

**CITY OF CAPITOLA  
CITY COUNCIL/REDEVELOPMENT AGENCY**

January 13, 2011  
Capitola, California

**MINUTES OF A REGULAR JOINT MEETING**

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

At 5:32 p.m. in the City Hall Council Chambers, Mayor/Chairperson Norton noted that all City Council Members/Redevelopment Agency Directors were present. He made an announcement regarding the items to be discussed in Closed Session, as follows:

**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)]

Los Altos/El Granada Investors vs. City of Capitola, et al. (Castle Mobile Estates)  
[U.S. District Court N.D., Case No. CV 04-05138 JF (Judge Jeremy Fogel)]

Vieira Enterprises, Inc. vs. City of Capitola (Cabrillo Mobile Estates)

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9:  
One Case: Vieira Enterprises, Inc. vs. City of Capitola (Cabrillo Mobile Estates)  
*The City is in receipt of a December 30, 2010, Fair Return rent increase application for Cabrillo Mobilehome Park, which claims that if it is not granted in its entirety, the City will be liable for the unconstitutional taking of Mr. Vieira's property and further claims that the City's past enforcement of its rent control ordinance has already functioned to effect such a taking.*

Mayor/Chairperson Norton noted there was no one in the audience; therefore, the City Council/Redevelopment Agency recessed at 5:33 p.m. to the Closed Session in the City Manager's Office.

**REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY**

Mayor/Chairperson Norton called the Regular Joint Meeting of the Capitola City Council/Redevelopment Agency to order at 7:05 p.m. on Thursday, January 13, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

**ROLL CALL AND PLEDGE OF ALLEGIANCE**

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

**ABSENT:** None

**OTHERS:** City Treasurer Jacques Bertrand and Redevelopment Agency Treasurer Debbie Johnson

**STAFF:** City Manager/Executive Director Jamie Goldstein, City Attorney/General Counsel John G. Barisone, Community Development Director/Deputy Executive Director Derek Johnson, Public Works Director Steve Jesberg, Police Captain Tom Held, Assistant to the City Manager Lisa Murphy, and City Clerk/Secretary Pamela Greeninger

**\* \* \* PRESENTATIONS \* \* \*****Proclamation for National Blood Donor Month – January 2011  
to Donor Recruitment Account Manager Patti Childress  
of the American Red Cross [120-40]**

Mayor Norton read and presented the Proclamation designating January 2011 as National Blood Donor Month to Patti Childress of the American Red Cross. Ms. Childress thanked the Mayor and responded to questions of council members regarding the use of blood in our area. She announced that the third annual City of Capitola blood drive will be held on Wednesday, June 1<sup>st</sup>, at Jade Street Community Center.

**Presentation by Catherine Patterson-Valdez, Program Director  
from Community Bridges – Lift Line Program [330-30]****Presentation by Lisa Berkowitz, Program Director  
from Community Bridges - Meals on Wheels [330-30]**

Lisa Berkowitz and Catherine Patterson-Valdez provided an overview of the various services provided by Community Bridges to the residents of Capitola, specifically the Meals on Wheels and the Lift Line Programs. They shared an audio recording from a Meals on Wheels volunteer and responded to questions of council members.

Council Member Storey said he is intimately aware of the services provided by these programs in our community, and he thanked them for the service they provide.

**Recognition of Ron Burke for his service on the  
Capitola Planning Commission from December 2006 to December 2010 [740-50/120-40]**

Mayor Norton presented Ron Burke with a Certificate of Appreciation for his service on the Capitola Planning Commission from December 2006 to December 2010 as former Council Member Robert Begun's appointment. Mayor Norton said Ron has been extremely dedicated to the city; he also noted that Ron has served as the Planning Commission's representative to the Capitola Commission on the Environment and to the Traffic & Parking Commission.

Ron Burke thanked the mayor and council for this recognition. He said he loves serving his community, and he encouraged others to get involved serving the city on a board or committee.

**1. REPORT ON CLOSED SESSION [520-25] (Note: This report was given at the end of  
the meeting and placed here for the record.)**

City Attorney Barisone announced that the City Council/Redevelopment Agency Directors met in Closed Session from approximately 5:30 to 6:40 p.m. In addition to all five council members/directors being present, City Manager Goldstein, City Attorney Barisone and Deputy City Attorney George Kovacevich were present.

