

**CAPITOLA CITY COUNCIL
REGULAR MEETING ACTION MINUTES
THURSDAY, NOVEMBER 12, 2015 – 7:00 PM**

**CLOSED SESSION - 6:15 PM
CITY MANAGER'S OFFICE**

CALL TO ORDER

Mayor Norton called the meeting to order at 6:15 PM. He announced the items to be discussed in Closed Session, as follows:

**CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Govt. Code §54956.9)**

(Two cases)

1. Schroedel et al. v. the City of Capitola
[Santa Cruz Superior Court Case No. CV 175684]
2. Water Rock Construction, Inc. v. City of Capitola
[Arbitration Claim]

**CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Initiation of litigation per Govt. Code §54956.9(d)(4)**

One potential case

Mayor Norton asked if anyone from the public wished to address the City Council regarding closed session items.

Bill Gray, 1440 Prospect Avenue, Capitola, stated that he supports staff's recommendation regarding initiating legal action regarding the anticipated litigation.

The City Council recessed at 6:18 p.m. to the Closed Session in the City Manager's Office.

REGULAR MEETING OF THE CAPITOLA CITY COUNCIL – 7:00 PM

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

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

City Treasurer McBroom was absent.

2. PRESENTATIONS

- A. Introduction of New Police Officer Jackie Yeung [480-05]
Introduction provided by Police Chief Escalante.
- B. Proclamation in the Observance of November 13, 2015, as World Pancreatic Cancer Day [120-40]
Proclamation received by Jennifer Flaniken, Silicon Valley affiliate of the Pancreatic Cancer Action Network volunteer.

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3. REPORT ON CLOSED SESSION

City Attorney Condotti stated that the Council received a status report regarding one case of anticipated litigation; and two existing litigation cases (1) Schroedel et al. v. the City of Capitola, and (2) Water Rock Construction, Inc. v. City of Capitola. There was no reportable action on any of the items discussed in closed session.

4. ADDITIONAL MATERIALS

City Clerk Sneddon stated one communication was received regarding **Item 10.A.** – regarding Surf School Regulations

5. ADDITIONS AND DELETIONS TO AGENDA (None provided)**6. PUBLIC COMMENTS**

Teresa Green, Capitola Begonia Festival Chair, reported on the success of this year's Begonia Festival.

George Ankeney, commented on the new LED street lighting.

Public Works Director Jesberg provided a report regarding the Soquel Creek Lagoon opening last Monday.

7. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

City Clerk Sneddon provided an update on the recruitment process for various City boards/committees/commissions.

Council Member Termini stated that the City's first Plein Air event held on November 6th and November 8th was a success.

Council Member Bertrand complimented Molly Ording for her article in Capitola/Soquel Times regarding the Capitola Mall.

Council Member Harlan presented a copy of a historical menu from the Saba Food and Grog restaurant located in Capitola. In addition she stated that she has printouts from the League of California Cities 2015 Annual Conference available for the public and staff.

City Manager Goldstein announced that City Treasurer McBroom had her baby, Kingston James McBroom.

8. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS (None provided)**9. CONSENT CALENDAR**

Council Member Bottorff requested that **Item 9.F.** be pulled from the Consent Calendar for further discussion.

Mayor Norton requested that **Item 9.C.** be pulled from the Consent Calendar for further discussion.

RESULT:	ADOPTED [UNANIMOUS] <u>ITEMS 9.A., 9.B., 9.C., 9.D. AND 9.E.</u>
MOVER:	Michael Termini, Council Member
SECONDER:	Ed Bottorf, Council Member
AYES:	Norton, Bottorff, Bertrand, Harlan, Termini

- A. Approval of the October 22, 2015, Regular City Council Minutes, and the October 26, 2015, Special City Council Minutes
RECOMMENDED ACTION: Approve Minutes.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of November 5, 2015
RECOMMENDED ACTION: Receive Minutes.

Regarding *Item No. 9.C.* of the Consent Calendar: Mayor Norton requested that this item be pulled from the Consent Calendar for further discussion.

- C. Adoption of *Resolution No. 4033* Establishing Days for Closure of City Offices during the 2016 Calendar Year [630-10]
RECOMMENDED ACTION: Adopt the proposed Resolution establishing days for closure of City Offices during the 2016 Calendar Year.
- D. Suspend Village Parking Meter and Pay Station Operation for Holiday Season [470-30]
RECOMMENDED ACTION: Authorize suspending parking meter and pay station operation to allow free three-hour parking in the Village Parking Meter Zone A(1) from November 26, 2015, through December 25, 2015.
- E. Adopted *Resolution No. 4034* Approving a New Hourly and Seasonal Pay Schedule [600-10]
RECOMMENDED ACTION: Adopt a Resolution repealing Resolution No. 3978 and

Regarding *Item No. 9.F.* of the Consent Calendar: Council Member Bottorff requested that this item be pulled from the Consent Calendar for further discussion. He asked if the agreement between Moffatt & Nichol and the City could include an estimate to replace the Capitola Wharf.

