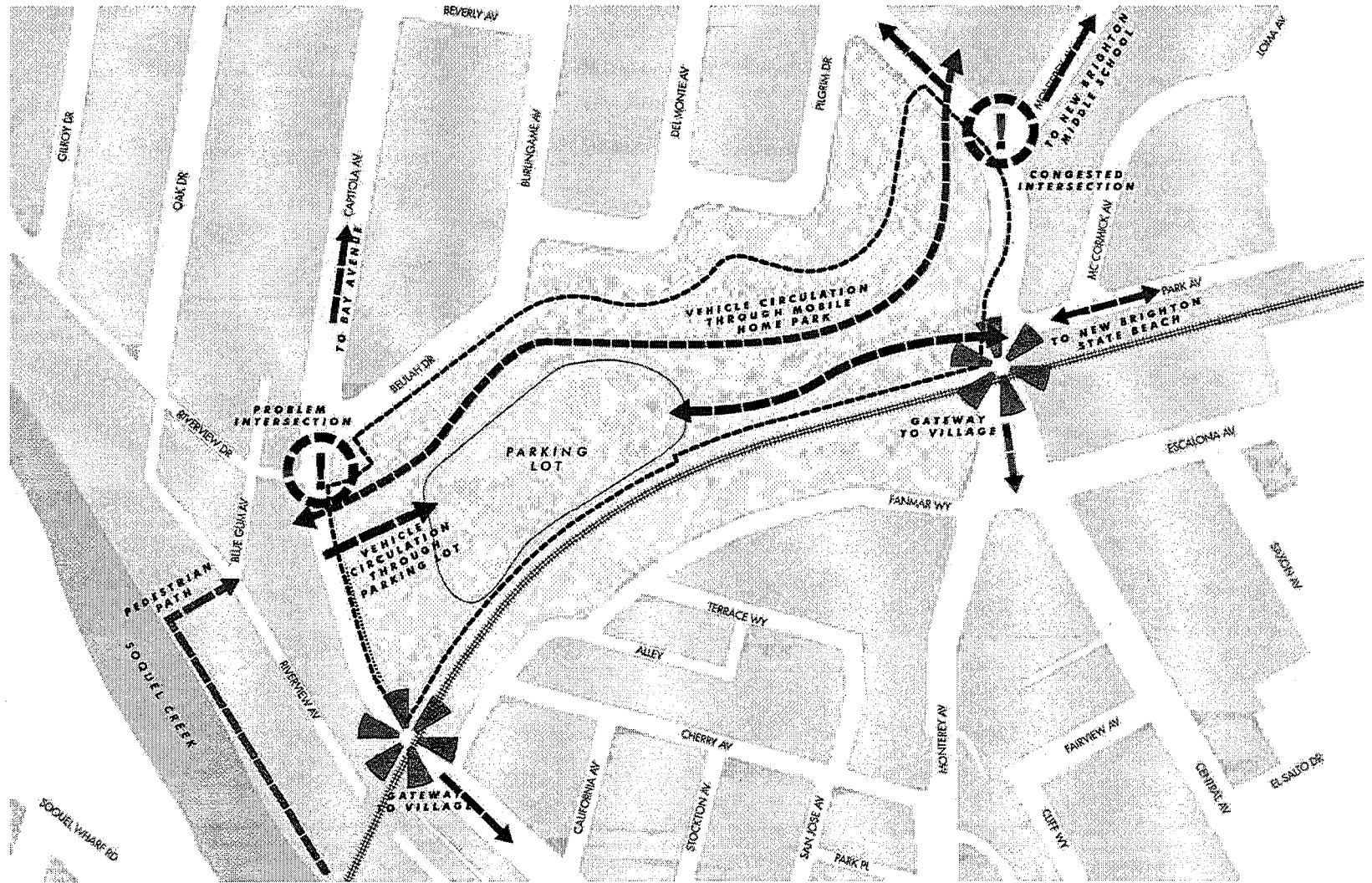


FIGURE 5 CIRCULATION



POSSIBILITIES FOR SITE

At prior meetings and workshops, Capitola residents have expressed a variety of ideas for future uses on the Pacific Cove/City Hall site. Some of these ideas included the following:

- ◆ Existing surface parking lot kept as it is today
- ◆ New parking structure
- ◆ More surface parking added, either temporary or permanent
- ◆ New recreational activities
- ◆ Natural habitat restoration
- ◆ New retail, service, or hotel uses
- ◆ New affordable or senior housing
- ◆ City Hall and Police Station kept as it is today
- ◆ City Hall and Police Station renovated in its current location
- ◆ City Hall and Police Station relocated to higher elevation

At the May 12th workshop, participants will be asked to consider these ideas when developing their vision for the site. To help guide the discussion, the Pacific Cove/City Hall site is divided into the following four sub-areas, as shown in Figure 6:

- ◆ Sub-Area 1: Capitola Road Frontage
- ◆ Sub Area 2: Parking Lot
- ◆ Sub-Area 3: Pacific Cove Mobile Home Park
- ◆ Sub Area 4: Monterey/Bay Avenue Frontage