The items discussed in closed session were those items listed on the posted Agenda. The city council/directors received status updates from the City Attorney and the City Manager pertaining to continued defense of existing mobile home park matters relating to Surf & Sand and Los Altos/El Granada Investors (Castle Mobile Estates). Direction was provided to staff pertaining to ongoing defense of those matters. No reportable action was taken in closed session.

Vieira Enterprises vs. City of Capitola (Cabrillo Mobile Estates) - The City Council did not discuss the Vieira Enterprises lawsuit, which was filed against the City of Capitola and pertains to the service reduction assessment.

1. REPORT ON CLOSED SESSION (Continued)

Conference with Legal Counsel – Anticipated Litigation - One Case: Vieira Enterprises, Inc. vs. City of Capitola (Cabrillo Mobile Estates) - The City Council discussed a potential lawsuit in connection with a fair rate of return application, which has been filed with the City of Capitola. The Council received a status report from the City Attorney and the City Manager pertaining to that matter, but took no reportable action in closed session.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda

1) Public Works Director Jesberg recommended that Item 5.H. regarding the electric vehicle charge station be continued to the next meeting, as staff has received a revised agreement and needs more time to analyze it prior to council's action.

**ACTION:** Council Member Storey moved, Council Member Termini continue Item 5.H. pertaining to a Grant for an Electric Vehicle Charging Station Installation to the next regular meeting of the City Council to be held on January 27, 2011. The motion carried unanimously.

2) City Manager Goldstein noted that staff has prepared a "Revised" Agenda Report for Item 5.A. pertaining to the request from JFS, Inc., operators of Capitola Boat & Bait, for rent relief. Copies have been provided at each council member's place.

B. Public Comments

Gary Richard Arnold addressed the Council pertaining to the millions of tons of aerosols that are being sprayed into the atmosphere. Mr. Arnold said this is a very important concern. He submitted a written document and provided DVDs pertaining to this matter to each council member.

C. Staff Comments

1) Community Development Director Johnson said he attended the AMBAG meeting, and the board is discussing the Blueprint – they deferred the matter to the next meeting. He said staff would be distributing a copy of that document.

2) Council Member Harlan expressed interest in adding an item to the agenda for council consideration pertaining to the governor's proposal to eliminate redevelopment. She commented on an email she received from Deanna Sessums of the League of California Cities requesting letters be written to state officials to protest elements of the proposed budget.

After council discussion it was the consensus of the city council to bring this matter back for consideration at the next council meeting.

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

1) Council Member Storey stated that he sits as the city's representative on the Library JPA. He announced that there would be a Special Meeting of the Library JPA Board to discuss critical decisions that must be made regarding the library system in Santa Cruz County on Monday, February 7, at 6 pm at the Loudon Nelson Center. He encouraged members of the public to attend that and future meetings of the Library JPA to be held on February 14 and 28, 2011.

## 2. D. Oral Communications (Continued)

2) Council Member Harlan provided a brief report on the AMBAG meeting she attended last night. AMBAG board members were given a copy of the draft Blueprint and the comments; however, they did not receive responses to the comments. The board requested that staff provide responses to all the comments prior to their next meeting so they could be prepared to make a decision.

In addition, she commented on the Strategic Growth Council, grants that will be issued to local jurisdictions, the 2010 Regional Progress Report, and a report on the Energy Watch Program. She said our council should become familiar with AB 32, Proposition 84, and the various sustainable elements that are coming through California. The board discussed the Ride Share Program and recommended hiring someone to work with large employers.

3) Mayor Norton stated that he would like dedicate tonight's meeting to Capitola resident Mark Sullivan who recently passed away. He noted that Mark was active in the community, having served on the original Arts Commission from September 1997 until April 2003. Mark could be seen in the audience at many regular meetings of the city council.

In 1994, Mark and his wife, Kathleen, received the first "Excellence in Design" Award for new residential construction for their residence located next door to City Hall on Beulah Drive. He commented on this award and said he would be interested in bringing it back.

Mayor Norton said Mark Sullivan was also elected to serve on the Redevelopment Agency Project Area Committee for the proposed Third Amendment to the Redevelopment Plan from December 1999 to March 2006, which was being considered for the Capitola Theater property and Village area.

Following his comments, Mayor Norton announced that tonight's meeting is dedicated to Mark Sullivan and that the City Council has a card for his wife, Kathleen, which will be delivered to her. [120-10]

E. Committee Appointments

- 1) **Council Member Harlan appointments to the Finance Advisory Committee, the Commission on the Environment, and the Traffic & Parking Commission. Council Member Termini to confirm his appointment to the Traffic & Parking Commission. [330-40 FAC/430-05 COE/470-60 T&P/110-10]**

Council Member Harlan said she is happy to reappoint Kristin Jensen Sullivan to the Commission on the Environment, announced her appointment of TJ Welch to the Finance Advisory Committee, and reappointed Vicki Muse to continue to serve on the Traffic & Parking Commission.

