

January 14, 2010  
 Capitola, California

**CAPITOLA CITY COUNCIL  
 MINUTES OF A REGULAR MEETING**

**5:15 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE  
 CAPITOLA REDEVELOPMENT AGENCY & CITY COUNCIL**

At 5:17 p.m. in the City Hall Council Chambers, Mayor/Chairperson Storey 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 LEGAL COUNSEL – EXISTING LITIGATION (Govt. Code §54956.9a)**

Surf and Sand, LLC vs. City of Capitola  
 Vieira Enterprises vs. City of Capitola (Cabrillo Mobile Estates)  
 Los Altos/El Granada Investors vs. City of Capitola (Castle Mobile Estates)

**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, City Manager, Community Development Director, and Public Works Director

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

Property: 2091 Wharf Road, APN 034-241-05  
 City Negotiator: Rich Hill, City Manager  
 Owner: Joseph K. and Debbie A. Genge  
 Under Negotiation: Purchase of Property by City

**PUBLIC EMPLOYMENT (Govt. Code §54957)**

Title: City Manager

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

Claimant: Patricia McEnery

Seeing no one in the Council Chambers, Mayor/Chairperson Storey recessed to the Closed Session at 5:18 p.m. in the City Manager's Office.

**CAPITOLA REDEVELOPMENT AGENCY (See Redevelopment Agency Minutes)**

**REGULAR MEETING OF THE CITY COUNCIL**

Mayor Storey called the Regular Meeting of the City Council to order at 7:30 p.m. on Thursday, January 14, 2010, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

**ROLL CALL AND PLEDGE OF ALLEGIANCE**

**PRESENT:** Council Members Ron Graves, Dennis Norton, Kirby Nicol, Robert "Bob" Begun, and Mayor Sam Storey

**ABSENT:** None

**OTHERS:** City Treasurer Jacques Bertrand

**STAFF:** City Manager Rich Hill, City Attorney John G. Barisone, Community Development Director Jamie Goldstein, Chief of Police Michael Card, Public Works Director Steve Jesberg, and City Clerk Pamela Greeninger

Mayor Storey commented on the tragic earthquake that occurred in Haiti and said he would like to dedicate tonight's meeting to all the lives that have been lost in the earthquake.

**\*\*\* PRESENTATIONS \*\*\***

**Introduction of Chief of Police Mike Card**

City Manager Hill said the City's new Chief of Police comes to us from Sheridan, Wyoming, where he served for 4 years. Prior to that Mike was with the City of Capitola for 32 years and left when he was Police Captain. City Manager Hill said he is pleased to welcome Chief of Police Card.

Chief of Police Mike Card thanked the City Manager for his introduction and said he appreciates the call to come back to Capitola. He is excited and appreciative of everyone who has welcomed him.

Mayor Storey welcomed Mike back to the community. He also took this opportunity to thank former Chief of Police Rick Ehle for an excellent job as the city's Chief of Police.

Rick Ehle thanked the council for the opportunity to serve as Chief of Police for Capitola. He said it has been a real pleasure serving the community. He also thanked Fire Chief Bruce Clark who is also retiring.

Council Member Nicol said it was a great testament to the community's confidence in Mike Card that he was hired back to serve as Chief of Police. He welcomed Mike back and said Rick Ehle will be a hard act to follow.

**Introduction of Mary Ann Thyken, the New Executive Director  
for Community Television of Santa Cruz County [160-25]**

Mayor Storey welcomed and introduced Mary Ann Thyken, the New Executive Director for Community Television of Santa Cruz County.

Mary Ann Thyken provided information about her background and what she hopes to achieve as she moves forward at Community Television. She said her job is to help the city use the media to its full extent. She looks forward to talking with the city council about ways Community TV can serve them in communicating with their constituency about Capitola.

Council Member Norton asked Ms. Thyken if she could look into connecting the two cable companies that serve Capitola.

**Proclamation to the American Red Cross  
for National Blood Donor Month – January 2010 [120-40]**

Mayor Storey said it was his pleasure to issue a Mayor's Proclamation Designating January 2010 "National Blood Donor Month" and read the entire proclamation. He noted that the employees of Capitola have sponsored two blood drives and have scheduled their Third Annual Blood Drive for Monday, June 7, 2010, at Jade Street Community Center.