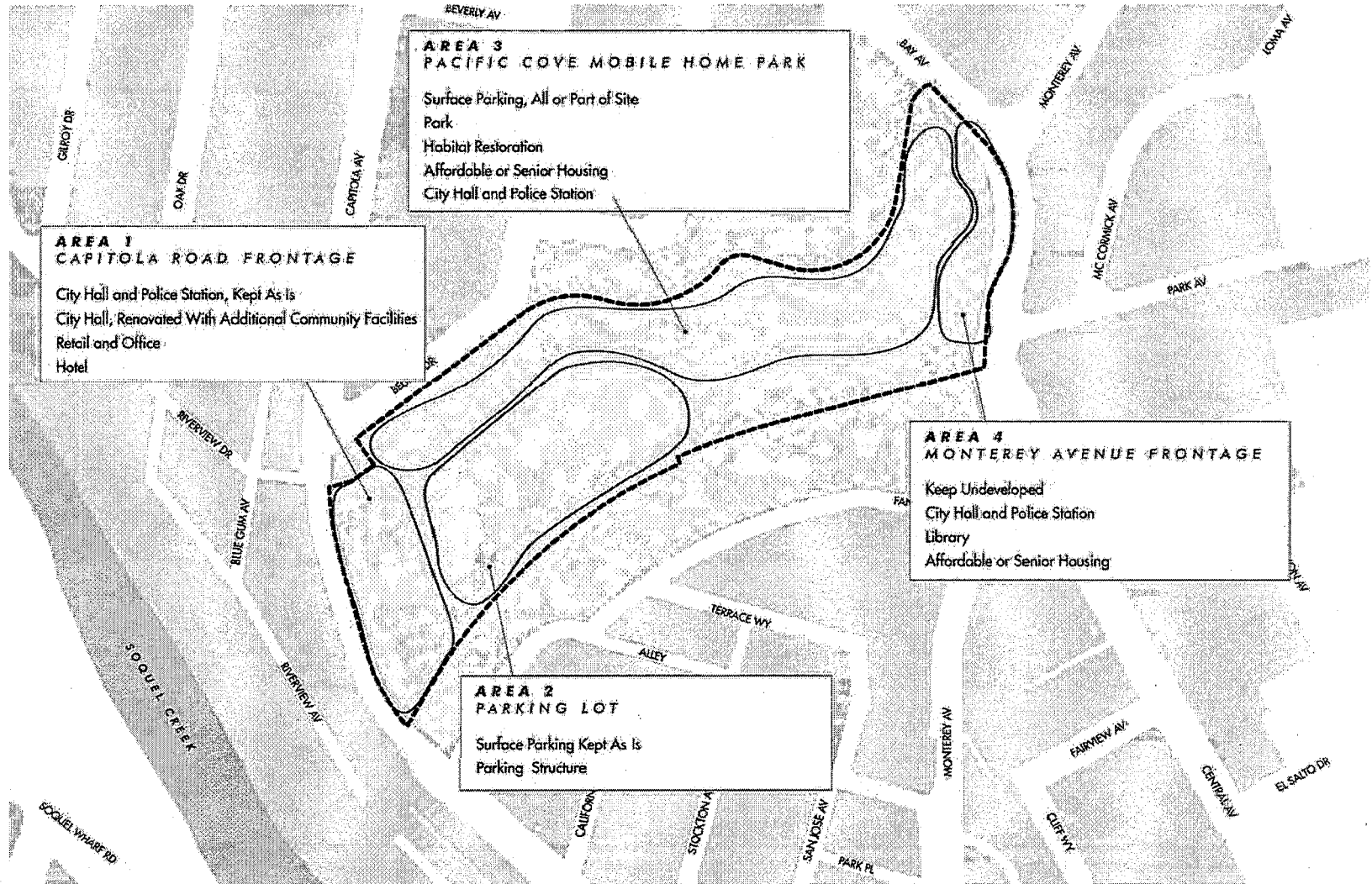
Figure 6 also shows possibilities for these four sub-areas which City staff and consultants would like residents to consider at the May 12th workshop. At the workshop, participants will be encouraged to suggest additional ideas which may not be shown in these materials.

To assist residents as they develop their vision for the site, the tables on the following pages present an evaluation of possibilities for each sub-area, based on the following criteria:

- ◆ **Sustainability.** Does the option help to protect natural resources and support a more sustainable way-of-life for residents and visitors?
- ◆ **Economics.** Does the option generate revenues for the City, reduce City expenses, or contribute to a vibrant local economy?
- ◆ **Health and Safety.** Does the option reduce exposure to natural hazards and support effective public safety/first responder and municipal operations?
- ◆ **Community Design.** Is the option compatible with adjacent uses, particularly residential neighborhoods? Does the option enhance the aesthetic qualities of the site and provide opportunities for enhanced civic cohesion?
- ◆ **Circulation and Connectivity.** Does the option enhance circulation for vehicles, bicycles, and pedestrians? Does the option help to alleviate parking and congestion problems in the Village?

The evaluation on the following pages is intended to be a starting point for Capitola residents to consider the advantages and disadvantages of different possibilities for the Pacific Cove/City Hall site. Prior to the workshop, you may think of other ideas for the site – there is a place in the following pages for you to record these ideas and think about their advantages and disadvantages. You are encouraged to express your own opinions on which ideas are best for the site and for the Capitola community at the May 12th workshop.

FIGURE 6 SITE POSSIBILITIES



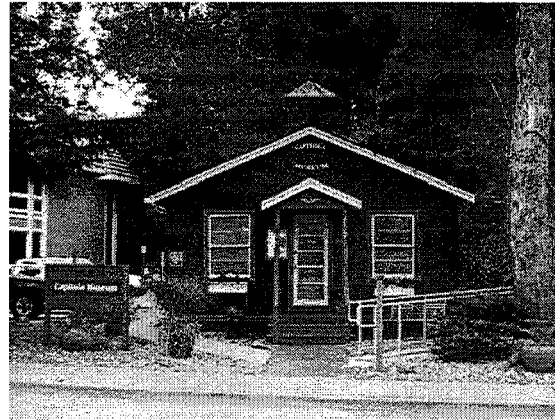
SUB-AREA 1: CAPITOLA ROAD FRONTAGE

Possibilities to consider for this sub-area include maintaining the existing City Hall and Police Station as it is today, renovating the City Hall and Police Station in its current location, or redeveloping the site with retail, service, or a hotel. If you have additional ideas for this sub-area, please record them below and share them at the workshop.

Possibility	Key Advantages	Key Disadvantages
City Hall and Police Station, Kept As Is	<ul style="list-style-type: none"> ◆ No City Hall or Police Station relocation or redevelopment cost ◆ Environmental benefits from continued use of existing buildings (e.g., no disposal of construction debris) 	<ul style="list-style-type: none"> ◆ Police and City Hall remain in flood hazard area ◆ No improvement to appearance/activity along Capitola Avenue ◆ No increase to economic vitality of Capitola Avenue or Village ◆ No fiscal benefit to the City from sale/lease of property and sales/TOT tax revenue
City Hall, Renovated with Additional Community Facilities	<ul style="list-style-type: none"> ◆ Improved appearance/activity along Capitola Avenue ◆ Environmental benefits from renovating existing buildings (e.g., reduced disposal of construction debris); opportunities to incorporate green building features into renovated building ◆ Police and City Hall potentially elevated out of flood hazard area 	<ul style="list-style-type: none"> ◆ Flood hazards impact access to facility ◆ No fiscal benefit to the City from sale/lease of property and sales/TOT tax revenue ◆ Cost to City of renovating City Hall and possibly relocating existing parking ◆ Limited potential to increase economic vitality along Capitola Avenue
Retail, Office, or Hotel	<ul style="list-style-type: none"> ◆ Increased economic vitality and improved appearance/activity along Capitola Avenue ◆ Fiscal benefit to City from sale/lease of property and sales/TOT tax revenue ◆ Police and City Hall relocated away from flood hazard area ◆ Potential financial contribution from new development to new parking structure 	<ul style="list-style-type: none"> ◆ Cost to the City of relocating City Hall and Police ◆ Environmental impacts from building a new City Hall (e.g., disposal of construction debris) ◆ Potential additional parking demand and vehicle trips into Village from new development

Table continues on next page.