**ACTION:** It was the consensus of the City Council to ratify Council Member Harlan's appointments as follows:

Finance Advisory Committee – Troy (TJ) Welch  
 Commission on the Environment – Kristen Jensen Sullivan  
 Traffic & Parking Commission – Vicki Muse

Council Member Termini also confirmed his appointment of Nels Westman to the Traffic and Parking Commission.

## 2. E. Oral Communications – Committee Appointments (Continued)

2) **Reconsideration of the City Council's nomination of Council Member Harlan to the Local Agency Formation Commission (LAFCO) [140-55]**

After reviewing the committees she has volunteered for, Council Member Harlan said she felt she had taken on more than she could handle and would like to see if another council member would be interested in being nominated to LAFCO.

Mayor Norton said he would volunteer to serve.

**ACTION:** It was the consensus of the City Council to nominate Mayor Norton to the Local Agency Formation Commission (LAFCO) for appointment by the City Selection Committee when the seat becomes available in May and directed staff to inform the City Selection Committee of the City's nomination.

3) **RDA: Appointments/reappointments to the Redevelopment Agency Library Ad Hoc Committee. Staff recommendation: Director appointments/reappointments. [230-10/110-10]**

Director Storey said he is willing to step down as the RDA Director Representative, since Michael Termini is the chair of the committee.

**ACTION:** It was the consensus of the Redevelopment Agency Directors to confirm Director Termini's appointment to serve on behalf of the Redevelopment Agency on the Library Ad Hoc Committee, replacing Director Storey. The following committee appointments were then made by the directors:

Director Harlan reappointed Carl La Mothe and Gayle Ortiz  
 Director Storey reappointed Lisa Steingrube  
 Director Termini appointed John Hofacre

F. **Approval of Check Register Reports**1) **City: Approval of City Check Register Reports for December 3,10,17, and 23, 2010 [300-10]**

**ACTION:** Council Member Termini moved, seconded by Council Member Harlan, to approve the Check Register Reports dated December 3, 10, 17 and 23, 2010, including checks numbered 64905 through 65001 in the amount of \$140,380.28, checks numbered 65002 through 65056 in the amount of \$95,336.84, checks numbered 65057 through 65150 in the amount of \$210,182.65 and checks numbered 6551 through 65201 in the amount of \$181,169.88 respectively; and payroll disbursements for the December 3, 17 and 30, 2010, payrolls in the amounts of \$187,968.07, \$170,565.24 and \$179,435.90 respectively, for a Grand Total of \$1,165,038.86, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

2) **RDA: Approval of Redevelopment Agency Check Register Reports dated December 3,10, and 23, 2010 [760-25]**

**ACTION:** Director Termini moved, seconded by Director Storey, to approve the RDA Check Register Reports dated December 3, 10 and 23, 2010, including checks numbered 2881 through 2884 in the amount of \$64,986.38, checks numbered 2885 through 2888 in the amount of \$27,081.75, and checks numbered 2889 through 2890 in the amount of \$28,046.25, respectively, as submitted. The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey, and Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

### 3. CONSENT CALENDAR

Mayor/Chairperson Norton asked if there were any items on the Consent Calendar that members of the public or City Council/RDA Directors wished to pull for separate discussion.

Gary Richard Arnold said he would like to pull Items 3.B., approval of City Council Minutes, and 3.E., pertaining to the California Public Employees' Retirement System.

Mayor/Chairperson Norton advised Items 3.B. and E. would be discussed at the end of the meeting following Other Business Item 5.H. (*See discussion and action on Page 11852.*)

**CONSENT CALENDAR ACTION:** Council Member/Director Termini moved, seconded by Council Member/Director Harlan, to approve the Consent Calendar as recommended. The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

**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.**

**ACTION:** The City Council unanimously approved the reading by title of all Ordinances and Resolutions and declared that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

**B. Approve City Council Minutes of the Regular Meeting of November 23, 2010, the Special Closed Session Meetings of November 29 and December 20, 2010, and the Special Meeting of December 8, 2010.**

