

City of Capitola Agenda

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

Treasurer: Peter Wilk



CAPITOLA CITY COUNCIL REGULAR MEETING

THURSDAY, SEPTEMBER 13, 2018

7:00 PM

CITY COUNCIL CHAMBERS
420 CAPITOLA AVENUE, CAPITOLA, CA 95010

CLOSED SESSION – 6:15 PM CITY MANAGER’S OFFICE

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

CONFERENCE WITH LABOR NEGOTIATOR [Govt. Code § 54957.6]

Negotiator: Dania Torres Wong/Larry Laurent

Employee Organizations: (1) Capitola Police Officers Association

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

[Govt. Code § 54956.9 (d)(1)]

(1 case)

City of Capitola v. Water Rock Construction, Inc.
Santa Clara Superior Court Case No. 16CV295795

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL – 7 PM

All correspondences received prior to 5:00 p.m. on the Wednesday preceding a Council Meeting will be distributed to Councilmembers to review prior to the meeting. Information submitted after 5 p.m. on that Wednesday may not have time to reach Councilmembers, nor be read by them prior to consideration of an item.

All matters listed on the Regular Meeting of the Capitola City Council Agenda shall be considered as Public Hearings.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Members Kristen Petersen, Jacques Bertrand, Ed Bottorff, Stephanie Harlan, and Mayor Michael Termini

2. PRESENTATIONS

- A. Children's Cancer Awareness Month Proclamation
- B. Introduce New Building Official
- C. Introduce New Recreation Supervisor

3. REPORT ON CLOSED SESSION

4. ADDITIONAL MATERIALS

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

5. ADDITIONS AND DELETIONS TO AGENDA

6. PUBLIC COMMENTS

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

7. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

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

8. CONSENT CALENDAR

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

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

CAPITOLA CITY COUNCIL REGULAR MEETING AGENDA
September 13, 2018

- A. Consider the August 9, 2018, City Council Regular Meeting Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Planning Commission Action Minutes
RECOMMENDED ACTION: Receive minutes.
- C. Update Administrative Policies Regarding Communication Devices
RECOMMENDED ACTION: Adopt updated V-9 Mobile Communication Device Use Policy and V-10 Digital Device Purchasing Policy including recommendations by the City Attorney's Office.
- D. Ratify Agreement with the City of Scotts Valley for Sharing of Chief Building Official Services
RECOMMENDED ACTION: Ratify the agreement between the City of Capitola and the City of Scotts Valley.
- E. Consider Awarding the Contract for the Local Hazard Mitigation Plan Update
RECOMMENDED ACTION: Award a sole-source contract with Kimley-Horn for the update of Capitola's Local Hazard Mitigation Plan in an amount not to exceed \$55,250.
- F. Consider a Resolution in Opposition to Proposition 6 Repealing Senate Bill 1, the Road Repair and Accountability Act of 2017
RECOMMENDED ACTION: Adopt resolution.
- G. Approve First Supplement to Amended and Restated Joint Exercise of Powers Agreement for the Santa Cruz Public Library Facilities Financing Authority
RECOMMENDED ACTION: Approve agreement.
- H. Consider a Contract Amendment with Noll and Tam Architects for Capitola Branch Library Design Work
RECOMMENDED ACTION: Approve the contract amendment for Noll & Tam Architects for \$129,390 for work necessary to complete value engineering and cost reduction modifications to the plans for the Capitola Branch Library Project.

9. GENERAL GOVERNMENT / PUBLIC HEARINGS

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

- A. Receive a Report on the Status of Construction of the Capitola Branch Library
RECOMMENDED ACTION: Receive a report on the library project status.
- B. Consider Request for Sponsorship of the Capitola Water Festival
RECOMMENDED ACTION: Consider request for sponsorship of the Capitola Water Festival.
- C. Fiscal Year 2018-19 Sales Tax Revenue Update
RECOMMENDED ACTION: Receive report.

CAPITOLA CITY COUNCIL REGULAR MEETING AGENDA
September 13, 2018

D. Bikeshare Program Overview

RECOMMENDED ACTION: Receive report and direct staff to initiate public outreach and research for establishment of a local bikeshare program.

E. Request for Proposals for Tax Revenue Consulting Services

RECOMMENDED ACTION: Authorize staff to issue a Request for Proposals.

10. ADJOURNMENT

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

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

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

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

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

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



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: City Manager Department

SUBJECT: Children's Cancer Awareness Month Proclamation

DISCUSSION: Mayor Termini will present a proclamation declaring September as Children's Cancer Awareness Month and honoring Jacob's Heart Children's Cancer Support Services as it celebrates its 20th anniversary.

ATTACHMENTS:

1. Jacobs Heart Proclamation

Report Prepared By: Linda Fridy
City Clerk

Reviewed and Forwarded by:

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Jamie Goldstein, City Manager

9/6/2018

City of Capitola

Mayor's Proclamation

Honoring Jacob's Heart Children's Cancer Support Services for 20 Years of Service to Our Community's Families *and* Declaring September 2018 as Childhood Cancer Awareness Month

WHEREAS, in 2018 Jacob's Heart Children's Cancer Support Services marks its 20th year of providing local, family-centered care for those impacted by childhood cancer; and

WHEREAS, each year, 1 in 285 children in our community are diagnosed with cancer; and

WHEREAS, despite improved survival rates, cancer remains the leading cause of death by disease among children, and

WHEREAS, families of children with cancer in the City of Capitola receive essential services from Jacob's Heart Children's Cancer Support Services, a local organization that has gained national awards and recognition for improving the quality of life for hundreds of local children with cancer and their family members; and

WHEREAS, Jacob's Heart holds the memories and honors legacies of hundreds of children from our local community who have been lost to cancer; and

WHEREAS, the oncology department at Lucile Packard Children's Hospital at Stanford has worked closely with Jacob's Heart for the past 20 years as a trusted community partner in providing care that addresses the emotional, practical, and financial struggles of families of children with cancer in Capitola and beyond; and

WHEREAS, Capitola urges its residents to recognize the impact of pediatric cancer on families within our community and to honor local children whose lives have been cut short by cancer.

NOW, THEREFORE, I, Michael Termini, Mayor of the City of Capitola, hereby declare September as Childhood Cancer Awareness Month in the City of Capitola and honor Jacob's Heart Children's Cancer Support Services for two decades of outstanding support to our community.

Michael Termini, Mayor
Signed and sealed this 13th day of September, 2018



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Community Development
SUBJECT: Introduce New Building Official

DISCUSSION: On August 27, 2018, Robin Woodman joined the City as the new Building Official. Building Official Woodman brings more than 20 years of experience working in building departments. She was a building inspector for Foster City for nine years. She then moved to the local area and worked as a building plans examiner for the County of Santa Cruz and a senior building plans examiner for the City of Santa Cruz and the City of Watsonville. Ms. Woodman also enjoys teaching classes related to building plans and review at Cabrillo College.

Report Prepared By: Katie Herlihy
Community Development Director

Reviewed and Forwarded by:

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

Jamie Goldstein, City Manager

9/6/2018



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: City Manager Department
SUBJECT: Introduce New Recreation Supervisor

BACKGROUND/DISCUSSION: This week Nikki Bryant LeBlond became the City's new Recreation Supervisor, managing and overseeing the City's recreation division. Mrs. Bryant LeBlond began her career in the recreation/camp profession at an early age by coordinating aquatics and family-camp weekends in Texas where she grew up. She moved to Santa Cruz in 2004 after working summers for the Girl Scouts near Pescadero. From there she joined the staff at the Web Of Life Field School as an Outdoor Educator for a few seasons before starting at Hidden Villa in the Los Altos Hills in 2005.

For more than a decade, Mrs. Bryant LeBlond has supervised Hidden Villa Summer Camp. Hidden Villa is a 75-year old nonprofit educational organization that uses its organic farm, wilderness, and community to teach and provide opportunities to learn about the environment and social justice. While at Hidden Villa, Mrs. Bryant LeBlond started its youth development program providing recreation and event programs to youth and families, and served as the Director of Youth Programs.

Mrs. Bryant LeBlond earned a BA in psychology and education at the University of North Texas and studied experimental psychology for her graduate work at the University of Texas in Arlington. She has been an active volunteer and trainer for the American Camp Association since 2010 and has special skills in lifeguard training, ropes course facilitation, rock climbing, and circus arts.

Report Prepared By: Jamie Goldstein
City Manager

Introduce New Recreation Supervisor
September 13, 2018

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: City Manager Department

SUBJECT: Consider the August 9, 2018, City Council Regular Meeting Minutes

RECOMMENDED ACTION: Approve minutes.

DISCUSSION: Attached for City Council review and approval are the minutes of the regular meeting of August 9, 2018.

ATTACHMENTS:

1. 8-9 draft minutes

Report Prepared By: Linda Fridy
City Clerk

Reviewed and Forwarded by:

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

Jamie Goldstein, City Manager

9/6/2018

**DRAFT
CAPITOLA CITY COUNCIL
REGULAR MEETING MINUTES
THURSDAY, AUGUST 9, 2018**

CALL TO ORDER

Mayor Termini called the meeting to order at 6 p.m.

City Attorney John Barisone informed the Council that a torte claim from Madison Welles was received after agenda distribution and Council action is required before the next regular meeting. He asked for findings of urgency based on those factors and placement of the item on the closed session agenda.

MOTION:	MAKE URGENCY FINDINGS AS DESCRIBED AND ADD WELLES LIABILITY CLAIM TO THE CLOSED SESSION AGENDA
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

No members of the public were present and the Council adjourned to the City Manager’s Office with the following items to be discussed in Closed Session:

CONFERENCE WITH LABOR NEGOTIATOR [Govt. Code § 54957.6]

Negotiator: Dania Torres Wong/Larry Laurent
Employee Organizations: (1) Capitola Police Officers Association

**CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Govt. Code § 54956.9 (d)(1)]**

(3 cases)
City of Capitola v. Linda Fridy & Gail Pellerin (Juan Escamilla Real Party in Interest)
Santa Cruz Superior Court Case No. 18CV02200

Oscar Ramirez v. City of Capitola et al.
United States District Court Case No. 18CV04142NC

City of Capitola v. D’Angelo
Santa Cruz County Superior Court Case No. CV 181659

LIABILITY CLAIMS [Gov’t Code § 54956.95] (added above)

Claimant: Madison Welles
Agency claimed against: City of Capitola

Attachment: 8-9 draft minutes (Approval of City Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
August 9, 2018

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL – 7 PM

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

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

Treasurer Peter Wilk was present.

2. REPORT ON CLOSED SESSION

Attorney Barisone noted the Council added one item, the Welles claim, and provided direction to attorney Vince Hurley. It also received a report and provided direction to Mr. Barisone on the D'Angelo case. Due to time constraints, it did not discuss Fridy et al. or Ramirez.

3. ADDITIONAL MATERIALS

A. Item 7.A – Historical Museum Board recommendation

B. Item 9.A – Five public comment emails and letters from the Law Offices of Lowell Finley and the California Coastal Commission

4. ADDITIONS AND DELETIONS TO AGENDA

Discussion of the Welles claim was added to the Closed Session agenda prior to Closed Session. See vote above.

5. PUBLIC COMMENTS

Mark Crane, Bay Avenue, asked about the proposed roundabout at the Capitola Avenue intersection and expressed his support for the project.

6. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

Treasurer Wilk noted the recent Jewel Box traffic calming workshop cost \$11,000 in consultant fees.

Council Member Petersen reported on the upcoming Capitola Foundation charity golf tournament October 5 and the Community Action Board's October 4 rollout of its community action plan.

Council Member Harlan reminded the audience of the Historical Museum hours for its exhibit and that videos are available for viewing.

Council Member Bertrand said he has heard requests from constituents for a walkway from the new parking lot to Bay Avenue.

Mayor Termini reported on the September 29-30 Beach Festival.

7. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS

A. Historical Museum Board Appointment

RECOMMENDED ACTION: Make appointment as recommended by the Historical Museum Board.

Attachment: 8-9 draft minutes (Approval of City Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
August 9, 2018

MOTION:	APPOINT BRIAN LEGAKIS AS RECOMMENDED BY THE MUSEUM BOARD OF TRUSTEES.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Stephanie Harlan, Council Member
SECONDER:	Jacques Bertrand, Vice Mayor
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

8. CONSENT CALENDAR

Council Member Bertrand requested a future report related to item 8.F on how Capitola has been trained and handles calls with mental health-related issues.

MOTION:	APPROVE AS RECOMMENDED
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Stephanie Harlan, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

- A. Consider the July 26, 2018, City Council Regular Meeting Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Planning Commission Action Minutes
RECOMMENDED ACTION: Receive minutes.
- C. Schedule Appeal of the Planning Commission's Approval of a Design Permit, Variance, and Coastal Development Permit for Application #18- 0184, 205 Magellan
RECOMMENDED ACTION: Schedule the appeal for the regular meeting of September 27, 2018.
- D. Second Reading of an Ordinance Adding Chapter 1.50 of the Capitola Municipal Code Pertaining to Electronic Filing of Campaign Statements
RECOMMENDED ACTION: Approve an ordinance adding Municipal Code Chapter 1.50.
- E. Award Contract for 38th Avenue Sidewalk Project
RECOMMENDED ACTION: Award a contract to Earthworks Paving Co. of Capitola in the amount of \$115,564 for the construction of the 38th Avenue Sidewalk Project.
- F. Grand Jury Report Response: Mental Health Crisis
RECOMMENDED ACTION: Accept the recommendations by the Santa Cruz County Civil Grand Jury, and direct the City Clerk to send the competed response packet pursuant to California Penal Code 933.05 PC.

9. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Consider a Report on the Impacts of a Qualified Citizen Initiative Ordinance and a Resolution Placing the Initiative Measure on the November 6, 2018, Ballot
RECOMMENDED ACTION: Receive the requested report on the impacts of a proposed ordinance amending Title 8 of the Capitola Municipal Code pertaining to

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
August 9, 2018

Health and Safety as related to the Santa Cruz Branch Line Rail Corridor and approve the resolution placing the measure on the November 2018 ballot and ordering an impartial analysis.

Attorney Barisone noted the Council's only options are to adopt the ordinance or send it to voters, then presented the Section 9212 impact report. Issues related to conflicts with existing plans, whether the ordinance is administrative or legislative, restriction on fiscal direction, and overly vague language were identified and will be reviewed in court on August 20.

City Manager Jamie Goldstein noted the initiative is an ordinance that creates new law. Staff is concerned that although the City does not own or oversee corridor use, the initiative if approved may force staff to, for example, deny the Regional Transportation Commission an encroachment permit related to work on the trestle if it is not for active transportation use.

Mayor Termini asked about a letter from the California Coastal Commission. While it states the initiative does not appear to conflict with the local coastal program, the city attorney disagrees.

Council Member Bertrand confirmed that street and sidewalk deterioration could cause a liability for dangerous condition of public property.

The following people offered public comment:

Jack Digby, Capitola
Sira Taylor, Soquel
Rebecca Raney, Capitola
Jasmine Marani, Aptos
Raimanu Koenig, Santa Cruz
Kitty Hansen, Capitola
An Aptos resident
Mark Crane, Capitola
Jannelee Strause, Bike Santa Cruz County
Barry Scott, Aptos
Sam Storey, Capitola
Ed Spurr, Capitola
Andrew Wolf, Capitola
Renee Roberts, Capitola
Quentin Shaeffer
Tom Evans, Capitola
Nick Bulaich, Watsonville
Gail McNulty, Greenway
Juan Escamilla, Capitola, proponent
Vic Marani, Aptos
Marie Martorella, Capitola
John Flamken, Capitola

Council Member Bottorff said he believes in democracy along with the speakers, but

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
August 9, 2018

he compared a Capitola vote on an issue that impacts the whole county with letting only sophomores vote on a school-wide issue.

Council Member Petersen said that while she hears the community’s desire to weigh in on trestle use, there is a conflict between the Greenway issue versus the reality of what the initiative would do. She said the initiative is not about whether we're going to have a train or a trail.

