



**ACTION MINUTES**  
**CAPITOLA CITY COUNCIL**  
**REGULAR MEETING**  
Thursday, June 14, 2007

**5:30 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE**  
**CAPITOLA REDEVELOPMENT AGENCY & CITY COUNCIL**

An announcement regarding the items to be discussed in Closed Session was made by Mayor Termini in the City Hall Council Chambers at 5:30 p.m. 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

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Govt. Code §54956.8)**

Property: City Hall Parking Lot Lease, APN 035-141-33  
Agency Negotiator: Rich Hill  
Negotiating Parties: City of Capitola and Metro PCS  
Under Negotiation: Lease Terms

**LIABILITY CLAIMS (Pursuant to Govt. Code §54956.95)**

Claimant: Paul Crowley

**CONFERENCE WITH LABOR NEGOTIATOR (Govt. Code §54957.6)**

Bargaining Units: City Manager  
Negotiators: City Council

**6:45 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 7:26 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, Community Development Director Juliana Rebagliati, Public Works Director Steve Jesberg, Chief of Police Rick Ehle, and City Clerk Pamela Greeninger

**\*\*\* PRESENTATION \*\*\***

**Certificate of Appreciation to Scharlene Fulmer for Service as the Capitola Representative on the Advisory Council of the Area Agency on Aging**

Mayor Termini read and presented a Certificate of Appreciation to Scharlene Fulmer for her service during the past two years as the city's representative on the Advisory Council of the Area Agency on Aging. He also commented that Scharlene has served on several city committees over the years including the Arts Commission. Ms. Fulmer said she served as Chair of the Arts Commission after Sam Storey, and she also served on the ADA Committee. Mayor Termini thanked her for her service.

**1. REPORT ON CLOSED SESSION [520-25]**

City Attorney Barisone reported that the City Council met in Closed Session on those items listed on the first page of the posted agenda as follows:

- He, along with Housing and Redevelopment Project Manager David Foster and Community Development Director Juliana Rebagliati, provided a report on the first item pertaining to threatened litigation against the city. The council provided instructions to staff regarding ongoing negotiations in that matter.
- The council then discussed the potential Metro PCS request for a lease agreement for part of the city hall parking lot. The city council confirmed the previous council's decision that it does not have an interest in leasing the property to Metro PCS.
- City Attorney Barisone reported that the council also had a brief discussion concerning the liability claim of Paul Crowley, but they took no reportable action on that matter in closed session. The matter is on the regular council agenda for rejection tonight in open session.
- Finally, City Attorney Barisone reported that the council had a conference in closed session concerning the city manager. No reportable action was taken.

**2. ORAL COMMUNICATIONS**

A. Additions and Deletions to Agenda – None

B. Public Comments

1) Dustin MacDonald spoke on behalf of himself and the Surfrider Foundation, urging the council to seriously consider the ban on Styrofoam and explained why.

2) Emily Redding, representing Santa Cruz County Alcohol and Drug Program-Friday Night Live Program, announced the Capitola recipients of the annual Responsible Alcohol Merchants Awards, which includes Albertson's, Capitola Boat & Bait, Circle K 76, Grady's Market, Long's Drug Stores #045 and #389, New Leaf Market, Quality Cash Grocery, Rite Aid and Trader Joe's. She commended these merchants for doing an outstanding job keeping our community safe from the abuse of alcohol.

3) Sarah Corbin addressed the council concerning its upcoming meeting on June 28 when the council will reconsider its ordinance pertaining to polystyrene. She commented that Surfrider Foundation's primary concerns relate to debris in the water and on the beach. She provided several statistics regarding polystyrene products for the council to take into consideration.

4) Dave Bradley, teacher at New Brighton Middle School, commented on the discussions his 7<sup>th</sup> grade class has had recently regarding polystyrene and its effect on the environment. He said the city has an opportunity to be a leader on this important issue and encouraged the council to maintain the ban on polystyrene.

C. Staff Comments – None

D. City Council/Treasurer Comments

1) City Treasurer Gualtieri announced that the Finance Advisory Committee will be meeting next Tuesday, June 19, at 6 p.m. in the City Hall Community Room and that the public is welcome to attend.

2. D. ORAL COMMUNICATIONS (Continued)
- 2) Mayor Termini commented on the following items:
- He proclaimed today, June 14, as “Big Brothers Big Sisters Day,” and he read the Mayor’s Proclamation.
  - He announced that next Wednesday, June 20, would mark the first Twilight Concert for the 23<sup>rd</sup> year of concerts. The Sparkletones will kick off the series at 6 p.m. at Esplanade Park.
  - Mayor Termini said he had the pleasure of riding along with members of the Central Fire Protection District last week, and he was impressed with the firefighters and their dedication to protecting our community.

