

**CAPITOLA CITY COUNCIL
REGULAR MEETING ACTION SUMMARY
OCTOBER 25, 2012 - 7:00 PM**

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

CALL TO ORDER

Mayor Termini called the meeting to order at 5:30 PM and announced the items to be discussed in Closed Session, as follows:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

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

1. City of Capitola Insurance Coverage Claim Against Lexington Insurance (Noble Gulch pipe failure);
2. Santa Cruz County regarding the Noble Gulch pipe failure;
3. Pacific Cove Mobile Home Park closure.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR Govt. Code § 54956.8

Property: City of Capitola Gym, 250 Washburn Avenue, Capitola; APN 036-101-37; (City of Capitola, Owner)

City Negotiator: City Manager

Negotiating Parties: City of Capitola and Soquel Union Elementary School District
Under Negotiation: Real Property Lease/Sale

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

1. Kevin Calvert, D.D.S. and Pamela Calvert vs. City of Capitola, et al. [Superior Court of the State of California for County of Santa Cruz, Case #CV 172804];
2. Katie Saldana vs. City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 172324];
3. Foremost Insurance Company vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 173228];
4. Truck Insurance vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV173071];
5. David Ross; Carousel Taffy Morro Bay, Inc.; Village Mouse dba; The Thomas Kinkadee Gallery Capitola; Judith Ferro vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 173642];
6. American Alternative Insurance Corporation; Central Fire Protection District of Santa Cruz County vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV173926];
7. California Capital Insurance Company [Superior Court of the State of California for the County of Santa Cruz, Case #CV173552];
8. Trustees of the John T. Kawahara and Barbara J. Kawahara Revocable Trust [Superior Court of the State of California for the County of Santa Cruz, Case #CV175216].

Mayor Termini noted that there was no one in the audience; therefore, the City Council recessed at 5:35 p.m. to the City Manager’s Office.

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

1. ROLL CALL

PRESENT: Council Members Harlan, Norton, Kirby Nicol, Storey, and Mayor Termini
 ABSENT: None

2. PRESENTATIONS

- A. Mayor's Proclamation honoring Senator Joe Simitian for his exceptional contributions as a member of the California State Senate. [120-40]
 Mayor Termini read the proclamation.

3. REPORT ON CLOSED SESSION

Assistant City Attorney Paterno announced that no reportable action was taken during the special and regular closed session. [520-25]

4. ADDITIONS AND DELETIONS TO AGENDA (None provided)

5. PUBLIC COMMENTS (None provided)

6. COUNCIL/STAFF ANNOUNCEMENTS

Council Member Nicol stated that on Saturday, November 17, 2012, from 11:30 AM until 12 (Noon), the Iowa Pacific train will come through Capitola on the 32-mile railroad line.

Mayor Termini requested that staff provide the City Council a report showing which members of the City's Commission on the Environment (COE) attend the COE meetings and which seat each is assigned to.

7. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS (None provided)

ALL MATTERS LISTED ON THE REGULAR MEETING OF THE CAPITOLA CITY COUNCIL AGENDA SHALL BE CONSIDERED AS PUBLIC HEARINGS.

8. CONSENT CALENDAR

ACTION Motion made by Council Member Nicol and seconded by Council Member Storey to approve Items 8.A., 8.B., 8.C., 8.D., and 8.E.

- A. Consideration of approving the City Council Minutes of the Regular Meeting of July 26, 2012.
- B. Approval of City Check Register Reports dated September 21, 2012; September 26, 2012; October 5, 2012; and October 12, 2012. [300-10]
- C. Consideration of the Notice of Completion for the 2012 Slurry Seal Project. [940-60/500-10 A/C: Graham Contractors, Inc.]
- D. Adoption of Resolution No. 3937 accepting the remaining funds from the U.S. Department of Justice COPS Hiring Recovery Grant Program and amending the Fiscal Year 2012/13 General Fund Budget increasing revenues by \$10,774. [330-10/390-25]
- E. Adoption of Resolution No. 3938 accepting Office of Traffic Safety (OTS) Grant funds to administer Santa Cruz County Avoid the Nine DUI Enforcement Funds and amending the Fiscal Year 2012/13 General Fund Budget increasing revenues and expenditures by \$80,000. [490-20/330-10]

9. GENERAL GOVERNMENT/PUBLIC HEARINGS

- A. THIS PUBLIC HEARING IS RECOMMENDED FOR CONTINUANCE
1575 38th Avenue (#12-028; APN 034-181-17)
Planning Development Rezoning, Conditional Use Permit, and Design to demolish a commercial salvage yard (Capitola Freight and Salvage) and construct a three-story, 23-unit residential senior housing project in the CN (Neighborhood Commercial) Zoning District. Environmental Determination: Mitigated Negative Declaration Property Owner: Maureen A. Romac, filed 3/2/12; Representative: Steve Thomas. [730-10]

ACTION Motion made by Council Member Harlan and seconded by Council Member Storey to continue this item.

- B. Receive report regarding year-end cash flow requirements. [330-05]

ACTION City Council received the report.

- C. Receive report regarding the General Plan Maintenance Fee [390-40/740-40]

ACTION City Council received the report.

- D. Receive report on elected officials' enrollment in California Public Employee Retirement System (PERS). [630/10/500-10 A/C: PERS Retirement]
Peter Pethoe, Santa Cruz Hostel, commented on his retirement experience.
Glenn Hanna provided information regarding local and similar cities retirement systems. He stated his concerns regarding the City Council being enrolled in PERS.

ACTION City Council received the report.

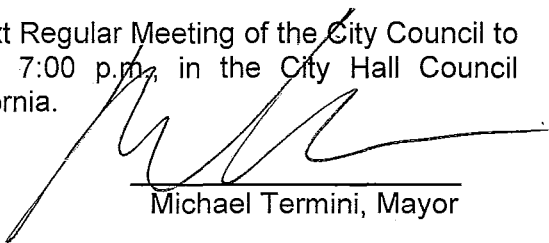
- E. Consideration of a Resolution to support Mayor Michael Termini's candidacy to the California Coastal Commission. [430-10]

ACTION Motion made by Council Member Nicol and seconded by Council Member Norton to adopt Resolution No. 3939 supporting Mayor Michael Termini's candidacy to the California Coastal Commission. The motion carried unanimously with the following vote: AYES: Council Members Harlan, Norton, Nicol, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None

10. COUNCIL/STAFF COMMUNICATIONS (None provided)

11. ADJOURNMENT

Mayor Termini adjourned at 8:10 p.m. to the next Regular Meeting of the City Council to be held on Thursday, November 8, 2012, at 7:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Michael Termini, Mayor

ATTEST:



Liz Nichols, Deputy City Clerk