

July 10, 2008  
 Capitola, California

## CAPITOLA CITY COUNCIL

### MINUTES OF A REGULAR MEETING

#### 5:30 P.M. CLOSED SESSION – CITY MANAGER’S OFFICE CAPITOLA REDEVELOPMENT AGENCY & CITY COUNCIL

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

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

Save the Habitat vs. City of Capitola (Rispin Mansion Project)  
 Soquel Union Elementary School District vs. City of Capitola  
 Surf & Sand LLC vs. City of Capitola (Surf & Sand Mobile Home Park)  
 Vieira Enterprises vs. City of Capitola (Cabrillo Mobile Estates)

#### CONFERENCE WITH LABOR NEGOTIATORS (Govt. Code §54957.6)

Bargaining Units: Police Captains  
 Negotiator: Rich Hill, City Manager

Mayor/Chairperson Nicol asked if anyone wished to address items on the Closed Session agenda. Seeing no one, the council/agency recessed at 5:33 p.m. to the Closed Session.

#### REGULAR MEETING OF THE REDEVELOPMENT AGENCY *(See Capitola Redevelopment Agency Minutes)*

#### REGULAR MEETING OF THE CITY COUNCIL

Mayor Nicol called the Regular Meeting of the City Council to order at 7:50 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

#### ROLL CALL AND PLEDGE OF ALLEGIANCE

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

**ABSENT:** None

**STAFF:** City Manager Rich Hill, Deputy City Attorney Celestial Cassman, Acting Community Development Director Anthony “Bud” Carney, Finance Director Lauren Lai, Chief of Police Rick Ehle, Assistant to the City Manager Lisa Murphy, and City Clerk Pamela Greeninger

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

Deputy City Attorney Celestial Cassman reported that the City Council/Redevelopment Agency Directors met in Closed Session prior to the Redevelopment Agency meeting at 5:30 p.m. She said Council Member/Director Termini left the room due to a conflict of interest on the matter of Save the Habitat vs. City of Capitola (Rispin Mansion Project). An update was provided, and no reportable action was taken on that matter.

Deputy City Attorney Cassman then reported that the Council Members/RDA Directors received updates on existing litigation matters: Soquel Union Elementary School District vs. City of Capitola, Surf & Sand LLC vs. City of Capitola (Surf & Sand Mobile Home Park), and Vieira Enterprises vs. City of Capitola (Cabrillo Mobile Estates). No reportable action was taken.

The City Council met with its labor negotiator, City Manager Hill, regarding the Police Captains’ employee group and provided instructions to its negotiator on continued negotiations. No reportable action was taken.

## 2. ORAL COMMUNICATIONS

### A. Additions and Deletions to Agenda

Mayor Nicol said the Council received a memo from the City Clerk regarding an item to be added to the agenda pertaining to an Argument In Favor of the City's measure.

**ACTION:** Council Member Graves moved, seconded by Council Member Termini, to add the City Manager's Agenda Report regarding "Argument In Favor of City Measure" item to the Agenda under Other Business Item 5.A., as recommended. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None.

### B. Public Comments

Sandy Erickson, Cabrillo Street, addressed the city council on several items: 1) She said the city should have outlawed fireworks on the 4<sup>th</sup> of July; 2) she expressed concern about a 16% pay increase for the Capitola police officers; and 3) she asked about the public bathrooms at the beach. She said the bathrooms are a disgrace and believes the facilities are inadequate, particularly given the number of junior lifeguards on the beach.

Council Member Begun asked about the bathrooms at the beach. Council Member Termini said the contract was approved, but the project was postponed until after the Art & Wine Festival due to material availability.

### C. Staff Comments - None

### D. City Council/Treasurer Comments/Committee Reports

1) Council Member Termini commented on the twilight concerts. He also announced he has a new granddaughter, and he now has 5 granddaughters.

2) Council Member Begun asked when the matter regarding the Pacific Cove Mobile Home Park residents' purchase of the park would be on the agenda. City Manager Hill said it is scheduled for the next meeting on July 24.

