

May 14, 2009
 Capitola, California

CAPITOLA CITY COUNCIL

MINUTES OF A REGULAR MEETING

6:00 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE CAPITOLA REDEVELOPMENT AGENCY & CITY COUNCIL

At 6:03 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: Pacific Cove Property, 426 Capitola Avenue
 APN 035-141-33
 Agency/City Negotiator: Steven Jesberg, Public Works Director
 Negotiating parties: Bill and Joyce Budisch (520 Pilgrim Drive)
 Under Negotiation: Resolution of property line encroachment

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

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

PERFORMANCE EVALUATION (Govt. Code §54957)

Title: City Attorney

Mayor/Chairperson Begun asked if anyone wished to address items on the Closed Session agenda. There were no comments from the public at this time.

The City Council/Redevelopment Agency recessed at 6:04 p.m. to the Closed Session.

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 7:15 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

ABSENT: None

OTHERS: City Treasurer Jacques Bertrand

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

*** PRESENTATION ***

**Report on Services to County Residents with Disabilities
By Doug Patrick, Santa Cruz County
Commission on Disabilities [140-70]**

Doug Patrick, Commissioner on the Santa Cruz County Commission on Disabilities, informed the council that they recently completed a study of services provided to county residents with disabilities. The report, dated April 14, 2009, was presented to the Board of Supervisors of Santa Cruz County. Mr. Patrick said he was here to share a copy of their report with the Council and to provide a brief presentation on its content and recommendations. *(The report was distributed to the Council Members and is on file.)* He discussed the anticipated reductions in funding which would affect the level of services provided by the various service providers, and he said reductions will result in crisis for many groups. These organizations have been challenged to reduce their funding by 20%, which is a big hit.

Council Member Storey thanked Mr. Patrick for his report and asked whether the commission would be following up on this next year. Mr. Patrick explained that the commission is all volunteers and he doesn't believe the commission will be able to continue with another report next year. He also said due to other commitments he will be stepping down.

Council Member Graves added he found the report very easy to read and informative and believes people need to see it. Mr. Patrick said a pdf copy of the report is available on the Santa Cruz County website at: <http://www.sccod.net/communitysurvey.pdf> or on the United Way's web page.

Mayor Begun announced that this is "**Bike to Work Week.**" One of the city's employees, Building Official Daniel Kostelec, was honored today for his efforts in promoting alternative transportation and bicycle facilities in Capitola, as well as for commuting to work by bicycle for over 10 years. Mayor Begun then read portions of the Mayor's Proclamation that was presented to Daniel today at the Bike to Work Day luncheon. Daniel was proclaimed "Capitola Bicycle Czar" for Bike to Work Week 2009. [120-40/770-05]

1. REPORT ON CLOSED SESSION [520-25]

City Attorney/Agency Counsel Barisone said City Council Members/Redevelopment Agency Directors met in Closed Session on those items listed on the posted agenda. All City Council Members/Redevelopment Agency Directors were present. He noted that Council Member/Director Nicol recused himself from discussion of the Existing Litigation item pertaining to Soquel Union Elementary School District and was not present for that discussion. City Attorney/Agency Counsel Barisone then reported on the items discussed in closed session as follows:

Conference with Real Property Negotiator - Rispin Mansion Property: The Council Members/Agency Directors heard from City Manager/Executive Director Hill regarding negotiations with the Rispin Partners, LLC. No reportable action was taken.

Conference with Real Property Negotiator – Pacific Cove Property, 426 Capitola Ave.: The City Council discussed the potential sale of a small portion of a parcel that has an encroachment upon it. The portion would be sold to an encroaching neighboring parcel owner. The Council heard from Public Works Director Jesberg who is serving as the city's negotiator in this matter. He gave the council a report on the item under negotiation, and the council provided instructions to Public Works Director Jesberg to continue negotiations with the property owner on Pilgrim Avenue.

Conference with Legal Counsel – Existing Litigation:
Surf and Sand, LLC vs. City of Capitola – The Council received a brief status report of the ongoing Surf & Sand litigation from the City Attorney but took no action in Closed Session.

Soquel Union Elementary School District vs. City of Capitola – The Council received an update from the City Attorney on ongoing implementation of the judgment in the Soquel Union Elementary School District case involving Jade Street Park. No reportable action was taken in closed session. Council Member Nicol recused himself from this matter due to a conflict of interest.