Council Member Bertrand encouraged the community to follow and understand the Regional Transportation Commission’s Unified Corridor Study.

Council Member Harlan expressed frustration that the initiative is not as represented and provided history on the Monterey Bay Sanctuary Scenic Trail.

Mayor Termini asked for a recommendation about publishing the ordinance language and Mr. Barisone said it is recommended. Following Council Member Bottorff’s motion to approve as recommended, the Mayor proposed a friendly amendment to remove quotation marks and include the ordinance full text, supported by the first and second.

MOTION:	APPROVE THE RESOLUTION WITH THE ELIMINATION OF THE QUOTATION MARKS IN THE BALLOT QUESTION AND CHECKING THE BOX TO PUBLISH THE ORDINANCE LANGUAGE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Stephanie Harlan, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

There was a short break following the vote.

- B. Determine Award Amounts for Community Grants
RECOMMENDED ACTION: Consider the recommendations from the Community Grants Ad-Hoc Subcommittee and determine grant award amounts for Fiscal Years 2018/19 and 2019/20. Consider the subcommittee suggestion to create a Local Critical Need Fund.

Assistant to the City Manager Larry Laurent presented the staff report. Council Member Bottorff explained the rationale of the ad hoc committee. It includes a suggestion for a \$10,000 emergency grant fund and holding the remainder of the budgeted grant amount for mid-year budget with input from newly elected council members.

In public comment, Ray Cancino of Community Bridges thanked the Council and said there is a real need for cost of living increases. Representatives of its Live Oak Family Center, Lifeline, and Meals on Wheels also spoke.

The Diversity Center's 60+ Senior LGBTQ program continues to grow in a population that is more likely to be single and have less family support.

Helen Ewan-Storey said the Community Action Board’s rental assistance program

Attachment: 8-9 draft minutes (Approval of City Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
August 9, 2018

helps avoiding eviction and homelessness.

The Arts Council Santa Cruz County funds SPECTRA programs at local schools and grants to individuals and Open Studios. It noted it has the lowest funding level and asked for restored funds.

Senior Network Services noted it helps link seniors to other programs and services like Medicare workshops.

The Conflict Resolution Center served more than 300 Capitola residents with mediation.

Project SCOUT exceeded its goal of preparing 90 Capitola tax returns and helped 108 Capitola residents.

The Volunteer Center was just named the 2018 nonprofit of the year by the Governor's Office. It questioned the approach of holding money back when its increase request is due to growing demand.

O'Neill Sea Odyssey thanked the Council.

Darrell Johnson of the Seniors Council highlighted the aging in place program.

Dientes emphasized the importance of dental health.

Grey Bears promotes healthy aging and asked for more because of increased food costs.

Suzanne Willis of Second Harvest Food Bank said it serves 10 percent of Capitola's population, particularly seniors and school children.

In response to the Mayor's question of why the committee didn't give everyone what they asked for, Council Members Bottorff and Petersen said there was not time to refine the evaluation and in the future Council Member Petersen wants to do more research.

Council Member Harlan noted she had asked each member to review grantees previously and she favors spending all the money now.

Council Member Bertrand said he has ongoing frustration with evaluation but any change must be gradual.

Mayor Termini said for these groups, every day is an emergency and he does not favor holding onto funds.

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
August 9, 2018

MOTION:	APPROVE AS RECOMMENDED
RESULT:	ADOPTED [3 TO 2]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Jacques Bertrand, Vice Mayor
AYES:	Ed Bottorff, Jacques Bertrand, Kristen Petersen
NAYS:	Stephanie Harlan, Michael Termini

C. Review the Deadlines and Procedures for Ballot Measure Arguments

RECOMMENDED ACTION:

1. Review deadlines for arguments and rebuttals regarding Capitola's November 6, 2018, ballot measures.
2. Consider designating two Council members to draft, identify signers and submit an argument in favor for the TOT ballot item.
3. Consider designating two Council members to work with the Treasurer to draft, identify signers and submit an argument in favor for the Treasurer ballot item.
4. Review the draft Cannabis Tax argument prepared by Mayor Termini.

City Clerk Linda Fridy reviewed the argument process and deadlines.

Council addressed each measure separately. It decided not to take action as a body on any argument regarding the Greenway citizen initiative. There was no public comment.

MOTION:	APPROVE REVISED DRAFT LANGUAGE FOR ARGUMENT FOR CANNABIS BUSINESS TAX.
RESULT:	ADOPTED [4 TO 1]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Ed Bottorff, Jacques Bertrand, Kristen Petersen, Michael Termini
NAYS:	Stephanie Harlan

MOTION:	AUTHORIZE MAYOR TERMINI, COUNCIL MEMBERS BERTRAND, HARLAN AND PETERSEN, AND TREASURER WILK TO FILE AND SIGN ARGUMENTS FOR THE CANNABIS BUSINESS TAX
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

MOTION:	DIRECT COUNCIL MEMBERS BOTTORFF AND PETERSEN TO PREPARE, FILE AND SIGN THE ARGUMENT FOR THE TRANSIENT OCCUPANCY TAX
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES
August 9, 2018

MOTION:	DIRECT TREASURER WILK TO PREPARE THE ARGUMENT AND THE TREASURER, COUNCIL MEMBER HARLAN AND MAYOR TERMINI TO FILE AND SIGN THE ARGUMENT FOR THE APPOINTED TREASURER MEASURE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Stephanie Harlan, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

MOTION:	DIRECT THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS FOR THE APPOINTED TREASURER MEASURE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

D. Designation of the Voting Delegate and Alternate for the 2018 League of California Cities Annual Conference [150-50]

RECOMMENDED ACTION: Designate Capitola's voting delegate and alternate and provide direction on the City's position on two resolutions.

MOTION:	APPOINT COUNCIL MEMBER BERTRAND AS VOTING DELEGATE AND COUNCIL MEMBER HARLAN AS ALTERNATIVE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

10. ADJOURNMENT

The meeting adjourned at 10:30 p.m.

Michael Termini, Mayor

ATTEST:

Linda Fridy, City Clerk

Attachment: 8-9 draft minutes (Approval of City Council Minutes)



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: City Manager Department

SUBJECT: Planning Commission Action Minutes

RECOMMENDED ACTION: Receive minutes.

DISCUSSION: Attached for Council review are the action minutes of the August 2, 2018, Planning Commission regular meeting.

ATTACHMENTS:

1. 08-02-2018 Planning Commission Action Minutes

Report Prepared By: Jackie Aluffi

Reviewed and Forwarded by:

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

Jamie Goldstein, City Manager

9/6/2018



**DRAFT ACTION MINUTES
CAPITOLA PLANNING COMMISSION MEETING
THURSDAY, AUGUST 2, 2018
7 P.M. – CAPITOLA CITY COUNCIL CHAMBERS**

1. ROLL CALL AND PLEDGE OF ALLEGIANCE
2. ORAL COMMUNICATIONS
 - A. Additions and Deletions to Agenda
 - B. Public Comments
 - C. Commission Comments
 - D. Staff Comments
3. APPROVAL OF MINUTES
 - A. Planning Commission - Regular Meeting - Jun 7, 2018 7:00 PM

RESULT:	ACCEPTED AS AMENDED [UNANIMOUS]
MOVER:	Linda Smith, Commissioner
SECONDER:	TJ Welch, Commissioner
AYES:	Smith, Newman, Welch, Storey
ABSENT:	Westman

4. CONSENT CALENDAR

- A. **324 Riverview Avenue #18-0168 APN: 035-172-21**
 Design Permit for a third-story addition to an existing two-story single-family home located within the C-V (Central Village) zoning district.
 This project is in the Coastal Zone and does not require a Coastal Development Permit.
 Environmental Determination: Categorical Exemption
 Property Owner: Gabriel & Kathy Vesce
 Representative: Dennis Norton, Filed: 04.13.2018

MOTION: Approve Design Permit.

RESULT:	APPROVED [3 TO 0]
MOVER:	Linda Smith, Commissioner
SECONDER:	TJ Welch, Commissioner
AYES:	Smith, Welch, Storey
ABSTAIN:	Newman
ABSENT:	Westman

5. PUBLIC HEARINGS**A. 1816 Wharf Road #18-0281 APN: 035-111-17**

Coastal Development Permit and Variance to decrease setback to riparian corridor for a pin-pile retaining wall located within the A-R/R-1/ESHA (Automatic Review, Single-Family Residential) zoning district.

This project is in the Coastal Zone and requires a Coastal Development Permit which is appealable to the California Coastal Commission after all possible appeals are exhausted through the City.

Environmental Determination: Categorical Exemption

Property Owner: Joanne Kisling

Representative: Joanne Kisling, Filed: 06.19.2018

MOTION: Approve Coastal Development Permit and Variance, as amended.

RESULT:	APPROVED AS AMENDED [UNANIMOUS]
MOVER:	Edward Newman, Commissioner
SECONDER:	TJ Welch, Commissioner
AYES:	Smith, Newman, Welch, Storey
ABSENT:	Westman

6. DIRECTOR'S REPORT**7. COMMISSION COMMUNICATIONS****8. ADJOURNMENT**



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: City Manager Department

SUBJECT: Update Administrative Policies Regarding Communication Devices

RECOMMENDED ACTION: Adopt updated V-9 Mobile Communication Device Use Policy and V-10 Digital Device Purchasing Policy including recommendations by the City Attorney's Office.

BACKGROUND: The City has had policies addressing the use of electronic devices since 2010. The City updated the policies in 2013.

The purposes of these policy updates are to clarify some language in relation to the current technology environment and to update the language regarding privacy expectations for City communications.

DISCUSSION: The City of Capitola recognizes the importance of electronic communication to conduct City business. The City also recognizes the need to establish policies that make sure those devices are used safely and not in violation of other rules and procedures.

The Mobile Communication Device Use Policy (V-9) has been updated to incorporate changes to technology and language has been added to allow the devices to be accessed by the City if required.

The Digital Reading Device Purchasing Policy (V-10) has been updated to include language that allows devices to be accessed by the City if required.

FISCAL IMPACT: No anticipated fiscal impact.

ATTACHMENTS:

1. Administrative Policy, V-9 Mobile Communication Device updated
2. Administrative Policy, V-9 Mobile Communication Device (v1 redline)
3. Administrative Policy, V-10 Digital Reading Device Purchasing (v1 redline)
4. Administrative Policy, V-10 Digital Reading Device Purchasing updated

Report Prepared By: Larry Laurent
Assistant to the City Manager

Update Administrative Policies Regarding Communication Devices
September 13, 2018

Reviewed and Forwarded by:

A handwritten signature in blue ink, appearing to be the initials 'JG'.

Jamie Goldstein, City Manager

9/7/2018



ADMINISTRATIVE POLICY

Number: V-9 Issued:
11/10/10 Revised:
9/13/2018
Jurisdiction: City Council

Mobile Communication Device (MCD) Use Policy

I. PURPOSE

The purpose of this policy is to provide clear guidelines for the authorization, distribution and appropriate business use of Mobile Communication Devices (MCDs) by City employees and for the establishment of a cellular phone allowance.

11. POLICY

The City of Capitola recognizes that cellular Mobile Communication Devices (MCDs) enhance the level of City services by allowing employees to remain in contact with the office or with one another as the need arises. Technology has now made the MCD both practical and economical for work-related use and this policy establishes procedures and conditions for their authorization and use, to ensure accountability and to prevent improper use. This policy applies to the use of City issued cellular phones and the use of personal cellular phones for City business. The use of licensed frequency radio communication devices by personnel in the City Police Department is excluded from this policy.

DEFINITIONS

111. Mobile Communication Devices (MCDs) include any mobile communication device that provides for voice and/or data communications between two or more parties including, but not limited to, a cellular telephone, a text message device, a personal digital assistant, a smart phone, an air card, or a tablet that utilizes a wireless signal to provide Internet access.

Emergency responders are those employees the City Manager determines to have an essential role in responding to City emergencies.

IV. PROCEDURE

1. **PLAN ELEGIBILITY:** The City Manager has the responsibility of determining who shall be issued a City cell phone and who shall be part of a voice or voice/data stipend. The following criterion are to be considered:
 - a. Departmental requirements indicate having a cell phone is an integral part of performing the duties in the job description.
 - b. Performance of work that requires the employee to be out of the office on a regular basis where availability of conventional telephones is limited, and the employee needs to be in contact with the office or key City personnel at alltimes.
 - c. Required to be on-call outside of normal work hours.
 - d. Critical decision maker.
 - e. Quantity of calls/minutes used.
 - f. Need for access and frequent updates to calendar, email, contacts, SMS and files while not in the office.

- 2. PLAN TYPES:** The City provides for a two-tier cellular phone system.
- a. **City-Issued Cell Phones:** The City contracts with a service provider for a pool of minutes to be accessed by users using a City-issued Cellular phone. The City recognizes the employees will on occasion, need to make or receive personal telephone calls subject to the limitations in 3(b) of this policy.
 - b. **Monthly Cell Phone Stipend:** The City issues stipends to eligible employees who in turn provide their own cell phone to use for City business.

3. CITY-ISSUED CELL PHONES

- a. Cell phones and wireless electronic data devices may be issued to employees to enhance the efficiency and effectiveness of communication. The City shall ensure that cell phone use is appropriate and that public funds are prudently spent.
- b. A City-owned cell phone are intended to be used for official City business . Personal use of City cell phones should be kept to a minimum. .
- c. Employees should immediately report unauthorized use, theft or loss of a City-owned phone to their supervisor and/or Department Head and the City Information Technology staff. In the case of a lost or damaged City-owned phone or accessory, the employee may be responsible for reimbursing the City for the value of the equipment if the employee is determined to be negligent for its loss.
- d. All MCDs that are used for City business may be subject to the Public Records Act.
- e. All communications on a City-owned cell phone are subject to monitoring and the employee shall consent to such monitoring at the time of receipt of the City-owned cell phone.

4. MONTHLY CELL PHONE STIPEND

- a. In lieu of a City-issued cellular phone, an employee may be paid a stipend for use of their personal cell phones for City business. The City Manager will determine which employees will be eligible.
- b. Allowance amounts will be in the amount of:
 \$45 per month for cellular and data.

The monthly allowance is intended to cover the portion of an employee's cell phone costs related to City business, and not off-set the entire cost of a cell phone.

- c. The allowance shall be paid to the designated employee by the City on a bi- weekly basis and is subject to required taxes.
- d. Employees who receive a stipend must provide the City a cell phone number where the employee can be reached.

- e. The cell phone will be personally owned and under the responsibility of the employee. As the cell phone is personally owned by the employee, and the provided allowance is taxable income, the employee may use the cell phone for both business and personal purposes, as needed.
- f. Employees approved to receive a stipend shall be responsible for purchasing their own cell phone and enrolling it in their own monthly access plan.
- g. Failure to carry the designated cell phone or respond to calls may lead to revocation of cell phone stipend.
- h. Non-Exempt employees shall not use the data portion of their cell phone for city business during non-working hours without prior approval from their supervisor.
- i. All work-related communications on cell phones under the City's monthly cell-phone stipend are subject to monitoring and the employee shall consent to such monitoring upon initial receipt of the stipend.

5. SAFETY

- a. State law prohibits the use of cell phones while operating a vehicle unless the driver is using a hands-free device. There are two (2) exceptions to the law:
 - 1. Emergency services personnel are exempt from this law when operating an authorized emergency vehicle.
 - 2. The law does not apply to persons using their cell phone to contact law enforcement or public safety agencies for emergency purposes.
- b. With the exception of the above, employees shall not operate cellular phones and other wireless devices that may distract from safely operating a motor vehicle. Using cell phones or other devices while driving leads to increased risk of accident and liability to the City. To limit this risk, all employees shall adhere to the following:
 - 1. Use a hands-free device if employee must make or receive a call.
 - 2. Make calls before starting the vehicle and proceeding to your destination.
 - 3. Pull over or park in an appropriate manner before initiating a call.
 - 4. Allow voice mail to handle the incoming calls and return them at your safe convenience.
 - 5. Personal calls, except emergencies, while operating a City-owned vehicle are prohibited.
 - 6. Suspend conversations during hazardous driving conditions or situations.
 - 7. Do not take notes, look up phone numbers, or text message while driving.

