

**CITY OF CAPITOLA  
CITY COUNCIL****April 12, 2012  
Capitola, California****MINUTES OF A REGULAR MEETING****5:30 P.M. — CLOSED SESSION — CITY MANAGER'S OFFICE****CALL TO ORDER**

At 5:30 p.m. in the City Hall Council Chambers, **Mayor Termini** noted that all Council Members were present. Mayor Termini made an announcement regarding 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 GC §54956.9:

Three cases:

1. City of Capitola Insurance Coverage Claim Against Lexington Insurance (Noble Gulch Storm Drain Failure);
2. Pacific Cove Mobile Home Park Pipe Failure and Closure;
3. Larson vs. City of Capitola.

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Govt. Code §54956.9)

1. Kevin Calvert, D.D.S. and Pamela Calvert vs. the City of Capitola, et al. [Superior Court of the State of California for County of Santa Cruz, Case #CV 172804];
2. Katie Saldana vs. the 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 #CV173228];
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 Kinkade 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 #CV173642].

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

Negotiator: Jamie Goldstein, City Manager

Employee Organizations: Association of Capitola Employees, Capitola Police Captains, Capitola Police Officers Association, Confidential Employees, Mid-Management Group, and Department Head Group.

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

Claimant: John Kawahara

Agency claimed against: City of Capitola

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

## 7:00 P.M. – OPEN SESSION

## REGULAR MEETING OF THE CAPITOLA CITY COUNCIL

## CALL TO ORDER

**Mayor Termini** called the Regular Meeting of the Capitola City Council to order at 7:00 p.m. on Thursday, April 12, 2012, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

## 1. ROLL CALL AND PLEDGE OF ALLEGIANCE:

**PRESENT:** Council Members Stephanie Harlan, Dennis Norton, Kirby Nicol, Sam Storey, and Mayor Michael Termini

**ABSENT:** None

**OTHERS:** City Treasurer Jacques Bertrand

**STAFF:** City Manager Jamie Goldstein, City Attorney John Barisone, Public Works Director Steve Jesberg, Finance Director Tori Hannah, Police Chief Ruby Escalante, and City Clerk Susan Sneddon

## 2. PRESENTATIONS:

## A. Mayor's Proclamation designating April 2012 as "National Poetry Month." [120-40]

**Michelle Williams, Cultural Council of Santa Cruz County Executive Director**, introduced Santa Cruz County Poet Laureate David Swanger.

**Mayor Termini** read the Proclamation designating April 2012 as "National Poetry Month."

**David Swanger, Santa Cruz County Poet Laureate**, read three poems.

## B. Presentation by Karen Delaney, Executive Director of the Volunteer Center of Santa Cruz. [330-30]

**Karen Delaney, Executive Director of the Volunteer Center of Santa Cruz**, provided information regarding the various volunteer programs that the Volunteer Center of Santa Cruz provides to the community and other non-profit agencies.

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

**City Attorney Barisone** stated that items the City Council discussed are the items listed on the April 12, 2012, Closed Session Agenda; the Council received a brief status report from the City Attorney and the City Manager concerning a City of Capitola Insurance coverage claim against Lexington Insurance and the Pacific Cove Mobilehome pipe failure and park closure; however, the Council took no reportable action. **City Attorney Barisone** stated that the Council received a status report regarding various existing litigation against the City

## 3. REPORT ON CLOSED SESSION (continued)

arising out of the March 2012 flood event; however, the Council took no reportable action. He stated that the Council received a status report from the City Manager and the Administrative Services Director regarding Larson vs. the City of Capitola on administrative proceedings in an Equal Employment Opportunity Commission employment-related matter. **Mr. Barisone** stated that the Council briefly discussed the Kevin Calvert, D.D.S. and Pamela Calvert vs. City of Capitola, et al. but took no reportable action. He stated that the City Council received a status report from the City Manager, the City's labor negotiator, regarding the following employee bargaining organizations: (1) Association of Capitola Employees; (2) Capitola Police Captains; (3) Capitola Police Officers Association; (4) Confidential Employees; (5) Mid-Management Group; and (6) Department Head Group; the Council took no reportable action. **Mr. Barisone** stated that the labor negotiator took instruction from the Council with regard to ongoing negotiations. He also noted that the Council did not discuss the liability claim regarding claimant John Kawahara.

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

## 5. PUBLIC COMMENTS

**Melvin "Red" Malone, resident of the Bay Avenue Senior Apartments,** stated concerns regarding parking at the Bay View Senior Apartments.

**Rich Didday, Capitola Village Residence Association member,** announced the April 14th Annual citywide garage sale.

**Marilyn Garrett** stated her concerns regarding SmartMeters.

An unidentified woman stated that a dog was struck by a vehicle on Gilroy Drive; he suggested that a four-way stop be placed at the Oak Street and Beverly Avenue intersection to help reduce the traffic speed in the area.