Possibility	Key Advantages	Key Disadvantages
Other		



Existing land uses in this sub-area include City Hall and the Historical Museum.

SUB-AREA 2: PARKING LOT

This sub-area could remain as a surface parking lot or be developed with a new parking structure to serve the Village. Due to high costs, it is likely that a parking structure would need to be built as part of a future phase of the overall Pacific Cove/City Hall site redevelopment. You may have additional ideas for this sub-area to share at the workshop.

Possibility	Key Advantages	Key Disadvantages
Surface Parking Kept As Is	<ul style="list-style-type: none"> ◆ No redevelopment cost to City ◆ No visual/aesthetic impacts from new multi-level parking structure 	<ul style="list-style-type: none"> ◆ No additional parking within this sub-area to serve the Village
Parking Structure	<ul style="list-style-type: none"> ◆ Additional parking to serve the Village (554 spaces with a three-level structure) ◆ Reduced congestion and increased vitality in the Village from additional parking 	<ul style="list-style-type: none"> ◆ Cost of constructing a parking structure (\$13 million for 554 spaces) ◆ Environmental impacts from building a parking structure (e.g., greenhouse gas emissions from construction materials) ◆ Visual/aesthetic impacts from new multi-level parking structure
Other		



Occupancy of the Pacific Cove parking lot varies considerably depending on the weather.



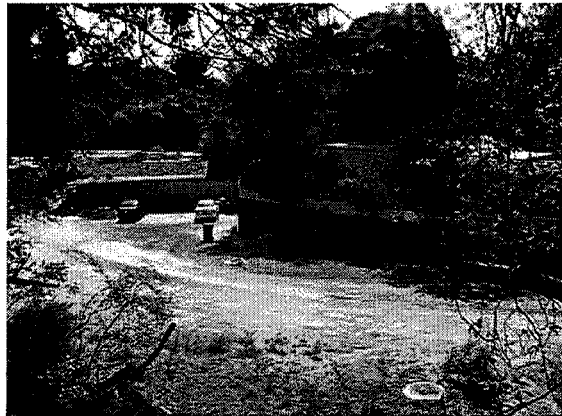
SUB-AREA 3: PACIFIC COVE

This sub-area could be used for temporary or permanent surface parking, a new recreational park, natural habitat restoration, affordable or senior housing, or a new Police Station/City Hall. It is possible that this sub-area could contain two or more of these uses. You may have additional ideas for this sub-area to share at the workshop.

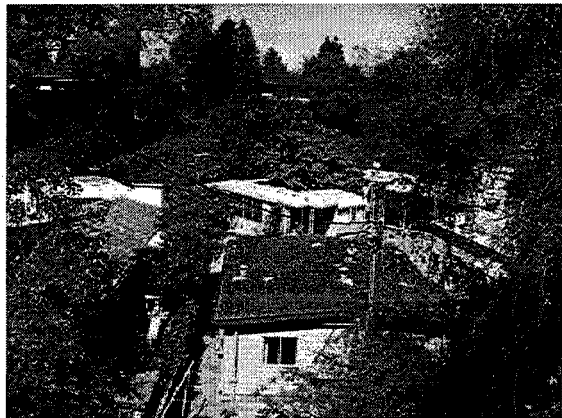
Possibility	Key Advantages	Key Disadvantages
Surface Parking, All or Part of Site	<ul style="list-style-type: none"> ◆ Additional parking to serve the village (up to 265 spaces possible) ◆ Facilities near-term Village investments 	<ul style="list-style-type: none"> ◆ Environmental impacts of surface parking (e.g., reduced water quality) ◆ Limited fiscal benefit to the City from sale/lease of property ◆ Precludes other uses that meet community needs if parking occupies entire sub-area
Recreational Park	<ul style="list-style-type: none"> ◆ Increased resident access to parks and recreational facilities ◆ Environmental benefits of parkland (some additional natural habitat, increased impervious surface) ◆ Improved appearance/activity along Capitola Avenue if park located on lower portion of sub-area 	<ul style="list-style-type: none"> ◆ Cost to City to develop and maintain new park ◆ No additional parking to facilitate near-term Village investments
Habitat Restoration	<ul style="list-style-type: none"> ◆ Environment benefits of habitat restoration (e.g., daylighting creek and restoring riparian habitat) 	<ul style="list-style-type: none"> ◆ Cost to City for habitat restoration ◆ Engineering challenges with daylighting creek
Affordable or Senior Housing	<ul style="list-style-type: none"> ◆ Meets community need for affordable housing ◆ Increased Village vitality from housing located close to Village businesses 	<ul style="list-style-type: none"> ◆ City would likely need to donate land for affordable housing to be economically viable ◆ Additional parking demand and vehicle trips into Village ◆ Potential impacts on nearby residents (visual, traffic, noise)
City Hall/Police Station	<ul style="list-style-type: none"> ◆ Creates opportunities for economic benefit from development on rest of site 	<ul style="list-style-type: none"> ◆ Costs of construction ◆ Poor visibility and accessibility for public ◆ Potential impacts on nearby residents (visual, traffic, noise) ◆ Need to design to address flood hazards

Table continues on next page.

Possibility	Key Advantages	Key Disadvantages
Other		



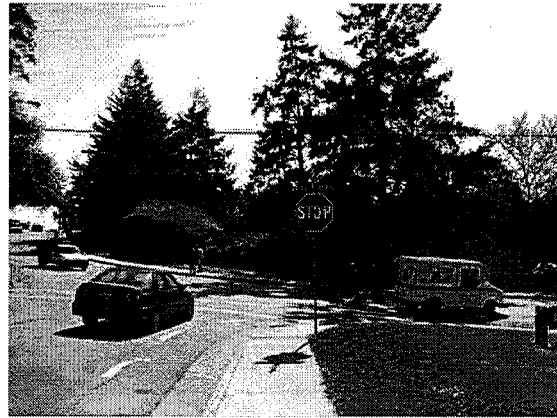
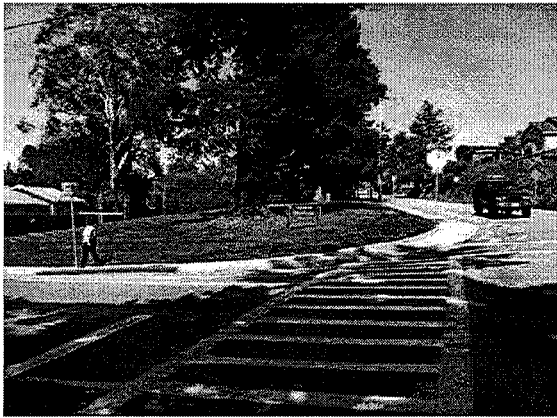
Coaches occupying the Pacific Cove mobile home park are expected to be vacated by July of 2012.



