

February 11, 2009
 Capitola, California

CAPITOLA CITY COUNCIL

MINUTES OF A REGULAR MEETING

5:00 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE CAPITOLA REDEVELOPMENT AGENCY & CITY COUNCIL

At 5:00 p.m. in the City Hall Council Chambers, Mayor/Chairperson Begun noted that all City Council Members/Redevelopment Agency Directors were present. He made an announcement regarding the items to be discussed in Closed Session, as follows:

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

Property: Rispin Mansion Property, 2000 & 2005 Wharf Road
 APN 035-371-01 & 02
 Agency/City Negotiator: Rich Hill, City Manager/RDA Executive Director
 Negotiating parties: Rispin Partners LLC, City of Capitola, and City of
 Capitola Redevelopment Agency
 Under Negotiation: Lease and Development Agreement

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

Property: McGregor Property, APN 36-341-02 (City of Capitola,
 Owner)
 City Negotiator: City Manager for Lessor
 Negotiating Parties: Patti Boe
 Under Negotiation: Lease/Purchase Negotiation

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

Surf and Sand, LLC v. City of Capitola
 Soquel Union Elementary School District vs. City of Capitola

CONFERENCE WITH LABOR NEGOTIATOR (Govt. Code §54957.6)

Negotiator: Rich Hill, City Manager
 Employee Organizations: Association of Capitola Employees, Capitola Police
 Captains, Capitola Police Officers Association, Confidential Employees, Mid-
 Management Group, Building Official, Chief of Police, City Manager, Finance
 Director, Community Development Director, and Public Works Director

PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Govt. Code §54957)

Title: City Manager

Mayor/Chairperson Begun asked if anyone wished to address items on the Closed Session agenda. Seeing no one, the council/agency recessed at 5:02 p.m. to the Closed Session.

At 7:03 p.m. Mayor/Chairperson Begun welcomed everyone to the Regular Meetings of the Capitola Redevelopment Agency and the City Council of February 11, 2009. He announced that the meetings are being broadcast live on Charter Communications Cable Channel 8 and are being recorded for rebroadcast at 12 noon on Saturday, February 14, 2009, by Community Television of Santa Cruz County.

CAPITOLA REDEVELOPMENT AGENCY (See *Redevelopment Agency Minutes*)

REGULAR MEETING OF THE CITY COUNCIL

Mayor Begun called the Regular Meeting of the City Council to order at 7:22 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ROLL CALL AND PLEDGE OF ALLEGIANCE

PRESENT: Council Members Ron Graves, Sam Storey, Kirby Nicol, Dennis Norton, and Mayor Robert "Bob" Begun; City Treasurer Jacques Bertrand.

ABSENT: None.

STAFF: City Manager Rich Hill, City Attorney John G. Barisone, Interim Finance Director Chuck Comstock, Community Development Director Jamie Goldstein, Public Works Director Steve Jesberg, Chief of Police Rick Ehle, Assistant to the City Manager Lisa Murphy, and City Clerk Pamela Greeninger.

***** PRESENTATIONS *******Capitola Police Department Awards: [120-40]**

**Medals of Merit presented to Police Officers
Guillermo Vazquez and Christian Thompson**

**Chief's Certificate of Commendation presented to
Community Service Officer Tony Mendoza**

Chief of Police Ehle provided an overview of an event that occurred on January 1, 2009, resulting in commendation and recognition of Police Officers Vazquez and Thompson, and Community Service Officer Mendoza. Chief of Police Ehle said the actions taken by the officers exemplify the qualities of an exceptional police officer and are a credit and an asset to the Capitola Police Department, as well as to the citizens of Capitola. Chief of Police Ehle said he was very pleased to report that the officers' quick response and valiant efforts saved a woman's life.

Chief of Police Ehle then presented the "Chief's Certificate of Commendation" to Community Service Officer Tony Mendoza, and Certificates in Recognition of Distinguished Service and Medals of Merit to Police Officers Guillermo Vazquez and Christian Thompson.

1. REPORT ON CLOSED SESSION [520-25]

NOTE: The following Report on Closed Session was made under Oral Communications at the Redevelopment Agency Meeting and is also included here for the City Council's record.

City Attorney/Agency Counsel Barisone said the items discussed in closed session were those listed on the posted agenda. He said the Closed Session commenced at approximately 5 p.m. and that all City Council Members were present. City Attorney Barisone reported on the items discussed in closed session as follows:

Conference with Labor Negotiator, City Manager Rich Hill - Employee Organizations: The city council received a status report from City Manager Hill pertaining to negotiations with the city's various bargaining units concerning amendments to respective MOU's in light of the fiscal situation. No reportable action was taken in closed session.

