

**CAPITOLA CITY COUNCIL
REGULAR MEETING MINUTES
THURSDAY, AUGUST 9, 2018**

CALL TO ORDER

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

City Attorney John Barisone informed the Council that a tort claim from Madison Welles was received after agenda distribution and Council action is required before the next regular meeting. He asked for findings of urgency based on those factors and placement of the item on the closed session agenda.

MOTION:	MAKE URGENCY FINDINGS AS DESCRIBED AND ADD WELLES LIABILITY CLAIM TO THE CLOSED SESSION AGENDA
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

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)]

(3 cases)

City of Capitola v. Linda Fridy & Gail Pellerin (Juan Escamilla Real Party in Interest)

Santa Cruz Superior Court Case No. 18CV02200

Oscar Ramirez v. City of Capitola et al.

United States District Court Case No. 18CV04142NC

City of Capitola v. D'Angelo

Santa Cruz County Superior Court Case No. CV 181659

LIABILITY CLAIMS [Gov't Code § 54956.95] (added above)

Claimant: Madison Welles

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.

Treasurer Peter Wilk was present.

2. REPORT ON CLOSED SESSION

Attorney Barisone noted the Council added one item, the Welles claim, and provided direction to attorney Vince Hurley. It also received a report and provided direction to Mr. Barisone on the D'Angelo case. Due to time constraints, it did not discuss Fridy et al. or Ramirez.

3. ADDITIONAL MATERIALS

A. Item 7.A – Historical Museum Board recommendation

B. Item 9.A – Five public comment emails and letters from the Law Offices of Lowell Finley and the California Coastal Commission

4. ADDITIONS AND DELETIONS TO AGENDA

Discussion of the Welles claim was added to the Closed Session agenda prior to Closed Session. See vote above.

5. PUBLIC COMMENTS

Mark Crane, Bay Avenue, asked about the proposed roundabout at the Capitola Avenue intersection and expressed his support for the project.

6. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

Treasurer Wilk noted the recent Jewel Box traffic calming workshop cost \$11,000 in consultant fees.

Council Member Petersen reported on the upcoming Capitola Foundation charity golf tournament October 5 and the Community Action Board's October 4 rollout of its community action plan.

Council Member Harlan reminded the audience of the Historical Museum hours for its exhibit and that videos are available for viewing.

Council Member Bertrand said he has heard requests from constituents for a walkway from the new parking lot to Bay Avenue.

Mayor Termini reported on the September 29-30 Beach Festival.

7. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS

A. Historical Museum Board Appointment

RECOMMENDED ACTION: Make appointment as recommended by the Historical Museum Board.

MOTION:	APPOINT BRIAN LEGAKIS AS RECOMMENDED BY THE MUSEUM BOARD OF TRUSTEES.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Stephanie Harlan, Council Member
SECONDER:	Jacques Bertrand, Vice Mayor
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

8. CONSENT CALENDAR

Council Member Bertrand requested a future report related to item 8.F on how Capitola has been trained and handles calls with mental health-related issues.

MOTION:	APPROVE AS RECOMMENDED
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Stephanie Harlan, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

- A. Consider the July 26, 2018, City Council Regular Meeting Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Planning Commission Action Minutes
RECOMMENDED ACTION: Receive minutes.
- C. Schedule Appeal of the Planning Commission's Approval of a Design Permit, Variance, and Coastal Development Permit for Application #18- 0184, 205 Magellan
RECOMMENDED ACTION: Schedule the appeal for the regular meeting of September 27, 2018.
- D. Second Reading of an Ordinance Adding Chapter 1.50 of the Capitola Municipal Code Pertaining to Electronic Filing of Campaign Statements
RECOMMENDED ACTION: Approve an ordinance adding Municipal Code Chapter 1.50.
- E. Award Contract for 38th Avenue Sidewalk Project
RECOMMENDED ACTION: Award a contract to Earthworks Paving Co. of Capitola in the amount of \$115,564 for the construction of the 38th Avenue Sidewalk Project.
- F. Grand Jury Report Response: Mental Health Crisis
RECOMMENDED ACTION: Accept the recommendations by the Santa Cruz County Civil Grand Jury, and direct the City Clerk to send the competed response packet pursuant to California Penal Code 933.05 PC.

9. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Consider a Report on the Impacts of a Qualified Citizen Initiative Ordinance and a Resolution Placing the Initiative Measure on the November 6, 2018, Ballot
RECOMMENDED ACTION: Receive the requested report on the impacts of a

proposed ordinance amending Title 8 of the Capitola Municipal Code pertaining to Health and Safety as related to the Santa Cruz Branch Line Rail Corridor and approve the resolution placing the measure on the November 2018 ballot and ordering an impartial analysis.

Attorney Barisone noted the Council's only options are to adopt the ordinance or send it to voters, then presented the Section 9212 impact report. Issues related to conflicts with existing plans, whether the ordinance is administrative or legislative, restriction on fiscal direction, and overly vague language were identified and will be reviewed in court on August 20.

City Manager Jamie Goldstein noted the initiative is an ordinance that creates new law. Staff is concerned that although the City does not own or oversee corridor use, the initiative if approved may force staff to, for example, deny the Regional Transportation Commission an encroachment permit related to work on the trestle if it is not for active transportation use.

Mayor Termini asked about a letter from the California Coastal Commission. While it states the initiative does not appear to conflict with the local coastal program, the city attorney disagrees.

Council Member Bertrand confirmed that street and sidewalk deterioration could cause a liability for dangerous condition of public property.

The following people offered public comment:

Jack Digby, Capitola
Sira Taylor, Soquel
Rebecca Raney, Capitola
Jasmine Marani, Aptos
Raimanu Koenig, Santa Cruz
Kitty Hansen, Capitola
An Aptos resident
Mark Crane, Capitola
Jannelee Strause, Bike Santa Cruz County
Barry Scott, Aptos
Sam Storey, Capitola
Ed Spurr, Capitola
Andrew Wolf, Capitola
Renee Roberts, Capitola
Quentin Shaeffer
Tom Evans, Capitola
Nick Bulaich, Watsonville
Gail McNulty, Greenway
Juan Escamilla, Capitola, proponent
Vic Marani, Aptos
Marie Martorella, Capitola
John Flamken, Capitola

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Council Member Bottorff said he believes in democracy along with the speakers, but he compared a Capitola vote on an issue that impacts the whole county with letting only sophomores vote on a school-wide issue.

Council Member Petersen said that while she hears the community's desire to weigh in on trestle use, there is a conflict between the Greenway issue versus the reality of what the initiative would do. She said the initiative is not about whether we're going to have a train or a trail.

Council Member Bertrand encouraged the community to follow and understand the Regional Transportation Commission's Unified Corridor Study.

Council Member Harlan expressed frustration that the initiative is not as represented and provided history on the Monterey Bay Sanctuary Scenic Trail.

Mayor Termini asked for a recommendation about publishing the ordinance language and Mr. Barisone said it is recommended. Following Council Member Bottorff's motion to approve as recommended, the Mayor proposed a friendly amendment to remove quotation marks and include the ordinance full text, supported by the first and second.

MOTION:	APPROVE THE RESOLUTION WITH THE ELIMINATION OF THE QUOTATION MARKS IN THE BALLOT QUESTION AND CHECKING THE BOX TO PUBLISH THE ORDINANCE LANGUAGE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Stephanie Harlan, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

There was a short break following the vote.

B. Determine Award Amounts for Community Grants

RECOMMENDED ACTION: Consider the recommendations from the Community Grants Ad-Hoc Subcommittee and determine grant award amounts for Fiscal Years 2018/19 and 2019/20. Consider the subcommittee suggestion to create a Local Critical Need Fund.

Assistant to the City Manager Larry Laurent presented the staff report. Council Member Bottorff explained the rationale of the ad hoc committee. It includes a suggestion for a \$10,000 emergency grant fund and holding the remainder of the budgeted grant amount for mid-year budget with input from newly elected council members.

In public comment, Ray Cancino of Community Bridges thanked the Council and said there is a real need for cost of living increases. Representatives of its Live Oak Family Center, Lifeline, and Meals on Wheels also spoke.

The Diversity Center's 60+ Senior LGBTQ program continues to grow in a population

that is more likely to be single and have less family support.

Helen Ewan-Storey said the Community Action Board's rental assistance program helps avoiding eviction and homelessness.

The Arts Council Santa Cruz County funds SPECTRA programs at local schools and grants to individuals and Open Studios. It noted it has the lowest funding level and asked for restored funds.