SUB-AREA 4: MONTEREY/BAY AVENUE FRONTAGE

Possibilities to consider for this sub-area include maintaining the existing City Hall and Police Station as it is today, renovating the City Hall and Police Station in its current location, or redeveloping the site with retail, service, or a hotel. You may have additional ideas for this sub-area to share at the workshop.

Possibility	Key Advantages	Key Disadvantages
Keep Undeveloped	<ul style="list-style-type: none"> ◆ Existing trees and vegetation maintained ◆ Buildings kept away from steep slopes ◆ Existing undeveloped appearance maintained for neighbors 	<ul style="list-style-type: none"> ◆ Reduces opportunities for economic benefits from development on rest of site ◆ Reduces options to move City Hall and Police Station out of flood hazard areas
City Hall/ Police Station	<ul style="list-style-type: none"> ◆ City Hall moved out of flood hazard area ◆ Opportunity to construct a landmark green City Hall ◆ Creates opportunities for economic benefit from development on rest of site ◆ new gateway feature into Village from Monterey Avenue 	<ul style="list-style-type: none"> ◆ Costs of construction ◆ Potential impacts on nearby residents (visual, traffic, noise)
Library	<ul style="list-style-type: none"> ◆ Library located near center of community ◆ City revenue from sale of a portion of existing library property 	<ul style="list-style-type: none"> ◆ Costs of construction ◆ Potential impacts on nearby residents (visual, traffic, noise)
Affordable or Senior Housing	<ul style="list-style-type: none"> ◆ Meets community need for affordable housing ◆ Increased Village vitality from housing located close to Village businesses 	<ul style="list-style-type: none"> ◆ City would likely need to donate land for affordable housing to be economically viable ◆ Additional parking demand and vehicle trips into Village ◆ Potential impacts on nearby residents (visual, traffic, noise)
Other		



This sub-area is near to Nobel Park and is well connected to New Brighton Middle School, New Brighton State Park, and to Bay Avenue.



REDEVELOPMENT PHASING

The redevelopment of and improvements to the Pacific Cove/City Hall site will most likely occur in phases over time. For example, less expensive changes to the site could occur in the near-term with available funds; more expensive or complex redevelopment might need to wait for a later phase. It is also possible that portions of the site could be occupied by temporary uses, such as surface parking, that will later be replaced by permanent new development.

It is helpful to envision changes to the Pacific Cove/City Hall site occurring as part of three phases, as follows:

- ◆ Phase 1: One to Two years
- ◆ Phase 2: Two to Five Years
- ◆ Phase 3: Five to Fifteen Years

At the May 12th workshop, you will be asked to describe your vision for how changes to the Pacific Cove /City Hall site should be phased over time.



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Pacific Cove/City Hall Workshop Summary

The Pacific Cove/City Hall site is the fourth and final special study area for the General Plan Update. The purpose of this special study is to develop a community-based vision for the site that is integrated with citywide planning occurring as part of the General Plan Update. The special study addresses several key issues associated with the Pacific Cove/City Hall site, including:

- ◆ Future use of the Pacific Cove mobile home park
- ◆ Additional parking to serve the Village
- ◆ Relocation of first responders (police and fire) out of flood hazard areas
- ◆ Providing additional park/open space

On May 12, 2012 the City of Capitola held a community workshop for the Pacific Cove/City Hall special study. A Visioning Workbook was prepared for this workshop, which can be downloaded at www.plancapitola.com/PDF/CityHallWorkbook_Reduced.pdf. This workbook describes existing opportunities and constraints on the site and presents possibilities for future development and conservation on the site. The workbook addresses four sub-areas on the site:

- ◆ Subarea 1: Capitola Avenue Frontage
- ◆ Subarea 2: Parking Lot
- ◆ Subarea 3: Pacific Cove Mobile Home Park
- ◆ Subarea 4: Monterey/Bay Frontage

At the May 12th workshop participants worked in three small groups to describe their vision for the future of this site. A complete summary of this input is included in the GPAC meeting materials. This summary divides input into two categories: 1) Areas of consensus from the workshop; and 2) Outstanding questions on issues where there was no clear consensus. This input is presented below:

Consensus from Groups

- ◆ Use the Pacific Cove/City Hall site to provide a parking solution for Capitola Village.
- ◆ Provide temporary surface parking to serve the Village in the Pacific Cove Mobile Home Park area.
- ◆ Develop a plan for the Mobile Home Park to be converted to park/recreational/natural open space area.
- ◆ Improve pedestrian circulation and connections within the site.
- ◆ Phase improvements to the site in a way that prioritizes a long-term parking solution for the Village.

Outstanding Questions

- ◆ Should all or just a portion of the mobile park be used for temporary parking?
- ◆ What is the long-term vision for the portion of the site that fronts Capitola Avenue?
- ◆ What is the vision for the Monterey Avenue frontage and the eastern end of the mobile home park?

General Plan Advisory Committee Recommendations

The City's General Plan Advisory Committee met on June 20 to discuss the results of the Pacific Cove/City Hall workshop. While the General Plan Advisory Committee normally does not vote on issues, they decided at their meeting to vote on the future use of the lower part of Pacific Cove/City Hall site because they understood with the mobile home park closure, decisions regarding the short term use of this property may be made prior to the completion of the General Plan process. By a 6 -1 vote, the GPAC recommended the following:

All of the Pacific Cove Mobile Home Park should be used as temporary parking until a parking structure is built in the location of the existing surface parking lot behind City Hall. Constructing this parking structure shall be a top priority for the City of Capitola. The temporary parking may revert to open space, park, or recreational use after the parking structure is built.

In addition, the GPAC recommended against trying to build a new City Hall and felt that Area Four, the Bay/Monterey frontage, was basically not a good location for any future use.

**Traffic and Parking Commission
Recommendations for parking in the Pacific Cove Property**

Council to exercise its leadership and decisively begin the process to initiate the construction of the long-needed parking structure on the Upper Pacific Cove parking lot. The construction of a parking structure is the only parking solution that offers final and permanent resolution to Capitola Village's historic parking shortfall and the resulting traffic and circulation problems. These inextricably related issues have both serious negative consequences for both the Village and the adjacent residential neighborhoods.