Conference with Legal Counsel – Existing Litigation

Surf and Sand, LLC v. City of Capitola – The City Council had a very brief discussion and took no reportable action in closed session.

Soquel Union Elementary School District vs. City of Capitola – City Attorney Barisone said that the Council also had a very brief discussion concerning the ongoing implementation of the judgment in this case concerning ultimate disposition and use of Jade Street Park. Council Member Nicol excused himself from discussion of that item for conflict of interest reasons. No reportable action was taken.

1. REPORT ON CLOSED SESSION (Continued)

Conference with Real Property Negotiator – McGregor Drive Property: The City Council heard from the City Manager regarding the lease/purchase negotiations pertaining to the McGregor Drive Property. He reported that those negotiations have, for the time being, been terminated. No reportable action was taken in Closed Session.

Conference with Real Property Negotiator - Rispin Mansion Property: With respect to the ongoing negotiations between Rispin Partners LLC, the City of Capitola and the Capitola Redevelopment Agency pertaining to a Lease and Development Agreement, the City Council/Redevelopment Agency Directors directed that the City Manager/Executive Director would not be authorized to negotiate as part of that agreement the city's application for an I-Bank loan. Accordingly, Mr. Barisone said the matter that is on the Redevelopment Agency agenda for open session is effectively mooted by the action taken in closed session.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda – None

B. Public Comments

Sean Miller, President of Pacific Cove Mobile Home Park, expressed concern about a copy of a letter he received written by Nels Westman relative to his concerns about appointing a representative from the Mobile Home Park to the new parking commission. He said Mr. Westman's statements were very troubling to him. Mr. Miller believes a broad-based committee and fresh set of eyes may hold the key to solving the city's parking problems. In closing, he said Pacific Cove Homeowners' Association looks forward to working with any neighborhood representatives to find solutions to parking and traffic.

C. Staff Comments – None

D. City Council/Treasurer Comments/Committee Reports – None

E. Committee Appointments – None

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

Mayor Begun asked if there were any questions regarding the Check Register Report. Seeing none, the following action was taken:

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to approve the Check Register Reports dated January 16, 23, and 30, 2009, including checks numbered 58056 through 58113 in the amount of \$57,802.10, checks numbered 58114 through 58157 in the amount of \$71,236.76, and checks numbered 58158 through 58224 in the amount of \$320,435.09, respectively; and payroll disbursements for the January 16 and 30, 2009, payrolls in the amount of \$194,661.22 and \$212,308.63, for a Grand Total of \$856,443.80, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

3. CONSENT CALENDAR

Mayor Begun asked if there were any items on the Consent Calendar that members of the council or the public wished to pull for separate discussion. Council Member Graves commented on Item 3.C. pertaining to the Planning Commission Action Minutes. He also commented on Item 3.L. pertaining to Recreation fee increases. (See comments under those items.) Council Member Graves then said he would like to pull Items 3.E., F. and G. for separate discussion. Mayor Begun said he, too, wished to pull the Treasurer's Report, Item 3.G., as well as Items 3.I. and L. Council Member Norton asked to pull Item 3.D.

3. CONSENT CALENDAR (Continued)

Mayor Begun advised Items 3.D., 3.E., 3.F., 3.G., 3.I., and 3.L. would be discussed at the end of the meeting following Other Business Item 5.C. (See *discussion and action on Pages 11315 and 11316.*)

CONSENT CALENDAR ACTION: Council Member Nicol moved, seconded by Council Member Storey, to approve the Consent Calendar Items 3.A., 3.B., 3.C., 3.H., 3.J., and 3.K., as recommended. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None. (Note: Mayor Begun abstained from approval of the Minutes of January 8, 22, and 23, 2009, only on Item 3.B.)

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 – Regular Meetings of January 8 and January 22, 2009, the Adjourned Regular Meeting of January 23, 2009, and the Special Goal Setting Session of January 28, 2009.

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to approve the Minutes of the Regular Meetings of January 8 and 22, 2009, the Adjourned Regular Meeting of January 23, 2009, and the Special Goal Setting Session of January 28, 2009, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and *Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None. (*NOTE: Mayor Begun abstained on the Minutes of January 8, 22, and 23, 2009.)

