

**CAPITOLA CITY COUNCIL CLOSED SESSION  
CLOSED SESSION – 5:45 PM**

**CAPITOLA CITY COUNCIL/SUCCESSOR AGENCY  
TO THE FORMER REDEVELOPMENT AGENCY  
SPECIAL JOINT MEETING  
THURSDAY, JUNE 13, 2013 - 7:00 PM**

**CAPITOLA CITY COUNCIL  
REGULAR MEETING MINUTES  
THURSDAY, JUNE 13, 2013**

**[After the adjournment of the Capitola City Council/Successor Agency  
to the Former Redevelopment Agency]**

**CLOSED SESSION – 5:45 PM  
CITY MANAGER’S OFFICE**

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

Schroedel et al. v. the City of Capitola, the Santa Cruz Superior Court Case No. CV 175684

**CONFERENCE WITH LABOR NEGOTIATOR (Govt. Code §54957.6)**

Negotiator: Lisa Murphy, Administrative Services Director

Employee Organizations:

Capitola Police Officers Association and the Capitola Police Captains

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Govt. Code § 54957)**

City Council’s Performance Evaluation of the City Attorney

**LIABILITY CLAIMS (Govt. Code §54956.95)**

Claimant: Kyle Rupp

Agency claimed against: City of Capitola

**CAPITOLA CITY COUNCIL/SUCCESSOR AGENCY  
TO THE FORMER REDEVELOPMENT AGENCY  
SPECIAL JOINT MEETING - 7:00 PM**

**1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Council Members Dennis Norton, Sam Storey, Ed Bottorff, Michael Termini and Mayor Stephanie Harlan

City Treasurer DeWitt was absent.

**2. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS (none provided)**

### 3. CONSENT CALENDAR

- A. Consider adopting a Resolution approving the proposed 2013/2014 Fiscal Year Budget for the City of Capitola General Fund, the Capitola Successor Agency, and the Capital Improvement Budgets. [330-05/780-30]

Council Member Norton suggested for budgetary purposes renaming references to “Pacific Cove” in order to establish a distinction between the former Pacific Cove Mobile Home Park and for future uses. (Finance Director Hannah responded that staff will arrive at a name to differentiate them).

### ACTION

**Motion made by Council Member Termini, seconded by Council Member Bottorff, to adopt Resolution No. 3959 approving the proposed 2013/2014 Fiscal Year Budget for the City of Capitola General Fund, the Capitola Successor Agency, and the Capital Improvement Budgets. The motion was passed unanimously with Council Member Storey recusing on the portion of the 2013/2014 Fiscal Year Budget regarding the Community Based Health and Human Service Providers Grants.**

### 4. ADDITIONAL MATERIALS (none provided)

### 5. ADJOURNMENT

City Council is adjourned to the next Regular Meeting of the City Council to be held on Thursday, June 27, 2013, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Successor Agency adjourned to the next special meeting of the City of Capitola, as Successor Agency to the former Capitola Redevelopment Agency; date to be determined.

## REGULAR MEETING OF THE CAPITOLA CITY COUNCIL

### 1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Members Dennis Norton, Sam Storey, Ed Bottorff, Michael Termini and Mayor Stephanie Harlan

City Treasurer DeWitt was absent.

### 2. PRESENTATIONS

- A. Proclamation honoring Amateur Radio Week - June 16 thru June 22, 2013. [120-40]

Suellene Petersen, Public Information Officer, representing the University of California Santa Cruz Amateur Radio Club, Santa Cruz Amateur Radio Emergency Service, and the Santa Cruz County Amateur Radio Club, received the proclamation.

