

**CAPITOLA CITY COUNCIL
REGULAR MEETING ACTION MINUTES
THURSDAY, MARCH 23, 2017**

**CLOSED SESSION
CITY MANAGER'S OFFICE 5:15 PM**

CALL TO ORDER

Mayor Harlan called the meeting to order at 5:15 p.m. with the following items to be discussed in Closed Session:

**CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Govt. Code § 54956.9(d)(1)]**

City of Capitola v. Water Rock Construction, Inc.
Santa Clara Superior Court Case No. 16CV295795

LIABILITY CLAIMS [Govt. Code § 54956.95]

Claimant: Robert Rust
Agency claimed against: City of Capitola

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: Present, Vice Mayor Michael Termini: Present, Council Member Kristen Petersen: Present.

City Treasurer Peter Wilk was present.

2. PRESENTATIONS

- A. Proclamation in Honor of the Conflict Resolution Center's 30th Anniversary [120-40]
DISCUSSION: Mayor Harlan will present a proclamation honoring the Conflict Resolution Center of Santa Cruz County.

Mayor Harlan presented a proclamation to Shauna Mora, executive director of the Conflict Resolution Center of Santa Cruz County, as it celebrates its 30th anniversary. She noted its medication programs help with those facing small claims court, juvenile issues, divorce, and neighbor disputes.

3. REPORT ON CLOSED SESSION

City Attorney Tony Condotti said there was no reportable action on the pending litigation and the liability claim is on the consent agenda.

4. ADDITIONAL MATERIALS

- A. Item 8.H -- Revised side letter between the City of Capitola and Mid-Management Employees
- B. Item 9.A -- Public communication regarding the Capitola Library Design
- C. Item 9.C -- Public communication regarding the 835 Bay Avenue use extension

5. ADDITIONS AND DELETIONS TO AGENDA - None**6. PUBLIC COMMENTS**

Pam Greeninger spoke on behalf of the Capitola Historical Museum and invited the community to the grand opening reception of "The Nature of Capitola."

Tara Ireland of the Volunteer Center said the proposed presidential budget would eliminate federal funding for the local RSVP senior and AmeriCorps programs. She distributed information and asked the City Council for support letters.

7. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

Council Member Bottorff asked that the City Manager evaluation be included in the next closed session. He noted another section of the Depot Hill bluff has fallen and warned the community against walking under the cliffs.

Council Member Bertrand encouraged blood donation. He said the County Sanitation Department is still working on the smell from the pump station by the Nob Hill Center. He is asking for a new filter system to be installed in response to citizen and business concerns. He also asked to review annual goals.

Council Member Termini said the Capitola Safety Foundation provided dog crates for Community Service Officer units, CPR training for volunteers, and fees for the Explorers. The Foundation also supports Operation Surf for disabled veterans, which will be held in Capitola April 1 and 2.

Council Member Petersen said TimeBank Santa Cruz will offer graywater and compost training in Capitola in April. AMBAG will host a region 2040 vision meeting April 10 in Watsonville. Congressman Panetta has rescheduled the town hall to April 1.

Mayor Harlan noted the Soquel Union Elementary District immigration information meeting is Monday. She recently attended a law enforcement, charities, and medical provider roundtable on immigration. Many immigrants are afraid to get necessary services, and these groups want to reassure the community. The City will hold community input meetings as part of the Americans with Disabilities Act self-evaluation on April 5 at 11 a.m. and 6:30 p.m.

Treasurer Wilk, who also serves on the Commission on the Environment (COE), honored Kristin Sullivan, a founding member of the commission who recently retired.

City Manager Goldstein said the next City Hall update will be available on the website and published in the Capitola-Soquel Times soon.

8. CONSENT CALENDAR

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

- A. Consider the March 9, 2017, Regular City Council Minutes
RECOMMENDED ACTION: Approve minutes.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of March 2, 2017
RECOMMENDED ACTION: Receive minutes.
- C. Approval of City Check Register Reports Dated February 3, February 10, February 17 and February 24, 2017 [300-10]
RECOMMENDED ACTION: Approve check registers.
- D. Liability Claim of Robert Rust [Claims Binder]
RECOMMENDED ACTION: Deny liability claim.
- E. General Fund Cash Transfer [310-50/330-05]
RECOMMENDED ACTION: Approve a transfer between the General Fund and the Gas Tax Fund.
- F. Second Reading of an Ordinance Amending Chapter 9.61 of the Capitola Municipal Code Regarding Marijuana Sales, Processing and Cultivation [485-70]
RECOMMENDED ACTION: Adopt ordinance.
- G. Approval of Bike Lane Improvements for Highway 1 Interchanges [330-10/770-05]
RECOMMENDED ACTION: Approve the plans, specifications, and estimate for the Highway 1 Interchanges Bike Lane Improvements and authorize the Public Works Department to advertise for construction bids.
- H. Approve Job Description for Public Works Civil Engineer/Project Manager [600-10]
RECOMMENDED ACTION: Approve the public works civil engineer/project manager job description and add the position to the mid-management unit.
- I. Approval of Beach Captain Salary Adjustment [600-10]
RECOMMENDED ACTION: Repeal Resolution No. 4068 and approve a new resolution with the recommended salary adjustment to the Beach Lifeguard Captain position.

9. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Approval of Library Schematic Design and Authorization for Staff to Initiate Environmental and Permit Approvals [230-10]

RECOMMENDED ACTION: Approve the schematic design of the Capitola Branch Library by Noll and Tam Architects and authorize staff to initiate permitting.

Public Works Director Jesberg noted a presentation was made at the earlier joint meeting with the Library Advisory Committee (LAC) and he reviewed the highlights. Council approval will allow the project to begin the permitting process and stay on schedule. City Manager Goldstein noted that the LAC unanimously recommended approval earlier this evening. In response to Council questions, Director Jesberg confirmed that a number of trees will be removed and pursuant to code the project will aim for 15 percent canopy coverage.

Peter Wilk followed up on a COE concern regarding eucalyptus wind blocks and was told there are none on the library site.

In public comment, resident TJ Welch said the design is beautiful, but he has concerns about the budget. He advocated for generosity in salaries as well as projects.

Council Member Bottorff asked that naming policy be discussed by the Council so it can give direction rather than simply follow the LAC recommendation.

MOTION:	APPROVE THE SCHEMATIC DESIGNS AND AUTHORIZE STAFF TO BEGIN PERMITTING PROCESS
RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Termini, Vice Mayor
SECONDER:	Ed Bottorff, Council Member
AYES:	Bottorff, Bertrand, Harlan, Termini, Petersen

- B. Discuss Public Art Funding Budget for New Library [230-10/330-05/1010-50]

RECOMMENDED ACTION: Give direction on the budget for public art funding for the Capitola Branch Library.

Assistant to the City Manager Larry Laurent presented the staff report. He explained that City and former redevelopment funds, about \$4 million to \$5 million, are the portion that the public art requirement are calculated against, but not Measure S funding. The City Council may choose to allocate 2 percent of this budget for public art projects, amend the public art ordinance to allow public projects to give 1 percent to the public art fund, or amend it to exclude public projects.

Council Member Termini advocated for removing items such as the fence or trellis from the library project and having those created by artists rather than asking the architect to remove other elements of the building and redesign it.

Council Member Bottorff confirmed that the option to reduce the requirement to 1 percent would reduce costs from \$80,000-\$100,000 to \$40,000- \$50,000, and said he preferred that cost savings. His motion to amend the ordinance to allow public projects a 1 percent option died for a lack of a second.

March 23, 2017

MOTION:	BUDGET A TWO PERCENT PUBLIC ART CONTRIBUTION TOWARD PROJECTS ON THE LIBRARY SITE EASILY REMOVED FROM THE DESIGN
RESULT:	ADOPTED [4 TO 1]
MOVER:	Michael Termini, Vice Mayor
SECONDER:	Jacques Bertrand, Council Member
AYES:	Bertrand, Harlan, Termini, Petersen
NAYS:	Bottorff

- C. 835 BAY AVE. #17-003 APNs: 035-011-03, 035-381-01
 Extension request for a Conditional Use Permit for the temporary display of a model manufactured home and temporary sign for Ideal Homes and extension of temporary storage of vehicles for the Toyota dealership in the CC (Community Commercial) Zoning District. Environmental Determination: Categorical Exemption Property Owner: Redtree Properties Representative: Richard Emigh, filed: 1/9/17 [730-10]
RECOMMENDED ACTION: Approve the requested permit extension for two additional years.

Senior Planner Katie Herlihy presented the staff report and reviewed the history of the conditional use and extensions. The most recent permit included storage of Toyota vehicles during the dealership remodel. The applicant made improvements ahead of this application.

Richard Emigh spoke on behalf of the application. He noted that previously the site had been used for temporary storage of construction equipment and that modular homes provide affordable housing in the community.

Council Member Bottorff asked if it is a display or has other uses. John Barrs of Ideal Homes explained that a room is used for meetings and it has a design room to show samples.

Council Member Petersen asked if this display is actually or could be permanent. Mr. Emigh responded that it is not on a foundation or connected to utilities other than electricity.

Council Member Bertrand asked how long Toyota plans to use the storage. Gary Shipman of Toyota Santa Cruz noted sales and service have increased with the new dealership building and demand requires more inventory than anticipated. The property owner has warned him that county work may require relocation and he is looking for other options.

There was no public comment.

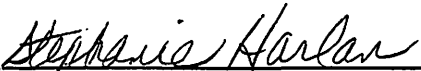
Council Member Bottorff supports the use until a permanent development is proposed. Council Member Bertrand does not like this use at an entry to the City. Council Member Petersen expressed concern that the use inhibits other uses. Council Member Termini and Mayor Harlan discussed a one-year extension to encourage another use.

Staff noted it would not recommend another extension based on this input. The Council settled on a two-year extension of both uses with a condition that no further extensions be requested.

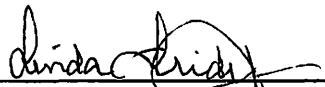
MOTION:	APPROVE A TWO-YEAR EXTENSION WITH THE CONDITION THAT NO FURTHER EXTENSIONS BE REQUESTED
RESULT:	ADOPTED [4 TO 1]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Kristen Petersen, Council Member
AYES:	Bottorff, Bertrand, Termini, Petersen
NAYS:	Harlan

10. **ADJOURNMENT**

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


Stephanie Harlan, Mayor

ATTEST:


Linda Fridy, City Clerk

MINUTES WERE UNANIMOUSLY APPROVED ON APRIL 13, 2017