3) Council Member Begun also commented on a situation at 200 Kennedy Drive, and said he would like to add that matter as a discussion item at the next meeting. City Manager Hill said he would like to discuss the matter with the city attorney before placing it on an agenda.

### E. Committee Appointments – None

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

There were no questions regarding the Check Register Report prior to the following action being taken:

**ACTION:** Council Member Termini moved, seconded by Council Member Storey, to approve the Check Register Report dated June 27, 2008, including checks numbered 55945 through 56041, in the amount of \$118,355.87, as submitted. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None.

## 3. CONSENT CALENDAR

Mayor Nicol asked if there were any items on the Consent Calendar members of the council or the public wished to pull for separate discussion. Mayor Nicol read the title of the items listed on the agenda. Council Member Graves pulled Items 3.B. and 3.H. Council Member Storey said he would like to pull Item 3.D., and that he had questions regarding the budget amendments for the Police Department, Items 3.E. and F. Chief of Police Ehle and City Manager Hill responded to his concerns. Mayor Nicol then pulled Item 3.G.

## 3. CONSENT CALENDAR (Continued)

Prior to taking action on the Consent Calendar, Mayor Nicol advised Items 3.B., D. G. and H. would be discussed at the end of the meeting after Added Other Business Item 5.A. (*See discussion and action beginning on Page 11173.*)

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

**A. Approve Reading by Title of all Ordinances and Resolutions and declare that said Titles which appear on the Public Agenda shall be determined to have been read by Title and Further Reading Waived.**

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

**B. Approve City Council Minutes – Minutes of the Joint Working Session of the City Council and the Board of Trustees of the Soquel Union Elementary School District of June 5, 2008, the Special Meeting of June 11, 2008, the Regular Meeting of June 12, 2008, and the Adjourned Closed Session Meetings of June 16 and 18, 2008.**

*This item was pulled for separate discussion. (See Page 11174 for discussion and action.)*

**C. Receive Planning Commission Action Minutes for the Regular Meeting of July 3, 2008. [740-50]**

**ACTION:** The City Council unanimously received the Planning Commission Action Minutes for July 3, 2008, as submitted.

**D. Approve Special Event Permit Request from the Capitola Commission on the Environment for the Second Capitola Water Festival to be held in Esplanade Park on Saturday, October 4, 2008, from 8:30 a.m. to 4:30 p.m., and approve a Grant in the Amount of \$463.00 to Cover City Permit Fees for the Event. [1050-70]**

*This item was pulled for separate discussion. (See Page 11174 for discussion and action.)*

**E. Adopt Resolution Amending the FY2007/2008 General Fund Budget Increasing the Police Department's Law Enforcement Materials and Supplies Budget by \$26,000 and amending the Police Department's FY 2007/08 Lifeguard and Animal Services budgets, authorizing salary savings and material and supply balances from these respective budgets, totaling \$26,000, be utilized to fund increased revenues and expenditures for the Police Department's Law Enforcement Materials and Supplies budget. [330-10]**

**ACTION:** Council Member Graves moved, seconded by Council Member Begun, to adopt Resolution No. 3709, Resolution Amending the FY 2007/08 General Fund Budget Increasing the Police Department's Law Enforcement Materials and Supplies Budget by \$26,000 and Amending the Police Department's FY 2007/08 Lifeguard and Animal Services Budgets, Authorizing Salary Savings and Material and Supply Surpluses from these Respective Budgets, Totaling \$26,000, be Utilized to Fund Increased Revenues and Expenditures for the Police Department's Law Enforcement Materials and Supplies Budget, as submitted. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None.

## 3. CONSENT CALENDAR (Continued)

- F. **Adopt Resolution Amending the FY 2007/2008 City Manager's Contract Services Unanticipated Events Budget Transferring \$5,625 to the Police Department's General Fund Budget to Supplement the Purchase of Portable Police Radios. [330-10 FY07-08]**

**ACTION:** Council Member Graves moved, seconded by Council Member Begun, to adopt **Resolution No. 3710, Resolution Amending the 2007/08 FY General Fund Budget by Transferring \$5,625 from City Manager's Contract Services-Unanticipated Events to the Police Department's General Fund, and Increasing the Expenditures in the Police Department Budget by \$5,625**, as submitted. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None.