Public Employee Performance Evaluation; Title: City Manager: *The City Council conducted a performance evaluation of the city manager but took no reportable action in closed session.*

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda – None

B. Public Comments

1) Phyllis Taylor, resident of Loma Vista Mobile Home Park on Clares Street, provided written information regarding her public comments to Council Members and the City Clerk. She then commented on an issue that is impacting the mobile home park residents: the installation of a car wash at the Toyota dealer. She commented on her discussions with staff and elected officials regarding this matter. In closing she asked the elected officials to keep their campaign promises, to investigate the legality of the car wash installation, to see that the hours of operation are decreased, and to have the machinery sound-proofed.

Mayor Begun thanked Ms. Taylor for bringing this to the council's attention and asked staff to look into her concerns. [485-40]

2) Tom Medeiros, Orchid Avenue resident, commended Council Member Nicol for all his work on the Wharf to Wharf Race. However, he is disappointed in his behavior as a council member and expressed concerns about his misuse of power and violation of the public trust. He asked that Council Member Nicol consider resigning from the City Council and that the rest of the Council discuss this with Council Member Nicol.

3) Tom Mader, Capitola resident, addressed Council Member Nicol's behavior and said he needs to step down. He commented on a Recall petition signed by city residents. Mr. Mader stated that some of the proponents of the Recall wish to provide Council Member Nicol with one last chance to avoid the recall process. He said they will wait two weeks from tonight, at the next City Council meeting, to formalize the petition. In that time period, Mr. Mader suggested several questions Council Member Nicol could ask himself. [560-10]

C. Staff Comments

1) City Clerk Greeninger said next Tuesday is a Special Election in the State of California and announced that absentee voters may drop off their completed ballots at Capitola City Hall rather than mailing them. The ballots will be delivered to the Elections Department. She also stated that the city is currently recruiting for the Youth Member on the Commission on the Environment. In addition, several terms on the Historical Museum Board are expiring, and applications are available for persons interested in applying.

2) City Treasurer Bertrand announced a yard sale will be held on Saturday, May 23, by the Friends of Noble Gulch Park.

D. City Council/Treasurer Comments/Committee Reports

1) Council Member Storey reported that on May 11 the Library Board directed staff to cut \$1,200,000 from the FY09/10 Budget. The budget will be coming back to the board on June 1st at the Central Branch Library. This is a significant monetary reduction, and it is anticipated there will be a reduction in library hours. He encouraged people with an interest in the library to attend the meeting.

2. D. ORAL COMMUNICATIONS (Continued)

2) Council Member Norton announced the various activities that will be occurring this weekend in Capitola in celebration of the City's 60th Birthday. He also said Assemblymember Bill Monning will be in Capitola tomorrow at 10 a.m. in the City Hall Council Chambers to present the city with a Proclamation in recognition of the City's 60th Birthday.

3) Associate Planner Akeman said the City of Capitola will be having a Blood Drive on Wednesday, June 3, from 1:30 to 6:30 p.m. at the Capitola Community Center on Jade Street. There is a sign-up sheet at City Hall, or people may contact him.

4) Mayor Begun reported that the LAFCO Board has asked staff to cut 20% off its budget. He then commented on Capitola's fiscal stability as a result of hard choices made earlier this year by the City Council.

E. Committee Appointments**1) Appointments to the Capitola Traffic and Parking Commission. [470-60]**

City Clerk Greeninger summarized the written report and responded to questions of council members.

Council Member Graves suggested that the council members select their appointees first and then make the other appointments.

After considerable Council discussion and agreement regarding appointments to the various categories of representation on the commission, the following action was taken:

ACTION: Council Member Graves moved, seconded by Council Member Nicol, to continue Mayor Begun's appointment to the next regular meeting of the City Council on May 28, 2009, to schedule the first meeting of the Traffic & Parking Commission for Wednesday, June 10, 2009, at 6:30 p.m. in the City Hall Community Room, and approved the following appointments to the Traffic & Parking Commission:

Village Residents (2): Margaret Kinstler and Boris Seibert

Village Business Owners (2): Carin Hanna and Gary Wetsel

Pacific Cove Mobile Home Park Resident (1): Jeanne Roddy

Council Member Storey appointee: Molly Ording

Council Member Graves appointee: Nels Westman

Council Member Nicol appointee: Anne Nicol

Council Member Norton appointee: Linda Hanson

Mayor Begun appointee: (Continued to next meeting)

Confirmed appointment of Ron Burke as Planning Commission Representative

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

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

Council Member Graves reiterated his comments from the Redevelopment Agency Meeting, stating there needs to be another line on the report indicating what is being purchased.

