

**CAPITOLA CITY COUNCIL
REGULAR MEETING MINUTES
THURSDAY, OCTOBER 25, 2018**

CALL TO ORDER

Mayor Termini called the meeting to order at 6:15 p.m.

No members of the public were present and the Council adjourned to the City Manager's Office with the following items to be discussed in Closed Session:

CONFERENCE WITH LABOR NEGOTIATOR [Govt. Code § 54957.6]

Negotiator: Dania Torres Wong/Larry Laurent

Employee Organizations: (1) Capitola Police Officers Association

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

[Govt. Code § 54956.9 (d)(1)]

City of Capitola v. Linda Fridy & Gail Pellerin (Juan Escamilla Real Party in Interest)
Santa Cruz Superior Court Case No. 18CV02200

LIABILITY CLAIMS [Govt Code § 54956.95]

Claimant: Patricia Dawn

Agency claimed against: City of Capitola

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7 PM**1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Council Member Stephanie Harlan: Present, Council Member Ed Bottorff: Present, Mayor Michael Termini: Present, Vice Mayor Jacques Bertrand: Present, Council Member Kristen Petersen: Present.

2. REPORT ON CLOSED SESSION

Attorney John Barisone said regarding the labor negotiations no action was taken but approval of a memorandum of understanding is on the consent calendar. For the Greenway litigation (Fridy et al.) Council gave direction but took no reportable action. There was also no action on the liability claim but it is on the consent calendar.

3. ADDITIONAL MATERIALS

A. Item 8.A – one letter from the appellant.

4. ADDITIONS AND DELETIONS TO AGENDA - None**5. PUBLIC COMMENTS**

Gary Richard Arnold expressed his concerns about a lack of democracy especially regarding AMBAG (Association of Monterey Bay Area Governments) actions.

Tina Andrieta, former business owner and resident, spoke in favor of rail and trail.

Barry Scott, Aptos, addressed the recent Unified Corridor Study findings and he supports scenario B. He reported that Watsonville's City Council voted unanimous support for B with the addition of freight.

Gray Jamison read letter from Watsonville Mayor Lowell Hurst of Watsonville opposing removal of rail trails (letter on file). Personally, as a high school student who bikes, he urges a no vote on Measure L.

Sue Coffman, resident, advocated a no vote on Measure L as she recalled elimination of a rail line in Los Angeles in the 1950s and the impacts. She said public transit and rail look to the future.

Paula Bradley, Capitola cyclist, also urged a no on Measure L vote to support a multi-modal approach to transportation needs.

6. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

Public Works Director Steve Jesberg updated the Council and community on the Nov. 9 groundbreaking for the library. Fencing will be up soon and demolition will begin following the ceremony.

Treasurer Peter Wilk reported the Finance Advisory Committee supported a plan to invest Measure S funds in interest-bearing T-bonds. The Commission on the Environment discussed expanding Peery Park rehabilitation funded by the Community Development Department tree fund and he reported a significant portion of the creek habitat has been restored.

Council Member Petersen announced on Monday the City will hold an unveiling of the Esplanade Park sculpture.

Mayor Termini reported that the Police Department VIPs (Volunteers in Policing) received an award from the Volunteer Center. He noted a complaint from a Village business that a recent special event brought in food vendors and confirmed the issue would be discussed during the annual report in November. The Plein Air event is coming Nov. 1-4.

7. CONSENT CALENDAR

MOTION:	APPROVE OR DENY AS RECOMMENDED
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jacques Bertrand, Vice Mayor
SECONDER:	Ed Bottorff, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

- A. Consider the October 11, 2018, City Council Regular Meeting Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Approval of City Check Registers Dated September 7, September 14, September 21 and September 28, 2018
RECOMMENDED ACTION: Approve check registers.
- C. Liability Claim of Patricia Dawn [Claims Binder]
RECOMMENDED ACTION: Reject liability claim.
- D. Consider a Budget Amendment Transferring \$136,364 from the General Fund Restricted Fund Balance to the Undesignated General Fund Balance
RECOMMENDED ACTION: Approve the budget amendment related to the Monterey Bay Community Power Shared Responsibility Agreement.