E. Committee Reports/Appointments

1) **Appointment of Youth Member to the Commission on the Environment. [430-05/110-10]**

City Clerk Greeninger summarized the agenda report and recommendation of the Commission on the Environment to appoint Jessica Nemire.

**ACTION:** Council Member Graves moved, seconded by Council Member Storey, to appoint Jessica Nemire as the Youth Member on the Commission on the Environment. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

2) Council Member Graves said he attended the AMBAG meeting this week, and he informed the Council that the Board is considering increasing the AMBAG dues next year.

3) Council Member Begun then said LAFCO might reduce its dues or provide a rebate.

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

Council Member Begun questioned Check #51950 in the amount of \$1,500 to 57Design, Inc., for BIA Web Development and asked if it was funded. City Manager Hill said it is part of the BIA, which is paid by Capitola Village and Wharf Business Improvement Area.

Mayor Termini asked about Check #51865 in the amount of \$9,131.53 to the Santa Cruz County Clerk for pamphlets and ballots. City Clerk Greeninger advised the payment was for Capitola’s share to consolidate its November 2006 General Municipal Election with County. She explained this amount is much lower than it would be if the city were to conduct a stand-alone election.

Council discussion was followed by this action:

**ACTION:** Council Member Storey moved, seconded by Council Member Nicol, to approve the Check Register Reports dated May 18, May 25 and June 1, 2007, including checks numbered 51795 through 51876 in the amount of \$65,940.93, and checks numbered 51877 through 51949 in the amount of \$137,346.37, and checks numbered 51950 through 52077 in the amount of \$174,964.93, respectively, and payroll disbursements for the 05/25/07 payroll in the amount of \$217,356.97, for a Grand Total of \$595,609.20, 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 Begun pulled Items 3.G. and H. Council Member Graves had a brief comment on Item 3.E. (*See that item for discussion*)

## 3. CONSENT CALENDAR (Continued)

Council Member Storey also wished to comment on the Minutes to the May 10, 2007, Regular Meeting. (See comments under Item 3.B.) City Clerk Greeninger noted that the Minutes to the Joint Meeting of May 9, 2007, would be continued pursuant to action taken by the Redevelopment Agency to review the meeting recording pertaining to the action taken relative to Item 4.A., Fourth Amendment to the Lease and Development Agreement.

Mayor Termini then advised Items 3.G. and 3.H. would be discussed at the end of the meeting following Other Business Item 5.C. (See discussion and action on Page 9.)

**CONSENT CALENDAR ACTION:** Council Member Storey moved, seconded by Council Member Graves, to approve the Consent Calendar as recommended with the exception of Items 3.G. and 3.H., which were pulled for discussion, and continuation of the Joint Minutes of May 9, 2007. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

**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 – Special Joint Budget Study Session Meeting of May 3, 2007, Special Joint Meeting of the City Council and the Redevelopment Agency of May 9, 2007, and the Regular Meeting of the City Council of May 10, 2007.**

Council Member Storey commented on the Regular Meeting Minutes of May 10, 2007. He referred to the “Action” paragraph at the top of page 10847 (for Public Hearing Item 4.A.), stating it was his understanding that the council had authorized staff to prioritize the Neighborhood Traffic Advisory Committee’s final report projects. Council Member Graves said he made the motion on that item, and he did say “not to prioritize the projects” in his motion. He explained the reason for doing so, saying that several projects on the list had already been done, plus there were some that had never been discussed at length by the council; so he added as part of the motion that the projects come to the council before money is expended on them. He said the clerk had the motion correct, although he does remember Council Member Storey’s interest in prioritizing the list. Council Member Graves said he had concerns about using the word “prioritize” as it sounds as though they have already been approved. Council Member Storey accepted Council Member Graves’ explanation; however, he wanted to make sure it gets in the minutes that staff did, in fact, provide the council with a prioritized list. City Manager Hill said Council Member Graves is correct about his motion; however, he and Public Works Director Jesberg spoke about this and found that there already was a prioritization of those projects and it wasn’t difficult for staff to bring that information back to the council.

It was the consensus of the Council to include clarification in the record pertaining to staff providing a prioritized list even though it wasn’t called for in the motion.