- G. **Adopt Ordinance Amending Section 16 of Ordinance No. 880 by Extending the Termination Date of an Existing Transactions and Use Tax of the City of Capitola to be Administered by the State Board of Equalization (2<sup>nd</sup> Reading).**

*This item was pulled for separate discussion. (The City Council discussed this item during discussion of Added Item 5.A. See Page 11173 for discussion and action.)*

- H. **Approve Contract with Julianne Ward for Consulting Services Related to the Housing Element Update During FY 2008-2009.**

*This item was pulled for separate discussion. (See Page 11175 for action.)*

- I. **Approve Contract with the Housing Authority of the County of Santa Cruz for the Administration of Housing Programs during Fiscal Year 2008-09. [750-10/500-10 A/C: Housing Authority of the County of Santa Cruz]**

**ACTION:** Council Member Graves moved, seconded by Council Member Begun, to approve the proposed contract between the City of Capitola and the Housing Authority of the County of Santa Cruz for the administration of the City's Rehabilitation Program and First Time Homebuyer Program in an amount not to exceed \$28,300. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None.

- J. **Approval of a Block Party Grant Request in the amount of \$198.47 for the Special Event Permit for a Block Party on the 500 Block of Oak Drive to be held on Sunday July 20, 2008, from 10 AM to 7 PM. [490-75]**

**ACTION:** Council Member Graves moved, seconded by Council Member Begun, to approve a Block Party Grant in the amount of \$198.47 for City-provided liability insurance and an encroachment permit for the Special Event Permit for the 500 Block Oak Drive Annual Block Party to be held on Sunday, July 20, 2008, from 10 AM to 7 PM, and authorized the Capitola Police Department to issue the permit and provide a grant to cover the cost of insurance, and authorized Public Works to issue an encroachment permit at no charge. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None.

## 4. PUBLIC HEARINGS

- A. **Public Hearing on Project Application #07-032 - 1750 41<sup>st</sup> Avenue: Appeal of a Planning Commission Denial of an Architectural and Site Review for an Exterior Remodel to an Existing Retail Store (Long's Drugs), a Sign Permit, and Amendment of a Conditional Use Permit to Add a Drive-Thru Pharmacy in the CC (Community Commercial) Zoning District. (APN 034-131-16) Property Owner: Long's Drugs, Inc.; Applicant: Laile Giansetto, PSM Architects, Inc. Presentation: Community Development Department. [730-10]**

## 4. A. PUBLIC HEARINGS (Continued)

Mayor Nicol announced that the applicant has requested a continuance of this public hearing.

**ACTION:** Council Member Termini moved, seconded by Council Member Graves, to continue the Public Hearing on Project Application #07-032 to the next City Council meeting to be held on Thursday, July 24, 2008. The motion carried unanimously.

**B. Public Hearing to Consider Increasing the Parking Meter Rate in Meter Zone A (Village Area) and Adopt Ordinance Amending Section 10.36.055 B.2. of the Capitola Municipal Code. [1<sup>st</sup> Reading] Presentation: Finance Director. [470-30]**

Finance Director Lai summarized the written agenda report.

Council Member Storey commented that any change would not take effect until after Coastal Commission approval, which could take 6 months.

Mayor Nicol opened the public hearing at 8:15 p.m.

The following people spoke in opposition to increasing the parking meter rates in the Village area (Meter Zone A):

Gary Wetzel, owner of Paradise Beach Grille, current chairman of the Capitola Village and Wharf Business Improvement Area, and resident of Capitola

Ashley, Capitola Village resident and employee

Scott Stein, owner of Lavroma soap shop, 309 Capitola Avenue

Gwen Thomas, Avalon Visions

Sandy Erickson, Capitola resident, encouraged the Council to support the business owners.

Ted Burke, owner of Shadowbrook Restaurant

Carin Hanna, owner of the Craft Gallery

Adrienne Jahn, Nob Hill employee

Joyce Murphy, Pacific Gallery owner and resident

Bruce, Gable Lane resident

Bill Buck, Village merchant

Kat Lyons, Capitola Village employee, thanked the Council for providing free parking in Pacific Cove parking lot.