Staff responded to questions from Council Members Nicol and Storey regarding several checks. Council Member Graves said the number of questions pertaining to the check register points out the need for the additional information on the report.

Council Member Norton stated for the record that he is voting no on Check #59688 to the Santa Cruz Consolidated Emergency Communication Center.

2. F. Approval of Check Register Report (Continued)

ACTION: Council Member Graves moved, seconded by Council Member Storey, to approve the Check Register Report dated April 17, April 24, and May 1, 2009, including checks numbered 59568 through 59625 in the amount of \$94,396.75, checks numbered 59626 through 59704 in the amount of \$177,528.74, and checks numbered 59705 through 59753 in the amount of \$49,750.71, respectively; and payroll disbursements for the April 10, 2009 payroll in the amount of \$198,355.28 and the April 24, 2009, payroll in the amount of \$193,704.94, for a Grand Total of \$713,736.42, 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: Council Member Norton voted NO on Check #59688 only.)*

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 pulled Items 3.H., K., and N.; Council Member Nicol pulled Item 3.M.; and Council Member Norton pulled Item 3.D.

Mayor Begun advised Items 3.D.,H.,K.,M., and N. would be discussed at the end of the meeting following Other Business Item 5.C. *(See discussion and action on Pages 11400 and 11401.)*

CONSENT CALENDAR ACTION: Council Member Graves moved, seconded by Council Member Norton, to approve the Consent Calendar as recommended, with the exception of Items 3.D., H., K., M., and N. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. 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 – The Special Joint Meeting of the Capitola City Council and Planning Commission of March 4, 2009, the Regular Meeting of April 9, 2009, and the Adjourned Closed Session Meeting of April 24, 2009.

ACTION: Council Member Graves moved, seconded by Council Member Norton, to approve the Minutes of the Special Joint Meeting of the Capitola City Council and the Planning Commission of March 4, 2009, the Regular Meeting of April 9, 2009, and the Adjourned Closed Session Meeting of April 24, 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.

C. Receive the Planning Commission Action Minutes for the Regular Meeting of May 7, 2009. [740-50]

ACTION: The City Council unanimously approved the Planning Commission Action Minutes for the Regular Meeting of May 7, 2009, as submitted.

D. Approve the 4th Amendment to the Wharf Lease and Mooring Concession Agreement with JFS, Inc.

This item was pulled for separate discussion. (See action on Page 11400.)

E. Receive the City Treasurer's Report for the Month Ended March 31, 2009 (Unaudited). [380-30]

ACTION: Council Member Graves moved, seconded by Council Member Norton, to accept the March 31, 2009, Treasurer's Report (unaudited) for the City of Capitola, as submitted.

