



ACTION MINUTES

CAPITOLA CITY COUNCIL

REGULAR MEETING

Thursday, May 24, 2007

6:15 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE CAPITOLA REDEVELOPMENT AGENCY & CITY COUNCIL

An announcement regarding the item to be discussed in Closed Session was made by Mayor Termini in the City Hall Council Chambers at 6:15 p.m. It was announced that the closed session had been cancelled as there was nothing to report on the scheduled item. No one addressed the Council at this time.

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Significant Exposure to litigation pursuant to Govt. Code Section 54956.9(b): One Case

6:50 P.M. REDEVELOPMENT AGENCY - *(See Redevelopment Agency Action Minutes)*

7:00 P.M. – CITY COUNCIL REGULAR MEETING

Mayor Termini called the Regular Meeting of the City Council to order at 7:25 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ROLL CALL AND PLEDGE OF ALLEGIANCE

PRESENT: Council Members Bob Begun, Kirby Nicol, Ron Graves, Sam Storey, and Mayor Michael Termini; City Treasurer Tony Gualtieri

ABSENT: None

STAFF: City Manager Rich Hill, City Attorney John G. Barisone, Finance Director Lauren Lai, Public Works Director Steve Jesberg, Chief of Police Rick Ehle, Assistant to the City Manager Lisa Murphy, and Deputy City Clerk Pat Evans

1. REPORT ON CLOSED SESSION [520-25]

City Attorney Barisone reported that the closed session was cancelled as there was nothing to report on the item scheduled.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda

B. Public Comments

C. Staff Comments

City Attorney John Barisone stated that some Soquel High students were in attendance observing the Council Meeting for their government class. City Attorney Barisone stated that he had given the students his business card and informed them that they may call him if they have any questions.

D. City Council/Treasurer Comments

Council Member Storey welcomed the students.

Council Member Begun reported on the Wharf committee meeting.

Mayor Termini reminded everyone that the City of Capitola is hosting a community meeting to discuss Capitola Village Traffic and Parking issues on Tuesday, June 5, 2007, at 7 p.m. in the City Council Chambers and invited everyone to attend.

Mayor Termini also reported that he will be attending a memorial service for Clare Hubbard, a young lady who had worked in the community for several years, and is declaring 5/26/07 as “Clare’s Day”.

E. Committee Reports/Appointments

Council Member Graves reported that the Depot Hill Sewer Project which is to move the sewer lines back from Grand Avenue to El Salto Avenue will be starting on or about July 2007 and will continue for about 6 weeks. The contractor is Pacific Underground Construction and the District will try to keep inconvenience to the neighborhood residents to a minimum. If those in the Depot Hill neighborhood need information, the contact at the Sanitation District is Hugh Ryan at 454-2160, or they can call Council Member Graves. Mayor Termini asked staff to place this contact number on the scroll.

Council Member Graves also asked if he could meet with the City Manager to get information on what the Sanitation District concerns are with the Rispin Project sewer project.

F. Approval of Check Register Report [300-10]

7:30:14 PM Council Member Begun asked about Check #51701, to Harris & Associates. Public Works Director Jesberg clarified that this check is for several projects including the Depot Hill GHAD, Clares, overlay project, and several others.

ACTION: Council Member Storey moved, seconded by Council Member Begun, to approve the Check Register Reports dated May 4, and May 11, 2007, including checks numbered 51678 through 51731 in the amount of \$93,247.42, and checks numbered 51732 through 51794 in the amount of \$67,776.07, respectively, and payroll disbursements for the 05/11/07 payroll in the amount of \$193,544.47, for a Grand Total of \$354,567.96, as submitted. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

3. **CONSENT CALENDAR**

Mayor Termini asked if there were any items members of the council or public wished to pull for separate discussion. Council Member Graves pulled Item 3.H.. Mayor Termini advised Item 3. H. would be discussed at the end of the meeting following Other Business Item 5.D. (*See discussion and action on Page 6.*)

CONSENT CALENDAR ACTION: Council Member Begun moved, seconded by Council Member Storey, to approve the Consent Calendar as recommended. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: Council Member Nicol abstained from voting on Item 3. M. only.

A. **Waive Reading of all Ordinances and Resolutions on the Agenda.**

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

B. **Approval of Minutes – Regular/Joint Meeting of the City Council and the Redevelopment Agency of April 26, 2007.**

ACTION: Council Member Begun moved, seconded by Council Member Storey, to approve the Minutes of the Regular/Joint Meeting of the City Council and the Redevelopment Agency of April 26, 2007, as submitted. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

C. Receipt of Planning Commission Action Minutes for the Regular Meeting of May 17, 2007. [740-50]

ACTION: The City Council unanimously received the Planning Commission Action Minutes for the Regular Meeting of May 17, 2007. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

D. Receipt of Treasurer's Report for the Month Ended April 30, 2007 (Unaudited). [380-30]

ACTION: Council Member Begun moved, seconded by Council Member Storey, to accept the April 2007 Treasurer's Report (unaudited) for the City of Capitola. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

