

**CAPITOLA CITY COUNCIL
REGULAR MEETING ACTION MINUTES
THURSDAY, JULY 27, 2017**

CLOSED SESSION 6 PM

CALL TO ORDER

Vice Mayor Termini called the meeting to order at 6 p.m. with the following items to be discussed in Closed Session:

1. LIABILITY CLAIMS [Govt. Code § 54956.95]

Claimant: Liberty Mutual

Agency claimed against: City of Capitola

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION [Govt. Code § 54957(b)]

City Council's Performance Evaluation of the City Attorney

There was no one in the audience; therefore, the City Council recessed to the Closed Session in the City Manager's Office.

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7 PM

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

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

2. PRESENTATIONS

A. Introduction of New Maintenance Worker Nathan Kessler

Matt Kotila introduced the newest member of the Public Works crew, Nathan Kessler. The local native expressed his enthusiasm for the opportunity to join the city.

3. REPORT ON CLOSED SESSION

City Attorney Tony Condotti said no reportable action was taken.

4. ADDITIONAL MATERIALS

A. Item 8.A – Nine items of public communication regarding traffic in the Jewel Box neighborhood.

B. Item 8.B – One public comment regarding mall redevelopment.

5. ADDITIONS AND DELETIONS TO AGENDA - None

6. PUBLIC COMMENTS

Laurie Hill, president of the Begonia Festival, shared the event poster for "Begonias Take a Bow," the final year featuring begonias. An estimated 10 floats are expected this year. She announced on October 14 there will be gala celebrating the festival. She requested the City recognize the begonia as the City's official flower, and encouraged everyone to participate in the festival.

7. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

Capitola Police Sergeant Andy Dally shared information about Capitola's National Night Out on August 1.

Vice Mayor Termini noted the Capitola plein air event is coming up this fall and sign-ups are available online. He noted that PG&E has asked for reduced energy usage during the upcoming solar eclipse due to loss of solar-sourced power.

Treasurer Peter Wilk reported on a meeting with the Finance Director and City Manager regarding the investment policy, which will be reviewed by the Finance Advisory Committee this year since reserves have increased.

City Manager Jamie Goldstein noted the Friends of Capitola Library is holding its first book sale this weekend.

Public Works Director Steve Jesberg announced that the Wharf piles have been installed, the floating docks are in process, and the Wharf will open for the weekend.

8. CONSENT CALENDAR

MOTION:	APPROVE OR DENY ITEMS AS RECOMMENDED
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Jacques Bertrand, Council Member
AYES:	Ed Bottorff, Jacques Bertrand, Michael Termini, Kristen Petersen
ABSENT:	Stephanie Harlan

- A. Consider the June 22, 2017, City Council Regular Meeting Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Approval of City Check Register Reports Dated June 2, June 9, June 16, June 23 and June 30, 2017 [300-10]
RECOMMENDED ACTION: Approve check registers.
- C. Consider Library Naming Policy [230-10]
RECOMMENDED ACTION: Approve Library Donor Recognition Policy
- D. Consider Capitola Joining the Santa Cruz County Animal Services Authority [500-10
A/C: Santa Cruz County Animal Services Authority]
RECOMMENDED ACTION: Approve the amended the Santa Cruz County Animal Services Authority (SCCASA) Joint Power Agreement, allowing the City of Capitola to become a full member of the SCCASA.

- E. Response to Civil Grand Jury Report, "Threat of Violence in our Public Schools" [100-30]
RECOMMENDED ACTION: Accept the recommendations by the Santa Cruz County Civil Grand Jury, and direct the City Clerk to send the completed response packet pursuant to California Penal Code 933.05 PC.
- F. Consider Community Action Board Contract for the Emergency Housing Assistance Program [500-10 A/C: Community Action Board]
RECOMMENDED ACTION: Approve a two-year, \$50,000 agreement with the Community Action Board of Santa Cruz County, Inc., to administer the City's Emergency Housing Assistance Program
- G. Consider Housing Programs Professional Services Contract [500-10 A/C: Flynn, Carolyn]
RECOMMENDED ACTION: Approve the proposed contract with Carolyn Flynn for an amount not to exceed \$26,000 for Fiscal Year 2017-18 for assistance with affordable housing programs, CDBG program administration, grant writing, and grant management.
- H. Consider an Amended Contract for a Hosted Finance System with Tyler Technologies (formerly New World Systems) [300-30/500-10 A/C: Tyler Technologies]
RECOMMENDED ACTION: Authorize staff to sign a five-year contract with Tyler Technologies to host the City's finance system, allowing the City to continue to utilize the same financial management software.
- I. Consider a Side Letter to the Capitola Police Officers Association Agreement [600-10]
RECOMMENDED ACTION: Approve a side letter to the existing Memorandum of Understanding between the City of Capitola and the Capitola Police Officers Association establishing a FLSA 207(k) work period of 86 hours in 14 days.
- J. Consider a Contract Amendment to Complete Phase II of the American with Disabilities Act (ADA) Self-Evaluation and Transition Plan [580-30]
RECOMMENDED ACTION: Authorize the City Manager to amend the existing contract with SZS Consulting Inc. from \$74,955 to \$114,095 authorizing the anticipated second phase of the ADA Transition Plan preparation.

9. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Consider Options To Address Traffic Concerns on Topaz Street [940-40]
RECOMMENDED ACTION: Consider the recommendations of the Traffic and Parking Commission and provide direction to staff regarding neighborhood community outreach to address traffic concerns along Topaz Street in the Jewel Box neighborhood.

Public Works Director Steve Jesberg, joined by Frederick Vinter of Kimley-Horn, presented the staff report. He noted that large-scale community meetings would be part of any option or action directed by the Council. Mr. Vinter noted that traffic will not be reduced, just redirected. Traffic studies showed Topaz traffic rates are comparable to major through streets. The Traffic and Parking Commission (TPC) recommended diagonal diverters to discourage neighborhood cut-throughs.

Vice Mayor Termini clarified that Kimley-Horn's work was done as part of its staff augmentation contract.

Jim Hobbs, Topaz Street, acknowledged the impact on others of reducing traffic on his street. He supports the neighborhood plan, perhaps on a trial basis.

Frank Borgess, Crystal Street, asked for more outreach and expressed concern about trying to get from one block to the next.

Mick Routh, Crystal Street, appreciates the recommendation to hold more public outreach, but would refer it back to the TPC. He has concerns about the impact on the intersection of 45th Avenue and Capitola Road and on emergency response.

Ron Burke, TPC and resident, said that this meeting identifies the problem of heavy traffic on Topaz, but finding a solution will be difficult.

Stan Walken, Capitola Road, said he has seen a significant increase in both vehicle numbers and speed. He asked about timed closures.

Leilani Williams, Diamond Street, asked to expand the map and include Capitola Shores as the discussion continues. She is worried about the impact on 42nd Avenue.

John Nicol, 49th Avenue, expressed concern about getting trapped in streets with barricades. He suggested a no left turn on Portola eastbound during high-volume time frames and noted that one-way streets impact mailbox placement.

Dana Ingersoll, 47th and Topaz, noted there is a lot of pedestrian traffic coming from 41st Avenue toward the Village and back, and the vehicle traffic volume is dangerous.

Linda Smith, Prospect, asked that the "triangle" be included in future outreach and asked that the eventual solution does not trap neighbors.

Anna Morroco, Topaz, noted it is a residential street that is getting more traffic than it is designed for. She asked for solution that spreads the impact.

Council Member Petersen agreed that more discussion and community input is needed before any action can be taken.

Council Member Bottorff noted that web traffic services have impacted Topaz heavily. He proposed as a motion surveying the larger neighborhood to solicit suggestions, with neighbor input to develop the questionnaire. Those results would then be presented at a community meeting at Jade Street Community Center. He accepted an amendment from Vice Mayor Termini to invite one representative from each street in the area to participate in creating the questionnaire.

Council Member Bertrand acknowledged the difficulty in finding a workable solution and supports an approach that involves the greater community.

MOTION:	DIRECT STAFF TO CREATE AN ADVISORY GROUP, INCLUDING ONE REPRESENTATIVE FROM EACH STREET IN THE GREATER JEWEL BOX NEIGHBORHOOD, AND WORK WITH THOSE MEMBERS TO CREATE A SURVEY OF POSSIBLE TRAFFIC SOLUTIONS. THE RESPONSES WILL BE DISCUSSED AT A COMMUNITY MEETING AT JADE STREET COMMUNITY CENTER.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Michael Termini, Vice Mayor
AYES:	Ed Bottorff, Jacques Bertrand, Michael Termini, Kristen Petersen
ABSENT:	Stephanie Harlan

B. Capitola Mall Redevelopment Status Update [730-25]
RECOMMENDED ACTION: Receive presentation.

Community Development Director Rich Grunow presented the staff report. He noted that the mall site consists of 14 parcels with eight owners, each with veto power over plans, which complicates redevelopment efforts. Staff has been actively leading discussions with stakeholders and advocating for the vision established in the General Plan Update.