**ACTION:** Council Member Storey moved, seconded by Council Member Graves, to approve the Minutes of the Special Joint Budget Study Session Meeting of May 3, 2007, and the Regular Meeting of the City Council of May 10, 2007, as submitted. With respect to Public Hearing Item 4.B. regarding the Neighborhood Traffic Advisory Committee Project Report Update, it was also noted for the record that staff has provided the council with a prioritized list of Neighborhood Traffic Advisory Committee projects. Pursuant to direction by the Redevelopment Agency Directors, the Minutes of the Special Joint Meeting of the Council and the Agency of May 9, 2007, would be brought back for approval at the next meeting after the recording has been reviewed pertaining to the action taken on Item 4.A. relative to when the final versions of the Hotel Operating Agreement and Public Use Plan would need to be approved. 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 (Continued)

**C. Receipt of Planning Commission Action Minutes for the Regular Meeting of June 7, 2007. [740-50]**

**ACTION:** The City Council unanimously received the Planning Commission Action Minutes for the Regular Meeting of June 7, 2007, as submitted.

**D. Deny Claim of Paul Crowley in an amount in excess of \$10,000 and forward to the City's Liability Insurance Company. [Claims Binder]**

**ACTION:** Council Member Storey moved, seconded by Council Member Graves, to deny the claim of Paul Crowley in excess of \$10,000 and forward it to the City's liability insurance carrier. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

**E. Report on PERS Election Results and Adoption of Ordinance Authorizing an Amendment to the Contract between the City Council of the City of Capitola and the Board of Administration of the California Public Employee Retirement System (PERS). (2<sup>nd</sup> Reading) [630-10]**

**ACTION:** Council Member Storey moved, seconded by Council Member Graves, to adopt **Ordinance No. 918, Ordinance Authorizing an Amendment to the Contract Between the City Council of the City of Capitola and the Board of Administration of the California Public Employee's Retirement System (PERS)**. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

**F. Adopt Resolution to Establish CalPERS Employer Paid Member Contribution (EPMC) for the City of Capitola Miscellaneous Employees at 8% and Tax Deferred Reporting. [630-10]**

**ACTION:** Council Member Storey moved, seconded by Council Member Graves, to adopt **Resolution No. 3637, Resolution for Change of California Public Employees Retirement System (CalPERS) Employer Paid Member Contributions (EPMC)**. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

**G. Accept Report on City Business License Compliance Audit Conducted May 2006 through April 2007. [310-50]**

*This item was pulled for separate discussion. (See Page 9 for discussion and action.)*

**H. Award Contract to Harris & Associates in the Amount of \$25,000 for Consulting Services for Citywide Streetlight Acquisition. [940-55/500-10 A/C: Harris & Associates]**

*This item was pulled for separate discussion. (See Page 9 for discussion and action.)*

**I. Adopt Proposed Resolution Transferring \$2,000 from the City Manager's Unanticipated Events Account to Community Development Department Contracts Account for Technical Assistance on the Village Parking Study. [470-40/330-10]**

**ACTION:** Council Member Storey moved, seconded by Council Member Graves, to adopt **Resolution No. 3638, Resolution Amending the 2006/2007 Budget by Transferring \$1,800 from the City Manager's Unanticipated Events Fund Balance to City Council Services and Supplies Budget, Increasing Community Development Director Rebagliati Contract Expenditures by \$1,800 for Technical Assistance on the Village Parking Study**. 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 (Continued)

**J. Appoint Members to Capitola Village and Wharf Business Improvement Area Advisory Committee. [140-05]**

**ACTION:** Council Member Storey moved, seconded by Council Member Graves, to appoint/reappoint the following individuals to the Capitola Village and Wharf Business Improvement Area Advisory Committee as recommended by the CVWBIA Advisory Committee:

Gary Wetsel, Paradise Beach Grille  
 Ted Burke, Shadowbrook  
 Dede Harrington, Beach House Rentals  
 Carin Hanna, Craft Gallery  
 Cathy Bentley, Capitola Coffee Roasters  
 Stacey Perrin, Chienne

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

**K. Confirmation of City Council Resolution No. 3629 Pertaining to the Rispin Development Project, Application #07-023, adopted May 9, 2007. [730-10]**

**ACTION:** Council Member Storey moved, seconded by Council Member Graves, to confirm that Resolution No. 3629, Resolution Rescinding Permit #06-052, Resolution No. 3577, and Approving Permit #07-023 Amending Conditional Use Permit and Architectural and Site Review Design Permit #97-95 and Coastal Permit #05-005, thereby Amending Resolution No. 3393, based upon Adoption of Findings, Conditions and a Mitigation Monitoring Program for the Rispin Development Project, Application #07-023, as presented, reflects the Council's direction and approval on May 9, 2007. 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 2007/2008 Fiscal Year Capitola Village and Wharf Business Improvement Area Assessments. Presentation: Finance Director and CVWBIA Executive Directors. Staff recommendation: adopt resolution. [140-05]**

