



**AGENDA COVER**  
Regular Joint Meeting of the  
**CAPITOLA CITY COUNCIL/  
REDEVELOPMENT AGENCY**  
MEETING DATE: THURSDAY, SEPTEMBER 22, 2011

CITY COUNCIL CHAMBERS: 420 CAPITOLA AVENUE, CAPITOLA

**CLOSED SESSION**  
**REGULAR JOINT MEETING**

**5:30 P.M.**  
**7:00 P.M.**

*Elected Officials*

*Dennis Norton, Mayor*  
*Michael Termini, Vice Mayor*  
*Stephanie Harlan, Council Member*  
*Kirby Nicol, Council Member*  
*Sam Storey, Council Member*  
  
*Jacques Bertrand, City Treasurer*

*City Staff Members*

*Jamie Goldstein, City Manager*  
*John G. Barisone, City Attorney*  
*Pamela Greeninger, City Clerk*  
*Mike Card, Chief of Police*  
*Derek Johnson,*  
*Community Development Director*  
*Steven Jesberg, Public Works Director*  
*Lisa Murphy,*  
*Administrative Services Director*

**Notice regarding City Council/Redevelopment Agency Meetings:** The Capitola City Council and Redevelopment Agency meet jointly on the 2nd and 4th Thursday of each month at 7:00 p.m., in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

**Agenda and Agenda Packet Materials:** The City Council/Redevelopment Agency Agenda and the complete agenda packet are available on the Internet at the City's website: [www.ci.capitola.ca.us](http://www.ci.capitola.ca.us). Agendas are also available at the Capitola Post Office located at 826 Bay Avenue, Capitola.

**Agenda Document Review:** The complete agenda packet is available at City Hall and at the Capitola Branch Library, 2005 Wharf Road, Capitola, on the Monday prior to the Thursday meeting. Need more information? Contact the City Clerk's office at 831-475-7300.

**Agenda Materials Distributed after Distribution of the Agenda Packet:** Pursuant to Government Code §54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, California, during normal business hours.

**Americans with Disabilities Act:** Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk's office at least 24-hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

**Televised Meetings:** City Council/Redevelopment Agency meetings are cablecast "Live" on Charter Communications Cable TV Channel 8 and are recorded to be replayed at 12:00 Noon on the Saturday following the meetings on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings are streamed "Live" on the City's website at [www.ci.capitola.ca.us](http://www.ci.capitola.ca.us) by clicking on the Home Page link "View Capitola Meeting Live On-Line." Archived meetings can be viewed from the website at anytime.

**It is the intent of the City Council to adjourn by 11:30 p.m.**



# AGENDA

## Regular Joint Meeting of the CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY Thursday, September 22, 2011

### 5:30 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE

An announcement regarding the items to be discussed in Closed Session will be made in the City Hall Council Chambers prior to the Closed Session. Members of the public may, at this time, address the City Council/Redevelopment Agency Directors on closed session items only.

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION** (Govt. Code §54956.9a)  
Surf and Sand, LLC, vs. City of Capitola, et al. (Surf & Sand Mobile Home Park) [Superior Court of the State of California for County of Santa Cruz, Case #CV 167716]

Surf and Sand, LLC, vs. City of Capitola, et al. (Surf & Sand Mobile Home Park) [U.S. District Court N.D., Case No. C09-05542 RS (Judge Richard Seeborg)]

Bill Newman, et al. (residents of Surf & Sand Mobile Home Park) vs. Surf and Sand, LLC, Ronald Reed, et al. [Superior Court County of Santa Cruz, Unlimited Jurisdiction, Case No. CV 171783]

Surf and Sand, LLC; Ronald Reed, Cross-Complainants vs. City of Capitola [Superior Court County of Santa Cruz, Unlimited Jurisdiction, Case No. CV 171783]

### CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9:  
One Case – Noble Gulch Storm Drain Failure in Pacific Cove Mobile Home Park

### PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code §54957)

Title: City Manager

### CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Govt. Code §54956.8)

Property: McGregor Drive, APN 36-341-02 (City of Capitola, Owner)

City Negotiator: City Manager

Negotiating Parties: City and Soquel Creek Water District

Under Negotiation: Real Property Lease/Sale

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

Claimant: Farmers Insurance Exchange; subrogee of Babette Beyer and Rainbow City Limits

Claimant: Mid-Century Insurance Company; subrogee of Panache Bath & Body Shop

Claimant: California Capital Insurance Company; subrogee of Stacey Basile, et al.

Claimant: Capitola Associates, LLC

Agency claimed against: City of Capitola

**7:00 P.M. - REGULAR JOINT MEETING  
OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY**

**ROLL CALL AND PLEDGE OF ALLEGIANCE**

Council Members/Directors Harlan, Termini, Nicol, Storey,  
and Mayor/Chairperson Norton

**\* \* \* PRESENTATIONS \* \* \***

Mayor's Proclamation proclaiming  
October 1 to November 3, 2011 as "The Big Read Month"

Presentation by Brenda Moss, Executive Director of  
Senior Network Services

Presentation by Laura Kasa, Executive Director of  
Save Our Shores

**1. REPORT ON CLOSED SESSION**

**2. ORAL COMMUNICATIONS**

A. Additions and Deletions to Agenda

B. Public Comments

*Oral Communications allows time for members of the Public to address the City Council/Redevelopment Agency on any item not on the Agenda. Presentations will be limited to three minutes per speaker. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and will not be permitted to engage in dialogue. All speakers are requested to print their name on the sign-in sheet located at the podium so that their name may be accurately recorded in the minutes. A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.*

C. Staff Comments

D. City Council/RDA Director/Treasurer Comments/Committee Reports

*City Council Members/Redevelopment Agency Directors/City Treasurer may comment on matters of a general nature or identify issues for staff response or future council/RDA consideration. Council Members/RDA Directors/Committee Representatives may present oral updates from standing committees at this time.*

E. Committee Appointments

*Council Members/RDA Directors/Committee Representatives may present oral updates from standing committees at this time. Committee appointments may also be made by the City Council/Redevelopment Agency at this time.*

F. Approval of Check Register Reports

- 1) City: Approval of City Check Register Reports dated August 19 and August 26, 2011.
- 2) RDA: No Report.