6. SECURITY

- a. Regardless of the cell phone or wireless device option that is chosen (City-issued or Stipend), MCDs connected to the City of Capitola internal network may be required to) software installed which will allow the City of Capitola to locate, disable and otherwise manage the MCD and any City of Capitola information or applications enabled or stored on the device in a secure fashion. Employees may not tamper with or disable the software. The City of Capitola is responsible for the selection and installation of the MOM software and will assume the cost for applicable software license fees.

- b. Upon termination of employment, or a determination by the employee or the employee's Department Head that the employee no longer has a need to access the City of Capitola network via a personally owned cell phone or wireless device, the systems administrator shall be notified to remove the software and all related City of Capitola data from the employee's cell phone or wireless device.

7. PRIVACY

- a. When using a City-issued MCD, or when conducting City of Capitola business on a personally owned MCD, the City of Capitola cannot and does not imply, extend, or guarantee any "right to privacy" for voice calls and/or electronic communications, including, but not limited to call detail records, logs, voice mail messages, data storage, text messages, emails and address books.

This policy was approved by the City Council at its meeting of September 13, 2018, and is authorized by:

Jamie Goldstein, City Manager

JG/lrl



ADMINISTRATIVE POLICY

Number: V-9 Issued:
11/10/10 Revised:
~~4/11/2013~~9/13/2018
Jurisdiction: City Council

Mobile Communication Device (MCD) Use Policy

I. PURPOSE

The purpose of this policy is to provide clear guidelines for the authorization, distribution and appropriate business use of Mobile Communication Devices (MCDs) by City employees and for the establishment of a cellular phone allowance.

11. POLICY

The City of Capitola recognizes that cellular Mobile Communication Devices (MCDs) enhance the level of City services by allowing employees to remain in contact with the office or with one another as the need arises. Technology has now made the MCD both practical and economical for work-related use and this policy establishes procedures and conditions for their authorization and use, to ensure accountability and to prevent improper use. This policy applies to the use of City issued cellular phones and the use of personal cellular phones for City business. The use of licensed frequency radio communication devices by personnel in the City Police Department is excluded from this policy.

DEFINITIONS

111. Mobile Communication Devices (MCDs) include any mobile communication device that provides for voice and/or data communications between two or more parties including, but not limited to, a cellular telephone, a text message device, a personal digital assistant, a smart phone, an air card, or a tablet that utilizes a wireless signal to provide Internet access.

Emergency responders are those employees the City Manager determines to have an essential role in responding to [City emergencies](#).

IV. PROCEDURE

1. **PLAN ELEGIBILITY:** The City Manager has the responsibility of determining who shall be issued a City cell phone and who shall be part of a voice or voice/data stipend. The following criterion are to be considered:
 - a. Departmental requirements indicate having a cell phone is an integral part of performing the duties in the job description.
 - b. Performance of work that requires the employee to be out of the office on a regular basis where availability of conventional telephones is limited and the employee needs to be in contact with the office or key City personnel at alltimes.
 - c. Required to be on-call outside of normal work hours.
 - d. Critical decision maker.
 - e. Quantity of calls/minutes used.
 - f. Need for access and frequent updates to calendar, email, contacts, SMS and files while not in the office.

2. PLAN TYPES: The City provides for a two-tier cellular phone system.

- a. **City-Issued Cell Phones:** The City contracts with a service provider for a pool of minutes to be accessed by users using a City-issued Cellular phone. The City recognizes the employees will on occasion, need to make or receive personal telephone calls subject to the limitations in 3(b) of this policy.
- b. **Monthly Cell Phone Stipend:** The City issues stipends to ~~eligible employees~~eligible employees who in turn provide their own cell phone to use for City business.

3. CITY-ISSUED CELL PHONES

- a. Cell phones and wireless electronic data devices may be issued to employees to enhance the efficiency and effectiveness of communication. The City shall ensure that cell phone use is appropriate and that public funds are prudently spent.
- b. ~~An employee's use of a City-owned cell phone is are limited to intended to be used for official City business only. There shall be no p~~Personal use of City cell phones ~~except in response to family emergencies, or unforeseen work schedule changes, and even under those circumstances, only when it is impossible or unreasonable to use a City landline telephone, public pay phone, or personal phones~~should be kept to a minimum. . ~~When personal use is necessary, employees shall reimburse the City for the charges within a month of the City's receipt of the bill. Failure to declare personal calls or reimburse the City for such calls may result in disciplinary action.~~
- c. Employees should immediately report unauthorized use, theft or loss of a City-owned phone to their supervisor and/or Department Head and the City Information Technology staff. In the case of a lost or damaged City-owned phone or accessory, the employee may be responsible for reimbursing the City for the value of the equipment if the employee is determined to be negligent for its loss.
- d. All MCDs that are used for City business may be subject to the Public Records Act.
- ~~d.e.~~ All communications on a City-owned cell phone are subject to monitoring and the employee shall consent to such monitoring at the time of receipt of the City-owned cell phone.

4. MONTHLY CELL PHONE STIPEND

- a. In lieu of a City-issued cellular phone, an employee may be paid a stipend for use of their personal cell phones for City business. The City Manager will determine which employees will be eligible.
- b. Allowance amounts will be in the amount of:
 - ~~i. \$25 per month for cellular only and~~
 - ~~ii. \$45 per month for cellular and data.~~
 - ~~iii.ii. \$45 per month for emergency responders who purchase and maintain a phone which is compatible with the City's direct connect system.~~

The monthly allowance is intended to cover the portion of an employee's cell phone costs related to City business, and not off-set the entire cost of a cell phone.
- c. The allowance shall be paid to the designated employee by the City on a bi- weekly basis and is subject to ~~income required~~ taxes.
- d. Employees who receive a stipend must provide the City a cell phone number where the employee can be reached.

- e. The cell phone will be personally owned and under the responsibility of the employee. As the cell phone is personally owned by the employee, and the provided allowance is taxable income, the employee may use the cell phone for both business and personal purposes, as needed.
- f. Employees approved to receive a stipend shall be responsible for purchasing their own cell phone and enrolling it in their own monthly access plan.
- g. Failure to carry the designated cell phone or respond to calls may lead to revocation of cell phone stipend.
- h. Non-Exempt employees shall not use the data portion of their cell phone for city business during ~~non-working~~non-working hours without prior approval from their supervisor.
- h.i. All work-related communications on cell phones under the City's monthly cell-phone stipend are subject to monitoring and the employee shall consent to such monitoring upon initial receipt of the stipend.

5. SAFETY

- a. State law prohibits the use of cell phones while operating a vehicle unless the driver is using a hands-free device. There are two (2) exceptions to the law:
 - 1. Emergency services personnel are exempt from this law when operating an authorized emergency vehicle.
 - 2. The law does not apply to persons using their cell phone to contact law enforcement or public safety agencies for emergency purposes.
- b. With the exception of the above, employees shall not operate cellular phones and other wireless devices that may distract from safely operating a motor vehicle. Using cell phones or other devices while driving leads to increased risk of accident and liability to the City. To limit this risk, all employees shall adhere to the following:
 - 1. Use a hands-free device if employee must make or receive a call.
 - 2. Make calls before starting the vehicle and proceeding to your destination.
 - 3. Pull over or park in an appropriate manner before initiating a call.
 - 4. Allow voice mail to handle the incoming calls and return them at your safe convenience.
 - 5. Personal calls, except emergencies, while operating a City-owned vehicle are prohibited.
 - 6. Suspend conversations during hazardous driving conditions or situations.
 - 7. Do not take notes, look up phone numbers, or text message while driving.

6. SECURITY

- a. Regardless of the cell phone or wireless device option that is chosen (City-issued or Stipend), ~~all~~-MCDs connected to the City of Capitola internal network ~~are required to~~may be required to have Mobile Device Management (MOM) software installed which will allow the City of Capitola to locate, disable and otherwise manage the MCD and any City of Capitola information or applications enabled or stored on the device in a secure fashion. Employees may not tamper with or disable the ~~MOM security application~~software. The City of Capitola is responsible for the selection and installation of the MOM software and will assume the cost for applicable software license fees.

Administrative Policy V-9
Mobile Communication Devices (MCD) Use Policy
Page 4 of 4

- b. Upon termination of employment, or a determination by the employee or the employee's Department Head that the employee no longer has a need to access the City of Capitola network via a personally owned cell phone or wireless device, the systems administrator shall be notified to remove the ~~MOM security application software~~ and all related City of Capitola data from the employee's cell phone or wireless device.

7. PRIVACY

- a. When using a City-issued MCD, or when conducting City of Capitola business on a personally owned MCD, the City of Capitola cannot and does not imply, extend, or guarantee any "right to privacy" for voice calls and/or electronic communications, including, but not limited to call detail records, logs, voice mail messages, data storage, text messages, emails and address books.

This policy was approved by the City Council at its meeting of ~~April 11, 2013~~ September 13, 2018, and is authorized by:

Jamie Goldstein, City Manager

JG/lrl



ADMINISTRATIVE POLICY

Number: V-10
Issued:
~~03/10/11~~09/13/2018
Jurisdiction: City Council

Digital Reading Device Purchasing Policy

I. PURPOSE

The purpose of this policy is to provide for the establishment of a digital reading device reimbursement program.

II. POLICY

The City has a goal to reduce waste generated from the City by 75% and to seek opportunities to reduce environmental impacts. A significant source of ~~waste paper~~ is the ~~paper~~ generated by the City in the production of City Council and Planning Commission agenda packets. ~~It is estimated the City prints up to 84,000 pages for Council packets and 8,000 pages for Planning Commission packets per year.~~ To reduce the amount of paper generated by the City for those meetings the City ~~will now produce~~produces the Agendas digitally to be viewed on digital reading devices.

The City will reimburse authorized individuals who agree to go paperless for two years up to \$250 for the purchase of a digital reading device. Recipients would be eligible for a new stipend every 2-years to update technology. The reimbursement amount is intended to cover that portion of the individual's costs related to City business, and not off-set the entire cost of a device.

III. DEFINITIONS

Digital Reading Device is an ~~all-encompassing~~all-encompassing term used to identify computers that are portable and allow for an individual to access documents electronically. The Device also allows for authorized users to access city email, calendar and the internet.

IV. PROCEDURE

The following is a list of eligible members to be reimbursed for their purchase of a digital reading device: City Council Members, Planning Commissioners, City Manager and Department Heads. Any others are subject to approval by the City Manager.

- a. Individuals who receive a reimbursement must agree to receive all agenda and related materials electronically for a minimum of two years.
- b. The digital reading device will be personally owned and under the responsibility of the Authorized Individuals. As the digital device is personally owned by the Authorized Individual, the Authorized Individual may use the digital reading device for both business and personal purposes, as needed.
- c. Those positions approved to receive a reimbursement shall be responsible for purchasing their own device.
- d. If an authorized user should determine they would no longer wish to receive the documents electronically prior to the expiration of the ~~two-year~~two-year time limit, that person will be responsible for reimbursing the City for a prorated portion of the original reimbursement amount based on a depreciation schedule as determined by the City Manager.

~~e. City staff shall only provide technical support for hardware/software options on the City approved list. Such a list shall be maintained by the City Manager.~~

Attachment: Administrative Policy, V-10 Digital Reading Device Purchasing (VI redline) (Update Administrative Policies Regarding

Administrative Policy V-10- Digital Reading Device

~~March 10, 2011~~ September 13, 2018

Page 2 of 3

- e. Non-Exempt employees shall not use the digital reading device for ~~city~~ City business during ~~non-working~~ non-working hours without prior approval from their supervisor.
- f. If the individual receive a reimbursement for their digital reading device, the City is entitled to search the digital reading device, only to the extent to review employees' City-related use and activities, including but not limited to communications, on the device.

This policy was approved by the City Council at its meeting of ~~March 10, 2011~~ September 13, 2018, and is authorized by:

Jamie Goldstein, City Manager

JG/lrl

CITY OF CAPITOLA

REIMBURSEMENT REQUEST FOR A DIGITAL READING DEVICE

PROCESS FOR REIMBURSEMENT FOR A DIGITAL READING DEVICE:

1. Complete and sign Section A of this form.
2. Council Members & Planning Commissioners: Submit this form with your receipt for the purchase of a digital reading device.
3. City Employees: Obtain City Manager's approval under Section B of this form prior ~~to~~ purchasing a digital reading device.

Section A - Agreement to Terms and Conditions:

Employee/Council Member/Planning Commissioner Name: _____

Title: _____

In order to be eligible to receive a reimbursement of \$250 towards the purchase of a digital reading device I agree to receive all City & RDA related agenda's and agenda related materials electronically for a minimum of two years. ~~If~~ for any reason I decide to no longer receive all agenda's and agenda related materials prior to the expiration of the two years, then I will reimburse the city an amount determined by the City Manager. I agree that the City is entitled to search my digital reading device while I receive reimbursement from the City for the device and while using the device for City-related use related use and activities, including but not limited to communications.

Requester's signature: _____ Date: _____

FOR CITY EMPLOYEES ONLY

Section B - Request to have a Digital Reading Device

Approved Not approved

City Manager's Signature: _____ Date: _____

Attachment: Administrative Policy, V-10 Digital Reading Device Purchasing (VI redline) (Update Administrative Policies Regarding



ADMINISTRATIVE POLICY

Number: V-10
Issued: 09/13/2018
Jurisdiction: City Council

Digital Reading Device Purchasing Policy

I. PURPOSE

The purpose of this policy is to provide for the establishment of a digital reading device reimbursement program.

II. POLICY

The City has a goal to reduce waste generated from the City by 75% and to seek opportunities to reduce environmental impacts. A significant source of paper is the generated by the City in the production of City Council and Planning Commission agenda packets. To reduce the amount of paper generated by the City for those meetings the City produces the Agendas digitally to be viewed on digital reading devices.

The City will reimburse authorized individuals who agree to go paperless for two years up to \$250 for the purchase of a digital reading device. Recipients would be eligible for a new stipend every 2-years to update technology. The reimbursement amount is intended to cover that portion of the individual's costs related to City business, and not off-set the entire cost of a device.

III. DEFINITIONS

Digital Reading Device is an all-encompassing term used to identify computers that are portable and allow for an individual to access documents electronically. The Device also allows for authorized users to access city email, calendar and the internet.

IV. PROCEDURE

The following is a list of eligible members to be reimbursed for their purchase of a digital reading device: City Council Members, Planning Commissioners, City Manager and Department Heads. Any others are subject to approval by the City Manager.

- a. Individuals who receive a reimbursement must agree to receive all agenda and related materials electronically for a minimum of two years.
- b. The digital reading device will be personally owned and under the responsibility of the Authorized Individuals. As the digital device is personally owned by the Authorized Individual, the Authorized Individual may use the digital reading device for both business and personal purposes, as needed.
- c. Those positions approved to receive a reimbursement shall be responsible for purchasing their own device.
- d. If an authorized user should determine they would no longer wish to receive the documents electronically prior to the expiration of the two-year time limit, that person will be responsible for reimbursing the City for a prorated portion of the original reimbursement amount based on a depreciation schedule as determined by the City Manager.

- e. Non-Exempt employees shall not use the digital reading device for City business during non-working hours without prior approval from their supervisor.
- f. If the individual receive a reimbursement for their digital reading device, the City is entitled to search the digital reading device, only to the extent to review employees' City-related use and activities, including but not limited to communications, on the device.

This policy was approved by the City Council at its meeting of September 13, 2018, and is authorized by:

Jamie Goldstein, City Manager

JG/lrl

CITY OF CAPITOLA

REIMBURSEMENT REQUEST FOR A DIGITAL READING DEVICE

PROCESS FOR REIMBURSEMENT FOR A DIGITAL READING DEVICE:

- 1. Complete and sign Section A of this form.
- 2. Council Members & Planning Commissioners: Submit this form with your receipt for the purchase of a digital reading device.
- 3. City Employees: Obtain City Manager's approval under Section B of this form prior to purchasing a digital reading device.