*This item was pulled for separate discussion. (See page 11852 for action.)*

**C. RDA: Approve Minutes of the Regular Meeting of the Capitola Redevelopment Agency of December 9, 2010.**

**ACTION:** Director Termini moved, seconded by Director Harlan, to approve the Capitola Redevelopment Agency Minutes of the Regular Meeting of December 9, 2010, as submitted. The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

**D. Receive City Treasurer's Report for the month ended November 30, 2010 (Unaudited). [380-30]**

**ACTION:** Council Member Termini moved, seconded by Council Member Harlan, to accept the City Treasurer's Report for the Quarter Ended November 30, 2010 (Unaudited), as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

**E. Receive California Public Employees' Retirement System Annual Actuarial Valuation Reports as of June 30, 2009.**

*This item was pulled for separate discussion. (See page 11853 for action.)*

**F. Adopt Resolution Approving a Rate Schedule for Residential and Commercial Garbage Collection and Recycling in Capitola for 2011. [930-45]**

**ACTION:** Council Member Termini moved, seconded by Council Member Harlan, to approve Resolution No. 3850, Resolution Approving a Rate Schedule for Residential and Commercial Garbage Collection and Recycling in Capitola Effective January 1, 2011, Superceding Resolution No. 3792, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

## 3. CONSENT CALENDAR (Continued)

**G. Receive and file First Quarter 2010-2011 Sales Tax and Transient Occupancy Tax Status Report (Unaudited) for the City of Capitola. [390-70]**

**ACTION:** Council Member Termini moved, seconded by Council Member Harlan, to accept the First Quarter 2010-2011 Sales Tax and Transient Occupancy Tax Status Report (Unaudited) for the City of Capitola, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

**H. City/RDA: Accept Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2010. [310-20/760-25 RDA]**

**ACTION:** Council Member/Director Termini moved, seconded by Council Member/Director Harlan, to accept the Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2010, as submitted. The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor/Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

## 4. PUBLIC HEARINGS – None

## 5. OTHER BUSINESS

**A. Request from JFS, Inc., operators of Capitola Boat and Bait, to exercise their option to extend the Wharf Lease and Mooring Concession Agreement for one year, and for rent relief for the months of January, February and March 2011. [280-25/500-10 A/C: JFS, Inc.]**

Assistant to the City Manager Murphy commented on the "revised" agenda report. She noted that the only matter for the City Council to consider is the request from JFS, Inc., for rent relief for the months of January, February and March of 2011.

Frank Ealy, Capitola Boat & Bait, explained that the Department of Fish & Game has decreased fishing, which has significantly reduced their income, and that is why they are requesting the rent waiver. Mr. Ealy also commented on the fish tank, which has been taken away due to state requirements.

Council discussion was followed by this action:

**ACTION:** Council Member Storey moved, seconded by Council Member Harlan, to grant the waiver request from JFS, Inc., and approved waiving the rent, except utility bills, for the months of January, February, and March 2011, as requested. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

Following action on this item, Council Member Harlan said she would like to see the fish tank on the Wharf again, and she asked staff to check with the Department of Fish & Game on this.

**B. City Council conceptual review of Public Art Project on 41<sup>st</sup> Avenue. Staff recommendation: receive report and provide direction. [1010-10]**

Assistant to the City Manager Murphy provided a brief verbal report on this item.

The City Council then heard from Roy Johnson, member of the Art & Cultural Commission and Chair of subcommittee for this project. He said the commission feels that an arts professional is necessary to manage the project. Mr. Johnson responded to questions of council members.

## 5. B. OTHER BUSINESS (Continued)

Council Member Termini, the council member representative on the commission, also commented on the proposed public art project for 41<sup>st</sup> Avenue.

Community Development Director Johnson discussed the need for careful coordination of this project with the General Plan Advisory Committee visioning process for 41<sup>st</sup> Avenue.

Assistant to the City Manager Murphy said no action was necessary. Staff would bring this matter back with a proposed RFP.

**ACTION:** It was the consensus of the City Council to receive the report.

**C. Budgeting Principals and Budget Calendar for Fiscal Year 2011-12. Staff recommendation: approve FY 2011-12 Budget Calendar. [330-05 FY2010-11]**

City Manager Goldstein summarized the written agenda report and responded to questions of council members.

There was concern expressed regarding the proposed Budget Study Session scheduled for May 19, which includes presentations of the CIP, Community Grants, and the Finance Advisory Committee.

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to approve the proposed Budget Calendar for FY 2011-12, as amended to change the proposed May 19 special meeting date to Wednesday, May 25, 2011. The motion carried unanimously.