C. Receive Planning Commission Action Minutes for the Regular Meeting of February 5, 2009. [740-50]

Prior to action being taken on the Consent Calendar, Council Member Graves commented that several items on the Planning Commission Action Minutes state, "Approved 5-0 with Changes." He said it would be helpful for the council to know what the changes were, in order for a council member to determine if an item should be appealed. Council Member Graves asked if future action minutes could identify changes made by the Planning Commission.

ACTION: The City Council unanimously approved the Planning Commission Action Minutes for the Regular Meeting of February 5, 2009, as submitted.

D. Receive Memo from Community Development Department regarding the Planning Commission and Architectural & Site Review Committee Meeting Schedule.

This item was pulled for separate discussion. (See action on Page 11315.)

E. Approve Special Event Permit Request by the Capitola Art & Cultural Commission for the 2009 Twilight Concert Series at the Bandstand in Esplanade Park on 11 Wednesday Evenings from June 24 to September 2, 2009, and the Hanging of a Banner prior to each Concert.

This item was pulled for separate discussion. (See action on Page 11315.)

F. Approve Engineering Contract with Harris & Associates in the amount of \$77,000 for the 2008-2009 Street Resurfacing Project.

This item was pulled for separate discussion. (See discussion and action on Pages 11315 and 11316.)

3. CONSENT CALENDAR (Continued)

G. **Accept Treasurer's Report for the Month Ended December 31, 2008 (Unaudited).**

This item was pulled for separate discussion. (See action on Page 11316.)

H. **Adopt Resolutions for the Installation of Stop Signs on Pilgrim Drive at the Intersection of Burlingame Avenue and Beulah Drive and on McCormick Avenue at the Intersection of Washburn Avenue. [490-60]**

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

1) **Adopted Resolution No. 3735, Resolution Ordering the Placement of a Stop Sign on Pilgrim Drive at the Intersection with Burlingame Avenue and Beulah Drive, as submitted.**

2) **Adopted Resolution No. 3736, Resolution Ordering the Placement of a Stop Sign on McCormick Avenue at the Intersection with Washburn Avenue, as submitted.**

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

I. **Adopt Resolution Repealing Resolution No. 3099 and Setting a Per Meeting Salary for Planning Commissioners and Public Professional Members on the Architectural and Site Review Committee.**

This item was pulled for separate discussion. (See action on Page 11316.)

J. **Accept the Quarterly Departmental Financial Report for the Second Quarter Ending December 31, 2008. [380-05]**

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to accept the quarterly report regarding all City Departments' Financial Status for July through December 2008, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

K. **Adopt Resolution Amending Resolution No. 3697 Pertaining to Parking Penalties to Reflect the January 1, 2009, State Mandated \$3.00 Surcharge for Certain Parking Violations. [470-40]**

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to adopt **Resolution No. 3737, Resolution Amending Resolution No. 3697 to Increase Certain Parking Penalties by \$3.00 to Reflect the January 1, 2009, State Mandated Surcharge, as submitted.** The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

L. **Adopt Resolution Amending the City's Fee Schedule Resolution No. 3703 by Increasing Existing Fees for Recreation Services.**

This item was pulled for separate discussion. (See action on Page 11316.)

4. PUBLIC HEARINGS

A. **Continued Public Hearing regarding Coastal Development Permit Application #09-002 and Proposed Ordinance Amending Capitola Municipal Code Section 10.36.055 to Split Parking Meter Zone A into Two Zones and to Set Parking Meter Rates for All Zones. [1st Reading] Presentation: Public Works Director. [470-30 Parking Meter Regulations/740-30 Local Coastal Plan]**

Public Works Director Steve Jesberg summarized the written agenda report and the rates contained in the draft ordinance provided in the agenda packet. Using an excel spreadsheet, he showed the anticipated revenues using various meter-rate scenarios.

4. A. PUBLIC HEARINGS (Continued)

Mayor Begun opened the public hearing at 7:42 p.m. The City Council received comments from the following members of the community and Capitola business owners regarding the proposed meter rates and zones:

Carin Hanna, on behalf of the Blue Ribbon Parking Committee
 Filiz Erbehtas, owner of Café Misk on Monterey Avenue
 Gwen Thomas, owner of Avalon Visions on Monterey Avenue
 Peter Hubback, Village property owner, would like to see the council defer the parking meter rate in light of the recession/depression
 Steven Woodside, Vice Chair of Blue Ribbon Parking Committee, passed out and discussed a written communication entitled "Compromise Recommendation by Citizen Members"
 Bobbette Moore, owner of Village Mouse and Kinkadee Gallery
 Devona Finney, owner of Grinds Coffee Shop on Capitola Avenue
 Mike Birch, owner of Bluewater Steak House
 Christine Gomez, owner of Souza's Ice Cream

Mayor Begun closed the public hearing at 8:20 p.m.