Section A- Agreement to Terms and Conditions:

Employee/Council Member/Planning Commissioner Name: _____

Title: _____

In order to be eligible to receive a reimbursement of \$250 towards the purchase of a digital reading device I agree to receive all City & RDA related agenda's and agenda related materials electronically for a minimum of two years. If for any reason I decide to no longer receive all agenda's and agenda related materials prior to the expiration of the two years, then I will reimburse the city an amount determined by the City Manager. I agree that the City is entitled to search my digital reading device while I receive reimbursement from the City for the device and while using the device for City-related use and activities, including but not limited to communications.

Requester's signature: _____ Date: _____

FOR CITY EMPLOYEES ONLY

Section B - Request to have a Digital Reading Device

Approved Not approved

City Manager's Signature: _____ Date: _____

Attachment: Administrative Policy, V-10 Digital Reading Device Purchasing updated (Update Administrative Policies Regarding Communication



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Community Development

SUBJECT: Ratify Agreement with the City of Scotts Valley for Sharing of Chief Building Official Services

RECOMMENDED ACTION: Ratify the agreement between the City of Capitola and the City of Scotts Valley.

BACKGROUND: At the meeting of April 12, 2018, the City Council received a presentation outlining staff's research regarding the Building Division workload, the job market for building officials, and a conceptual model to share building official services with Scotts Valley. At that meeting Council directed staff to proceed with the shared building official model and prepare the documents necessary to amend the building official job description and salary schedule. Following Capitola's April 12 meeting, the Scotts Valley City Council also approved the concept.

On May 10, 2018, the City Council unanimously approved a side letter with Capitola mid-management employees outlining a new job description and salary for the building official.

On August 1, 2018, the Scotts Valley City Council approved the agreement with the City of Capitola for a shared building official and authorized the City Manager to sign the agreement.

On August 13, 2018, Robin Woodman was hired as the new building official of the City of Capitola to begin work the end of the month.

On August 31, 2018, the City Manager signed the agreement with the City of Scotts Valley for a shared building official. The contract must be ratified by the Capitola City Council.

DISCUSSION: City staff worked closely with the City Manager of Scotts Valley and Capitola's City Attorney to draft an agreement between the City of Capitola and the City of Scotts Valley for sharing of chief building official services (Attachment 1). The following are the highlights of the terms of the agreement:

- Shared model: Building Official is employed by Capitola but also serves as Building Official of Scotts Valley.
- Shared services: Approximately half total working time is devoted to each City.
- Term: Three years.
- Termination: Either party must provide three months' notice of termination during the first year of the contract; thereafter, either party may terminate the agreement on July 1 of any given year with notice prior to December 31.

Building Official Agreement with Scotts Valley
September 13, 2018

- Contract is terminated if building official is no longer employed by the City of Capitola.
- Capitola provides a vehicle, with the cost is incorporated into the contract.
- Scotts Valley's share of total costs would not exceed \$105,000 per year.
- Each party would be solely responsible for any claims arising out of employee's work for each jurisdiction.
- Scotts Valley participated in the interview and selection process.
- Annual employee evaluation would be completed in coordination with both jurisdictions.

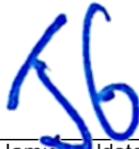
FISCAL IMPACT: Approval of this agreement will result in approximately \$90,000/yr to offset the costs associated with providing half time Building Official services to Scotts Valley.

ATTACHMENTS:

1. Chief Building Officer Sharing Agreement

Report Prepared By: Katie Herlihy
Community Development Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018

**AGREEMENT BETWEEN THE CITY OF CAPITOLA
AND THE CITY OF SCOTTS VALLEY FOR SHARING
OF CHIEF BUILDING OFFICIAL SERVICES**

THIS AGREEMENT, effective as of _____, 2018 by and between the CITY OF CAPITOLA (“Capitola”) and the CITY OF SCOTTS VALLEY (“Scotts Valley”), (referred to individually as a “Party” and collectively as the “Parties”) is made with reference to the following facts:

A. Scotts Valley desires to obtain the services of a Chief Building Official.

B. Capitola is willing to provide such services by hiring a Chief Building Official and sharing with Scotts Valley this position, as herein set forth.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Hiring Process. Capitola shall hire a Chief Building Official in consultation with Scotts Valley. Selection of Chief Building Official shall be mutually agreed upon by both parties.

2. Sharing of Services. The Chief Building Official shall act as the Chief Building Official for both Capitola and Scotts Valley, with approximately half of his or her total working time being devoted to each Party.

3. Employment of Chief Building Official by Capitola. The Chief Building Official shall at all times during the term of this Agreement remain a full-time employee of Capitola and shall continue to receive all of his or her salary, health insurance, and other employment benefits from Capitola. During the course of this Agreement, it is expected that the Chief Building Official will take time off from employment for eligible leaves as provided under Capitola’s applicable personnel rules and regulations. Scotts Valley agrees that such leaves will not constitute a breach of this Agreement, and Capitola agrees that it will provide reasonable notice of all scheduled leaves as well as prompt notice of all unscheduled leaves. Capitola will coordinate with Scotts Valley to minimize any potential scheduling impacts. It is understood that the Chief Building Official may elect to leave the employment of Capitola at any time. In such event, Capitola shall provide prompt notice of such departure to Scotts Valley.

4. Work for Capitola and Scotts Valley. For purposes of this Agreement, the Chief Building Official shall be deemed to be working for a Party once he or she begins the commute, in a vehicle owned by Capitola, to the Party’s city hall or the Party’s work site, and/or performing services for that particular Party.

5. Automobile Use. Capitola shall provide a vehicle owned by Capitola for the Chief Building Official’s use when conducting business for either Party. The vehicle may be used to commute to and from work within Santa Cruz County. The vehicle shall not be used for personal business by the Building Official.

6. Services for Scotts Valley. The Chief Building Official shall perform the customary and usual duties of Chief Building Official for Scotts Valley and shall report directly to the Scotts Valley Community Development Director. His or her duties for the City of Scotts Valley shall include the Essential Duties and Responsibilities outlined in the City of Capitola Building Official job description.

7. Term of Agreement. The term of this Agreement shall be for (3) three years, unless terminated by either Party pursuant to section 12 herein.

8. Payment.

(a) Scotts Valley agrees to pay Capitola fifty percent (50%) of the following:

- (i) Actual salary;
- (ii) Actual Health Care Premium;
- (iii) Actual Employer PERS costs;
- (iv) Overhead costs (ISFs, liability, worker's compensation insurance, payroll, HR costs, etc.) which is calculated as 40% of Actual Salary; and
- (v) \$750 per month for vehicle operation, maintenance, and replacement costs.

(b) The Parties agree that Scotts Valley's share of the total costs shall not exceed one hundred and five thousand dollars (\$105,000) annually.

(c) Such costs shall be payable in monthly installments in response to invoices from Capitola showing the amount due for the preceding month. In the event an invoice covers only a portion of the month, the amount shall be pro-rated based upon the actual number of days in that month. Invoices shall be paid by Scotts Valley within thirty (30) days after receipt.

(d) Any proposed adjustment by Capitola to the total salary and benefit package for the Chief Building Official during the term of this Agreement shall be submitted to Scotts Valley for review and approval at least 60 days prior to the effective date of the adjustment, which will not be unreasonably withheld.

9. Employee Evaluations. The Parties shall meet and confer on an as needed basis to prepare a joint annual employee evaluation for the Chief Building Official. Either as part of the evaluation or otherwise, both Parties may establish performance goals and objectives, as appropriate.

10. Schedule. The Parties agree the Building Official will spend approximately 50% of their time working for each Party. Within 30 days from the effective date of this Agreement, the City Managers of Capitola and Scotts Valley, and the Building Official, shall develop a work schedule for review and approval by the City Manager of each Party. The Parties agree that this schedule may be modified based on changes in workload by prior mutual written consent of the Parties.

11. Independent Contractor. It is understood that Capitola and its employees, in the performance of the services agreed to be performed hereunder, shall act as and be an independent contractor and not an agent or employee of Scotts Valley. As an independent contractor, no employee of Capitola shall obtain any rights to retirement benefits, medical benefits, leave, or any other benefits that accrue to Scotts Valley employees. Capitola agrees to make its employees available to testify in any litigation brought regarding the subject of the work performed for Scotts Valley under this Agreement. Should such need arise following the termination of this Agreement, Capitola shall be compensated for its employees' costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, plus 40% overhead costs, unless such litigation is brought by Capitola or is based on allegations of Capitola's negligent performance or wrongdoing.

12. Termination. During the first year of this Agreement, either Party may terminate this Agreement with or without cause, by providing ninety (90) days' notice. After the first year of this Agreement, either Party may terminate the Agreement, with or without cause, on July 1 of any given year, by providing prior written notice to the other Party by December 31. However if at any time the Chief Building Official commits acts of gross negligence and/or willful misconduct, the City of Scotts Valley shall have the right to terminate this contract with 60-days notice, or upon termination of the Chief Building Official, whichever occurs first

As the employer, Capitola reserves its full rights to make employment decisions regarding the Chief Building Official, and will agree to provide reasonable notice of any such employment decisions to Scotts Valley, to the extent such notice is consistent with local and state laws and regulations. If the Chief Building Official for any reason is no longer a full-time employee of Capitola, this Agreement shall terminate immediately.

13. Indemnification. Each Party ("Indemnitor") agrees to defend, indemnify, and hold harmless the other Party, its respective officials, officers, employees and agents (collectively "Indemnitees") from any and all claims, demands, losses, damages, legal defense costs, liability of any kind or nature ("Claims"), which Indemnitee may sustain or incur or which may be imposed upon it, but only in proportion to and to the extent such Claims result from, arise out of, or in any manner are caused by the Chief Building Official's acts or omissions on behalf of the Indemnitor, provided that such hold harmless and indemnity shall not extend to liabilities or damages caused by the sole negligence or willful misconduct of Indemnitees. Capitola and Scotts Valley shall maintain any right to subrogation which any insurer for either party may acquire against the other by virtue of payment of any loss arising out of the Chief Building Official performing services or work for that party.

14. Insurance. Capitola shall maintain workers' compensation and employment liability insurance coverage or self-insurance for the Chief Building Official as required to be provided by Capitola to its employees under California law. This Agreement shall require both Parties to continue participation in Monterey Bay Area Self Insurance Authority (MBASIA) or other comparable insurance.

15. Waiver. No failure on the part of either Party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that Party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Cruz.

17. Disputes. In the event legal action shall become necessary in order to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

18. Review of Service Sharing Arrangement. Within six months from the effective date of this Agreement, the City Managers of Capitola and Scotts Valley and the Chief Building Official shall meet and evaluate the implementation of this Agreement and determine whether any changes should be made to the arrangement for sharing the services of the Chief Building Official. Thereafter, additional evaluation meetings may be scheduled at any time upon the request of the City Manager of Capitola or Scotts Valley or the Chief Building Official.

19. Notices. If either Party shall desire or is required to give notice to the other, such notice shall be given in writing, addressed to recipient as follows:

City of Capitola:
Community Development Director
420 Capitola Ave.
Capitola, CA 95010

City of Scotts Valley:
Community Development Director
One Civic Center Drive
Scotts Valley, CA 95066

20. Severability. The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

21. Entire Agreement. This Agreement constitutes the entire agreement between Capitola and Scotts Valley and supersedes and cancels any prior agreement or understanding, whether written or verbal. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by Capitola and Scotts Valley.

22. Counterparts. The Parties may execute this Agreement in two or more counterparts, which shall, in the aggregate, be deemed an original but all of which, together, shall constitute one and the same instrument. Electronic signatures and fully executed copies of this Agreement are deemed valid as originals.

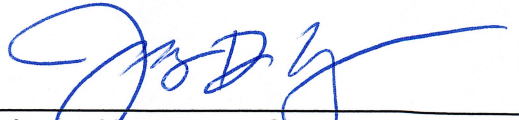
Attachment: Chief Building Officer Sharing Agreement (Building Official Agreement with Scotts Valley)

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the day and year first above written.

CITY OF CAPITOLA

CITY OF SCOTTS VALLEY

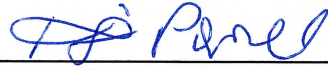
By: _____
Jamie Goldstein, City Manager

By: 
Jenny Haruyama, City Manager

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Anthony Condotti, City Attorney


Kirsten Powell, City Attorney

Attachment: Chief Building Officer Sharing Agreement (Building Official Agreement with Scotts Valley)



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Community Development

SUBJECT: Consider Awarding the Contract for the Local Hazard Mitigation Plan Update

RECOMMENDED ACTION: Award a sole-source contract to Kimley-Horn for an update of Capitola's Local Hazard Mitigation Plan in an amount not to exceed \$55,250.

BACKGROUND: On May 3, 2013, the City's first Local Hazard Mitigation Plan (LHMP) was approved by the Federal Emergency Management Agency (FEMA). Section 201.6(d)(3) of the Code of Federal Regulations requires that local hazard mitigation plans be reviewed, revised if appropriate, and resubmitted for approval in order to remain eligible for benefits awarded under the Disaster Mitigation Act. Within the current LHMP, the City committed to updating the plan in five years. In early 2018, the California Governor's Office of Emergency Services (OES) contacted the City to remind it about the approaching five-year mark and provide information on available federal grant opportunities.

On May 13, 2018, OES approved \$41,438 of grant funding to update the City of Capitola's LHMP. In addition, the City is required to provide a 25 percent match (\$13,812) of the total cost of \$55,250.

DISCUSSION: The LHMP planning process includes identification of potential natural hazards, such as climate change, and preparation of detailed mitigation and response plans. Upkeep of the City's LHMP is a preapplication requirement for several different federal disaster recovery grant programs. A current LHMP has the potential to position the City as competitive for significant future grant funds for flood and future disaster relief and recovery, which are separate from the Disaster Declaration Funds from the state and federal government.

The original LHMP was completed by Bill Wiseman of Kimley-Horn (previously RBF Consulting). In the case where a consulting firm has satisfactorily performed the previous stage of a project or has acquired extensive background and working knowledge, the firm may be selected by the City for follow-up work without solicitations from other firms through a sole-source contract. Kimley-Horn prepared the grant application and scope of services for the project due to the firm's extensive working knowledge of the original LHMP. Staff is recommending approval of a sole-source contract with Kimley-Horn for the plan update.

The scope of work for the contract includes project initiation, risk assessment, plan preparation, and plan adoption. During the project initiation, the consultant will work with staff and a stakeholder group to identify potential hazards of concern and prioritize hazards within a risk assessment exercise. The consultant will work closely with the stakeholder group and community in developing local mitigation strategies specific to Capitola's exposure and impacts for each identified natural

Local Hazard Mitigation Contract
September 13, 2018

hazard. The consultant will work with city staff, the California Emergency Management Agency (CalEMA), and FEMA during the initial update of the draft. Upon plan approval by CalEMA and FEMA, the consultant will prepare the final LHMP for the City.

One focus of the updated LHMP will be climate change. Over the past five years, the City has made progress on multiple fronts towards impact assessment and long-range planning for climate change. In 2014, the City participated in the Monterey Bay Sea Level Rise Vulnerability Assessment, a regional sea level rise study in coordination with the California State Ocean Protection Council, Santa Cruz County, Coastal Conservation and Research, the Nature Conservancy, and the Center for Ocean Solutions. From this effort, a separate report was prepared in 2017 for the City entitled "Capitola Coastal Climate Change Vulnerability Report." Also, the City adopted a new General Plan in 2014 followed by its first Climate Action Plan in 2015. Both long-range planning documents identify strategies and actions to reduce greenhouse gas emissions and plan for the effects of climate change.

The LHMP update will influence the current zoning code update. Currently, the entire zoning code has been updated except for the Geological Hazards section. This section will be updated based on guidance established in the LHMP.

Within the Coastal Zone, the new zoning ordinance must be adopted by the California Coastal Commission as the Local Coastal Program (LCP) Implementation Plan. Staff is currently working with the Coastal Commission toward adoption of Capitola's Implementation Plan, less the Geological Hazards section. After the LHMP is updated, staff will revise the Geological Hazards section of the zoning code in preparation for local adoption, followed by a second submittal to the Coastal Commission.