Mayor Storey presented the Proclamation to Patti Childress, representative of the American Red Cross. Ms. Childress thanked the Mayor for the proclamation and also thanked the city for scheduling its third blood drive. She said donors can sign up to give blood at the blood drive on their website: [www.Redcrossblood.org](http://www.Redcrossblood.org)

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

City Attorney John Barisone said the items discussed in Closed Session were those items listed on the posted agenda; however, due to time restraints, there was no discussion regarding existing litigation. He noted that all council members were present, as were the City Manager, the City Attorney, and the Community Development Director.

City Attorney Barisone reported that the Council met with its Labor Negotiator, City Manager Hill, and that all employee groups were discussed. The purpose of the discussions was to address the city's \$1.5 million budget shortfall and the roll labor negotiations will take with that shortfall. No reportable action was taken.

**1. REPORT ON CLOSED SESSION (Continued)**

City Attorney Barisone reported that the City Council received a brief status report from City Manager Hill pertaining to ongoing negotiations regarding real property located at 2091 Wharf Road. No reportable action was taken.

There was Council discussion regarding the ongoing recruitment for replacement of the City Manager. No reportable action was taken.

Although the tort claim of Patricia McEnery was on the Closed Session agenda, City Attorney Barisone said there were no questions about the claim, and it was not discussed. The claim is on the Consent Calendar of the open meeting agenda for action.

**2. ORAL COMMUNICATIONS****A. Additions and Deletions to Agenda – None****B. Public Comments**

1) Carin Hanna, owner of the Craft Gallery and member of the Capitola Village and Wharf Business Improvement Area, thanked the City Council for its action taken to bag the meters in the Village during the holidays. She received many positive comments.

She also wished to acknowledge and thank Mike Termini, employees of Triad Electric, and Bruce Arthur for all their work in putting up holiday lights. She said Mike was extremely generous with his equipment and his personnel to light Depot Hill.

Council Member Norton said he would like to encourage merchants to stay open in the evening during the Christmas season. Carin said it is difficult for some shop owners to do so. He would like to have a discussion regarding this matter before next year's holiday season.

2) Linda Smith, Board of Trustees of the Capitola Historical Museum, said she was here to announce the Museum's new exhibit, "Landmark History of Capitola." She said they would be opening this weekend; however, the grand opening reception has been scheduled for Thursday, February 11, from 5 to 7 pm. The board hopes the council and members of the public will attend.

3) Lew Feinman, Sunset Drive, informed the council the he is representing the Capitola Village Residents' Association.

**C. Staff Comments**

City Clerk Greeninger announced that the city is recruiting for a Village Resident member on the Traffic & Parking Commission. The deadline for applications is Wednesday, January 20, 2010, and the appointment is scheduled for the next regular council meeting.

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

1) Council Member Begun announced that he has been appointed to the League of California Cities Revenue and Taxation Policies Committee, which is working on reforming the State budget.

2) Council Member Nicol reported on the meeting held today of the Santa Cruz County Regional Transportation Commission. He discussed the landscaping component for the Highway 1 project and the extensive re-vegetation that will occur. He also commented on the status of the Rail Trail acquisition. Council Member Norton also commented on the purchase of the Rail Trail.

## 2. D. ORAL COMMUNICATIONS (Continued)

3) Council Member Norton said he sits on the Integrated Waste Management Local Task Force, which is developing a county-wide plastic bag ordinance. The ordinance would stop or reduce use of plastic bags. He hopes to bring an ordinance for consideration to the city before the end of the year.

4) City Treasurer Bertrand reported on the Finance Advisory Committee meeting held on Tuesday. He said the committee received a department review of the City/Redevelopment Agency Housing Programs by Housing and Redevelopment Project Manager Foster. Mr. Foster provided an excellent report to the committee, and he said the committee hopes to have a report from the new police chief, Mike Card, at its February meeting. City Treasurer Bertrand announced that Maureen O'Malley Moore was appointed Vice Chair.