After considerable council discussion and deliberation, the following action was taken:

ACTION: Council Member Storey moved to raise Zone A(1) meter rates in the Village to \$1.50, that the rate in Zone A(2) would be \$1.00, that the rate in Zone B, Pacific Cove Parking Lot, remain at 50¢ per hour, and that the revenues generated from the new rates in Zone A(1) be allocated fifty percent to the City General Fund and fifty percent to a restricted parking fund. There was further council discussion regarding the motion.

Council Member Norton asked if the maker of the motion would consider an amendment directing staff to look into a new pay system, i.e., pay and display, for the Village. Council Member Storey agreed to the amendment to the motion. Public Works Director Jesberg questioned if a new pay system would be something the new commission would be discussing. Council Member Graves suggested looking at a pay and display system for the Cliff Avenue parking area first to see how it works. Mayor Begun asked if the council could have staff look at pay and display and the different options rather than restricting it to one or two places.

Prior to the Council voting on the motion, Public Works Director Jesberg asked that as part of the motion the Exhibit A map be amended to include all of Monterey Avenue up to the railroad tracks pursuant to the written description in the ordinance. Council Member Graves said the map should reflect the areas where meters are located.

Mayor Begun asked when the new rates would become effective. City Manager Hill advised that this is an ordinance amendment; therefore, it would become effective 30 days after adoption of the ordinance; however, there is also a Coastal Development permit involved. Public Works Director Jesberg said the ordinance would become effective in 30 days unless the Coastal permit is appealed, and then it would take effect upon approval of Coastal Development Permit No. 09-002, whichever occurs last.

After further Council discussion, the motion was clarified as follows:

1) That the proposed Ordinance Amending Section 10.36.055 of the Capitola Municipal Code Pertaining to Parking Meter Zones/Rates be passed to a second reading with correction to Zone A(1) on the Exhibit A map to include Monterey Avenue, and the following meter rates inserted:

4. A. PUBLIC HEARINGS (Continued)

Zone A(1) (Village Area)..... \$1.50 per hour
 Zone A(2) (Cliff Drive Area)..... \$1.00 per hour
 Zone B (Pacific Cove Parking Lot)..... \$0.50 per hour;

2) that the revenues generated from the new rates in Zone A (1) be allocated fifty percent (50%) to the City General Fund and fifty percent (50%) to a restricted parking fund; and

3) that staff be directed to look into a new pay system, i.e., pay and display, and various options for parking areas in the city.

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

5. OTHER BUSINESS

A. **Formation of a Special Cable Television Review Committee to Review the Charter Communications Cable System Performance and Quality of Service. [565-20]**

Assistant to the City Manager Murphy summarized the written agenda report and responded to questions of council members.

Council discussion was followed by this action:

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to authorize the formation of a Special Cable Television Review Committee to review the Charter Communications cable system performance and quality of service and to make recommendations to the council. The composition of the committee would include public members Tish Eastman, Sandra Erickson, and Michael Termini, Mayor Begun representing the City Council, the City Manager, the Assistant to the City Manager, and the City Attorney.

Under discussion, Council Member Graves suggested adding another public member and appointing Rick Halterman who lives in Castle Mobile Estates. Council Member Norton suggested eliminating the city attorney from attending the meetings.

Council Members Nicol and Storey accepted Council Member Graves' recommendation to add a fourth public member to the committee and to appoint Rick Halterman. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

B. **Cost Analysis for the Installation of a Modular Office Building at Pacific Cove Mobile Home Park. [330-05/260-10]**

Building Official Kostelec summarized the written agenda report and responded to questions of council members. In response to a question from Council Member Nicol, he commented on other options explored by staff prior to coming up with the staff's recommendation.

Pacific Cove Mobile Home Park residents Jeanne Roddy and Ann Schroedel expressed their concerns about the proposal to install a modular building for office use in the mobile home park. They expressed concerns about uses within the Mobile Home Exclusive (MHE) district, late notification regarding this matter being on the meeting agenda, and their homeowners association's submittal requesting consideration for the residents to purchase the park.