FISCAL IMPACT: OES approved \$41,438 to update the LHMP. The LHMP is a climate action planning activity; therefore, the City's required 25 percent match (\$13,812) of the total \$55,250 will come from Green Building Fund, as the LHMP update is a climate action planning activity.

ATTACHMENTS:

1. LHMP Update Contract
2. LHMP Contract - Sole Source
3. Capitola LHMP Scope of Work

Report Prepared By: Katie Herlihy
Community Development Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018

**CITY OF CAPITOLA
PROFESSIONAL SERVICES AGREEMENT**
Update of Local Hazard Mitigation Plan (LHMP)
Kimley-Horn and Associates, Inc.

THIS AGREEMENT is entered into on September 13, 2018, by and between the City of Capitola, a Municipal Corporation, hereinafter called "City" and Kimley-Horn and Associates, Inc., hereinafter called "Consultant".

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

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

**SECTION 1
Scope of Services**

The services to be performed under this Agreement are for Update of Capitola's Local Hazard Mitigation Plan and further detailed in Appendix One.

**SECTION 2
Duties of Consultant**

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

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

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

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

**SECTION 3
Duties of the City**

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

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

SECTION 4 Fees and Payment

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

SECTION 5 Changes in Work

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

SECTION 6 Time of Beginning and Schedule for Completion

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

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

Work shall begin on or about October 1, 2018.

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

SECTION 7 Termination

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

SECTION 8 Insurance

Consultant shall procure and maintain for the duration of the contract and for 0 years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

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

Other Insurance Provisions

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

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

Acceptability of Insurers

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

Waiver of Subrogation

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

Verification of Coverage

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

SECTION 9 Indemnification

(For Design Professionals as defined in Civil Code section 2782.8: licensed architects, licensed landscape architects, professional engineers, professional land surveyors):

Consultant agrees to indemnify, defend, and hold harmless the City, its officers, officials, employees, agents and volunteers from and against any and all claims, demands, actions, damages, or judgments, including associated costs of investigation and defense arising in any manner from the negligence, recklessness, or willful misconduct of Consultant, Consultant's employees, agents, or subcontractors in the performance of this agreement. But this indemnity does not apply to liability for damages arising from the sole negligence, active negligence or willful misconduct of the City.

(For Non Design Professionals, such as for construction management services):

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

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

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

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

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

SECTION 12 **Assignment**

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

SECTION 13 **Amendments**

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

SECTION 14
Miscellaneous Provisions

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

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

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

CONSULTANT
KIMLEY-HORN & ASSOCIATES, INC.
82 Bay Avenue #10,
Capitola, CA 95010
(831) 316-1430

By: _____
Benjamin Goldstein, City Manager

By: _____
Bill Wiseman, Planning Practice Leader

Dated: _____

Dated: _____

Approved as to Form:

Anthony Condotti, City Counsel

Attachment: LHMP Update Contract (Local Hazard Mitigation Contract)

APPENDIX ONE
Scope of Services

[To be completed for each consultant]

APPENDIX TWO Fees and Payments

For the services performed, City will pay consultant on a not-to-exceed, lump sum basis upon satisfactory completion of the services and delivery of work products. Payments will be issued monthly as charges accrue, the sum of consultant's salary expenses and non-salary expenses.

Consultant hereby represents and warrants, based upon Consultant's independent determination of the time and labor, including overtime, which will be required to perform said services, that Consultant will provide all said services at a cost which will not exceed the maximum price set forth in this agreement for Consultant's services. Consultant hereby assumes the risk that Consultant will perform said services within this maximum price constraint and Consultant acknowledges that its inability to do so shall not excuse completion of the services and shall not provide a basis for additional compensation.

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

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

In no event shall the total fee charged for the scope of work set forth in Appendix One exceed the total budget of \$_____ (_____ Thousand Dollars and Zero Cents), without specific, written advance authorization from the City.

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

"I hereby certify as principal of the firm of _____, that the charge of \$_____ as summarized above and shown in detail on the attachments is fair and reasonable, is in accordance with the terms of the Agreement dated _____, __, and has not been previously paid."

**Sole Source Purchase Determination
Kimley Horn and Associates, Inc. – September 13, 2018**

BACKGROUND: The City of Capitola Purchasing and Procurement policy (Administrative Policy III-4) requires three telephone quotes, whenever feasible for purchases between \$5,000 - \$25,000. The Policy also requires a formal RFP bid procedure for purchases over \$25,000. The policy provides conditions for Sole Source (Section II) purchases that are exempt from the competitive process.

DISCUSSION: The contract with **Kimley-Horn and Associates, Inc.**, in the amount of **\$55,250**, dated **September 13, 2018** is a qualified sole source purchase within the City Administrative Policy III-4 Section II **(check one of the following)**

Materials, Supplies & Equipment:

_____ (a) Definition. Sole source purchases are used where no secondary source is reasonably available precluding the use of a competitive process.

Consultant or General Services:

 X (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.

Bill Wiseman, of Kimley Horn and Associates knowledge of the City’s existing Local Hazard Mitigation Plan (LHMP), as the project manager of the 2015 original LHMP in 2013, provides him with the required experience that no other consultant can provide without first spending a significant amount of time researching local hazards and mitigation methods within Capitola’s unique coastal environment.

Department Head

Date

City Manager

Date

Attachment: LHMP Contract - Sole Source (Local Hazard Mitigation Contract)



Local Hazard Mitigation Plan – Scope of Work

The following scope of work has been prepared pursuant to the Request for Proposals to update the Local Hazard Mitigation Plan (LHMP) for the City of Capitola Community Development Department.

The Consultant will work closely with the City formed Hazard Mitigation Planning Team (LHMP Team) throughout the project and take a lead role in the coordination and facilitation of public outreach and coordination with local jurisdictions. The Consultant will prepare the LHMP consistent with FEMA requirements which will enable the City to apply for and/or receive project grants under the following hazard mitigation assistance programs:

- Hazard Mitigation Grant Program (HMGP)
- Pre-Disaster Mitigation (PDM)
- Flood Mitigation Assistance (FMA)
- Severe Repetitive Loss (SRL)

Task 1 - Project Initiation

Kick Off Meeting (LHMP Team Meeting #1)

The Consultant will facilitate a kickoff meeting with city staff upon receipt of DRI grant funding for the project. This meeting will focus on the project scope of work and corresponding budget, schedule for completion of milestone tasks, scheduling of project meetings, and development of Plan goals and mitigation priorities. In addition, the Consultant will conduct a facilitated discussion with the LHMP Team regarding the potential hazards of concern and prioritize these hazards, which is the first step in preparing the Risk Assessment phase identified below. The Hazard Prioritization exercise will rank each hazard based on the probability of occurrence, area potentially affected, and significance of primary and secondary impacts. As a result of this exercise each hazard will have a numeric score, which assists in prioritization process.

Background Review and Research

The Consultant will review the City's existing General Plan and LHMP, the Santa Cruz County Hazard Mitigation Plan, and other relevant documents. Additional research will be conducted to summarize updated capabilities as outlined in available planning documents (general plan,



capital improvements plan, emergency operations plan, etc). This information typically includes: past or current projects associated with hazards reduction within the City, current hazard related policies or ordinances in effect, historical information regarding disaster events that have occurred within the City or affected the City, information pertaining to critical facilities, and other relevant information that may be required for incorporation into the document.

Upon completion of this review, the Consultant will provide a draft plan outline along with summaries of the plan goals and mitigation priorities, and summaries of the location and extent of the hazards identified during LHMP Meeting #1.

Capabilities Assessment

The Consultant will perform a capabilities assessment of the City's current services. This task will include a review of City services, current capacity/ deficiencies, and identify the staffing levels and assets that are available to the City for various functions including the City's ability to identify, plan, construct, and maintain projects as well as emergency management functions. As part of this task the team will provide a summary of existing City capabilities that will assist in prioritizing resources to devote to future mitigation projects.

Task 2 - Risk Assessment

The purpose of this task is to provide a basis for hazard mitigation planning and will include the following tasks:

Hazard Profiles

Based on the results of LHMP Team meeting #1, the Consultant will profile the natural hazards that will be included in the plan. These profiles will provide a general description of the hazard, the location and extent of the hazard, past occurrences within the City, and a probability assessment of future occurrences.

Typical natural hazards categories, consistent with the State Hazard Mitigation Plan include, but are not limited to:

- Flood-Related Hazards (river flooding, coastal flooding/tsunami/sea level rise, erosion, dam failures as the result of coastal storms, winter storms and hurricanes) that include, at a minimum, flood hazard areas as defined by FEMA in the Flood Insurance Rate Maps (FIRMs) for the jurisdiction as well as local historical data.



- Weather-Related Hazards (hurricanes, coastal storms, winter storms, tornadoes) based on information provided by the National Weather Service and/or State Hazard Mitigation Plan.
- Fire-Related Hazards (drought, wildfires) based on local historical data, the National Weather Service, State Hazard Mitigation Plan, and/or other applicable plans/sources.
- Geologic Hazards (earthquakes, landslides, sink holes) based on local historical information, State Hazard Mitigation Plan, and/or other applicable plans/sources.
- Other Hazards not listed above as determined by local history and experience. Consideration may also be given to man-made hazards (i.e. chemical spills and/or fires).

Critical Facilities

As part of this Task, the Consultant will work with the LHMP Team in identifying those critical facilities that will be included within the plan. During this process, an inventory of these facilities will be developed, which may include:

- a) Emergency operations center, police/fire stations
- b) Hospitals and emergency shelters
- c) Water and wastewater treatment infrastructure (plants, pumps, reservoirs, etc.)
- d) Power generation, transmission, and delivery facilities.
- e) Special population centers, such as day-care facilities, nursing homes/elderly housing, correctional facilities
- f) Hazardous material facilities
- g) Evacuation routes

The creation of this inventory is a critical component that will be used in conjunction with the Hazard Profiles as part of the vulnerability assessment component of the plan.

Hazard Mapping

Using existing GIS data sources (obtained from the City of Capitola, Santa Cruz County, State of California, and applicable Federal agencies), the Consultant will develop base mapping of the various hazards located within the City and vicinity. In conjunction with mapping, the Consultant will develop a comprehensive inventory of the following items relative to the hazard areas:

- i) All repetitive flood loss and substantial damage structures, as defined by FEMA, if applicable.



- ii) Maps that depict the location of structures, land use, and population.
- iii) Structures will be delineated by use (e.g. residential, commercial, industrial, institutional, other)

Vulnerability Assessment

Based on the above information, the Consultant will develop a vulnerability assessment that identifies the City's vulnerability to the specific hazards identified in the plan. This vulnerability assessment, if possible, will include:

- Types and numbers of buildings, infrastructure, and critical facilities located in the identified hazard areas.
- Existing multiple hazard protection measures within the jurisdiction, including protective measures under the National Flood Insurance Program (NFIP).
- A description of each measure and the method of enforcement and/or the point of contact responsible for implementation of each measure.
- Historical performance of each measure and a description of improvements or changes needed.
- General description of land uses and development trends to incorporate future land use decisions.

HazUS Loss Estimate

In support of the Vulnerability Assessment, the Consultant will incorporate the following HazUS loss estimates for the City:

- Earthquake: HazUS loss estimates for three earthquake scenarios (San Andreas, Zayante, and Palo Colorado) using readily available data to report loss estimates specific to the City. The Consultant will obtain the HazUS (HPR) files from these scenarios enabling us to export GIS files and query the City data. The result will be a tally of loss estimates specific to the City for integration into the local hazard mitigation plan update. These will include fire, police, emergency operations center, school districts, hospitals, and general Building Stock loss estimations.
- Flood: The Consultant will run a 100-year flood scenario (utilizing HazUS, if data is available). This scenario incorporates the most recent DFIRM data. The Consultant will evaluate the results of the scenario to present a tally of potential loss estimates specific to the City for integration in to the local hazard mitigation plan update.



- Tsunami: A tsunami scenario will be developed using the most recent Tsunami data prepared by Cal EMA and/ or other available sources (NOAA, USGS). The Consultant will prepare this scenario with the most recent inundation mapping and research to produce city potential loss estimates.

Mitigation Strategies

The Consultant will work closely with the LHM Team and the community in developing local mitigation strategies specific to Capitola's exposure and impacts for each identified natural hazard. The strategy will include a list of mitigation goal statements that focus on reducing the risks from identified natural hazard. We will also include a section that identifies and analyzes a comprehensive range of specific mitigation actions and projects being considered to reduce the effects of each hazard, with particular emphasis on new and existing buildings and infrastructure. This section will include a list of prioritized hazard mitigation projects that best meet the communities' needs for multiple hazard damage reduction.

These projects may be non-structural (e.g.: planning, regulatory measures, property acquisition, retrofitting, elevation) or structural (e.g.: seawalls, dams, dikes) solutions. At a minimum, this list of prioritized projects will be based on a process that results in identification of cost effective hazard mitigation projects with public input, including:

- An analysis of proposed mitigation projects focused on several key areas, including but not limited to: economic (including benefits and cost), engineering, technical, legal, environmental, social, and political feasibility. Selected options will best fit the community's needs and meet most or all aspects of the feasibility analysis.
- Coordination with relevant Federal and State agencies for input and technical assistance.

Plan Maintenance

Section 201.6 (c)(4) of 44 CFR requires a formal plan maintenance process to ensure that the mitigation plan remains an active and relevant document. The plan maintenance process includes a method and schedule for monitoring, evaluating, and updating the plan at least every five (5) years. This also includes an explanation of how local governments intend to incorporate their mitigation strategies into existing planning mechanisms, such as general plans, capital improvement plans, and zoning and building codes. This section also requires that there be continued public participation throughout the plan maintenance process.

The Consultant will prepare the LHMP consistent with Section 201.6 (c)(4) in a manner that is forward-thinking and emphasizes future plan maintenance. It will include the following sub-sections:



- Monitoring, Evaluating, and Updating the Plan
- Incorporation into Existing Planning Mechanisms
- Continued Public Involvement

Task 2 - LHM Plan Preparation

1st Administrative Draft Local Hazard Mitigation Plan

Preparation of the Administrative Draft LHMP will occur in conjunction with the Hazard Mitigation Planning Process outlined above. Portions of the document will be prepared and discussed as part of Hazard Mitigation Planning Team meetings. Upon completion of these meetings a complete Administrative Draft document will be provided to the City for initial review. The following are anticipated sections of the plan, in compliance with the FEMA Crosswalk and LHMP Guidance:

1. Introduction
2. Official Record of Adoption
3. Planning Process
4. Community Description/Setting
5. Risk Assessment
6. Mitigation Strategy
7. Plan Maintenance

2nd Administrative Draft Hazard Mitigation Plan

Upon completion of city Staff review of the Administrative Draft LHMP, the Consultant will perform the following tasks in preparation of the Draft LHMP:

Review City Comments and Prepare 2nd Administrative Draft Document

The Consultant will review one consolidated set of comments on the 1st Administrative Draft LHMP and make necessary revisions to the document.

Prepare FEMA "Crosswalk"

As required by 44 CFR 201.6(d), LHMPs must be submitted to the State Hazard Mitigation Officer for initial review and coordination, with the State then forwarding the plan to FEMA for formal review and approval. FEMA reviewers document their evaluation of the plan using the



Local Mitigation Plan Review Crosswalk. LHMPs are approved when they receive a “Satisfactory” for all requirements.

The Consultant will prepare a draft Capitola LHMP Review Crosswalk based on the *Local Multi-Hazard Mitigation Planning Guidance*, published by FEMA in June 2008. For each “Element” in the checklist, The Consultant will identify its location in the plan that will be used for reference by CalEMA and FEMA as part of their review of the document.

Draft Local Hazard Mitigation Plan

Based on oral and written comments received on the 2nd Admin. Draft LHMP, the Consultant will prepare the public review Draft LHMP. Both the Draft LHMP and LHMP Plan Review Crosswalk will be provided to the City for transmittal to CA Emergency Management Agency (CalEMA).