## 6. COUNCIL/STAFF ANNOUNCEMENTS

**Council Member Norton** requested agendaing an item on a future Council meeting to consider placing a stop sign at the Oak Street and Beverly Avenue intersection. He also suggested having a 15 MPH speed limit sign on Riverview Terrace.

**Carol Predy** stated her concerns regarding SmartMeters.

**Council Member Norton** announced that April 22<sup>nd</sup> is Earth Day; he noted that the County has a plastic bag ban in supermarkets, and local businesses have been requested to discontinue using plastic bags for customer purchases in exchange for paper bags or to encourage customers to bring their own reusable bags.

**Council Member Harlan** stated that volunteers are needed for the Coastal Watershed Council's 12th Annual Central Coast Regional Snapshot Day Event to be held on May 7<sup>th</sup> from 9 a.m. to 1 p.m. She reported on the following from the April 11 Association of Monterey Bay Area Governments (AMBAG) Board of Directors' meeting: (1) the proposed Fiscal Year 2011/2012 Budget Amendment; and (2) the Monterey Bay Region Overall Work Program for Fiscal Year 2012/2013.

**7. COMMITTEE APPOINTMENTS (none)**

**8. CONSENT CALENDAR**

- A. Consideration to deny liability claims of John Kawahara, in the amounts of \$18,400 and \$15,000 and forward them to the City's liability insurance carrier. [Claims Binder]**
- B. Approve City Council Minutes of the Regular Meeting of February 23, 2012.**
- C. Adoption of Ordinance No. 966 amending Title 3 Section 20.050 of the Capitola Municipal Code pertaining to budget transfers and budget amendments [2nd Reading]. [330-10/570-10]**
- D. Adoption of Ordinance No. 967 amending Title 17 of the Capitola Municipal Code to modify the parking standards for single room occupancy, and adoption of Ordinance No. 968 amending the Industrial Zone regulations to allow an emergency shelter [2nd Reading]. [730-85/570-10]**
- E. Receive the California Public Employees Retirement System Annual Actuarial Valuation Reports as of June 30, 2010. [630-10]**
- F. Consideration of approving a Policy for Financial Management of Federal Grant Funds and Policy for Construction/Renovation Project Change Orders for Projects Funded by Federal Grants. [100-10/390-25]**
- G. Receive Planning Commission Action Minutes for the Regular Meeting of April 5, 2012. [740-50]**
- H. Adoption of Resolution No. 3913 acknowledging the Rispin (APN 035-371-01; 035-371-02) as an asset of the Successor Agency to the former Capitola Redevelopment Agency. [780-30/810-10]**

***Motion by Council Member Nicol, seconded by Council Member Storey, to approve the Consent Calendar. The motion was unanimously carried.***

**9. GENERAL GOVERNMENT/PUBLIC HEARINGS**

- A. Discussion regarding amending the City of Capitola Municipal Code to allow dogs on Capitola Beach. [400-10]**

**Public Works Director Jesberg** introduced this item. He asked if Council wants to amend the Capitola Municipal Code removing the prohibition of dogs on the beach.

9. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

**Mayor Termini** opened this item for public comment.

The following members of the public spoke in favor of allowing dogs on Capitola Beach.

Sandi Pensinger, Capitola resident and dog trainer;  
Aaron, Soquel resident;  
Maria Martorella, Capitola resident;  
JoAnn Gibson;  
Bonnie Vote, Scotts Valley resident;  
Mathew, Scotts Valley resident;  
Anne Mia, Santa Cruz resident;  
Pam Martinez, Canine Promendades;  
Marge Hanson, Capitola resident;  
Elaine Rolfes, Capitola resident;  
Niels Kisling, Capitola resident;  
Philip Esley, Santa Cruz resident;  
Bob Coachalova, Santa Cruz resident.

The following members of the public spoke against of allowing dogs on Capitola Beach.

Grant Weslan, Santa Cruz resident;  
Denise Ericson, Capitola Volunteer and Wildlife Rehabilitator for the State of California (provided a handout to City Council);  
Robert Holt, Capitola resident;  
Shawn Butchco, Santa Cruz resident;  
Georgina Monahan, Santa Cruz (provided a handout to City Council);  
Janice Ahlf, Capitola resident;  
Bob Edgren, Capitola resident;  
Bob Henry, Capitola resident.

**Mayor Termini** closed this item for public comment.

**Council Member Storey** stated that it is not suitable to allow dogs on Capitola Beach due to its size and the number of children playing on the beach. He stated that it would be difficult to enforce allowing dogs on certain sections or times on the beach.

## 9. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

**City Council discussion ensued regarding this item.**

**Council Member Harlan** suggested addressing the need for a future city dog park as part of the Fiscal Year 2012/2013 budget.