**D. Appointment/Reappointment of Standby City Council Members. Staff recommendation: City Council determination. [420-20]**

Council Members made the following appointments of their Standby City Council Members:

Council Member Harlan appointed Ron Graves

Council Member Termini appointed Michael Banks

Mayor Norton appointed Mark Sullivan

Council Member Nicol said Mick Routh will continue to be his Standby Council Member, and Council Member Storey said Maureen O'Malley-Moore will continue as his appointment.

**ACTION:** Council Member Harlan moved, seconded by Council Member Nicol, to approve the nominations of Standby City Council Members Ron Graves, Michael Banks and Mark Sullivan, and directed staff to inform the nominees of their appointment and to schedule the necessary Oath of Office of Standby City Council Members at a regular meeting of the City Council. The motion carried unanimously.

**E. Paper reduction for City Council/Redevelopment Agency Meeting Agenda Packets. Staff recommendation: Council direction. [520-10]**

City Manager/Executive Director Goldstein summarized the agenda report and responded to questions pertaining to the proposed transitioning from printed paper agenda packets to digital agenda packets. He commented on Brown Act concerns and said staff would need to develop a policy regarding use of the Internet during meetings.



## 5. E. OTHER BUSINESS (Continued)

Information Systems Specialist Larry Laurent was also available to respond to questions of council members/directors regarding the proposed technology. He commented on the way the agenda packet is currently available on the website and explained how that would change.

Council Member/Director Storey said he would like to see that there is a hard copy available in the event his device does not work he needs a backup.

Considerable discussion was followed by this action:

**ACTION:** Council Member/Director Termini moved, seconded by Council Member/Director Storey, to receive the staffs' report regarding transitioning from printed paper agenda packets to digital agenda packets, and directed staff to prepare an administrative policy for digital reading devices utilizing the proposed "stipend" program option. In addition, he proposed that the City Manager be authorized to purchase one iPad for the use of council members for a trial period.

City Manager/Executive Director Goldstein clarified that staff would prepare an administrative policy reflecting the comments received tonight. He received confirmation that the policy should be drafted in such a way as to include the Planning Commissioners and department heads being eligible as well.

There was further discussion of the motion prior to calling for the vote. The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor/Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

**F. City/RDA: City Council/Redevelopment Agency Minutes. Staff recommendation: approve implementation of Action Minute format as the City's formal record of City Council/Redevelopment Agency Minutes. [170-10]**

City Attorney Barisone responded to questions of Council Members/Directors pertaining to whether there were any legal implications in preparation of minutes in an action-minute format.

Council Member/Director Harlan explained why she prefers summary minutes, and she also noted that summary minutes are important for historical purposes.

**ACTION:** Council Member/Director Termini moved, seconded by Council Member/Director Nicol, to approve implementation of Action Minutes as the City's formal record of City Council/Redevelopment Agency Minutes, and as part of the motion that the City maintain the audio/video recordings of the meetings for at least 20 years.

Council Member/Director Storey thinks the written minutes are what people will go to for the decisions that were made, as well as the tenor of the discussion. He would support the motion if there were an amendment to allow the minority position to ask for his/her position to be reflected in the minutes.

Council Member/Director Termini suggested that if a statement is requested, it not be made until after the vote is taken.

Prior to the vote on the motion, Mayor/Chairperson Norton asked if the maker and second of the motion would accept the amendment proposed by Council Member/Director Storey to allow the minority position(s) to ask for his/her position to be reflected in the minutes; i.e., to insert a statement as to why he/she voted in the opposition to the motion. Council Member/Director Termini and Council Member/Director Nicol amended the motion accordingly.

The motion carried with Council Member/Director Harlan voting no.

## 5. OTHER BUSINESS (Continued)

- G. RDA: Resolution Amending Section 3.02 of the Redevelopment Agency Bylaws Pertaining to Regular Meeting Time. Staff recommendation: adopt Agency Resolution. [760-10]**

**ACTION:** Director Termini moved, seconded by Director Storey, to **Agency Resolution No. 2011-1, Repealing Agency Resolution Nos. 7-01 and 2010-4 by Amending Section 3.02 A of the Bylaws of the Redevelopment Agency of the City of Capitola Regarding Board Meeting Times**, as submitted. The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey, and Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- H. Grant for Electric Vehicle Charging Station Installation. Staff recommendation: approve recommended action accepting grant from Coulomb Technologies, Inc., authorizing the City Manager to execute agreements, approve installation of charging stations in Pacific Cove Parking Lot, and approve Notice of Exemption from CEQA for the installation of the charging stations. [390-25/500-10 A/C: Phat Energy]**

This item was continued pursuant to action taken under Oral Communications Item 2.A.1) as follows:

**ACTION:** Council Member Storey moved, Council Member Termini continue Item 5.H. pertaining to a Grant for Electric Vehicle Charging Station Installation to the next regular meeting of the City Council to be held on January 27, 2011. The motion carried unanimously.