- F. Award a Contract to Moffatt & Nichol for a Condition Assessment for Capitola Wharf [280-40/330-10/500-10 A/C: Moffatt & Nichol]
RECOMMENDED ACTION: Take the following actions:
1. Approve a contract with Moffatt & Nichol in the amount of \$31,900 for inspections and engineering services for Capitola Wharf; and
 2. Approve a budget amendment by increasing the Wharf Fund expenditure by \$32,000 for engineering using \$32,000 from fund balance in the Wharf Fund.

Public Works Director Jesberg responded that he will obtain an estimate from Moffatt & Nichol regarding replacing the entire Capitola Wharf.

10. GENERAL GOVERNMENT / PUBLIC HEARINGS

- A. Accept Report and the Consideration of an Ordinance Amending Capitola Municipal Code Section 9.30.020 (B) Regarding Surf School Regulations [1020-20]
RECOMMENDED ACTION: Accept report on the status of an Uncodified Ordinance to the Capitola Municipal Code (CMC) Section 9.30.020 (b), Surf School Regulations, that allowed five permitted surf schools to operate in the City for the 2015 calendar year, and consider options outlined below:
- Options:
1. Allow the Uncodified Ordinance amendment to expire and return to allowing four permitted surf schools; or

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2. Introduce an Ordinance to amend section 9.30.020 to permit five surf schools; and approve the amended Surf Permits Administrative Policy I-34.

Matt Arthur, Capitola Beach Company, provided a history of the development of the City's Surf School Ordinance. He stated that he does not support amending the City's Municipal Code to permit five surf schools in the City, but rather return to allowing four permitted surf schools.

Ed Guzman, Club Ed Surf School, stated that he does not support amending the City's Municipal Code to permit five surf schools in the City.

RESULT:	ALLOW THE UNCODIFIED ORDINANCE AMENDMENT TO EXPIRE AND RETURN TO ALLOWING FOUR PERMITTED SURF SCHOOLS
MOVER:	Michael Termini, Council Member
SECONDER:	Stephanie Harlan, Council Member
AYES:	Norton, Harlan, Termini
NOES:	Ed Bottorff, Council Member and Jacques Bertrand, Council Member

- B. Receive Lifeguard Seasonal Report [1020-50]
RECOMMENDED ACTION: Accept report and provide direction.

RESULT:	CITY COUNCIL RECEIVED REPORT
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City Manager Goldstein stated that staff will continue negotiations with the City of Santa Cruz Fire Department to perform lifeguard services, and will bring back to the City Council the terms of the agreement.

- C. Consider the Capitola Avenue Storm Drain Repair Project [900-20]
RECOMMENDED ACTION: Take the following actions:

1. Find that due to the threatened occurrence of flooding that poses a danger, requiring immediate action to prevent or mitigate the loss of property this purchase will be made under the emergency procurement clause. Staff solicited bids from three contractors but due to time constraints of the threatened property damage staff was not able to advertise in the newspaper; and
2. Consider the bids received for storm drain replacement on Capitola Avenue and award a contract to the lowest bidder; and
3. Approve a budget amendment transferring necessary funds within the Capital Improvement Program.

Autumn Roof and Whitney Mathews, Vice Salon owners, spoke in support of the Capitola Avenue Storm Drain Repair Project.

Annie Rook, City resident, stated concerns Vice Salon losing business due to the flooding issues.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Vice Mayor
SECONDER:	Michael Termini, Council Member
AYES:	Norton, Bottorff, Bertrand, Harlan, Termini

The following issues were discussed (see attached Exhibit A – November 12, 2015 Regular City Council Meeting Summary Notes):

- D. Zoning Code Update: Review Issues and Options Report [730-85]
RECOMMENDED ACTION: Accept staff presentation and provide direction on each of the zoning issues.

Craig Rowell, requested that property owners be allowed to do improvements on non-conforming buildings

Peter Pethoe, Santa Cruz Hostel, commented on the Coastal Commission's review of the Zoning Code Update, and the approval process for future hotel projects.