Following comments from the public, the following staff members spoke regarding a proposed increase in meter rates, revenue reductions, increased service levels, and a \$150,000 cut from the State to the Police Department:

Sergeant Matt Eller, speaking on behalf of Capitola Police Officers' Association

Chief of Police Rick Ehle, speaking as the Chief and as Chair of the Capitola-Soquel Chamber of Commerce Board

Mayor Nicol closed the public hearing at 9:12 p.m.

Council Member Graves questioned the status of the morning parking permit program in the Village for 2-hour parking from 8 a.m. to 10 a.m. Chief of Police Ehle responded that staff was working on developing the program and would return to council.

Council Member Graves expressed concern about balancing the budget on the backs of the Village. He said 16 quarters for 2 hours of parking is preposterous. He commented that the city has many fees that are not being collected. He also commented that the revenues should be from the sale of parking permits, that parking meter revenues should be separate from the general fund, and we should be tourist friendly.

## 4. B. PUBLIC HEARINGS (Continued)

Council Member Begun said he would like to suggest an ad hoc committee of 2 council members, 2 Capitola Village and Wharf Business Improvement Area members, and 2 village residents to meet to discuss Village parking.

Council Member Termini expressed his support for the proposed meter rate increase, saying, that if someone wants to park in a convenient place they should pay the price. He would recommend the increased rate apply only to the Esplanade, not to Cliff Drive.

Council Member Storey expressed his concern regarding the piecemeal approach to the parking issue. He is not interested in considering a parking rate increase until a plan is in place. Council Member Storey commented on the parking study soon to be received by the city, and said once that plan is available, it can be given to the businesses and then everyone can meet.

Mayor Nicol believes it is premature to take this action at this time and agreed with his fellow council members to wait for the parking study.

**ACTION:** Council Member Graves moved, seconded by Council Member Termini, to table this item and to form a parking committee that would consist of two council members, two members of the Capitola Village and Wharf Business Improvement Area, and residents of the Village, to look at various parking options in the Village, and to return to the Council within the next 30 days with the make-up of the committee.

Council Member Graves said he would hope Council Member Begun would volunteer to serve on the committee, and he stated that he would like to participate. Council Member Termini asked if the motion includes appointment of Council Members Begun and Graves to serve as the council member representatives on the committee. Council Member Begun and Graves agreed.

There was discussion regarding the parking matters the committee would be looking at, including, parking options in the Village, parking rates and fees, looking at all parking rules on the books, permit parking areas, etc. It was noted that once the committee is formed, they could identify specific items to discuss.

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

## 5. OTHER BUSINESS

**A. \* ADDED ITEM \* Argument In Favor Of City Measure. Staff recommendation: Review the draft Argument In Favor of the city's measure and provide any recommended changes. The Council should determine who will be signing the Signature Statement and designate one of its members to see that the document is filed by 5 p.m. on Monday, July 14. [560-10/390-70]**

City Manager Hill summarized the written agenda report and said if a majority of council members wished to sign the Argument, it would need to be approved at a public meeting. Council Member Graves said he does not intend to sign it.

Mayor Nicol said he pulled Item 3.G. from the Consent Calendar, which relates to the termination date of the tax being March 31, 2019, and the date in the measure argument being 2019. He commented that the Council had taken prior action to extend the tax to 2018; however, now the date is 2019. He is not in favor of extending the tax to 2019.

## 5. A. PUBLIC HEARINGS (Continued)

The council received clarification from City Clerk Greeninger regarding prior action taken by the City Council. Finance Director Lai commented on the March 31, 2019, date, which was recommended by the State Board of Equalization and included in the June 26, 2008, Agenda Report.

There was considerable council discussion regarding the extension/termination date and actions the council would need to take in order to change that date.

City Manager Hill suggested the council direct staff to take all actions necessary to see that the revised date is reflected in the city's measure and ballot question. He said the proposed ordinance could be read for a first reading with the revised date, and that staff could return at the time the ordinance has its second reading with a revised election resolution. City Clerk Greeninger agreed and said that bringing back a resolution on July 24, 2008, is within the County Elections Department timeline for calling the election.