Agency Response to Comments on Draft LHMP

The Consultant, in coordination with city staff, will work CalEMA and FEMA to respond to comments they raise on the Draft LHMP. It is anticipated that two to three conference calls will be required to resolve outstanding issues. If necessary, we will prepare a revised Draft LHMP with track changes shown and provide to CalEMA and FEMA for their subsequent review.

Plan Adoption

Public Hearings

The Consultant will support city staff and the LHMP Team as part of presentations the Planning Commission (PC) and City Council (CC) hearings. This assumes a support role to city staff, which includes assistance in PowerPoint slide preparation, graphics preparation, and the attendance and participation at these meetings. We envision that one PC and one CC meeting will be required.

Final Local Hazard Mitigation Plan

Following plan approval by CalEMA and FEMA, the Consultant will prepare the Final LHMP. This document will incorporate revisions as provided by the City based on comments received by the City as received as part of the community outreach meeting #2 and the public hearings.



Project Management and Coordination

During the LHMP Update process it will be important to communicate regularly with City staff. As part of the coordination and management of the project, it is anticipated that conference calls will be necessary to discuss data needs, analysis results, pertinent issues, and/or scheduling.

Project Schedule

The following approximately 12-month schedule is proposed for the project. Duration is in months from date of contract authorization

<u>Task</u>	<u>Completion Date</u>
LHMP Team Meeting #1	1
Research and Investigation/ Capabilities Assessment	2
Preparation of Risk Assessment	3
LHMP Team Meeting #2	3
Community Outreach Meeting #1	3
Completion of Risk Assessment	4
LHMP Team Meeting #3	4
Administrative Draft LHMP	5
LHMP Team Meeting #4	6
Public Review Draft LHMP	6
Community Outreach Meeting #2	7
Final Draft LHMP to CalEMA / FEMA	8
CalEMA / FEMA Comments to City	10
Public Hearings & Adoption	11-12
Preparation of Final LHMP	12

Attachment: Capitola LHMP Scope of Work (Local Hazard Mitigation Contract)



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Public Works Department

SUBJECT: Consider a Resolution in Opposition to Proposition 6 Repealing Senate Bill 1, the Road Repair and Accountability Act of 2017

RECOMMENDED ACTION: Adopt resolution.

BACKGROUND: On February 23, 2017, the City Council authorized the Mayor to send a letter in support of Senate Bill 1 (SB 1), also known as the Road Repair and Accountability Act (RRAA). The RRAA was signed into law in April 2017 and started collecting funds in November 2017. The key components of the RRAA funding is a 12-cent gas tax and a \$38 per vehicle increase in registration fees. The RRAA has provided the City of Capitola with \$230,000 since its adoption and it is estimated to provide \$170,000 annually. Countywide, it is estimated RRAA will provide \$115 million over the next 10 years for road improvements.

DISCUSSION: Groups opposed to the RRAA initiated a ballot petition to repeal SB 1 and in June they succeeded in having Proposition 6 placed on the November ballot to repeal all of SB 1. Should Proposition 6 be successful at the ballot box, not only would the RRAA funds be stopped, but future increases in the gas tax or vehicle registration fees would require voter approval.

Under the adopted regulations, RRAA funds can only be used for transportation improvements. In Capitola the funds to date have been used for the Highway 1 Enhanced Bikeway Improvement Project. Future projects proposed to receive RRAA funds are:

1. \$340,000 (two-year allocation) to roadway rehabilitation for 42nd Avenue between Jade Street and Capitola Road, Diamond Street and Ruby Court (2018/19 and 2019/2020)
2. \$170,000 to Fanmar Way roadway and drainage improvements (2020/2021)
3. \$170,000 to McGregor Drive complete street improvement (2021/2022)

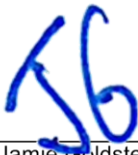
Annual reports are provided to the State to account for all RRAA funds received.

FISCAL IMPACT: The City would lose \$170,000 annually for road improvements if voters approve Proposition 6.

Resolution in Opposition of Prop 6
September 13, 2018

Report Prepared By: Steve Jesberg
Public Works Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018

Resolution in Opposition of Prop 6
September 13, 2018

RESOLUTION NO. ____
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
OPPOSING PROPOSITION 6 AND SUPPORTING THE ROAD REPAIR AND
ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that ensure the residents of Capitola are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City of Capitola will receive approximately \$170,000 annually and jurisdictions within the county will receive an estimated \$115 million in SB 1 funding over the first 10 years of the bill, assisted by new gas taxes, registration fees and other revenues; and

WHEREAS, SB 1 funding will enable the City of Capitola to continue essential road maintenance and rehabilitation projects, safety improvements, and increase access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City of Capitola is using an SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects to help meet the City's priorities for transportation investment; and

WHEREAS, the 2017 Pavement Management Program Update for the City of Capitola found streets and roads have an average Pavement Condition Index of 65, which is in the fair category. To maintain this rating approximately \$760,000 needs to be spent annually on road maintenance.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Capitola City Council opposes Proposition 6 as a threat to local road improvements and multi-modal safety for the travelling public.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 13th day of September 2018, by the following vote:



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: City Manager Department

SUBJECT: Approve the First Supplement to the Amended and Restated Joint Exercise of Powers Agreement for the Santa Cruz Public Libraries Facilities Financing Authority

RECOMMENDED ACTION: Approve agreement.

BACKGROUND: In 2016, the Libraries Facilities Financing Authority (LFFA) formed a Community Facilities District to finance modernization, upgrades, and repairs of local libraries in Santa Cruz, Aptos, Live Oak, Scotts Valley, Boulder Creek, Capitola, Felton, and La Selva Beach. On June 7, 2016, Santa Cruz County voters approved Measure S, which authorized the LFFA to issue up to \$67,000,000 in bonds and levy a special tax annually on parcels within the Community Facilities District to pay debt service on the bonds and directly pay the costs of the authorized library projects. Pursuant to the LFFA Amended and Restated Joint Exercise of Powers Agreement (JPA Agreement), the City of Capitola received \$8 million in Measure S funding to build the new Capitola branch library.

Beginning with the first levy in Fiscal Year 2016-17, Measure S revenues exceeded estimated amounts because of several factors. First, the actual tax generated exceeded the initial projection, which included auditing the number of units for multifamily properties. In addition, the pricing and costs of the first bond issuance in June 2017 were lower than anticipated.

On June 7, 2018, the LFFA Board formed an ad-hoc subcommittee comprised of Capitola and County representatives to evaluate Measure S revenues and possible disbursement strategies. Based on the subcommittee's work, an additional \$15.5 million, or 25 percent, in Measure S funding (a combination of additional bond proceeds and annual taxes) could be distributed to the jurisdictions over a period of time.

DISCUSSION: On August 30, 2018, the LFFA Board unanimously recommended approval of the First Supplement to the JPA Agreement that distributes the additional revenues based on the original formula from the existing JPA Agreement. This Supplement must be approved by each JPA member agency (Capitola, Santa Cruz and Scotts Valley, and Santa Cruz County).

Specifically, the proposed amendment updates the maximum funding amounts to be distributed to each jurisdiction based on a revenue increase of 25 percent. That increase will result in Capitola receiving an additional \$2 million in library funding. The distribution percentages remain the same.

JPA First Supplement
September 13, 2018

	Original Maximum Amount	Modified Maximum Amount	Percentage
City of Capitola	\$8,000,000	\$10,000,000	12.90%
City of Santa Cruz	\$25,000,000	\$31,250,000	40.32%
City of Scotts Valley	\$3,000,000	\$3,750,000	4.84%
County of Santa Cruz	\$26,000,000	\$32,500,000	41.94%
Total	\$62,000,000	\$77,500,000	100.00%

FISCAL IMPACT: Approval of this First Supplement increases the City's library construction budget to \$11,706,000, which when coupled with the anticipated value-engineering change orders, brings the project within budget with no further allocation of General Fund revenue anticipated.

ATTACHMENTS:

1. LFFA JPA 1st Supplement Final Signed

Report Prepared By: Jamie Goldstein
City Manager

Reviewed and Forwarded by:

Jamie Goldstein, City Manager

9/6/2018

SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY

**FIRST SUPPLEMENT TO
AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT**

This FIRST SUPPLEMENT TO AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT (this "First Supplement"), dated _____, 2018, is entered into by and among the CITY OF SANTA CRUZ, a charter city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, the CITY OF SCOTTS VALLEY, a general law city and municipal corporation duly organized and existing under the laws of the State of California, the CITY OF CAPITOLA, a general law city and municipal corporation duly organized and existing under the laws of the State of California, and the COUNTY OF SANTA CRUZ, a California county duly organized and existing under the laws of the State of California.

B A C K G R O U N D:

1 The Cities and the County previously entered into an Amended and Restated Joint Exercise of Powers Agreement dated February 28, 2017 (the "Original Agreement"), which governs the joint powers authority known as the Santa Cruz Libraries Facilities Financing Authority (the "Authority"), whose members are the Cities and the County, for the purpose of financing the acquisition, construction and improvement of public library facilities (the "Public Library Improvements") through the formation of a community facilities district under the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53311 of said Code (the "Mello-Roos Act") and the authorization and issuance of bonds under the Mello-Roos Act.

2. The Cities and the County desire to amend the Original Agreement to modify certain terms regarding the distribution of Special Taxes and Net Bond Proceeds, as set forth in this First Supplement.

3. This First Supplement is entered into in accordance with Section 14 of the Original Agreement. Capitalized terms used but not defined in this First Supplement have the meanings set forth in the Original Agreement.

A G R E E M E N T:

For and in consideration of the premises and the material covenants hereinafter contained, the Parties hereto hereby formally covenant, agree and bind themselves as follows:

SECTION 1. *Amendment of Original Agreement.* The Original Agreement is hereby amended as follows:

(a) Section 2(b)(ii). Paragraph of (b)(ii) of Section 2 of the Original Agreement is hereby deleted and amended in its entirety by the following:

(ii) Maximum Distributions to Parties. The Facilities Authority shall distribute the

Special Taxes and Net Bond Proceeds to each of the Parties in the maximum amounts specified below using the percentages specified below (adjusted for rounding) in order to undertake and complete the construction of the Public Library Improvements:

Member	Maximum Amount	Percentage
City of Capitola	\$10,000,000	12.90%
City of Santa Cruz	\$31,250,000	40.32%
City of Scotts Valley	\$3,750,000	4.84%
County of Santa Cruz	\$32,500,000	41.94%
Total	\$77,500,000	100.00%

Changes to the total amount of the Bonds to be issued, or to the distribution of Special Taxes and Net Bond Proceeds among the Parties, shall require an amendment to this Agreement by the unanimous affirmative vote of all of the Directors, in accordance with the further requirements set forth in Section 14, and shall be subject to the requirements of the Mello-Roos Act and the Joint Powers Act.

(b) Section 2(b)(iii). Paragraph of (b)(iii) of Section 2 of the Original Agreement is hereby deleted and amended in its entirety by the following:

(iii) Distribution of Special Tax Proceeds. Prior to issuance of Bonds, any net Special Tax collected in excess of amounts needed to administer the CFD shall be distributed twice annually in January and June, or as soon as practical upon receipt (but in no event less than twice annually), to each of the Parties in the percentages shown above.

After the issuance of Bonds, any net Special Tax collected in excess of amounts needed to pay each Party's allocable share of debt service on Bonds and to administer the Bonds and the CFD shall be distributed annually on September 2 to each of the Parties in accordance with the Bond Expenditure Plan.

When the total of net Special Taxes and Net Bond Proceeds distributed to the Parties equals the maximum amounts specified in Section 2 (ii) and a total of \$77,500,000, further distribution of net Special Taxes to each of the Parties shall be made in accordance with the Bond Expenditure Plan subject to the unanimous affirmative vote of all of the Directors.

Each of the Parties shall deposit or cause to be deposited all Special Tax proceeds it receives into a separate account to track revenues, expenses and fund balance, which will also be subject to an independent audit every year during the term of this Agreement. Each of the Parties shall spend all Special Tax proceeds in accordance with the JCFA, and will be required to execute and deliver certifications and make representations and covenants regarding the administration and expenditure of net Special Taxes, as may be required by bond counsel in order to ensure compliance with applicable provisions of Mello-Roos Act.

SECTION 2. *Authority*. This First Supplement is being executed pursuant to and in accordance with Section 14 of the Original Agreement.

Attachment: LFFA JPA 1st Supplement Final Signed (JPA First Supplement)

SECTION 3. *Original Agreement Continues in Effect.* Except as amended and supplemented by this First Supplement, the Original Agreement shall remain in full force and effect.

SECTION 4. *Effective Date.* This First Supplement shall become effective upon the date hereof.

Approved As To Form:

Jones Hall
Jones Hall, A Professional Law Corporation

Date: August 23, 2018

Attachment: LFFA JPA 1st Supplement Final Signed (JPA First Supplement)

IN WITNESS WHEREOF, the Parties hereto have caused this First Supplement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF SANTA CRUZ

By: _____

Attest:

CITY OF SCOTTS VALLEY

By: _____

Attest:

CITY OF CAPITOLA

By: _____

Attest:

COUNTY OF SANTA CRUZ

By: _____

Attest:

Attachment: LFFA JPA 1st Supplement Final Signed (JPA First Supplement)



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Public Works Department

SUBJECT: Consider a Contract Amendment with Noll and Tam Architects for Capitola Branch Library Design Work

RECOMMENDED ACTION: Approve contract amendment for Noll & Tam Architects for \$129,390 for work necessary to complete value engineering and cost reduction modifications to the plans for the Capitola Branch Library Project.

BACKGROUND: On July 26, 2018, the City Council awarded a construction contract for the Capitola Branch Library Project and directed staff to negotiate a series of value engineering and cost savings measures to reduce the overall cost of the project by an estimated \$757,000.

In order to formally price out these cost reductions, changes to the design documents and specifications are required. Some of these changes are relatively minor, while others, such as redesign of the foundation, require a significant amount of work.

The City's project manager, the contractor, and the architect-led design team have been working on itemizing the changes to the plans and have already issued project Change Order #1 with the simpler changes. In order to finalize all the necessary changes to the plans it is necessary to amend the contract with Noll and Tam Architects, increasing the contract by \$129,390.

DISCUSSION: The changes included in this amendment are detailed in Attachment 1, which is a request for additional services. It should be noted this amendment covers not only additional costs by Noll and Tam but also their sub-consultants who worked on differing aspects of the project such as civil design, structural design, and landscape design. A breakdown of the costs for each effort is as follows:

Consultant	Service	Cost
Noll & Tam	Architecture and Program Management	\$39,850
MWD	Graphics and Signage	\$ 4,950
Joni Janecki	Landscape	\$ 1,650
Glumac	Mechanical, Electrical, Plumbing	\$ 62,260
Rich Hubble	Specifications	\$ 3,300
BKF Engineering	Civil Engineering	\$ 5,720
MAR Engineering	Structural Engineering	\$ 10,120
WJE	Waterproofing	\$ 1,540
TOTAL		\$129,390

Library Architect Contract Amendment
September 13, 2018

The largest increase is for redesign of the HVAC systems which is necessitated by the change in foundation design to a slab-on-grade system that is being implemented to save an estimated \$400,000.


FISCAL IMPACT: The cost of these additional services was anticipated in the project budget considered as part of the construction contract award. The project budget summary included as Attachment 2 lists the updated anticipated costs, contingency amount, and furniture budget.

ATTACHMENTS:

1. Noll & Tam Service Request No.. 4
2. Capitola.Library.Master.Budget.08.03.18

Report Prepared By: Steve Jesberg
Public Works Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018

August 20, 2018

Capitola Branch Library
ADDITIONAL SERVICE REQUEST NO. 4

Steve Jesberg
Public Works Director
420 Capitola Ave
Capitola, California 95010

Re: Capitola Branch Library / Cost Reduction Bulletin

Dear Steve,

Noll & Tam Architects is pleased to present a proposal for Design Team consulting services for services not included in our base contract.

Following is a description of the proposed services.