RESULT:	CITY COUNCIL RECEIVED REPORT
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- E. Consider the 2016 Meeting Schedules for the City Council/Successor Agency and the Planning Commission/Architectural and Site Review Committee [520-40]

RECOMMENDED ACTION: Approve the 2016 City meeting schedules and direct staff to post this information at City Hall, the Capitola Branch Library, on the City's website, and distribute to department heads, newspapers, and various groups that regularly submit items to the City.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ed Bottorff, Vice Mayor
SECONDER:	Jacques Bertrand, Council Member
AYES:	Norton, Bottorff, Bertrand, Harlan, Termini

The City Council took separate action on the following action items (Item 9.F.) on the Consent Calendar.

- C. Consider a Resolution Establishing Days for Closure of City Offices during the 2016 Calendar Year [630-10]

RECOMMENDED ACTION: Adopt the proposed Resolution establishing days for closure of City Offices during the 2016 Calendar Year.

Mayor Norton stated that he is opposed to calling the October 12th holiday "Columbus Day."

Peter Pethoe, Santa Cruz Hostel, stated that he supports keeping the name "Columbus Day" for a City staff holiday.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael Termini, Council Member
SECONDER:	Jacques Bertrand, Council Member
AYES:	Norton, Bottorff, Bertrand, Harlan, Termini

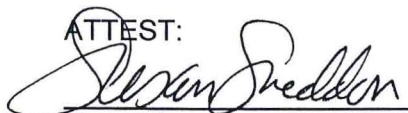
11. ADJOURNMENT

Meeting adjourned at 9:56 p.m.



Dennis Norton, Mayor

ATTEST:


Susan Sneddon, City Clerk

MINUTES WERE UNANIMOUSLY APPROVED ON NOVEMBER 24, 2015

EXHIBIT A**Summary of Special Zoning Code Update Meeting
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Note: City Council additions/modifications are underlined.

Issue 7A: Signs: Threshold for Review**Direction: Option 2****Option 7: Allow staff-level review with new standards.**

- Revise sign standards to include new, well-defined and well-illustrated design standards that create new maximum allowances within staff-level administrative review. Signs can be approved administratively within an over-the-counter permit.
- Include an option for Planning Commission review for signs that go beyond the maximum administrative review allowance.
- Ensure high quality signs within new standards.

Issue 7B: Signs: Tailored Standards**Direction: Option 2****Option 2: Create tailored standards for different commercial areas.**

- Sign standards will be adjusted to address the unique character of different commercial areas. Tailored standards will include types of permitted signs, maximum sign area, sign dimensions, sign location and placement, illumination, materials, and other place appropriate standards.
- The general desired signage character for different districts in Capitola could be as follows:
 - Village: Pedestrian oriented signs, village scale;
 - Neighborhood Commercial: Neighborhood-scale signs serving pedestrians and vehicles;
 - 41st Avenue: Larger-scale, auto-oriented signs to support corridor as a regional shopping destination;
 - Auto Plaza Drive: Unique to the use (auto-dealers) and address visibility challenges;
 - Industrial Zone (Kennedy Drive): More industrial design aesthetic and flexibility of type and materials.

Issue 7C: Signs. Monument Signs.**Direction: New Option****New Option:**

- Preference for monument signs to be drafted into tailored standards for each commercial zone.
- Update to allow digital gas pricing signs.

Issue 11A: Authority of Architecture and Site Review Committee
Direction: New Option

New Option:

- ~~Replace-Rename~~ the Arch and Site committee with a to reflect function as development review committee.
- Function: Review applications and make preliminary recommendations to applicant prior to Planning Commission review.

Issue 11B: Timing of Design Permit Review
Direction: Option 1

Option 1: Maintain existing timing of Architecture and Site Review.

Issue 11C: Composition of Architecture and Site Committee
Direction: Revise committee.

Revise Committee as follows:

- ~~All positions on committee to be either staff or contracted long-term consultant on as-needed basis.~~
- City to contract Architect to review substantial projects. Threshold for "substantial" to be determined.
- City to continue requiring review of historic modifications by contracted Architectural Historian outside of Arch and Site committee.
- Committee to include:
 - Architect (Contracted Consultant) for substantial projects.
 - Landscape Architect (Appointed)
 - Historian (Appointed)
 - Staff Planner, Public Works, and Building representatives.

Issue 13: Planned Development
Direction: Option 2*

Option 2: Reduce or eliminate minimum parcel size requirement and exclude from Single-Family zone.

- Eliminate minimum parcel size requirement.
- Exclude PD from Single-Family zone.

*Note: Planning Commission direction was to eliminate Planned Developments citywide.