**ACTION:** Council Member Graves moved, seconded by Council Member Termini, to approve the proposed Argument In Favor of the city's measure changing the extension date from "2019" to "December 31, 2017." The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None.

There was discussion regarding pulled Consent Calendar item 3.G. pertaining to an Ordinance Extending the Termination Date on the Current Transactions and Use Tax during discussion of the Argument In Favor of the City's measure. That item was reordered and action taken at this time.

3. CONSENT CALENDAR (*Item pulled for separate discussion.*)

**G. Adopt Ordinance Amending Section 16 of Ordinance No. 880 by Extending the Termination Date of an Existing Transactions and Use Tax of the City of Capitola to be Administered by the State Board of Equalization (2<sup>nd</sup> Reading). [390-70]**

During discussion of the Argument In Favor of the City's Measure, the City Council considered Item 3.G. pertaining to extending the termination date of the existing transactions and use tax. (*See comments under Added Item 5.A.*) The following action was taken at this time:

**ACTION:** Council Member Termini moved, seconded by Council Member Graves, to read the ordinance for a first reading with the change in the termination date from March 31, 2019, to December 31, 2017, and passed the proposed Ordinance Amending Section 16 of Ordinance No. 880 by Extending the Termination Date of an Existing Transactions and Use Tax of the City of Capitola to be Administered by the State Board of Equalization, to a second reading. The City Council further directed staff to take all actions necessary to change the termination date of the tax on the city's measure, and to return to council with a revised resolution reflecting the revised measure text and question to be included in election materials for the November 4, 2008, General Municipal Election to be consolidated with the County of Santa Cruz. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, Termini, and Mayor Nicol. 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.*)

**B. Approve City Council Minutes – Minutes of the Joint Working Session of the City Council and the Board of Trustees of the Soquel Union Elementary School District of June 5, 2008, the Special Meeting of June 11, 2008, the Regular Meeting of June 12, 2008, and the Adjourned Closed Session Meetings of June 16 and 18, 2008.**

Council Member Graves said he would abstain on the Meeting of June 16, 2008, since he was absent. He then said the main reason for pulling this item was to comment on the minutes to the Joint Meeting with the Soquel Union Elementary School District held June 5, 2008. He said the minutes lacked reference to the public comments at the meeting, where several speakers expressed their opposition to the proposed preschool at Jade Street Park.

Council Member Begun suggested adding a paragraph to the minutes advising there was considerable discussion from the public regarding the appropriateness of the Jade Street Park layout showing a preschool in place, rather than allowing discussion of where to put a preschool if it is necessary.

There was discussion regarding whether the council could approve the minutes with the suggested corrections since the minutes had already been approved by the school district.

After further discussion, the following action was taken:

**ACTION:** Council Member Termini moved, seconded by Council Member Graves, to approve the Minutes of the Joint Working Session of the City Council and the Board of Trustees of the Soquel Union Elementary School District of June 5, 2008, with an amendment to those minutes to include comments of Council Member Graves regarding comments from the public and the suggested notation by Council Member Begun; and to approve the Minutes of the Special Meeting of June 11, 2008, the Regular Meeting of June 12, 2008, and the Adjourned Closed Session Meetings of June 16 and 18, 2008, as submitted. The motion carried on the following vote: AYES: Council Members Storey, Begun, \*Graves, Termini, and \*Mayor Nicol. NOES: None. ABSENT: None. ABSTAIN: None. \* *Note: Council Member Graves abstained on the Minutes of June 16, 2008, and Mayor Nicol abstained on the Minutes of June 5 and June 18, 2008.*

**D. Approve Special Event Permit Request from the Capitola Commission on the Environment for the Second Capitola Water Festival to be held in Esplanade Park on Saturday, October 4, 2008, from 8:30 a.m. to 4:30 p.m., and approve a Grant in the Amount of \$463.00 to Cover City Permit Fees for the Event. [1050-70]**

Council Member Storey pulled this item for council consideration of closing the Esplanade on that day. Council Member Termini, the council member representative on the Commission on the Environment, said there would not be enough going on at the event to warrant closing the Esplanade. Council Member Termini suggested agendaing future closure of the Esplanade for council discussion. He said he thought closing the Esplanade for the Begonia Festival might be something to consider.