E. Committee Appointments1) **Review of City Council Representation on City and County/Multi-County Boards, Commissions, and Committees. [110-10]**

City Clerk Greeninger provided a brief report, stating this matter was on the agenda at the direction of the Council. She informed the Council that the term for the city's member on LAFCO expires in May and that Capitola will rotate off the Commission; therefore, the council will not need to make an appointment to that commission when Council Member Begun's term expires.

Mayor Storey asked if the Council wished to discuss any of the current appointments. There was no discussion. Mayor Storey suggested that the Council affirm the appointments as they are listed on the 2010 Capitola Board, Commission & Committee Appointment List and the 2010 County/Multi-County Boards – Capitola Representatives List provided in the Agenda Report.

**ACTION:** Council Member Begun moved, seconded Council Member Graves, to confirm the appointments as they are listed. The motion carried unanimously.

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

Council Member Begun questioned the amount for uniform cleaning on page 19. City Treasurer Bertrand said the cost is for Police Officer uniform cleaning, and the amount is correct.

Council Member Norton commented on the check to the Coastal Watershed Counsel, saying he had previously asked that they come to council and provide a report. Public Works Director Steve Jesberg said they have recently completed their annual report and that staff would schedule a presentation.

Council discussion was followed by this action:

**ACTION:** Council Member Begun moved, seconded by Council Member Norton, to approve the Check Register Reports dated December 4, 11, 18, and 24, 2009, including checks numbered 61769 through 61865, in the amount of \$689,874.11, checks numbered 61866 through 61937 in the amount of \$58,417.54, checks numbered 61938 through 62029 in the amount of \$116,359.02, and checks numbered 62030 through 62096 in the amount of \$242,089.94, respectively; and payroll disbursements for December 4, 18 and 31, 2009, in the amounts of \$191,496.15, \$197,062.74 and \$195,965.92, respectively, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. NOES: None. ABSENT: None. ABSTAIN: None.

**3. CONSENT CALENDAR**

Mayor Storey 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 Nicol commented on communications the council has received in the past few days on Item 3.E. pertaining to scheduling a special meeting for the Surf & Sand Mobile Home Park subdivision matter. *(See comments under that item.)*

**CONSENT CALENDAR ACTION:** Council Member Norton moved, seconded by Council Member Graves, to approve the Consent Calendar as recommended. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. 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 Regular Meetings of November 24 and December 10, 2009, the Special Joint Closed Session Meeting of the City Council/Redevelopment Agency of December 1, 2009, and the Special Meeting of December 15, 2009.**

**ACTION:** Council Member Norton moved, seconded by Council Member Graves, to approve the Minutes of the Regular Meetings of November 24 and December 10, 2009, the Special Joint Closed Session Meeting of the City Council/Redevelopment Agency of December 1, 2009, and the Special Meeting of December 15, 2009, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. NOES: None. ABSENT: None. ABSTAIN: None.

**C. Receive City Treasurer's Report for the Month Ended November 30, 2009 (Unaudited). [380-30]**

**ACTION:** Council Member Norton moved, seconded by Council Member Graves, to receive the City Treasurer's Report for the Month Ended November 30, 2009, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. NOES: None. ABSENT: None. ABSTAIN: None.

**D. Deny Claim of Patricia McEnery and Forward the Claim to the City's Liability Insurance Carrier. [Claims Binder]**

**ACTION:** Council Member Norton moved, seconded by Council Member Graves, to deny the claim of Patricia McEnery for an undetermined amount and forward the claim to the City's Liability Insurance Carrier. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. NOES: None. ABSENT: None. ABSTAIN: None.

**E. Set Special Meeting date of Thursday, February 18, 2010, at 6:00 p.m. to Consider Project Application #09-011 regarding a Coastal Permit and Tentative Map for the Conversion of Surf and Sand Mobile Home Park, located at 750 47th Avenue, from a Rental Park to an Ownership Park. [730-75]**

Prior to action on the Consent Calendar, Council Member Nicol commented on communications the City Council has received in the past few days pertaining to scheduling a special meeting for the Surf & Sand Mobile Home Park subdivision matter.