The City Council received staff's report from Finance Director Lai. Carin Hanna made a presentation on behalf of the Capitola Village and Wharf Business Improvement Area, and the Council conducted the required public hearing. The following people spoke:

Maggie Ivy, Santa Cruz County Convention & Visitor's Council  
 Rita Gardiner, Venetian Court owner  
 Cristine Gomez, Souza's Ice Cream  
 Ted Burke, Shadowbrook Restaurant  
 David Baer, representing a small business in the Village  
 Betsy Conner, Betsy's Summer House  
 Owen Snyder, Papa O's

Finance Director Lai read into the record those businesses opposing the assessment, including Venetian Court #2, Venetian Court #9, Cruz'n, Yvonne's, and Papa O's, for a total protest amount of \$1,680.

**ACTION:** Council Member Nicol moved, seconded by Council Member Storey, to adopt **Resolution No. 3639, Resolution Confirming the FY 2007/2008 Capitola Village and Wharf Business Improvement Area Assessments and the Annual Plan for the CVWBIA**, 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.

The City Council took a short break at 9:05 p.m. and reconvened at 9:10 p.m.

- B. Public Hearing to Consider a Capitola Surf and Bandstand Webcam Provided by Surflife, Inc., at No Cost to the City. Presentation: Finance Director. Staff recommendation: approve contract. [160-80/500-10 A/C: Surflife, Inc.]**

**ACTION:** Council Member Storey moved, seconded by Council Member Begun, to approve the proposed contract with Surflife, Inc., for maintenance of a website camera and supporting equipment on top of the Capitola Esplanade bathroom facility with several modifications to the contract. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

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

Mayor/Chairperson Termini called the Joint Meeting of the City Council and Redevelopment Agency to order at 9:30 p.m. All members of the City Council and Directors of the Redevelopment Agency were present.

- C. Continued Joint Public Hearing on the Proposed 2007-2008 FY City, Redevelopment Agency and Five-year Capital Improvement Program Budgets. Presentation: City Manager and Finance Director. [330-05/760-25]**

Finance Director Lai provided a brief summary of the several budget study sessions conducted by the City Council/Redevelopment Agency on the proposed 2007-08 budget. She then summarized the directed changes to the proposed budget and said the purpose of tonight's Joint Meeting was to conduct a public hearing on the budgets for the City, Capital Improvement Program and Redevelopment Agency.

Mayor/Chairperson Termini opened the public hearing at 9:33 p.m. Seeing no one, the public hearing was closed.

Council Member/Director Storey commented that the 2006/07 Redevelopment Agency budget shows a \$1M expenditure for the Rispin Mansion project contribution. He questioned if, at this late date, that amount would be spent and whether it could be moved to the 2007/08 RDA budget. Finance Director Lai said that was a good observation, and tonight would be an excellent time to make that amendment.

Council Member/Director Storey moved, seconded by Council Member/Director Graves, to adopt the proposed City Council and Redevelopment Agency resolutions adopting the 2007/08 Fiscal Year City and Capital Improvement Program budgets, and the 2007/08 Fiscal Year Redevelopment Agency Budget with an amendment to increase the capital expenditure budget by \$1,000,000 for the Rispin Mansion Project as suggested, thereby adopting the following resolutions:

**Resolution No. 3640, Resolution of the City Council of the City of Capitola Adopting the 2007/08 Fiscal Year City and Capital Improvement Program (CIP) Budgets** 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.

**Agency Resolution No. 2007-7, Resolution of the Board of Directors of the City of Capitola Redevelopment Agency Adopting the 2007/08 Fiscal Year Budget** as amended. The motion carried on the following vote: AYES: Directors Begun, Nicol, Graves, Storey and Chairperson Termini. NOES: None. ABSENT: None. ABSTAIN: None.

## 4. C. PUBLIC HEARINGS (Continued)

Following the vote on the 2007/08 budget resolutions, Finance Director Lai said she would bring the resolution to amend the \$1M in the 2006/07 FY Redevelopment Agency budget back as a consent item at the next RDA meeting. She explained that the action taken was on the 2007/08 FY budgets and that a separate action was necessary to amend the 2006/07 FY RDA budget.

After discussion, the Redevelopment Agency Directors took the following action:

**ACTION:** Director Graves moved, seconded by Director Nicol, to adopt **Agency Resolution No. 2007-8, Resolution of the Board of Directors of the City of Capitola Redevelopment Agency Amending the 2006/07 Fiscal Year Agency Operating Budget to Reduce Capital Expenditure Budget by \$1,000,000 for the Rispin Project.** The motion carried on the following vote: AYES: Directors Begun, Nicol, Graves, Storey and Chairperson Termini. NOES: None. ABSENT: None. ABSTAIN: None.