Rosario Sullivan advocated for a project with a community sense, like a plaza, and more entertainment options.

Council Member Bertrand noted that larger property owner Merlone-Geier has reached out to the Council and would like to work with the community. He advocated planning for a significant drop in sales tax during a major reconstruction.

Council Member Petersen agreed that the mall should attempt to attract youth as it can provide a safe place for them to gather.

Vice Mayor Termini said Merlone-Geier is considering a movie theater, restaurants, and housing, with changes phased in over time.

RESULT:	RECEIVED REPORT
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C. Consider Regional Transportation Commission Measure D Agreement and Five-Year Plan [500-10 A/C: SCCRTC]
RECOMMENDED ACTION: Approve a funding agreement with the Santa Cruz County Regional Transportation Commission (RTC), authorize the City Manager to sign on behalf of the City, and approve a five-year proposed project list.

Public Works Director Jesberg presented the staff report. The funding agreement with the RTC requires adoption of a five-year plan. Council already approved green bike lanes and citywide slurry seal as projects for this fiscal year. For the remaining years he recommends:

- 42nd Avenue pavement rehabilitation in 2018-19

- Brommer Street improvements in 2019-20
- Fanmar Way in 2020-21
- McGregor Drive 2021-22

Measure D projects should reflect a mix of street, bike, and pedestrian projects. The plan will be reviewed and can be amended annually.

Council Member Bottorff asked to see future Hill Street sidewalks either somewhere within the plan or within capital improvement projects.

Council Member Petersen asked if Clares Street was considered, but staff responded it is optimistic that the City can get block grant funding instead.

Council Member Bertrand would like to see McGregor moved up in the timeline.

Vice Mayor Termini asked how funding is distributed. City Manager Goldstein said the partner jurisdictions agreed on a formula of roughly one-third population, one-third sales tax source, and one-third lane miles. This year's amount is still an estimate until the City sees source information.

MOTION:	APPROVE THE AGREEMENT AND FIVE-YEAR PLAN, AND AUTHORIZE THE CITY MANAGER TO SIGN THE AGREEMENT.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Jacques Bertrand, Council Member
AYES:	Ed Bottorff, Jacques Bertrand, Michael Termini, Kristen Petersen
ABSENT:	Stephanie Harlan

D. Consider Monterey Bay Community Power Credit Shared Responsibility Agreement [500-10 A/C: Monterey Bay Community Power]

RECOMMENDED ACTION: Approve the Shared Responsibility for Credit Support Agreement for Monterey Bay Community Power, authorize the City Manager to make minor revisions to the agreement in a form approved by the City Attorney, direct the Mayor to sign it, and approve the attached budget amendment directing the Finance Department to create the required reserve account.

Finance Director Jim Malberg presented the staff report. He noted the bank providing the start-up funding has asked for a fund set-aside rather than a letter of guarantee. The money would be moved from the general fund balance and restricted.

Vice Mayor Termini confirmed that the City is not spending the money, just restricting it. Staff explained that once an income stream is apparent, the funds will be released.

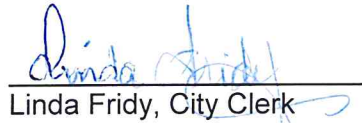
MOTION:	APPROVE THE AGREEMENT, ALLOW MINOR REVISIONS, DIRECT THE MAYOR TO SIGN THE AGREEMENT, AND AUTHORIZE THE BUDGET AMENDMENT.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Ed Bottorff, Jacques Bertrand, Michael Termini, Kristen Petersen
ABSENT:	Stephanie Harlan

10. ADJOURNMENT

The meeting was adjourned at 8:55 p.m.


Michael Termini, Vice Mayor

ATTEST:


Linda Fridy, City Clerk

MINUTES WERE UNANIMOUSLY APPROVED ON AUGUST 24, 2017