Senior Network Services noted it helps link seniors to other programs and services like Medicare workshops.

The Conflict Resolution Center served more than 300 Capitola residents with mediation.

Project SCOUT exceeded its goal of preparing 90 Capitola tax returns and helped 108 Capitola residents.

The Volunteer Center was just named the 2018 nonprofit of the year by the Governor's Office. It questioned the approach of holding money back when its increase request is due to growing demand.

O'Neill Sea Odyssey thanked the Council.

Darrell Johnson of the Seniors Council highlighted the aging in place program.

Dientes emphasized the importance of dental health.

Grey Bears promotes healthy aging and asked for more because of increased food costs.

Suzanne Willis of Second Harvest Food Bank said it serves 10 percent of Capitola's population, particularly seniors and school children.

In response to the Mayor's question of why the committee didn't give everyone what they asked for, Council Members Bottorff and Petersen said there was not time to refine the evaluation and in the future Council Member Petersen wants to do more research.

Council Member Harlan noted she had asked each member to review grantees previously and she favors spending all the money now.

Council Member Bertrand said he has ongoing frustration with evaluation but any change must be gradual.

Mayor Termini said for these groups, every day is an emergency and he does not favor holding onto funds.

MOTION:	APPROVE AS RECOMMENDED
RESULT:	ADOPTED [3 TO 2]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Jacques Bertrand, Vice Mayor
AYES:	Ed Bottorff, Jacques Bertrand, Kristen Petersen
NAYS:	Stephanie Harlan, Michael Termini

C. Review the Deadlines and Procedures for Ballot Measure Arguments

RECOMMENDED ACTION:

1. Review deadlines for arguments and rebuttals regarding Capitola's November 6, 2018, ballot measures.
2. Consider designating two Council members to draft, identify signers and submit an argument in favor for the TOT ballot item.
3. Consider designating two Council members to work with the Treasurer to draft, identify signers and submit an argument in favor for the Treasurer ballot item.
4. Review the draft Cannabis Tax argument prepared by Mayor Termini.

City Clerk Linda Fridy reviewed the argument process and deadlines.

Council addressed each measure separately. It decided not to take action as a body on any argument regarding the Greenway citizen initiative. There was no public comment.

MOTION:	APPROVE REVISED DRAFT LANGUAGE FOR ARGUMENT FOR CANNABIS BUSINESS TAX.
RESULT:	ADOPTED [4 TO 1]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Ed Bottorff, Jacques Bertrand, Kristen Petersen, Michael Termini
NAYS:	Stephanie Harlan

MOTION:	AUTHORIZE MAYOR TERMINI, COUNCIL MEMBERS BERTRAND, HARLAN AND PETERSEN, AND TREASURER WILK TO FILE AND SIGN ARGUMENTS FOR THE CANNABIS BUSINESS TAX
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

MOTION:	DIRECT COUNCIL MEMBERS BOTTORFF AND PETERSEN TO PREPARE, FILE AND SIGN THE ARGUMENT FOR THE TRANSIENT OCCUPANCY TAX
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

MOTION:	DIRECT TREASURER WILK TO PREPARE THE ARGUMENT AND THE TREASURER, COUNCIL MEMBER HARLAN AND MAYOR TERMINI TO FILE AND SIGN THE ARGUMENT FOR THE APPOINTED TREASURER MEASURE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Stephanie Harlan, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

MOTION:	DIRECT THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS FOR THE APPOINTED TREASURER MEASURE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

D. Designation of the Voting Delegate and Alternate for the 2018 League of California Cities Annual Conference [150-50]

RECOMMENDED ACTION: Designate Capitola's voting delegate and alternate and provide direction on the City's position on two resolutions.

MOTION:	APPOINT COUNCIL MEMBER BERTRAND AS VOTING DELEGATE AND COUNCIL MEMBER HARLAN AS ALTERNATIVE
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Harlan, Bottorff, Termini, Bertrand, Petersen

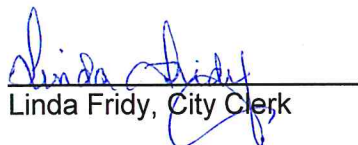
10. ADJOURNMENT

The meeting adjourned at 10:30 p.m.



Michael Termini, Mayor

ATTEST:



Linda Fridy, City Clerk

THE MINUTES WERE APPROVED ON SEPTEMBER 13, 2018