### 3. REPORT ON CLOSED SESSION [520-25]

City Attorney Barisone reported that the City Council discussed with Administrative Services Director Murphy the Schroedel et al. v. the City of Capitola existing litigation; there is no settlement at this time; the City will proceed with a Motion for Summary Judgment. Administrative Services Director Murphy (City's labor negotiator) reported on negotiations with the

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Capitola Police Officers Association and the Capitola Police Captains; there was no reportable action. Council provided the City Attorney's performance evaluation; no reportable action. The City Council received a report on the tort claim filed by Kyle Rupp; there was no reportable action (this item is agendaized for the regular meeting this evening). City Attorney Barisone reported on threatened litigation the City received from the Surf and Sand Mobile Home Park's attorney regarding a subdivision request; there was no report action.

### 4. ADDITIONS AND DELETIONS TO AGENDA (none provided)

### 5. PUBLIC COMMENTS

Kathleen Johnson, Director of Advocacy Inc. and representative Human Care Alliance announced that Will O'Sullivan, Capitola's Jurisdictional Chair on the Human Care Alliance, will be retiring. She thanked Mr. O'Sullivan for his excellent service to the City.

Will O'Sullivan, Human Care Alliance, thanked Ms. Johnson for her mentorship and thanked the City Council for their support.

### 6. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

Police Chief Escalante stated that June 15<sup>th</sup> is Elder Abuse Awareness Day.

Council Member Termini stated that the first Capitola Twilight Concert is scheduled for June 19<sup>th</sup>.

Mayor Harlan stated that she will be attending the Leadership Santa Cruz County graduation on June 20<sup>th</sup>. She provided a brief report on the June 13<sup>th</sup> Santa Cruz County Sanitation District Board meeting. In addition, she provided a progress report on various projects in the City.

### 7. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS

- A. Reappointment of four (4) members to the Capitola Historical Museum Board of Trustees. [240-40]

**ACTION** Motion made by Council Member Termini, seconded by Council Member Storey, to reappointment the following four (4) members to the Capitola Historical Museum Board of Trustees: Bob Anderson, Niels Kisling, Thomas McGranahan, and Gordon van Zuiden. The motion was passed unanimously.

### 8. CONSENT CALENDAR

Council Member Norton requested that the following Consent Calendar items be pulled for discussion: Items 8.C.; 8.E.; and 8.F.

Council Member Storey requested that Item 8.G. be pulled for discussion.

- A. Approval of the City Council Minutes of the May 22, 2013 Special Budget Session and the May 23, 2013, Regular City Council meeting.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of June 6, 2013. [740-50]
- C. Consider a liability claim of Kyle Rupp in the amount of \$60.00 and forward to the City's liability insurance carrier. [Claims Binder]

- D. Adoption of **Resolution No. 3957** setting the 2013-2014 Fiscal Year Appropriation Limit pursuant to Article XIII B of the California Constitution. [330-05]
- E. Consider adopting a Resolution of Intention to Levy Business Improvement Assessments for Fiscal Year 2013-2014, which receives the Capitola Village and Wharf Business Improvement Area Annual Report and the proposed Fiscal Year 2013-2014 Budget; sets a public hearing to receive oral or written protests on the levy of assessments for Fiscal Year 2013-2014 for Thursday, June 27, 2013; and directs required noticing of the public hearing by the City Clerk and the Capitola Village and Wharf Business Improvement Area. [140-05]
- F. Consider an agreement with Charter Business to upgrade the City's Wide Area and Internet Connectivity to City facilities in an amount not to exceed \$28,000 and authorize the City Manager to execute the agreement. [500-10 A/C: Charter Business]
- G. Designation of Voting Delegate for the League of California Cities Annual Conference in Sacramento California, from September 18 to 20, 2013. [150-50]
- H. Authorize the Police Department to surplus and sell two police motorcycles: 2007 Harley Davidson Motorcycle and 2007 Harley Davidson Motorcycle. [370-10]

**ACTION**      **Motion made by Council Member Norton, seconded by Council Member Termini, to approve the following Consent Calendar items: Items No. 8.A.; 8.B.; 8.D.; and 8.H. The motion was passed unanimously.**