AT THIS POINT, ITEMS REMOVED FROM CONSENT CALENDAR WILL BE CONSIDERED
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3. CONSENT CALENDAR (*Items pulled for separate discussion.*)

- B. Approve City Council Minutes of the Regular Meeting of November 23, 2010, the Special Closed Session Meetings of November 29 and December 20, 2010, and the Special Meeting of December 8, 2010.**

Gary Richard Arnold commented that he believes it would be helpful to include the report pertaining to the AMBAG meeting in the minutes. He commented on the Blueprint addressed by Council Member Harlan.

The City Council heard comments from Gary Richard Arnold and then took the following action:

**ACTION:** Council Member Termini moved, seconded by Council Member Storey, to approve the City Council Minutes of the Regular Meeting of November 23, 2010, the Special Closed Session Meetings of November 29 and December 20, 2010 and the Special Meeting of December 8, 2010, as submitted. The motion carried unanimously.

- E. Receive California Public Employees' Retirement System Annual Actuarial Valuation Reports as of June 30, 2009. [630-10]**

City Manager Goldstein provided a brief verbal report based on the written agenda report.

Gary Richard Arnold commented on international public and private pensions. He said Judge Roll, who was murdered in Phoenix, Arizona, last week, had ruled against President Obama's executive order that would allow the President to seize private monies without due process. He said the federal government is eyeing pensions, and people (both public and private) should keep an eye on it.

3. E. CONSENT CALENDAR *(Items pulled for separate discussion - continued.)*

The City Council received staffs' report and comments from Mr. Arnold and took the following action:

**ACTION:** Council Member Termini moved, seconded by Council Member Storey, to accept the California Public Employees' Retirement System Annual Actuarial Valuation Reports as of June 30, 2009, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

## 6. COUNCIL/RDA DIRECTORS/STAFF COMMUNICATIONS

A. Council Member Termini reported that the Art & Cultural Commission has selected the bands for the Twilight Concerts.

B. Council Member Nicol commented on the climate change that is occurring around the world and is happy to live in Capitola.

C. Mayor Norton commented that he believes PG&E will begin installing SmartMeters in Capitola in the near future. He discussed the prior action taken by the city council, and he advised the Santa Cruz County Board of Supervisors is considering an ordinance that would allow residents to opt out of SmartMeters. Mayor Norton requested placing this item on the next available agenda to support Huffman's assembly bill, and to consider whether Capitola would want to impose a moratorium banning SmartMeters in Capitola, such as the county is proposing.

D. At 9:48 p.m., City Attorney Barisone announced that he did not provide his oral report on the closed session. Mayor Norton apologized for skipping that item. City Attorney Barisone provided the report at this time. *(See Item 1 on page 11844 for the Report on the Closed Session.)*

E. Council Member Harlan discussed oral communications from residents in the Sommerfeld Avenue and Lotman Drive neighborhood asking the council to consider closing the passageway from their neighborhood to Clares Street and the Capitola Mall. Council Member Harlan would like to move that matter up to the front burner if possible, as this is a safety issue.

Community Development Director Johnson responded saying that the Police Department has been working with the Sheriff's Department on enforcement in the area. He said staff is working on a report that will come back to the council with an update on this matter and what community development staff finds relative to the passageway and conditions of the project.

F. Mayor Norton said the speed limit in Capitola is 25 miles per hour except on 41<sup>st</sup> Avenue. He shared the Pace Car sticker and encouraged residents to pick one up at City Hall. By placing a sticker on your car, you are committing to drive 25 mph in Capitola.

## 7. ADJOURNMENT

The City Council/Redevelopment Agency adjourned at 9:53 p.m. in Memory of Mark Sullivan to its next Joint Regular Meeting to be held on Thursday, January 27, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ATTEST:  MMC  
Pamela Greeneringer, City Clerk

  
Dennis Norton, Mayor

MINUTES WERE UNANIMOUSLY APPROVED BY THE CITY COUNCIL ON 2/10/2011