5. B. OTHER BUSINESS (Continued)

Chief of Police Ehle commented on the necessary ADA accessibility requirements for the Code Enforcement Officers, ample room for a shop to repair machines, changing rooms, etc. He offered his support for staff's recommendation for a modular building, stating it would address their needs.

A failed motion by Council Member Norton to accept staff's recommendation to install the modular office building at Pacific Cove Mobile Home Park, was followed by further Council discussion.

Council Member Nicol asked for an update on the potential sale of the Beulah house. He also asked if there was room near the house to locate the modular building. Building Official Kostelec said it would fit in the area behind the Beulah house where city vehicles currently park. He said a tree may need to be removed.

Council Member Graves suggested that a discussion item be brought back at an open meeting regarding the Beulah house, since the city has not had a response from the people interested in buying it. He would be interested in looking at that site for potential office space.

ACTION: Council Member Nicol moved to continue this item and direct staff to explore the possibility of putting a modular office building on the Beulah site. Council Member Norton suggested a friendly amendment to direct staff to check with the person in Space #84 (the end unit), to see if they would be interested in moving to the empty lot and doing a switch. Council Member Nicol accepted the proposed amendment to the motion. Council Member Norton then seconded the motion.

Council Member Graves commented that an appraisal value for the Beulah house was included in the budget, and the city would be better off selling the property. Building Official Kostelec added that Space #84 is privately owned, and staff would need to contact the owner. He said he could get back to the Council with a plan and cost estimate for locating the modular on the Beulah house site by the next meeting.

Public Works Director Jesberg said a letter was sent to Mr. & Mrs. Sullivan with a deadline at the end of February, so he would have more information by the council's first meeting in March.

The motion carried with the added direction to continue this matter to the Council's first meeting in March on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

**C. Schedule a Joint Meeting of the City Council and Planning Commission.
[520-40/740-50]**

Community Development Director Goldstein reported that in January the Planning Commission considered several zoning amendments to ensure compliance with the adopted 2004 Housing Element. At that hearing, the planning commissioners requested a joint meeting with the City Council to discuss these amendments. On February 5 the commissioners discussed potential dates for a joint meeting, including March 4th at 6 p.m. or March 5th prior to the regular Planning Commission meeting.

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to schedule a Special Joint Planning Commission/City Council meeting on Wednesday, March 4, 2009, at 6:00 p.m. in the City Hall Council Chambers. The motion carried unanimously.

Council Member Graves asked that the council receive any written material regarding the topics for discussion at that meeting.

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

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

D. Receive Memo from Community Development Department regarding the Planning Commission and Architectural & Site Review Committee Meeting Schedule. [740-50/740-15]

Mayor Begun proposed that the Planning Commission meet once a month and, if more than one meeting is needed, that a special meeting be scheduled. Council Member Norton commented that there was discussion by the Planning Commission when he was a member to reduce the number of meetings, but nothing had been done.

Council discussion was followed by this action:

ACTION: Council Member Norton moved, seconded by Council Member Nicol, to approve one regularly scheduled Planning Commission meeting on the first Thursday of the month, with the ability to schedule special meetings as necessary to deal with increased workload. The motion carried on the following vote: AYES: Council Members Storey, Nicol, Norton, and Mayor Begun. NOES: Council Member Graves. ABSENT: None. ABSTAIN: None.

E. Approve Special Event Permit Request by the Capitola Art & Cultural Commission for the 2009 Twilight Concert Series at the Bandstand in Esplanade Park on 11 Wednesday Evenings from June 24 to September 2, 2009, and the Hanging of a Banner prior to each Concert. [1010-10]

Council Member Graves asked that this item be pulled, stating that he is interested in the specific costs for the events. City Manager Hill said there were some modest costs involved, approximately \$200 per concert. Council Member Norton discussed sponsorships of \$1,200 for each concert, which covers the bands. He said the Art & Cultural Commission contracts with one person for handling the sound system for all concerts.

Council Member Nicol commented on the number of participants at the concerts, saying that attendance can be greater than the 800, as noted in the staff report.

Council discussion was followed by this action:

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

- 1) Approved a Special Event Permit for the 2009 Twilight Concert Series and authorized the Capitola Police Department to issue the permit; and
- 2) Authorized the Public Works Department to hang the event banner on the Monterey Avenue banner poles on the Monday preceding each concert.

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

F. Approve Engineering Contract with Harris & Associates in the amount of \$77,000 for the 2008-2009 Street Resurfacing Project. [940-40/500-10 A/C: Harris & Associates]

Council Member Graves said he was not exactly sure what Harris & Associates does for this contract.