**THE FOLLOWING CONSENT CALENDAR ITEMS ARE UNDER CONSIDERATION**

- C. Consider denying liability claim of Kyle Rupp in the amount of \$60.00 and forward to the City's liability insurance carrier. [Claims Binder]

**ACTION**      **Motion made by Council Member Norton, seconded by Council Member Storey, to approve paying the liability claim of Kyle Rupp in the amount of \$60.00 and forward to the City's liability insurance carrier. The motion was passed unanimously.**

- E. Consider adopting a Resolution of Intention to Levy Business Improvement Assessments for Fiscal Year 2013-2014, which receives the Capitola Village and Wharf Business Improvement Area Annual Report and the proposed Fiscal Year 2013-2014 Budget; sets a public hearing to receive oral or written protests on the levy of assessments for Fiscal Year 2013-2014 for Thursday, June 27, 2013; and directs required noticing of the public hearing by the City Clerk and the Capitola Village and Wharf Business Improvement Area. [140-05]

Council Member Norton requested that staff provide the following information regarding the Capitola Village and Wharf Business Improvement Area (CVWBIA): (1) Reimbursement procedures and rate of reimbursement; (2) the amount of tax increases in the Village for the past five years; and (3) the amount of increased business in the Village.

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**ACTION**            **Motion made by Council Member Termini, seconded by Council Member Bottorff, to adopt Resolution No. 3958 – Resolution of Intention to Levy Business Improvement Assessments for Fiscal Year 2013-2014, which receives the Capitola Village and Wharf Business Improvement Area Annual Report and the proposed Fiscal Year 2013-2014 Budget; sets a public hearing to receive oral or written protests on the levy of assessments for Fiscal Year 2013-2014 for Thursday, June 27, 2013; and directs required noticing of the public hearing by the City Clerk and the Capitola Village and Wharf Business Improvement Area. The motion was passed unanimously.**

- F.            Consider an agreement with Charter Business to upgrade the City's Wide Area and Internet Connectivity to City facilities in an amount not to exceed \$28,000 and authorize the City Manager to execute the agreement. [500-10 A/C: Charter Business]

Council Member Norton asked if staff sent out a request for proposal for this item.

Information System Specialist Laurent responded that he received quotes from various providers. He stated that there are very few organizations that can provide this type of infrastructure.

**ACTION**            **Motion made by Council Member Termini, seconded by Council Member Bottorff, to enter into a agreement with Charter Business to upgrade the City's Wide Area and Internet Connectivity to City facilities in an amount not to exceed \$28,000, and authorize the City Manager to execute the agreement. The motion was passed unanimously.**

### 9.            **GENERAL GOVERNMENT / PUBLIC HEARINGS**

- A.            Review the Art & Cultural Commissions' recommendation for final approval of the 41st Avenue Median Public Art Project. [1010-10]

Troy Corliss, Artist, provided an update of the 41st Avenue Streetscape Pubic Art Project proposal. This project is to be completed in the fall.

Roy Johnson, Art and Culture Commission (Commission), provided input from the Commission regarding the Streetscape Pubic Art Project (Project). He suggested installing a camera to prevent vandalism of the Project.

**ACTION**            **Motion made by Council Member Termini, seconded by Council Member Norton, to accept the final approval of the 41st Avenue Median Public Art Project. The motion was passed unanimously.**

- B.            Receive presentation regarding the City's updated General Plan Work Plan and Schedule. [740-40]

Community Development Director Grunow provided an overview of the revised Work Plan for the City's General Plan Update.

Council Member Norton requested that staff provide the City Council with a proposed budget timeline to finalize the General Plan Update.

Mayor Harlan requested that the public review period for the draft General Plan be at least eight weeks.

Council Member Storey requested that staff provide the City Council with an example on the Land Use Element for the new proposed streamlined General Plan.