At 9:37 p.m. following the Joint Meeting, Mayor/Chairperson Termini announced that the Redevelopment Agency would adjourn to its next Regular Meeting to be held on Thursday, June 28, 2007, and the City Council would resume its meeting with Other Business Item 5.A.

**End of Joint Meeting**

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## 5. OTHER BUSINESS

**A. Acceptance of a U.S. Office of Homeland Security-Commercial Equipment Direct Assistance Program (CEDAP) Grant Consisting of a Stedi-Eye Stabilized Night Vision Capable Binocular with a Value of \$13,000. Staff recommendation: adopt resolution. [370-40]**

**ACTION:** Council Member Storey moved, seconded by Council Member Begun, to adopt **Resolution No. 3641, Resolution Amending the Fiscal Year 2006/07 General Fund Budget to Accept a U.S. Office of Homeland Security – Commercial Equipment Direct Assistance Program (CEDAP) Grant, Consisting of a Stedi-eye Stabilized Night Vision Capable Binocular with a Value of \$13,000 and Authorizing Grant Revenue and Expenditure of \$13,000** 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.

**B. Ordinance Amending Section 2.04.140 of the Capitola Municipal Code Pertaining to the Placement of Items on the City Council Meeting Agenda. (1<sup>st</sup> Reading) Staff recommendation: adopt ordinance. [520-40]**

**ACTION:** Council Member Begun moved, seconded by Council Member Nicol, to pass the proposed Ordinance Amending Section 2.04.140 of the Capitola Municipal Code Pertaining to the Placement of Items on the City Council Meeting Agendas to a second reading as submitted. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, and Mayor Termini. NOES: Council Member Storey. ABSENT: None. ABSTAIN: None.

**C. Commission on the Environment Recommendation for Amendments to the Municipal Code Regulating the Noise Level, Hours of Operation, and Methods of Use for Leaf Blowers, Mechanical Sweeping Devices and Parking Lot Vacuum Machines. Staff recommendation: Council direction. [485-40]**



## 5. C. OTHER BUSINESS (Continued)

**ACTION:** Council Member Nicol moved, seconded by Council Member Begun, to accept the recommendation of the Commission on the Environment to set public hearings on ordinances to amend the Municipal Code to regulate noise levels, hours of operation, and methods of use for leaf blowers, mechanical sweeping devices and parking lot vacuum machines for a future meeting of the city council. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

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

3. CONSENT CALENDAR (*Items pulled for separate discussion.*)**G. Accept Report on City Business License Compliance Audit Conducted May 2006 through April 2007. [310-50]**

**ACTION:** Council Member Graves moved, seconded by Council Member Begun, to accept the Report on City Business License Compliance Audit Conducted May 2006 through April 2007. The motion carried on the following vote: AYES: Council Members Begun, Nicol, Graves, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.

**H. Award Contract to Harris & Associates in the Amount of \$25,000 for Consulting Services for Citywide Streetlight Acquisition. [940-55/500-10 A/C: Harris & Associates]**

After considerable discussion regarding the proposed contract for consulting services for citywide streetlight acquisition, the following action was taken:

**ACTION:** Council Member Begun moved, seconded by Council Member Nicol, to continue this item with direction to staff to obtain information from the consultant regarding the council's concerns about the cost if he fails to perform, information on the consultant's prior experience/success in street light acquisition, and possible payment on a commission basis. The motion carried unanimously.

## 6. ORAL COMMUNICATIONS

a) Mayor Termini said he would like to see more activity on the Mayor's Blog. He encouraged the council/members or members of the public to provide topics for discussion.

b) Council Member Graves commented on complaints he has received about an unsightly motor home and the condition of property located on Cliff Drive. He said Cliff Drive is one of the four entryways to the city, and the condition of this particular property and motor home parked on the property do not portray a good impression.

c) Mayor Termini thanked both Chiefs, Chief of Police Rick Ehle and Fire Chief Bruce Clark, for the wonderful Car Show held in Capitola Village this past weekend. Council Member Graves commented that the number of cars on the second day had decreased and wondered if the area could be condensed on Sunday so that Capitola Avenue could be open. Chief of Police Ehle said they would be critiquing the event and discussing this issue. He commented on the support received by the Foundation by all of the Village restaurants that backed and promoted the event.

## 7. ADJOURNMENT

The City Council adjourned at 10:13 p.m. to its next Regular Meeting to be held on Thursday, June 28, 2007, beginning at 7:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.