

**CAPITOLA CITY COUNCIL
REGULAR MEETING ACTION MINUTES
THURSDAY, FEBRUARY 9, 2017**

CLOSED SESSION – 6:45 PM

CALL TO ORDER

Vice Mayor Termini called the meeting to order at 6:45 p.m. with the following item to be discussed in Closed Session:

LIABILITY CLAIMS [Govt. Code § 54956.95]

Claimant: Molly Kirsch

Agency claimed against: City of Capitola

There was no public comment; therefore, the City Council closed the Council Chambers and held the Closed Session.

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL – 7 PM

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Mayor Harlan arrived following Closed Session.

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. Presentation of Certificates of Appreciation for Retiring City Commissioners [120-40]

Mayor Harlan presented certificates of appreciation to Nathan Cross for five years of service on the Finance Advisory Committee and to Kristen Petersen for service as treasurer of the Historical Museum Board.

B. Santa Cruz Metropolitan Transit District Update Presented by District General Manager Alex Clifford [1170-10]

Mr. Clifford presented an overview of METRO's services and budget. He followed up on last year's report and the agency's transition from relying on reserves toward a balanced budget. He credited the combined efforts of stakeholders including UC Santa Cruz and Cabrillo and work with union representatives that prevented layoffs. The agency has been successful in receiving grants for "green" transit types. He requested a resolution or correspondence in support of state transportation bills AB1 and SB1.

Council Member Termini asked if the agency conducted studies or comparisons to

other systems. Mr. Clifford responded that METRO contacted peer agencies two years ago and is working to make progress in areas where METRO was behind similar systems.

Council Member Bertrand asked about increasing the green fleet and the financing to update it. Mr. Clifford said METRO needs 60 new buses and is focusing on grants, most of which are for electric models.

3. REPORT ON CLOSED SESSION

City Attorney Tony Condotti noted the item discussed will be voted on the consent agenda.

4. ADDITIONAL MATERIALS

A. Item 9.D. -- One communication from AT&T regarding the proposed Wireless Telecommunications Ordinance.

B. Item 10.B. -- Five public communications regarding the Monterey Bay Community Power Joint Powers Agreement

5. ADDITIONS AND DELETIONS TO AGENDA - None

6. PUBLIC COMMENTS

Bob Edgren requested extending the rezoning of the Transient Occupancy Overlay further up Capitola Avenue as part of the updated Zoning Code.

Barbara Bush spoke to the wireless amendment. She expressed frustration that the City cannot afford to legally defend its own ordinance.

Marylin Garrett expressed concern about smart meters.

Glenn Chase, economics professor, shared what he described as a Securities Exchange Commission disclosure document by Verizon.

7. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

Council Member Termini congratulated Vice Salon on its move to a larger facility. He thanked the City's Public Works crew for ongoing efforts during storms, and noted the new exhibit of self-portraits by New Brighton Middle School students. He said combining the Begonia and Art & Wine festivals is not likely because of conflicts with other fairs.

Mayor Harlan attended the retired public employees' luncheon as part of efforts to unite seniors. At the Chamber of Commerce lunch Supervisor Leopold spoke to the County's road work challenges.

City Manager Jamie Goldstein echoed the praise to Public Works and noted the City continues to monitor creek levels.

Treasurer Wilk updated the Council on Finance Advisory Committee efforts to address funding for the library following the Council's direction. Three early options were identified.

8. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS

- A. Appointment of an Alternate to the Regional Transportation Commission [770-05]
RECOMMENDED ACTION: Make appointment.

Council Member Bottorff is on the ballot to continue to represent METRO so he cannot serve as the City alternate. Although Council Member Petersen was reluctant because of her work schedule, she accepted the nomination.