**3. CONSENT CALENDAR**

*All matters listed under "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Council votes on the action unless members of the public or the City Council/Redevelopment Agency request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following "Other Business."*

- A. Approve Reading by Title of all Ordinances and Resolutions and declare that said Titles which appear on the Public Agenda shall be determined to have been read by Title and Further Reading Waived.
- B. City/RDA: Approve Minutes of the Regular Joint Meeting of the City Council/Redevelopment Agency of September 8, 2011.
- C. City Treasurer's Report for the month ended August 31, 2011 (Unaudited).
- D. Accept update report on the Rispin Property Hazard Abatement Project and, by 4/5 vote approval, make the determination that all hazards at the Rispin Property have not been eliminated and there is need to continue action.
- E. Approve First Amendment to the Cooperative Agreement with Barry Swenson Builder for Village Hotel Planning, and adopt Resolution amending the FY2011-12 budget to accept \$30,000 in funds and to increase the General Plan Maintenance Fund Revenues and Expenditures by \$30,000.
- F. Deny liability claims and forward to the City's liability insurance carrier.
  - 1) Farmers Insurance Exchange; subrogee of Babette Beyer and Rainbow City Limits: \$6,409.89
  - 2) Mid-Century Insurance Company; subrogee of Panache Bath & Body Shop: \$12,682.23
  - 3) California Capital Insurance Company; subrogee of Stacey Basile, et al.: \$250,000.00
  - 4) Capitola Associates, LLC: \$541,724.72

### 3. CONSENT CALENDAR (Continued)

- G. City/RDA: Adopt Uncodified Ordinance of the City of Capitola Determining it will Comply with the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in Order to Permit the Continued Existence and Operation of the Redevelopment Agency of the City of Capitola [2<sup>nd</sup> Reading], and adopt the necessary City Council and Redevelopment Agency Resolutions approving various agreements required to implement the State's voluntary Alternative Redevelopment Program established as part of the State's FY2011-12 Budget.
- H. Approve a three-year contract with Ed Morrison for Public Works Inspection Services in an amount not to exceed \$30,000 per year, effective January 1, 2012.

### 4. PUBLIC HEARINGS

*Public Hearings are intended to provide an opportunity for public discussion of each item listed as a Public Hearing. The following procedure is followed for each Public Hearing listed: 1) Staff Explanation; 2) Public Discussion; 3) Council Comments; 4) Close public portion of the Hearing; 5) City Council discussion; and 6) Decision.*

NOTE: Any person seeking to challenge a City Council decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that court action within ninety (90) days following the date on which the decision becomes final as provided in Code of Civil Procedure §1094.6. Please refer to code of Civil Procedure §1094.6 to determine how to calculate when a decision becomes "final." Please be advised that in most instances the decision become "final" upon the City Council's announcement of its decision at the completion of the public hearing. Failure to comply with this 90-day rule will preclude any person from challenging the City Council decision in court.

- A. Public Hearing to discuss possible Skate Park Locations and Options. Presentation: Public Works Department.

### 5. OTHER BUSINESS

- A. Environmentally Acceptable Packaging Materials: Ordinance Amending Sections 8.36.010, 8.36.020, 8.36.030, 8.36.040, 8.36.050, 8.36.060 and 8.36.070 of the Capitola Municipal Code pertaining to the use of Polystyrene Foam and Biodegradable and Compostable Disposable Food Service Ware [1st Reading]. Staff recommendation: adopt ordinance.

## 5. OTHER BUSINESS (Continued)

- B. Report on Implementation of the Parking Pay Stations in Capitola Village. Staff recommendation: receive report.
- C. Adopt Resolution Accepting the State of California CDBG Disaster Recovery Initiative Grant in the amount of \$250,000 and amending the FY2011-12 budget accordingly, and approve the following agreements associated with the expenditure of the grant funds:
  - 1) RBF Consulting in the amount of \$93,450 to prepare a Local Hazard Mitigation Plan;
  - 2) Amendment to agreement with Design, Community & Environment (DCE) in the amount of \$68,500 for expanded portions of the Safety Element; and
  - 3) Amendment to the agreement with consultant Carolyn Flynn in the amount of \$37,500 for project management, grant administration and reporting.
- D. Professional Services Agreement with William Statler for Interim Finance Director. Staff recommendation: approve agreement with William Statler, and adopt Resolution Amending the FY2011-2012 budget in the amount of \$30,000.

*AT THIS POINT, ITEMS REMOVED FROM CONSENT CALENDAR WILL BE CONSIDERED*

## 6. COUNCIL/RDA DIRECTOR/STAFF COMMUNICATIONS

## 7. ADJOURNMENT

Adjourn to a Special Joint Study Session with the Finance Advisory Committee on Wednesday, October 12, 2011, at 6:00 p.m., and then to the next Regular Joint Meeting of the City Council/Redevelopment Agency to be held on Thursday, October 13, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.