

**CAPITOLA CITY COUNCIL  
REGULAR MEETING ACTION MINUTES  
THURSDAY, MARCH 14, 2013**

**CLOSED SESSION – 5:30 PM  
CITY MANAGER’S OFFICE**

**CALL TO ORDER**

Mayor Harlan called the meeting to order at 5:30 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)**

City of Capitola, et al. vs. Lexington Insurance Company [United States District Court,  
Northern District of California, Case No. 5:12-CV-03428-LHK].

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

Property: 201 Monterey Avenue, Capitola; APN 035-18-506  
Agency Negotiator: City Manager  
Negotiating Parties: City of Capitola and Jim Reding  
Under Negotiation: Property Negotiations

**CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION**

**Significant Exposure to litigation pursuant to subdivision (b) of Govt. Code §54956.9**

County of Santa Cruz — Property Tax Administrative Fee Dispute.

Mayor Harlan noted that there was no one in the audience; therefore, the City Council recessed at 5:32 PM 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**

Proclamation honoring Janet Glazer, member of the Seniors Council of Santa Cruz & San  
Benito Counties Board of Directors. [120-40]

**Proclamation was received.**

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### 3. REPORT ON CLOSED SESSION

City Attorney Barisone reported that City Manager Goldstein presented real property negotiations in relation to 201 Monterey Avenue, Capitola (APN 035-18-506); the City Council provided direction to not pursue this item. Mr. Barisone advised the City Council about the initiation of litigation between the City and the County of Santa Cruz regarding a Property Tax Administrative Fee Dispute. He stated that the matter has been settled; therefore, Santa Cruz County will be paying the City approximately \$109,000 in property taxes that were withheld prior to the potential lawsuit against the County of Santa Cruz. Mr. Barisone stated that there was no reportable action taken on the remaining items listed on the Closed Session Agenda. [520-25]

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

### 5. PUBLIC COMMENTS

Brian Peoples, Aptos High School Rail-to-Trail Club representative, provided a communication and asked that the City support using a portion of the railroad property which Santa Cruz County Regional Transportation purchased for a bicycle/pedestrian trail.

Michael Lynn, owner of the Bay Bar and Grill, stated that there will be an event this evening at the Bay Bar and Grill to raise funds for David Ariola.

Marilyn Garrett, local resident, opposes wireless technology.

Jane Schwickerath, Board Member of the Advisory Council to the Area Agency on Aging of the Santa Cruz and San Benito Counties, provided the annual Senior Needs Assessment Report.

### 6. COUNCIL/STAFF ANNOUNCEMENTS

Council Member Norton, as the City's representative on the Regional Transportation Commission (RTC) for Santa Cruz County, provided an update. He stated that the RTC is putting \$5 million towards improvements to the railroad trestles along the rail corridor.

Council Member Termini complimented Soquel Creek Water District for notifying customers of potential water leaks.

Mayor Harlan stated she attended the Second Harvest Annual Awards Dinner at Hotel Paradox in Santa Cruz. She encouraged the public to donate to the Baker/Butler Scholarship Fund in memory of Santa Cruz Police Detective Sgt. Loran "Butch" Baker and Detective Elizabeth Butler.

### 7. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS [110-10]

A. Consideration of an appointment to the Advisory Council on the Area on Aging.

**This item was continued.**

**8. CONSENT CALENDAR**

**ACTION** Motion made by Council Member Storey and seconded by Council Member Termini to approve the Consent Calendar. The vote was unanimous.

- A. Consideration of approving the City Council Minutes of the Regular Meetings of January 24, 2013, and February 14, 2013.
- B. Receive Planning Commission Action Minutes for the Regular Meeting of March 7, 2013. [740-50]
- C. Consideration of amending the City's Financial Management Administrative Policy to increase the contingency and emergency reserves to 15% and 10% respectively of general fund budgeted expenditures. [100-10]
- D. Consideration of a project to remove and dispose of mobile home coaches and related debris from the Pacific Cove Mobile Home Park; approval of plans, specifications, and estimate of costs; and authorization for the Public Works Director to advertise for bids, setting the bid opening date for April 10, 2013. [260-10]

**9. GENERAL GOVERNMENT/PUBLIC HEARINGS**

- A. Review of the draft Land Use Element and revised schedule for the City's General Plan Update. [740-40]

Ben Noble, DC&E, provided an update on the draft land-use element.

The following residents provided comments regarding the draft Land Use Element:

Nels Westman  
Earl Skelton  
Lou Fineman  
Ron Graves  
Bruce Arthur  
Molly Ording  
Steve Thomas

Staff received direction from the City Council to simplify "Appendix A – Hotel Guiding Principles."

- B. Discussion regarding City Council Abstentions. [100-10]

There was City Council consensus for staff to bring back to Council for approval a draft policy/procedure regarding City Council Abstentions.

**10. COUNCIL/STAFF COMMUNICATIONS**

None provided.

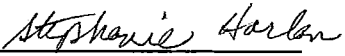
**11. CITY COUNCIL/TREASURER COMMENTS/COMMITTEE REPORTS**

None provided.

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**12. ADJOURNMENT**

Mayor Harlan adjourned the meeting at 10:15 PM to the next Regular Meeting of the City Council on Thursday, March 28, 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 APRIL 11, 2013**