MOTION:	APPOINT KRISTEN PETERSEN AS ALTERNATE TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMITTEE.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Michael Termini, Vice Mayor
AYES:	Bottorff, Bertrand, Harlan, Termini, Petersen

9. 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 January 26, 2017, Regular City Council Minutes
RECOMMENDED ACTION: Approve Minutes.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of January 19, 2017
RECOMMENDED ACTION: Receive Minutes.
- C. Deny Liability Claim of Molly Kirsch [Claims Binder]
RECOMMENDED ACTION: Deny liability claim.
- D. Second Reading of an Ordinance Amending Chapter 17.98 of the Capitola Municipal Code Pertaining to Wireless Telecommunications, Adoption of an Addendum to the General Plan Update Environmental Impact Report, and Adoption of a Resolution to Submit the Amendment to the California Coastal Commission [730-85/740-40]
RECOMMENDED ACTION: That the City Council take the following actions:
1. Adopt the Addendum to the General Plan Update Environmental Impact Report;
2. Adopt an Ordinance to amend Municipal Code Chapter 17.98 Wireless Communications Facilities; **Ordinance No. 1009**
3. Adopt the attached Resolution directing the City Manager to submit an Amendment to the City of Capitola Local Coastal Program to the California Coastal Commission for certification. **Resolution No. 4071**
- E. Lateral Police Officer Hiring Incentive Program [600-10]
RECOMMENDED ACTION: Approve Resolution to Increase Bonus for Lateral Police

Officer Hires. Resolution No. 4072

10. GENERAL GOVERNMENT / PUBLIC HEARINGS

A. Consideration of an Esplanade Park Master Plan [1040-20]

RECOMMENDED ACTION:

1. Authorize the City Manager to enter a contract with Michael Arnone for the creation of an Esplanade Park Master Plan funded using Public Art Fund revenues.
2. Council discretion to consider the request by the Art and Cultural Commission to move forward with the climbing sculpture element of the plan prior to the development of the park master plan.

Assistant to the City Manager Larry Laurent presented the staff report. He noted all recent large development projects have opted to contribute to the City's Public Art Fund rather than create onsite public art projects, so the fund continues to grow. Locations for projects have been difficult to identify. Esplanade Park is the gathering place for the City, especially since the 2007 addition of the bandstand. A redesign would create the opportunity for several public art elements, which can be functional as well as visual. Mike Arnone has worked on several projects with the City and is suggested as contractor for designing a master plan. His concept includes shade structures, showers, and a climbing sculpture, and the Art and Cultural Commission likes the idea of a sea theme.

The Commission also asked if the Council would support moving forward with a climbing sculpture ahead of the master plan.

Mr. Arnone walked the council through a conceptual design that incorporates the three suggested elements.

Council Member Termini noted that the concept identifies a possible location for a climbing sculpture at the entrance. Mr. Arnone said it would require relocation of existing lighting. Council Member Bertrand asked about the choice of the location. Mr. Arnone explained it would define the entrance as a key visual element.

Mayor Harlan opened public comment. Bob Edgren noted there are concerns about the stability of the cliff above the park. He would prefer funds go to an art gallery at the Rispin.

Nathan Cross said that the Art and Cultural Commission has long searched for a location for the climbing sculpture and Esplanade Park has surfaced as the best option.

Treasurer Wilk noted that shade structures should allow passage for people carrying surf boards.

Council Member Bottorff praised the conceptual design and strongly supports the plan. He noted the final version may want to consider a higher wall by the showers for modesty and also recommend a tree variety that discourages climbing.

Council Member Petersen loves the concept and strongly supports the climbing sculpture.

MOTION:	APPROVE ENTERING A CONTRACT WITH MICHAEL ARNONE FOR AN ESPLANADE PARK MASTER PLAN AND USING PUBLIC ART FUND MONIES TO CREATE A CLIMBING SCULPTURE ELEMENT FOR THE PARK
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael Termini, Vice Mayor
SECONDER:	Ed Bottorff, Council Member
AYES:	Bottorff, Bertrand, Harlan, Termini, Petersen

B. Approval of the Monterey Bay Community Power Joint Powers Agreement and a Resolution Authorizing the City of Capitola's Participation and First Reading of the Related Uncodified Ordinance [500-10 A/C Monterey Bay Community Power]

RECOMMENDED ACTION: That the City Council take the following actions:

1. Adopt the attached resolution establishing the Monterey Bay Community Power Authority and approving the City of Capitola as a founding member of the Authority.
2. Introduce the attached ordinance authorizing the implementation of a Community Choice Energy program in the City of Capitola.
3. Direct staff to move forward on discussions regarding the City's share of the credit guarantee; and,
4. Appoint a primary and alternate on the newly formed Monterey Bay Community Power Policy Board of Directors.