## 3. E. CONSENT CALENDAR (Continued)

City Attorney Barisone said there is no legal issue involved that would preclude the Council from scheduling the meeting as proposed. Community Development Director Goldstein discussed the concerns of the attorney for the mobile home park residents and staff's recommendation to schedule the hearing.

**ACTION:** Council Member Norton moved, seconded by Council Member Graves, to set a Special Meeting date of the City Council for Thursday, February 18, 2010, at 6:00 p.m. to consider Project Application #09-011 regarding a Coastal Permit and Tentative Map for the Conversion of Surf and Sand Mobile Home Park, located at 750 47<sup>th</sup> Avenue, from a Rental Park to an Ownership Park, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. NOES: None. ABSENT: None. ABSTAIN: None.

**F. Resolution Accepting a U.S. Department of Commerce Economic Development Administration Grant in the Amount of \$40,000 to Prepare a Village Parking Structure Strategy and City Hall Siting Study, Amending the FY2009/2010 Budget increasing both Revenues and Community Development Contract Services Expenditures by \$40,000, and Authorizing the City Manager to Execute all Necessary Contracts Associated with the Grant. [700-20]**

**ACTION:** Council Member Norton moved, seconded by Council Member Graves, to adopt Resolution No. 3797, Resolution Accepting a U.S. Department of Commerce Economic Development Administration (EDA) Grant in the amount of \$40,000 to prepare a Village Parking Structure Strategy and City Hall Siting Study, Amending the FY 2009/2010 Budget Increasing both Revenues and Community Development Contract Services Expenditures by \$40,000, and Authorizing the City Manager to Sign All Necessary Contracts Associated with the Grant, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. NOES: None. ABSENT: None. ABSTAIN: None.

## 4. PUBLIC HEARINGS - None

## 5. OTHER BUSINESS

**A. Petition from Residents on Monterey Avenue Requesting "No Organized Sports at Monterey Park on Sundays." [1040-20]**

City Manager Hill summarized the written agenda report, which was prepared in response to a Petition received from the residents on Monterey Avenue to prohibit organized sports on Sunday. He commented on his review of the record pertaining to use of the park and said staff is working with the Recreation Department to address this matter. He said the Council approved softball use in the park in the 1990's. City Manager Hill then responded to questions of council members.

Council Member Nicol expressed concern that the Council should hear from the Recreation Department on this matter, and he suggested that this item be postponed until this time next month in order for the Council to receive a report from the Recreation Department on the use of Monterey Park.

Mayor Storey opened this matter to the public for comment at 8:18 p.m. The following people spoke:

Dan Steingrube, Monterey Avenue resident  
 Cheryl Devlin, Monterey Avenue resident  
 Eric Marlatt, Vice President of Cabrillo Gals Softball

## 5. A. OTHER BUSINESS (Continued)

Maggie Marlatt, Cabrillo Gals' softball player

City Treasurer Bertrand said he has experienced parking problems on his street. He commented on the red curbing in front of Capitola Elementary that was put there when the school was in session. He said now that the elementary school is no longer there, perhaps the red curb area could be made available for parking.

Lisa Steingrube, Monterey Avenue resident, said residents do not necessarily object to practices on Sundays; it is games where there are entire families watching their children playing league games.

Kim Turney, President of Cabrillo Gals, offered any of the neighbors who were interested in discussing this with them to attend their next Board Meeting, which will be held at the Santa Cruz Community Foundation Office at 2425 Porter Street in Soquel next Tuesday, January 19, at 7:00 p.m.

Council discussion was followed by this action:

**ACTION:** Council Member Nicol moved to defer this item for no more than thirty days to get a report back from the Recreation Department. Council Member Graves seconded the motion and clarified that the report would address how the Recreation Department would schedule current contracts for use of Monterey Park at other facilities within the city. Council Member Nicol amended his motion to direct the Public Works Director to look into the red curb in front of Capitola Elementary raised by City Treasurer Bertrand as part of the motion. Council Member Graves accepted that amendment. The motion carried on the following vote: AYES: Council Members Graves, Norton, Nicol, Begun, and Mayor Storey. NOES: None. ABSENT: None. ABSTAIN: None.