**ACTION: No action was taken.**

**City Council took a five-minute break.**

- B. Consideration of approving a three-year sole-source contract with D.W. Alley & Associates for of approving a three-year sole-source contract with D.W. Alley monitoring of Soquel Creek and authorize the City Manager to execute the agreement. [450-10/500-10 A/C: D.W. Alley & Associates]**

**Public Works Director Jesberg** introduced this item regarding monitoring Soquel Creek, as mandated under the City's permits from California State Fish and Game and other agencies for annual lagoon closure and beach grading. He stated that staff is proposing to renew a contract with D.W. Alley and Associates to provide fish and wildlife monitoring services.

**ACTION: Motion by Council Member Harlan, seconded by Council Member Nicol, to approve a three-year sole-source contract with D.W. Alley & Associates for fish and wildlife monitoring of Soquel Creek and authorize the City Manager to execute the agreement. The motion carried unanimously with the following vote: AYES: Council Members Harlan, Norton, Nicol, Storey, and Mayor Termini. NOES: None. ABSENT: None. ABSTAIN: None.**

- C. Consideration of a Resolution approving the form and authorizing the execution of the Restated and Amended Use Agreement between the Santa Cruz Consolidated Emergency Communications Center Joint Powers Agreement and the City, and authorize the City Manager to execute the agreement. [420-30/500-10 A/C: Santa Cruz Consolidated Emergency Communications Center]**

**City Manager Goldstein** introduced this item. He stated that the agreement with Santa Cruz Consolidated Emergency Center Joint Powers Authority (JPA) provides the opportunity to refinance the JPA 2002 Lease Revenue Bonds at a lower interest rate and obtain funds for facility expansion and equipment and to take out \$1.2 million in additional funding (\$200,000 would be used to purchase long-term equipment for dispatch; \$1 million would be used to buyout the County's lease for the Emergency Operation Center space and to provide for possible future regional cooperative efforts).

**Mayor Termini** stated that it appears that the City is paying a disproportionate share for the Santa Cruz Consolidated Emergency Communications Center.

## 9. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

**Santa Cruz Regional 9-1-1 Acting Assistant General Manager Kidd** provided the following actual cost sharing percentages: Santa Cruz County's is just below 32%, City of Capitola is just over 9%, City of Santa Cruz is 26.3%, City of Watsonville is 18.2%, Central Fire Protection District of Santa Cruz County is 5.4%, and American Medical Response is approximately 9%.

**Council Member Storey** stated that he would like to see more detail regarding the \$200,000 for new equipment and how it would benefit the City.

**Santa Cruz Regional 9-1-1 Acting Assistant General Manager Kidd** explained that Santa Cruz Metro Records were established when the three-city law enforcement agencies requested that Santa Cruz Regional 9-1-1 assume the responsibility of managing their record system; the \$200,000 is for the Santa Cruz Metro Records' equipment fund.

**Mayor Termini** asked if by San Benito County and the City of Hollister joining the Santa Cruz Consolidated Communications Center (NetCom) if there has been an increase in response time. (**Santa Cruz Regional 9-1-1 Acting Assistant General Manager Kidd** responded that there has been no change in response time).

**Police Chief Escalante** stated that NetCom's response is efficient, and they provide medical dispatch and facilitate collaboration between the various law enforcement agencies.

**City Council discussion ensued regarding this item.**

**Mayor Termini** opened this item for public comment.

No public comment.

**Mayor Termini** closed this item for public comment.

***ACTION: Motion by Council Member Storey, seconded by Council Member Harlan, to adopt Resolution No. 3914 approving the form and authorizing the execution of the Restated and Amended Use Agreement between the Santa Cruz Consolidated Emergency Communications Center Joint Powers Agreement and the City and authorize the City Manager to execute the agreement. 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

A. Staff Comments (none provided)

B. City Council/Treasurer Comments/Committee Report (None provided)

**Mayor Termini** stated that the Barrios Unidos Prison Art Exhibition, entitled "Art from the Inside", will be displayed in the Capitola Police Department lobby and in the City Council Chambers. He stated that as the City's representative on the Capitola Oversight Board for the Successor Agency, he has requested staff to agendize a discussion regarding the Rispin property disposition.


**Council Member Storey** requested that proper noticing be provided to those who own property adjacent to the Rispin property.

**Council Member Norton** stated that the Capitola-Soquel Chamber of Commerce will be holding it's annual Community Awards Banquet on April 13; City Manager Goldstein will be receiving the "Man of the Year" award.

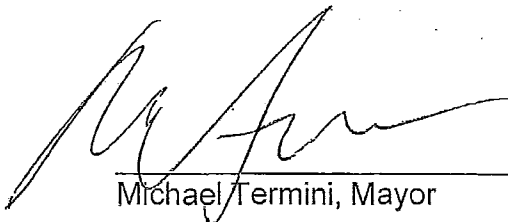
## 11. ADJOURNMENT

At 9:53 p.m. **Mayor Termini** adjourned to the next Regular Meeting of the City Council to be held on Thursday, April 26, 2012, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ATTEST:

  
Susan Sneddon, City Clerk

CMC

  
Michael Termini, Mayor

MINUTES WERE UNANIMOUSLY APPROVED ON MAY 10, 2012