Services Scope Description:

The proposal is to implement the cost reduction items identified in the “Capitola Library – Cost Savings Spreadsheet” dated 8/2/2018 into two (2) bulletins; to align with the project budget. The work will also cover coordination and permit amendment to the Building Department with one (1) round of plan check response.

The work will be performed by Noll & Tam, BKF Engineers, Joni L. Janecki & Associates, Mar Structural Design, Glumac, Matthew Williams Design, Wiss, Janney, Elstner Associates and Rich Hubble (Specifications).

Noll & Tam Architects:

- Revise and coordinate with consultants associated with foundation redesign
- Coordinate architectural interiors with Mechanical redesign; including associated Electrical changes and revised lighting layouts due to new ducting routes and grille locations
- Coordinate specification revisions associated with VE changes
- Revise interior elevations per VE items
- Revise exterior tile pattern per alternate tile selection
- Coordinate with Civil and Landscape on site revisions
- Coordinate permit amendment with one (1) round of plan check comments

BKF Engineers:

- Any revisions to plans in coordination with Architect, Landscape and Structural

Joni L. Janecki & Associates: (VE Item: 16)

- Revise plans for planting reduction to target \$10,000 savings

Mar Structural Design: (VE Item: 2)

- Complete foundation and floor framing redesign to slab-on-grade

Glumac: (VE Items: 2, 8, 25, 26, 31, 33)

- Complete redesign and coordination of the mechanical system; including associated electrical changes
- Coordination with architectural interiors
- Revision to fire protection and storm water systems
- Revise lighting layouts
- Revise schedules and loads
- Revise Title 24 calculations
- Update of commissioning documents for the revised systems

Wiss, Janney, Elstner Associates: (VE Items: 13, 39)

- Coordinate and review specifications updates associated with VE changes

Matthew Williams Design: (VE item: 36)

- Revise materials in drawings and specifications

Rich Hubble (Specifications): (VE items: 1, 2, 5, 8, 13, 15)

- Revise specifications associated with VE changes

Services or work products not noted above can be provided upon request as an additional service.

Deliverables:

Cost Reduction Bulletins #1 and #2
 Permit amendment and one (1) round of plan check response

Compensation:

We propose to perform the work described above for the following lump-sum fees:

Noll & Tam Architects	\$39,850
BKF Engineers	\$5,720
MAR Structural Design	\$10,120
Glumac	\$62,260
Rich Hubble Specifications	\$3,300
Wiss, Janney, Elstner Associates	\$1,540
Matthew Williams Design	\$4,950
Joni J. Janecki & Associates	\$1,650
Total Proposed Professional Fees ASR 4	\$129,390

City of Capitola - Capitola Branch Library
Project Budget Analysis
 Updated 08/03/18

	REVISED APPROVED BUDGET <i>Includes \$2mil Measure S Augmentation</i>	Encumbered to Date	Balance Remaining
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1. Construction						
TOTAL	\$	11,706,000	77.27%	\$	11,555,668	\$ 150,332 15.07%
2. Contingency						
TOTAL	\$	954,700	6.30%	\$	115,725	\$ 838,975 84.08%
3. Architectural and Engineering Fees						
TOTAL	\$	1,295,000	8.55%	\$	1,378,725	\$ - 0.00%
4. Permits / Special Inspections						
TOTAL	\$	140,000	0.92%	\$	132,300	\$ 7,700 0.77%
5. PM and Other Fees						
TOTAL	\$	319,300	2.11%	\$	318,508	\$ 792 0.08%
6. Miscellaneous						
TOTAL	\$	35,000	0.23%	\$	67,000	\$ - 0.00%
7. Total Costs (items 1 through 6 above)						
TOTAL	\$	14,450,000	95.38%	\$	13,567,926	\$ 997,799 100.00%
8. Furniture, Fixtures and Equipment						
TOTAL	\$	700,000	4.62%	\$	700,000	\$ - 0.00%
9. Total Project Cost						
TOTAL	\$	15,150,000	100.00%	\$	14,267,926	\$ 997,799 100.00%

Building / Site Analysis

Square Feet (Building)	11,700
Building (New Construction)	\$ 10,679,200
Per Square Cost (Building)	\$ 912.75
Square Feet (Site)	30,000
Site Work	\$ 1,645,800
Per Square Cost (Site)	\$ 54.86
Construction Cost (Building + Site)	\$ 12,325,000

Attachment: Capitola.Library.Master.Budget.08.03.18 (Library Architect Contract Amendment)



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Public Works Department

SUBJECT: Report on the Status of Construction of the Capitola Branch Library

RECOMMENDED ACTION: Receive a report.

BACKGROUND: On July 26 City Council directed staff to enter into a construction contract with Otto Construction to build the Capitola branch library. At the same meeting, Council also directed staff to negotiate deductive change orders to reduce project costs, and continue to work with the regional library joint powers authority to obtain additional project funding.

DISCUSSION: Since the award of the contract there have been ongoing meetings and conference calls between Noll & Tam Architects, Otto Construction, and the project manager to discuss and review cost reduction and value engineering items. The contract documents have been sent to the contractor and the firm is compiling the bonds, insurance certificates, and other related documents necessary to finalize the contract.

Regarding the cost reduction change orders necessary to bring the final cost under the construction budget, Noll & Tam completed the first change order on Friday, September 7, 2018. This document describes cost reduction items that do not require major changes to the construction documents, such as deleting full-height tile in the rest rooms, simplifying the fireplace, ceiling and exterior tile material changes, and allowing the use of an alternate lighting package. Otto Construction is currently obtaining accurate and firm pricing from its subcontractors. Staff estimates this change order will reduce the costs by \$300,000. Otto Construction is planning to have the pricing complete for review by September 24, 2018.

A second change order is also being prepared by Noll & Tam, which is scheduled for completion on September 24. This document will describe cost reduction items that require more design time to change the documents. This includes the change to a slab-on-grade foundation system and related mechanical system changes and site grading. This information will also be used for submittal to the building department for approval as an amendment to the current building permit. Once this document is issued, Otto Construction will use it to obtain accurate and firm pricing. The estimated saving from this second change order is \$487,000. Otto Construction is planning to have the pricing ready for review by October 17, 2018.

Allowing for city plan check review and approval, review and approval of cost reduction and value engineering items, the Notice to Proceed is currently scheduled for the end of October. This will also allow time for all of the partner jurisdictions to approve the amended the Library

Library Project Construction Update
September 13, 2018

Facilities Funding Agreement, which includes the additional \$2 million in Measure S funding for the project.

FISCAL IMPACT: The financial picture remains the same as it was in July. These figures will be updated once the change orders have been finalized.

Current Construction Budget Status

Contract Award (Otto Construction)	\$ 12,325,000
Accepted Bid Alternate - Pavers	\$ 18,000
Subtotal	\$ 12,343,000
Revised Approval Budget (includes \$2 million Measure S Augmentation)	\$ 11,706,000
Subtotal Contract Award - Budget	\$ (637,000)
Current Projected Cost Reduction/ Value Engineering Items	\$ (787,332)
Balance	\$ 150,332
Projected contingency amount	\$ 838,000

Report Prepared By: Steve Jesberg
Public Works Director

Reviewed and Forwarded by:

Jamie Goldstein, City Manager

9/6/2018



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: City Manager Department

SUBJECT: Consider Request for Sponsorship of the Capitola Beach Festival

RECOMMENDED ACTION: Provide direction regarding of sponsorship of \$5,000 for the Capitola Beach Festival.

BACKGROUND: Historically the City of Capitola contributed \$5,000 annually to the Begonia Festival. In 2017, the City budgeted \$5,000 but did not receive a request for sponsorship. The Begonia Festival ended in 2017. On September 2, 2018, the City Manager received a request from the treasurer of the Capitola Beach Festival for a \$5,000 sponsorship of the Beach Festival, which is intended to continue some of the events from the former Begonia Festival (Attachment 1).

DISCUSSION: The Capitola Beach Festival will take place on September 29 and 30 in Capitola Village. The festival is free and open to the public. If the Council agrees to sponsor the Capitola Beach Festival, the funds could come from the City Manager unanticipated events fund, which currently has a balance of \$8,000.

FISCAL IMPACT: If approved, the impact the unanticipated events fund would have \$3,000 remaining for Fiscal Year 2018/19.

ATTACHMENTS:

1. 2018 Request for City Sponsorship letter

Report Prepared By: Larry Laurent
Assistant to the City Manager

Beach Festival Funding Request
September 13, 2018

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018



From:
Capitola Beach Festival
P.O. Box 501
Capitola, CA 95010
August 31, 2018

To:
City of Capitola
Jamie Goldstein, City Manager
420 Capitola Ave.
Capitola, CA 95010

Dear Jamie,

The newly formed Capitola Beach Festival Committee is pleased to announce the 1st Capitola Beach Festival to be held September 29th and 30th, 2018. This will feature several of the popular events of the Begonia Festival, such as the Sand Sculpture contest, Fishing Derby, Rowboat Races, Horseshoes, and Chalk Art on the Seawall. New this year will be a Little Wharf 3-Miler and a Lighted Nautical Parade.

The City has always been a generous supporter of the Begonia Festival and we sincerely hope that you will continue with that support to this new festival. We hope to bring family-fun and free events to the Capitola Village for many years to come.

With that said, please consider a \$5000 sponsorship to the Capitola Beach Festival this year.

Respectfully,

Teresa J. Green
Treasurer, Capitola Beach Festival



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Finance Department

SUBJECT: Fiscal Year 2018-19 Sales Tax Revenue Update

RECOMMENDED ACTION: Receive report.

BACKGROUND: The Fiscal Year (FY) 2018-19 Adopted Budget includes approximately \$12.4 million of tax revenues with \$7.8 million coming in the form of sales taxes. Taxes represent roughly 78 percent of all General Fund revenues. Sales tax represents 49 percent of all General Fund revenues and is the most volatile. While staff monitors all revenues closely throughout the fiscal year, sales tax generally receives the most attention since it represents such a significant percentage of total revenues and reacts the quickest to changes in the economy.

DISCUSSION: Orchard Supply Hardware (OSH) announced it will be closing October 20 and Sears will be closing by the end of November. They are currently two of our top 10 sales tax generators and combined represent approximately 4 percent of annual sales tax revenues.

Lowe's Companies Inc., which bought OSH in 2013, is currently evaluating all 99 of its OSH locations that are closing to determine the next steps. This could include sub-leasing to another merchant or simply terminating the lease and returning the building to the property owner. Seritage Growth Properties, which is the owner of the building that Sears currently occupies, has not made the City aware of any changes in its plans for the property. Staff will continue to provide updates on the status of these properties as information is received.

In addition, the California Department of Tax and Fee Administration (CDTFA) recently changed its tax payment system. As is often the case with large software implementations, there have been a number of issues that have caused many businesses to file paper returns and submit manual payments. Staff has been advised that as of August 31 there were about 80,000 unprocessed sales tax returns that have been filed with the CDTFA.

The City's sales and use tax consultant, MuniServices, believes the actual payments received by the City from the CDTFA during 2018 do not represent the full cash payments owed to the City. This has made analyzing sales tax revenues over the past eight months challenging as staff has reports indicating one level of economic performance while actual payments from the State fall short of that performance. The table below shows quarterly year-over-year sales tax data.

	FY 16/17	FY 17/18

FY 2018-19 Revenue Update
September 13, 2018

	Q3	Q4	Q1	Q2	Q3	Q4
Cash receipts	5.0%	2.3%	3.1%	(2.9)%	(4.8)%	(6.3)%
Reported economic performance	5.5%	2.3%	3.2%	(2.8)%	1.8%	TBD

MuniServices is currently in the process of assembling a reconciliation that compiles a summary of actual receipts for the full fiscal year, estimated unprocessed payments, and the estimated amount still due for FY 2017-18. The purpose is to provide the City with an amount that can accurately be accrued to FY 2017-18 that assists with the year-end closing. In addition, this estimate can possibly be used to request the State make another payment to cover the shortfall. Staff will continue to monitor revenues and expenditures closely and will await the outcome of the reconciliation to make any required near-term budget adjustments.

The City will continue to receive sales tax revenue from OSH and Sears until they close and may even see a slight short-term increase as they both liquidate existing inventories. In addition, Olive Garden is anticipated to open in late October or early November, which will provide a limited offset for the loss of sales tax revenue in the current fiscal year.

As a reminder, the FY 2018-19 adopted budget did not include any transient occupancy tax (TOT) or cannabis business tax revenues. Should the TOT ballot measure pass, it will become effective on January 1 and provide an immediate increase in general fund revenues to help offset the loss of sales tax revenue due to the closures of OSH and Sears. If the cannabis business tax is approved, staff does not anticipate the City will receive cannabis tax revenue this fiscal year.

Based on these factors, and the zero percent assumed sales tax growth rate in the adopted budget, staff is not recommending a revenue adjustment to the budget at this time. However, if the TOT measure fails, or new sales tax data point to a continued decline, budget revisions may be necessary

FISCAL IMPACT: There is no fiscal impact related to this report.

Report Prepared By: Jim Malberg
Finance Director

Reviewed and Forwarded by:

Jamie Goldstein, City Manager

9/7/2018



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Community Development
SUBJECT: Bikeshare Program Overview

RECOMMENDED ACTION: Receive report and direct staff to initiate research for establishment of a local bikeshare program and return to a future City Council meeting with additional program details

BACKGROUND: In the past two years, bikeshare programs have had a resurgence through the United States due to innovation with smart bicycles and reduced costs. Smart bikes are equipped with self-locking systems, global positioning software (GPS) for tracking, and other technological infrastructure to manage the bikes within a bikeshare platform. The bikes are reserved and managed through a smart phone application. Cities typically contract with bikeshare vendors who provide bicycle parking infrastructure, locally maintain and rebalance the bikes, and remotely manage the system.

Some of the most robust smart bikeshare programs have been established in the larger US cities of Seattle, San Francisco, and Boston. Regionally, several jurisdictions (Seaside and Salinas) and universities (UCSC and CSUMB) have begun to take steps toward establishing smart bikeshare programs. The City of Santa Cruz is the one local municipality that has an operating bikeshare system. In May 2018, Santa Cruz City launched a bikeshare system through a contract with Jump Bikes. The program has had great user success and plans to expand from 250 bikes to 500 bikes with the added participation of UCSC.

DISCUSSION: Staff has received multiple inquiries from the public and vendors regarding the possibility of a bikeshare program within Capitola. The purpose of this report is to provide an overview on trends in smart bikeshare programs and to receive direction from the City Council on initiating steps to establish a bikeshare program in Capitola.

Prior to establishing a program, staff suggests the following steps: (1) conduct public outreach and research-gathering to define program parameters, (2) select a vendor, (3) modify sections of the Municipal Code to properly regulate such a program, and (4) process encroachment permits for bike parking infrastructure.

Should Council direct staff to pursue a bikeshare program, staff suggests a public outreach process to gauge local interest and concerns. Public outreach options that could be considered include a community survey and presentations regarding the concept and best practices to the Commission on the Environment and the Traffic and Parking Committee. Best practices include information on types of bicycles, parking infrastructure, fleet size, pedestrian safety, bicycle

Bikeshare Program Overview
September 13, 2018

safety, bicycle maintenance, signs, and data sharing.

During the research-gathering phase, staff would make initial contact with bikeshare companies to understand potential program parameters. As a viable regional transportation alternative, staff will research regional coordination and interoperability of bikeshare programs. Once staff has a clear understanding of the different bikeshare systems, a vendor selection process would be initiated.

Multiple changes to the Municipal Code would be required to establish a bikeshare program in Capitola. Currently, the smart bikeshare concept with rentals located within City-owned right-of-way is prohibited because “outdoor display” of products is only allowed through a conditional use permit associated with a retail business location. Also, the code expressly prohibits street vending to display goods/services for sale, rent or donation within the street sidewalks, parks, or medians in the Central Village zoning district (§12.64.020). Necessary amendments to the Municipal Code would include: adding regulations to permit bicycle rental locations not associated with a retail location, adding bicycle parking/locking regulations to ensure bicycles do not impede pedestrian circulation, and possibly revising major revocable encroachment permits to add specific criteria for docking stations within specific locations or zoning districts.