Council to direct that the entire Lower Pacific Cove will become temporary parking as soon as the mobile home park is removed and will continue as such only until the parking structure on the Upper Pacific Cove is completed.

That the temporary parking lot in Lower Pacific Cove be served by two-way driveways from both Bay Avenue and Capitola Avenue to facilitate circulation.

That the parking structure on Upper Pacific Cove is to include the recommended amount of new parking spaces, as well as accommodations for shuttle access, valet parking and in lieu designated spaces for such uses as a Village hotel, as per our report on Parking Expansion Alternatives of March 2010.

That Council direct staff to immediately begin to research and identify the current costs and financing mechanisms for both the conversion of Lower Pacific Cove for temporary parking during structure construction as well construction of the structure itself.

That if the current city hall site be sold or leased to a private developer, all required parking will be located on the city hall site and not on the Pacific Cove property.

Any in lieu parking fee program should only be established in the context of a parking structure and not applicable to surface parking spaces.





Alternate 3

CITY OF CAPITOLA
Pacific Cove Parking Option 3 - Area C

ATTACHMENT 6



Item #: 9.B.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: DEPARTMENT OF PUBLIC WORKS

SUBJECT: SALE OF PORTION OF CITY PROPERTY AT 426 CAPITOLA AVENUE
TO 520 PILGRIM AVENUE TO CORRECT BUILDING ENCROACHMENT

RECOMMENDED ACTION: Authorize the City Manager to sign a contract with William and Joyce Budisch for the sale of 385 square feet of City owned property at 426 Capitola Avenue to correct a building encroachment.

BACKGROUND: The City has been working with William and Joyce Budisch, owners of 520 Pilgrim Avenue to correct a building encroachment onto City property at 426 Capitola Avenue (Pacific Cove property). The encroachment involves a portion of the Budisch's house that was built in the 1950's. The portion of the Pacific Cove property is located at the top of the bank and is not useable by the City. The area has been used since the 1950's as part of the building area and yard of 520 Pilgrim Ave.

DISCUSSION: Staff is recommending the City sell 385 square feet of property to the Budisch's for \$5,000 plus all costs associated with completing the lot line adjustment and escrow costs. The selling price was arrived at through consultation with two realtors and negotiations with the buyer.

The escrow for the property transfer will not close until the Planning Commission approves a lot line adjustment and makes the findings necessary under Government Code Section 65402, that for transfer of property is consistent with the adopted General Plan. This item is scheduled for the Planning Commission meeting on September 6, 2012.

FISCAL IMPACT: The \$5,000 will be deposited into the General Fund.

ATTACHMENTS

1. Contract for Sale Agreement
2. Aerial map

Report Prepared By: Steven Jesberg
Public Works Director

Reviewed and Forwarded
By City Manager:

CONTRACT OF SALE

PREAMBLE

This contract of sale ("Contract") is entered into on _____, 2012, by and between the City of Capitola, a municipal corporation ("Seller"), and William & Joyce Budisch (jointly "Buyer").

Seller agrees to sell and convey, and Buyer agrees to purchase, a portion of the real property situated in the City of Capitola, Santa Cruz County, California ("the Property"), located at 426 Capitola Avenue and more particularly described as Assessor's Parcel Number 035-141-33. The Property is a portion of a parcel owned by the Seller (APN 035-141-33), and Seller and Buyer will process a lot line adjustment to effectuate the Property transfer called for by the Contract.

ARTICLE I
PURCHASE PRICE

1.1 The total purchase price of the Property is Five Thousand Dollars (\$5,000) payable by Buyer to Seller at the close of escrow. This amount shall be payable by certified or cashier's check drawn to the order of Seller.

ARTICLE II
ESCROW

2.1 **Opening of Escrow.** An escrow shall be opened to consummate the sale of the Property according to the terms of this Contract at the office of Stewart Title Company ("escrow holder") at 809 Bay Avenue, Suite D, Capitola, CA 95010. Written escrow instructions in accordance with the terms of this contract shall be prepared and signed by each party, and delivered to the escrow holder. Buyer and Seller shall also deposit with the escrow holder all instruments, documents, and other items (i) identified in the escrow instructions, or (ii) reasonably required by the escrow holder to close the sale on the closing date specified below.

Included in the items to be deposited with the escrow holder shall be Buyer's deposit to Seller in the amount of \$ 1,000.00, receipt of which is acknowledged by Seller. This initial deposit shall be non-refundable in the event that this Contract is terminated by Buyer for any reason other than those specified in Paragraph 2.2. Upon close of escrow said amount shall be credited toward the purchase price.

2.2 **Contingent Escrow.** Said Contract of Sale is contingent upon (i) a preliminary title report having been approved by Buyer; (ii) Buyer and Seller's successful prosecution of a lot line adjustment application with the City of Capitola; (iii) Seller's assurances, to Buyer's satisfaction, that all liens and encumbrances of record on the Property have been or will be removed except as agreed upon by Buyer as hereinafter set forth.

2.3 **Closing Date.** The escrow shall be closed on the date the lot line adjustment is recorded. The escrow shall be considered to be in a condition to close when the escrow holder is authorized under the escrow instructions, and when the escrow holder is otherwise able, to record the grant deed.

2.4 **Prorations.** The following shall be prorated between Seller and Buyer on the basis of a 30-day month as of the date on which escrow closes: real property taxes and special assessments.

2.5 **Closing Costs.** Buyer shall pay all costs of recording the lot line adjustment and any other instruments required to convey title to Buyer; transfer taxes; the cost of preparing, executing, and acknowledging the lot line adjustment; all other instruments necessary to convey title to Buyer; and the escrow fee. The costs of the preliminary title report and title insurance policy required by this Contract shall be paid by the Buyer.

2.6 **Cost of Lot Line Adjustment.** Buyer shall also reimburse Seller for the cost of obtaining the lot line adjustment including all necessarily related survey costs of \$1,260.00, and the costs of any appraisal which either of the parties might require to establish the value of the Property. Prior to the close of escrow, Seller shall provide Buyer and the escrow holder with an invoice for, and an accounting of, all said costs and Buyer, as a condition to the close of escrow, shall be obligated to satisfy said invoice by direct remittance to Seller or deposit of said remittance into escrow for distribution to Seller upon the close of escrow.

2.7 **Vesting of Title.** On the close of escrow, title shall be vested in William and Joyce Budisch, trustees.