Public Works Director Jesberg explained that the city has been contracting with Harris & Associates for preparation of plans, specifications, and estimates to take out to bid on its street projects for the past several years. They survey the streets and make recommendations regarding types of treatments for each street. Council Member Graves explained that this work used to be done in house, and he is concerned about contracting for this work.

Council discussion was followed by this action:

3. F. CONSENT CALENDAR *(Items pulled for separate discussion - continued.)*

ACTION: Council Member Nicol moved, seconded by Council Member Norton, to approve the proposed contract with Harris & Associates in the amount of \$77,000 for the preparation of plans and specifications for the 2008-09 Street Resurfacing Projects for work on Hill Street, Pine Street, Plum Street, Rosedale Avenue, Cherry Avenue, Derby Avenue, Preakness Avenue, 42nd Avenue, Trotter Street, 41st Avenue and Capitola Road, as submitted. The motion carried on the following vote: AYES: Council Members Nicol, Norton, and Mayor Begun. NOES: Council Member Graves. ABSENT: None. ABSTAIN: Council Member Storey. *(Due to conflict of interest, as he lives on Trotter Street.)*

G. Accept Treasurer's Report for the Month Ended December 31, 2008 (Unaudited). [380-30]

City Manager Hill responded to questions of Mayor Begun pertaining to CDBG negative revenue and of Council Member Graves pertaining to the general fund balance sheet on page 1 of the report.

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to accept the Treasurer's Report for the City of Capitola for the month ended December 31, 2008 (Unaudited), as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

I. Adopt Resolution Repealing Resolution No. 3099 and Setting a Per Meeting Salary for Planning Commissioners and Public Professional Members on the Architectural and Site Review Committee. [330-05/740-50/740-15]

Mayor Begun asked who arrived at the salary figures contained in the proposed resolution. City Clerk Greeninger responded that the figures are one-half of the monthly salary currently being paid to the members. She said the salary was originally based on Planning Commissioners and Architectural and Site Review Committee members attending two meetings per month. Since staff was directed to reduce the number of Planning Commission meetings, it made sense to change the salary to a per-meeting amount since commissioners would not be attending as many meetings.

ACTION: Council Member Storey moved, seconded by Council Member Norton, to adopt **Resolution No. 3738, Resolution Repealing Resolution No. 3099 Pertaining to Planning Commissioners' Salary, and Setting a Per Meeting Attended Salary for Planning Commissioners and for the Public Professional Members on the Architectural and Site Review Committee**, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

L. Adopt Resolution Amending the City's Fee Schedule Resolution No. 3703 by Increasing Existing Fees for Recreation Services. [390-40/1050-20]

Prior to action on the Consent Calendar, Council Member Graves commented that he hoped the fee increases do not discourage people from participating in the programs.

Assistant to the City Manager Murphy responded Mayor Begun's question pertaining to the negotiated rate for the instructor activity fee.

Council discussion was followed by this action:

ACTION: Council Member Norton moved, seconded by Council Member Storey, to adopt **Resolution No. 3739, Resolution Amending the City's Fee Schedule Resolution No. 3703 by Increasing Existing Parks and Recreation Fees**, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, and Norton. NOES: Mayor Begun. ABSENT: None. ABSTAIN: None.

6. COUNCIL/STAFF COMMUNICATIONS

Mayor Begun commented on a request from Riccardo Gaudino to fly the "Culture Capital of America" flag that was presented to the City on January 22, 2009. City Clerk Greeninger said the city has been asked to fly the flag on several specific days, and that staff needs direction from the council regarding this request.

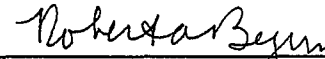
City Manager Hill stated his recommendation would be to place the flag with the city's museum director to keep as part of municipal memorabilia.

City Attorney Barisone commented that once a group is allowed to display their flag, etc., the city opens the door to other groups.

Council Member Graves asked if someone from the city should respond to the request. City Manager Hill said he would respond and inform Mr. Gaudino that the flag would be given to the city's museum director to keep as part of the city's memorabilia.


7. ADJOURNMENT

The City Council adjourned at 10:26 p.m. to its next Regular Meeting of the City Council to be held on Thursday, February 26, 2009, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Robert A. Begun, Mayor

ATTEST:



Pamela Greeninger, City Clerk

MINUTES WERE UNANIMOUSLY APPROVED BY THE CITY COUNCIL ON 2/26/09