Alternately, if the City decides not to have a bikeshare program, the staff would still recommend municipal code updates to safeguard Capitola from neighboring jurisdiction’s bikeshare programs. Specifically, staff recommends strengthening bicycle parking regulations to prevent common issues associated with “dockless bikes.” Dockless bikes are self-locking, which allows the bikes to be parked freestanding and not have to be locked to a bike stand or another fixed object. Dockless bikes can create a nuisance as they are often left in the middle of sidewalks blocking the pedestrian flow.

A bikeshare program is consistent with the several adopted City goals, including goals in Capitola’s 2011 Bicycle Transportation Plan, the 2014 General Plan, and the 2015 Climate Action Plan as outlined below.

2011 Bicycle Transportation Plan

- Goal 2: Increase bicycle ridership and replace motor vehicle trips with bicycle trips. Achieve a city-wide goal of 5% of all trips and 20% of work trips made by bicycle by 2020.
- Goal 4: Design a city-wide multi-modal transportation system that accommodates bicycles.
- Project 21: Work with Capitola Chamber of Commerce and hotels to create a bicycle rental program.

2014 General Plan

- Goal MO-2: Provide for “Complete Streets” that serve all modes of transportation, including vehicles, public transit, bicyclists, and pedestrians.
- Goal MO-6: Enhance access to and mobility within Capitola Village.
- Goal MO-8: Provide a complete network of bikeways and bicycle facilities in Capitola.

2015 Capitola Climate Action Plan

- Vehicle Miles Traveled Measure 3: Increased Bicycle Ridership
 - Encourage and support non-profit or volunteer organizations in creating a bicycle-sharing program.
- Vehicle Miles Traveled Measure 4: Educate and Engage the Public about Alternative Modes.
- Vehicle Miles Traveled Measure 7: Support implementation of the regional transportation

Bikeshare Program Overview
September 13, 2018

plan and sustainable communities' strategy.

FISCAL IMPACT: Fiscal impact is limited to staff time to research and develop a potential bikeshare program for future Council consideration.

Report Prepared By: Katie Herlihy
Community Development Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF SEPTEMBER 13, 2018

FROM: Finance Department

SUBJECT: Consider Request for Proposals for Tax Revenue Consulting Services

RECOMMENDED ACTION: Authorize staff to issue the Request for Proposals.

BACKGROUND: The City entered into a professional services agreement with MuniServices in July 2001 for sales and use tax audit services. In June 2008, the City and MuniServices executed a second agreement to add quarterly sales and use tax analysis and reporting services. In 2018 MuniServices was acquired by Avenu Insights & Analytics and is requesting the City to execute a new three-year professional services agreement.

DISCUSSION: MuniServices has been providing sales and use tax consulting services to the City since 2001. The Government Finance Officers Association recommends that government agencies review their financial services contracts every five years and use a competitive process for procurement of financial services. A competitive procurement process provides an opportunity for the City to obtain market competitive rates and negotiate preferable terms and conditions as well as service enhancements. It also gives the City an opportunity to take advantage of technology advancements, service changes, or evolution in the market. Identifying a regular schedule for soliciting competitive bids for financial service providers also helps reduce the risk of the City becoming too reliant on one vendor.

Additionally, staff has been considering the use of an outside consultant to audit transient occupancy taxes (TOT) and potentially cannabis business taxes. The purpose of the TOT and cannabis business tax audits would not only be to ensure that payments submitted to the City are correct, but also to ensure compliance with City zoning codes.

Evolution of the short-term vacation rental market has made it much easier for individuals to offer their properties as vacation rentals and made it more difficult for staff to not only monitor the submission of TOT, but also monitor compliance with the City zoning code. Also, if the cannabis business tax is approved by voters, ensuring that taxes are submitted correctly will take an unknown amount of dedicated City resources.

With the TOT and cannabis business tax ballot measures in November, coupled with the request for a new agreement from Avenu, staff believes this is the perfect opportunity to issue a request for proposals (RFP) for tax revenue consulting services. The RFP has been written to allow consulting firms to submit proposals for each individual service or to submit a single proposal for all requested services. However, proposals submitted for all services will need to

Request for Proposals for Tax Revenue Consulting Services
September 13, 2018

include pricing on each individual service to allow the City maximum flexibility throughout the selection process.

FISCAL IMPACT: There is no fiscal impact associated with the issuance of this Request for Proposals. Any contracts associated with this action will be brought before City Council for consideration.

ATTACHMENTS:

1. Sales Tax Audit & Analysis RFP - September 2018

Report Prepared By: Jim Malberg
Finance Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

9/6/2018

City of Capitola



Request for Proposal Sales and Use Tax, Transient Occupancy Tax, and Cannabis Business Tax Revenue Consulting Services

Issue Date: September 17, 2018
Proposal Deadline: October 16, 2018

City of Capitola
Finance Department
420 Capitola Ave.
Capitola, CA 95010

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Attachment: Sales Tax Audit & Analysis RFP - September 2018 (Request for Proposals for Tax Revenue Consulting Services)

REQUEST FOR PROPOSAL SALES AND USE TAX, TRANSIENT OCCUPANCY TAX, AND CANNABIS BUSINESS TAX REVENUE CONSULTING SERVICES

INTRODUCTION

The City of Capitola (City) is seeking proposals from qualified firms for sales and use tax, transient occupancy tax and potentially cannabis business tax revenue consulting services. Respondents can provide a combined proposal for all services or respond to a single service.

All proposals must be submitted to the Finance Department at 420 Capitola Ave, Capitola, CA 95010 by 5:00 P.M. on Tuesday October 16, 2018. All proposals must be in the format specified, enclosed in a sealed envelope and clearly identified with proposal title, name of proposer, and date of proposal closure. Responding firms shall be solely responsible for any expenses incurred in preparing proposals in response to this request.

The City may select a consulting firm(s) (Consultant(s)) based on proposal alone or may narrow the field to the top firms based on strength of proposal, and then conduct interviews to finalize a selection(s). The City will then initiate contract negotiations with the selected Consultant(s). Pending successful negotiations, the City will have the Consultant(s) execute the City's Standard Professional Services Agreement (Attachment A).

It is the intent of the City to award the contract for an initial three-year period beginning with fiscal year ending June 30, 2019, with the option to renew for successive one-year periods at the sole discretion of the City. The City desires fixed pricing for the three-year contract period. Prices in subsequent years shall be negotiated based on satisfactory customer service. Proposals will be considered only from parties that are free of all obligation and interests that may conflict with the best interest of the City of Capitola and have the capacity to provide services on a timely basis.

BACKGROUND

The City of Capitola is a small coastal community located in Santa Cruz County that occupies approximately two square miles and serves a population of about 10,150. Located on the northern edge of Monterey Bay, approximately 35 miles north of Monterey and 75 miles south of San Francisco, Capitola enjoys a rich history and offers residents diverse recreational opportunities. Capitola Village is located along a sandy beach with expansive views of Monterey Bay and is home to numerous craft galleries, boutiques, and restaurants.

Capitola is a General Law City, which was incorporated on January 11, 1949. The City is subject to the framework and procedures established by State Law and operates under the Council – City Manager form of government. The Council is comprised of four Council Members and a Mayor, all of whom are directly elected by the citizens. The Council Members serve four-year

staggered terms; and the Mayor and Vice-Mayor are elected annually by the Council. The City provides police protection, recreation, building, planning, zoning, administrative services, financial services, street, park and facilities maintenance for Capitola. Independent special districts provide fire protection, water, sewer, and limited drainage services.

The City collects approximately \$7.9 million annually in sales and use tax. This includes approximately \$5.7 million of Bradley-Burns, \$1.1 million of Measure O permanent ¼ percent district sales tax, and \$1.1 million of Measure F district sales tax. Measure F was approved by voters in 2016 as a 10-year ¼ percent sales tax from Jan. 1, 2018 through Dec. 31, 2027. In addition to sales tax revenues, the City also receives approximately \$1.5 million annually in Transient Occupancy Tax from eight hotels and multiple short-term vacation rental properties. Also, in November voters will be deciding on Measure I which if approved would establish a Cannabis Business Tax with an initial tax rate of seven percent.

The City will administer the proposal process in accordance with the terms and dates outlined in this RFP; however, the City reserves the right to modify the activities, timeline, or any other aspect of the process at any time, as deemed necessary. By requesting proposals, the City is in no way obligated to award a contract or pay the expenses of proposing firms in association with the preparation or submission of a proposal. The award of any contract shall be contingent on the requisite staff and City Council approvals.

SCOPE OF WORK

Sales and Use Tax

- A. Identify specific procedures used to detect, correct and recover misallocated sales and use tax revenue for the City.
- B. Monitor and analyze the quarterly distribution reports with a focus on ensuring all identified errors are corrected for prior and future quarters.
- C. Identify opportunities for the City of recover the local allocation on purchase transactions subject to tax and facilitate the recovery of such funds.
- D. Assist the City with strategies to preserve and enhance sales and use tax generated by existing businesses with the City.
- E. Provide an electronic database of the City's sales and use tax data to the City, including but not limited to:
 - a. Sales tax producers in the City, including business name, address, CDTFA #, current and historical sales tax allocations.
 - b. Quarterly updates
 - c. Ability to create and maintain subsets of information by geographic areas/features (i.e. L Capitola Village, 41st Ave., Industrial, etc.)
 - d. Ability to define, print, and/or export data to spreadsheet.
- F. Provide written sales tax reports on a quarterly basis to the City, following the receipt of the quarterly distribution report. The report should include:
 - a. Capitola's sales tax receipts compared to other cities within the County quarterly and fiscal year to date.

- b. County of Santa Cruz sales tax receipts compared to other counties/regions within the State quarterly and fiscal year to date.
 - c. Top 100 sales tax generators ranked by the amount produced with change over prior year's same quarter.
 - d. Top 25 largest declines in the quarter with change over prior year's same quarter.
 - e. Sales Tax Leakage report by industry category.
 - f. Historical sales tax by business category and geographic areas within the City.
 - g. Other reports mutually agreed upon.
- G. Provide updates on legislative actions or bills that can impact or materially alter sales and use tax revenue to the City.
- H. Forecasting to be included in sales tax reports:
- a. Analysis of sales trends by business category identifying by business the major increases and decreases each quarter.
 - b. Provide multi fiscal year sales tax forecast (at least 5 years) incorporating growth assumptions regarding future development within the City. The forecast should include conservative, most likely, and optimistic scenarios.

Transient Occupancy Tax

- A. Identify specific procedures used to detect, correct and recover transient occupancy tax revenue for the City.
- B. Identify audit and discovery procedures for hotels and short-term vacation rental properties to gain tax compliance.
- C. Assist the City to gain increased hotel and short-term rental property compliance with existing zoning code and regulations.
- D. Assist the City with strategies to preserve and enhance transient occupancy tax generated by existing businesses with the City.
- E. Provide written transient occupancy tax reports on a quarterly basis to the City including transient occupancy tax producers in the City, including business name, address, current and historical transient occupancy tax payments.
- F. Provide an electronic database of the City's transient occupancy tax data to the City.

Cannabis Business Tax

- A. Identify specific procedures used to detect, correct and recover cannabis business tax revenue for the City.
- B. Identify audit and discovery procedures for cannabis retail properties to gain tax compliance.
- C. Assist the City to gain increased cannabis retail business compliance with existing zoning code and regulations.
- D. Assist the City with strategies to preserve and enhance cannabis business tax generated by existing businesses with the City.
- E. Provide written cannabis business tax reports on a quarterly basis to the City including cannabis business tax producers in the City, including business name, address, current and historical cannabis business tax payments.

- F. Provide an electronic database of the City's cannabis business tax data to the City.
- G. Provide updates on legislative actions or bills that can impact or materially alter cannabis business tax revenue to the City.

PROPOSAL REQUIREMENTS

In your proposal please provide the following:

Cover Letter: Shall be signed by an official authorized to bind the firm and shall contain a statement indicating that the proposal is valid for ninety days.

Project Understanding: Present your understanding of the project and the general approach to be used.

Scope of Work: Provide a detailed Scope of Work proposed to accomplish the tasks. The scope of work should include:

- Objective, Strategy, and Methodology
- Reporting overview
- Online Tools
- Support Services
- Other Optional Services

Relevant Experience: Present the firms qualifications and experience.

Personnel: Present the experience of the key personnel to be assigned including any sub-consultants. During the course of the project, substitution of key personnel is subject to the approval of the City.

References: Please provide three references that have received similar services from your firm.

Please limit the proposal to no more than ten (10) pages of text, exclusive of cover letter and resumes. Provide three (3) hard copies of the proposal and one electronic copy of the proposal via email to Jim Malberg, jmalberg@ci.capitola.ca.us

In a separate sealed envelope, provide a Cover Letter and Fee Summary. The fee summary should contain the following:

- Name of the firm
- Certification that the person signing the fee proposal is authorized to represent the firm.
- Rates for partners, specialists, supervisors, and staff as well as hours anticipated for each.
- If proposing for multiple services, separate fees related to each service.
- Payment terms.

EVALUATION OF PROPOSALS AND NEGOTIATIONS

A selection panel will be convened of City staff, which will include Finance and possibly other departments. The evaluation will consider technical approach, including project understanding, scope of work, overall project team, staff-hour allocation per task and fee schedule. The evaluation will also include relevant experience of the firm and key team members including sub-

consultants. At the completion of the proposal review, the panel may elect to invite the top scoring firms to make a presentation at no cost to the City. The City may request Best and Final offers. Based on the presentation and the Best and Final offers, if requested, the panel will select the proposal that best fulfills the City's requirements. The City may negotiate with that firm to determine final pricing and contract form. There will be no public opening and reading of proposals.

CONDITIONS AND STIPULATIONS

The City reserves the right to reject any and all proposals, cancel all or part of this RFP, and waive any non-material irregularities or informalities and to request additional information and clarification regarding any particular service from the proposing firms.

The City reserves the right to reject any proposal for any reason. The proposal should be the best effort possible by the firm, since the City reserves the right to award the contract with no further negotiations. Conversely, the City reserves the right to negotiate with the successful proposer any additional terms and conditions not contained in their proposal, which are in the best interest of the City or to otherwise revise the scope of this RFP. All proposals, whether accepted or rejected, shall become the property of the City of Capitola. All proposals received become public records. The City's decision to award a contract will be based on many factors including, but not limited, to service, cost, experience, and ability to deliver, or for any other reason deemed by the selection committee to be in the best interest of the City. No single factor, such as cost, will determine the final decision to award a contract. This RFP and the firms' responses, including all promises, warranties, commitments, and representations made in the successful proposal, shall become binding contractual obligations, and will be incorporated by reference in the final agreement between the City of Capitola and the selected firm. All terms and conditions not specifically identified as exceptions will be considered acceptable to firm.

ESTIMATED TIMELINE (Dates are subject to change)

- | | |
|--------------------------------------------|-----------------------------|
| • Distribution of RFP | September 17, 2018 |
| • Deadline for Questions | October 1, 2018 |
| • Closing Date | October 16, 2018 at 5:00 PM |
| • Finalists determined by review committee | October 26, 2018 |
| • Oral interviews, if required | Week of November 5, 2018 |
| • Present Recommendations to City Council | November 20, 2018 |

CONTACTS

For questions regarding the scope of proposal or the proposal process, please submit questions through email or fax only to:

Jim Malberg, Finance Director
420 Capitola Ave.
Capitola, CA 95010
Phone: (831) 475-7300
Fax: (831) 479-8879
Email: jmalberg@ci.capitola.ca.us

SUBMISSION INFORMATION

Proposals must be submitted to:

City of Capitola
Finance Department
Attention: Jim Malberg, Finance Director
420 Capitola Ave
Capitola, CA 95010

All proposals must be delivered no later than **5:00 p.m. on October 16, 2018**. Late submissions or proposals delivered via fax or email will not be accepted.

ATTACHMENTS

Attachment A: Standard City Professional Services Agreement – Insurance and Indemnifications

Thank you for your interest in working with the City of Capitola for this service. We look forward to receiving your proposal.