2.8 **Further Consideration/Liability Release.** In further consideration for the Seller's agreement to process the lot line adjustment which is the subject of this Contract, and in recognition of the fact that this transaction is necessitated by the fact that Buyer's structure currently encroaches onto the Property, Buyer, on behalf of Buyer, Buyer's heirs and assigns, hereby agrees to release, indemnify, and hold harmless, the Seller and Seller's respective officers, agents and employees (hereinafter referenced to as "Releasees") from any and all claims, losses, damages, suits or actions or any kind or nature whatsoever, including attorney's fees, brought for or on account of damage to the Property or Buyer's aforereferenced encroaching structure, or injuries to or death of any person resulting or alleged to have resulted, directly or indirectly, wholly or partially, from conditions or structures on the portion of the Property's current parcel which remains in Seller's ownership after completion of the lot line adjustment. Buyer, on behalf of Buyer, Buyer's heirs and assigns, furthermore agrees to indemnify Releasees against, and hold Releasees harmless from, all damages, losses, claims, suits or actions or any kind whatsoever, including attorney's fees, which Releasees may sustain or incur, in whole or in part, which are attributable to any such condition or structure on Seller's remaining residual parcel. In connection herewith, Buyer, on behalf of Buyer, Buyer's heirs and Buyer's assigns, also hereby agrees not to assert any claim against, sue, attach the property of, or prosecute Releasees for injury or damage alleged to have been caused as a result of any such condition or structure on Seller's remaining residual parcel.

ARTICLE III **ADDITIONAL TERMS AND CONDITIONS**

3.1 **Preliminary Title Report.** Buyer and Seller acknowledge that Buyer has obtained a preliminary California Land Title Association report on the title to the Property and each document shown as an exception or encumbrance in the report. Within fifteen (15) days after the execution of

this agreement, Buyer shall notify Seller in writing of any objection to any exception therein. If Buyer makes a timely objection to any exception and the exception is not eliminated within ten (10) days of the Seller's receipt of the objection, this Contract shall be terminated pursuant to Section 3.4. Buyer's failure to object in this manner to any exception shall be an approval by Buyer of that exception.

3.2 **Miscellaneous Conditions.** The close of escrow opened pursuant to Paragraph 2.1, and Buyer's obligation to purchase the Property pursuant to this Contract, are subject to the satisfaction of the following conditions, which are solely for Buyer's benefit unless otherwise indicated:

A. **Marketable Title.** The conveyance to Buyer of good and marketable title to the Property, as evidenced by a California Land Title Association standard coverage title insurance policy issued by Stewart Title Company in the full amount of the purchase price insuring that title to the Property is vested in Buyer free and clear of all title defects, liens, encumbrances, conditions, covenants, restrictions, and other adverse interests of record or known to Seller, subject only to those exceptions approved by Buyer in writing and any exceptions shown on the preliminary title report described in Section 3.1 that are not disapproved by Buyer pursuant to that paragraph.

B. **Delivery of Possession.** The delivery of possession of the Property to Buyer immediately on the close of escrow. Both parties agree that the property is free and clear of all uses and occupancies other than Buyer's currently encroaching use and occupancy of the property.

C. **Environmental Condition.** Buyer's satisfaction with the environmental condition of the property after conducting the tests and evaluations authorized in paragraph 4.1.

D. **Lot Line Adjustment.** Buyer and Seller's successful processing of the lot line adjustment necessary to allow Seller's transfer of the Property to Buyer.

3.3 **Failure of Condition and Seller's Breach of Obligation.** Except as provided in Paragraph 3.4, if any of the conditions set forth in this Contract fails to occur through no fault of the Buyer, or if Buyer notifies Seller in writing prior to the close of escrow of Seller's breach of any of Seller's obligations set forth in this Contract, then Buyer may cancel the escrow, terminate this Contract, and recover the amount paid by Buyer to the escrow holder toward the purchase price of the Property (less Buyer's share of costs and expenses of escrow). Buyer shall exercise this power to terminate by complying with any applicable notice requirements specified in the relevant condition and, in all other cases, by providing written notice to Seller and the escrow holder within ten (10) days of the failure or breach. The exercise of this power shall not waive any other rights Buyer may have against Seller for breach of this contract. Seller shall instruct the escrow holder, in the escrow instructions delivered pursuant to Paragraph 2.1, to refund to Buyer all money and instruments deposited in escrow by Buyer pursuant to this Contract upon failure of a condition or conditions or breach of an obligation or obligations and receipt of a termination notice. This instruction shall be irrevocable.

3.4 **Seller's Election to Remedy Defects.** Notwithstanding any provision of this Contract to the contrary, Seller shall have the right to remedy certain violations of this Contract prior to the close of escrow. This right to remedy shall be subject to the following requirements and restrictions:

A. Buyer shall immediately notify Seller in writing of Buyer's discovery, prior to the close of escrow, of a violation of any of the provisions of this Agreement: Sections 3.2A, 4.1. For these purposes, the foregoing violations shall be referred to as "defects."

B. If Buyer fails to give notice, Buyer shall waive the defect and the defect shall not constitute a violation of this Contract. If Buyer gives notice, Seller may elect to remedy the defect by giving Buyer written notice of this election within ten (10) days of receiving Buyer's notice. Seller's notice of election to remedy shall specify the number of days (if any), up to a maximum of thirty (30), that escrow shall be postponed so that Seller may remedy the defect. If Seller fails to provide a timely notice of election or fails to remedy the defect prior to the close of escrow (including any extension of escrow pursuant to this section), then Buyer, at Buyer's election, may do either of the following:

- (1) Terminate the Contract without any liability on the part of either party; or
- (2) Purchase the Property without a reduction in the purchase price and without any liability on the part of Seller for the unremediated defect or defects.

The failure by Buyer to expressly make such an election shall be deemed an election of option (2).

C. Seller shall instruct the escrow holder, in the escrow instructions delivered pursuant to Paragraph 2.1, to immediately refund to Buyer all money (less Buyer's share of costs and expenses of escrow) and instruments deposited in escrow by Buyer pursuant to this Contract on termination of this Contract pursuant to this Paragraph, and on receipt of notice of that termination from Buyer.

ARTICLE IV

RIGHTS, RELEASES, WARRANTIES AND INDEMNIFICATIONS

4.1 **Warranties And Indemnification of Seller.** Seller warrants that:

A. Other than the Buyer's encroachment onto the Property, Seller owns the Property, free and clear of all liens, claims, encumbrances, easements, and encroachments onto the Property from adjacent properties, encroachments by improvements on the Property onto adjacent properties, and rights of way of any nature not disclosed by the public record.

