

**CAPITOLA CITY COUNCIL
REGULAR MEETING MINUTES
THURSDAY, MARCH 28, 2013 - 7:00 PM**

**CLOSED SESSION – 6:00 PM
CITY MANAGER’S OFFICE**

Mayor Harlan called the meeting to order at 6:00 PM and announced the items to be discussed in Closed Session, as follows:

CONFERENCE WITH LABOR NEGOTIATOR (Govt. Code §54957.6)

Negotiator: Jamie Goldstein, City Manager
Employee Organizations: Capitola Police Officers Association and
Capitola Police Captains

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

1. City of Capitola et al. v. Lexington Insurance Company [United States District Court, Northern District of California, Case No. 5:12-CV-03428-LHK]
2. Schroedel et al. v. the City of Capitola [Santa Cruz Superior Court, Case No. CV 175684]

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Govt. Code § 54956.8)

Property: McGregor Drive, APN 036-341-02 (City of Capitola, Owner)
City Negotiator: Public Works Director
Negotiating Parties: City and Soquel Creek Water District
Under Negotiation: Real Property Lease/Sale

Mayor Harlan noted that there was no one in the audience; therefore, the City Council recessed at 6:05 p.m. to the City Manager’s Office

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

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

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

2. PRESENTATIONS

- A. Certificate of appreciation to Greg Tedesco who served on the Commission on the Environment. [120-40]
Certificate was received.

3. REPORT ON CLOSED SESSION [520-25]

City Attorney Barisone stated that the City Council received status reports regarding the following closed session items: (1) Capitola Police Officers Association and Capitola Police Captains labor negotiations were provided by Administrative Services Director Murphy (City's labor negotiator); no reportable action; (2) Existing litigation involving City of Capitola et al. v. Lexington Insurance Company; no reportable action; (3) Existing litigation involving Schroedel et al. vs. the City of Capitola; no reportable action; (4) Conference with real property negotiator (Public Works Director Jesberg) related to the City's property located on McGregor Drive (APN 036-341-02); no reportable action.

4. ADDITIONS AND DELETIONS TO AGENDA (None provided)

5. PUBLIC COMMENTS

Pam Greeninger, local resident, complimented Administrative Services Director Murphy for being selected as the 2012 Capitola/Soquel Chamber of Commerce Woman of the Year Award. She also complimented General Plan Coordinator Westman for her excellent work.

Marge Hanson, local resident, complimented the Capitola Police Department for their service to the City.

6. COUNCIL/STAFF ANNOUNCEMENTS

Council Member Storey, City's representative on the Monterey Bay Unified Air Pollution Control District, stated that Assembly Bill 2766 grant applications will be available next month.

Council Member Harlan stated that tickets are available for the April 12th Capitola-Soquel Chamber of Commerce Community Awards Celebration to be held at Best Western Seacliff Inn in Aptos.

7. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS

- A. Consideration of an appointment to the Advisory Council on the Area on Aging. [110-10] **To be continued.**

8. CONSENT CALENDAR

Council Member Termini requested pulling ***Item 8.C.*** for discussion.

- A. Consideration of approving the City Council/Successor Agency Special Joint Meeting Minutes of February 21, 2013.

- B. Approval of City Check Register Reports dated February 22, 2013; March 1, 2013; March 8, 2013; and March 15, 2013. [300-10]
- C. Consideration of an Employment Agreement for the Community Development Director, and authorize the City Manager to execute the agreement. [600-10/500-10 A/C: Grunow, Richard]
- D. Consideration of approving the purchase of one marked command police vehicle in the amount not to exceed \$38,000; and request to surplus two unmarked police vehicles. [370-40/370-10]
- E. Receive the Single Audit Report on Federal Awards for the year ended June 30, 2012; and the Independent Accountant's Report on the Agreed-Upon Procedures applied to the Appropriation Limit Worksheets. [330-05]

ACTION **Motion made by Council Member Termini, seconded by Council Member Norton, to approve the Consent Calendar with the exception of Item 8.C. The motion was passed unanimously.**

The City Council took separate action on the following Consent Calendar item:

- 8.C. Consideration of an Employment Agreement for the Community Development Director, and authorize the City Manager to execute the agreement. [600-10/500-10 A/C: Grunow, Richard]

Council Member Termini asked if the new Community Development Director will be receiving the new CalPERS retirement cap.

City Manager Goldstein confirmed that the Community Development Director will be subject to the City's contribution and employee cost pursuant to the Miscellaneous Employees Memorandum of Understanding (Tier 2 Program).

City Treasurer DeWitt stated concerns regarding the Community Development Director's salary range and benefits.