3. CONSENT CALENDAR (Continued)

- F. Receive Status Report on the City's New Financial System. [300-30]**
ACTION: Council Member Graves moved, seconded by Council Member Norton, to receive the Status Report on the City's New Financial System, 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.
- G. Adopt Resolution Directing the City Manager to Execute the First Amendment to the Agreement with Atchison, Barisone, Condotti & Kovacevich for City Attorney Services. [570-05/500-10 A/C: Atchison, Barisone, Condotti & Kovacevich]**
ACTION: Council Member Graves moved, seconded by Council Member Norton, to adopt **Resolution No. 3749, Resolution Directing the City Manager to Execute the First Amendment to Agreement for City Attorney Services**, 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.
- H. Approve the Revised Administrative Policy for Usage of the Capitola Bandstand Located in Esplanade Park.**
This item was pulled for separate discussion. (See discussion and action on Page 11401.)
- I. Adopt Resolution Authorizing the Public Works Director to Submit a Transportation Development Act Claim for \$25,000 to the Santa Cruz County Regional Transportation Commission to Fund the Bay Avenue Sidewalk Project. [940-40]**
ACTION: Council Member Graves moved, seconded by Council Member Norton, to adopt **Resolution No. 3750, Resolution Authorizing the Public Works Director to Submit a Transportation Development Act Claim for \$25,000 to the Santa Cruz County Regional Transportation Commission to Fund the Bay Avenue Sidewalk Project**, 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.
- J. Declare Police Department Patrol Unit 9922, a 1999 Ford Crown Victoria, ID #2FAFP71W3XX190301, Surplus Property and Approve Donation of the Vehicle to Central Fire Protection District for Training Purposes. [370-10]**
ACTION: Council Member Graves moved, seconded by Council Member Norton, to declare Police Department Patrol Unit 9922, a 1999 Ford Crown Victoria, Vehicle Identification Number 2FAFP71W3XX190301, as surplus property and approve the donation of the vehicle to Central Fire Protection District for training purposes, 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. Approve Designation of Loading Zone Parking Stalls in Front of 211 and 213 Monterey Avenue. [470-40]**
This item was pulled for separate discussion. (See action on Page 11401.)
- L. Adopt Resolution of Intention to Levy Business Improvement Assessments for FY 2009-2010, which Receives the Capitola Village and Wharf Business Improvement Area Annual Report and the Proposed FY 2009-2010 Budget, Sets a Public Hearing to Receive Oral or Written Protests on the Levy of Assessments for FY 2009-2010 for Thursday, May 28, 2009, after the Hour of 7 p.m., and Directs required Noticing of the Public Hearing by the City Clerk and the Capitola Village and Wharf Business Improvement Area. [140-05]**

3. L. CONSENT CALENDAR (Continued)

ACTION: Council Member Graves moved, seconded by Council Member Norton, to adopt **Resolution No. 3751, Resolution of Intention of the City Council of the City of Capitola to Levy Business Improvement Assessments for Fiscal Year 2009/2010**, which receives the Annual Report and Proposed FY 2009/10 Budget prepared by the Capitola Village and Wharf Business Improvement Area, sets a Public Hearing to receive oral or written protests on the levy of the assessments for FY 2009/10 for Thursday, May 28, 2009, after the hour of 7: p.m., directs the City Clerk to give required notice in the newspaper, and directs the Capitola Village and Wharf Business Improvement Area to give required notice to each proposed affected business, as submitted.

M. Accept Actuarial Valuation from Bickmore Risk Services (BRS) for Other Post-Employment Benefits (OPEB) and Adopt Pay-As-We-Go Prospective for Initial 3 years to Meet Requirements of Governmental Accounting Standards Board (GASB) Statement 45 "Reporting for Other Post-Employment Benefits (OPEB)."

This item was pulled for separate discussion. (See discussion and action on Pages 11401 and 11402.)

N. Approve Application for an Economic Development Administration (EDA) Grant in the Amount of \$40,000 for the Analysis of Parking Structure Options and City Hall Re-Siting Considerations.

This item was pulled for separate discussion. (See discussion and action on Page 11402.)

4. PUBLIC HEARINGS

A. Continued Public Hearing to Consider Project Application #08-053, 1911 42nd Avenue, Planned Development Rezoning and Tentative Map for a Ten Lot Subdivision, as well as a Conditional Use Permit and Architectural and Site Review for Construction of Ten Single-Family Homes in the RM-M (Multiple Family Residence: Medium) Zoning District. (APN 034-201-033) Property Owner/Applicant: Mark DeMattei. Representative: Tom Thacher, Thacher & Thompson Architects. Presentation: Community Development Department. [730-10/730-85]

Senior Planner Bane summarized the written agenda report. He and Community Development Director Goldstein responded to questions of council members. Mark DeMattei, owner/applicant, also responded to questions pertaining to maintenance of the common area, how that property would be vested, etc.

Mayor Begun opened the public portion of the hearing at 8:40 p.m. The following individuals expressed concerns regarding the density of the proposed project and the impacts it will have on the neighborhood, particularly safety issues relating to increased traffic and parking:

Stephanie Harlan, 42nd Avenue resident
 Scott Meyer, 42nd Avenue resident
 Denice Lucy, Sea Pines Court resident

Mayor Begun closed the public hearing at 8:52 p.m.