Council Member Graves commented on grants for fees and expressed concern that in these difficult economic times it seems wrong not to be collecting these fees.

**ACTION:** Council Member Termini moved, seconded by Council Member Storey, to approve the recommended action as follows:



3. D. CONSENT CALENDAR (*Items pulled for separate discussion - Continued*)
- 1) Approve the Special Event Permit (including Bandstand Permit, Encroachment Permit, Entertainment Permit, and Amplified Sound Permit) for the Second Capitola Water Festival to be held in Esplanade Park on Saturday, October 4, 2008, from 8:30 AM to 4:30 PM, and authorize the Capitola Police Department to issue said permits; and
  - 2) Provide the Capitola Commission on the Environment (COE) with a grant in the amount of \$463.00 to cover City permit fees for the event.

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

Following action on this item, there was a consensus to agendaize for future discussion, closures of the Esplanade for community events.

**H. Approve Contract with Julianne Ward for Consulting Services Related to the Housing Element Update During FY 2008-2009. [740-40/500-10 A/C: Ward, Julianne]**

Council Member Termini asked if it was necessary to have a consultant for the Housing Element Update. Housing and Redevelopment Project Manager Foster commented on the statistical analysis and environmental review necessary and said the city is under a critical timeline to complete the update.

Council Member Graves commented on the kick-off meeting and comments made by the facilitator. He asked if a tape was made of that meeting, as he would like to review it.

Council Member Begun believes the city should obtain more bids from others, rather than going sole source.

Council Member Storey commented on the number of professionals at the kick-off meeting and also expressed the need for more public outreach in a community forum setting.

Council discussion was followed by this action:

**ACTION:** Council Member Termini moved, seconded by Council Member Graves to direct staff to come back with an analysis to prepare the Housing Element Update in house. After considerable additional discussion, the motion was amended directing staff to include in its analysis, a list of projects that would need to be put off in order for staff to work on the Housing Element Update, and to take a closer look at the scope of work and where the cost of the consultant could be reduced. The motion carried on the following vote: AYES: Council Members Graves, Termini, and Mayor Nicol. NOES: Council Members Storey and Begun. ABSENT: None. ABSTAIN: None.

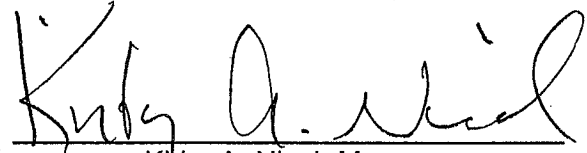
**6. ORAL COMMUNICATIONS**

A. Council Member Graves discussed oral comments from Sandy Erickson and suggested that the City Manager be directed to respond to her comments regarding legality of fireworks, the Police Officers' Association raise, and the beach restroom project.

B. Council Member Graves also commented on parking in the Village. He said there was a Junior Lifeguard competition today and that out-of-city vehicles (lifeguard vehicles from other cities) were parked backwards in parking spaces. He expressed concern about such vehicles parking illegally. He also commented on the need for portable toilets.

**7. ADJOURNMENT**

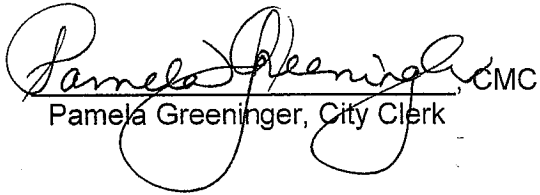
The Capitola City Council adjourned at 10:32 p.m. to the next Regular Meeting of the Capitola City Council to be held on Thursday, July 24, 2008, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



---

Kirby A. Nicol, Mayor

ATTEST:



---

Pamela Greeninger, City Clerk

**MINUTES WERE UNANIMOUSLY APPROVED BY THE CITY COUNCIL ON 8/14/08**