Gayle Ortiz, local citizen, stated that the Community Development Director position is unique and the City needs someone with the experience to do the job efficiently.

ACTION **Motion made by Council Member Norton, seconded by Council Member Storey, to approve the Employment Agreement for the Community Development Director, and authorize the City Manager to execute the agreement with Richard Grunow. The motion was passed unanimously.**

9. GENERAL GOVERNMENT/PUBLIC HEARINGS

- A. 426 CAPITOLA AVENUE #13-019 APN: 035-141-33
Appeal of the Planning Commission Certification of a Negative Declaration and approval of a Coastal Development Permit, Architectural and Site Review and a Conditional Use Permit for a temporary parking lot in the MHE (Mobile Home Exclusive) Zoning District. This project requires a Coastal Permit which is not appealable to the California Coastal Commission. Environmental Determination: Negative Declaration. Property Owner: City of Capitola, filed: 1/30/13 [730-10]

The following residents provided their support regarding the temporary parking lot:

- Nels Westman, Capitola Traffic and Parking Commissioner
- Molly Ording, Capitola Traffic and Parking Commissioner
- Linda Hanson
- Bob Henry
- Carin Hanna, Capitola Traffic and Parking Commissioner

The following residents stated concerns regarding the temporary parking lot:

- Janet Fogel
- Mark Sullivan
- Ethan Barman, KSCO News Talk Radio
- Ann Spoon
- James Wallace
- Amy Forest
- Kristin Jenson Sullivan
- Chawd DeWitt
- Marlana Dufrane

ACTION Motion made by Council Member Bottorff, seconded by Council Member Termini, to deny the appeal of the Planning Commission Certification of a Negative Declaration and approval of a Coastal Development Permit, Architectural and Site Review and a Conditional Use Permit for a temporary parking lot in the MHE (Mobile Home Exclusive) Zoning District; to certify the Negative Declaration for a temporary parking lot in the MHE (Mobile Home Exclusive) Zoning District. The motion was passed unanimously.

- B. Receive report regarding the Lower Pacific Cove Parking Lot Project; approve project scope and estimate; adopt a Resolution to submit an application for project funding to IBank; authorize staff to refinance existing debt with Santa Cruz County Bank, and authorize advertising for bids. [265-10]

ACTION Motion made by Council Member Bottorff, seconded by Council Member Termini, to approve project scope and estimate; to approve the conditional use permit with the added condition that it be reviewed every 4 years; staff to investigate opportunities for experimental closing the

Espanade; staff shall investigate purchasing additional pay stations to remove all single space meters from the Village and Cliff Drive; staff to look into opportunities for closing the lower parking lot during non-peak periods; staff to review parking fees including the entire Village areas and the parking lot; staff to return back with a plan to consider a Parking District and/or an in lieu fee; authorize staff to refinance existing debt with Santa Cruz County Bank, and authorization to advertise for bids. The motion carried with the following vote: AYES: Council Members Storey, Bottorff, Termini, and Mayor Harlan. NOES: Council Member Norton. ABSENT: None. ABSTAIN: None.

- C. Consideration of a Coastal Plan and Ordinance Amendment to the Capitola Municipal Code Chapter 17.39 amending Sections 17.39.020, 17.39.030, 17.39.040, 17.39.050, 17.39.060 and 17.39.080 of the Capitola Municipal Code and adding Section 17.39.110 to the Capitola Municipal Code pertaining to Planned Development District Regulations. The Planning Commission considered this amendment at the March 7, 2013 meeting and unanimously recommended approval. [740-30]

ACTION Motion made by Council Member Termini, seconded by Council Member Storey, to introduce an Ordinance to amend Sections 17.39.020, 17.39.030, 17.39.040, 17.39.050, 17.39.060 and 17.39.080 of the Capitola Municipal Code and adding Section 17.39.110 pertaining to Planned Development District Regulations. The motion carried unanimously with the following vote: AYES: Council Members Norton, Storey, Bottorff, Termini, and Mayor Harlan. NOES: None. ABSENT: None. ABSTAIN: None.

10. COUNCIL/STAFF COMMUNICATIONS (None provided)

11. CITY COUNCIL/TREASURER COMMENTS/COMMITTEE REPORTS


City Treasurer DeWitt stated that she was impressed with the community turn-out for Items 9.A. and 9.B. She agreed with reviewing parking fees; any increase in fees could go towards the City building a permanent parking structure.

13. ADJOURNMENT

Mayor Harlan adjourned the meeting at 10:00 p.m. to the next Special Meeting of the City Council on Thursday, April 11, 2013, at 7:00 PM, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.


Stephanie Harlan, Mayor

ATTEST:


Susan Sneddon, City Clerk CMC