B. Seller has no knowledge of any pending litigation involving the Property.

C. Other than the Buyer's encroachment onto the Property, Seller has no knowledge of any violations of, or notices concerning defects or noncompliance with, any applicable building code or other code, statute, regulation, ordinance, judicial order, or judicial holding pertaining to the Property.

D. Seller has no knowledge of any material defects in the Property.

E. Seller makes the following environmental representations and warranties:

- (1) No notice of any violation of any environmental laws have been received by Seller and Seller is not aware of any existing or pending requirements of any governmental authority relating to environmental matters requiring any remedial actions or other work, repairs, construction, or capital expenditures with respect to the Property.
- (2) No hazardous materials have been released into the environment, or have been deposited, spilled, discharged, placed on, or disposed of at, the Property and the Property has not been used at any time by any person as a landfill or a disposal site for hazardous materials or for garbage, waste or refuse of any kind, during Seller's ownership, to the best of Seller's knowledge.
- (3) There is no fact pertaining to the current physical condition of the Property known to Seller (i) which has not been disclosed to Buyer in writing by Seller prior to date of this Contract or herein, and (ii) which adversely affects the Property or the use or enjoyment or the value thereof.

F. Seller hereby agrees to hold harmless, indemnify and defend Buyer from and against any well-founded claim, liability, or other obligation and expenses related thereto which Buyer incurs by reason of any material misrepresentation made by Seller of any construction, alterations, additions or improvements carried on by seller prior to closing.

G. Buyer hereby agrees to hold harmless, indemnify, and defend Seller from and against any and all claims, liability, loss, or other obligations and expenses related thereto which Seller may incur by reason of any liability arising out of Buyer's ownership of the Property after the closing except for any such claim, liability, or loss arising from the contamination of the soil, or any other liability relating to the condition of the soil unless caused by Buyer, or except to the extent that Seller is obviously found liable at law.

4.2 **Full and Complete Settlement.** Seller hereby acknowledges that the compensation paid to them through this escrow constitutes the full and complete settlement of any and all claims against Buyer, by reason of Buyer's purchase of the Property or encroachment onto the Property. Seller further agrees to execute any and all documents required by Buyer to effect this full and complete settlement.

4.3 **Survival of Warranties.** All warranties, covenants, and other obligations described in this article and elsewhere in this Contract shall survive delivery of the deed.

ARTICLE V
MISCELLANEOUS PROVISIONS

5.1 **Risk of Loss.** The parties agree that the following provision shall govern the risk of loss:

If, before Seller transfers legal title or possession of the Property to Buyer, all or a material part of the Property, is destroyed without fault of Buyer, Buyer shall be entitled to recover any portion of the price Buyer has paid, and Seller shall not have the right to enforce this Contract.

5.2 **Insurance.** Seller shall cancel all policies of insurance on the Property as of the close of escrow. Buyer shall be responsible for obtaining insurance on the Property as of the close of escrow.

5.3 **Assignment.** Buyer may not assign this Contract without Seller's prior written consent.

5.4 **Nonliability of City Officials and Employees; Conflicts of Interest.** No member, official, employee, agent or contractor of the Seller shall be personally liable to Buyer in the event of default or breach by Seller or for any obligations under the terms of this Agreement; provided, it is understood that nothing in this Paragraph 5.4 is intended to limit Seller's liability.

5.5 **Time of Essence.** Time is of the essence in this Contract.

5.6 **Notices.** Any notice, tender, delivery, or other communication made pursuant to this Contract shall be in writing and shall be deemed to be properly given if delivered, mailed, or sent electronically, by wire or other telegraphic communication in the manner provided in this Section, to the following persons:

A. If to Seller:
City of Capitola
Attn.: Public Works Director
420 Capitola Avenue
Capitola, CA 95010

B. If to Buyer:
William and Joyce Budisch
5302 Rafton Drive
San Jose, CA 95124

Either party may change that party's address for these purposes by giving written notice of the change to the other party in the manner provided in this Paragraph.

If sent by mail, any notice, delivery, or other communication shall be effective or deemed to have been given 48 hours after it has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above. If sent by facsimile transmission, wire or other form of electronic or telegraphic communication, any notice, delivery, or other

communication shall be effective or deemed to have been given 8 hours after it has been so transmitted.

5.7 **Entire Agreement.** This Contract and the attached exhibit constitute the entire agreement between the parties relating to the sale of the Property. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Contract are of no force and effect. Any amendment to this Contract shall be of no force and effect unless and until it is in writing and signed by Buyer and Seller.

5.8 **Attorneys' Fees.** If any action, proceeding, or arbitration arising out of or relating to this Contract is commenced by either party to this Contract or by the escrow holder, then as between Buyer and Seller, the prevailing party shall be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorneys' fees, costs, and expenses incurred in the action, proceeding, or arbitration by the prevailing party.

5.9 **Binding Effect.** Seller and Buyer hereby represent and warrant to one another that each has the right, power, legal capacity and authority to enter into and perform their obligations under this Agreement without further approval or consent. Those persons executing this Agreement on behalf of Seller and Buyer are authorized to do so, and by so executing this Agreement, they thereby bind Seller and Buyer to the terms hereof. Except as otherwise expressly provided herein, this agreement shall bind and inure to the benefit of the parties and their respective successors and assigns.

5.10 **Governing Law.** This contract and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California.

5.11 **Headings.** The headings of the articles and sections of this Contract are inserted for convenience only. They do not constitute part of this contract and shall not be used in its construction.

5.12 **Waiver.** The waiver by any party to this Contract of a breach of any provision of this contract shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Contract.

5.13 **Execution and Counterparts.** This Contract, as well as any amendments and supplements thereto, may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and all such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Contract of Sale the day and year first written above.