Considerable Council discussion was followed by this action:

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

4. A. PUBLIC HEARINGS (Continued)

- 1) Approved the Negative Declaration as presented;
- 2) Approved Option (2) as the preferred parking/landscaping option for a common landscaped park area;
- 3) Passed the first reading of the proposed Ordinance Amending the Zoning Map of the Zoning Ordinance of the Capitola Municipal Code for a .95 Acre Site located at 1911 42nd Avenue, Assessor's Parcel Number 034-201-33, by Way of Rezoning this Property from the RM-M "Multiple-Family Residence: Medium" District to the PD "Planned Development" District; and
- 4) Adopted **Resolution No. 3752, Resolution Approving a Tentative Map with Architectural and Site Review for a Residential Subdivision on a .95 Acre Site at 1911 42nd Avenue (Located at the Intersection of 42nd Avenue and Grace Street), being Rezoned from RM-M (Multiple-Family Residence: Medium) to PD (Planned Development) District as Part of the Proposed Project;** thereby taking the following actions on Project Application #08-053:
 - a) Approved a Tentative Map to create ten parcels from the .95 acre site to become effective upon the effective date of the Rezoning Ordinance;
 - b) Approved a Planned Development to become effective upon the effective date of the Rezoning Ordinance;
 - c) Approved Architectural and Site Review for the Planned Development, to become effective upon the effective date of the Rezoning Ordinance; and
 - d) Approved a Conditional Use Permit for the Planned Development, to become effective upon the effective date of the Rezoning Ordinance.

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

B. Public Hearing to Consider Appeal of the Planning Commission Denial of Project Application #08-024, 612 Capitola Avenue, for a Coastal Permit, Architectural and Site Review, and Variance to Front and Rear Yard Setbacks, for the Construction of a New Two-Story Single-Family Residence in the CN (Neighborhood Commercial) Zoning District. (APN: 035-302-09) Property Owner: Joe Martina. Representative: Richard Emigh. Presentation: Community Development Department. [730-10]

Associate Planner Akeman summarized the written agenda report and responded to questions of council members.

Representative Richard Emigh addressed the Council regarding the proposed project. He expressed concern regarding the Planning Commission's decision to deny the project with prejudice, which left his only option to appeal their decision to the council. He commented on the requested variances and asked that the council consider moving the building back so there would be only one variance.

Mayor Begun opened the public hearing at 9:23 p.m.

The residents living at 608½ Capitola Avenue expressed concerns about the proposed project as it is located very close to their front door, and it will impact three other homes, as well as businesses, in the area. They also commented on the avocado tree.

4. PUBLIC HEARINGS (Continued)

Council Member Graves said he would like the council action tonight to be to return the project to the Planning Commission for redesign. He could support a rear yard variance on the proposed project as other homes in the area have similar setbacks, it would fit in with the neighborhood, and it would free up more space on Betty Ann Court.

Council discussion was followed by this action:

ACTION: Council Member Graves moved, seconded by Council Member Norton, to return the project to the Planning Commission for redesign without prejudice. Council Member Norton amended the motion to provide a condition that the only variance to the redesigned project should be to the rear yard setback. He clarified that the project would still need to meet the requirements for covered parking, side yard and front yard setbacks. Council Member Graves accepted Council Member Norton's amendment. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

C. Public Hearing regarding Possible Activities to be Funded with 2009 Community Development Block Grant (CDBG) Funds. Presentation: Community Development Department. [700-10]

Community Development Director Goldstein said the purpose of the hearing is to hold the first of two public hearings required for CDBG funding to receive input from the public regarding uses and activities to be included in any 2009 Community Development Block Grant application.

Mayor Begun opened the public hearing at 9:39 p.m. Seeing no one, the public hearing was closed.

ACTION: Council Member Council Member Norton moved, seconded by Council Member Graves, to approve the staff recommendation, thereby confirming that the City Council conducted the required Public Hearing regarding uses and activities to be included in any 2009 Community Development Block Grant (CDBG) applications submitted by the city, and directed staff to return with recommendations regarding the city's upcoming CDBG applications. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

5. OTHER BUSINESS

A. Capitola Parking Implementation Plan (Continued from 4-23-09). [470-40]

Public Works Director Jesberg summarized the written agenda report and discussed the goals, priorities and milestone time estimates included in the proposed Parking Implementation Plan. He responded to questions of council members pertaining to the plan and to the Traffic & Parking Commission.