City Manager Jamie Goldstein noted that the project has come before the City Council several times, including the passage of a resolution last fall. Gine Johnson of Santa Cruz County has been leading the effort and presented a video summary. Membership in the Community Choice Aggregate (CCA) program is being offered to 21 counties and cities in the Monterey Bay region. Participating jurisdictions should be able to meet state mandates that electricity comes from 33 percent electric renewables by 2020, and by 2030 from 50 percent renewable sources. Ms. Johnson anticipates that the program will reach 50 percent in its first year. The joint powers agreement (JPA) resulted from about 100 hours of meetings.

The CCA uses PG&E's distribution lines and billing, so customers will see little service difference but can choose renewable sources at the same rates for electricity. It also provides more local jobs and profits that feed back into the local economy. The joint powers agreement outlines the same policy and board structure as presented in Fall 2016 when Capitola passed its resolution. Capitola will have the first term in the rotating seat shared with Scotts Valley. The City's finance director is part of the team reviewing the three responses to Requests for Proposals for the

startup funding. Scotts Valley, Hollister, and San Benito County have already approved the agreement. Monterey County's participation is still being negotiated, but other jurisdictions do not need its participation for the project to go forward.

Council Member Petersen asked how often Capitola and Scotts Valley will trade off the seat and was told there are two-year terms.

Treasurer Wilk clarified the credit guarantee does not require upfront payment and that PG&E is mandated by the state to participate. Ms. Johnson noted PG&E will continue to earn distribution fees and continue to provide gas. She anticipates all Santa Cruz County municipalities will participate in the JPA.

Council Member Bertrand asked if fees would be impacted by a smaller jurisdiction pool. Ms. Johnson said she is confident that even a Santa Cruz County-only CCA would offer rates below PG&E.

Mayor Harlan opened public comment. Local resident Michael Saint strongly supports the program and noted that PG&E continues to raise rates. He expects more stable rates under the program.

Bob Edgren expressed concerns about the impact on PG&E and its participation.

Council Member Bottorff noted that during his time as mayor he participated in many meetings and Capitola has been well represented. This will continue with Capitola holding a seat on the board shared with Scotts Valley. He nominated Council Member Termini as the representative and Council Member Bertrand as alternate.

Council Member Termini strongly supports the program and notes that distribution is a separate fee line than providing energy.

MOTION:	ADOPT THE RESOLUTION, PASS THE FIRST READING OF THE ORDINANCE, SUPPORT THE CITY'S PARTICIPATION IN THE CREDIT GUARANTEE AND APPOINT COUNCIL MEMBER TERMINI AS REPRESENTATIVE AND COUNCIL MEMBER BERTRAND AS ALTERNATE ON THE CCA BOARD.
RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Council Member
SECONDER:	Michael Termini, Vice Mayor
AYES:	Bottorff, Bertrand, Harlan, Termini, Petersen

C. Council Member Review of Community Grant Recipients [330-30]


RECOMMENDED ACTION: Receive grantee list and consider designating Council Members to research specific grant recipients.

Mayor Harlan asked Council Members if there are grantees that they would like to spend time getting to know over the two-year funding process. Council Member Termini suggested that council members "vouch" for those organizations they know well and then divide the remaining ones for review. Council members will


send names of organizations with which they are familiar to the city manager.

11. ADJOURNMENT

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


Stephanie Harlan, Mayor

ATTEST:


Linda Fridy, City Clerk

MINUTES WERE UNANIMOUSLY APPROVED ON FEBRUARY 23, 2017