SELLER: CITY OF CAPITOLA
A municipal corporation

Benjamin Goldstein, City Manager

BUYERS:

William R. Budisch

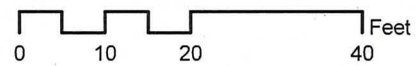
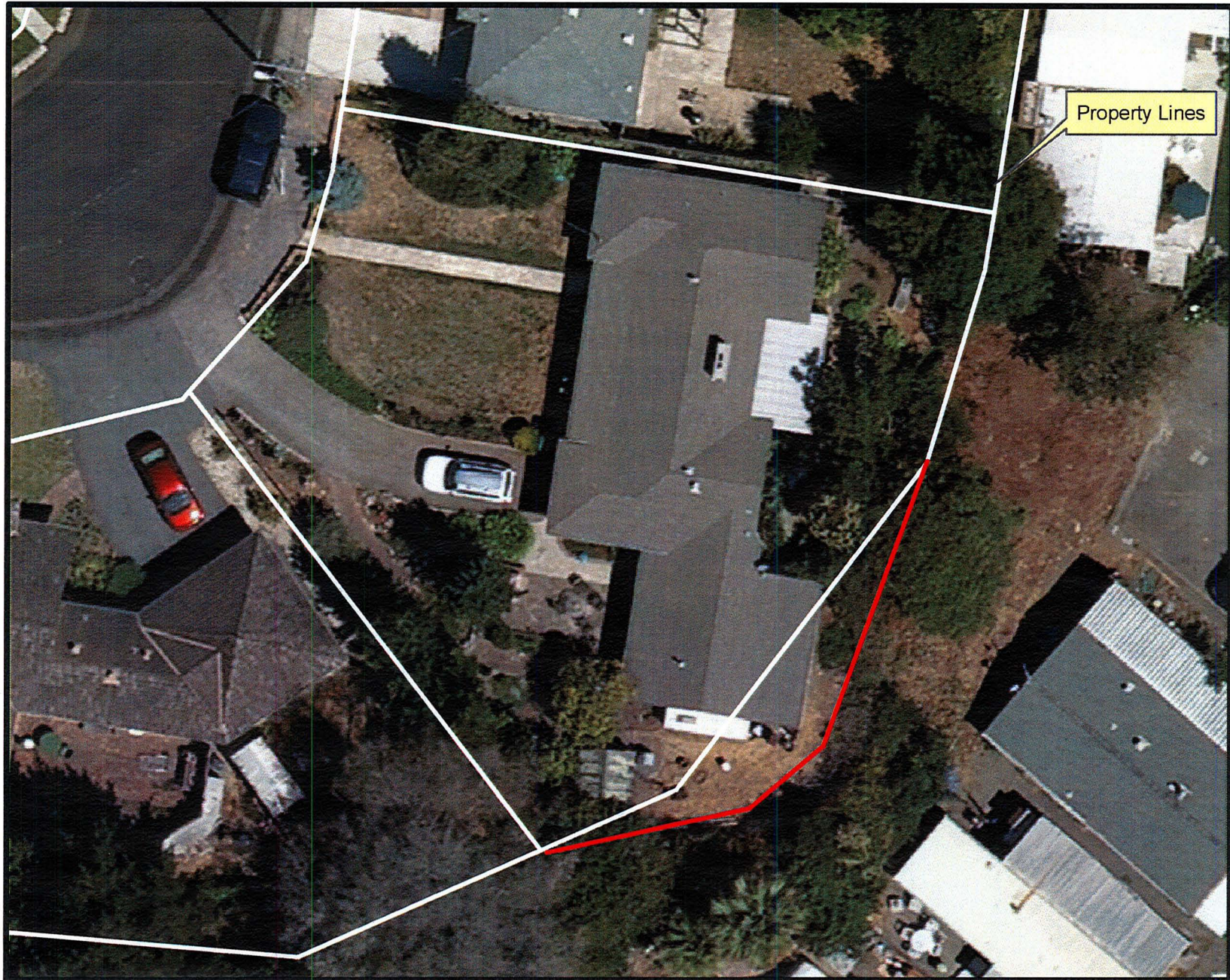
Joyce E. Budisch

APPROVED AS TO FORM:

Office of the City Attorney



520 Pilgrim Drive





Item #: 9.C.

CITY COUNCIL AGENDA REPORT

MEETING OF JULY 26, 2012

FROM: CITY MANAGER'S DEPARTMENT

SUBJECT: CONSIDERATION OF A VISITOR SERVICE FEE (TRANSIENT OCCUPANCY TAX) MEASURE FOR NOVEMBER 6, 2012 GENERAL MUNICIPAL ELECTION

RECOMMENDED ACTION: Council discretion to either:

1. Retain the current Visitor Service Fee (Transient Occupancy Tax - TOT) tax at 10%, or
2. Direct staff to prepare a Resolution to increase the TOT consistent with measures considered by other local jurisdictions.

BACKGROUND: The City currently imposes a 10% Visitor Service Fee (TOT). Over the last several months the City Council has held hearings to discuss a potential TOT ballot measure for the November election. At the last hearing, on June 28, 2012, the City Council directed staff to continue this item to the July 26, 2012 Council meeting to allow time for other local jurisdictions to make decisions about their potential ballot language and ensure a potential City ballot measure would be coordinated with a regional effort.

DISCUSSION: Since the last hearing, the Santa Cruz County Lodging Association has modified their original proposal for a TOT increase. Previously the Lodging Association proposed a 2% increase, with half of the funds restricted to the Santa Cruz Conference and Visitor Council (CVC) and the Capitola/Soquel Chamber of Commerce (Capitola Chamber). At this time the Lodging Association is proposing the following:

- 1% TOT increase, from 10% to 11%;
- No future City funding for CVC;
- Increase regional Transit Marketing District (TMD) rate to offset decrease in City funding to CVC;
- No changes to Capitola Chamber funding.

The City of Santa Cruz received the current Lodging Association proposal, and directed their staff to prepare language for two TOT increase options; one option consistent with the Lodging Association current proposal and a separate option for an unrestricted 2% TOT increase. The Santa Cruz City Council is scheduled to consider these options on July 24, 2012. Santa Cruz County is planning to consider the TOT measure on Aug 7, 2012.

As the Council is aware, the City has already added a sales tax ballot measure to the coming election. In addition, there will likely be six tax measures on City residents' ballots (City sales tax, Santa Cruz County Regional Transportation Commission (RTC)¹ vehicle registration, County TOT, one State sales tax, two state income taxes). The overall revenue impact from the proposed 0.25% increase in sales tax is projected to generate nearly \$1,000,000 annually to the City. It is generally thought the inclusion of multiple measures to raise taxes on a single ballot tends to decrease the likelihood of any of the measures passing.

¹ To be re-designated as the Congestion Management Agency (CMA) for Santa Cruz County.

FISCAL IMPACT: Based on the current Lodging Association proposal, the net annual increase to the General Fund would be as follows:

1% TOT increase to General Fund	\$90,000
Offset of current CVC contribution	<u>\$17,250</u>
Total	\$107,750

ATTACHMENTS

None

Report Prepared By: Jamie Goldstein, City Manager

**Reviewed and Forwarded
By City Manager:** 