- E. Consider a Budget Amendment Transferring \$33,000 from Public Works Contracted Services to Public Works Wages Temporary
RECOMMENDED ACTION: Approve budget amendment.
- F. Consider Approval of a Memorandum of Understanding with the Capitola Police Officers Association and Adopt the Amended Salary Schedule for Fiscal Year 2018/19
RECOMMENDED ACTION:
1. Authorize the City Manager to execute the successor agreement to existing Memorandum of Understanding (MOU) with negotiated changes from October 21, 2018, through June 30, 2021, for the following:
 - a. Capitola Police Officers Association
 2. Adopt a Resolution approving the updated salary schedule.

8. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Consider Appeal of the Planning Commission's Permit Denial for Application 17-019, 4015 Capitola Road
RECOMMENDED ACTION: Continue the hearing to the January 24, 2019, City Council meeting with the understanding the applicant will continue to work with staff to complete a draft memorandum of understanding to participate in a future Capitola Mall specific plan, and make a good faith effort to submit the following items to the City no later than December 15, 2018:
1. Updated plans reflecting applicant's proposed project;
 2. Updated stormwater plans; and
 3. Updated environmental site analysis for facility closure.

Community Development Director Katie Herlihy presented the staff report including background on the application and the request to continue. Staff recently has been working closely with the applicant on the future of the site. With the announced closure of Sears and other elements that are uncertain, including the environmental analysis for the change of use for the automotive center, a continuance is appropriate. Staff will also continue to work with the applicant on a memorandum of understanding for a specific plan to help address concerns about General Plan compliance.

Council Member Bertrand asked about how concerns for the specific plan will be addressed and involve the public. Director Herlihy explained the stakeholder outreach and process to develop options.

Christian Cebrian spoke on behalf of the applicant. He said Seritage believes the continued date is reasonable for the requested items. The only element it does not have control over is the soil sample results.

There was no public comment.

Council Member Bottorff said the mall redevelopment is critical for the City and he is pleased that Seritage and the City are communicating. Other council members agreed.

MOTION:	CONTINUE THE APPEAL HEARING TO JANUARY 24, 2019, WITH THE SUBMITTAL SCHEDULE AS RECOMMENDED
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

- B. Consider a Resolution in Support of the Citizens' Climate Lobby Carbon Fee and Dividend Policy Proposal

RECOMMENDED ACTION: Council discretion.

Director Jesberg introduced the Citizens' Climate Lobby (CCL), which supports a cap and fee on carbon-based fuels. Alex Yazkek of CCL said the proposal does not require much action by the City but does ask for the federal government to adopt the program. CCL members advocate that action to address climate change is necessary. He noted Canada is implementing a similar cap and fee program, which is a top-down approach to reduce greenhouse gases.

Mayor Termini confirmed that there is no actual legislation to support. CCL's Bob Kibrick noted that California has passed a support resolution for federal action and Washington state is voting on an initiative.

There was no public comment.

Council Member Harlan said she supports the proposal although she acknowledged it will take a long time to implement such a program.

Council Member Bottorff said the City Council generally does not address national efforts and he believes this one has not been well vetted, therefore he does not support the resolution.

Mayor Termini said he was torn. The proposal is good in theory but not fleshed out and he shares concerns about keeping issues before the Council local. However, he does not see harm in supporting it.

MOTION:	APPROVE RESOLUTION
RESULT:	ADOPTED [4 TO 1]
MOVER:	Stephanie Harlan, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Stephanie Harlan, Michael Termini, Jacques Bertrand, Kristen Petersen
NAYS:	Ed Bottorff

- C. Report on the Wharf Project Structural Options

RECOMMENDED ACTION: Accept the Capitola Wharf Project Alternative Report and direct Public Works to develop plans to implement a phased approach to Wharf improvements.