ACTION: Council Member Nicol moved, seconded by Council Member Norton, to approve the City of Capitola Parking Implementation Plan dated April 23, 2009, as submitted.

Under discussion of the motion, Mayor Begun suggested adding 2 things: 1) Explore a parking structure for Pacific Cove Mobile Home Park, and 2) use the Pacific Cove Parking Lot as the experimental location for the Pay for Space plan.

Council Member Graves said the motion does not take into account looking at, revising and updating the permit parking program, which he believes should be included. Public Works Director Jesberg said under the first bullet of the plan, Create Traffic & Parking Commission, there is an item listed to "Review Preferential Parking Permit Programs in the City."

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

5. OTHER BUSINESS (Continued)

B. Installation of Stop Signs at the Intersection of Monterey Avenue and Bay Avenue (Continued from 4-23-09). [490-60]

Public Works Director Jesberg commented that as part of the Bay Avenue sidewalk project the addition of stop signs on Bay Avenue was recommended by Traffic Engineer Ron Marquez, and he said stop signs at that intersection are warranted. Installation of stop signs at that location will help by reducing the speed of vehicles, gaining control of the intersection, and providing pedestrian safety.

Council Member Nicol asked if the crosswalk would be painted or road-lighted. Public Works Director Jesberg said the crosswalks would be painted. He informed the council that lighted crosswalks cost approximately \$50,000.

Council Member Graves said he does not support the stop sign at that location and explained why. He believes accidents that occur at that location are caused by people who do not stop at the stop sign that already exists.

Council discussion was followed by this action:

ACTION: Council Member Norton moved, seconded by Council Member Nicol, to adopt **Resolution No. 3753, Resolution Designating the Intersection of Monterey Avenue and Bay Avenue as Meeting the Warrant Criteria for Multiway Stop Control**, as submitted, and directed staff to install the necessary stop signs. The motion carried on the following vote: AYES: Council Members Storey, Nicol, Norton, and Mayor Begun. NOES: Council Member Graves. ABSENT: None. ABSTAIN: None.

C. Set Date for U.S. Coast Guard Ship Visit to Capitola. [160-10]

ACTION: After discussion regarding various date options, it was the consensus of the City Council to direct the City Manager and the Mayor to meet with staff at Congressman Sam Farr's office to discuss one of the following dates for the U.S. Coast Guard Ship Visit to Capitola: 1st Choice: 4th of July; 2nd Choice: September 2, City's 60th Birthday Fireworks; 3rd Choice: Labor Day/Begonia Festival Weekend, September 4, 5, and 6.

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

3. CONSENT CALENDAR (*Items pulled for separate discussion.*)**D. Approve the 4th Amendment to the Wharf Lease and Mooring Concession Agreement with JFS, Inc. [500-10 A/C: JFS, Inc.]**

Council Member Norton said his issue was not with the proposed amendment, but with parking and driving on the Wharf. He believes only delivery and service vehicles should be allowed.

Public Works Director Jesberg said a handicap pathway would need to be provided if handicap parking is removed.

Council Member Norton reiterated there are too many cars driving on the wharf and enforcement of parking and driving on the wharf should be stepped up.

Council discussion was followed by this action:

ACTION: Council Member Nicol moved, seconded by Council Member Norton, to approve the 4th Amendment to the Wharf Lease and Mooring Concession Agreement with JRS, Inc., for two years commencing on January 1, through December 31, 2010, with an option to renew for one additional year, 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 *(Items pulled for separate discussion-Continued.)***H. Approve the Revised Administrative Policy for Usage of the Capitola Bandstand Located in Esplanade Park. [100-10]**

Council members expressed their concerns regarding the proposed revisions to the Administrative Policy for usage of the Bandstand.

ACTION: Council Member Nicol moved to reject staff's recommendation pertaining to Consent Calendar Item 3.H. regarding a revised Administrative Policy for the use of the Bandstand. The motion was seconded by Council Member Graves.

There was considerable discussion regarding the Bandstand policy and interest on behalf of the council for staff to review the policy and to come back with parameters on Bandstand use, security deposit amounts, levels of permits (special event permits/private party permits), etc.