**B. Consider Adopting Resolutions Authorizing the City's Participation in the California Communities "CaliforniaFIRST Program," which would allow Property Owners to Elect to Finance Energy Efficiency Improvements on their Property. [430-20]**

Community Development Director Goldstein summarized the written agenda report and responded to questions of council members. He said that these are the bureaucratic steps that need to be made for the City to participate in a program that would allow property owners to take advantage of financing for energy efficiency improvements on their property. He said 14 counties and approximately 126 cities have taken action to participate in this program.

City Attorney Barisone said the Santa Cruz City Council approved this program on Tuesday, and their staff said the interest rate would be 7 to 9%.

Council Member Begun asked the City Attorney if there was any liability to the City in participating in this program. City Attorney Barisone said he did not see how there could be liability to the City; however, he would need to look into that further. He asked Council Member Begun to forward his question, and he would research it and respond.

Considerable Council discussion was followed by this action:

**ACTION:** Council Member Norton moved, seconded by Mayor Storey, to approve the recommended action and take the following actions:

1. **Adopted Resolution No. 3798, Resolution Authorizing the City of Capitola to Join the CaliforniaFIRST Program; Authorizing the California Statewide Communities Development Authority to Accept Applications from Property Owners, Conduct Contractual Assessment Proceedings and Levy Contractual Assessments within the Territory of the City; and Authorizing Related Actions, as submitted; and**

5. B. OTHER BUSINESS (Continued)

2. Adopted Resolution No. 3799, Resolution Authorizing Sacramento County to Apply for Funds from the California Commission for up to \$150,000 in State Energy Funds on Behalf of the City of Capitola, as submitted.

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

C. Consideration of an Ordinance Amending Capitola Municipal Code Sections 2.56.010 and 2.56.030 pertaining to the Addition of Two At-Large Member Positions to the Capitola Art & Cultural Commission. [1<sup>st</sup> Reading] [1010-60] City Clerk Greeninger summarized the written agenda report.

There being no comments from the public or from members of the city council, the following action was taken:

**ACTION:** Council Member Nicol moved, seconded by Council Member Begun, to pass the proposed Ordinance Amending Sections 2.56.010 and 2.56.030 of the Municipal Code to Add Two At-Large Member Positions to the Capitola Art and Cultural Commission to a second reading, as submitted. The motion carried on the following vote: AYES: Council Members Norton, Nicol, Begun, and Mayor Storey. NOES: Council Member Graves. ABSENT: None. ABSTAIN: None.

6. COUNCIL/STAFF COMMUNICATIONS

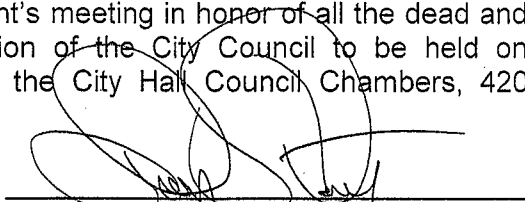
In light of the earthquake disaster in Haiti, Council Member Nicol received a call from a local church regarding the City's local emergency plan and whether churches are involved.

Council Member Begun said he would be interested in having a report on the City's Emergency Plan at a future Council meeting.

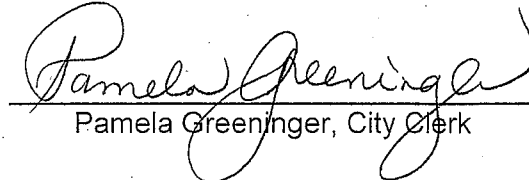
Chief of Police Card said they have identified two areas in high ground as safe and secure locations; i.e., Jade Street Park and New Brighton Middle School. The ancillary issues of churches and other facilities are included in the documentation. He said Capitola is required to report to the County in the next several months and would be reviewing the City's plan.

7. ADJOURNMENT

At 9:17 p.m. Mayor Storey adjourned tonight's meeting in honor of all the dead and injured in Haiti to a Special Goal Setting Session of the City Council to be held on Wednesday, January 20, 2010, at 6:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

  
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Sam Storey, Mayor

ATTEST:

  
\_\_\_\_\_  
Pamela Greeninger, City Clerk MMC