Project Manager Kailash Mozumder presented the staff report. Options were developed following Council direction to return with information on current and raised height and construction material options. He introduced Sam Tully of Moffatt and Nicol who walked the Council through the study's four options based on sea level rise estimates from state

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studies. Only Option 1 falls within current available funding.

In response to a Council question regarding likely regulatory response, Director Jesberg said rebuilding and strengthening the existing structure would likely have support but expanding it is uncertain and would face more hurdles.

In response to a question about grant availability, Council was told most are for hundreds of thousands of dollars, not millions, and tied to uses not currently in place.

Mr. Tully said that a wider trestle would make the wharf more stable and life span would depend on whether the pilings are wood or cement.

Council Member Harlan confirmed the high cost of bathrooms is based on existing project costs and Council Member Bottorff confirmed other estimates are based on current bids for similar projects.

City Manager Jamie Goldstein recommended the Council step back and compare the revenue generated by buildings to the costs. Option 1 addresses the initial goals of Measure F.

In public comment, Peter Wilk warned that shifting to a larger, concrete structure is a big change of appearance without much public input and invites controversy.

TJ Welch recalled the Measure F campaign and said he supported it not only to support wharf improvements but also public safety. He noted staff is underpaid for the region and said the Council should not throw all its money at the wharf.

Kathy Howard, resident, said the wharf is a landmark and wants it truly protected. She asked for more public input to see if a tax would be supported.

Council Member Bottorff said the wharf adds to the charm and character of the town. He believes Measure F was promoted mostly to rebuild the Wharf. He appreciates concerns about changing the appearance and doesn't want expensive buildings on an insufficient base. He thinks it is a waste of money to rebuild at current height. He suggested going back to voters to extend the Measure F sales tax as an ocean protection fund.

Council Member Petersen wants to balance longevity and costs. She believes Measure F has always been about widening the wharf and there has been no public input on more than that. She favors Options 1 and 2.

Council Member Bertrand agrees on a need for ocean protection, but also believes the Wharf is iconic and discussions to date only addressed widening. He would consider extending Measure F.

Council Member Harlan also wants more public input and is not ready to make a decision.

Mayor Termini doesn't like a bi-level design and supports a higher, new wharf. He suspects the community will want wood or perhaps concrete pilings with a wood deck. He doesn't support rebuilding structures on the wharf at current height.

MOTION:	CONTINUE THE ITEM UNTIL FEBRUARY 2019 AND APPOINT A MAYOR'S SUBCOMMITTEE OF TWO TO WORK WITH THE ENGINEER ON OPTIONS.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Michael Termini, Mayor
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

The mayor appointed Council Member Bottorff and himself to the subcommittee.

- D. Consider Sister City Options with Bahia de Banderas, Nayarit, Mexico
RECOMMENDED ACTION: Provide direction.

City Manager Goldstein presented the staff report and explained the general protocols for sister and friendship cities.

There was no public comment.

Council Member Bottorff researched requirements for friendship and sister cities and has concerns about taking on these commitments. He noted Capitola's size is not comparable with the larger Bahia de Banderas.

Petersen likes the idea of a friendship city, or if that's too much, something else the City could define. Council Member Bertrand agreed.

Council Member Harlan said the City and staff have enough projects and she does not support anything formal, just an exchange of small tokens and good wishes.

MOTION:	DIRECT THE CITY MANAGER TO SEND A LETTER INDICATING THAT THE CITY IS NOT ABLE TO PURSUE A FORMAL AGREEMENT AND SEND IT WITH CAPITOLA-THEMED GIFT ITEMS.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

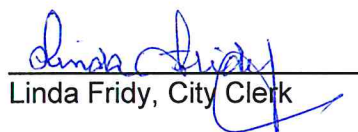
9. ADJOURNMENT

The meeting was closed at 9:15 p.m.



Michael Termini, Mayor

ATTEST:



Linda Fridy, City Clerk

MINUTES APPROVED NOVEMBER 8, 2018