Mayor Begun said there was a motion and a second to reject the recommended action for this item. Council Member Norton said he would like to send this item back to staff with direction to come back with a recommendation allowing these types of events and giving the city an avenue where they feel safe, as far as requiring security deposits to cover damage and making sure that permit holders are responsible for any damage resulting from their events. Council Member Nicol said he would include that direction in his motion. Council Member Graves amended his second. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

K. Approve Designation of Loading Zone Parking Stalls in Front of 211 and 213 Monterey Avenue. [470-40]

Council Member Graves said there is a loading zone in front of El Toro Bravo. He thinks we are getting too many loading zones in close proximity to one another. Public Works Director Jesberg said the businesses in the area brought this to the Police Department and staff's attention.

Council Member Norton expressed concern about loading trucks parking directly in front of the residential units.

NOTE: Council Member Norton left the meeting at approximately 10:44 p.m., and was absent from discussion and action on the remaining items.

Council Member Storey asked if there is commercial loading on the weekends. Public Works Director Jesberg said there is.

ACTION: Council Member Storey moved, seconded by Council Member Nicol, to approve changing the two parking stalls in front of 211 and 213 Monterey Avenue into a loading zone from 8:00 a.m. to 1:00 p.m., as submitted. The motion carried on the following vote: AYES: Council Members Storey, Nicol, and Mayor Begun. NOES: Council Member Graves. ABSENT: Council Member Norton. ABSTAIN: None.

M. Accept Actuarial Valuation from Bickmore Risk Services (BRS) for Other Post-Employment Benefits (OPEB) and Adopt Pay-As-We-Go Prospective for Initial 3 years to Meet Requirements of Governmental Accounting Standards Board (GASB) Statement 45 "Reporting for Other Post-Employment Benefits (OPEB)." [630-10]

Council Member Nicol asked for an explanation regarding this item. City Manager Hill provided a brief staff report on this item and responded to questions of council members.

Council discussion was followed by this action:

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

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to approve the recommended action to accept the actuarial valuation from Bickmore Risk Services (BRS) and adopt the pay-as-we-go plan for initial three (3) years to meet requirements of Governmental Accounting Standards Board (GASB) Statement 45 "Reporting for Other Post-Employment Benefits (OPEB)," as submitted. The motion carried on the following vote: AYES: Council Members Storey, Nicol, and Mayor Begun. NOES: None. ABSENT: Council Member Norton. ABSTAIN: Council Member Graves.

N. Approve Application for an Economic Development Administration (EDA) Grant in the Amount of \$40,000 for the Analysis of Parking Structure Options and City Hall Re-Siting Considerations. [700-20]

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

Council Member Graves said he pulled this item as he has problems with the ongoing discussion regarding City Hall re-siting without first going to the public and getting comments. He also commented on a previous experience he had trying to relocate City Hall.

City Manager Hill said one of the options is to relocate at its current site.

Council discussion was followed by this action:

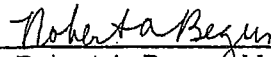
ACTION: Council Member Nicol moved, seconded by Council Member Storey, to approve the EDA Grant application in the amount of \$40,000 for the analysis of parking structure options and City Hall Re-siting considerations, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, and Mayor Begun. NOES: None. ABSENT: Council Member Norton. ABSTAIN: None.

6. COUNCIL/STAFF COMMUNICATIONS

Mayor Begun urged everyone to "buy local" and invited everyone to join in the City's 60th Birthday Celebration activities this weekend.

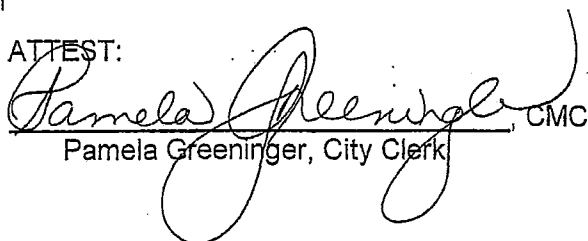
7. ADJOURNMENT

The City Council adjourned at 10:52 p.m. to a Special Joint Budget Study Session of the City Council/Redevelopment Agency to be held at 6:00 p.m. on Thursday, May 21, 2009, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Robert A. Begun, Mayor

ATTEST:


Pamela Greeninger, City Clerk

MINUTES UNANIMOUSLY APPROVED BY THE CITY COUNCIL ON JUNE 11, 2009