E. Ordinance Amending Section 3.34.040 of the Capitola Municipal Code Pertaining to the Mobile Home Park Administrative Service Fee to Require Mobile Home Park Owners to Provide the City with Park Resident Information (2nd reading). Staff recommendation: adopt ordinance. [390-40/750-25]

ACTION: Council Member Begun moved, seconded by Council Member Storey, to adopt **Ordinance No. 916, Ordinance Amending Section 3.34.040 of the Capitola Municipal Code Pertaining to the Mobile Home Park Administrative Service Fee**, and direct staff to provide copies of the final ordinance to mobile home park owners that will be impacted by the ordinance. *(Note: Council Member Graves voted "No" for first reading. Since this matter is on the Consent Calendar, a Council member wishing to vote "No" should so state prior to action being taken.)* The motion carried on the following vote: AYES: Council Members Begun, Nicol, Storey, and Mayor Termini. NOES: Council Member Graves. ABSENT: None. ABSTAIN: None.

F. Ordinance Adding Capitola Municipal Code Section 10.36.065 Pertaining to Parking Meter Tampering (2nd reading). Staff recommendation: adopt ordinance. [470-30]

ACTION: Council Member Begun moved, seconded by Council Member Storey, to adopt **Ordinance No. 917, Ordinance Adding Section 10.36.065 to the Capitola Municipal Code Pertaining to Parking Meter Tampering**, and direct staff to set the bail schedule at \$150.00. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

G. Confirmation of the City's Investment Policy, Administrative Policy Number III-1. [100-10/350-10/Administrative Policy Binder]

ACTION: Council Member Begun moved, seconded by Council Member Storey, to confirm the City's Investment Policy (Administrative Policy Number III-1; Revised August 9, 2001), or provide direction to staff regarding any recommended changes. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

H. Adopt Resolution Setting the 2007/08 Fiscal Year Appropriation Limit Pursuant to Article XIII B of the California Constitution.

This item was pulled for separate discussion. (See Page 6 for discussion and action.)

- I. Adopt Resolution Exercising the City's Option to Renew the Contract for City Attorney Services with Atchison, Barisone, Condotti & Kovacevich for FY 2007-08, at the Same Rates and Fees as the Existing Contract. [570-05/500-10 A/C: Atchison, Barisone, Condotti & Kovacevich]**

ACTION: Council Member Begun moved, seconded by Council Member Storey, to adopt **Resolution No. 3632, Resolution Exercising its Option to Renew the Contract with Atchison, Barisone, Condotti & Kovacevich for City Attorney Services for FY 2007-08.** The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

- J. Approve Facility Agreement with the Santa Cruz Chapter of the American Red Cross to Allow them to Use the New Brighton Middle School Gymnasium as an Emergency Shelter. [420-20]**

ACTION: Council Member Begun moved, seconded by Council Member Storey, to approve the agreement with the Santa Cruz Chapter of the American Red Cross to allow them use of the City owned gymnasium at New Brighton Middle School as a mass care shelter when needed as part of their disaster services activities. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

- K. Ratify Payment to Earthworks Paving for Citywide Street Patching in the Amount of \$21,300. [940-15]**

ACTION: Council Member Begun moved, seconded by Council Member Storey, to ratify payment to Earthworks Paving Contractors in the amount of \$21,300 from the Gas Tax fund for pavement patching throughout the City. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

- L. Approval to Purchase Picnic Tables for New Brighton Middle School and Approval of Plaque in recognition of the students recycling efforts. Staff recommendation: authorize purchase of 4 picnic tables from Summit Supply in the amount of \$4,095, and approve language and purchase of plaque in the amount of \$150. [1150-05]**

ACTION: Council Member Begun moved, seconded by Council Member Storey, to take the recommended action as follows:

1. Authorize the purchase of 4 picnic tables from Summit Supply Corporation in the amount of \$4,095 for New Brighton Middle School in recognition of recycling efforts by the students; and
2. Approve purchase of a plaque in the amount of \$150 and the proposed language for the plaque.

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

- M. Request by Wharf to Wharf Race, Incorporated, for a Special Event Permit, Entertainment Permit, Encroachment Permit, and Sign Permit, for the 35th Annual Wharf to Wharf Foot Race through Capitola to End on the Esplanade on Sunday, July 22, 2007, and Request for a Grant of all Permits, Police and Public Works Fees in the amount of \$7,897. Staff recommendation: approve request and authorize the Police Department to issue permits. [1050-70]**

ACTION: Council Member Begun moved, seconded by Council Member Storey, to take the recommended action as follows:

1. Approve the Special Event Permit, including Entertainment, Sign and Encroachment Permits for the 35th Annual Wharf to Wharf Race to be held on Sunday, July 22, 2007, from 5 a.m. to 12 p.m. as submitted; and
2. Provide Wharf to Wharf, Incorporated, with a City Grant in the amount of \$7,897.00.