**ACTION**      **Motion made by Council Member Storey, seconded by Council Member Norton, to accept the revised General Plan Work Plan and Schedule; for staff to provide the City Council with a proposed budget timeline to finalize the General Plan Update, and provide an example on the Land Use Element for the new proposed streamlined General Plan. The motion was passed unanimously.**

- C.      Consider updates to the Financial Management Policies and rescind Resolution No. 2683 related to Internal Borrowings. [100-10/340-10]

Finance Director Hannah provided the report on the City's Financial Management Policies.

**ACTION**      **Motion made by Council Member Storey, seconded by Council Member Bottorff, to approve updates to the City's Financial Management Policies and rescind Resolution No. 2683 which relates to internal borrowings. The motion was passed unanimously.**

- D.      Consider an Ordinance adding Chapter 10.38 of the Capitola Municipal Code specifying parking meter rates and zones [1st Reading]. 470-30/740-30]

City Manager Goldstein stated that staff is recommending adding the parking meter language back into the City's Municipal Code (Code), which was removed six months prior from another section of the Code. The new section of Code will be outside the purview of the Coastal Commission, while the old language was contained in a section of the City's Code that required Coastal Commission review to modify.

The only substantive difference between the old section of Code and the new section of Code is that the Lower Pacific Cove lot has been added into the meter zone. The State Vehicle Code requires that parking meters zones and rates be set up by Ordinance.

Council Member Bottorff suggested waiting until August 2013 after the City hears back from the Coastal Commission regarding their decision (Ordinance No. 978) pertaining to parking meter rates and zones. In addition, in September 2013 the City Council will receive the City's Parking and Traffic Committee's recommendation regarding parking time periods and rate increases/decreases in various areas including the lower Pacific Cove property.

Staff clarified that this Ordinance was proposed at this time to ensure that, when the Coastal Commission takes action to remove the old section of Code, the City remains in compliance with the Vehicle Code and meter rates/zones continue to be defined by Ordinance.

**ACTION**      **Motion made by Council Member Norton, seconded by Council Member Bottorff, to introduce the proposed Ordinance adding Chapter 10.38 of the Capitola Municipal Code specifying parking meter rates and zones [1st Reading]. The motion was passed unanimously.**

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**The City Council took separate action on the following Consent Calendar item (Item 8.G.):**

- 8.G. Designation of Voting Delegate for the League of California Cities Annual Conference in Sacramento California, from September 18 to 20, 2013. [150-50]

Council Member Bottorff volunteered to be assigned as the City's an Alternate Voting Delegate should the Mayor be unable to attend the 2013 League of California Cities Annual Conference.

**ACTION Motion made by Council Member Storey, seconded by Council Member Termini, to designate Mayor Harlan as the City's Voting Delegate and Council Member Bottorff as the Alternate Voting Delegate for the League of California Cities Annual Conference in Sacramento California, from September 18 to 20, 2013. The motion was passed unanimously.**

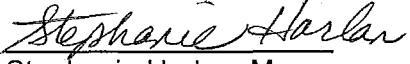
**10. CITY COUNCIL / STAFF COMMENTS**

Council Member Norton suggested that a section be included in all staff reports regarding "Quality of Life Impact." In addition, he stated that he was disappointed that the scheduled July 2013 Special Joint Meeting with the Soquel Union Elementary School District (SUESD) and the City Council was cancelled. He suggested composing a letter to the SUESD Board to present issues.

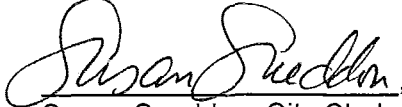
Council Member Goldstein suggested that two Council Members meet with two SUESD Board members to discuss issues such as the Community Center lease with the SUESD; there are maintenance issues and long-term project needs.

**11. ADJOURNMENT**

Mayor Harlan adjourned the meeting at 9:00 PM to the next Regular Meeting of the City Council on Thursday, June 27, 2013, at 7:00 PM, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

  
Stephanie Harlan, Mayor

ATTEST:

 CMC  
Susan Sneddon, City Clerk

**MINUTES WERE UNANIMOUSLY APPROVED ON JULY 11, 2013**