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

N. Adopt Resolution Approving the Change in Title from Counter/Records Technician to Development Services Technician, Approving a New Job Description for the Development Services Technician Position, and Amending the Association of Capitola Employees MOU to Reflect those Changes. [600-10]

ACTION: Council Member Begun moved, seconded by Council Member Storey, to adopt **Resolution No. 3633, Resolution Approving the Change in Title from “Counter/Records Technician” to Development Services Technician,” Approving a New Job Description for the Development Services Technician Position, and Amending the Association of Capitola Employees MOU to Reflect those Changes.** The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

4. PUBLIC HEARINGS

A. Public Hearing on Improving Canine Recreational Services in the City. Presentation: Public Works Director [400-10]

Mayor Termini explained that one of the City Council’s goals this year was to discuss canine recreational services. Mayor Termini explained that this was the public’s opportunity to express their desires with regard to this subject, and that no action would be taken tonight other than giving staff direction based on the public’s input and desires.

After receiving public testimony, Mayor Termini closed the public portion of the hearing.

After much Council discussion, the following action was taken:

ACTION: Council Member Begun moved, seconded by Council Member Storey, that staff return, after the McGregor riparian report from the biologist, with potential dog park locations (not the beach), including McGregor, Nobel Gulch and any other locations they feel appropriate. The motion carried on the following vote: AYES: Council Members Begun, Graves, and Storey. NOES: Council Member Kirby and Mayor Termini. ABSENT: None. ABSTAIN: None.

Council Member Begun asked when the riparian report on McGregor would be presented to Council. Community Development Director Rebagliati reported that it would be done in a couple of weeks.

5. OTHER BUSINESS

A. 2007/2008 Fiscal Year Capitola Village and Wharf Business Improvement Area Assessments. Staff recommendation: approve plan, adopt resolution of intention to levy a business improvement assessment and schedule public hearing for June 14, 2007. [140-05]

Finance Director Lai gave staff report on this item and stated that representatives of the BIA are available to respond to Council questions.

After public input and Council discussion, the following action was taken:

ACTION: Council Member Storey moved, seconded by Council Member Begun, to take the recommended action as follows:

1. **Adopt Resolution No. 3634, Resolution of Intention to Levy Business Improvement Assessments for Fiscal Year 2007/2008; thereby approving the Annual Report and Proposed FY 07-08 Budget prepared by the Capitola Village Wharf Business Improvement Area**, setting the a public hearing on the levy of the assessments for FY 2007/2008 for Thursday, June 14, 2007, after the hour of 7:00 p.m., directing the City Clerk to give required notice in the newspaper, and directing the CVWBIA to give required notice to each proposed affected business; and
2. Provided direction that the 5% payment to City Public Works and the Capitola Soquel Chamber of Commerce be clarified to be 5% of cash revenues, excluding the in-lieu revenues.

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

B. Continued discussion regarding Change in Regular City Council Meeting Day. Staff recommendation: Council discretion. [520-40]

ACTION: After Council discussion, no action was taken.

C. Discussion regarding Possible Amendment to Capitola Municipal Code Section 2.01.140 Pertaining to Authority to Place Matters on the Council Agenda. Staff recommendation: Council direction. [520-40]

City Manager gave the report on this item and after Council discussion, the following action was taken:

ACTION: Council Member Begun moved, seconded by Council Member Graves, to direct staff to return to the next council meeting with an ordinance amendment to allow all Council Members to place items on the City Council agenda. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, and Mayor Termini. NOES: Storey. ABSENT: None. ABSTAIN: None.

D. **Appointment of two Council Members to serve on an Ad Hoc Committee to negotiate a new Recycling, Refuse and Yard Waste Collection Agreement (Franchise) with GreenWaste Recovery, Inc. [565-25]**

ACTION: Mayor Termini and Council Member Begun volunteered to serve on this committee.

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| <i>AT THIS POINT, ITEMS REMOVED FROM CONSENT CALENDAR WILL BE CONSIDERED</i> |
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H. **Adopt Resolution Setting the 2007/08 Fiscal Year Appropriation Limit Pursuant to Article XIII B of the California Constitution.**

Council Member Graves pulled this item as he received a revised staff report at tonight's meeting and he asked what the revisions were.

Finance Director Lai stated that she discovered an error on page 2 just this evening and quickly revised the staff report to correct the error. She explained the revisions that were made and responded to Council's questions.

ACTION: Council Member Graves moved, seconded by Council Member Begun, to adopt **Resolution No. 3635, Resolution Setting the 2007/2008 Fiscal Year Appropriation Limit Pursuant to Article XIII B of the California Constitution**, with the revisions made by the Finance Director. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

6. ORAL COMMUNICATIONS

7. ADJOURNMENT

The City Council adjourned at 9:23 p.m. to a Special Joint Meeting of the City Council and Redevelopment Agency be held on Wednesday, May 30, 2007, beginning at 6:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.