

CITY OF SANTA CRUZ  
809 Center Street  
Santa Cruz, California 95060



JOINT CITY COUNCIL - REDEVELOPMENT AGENCY AGENDA

Regular Meeting

September 13, 2011

2:30 P.M.	CLOSED LITIGATION SESSION, COURTYARD CONFERENCE ROOM
4:00 P.M.	CONSENT, GENERAL BUSINESS AND PUBLIC HEARINGS, COUNCIL CHAMBERS
5:00 P.M.	ORAL COMMUNICATIONS, COUNCIL CHAMBERS
7:00 P.M.	GENERAL BUSINESS, PUBLIC HEARINGS AND MATTERS OF PUBLIC INTEREST, COUNCIL CHAMBERS

Council will receive e-mail regarding items on the agenda during the meeting at [citycouncil@cityofsantacruz.com](mailto:citycouncil@cityofsantacruz.com).

Written correspondence and telephone calls received after 5:00 p.m. on the Monday immediately preceding a Council meeting may not have time to reach Councilmembers, nor be read by them prior to consideration of an item. Please make any communication to Councilmembers regarding Council meeting items prior to 5:00 p.m. Monday.

Council meetings are cablecast on Comcast Channel 25.

Written material for every item listed in the open sessions is available for review at the Central Branch Library Reference Desk.

Time limits set by Council Policy are guidelines. Unless otherwise specified, procedures for all items, except those approved in one motion on the Consent Agenda, are:

- Oral staff report
- Public comment - 2 minutes each; maximum total time may be established by the Presiding Officer at the beginning of the item
- Council/Agency deliberation and action

The City of Santa Cruz does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment, please call the City Clerk's Department at 420-5030 at least five days in advance so that we can arrange for such special assistance, or email [CityClerk@cityofsantacruz.com](mailto:CityClerk@cityofsantacruz.com). The Cal-Relay system number: 1-800-735-2922.

**Closed Litigation Session**

**2:30 PM**

The Presiding Officer will open the City Council and Redevelopment Agency Closed Litigation Session in a public meeting in the Courtyard Conference Room, for the purpose of announcing the agenda, considering Items 1 and 2, and receiving public testimony. Thereafter, the meeting will be closed to the public.

**Referral to Closed Session.**

1. 1520 K-2 Pacific Avenue Kiosk Lease. (ED)

Motion to refer to closed session the 1520 K-2 Pacific Avenue Kiosk for the purpose of instructing the negotiator regarding negotiations concerning price, terms, or both.

2. 71-A and 71B Municipal Wharf, APN 005-401-04 and 005-401-05. (ED)

Motion to approve a referral to closed session for discussion regarding a proposal for a new restaurant incorporating whale-themed exterior architectural design elements.

**Closed Session**

- A. Labor Negotiations (Government Code §54956.6)

Lisa Sullivan - Negotiator  
Employee Organizations - All Bargaining Units

- B. Conference with Legal Counsel-Anticipated Litigation (Government Code §54956.9).

Significant Exposure of City to Litigation (Government Code §54956.9(b))

1 case to be discussed.

**Closed Session (continued)**

C. Conference with Real Property Negotiator- Real Property Negotiations  
(Government Code §54956.8)

1. 1520 k-2 Pacific Avenue Kiosk Lease (Glass Jar LLC dba The Penny Ice Creamery—Lessee)  
City Negotiator—Bonnie Lipscomb  
No APN
2. 1130 K-2 Pacific Avenue Kiosk Lease (Ellen and Peter Bettancourt dba Magnolia’s Southern Comfort Food—Lessee)  
City Negotiator—Bonnie Lipscomb  
No APN
3. 71-A and 71-B Municipal Wharf Lease (Mark Gilbert-Lessee)  
City Negotiator—Bonnie Lipscomb  
APN 005-401-04; 005-401-05

D. Conference with Legal Counsel - Liability Claims (Government Code §54956.95).

1. Claimant: Cynthia Bentley
2. Claimant: Allied/Nationwide Property and Casualty Insurance
3. Claimant: Mercury Insurance Services

Claims Against: City of Santa Cruz

Joint City Council/Redevelopment Agency

4:00 PM

Call to Order

Roll Call

Pledge of Allegiance

Presentation - The National Marine Sanctuary Foundation

Presiding Officer's Announcements

Statements of Disqualification

Additions and Deletions

Consent Agenda

3. 3rd Annual Festival del Nopal (Cactus Festival) event in Santa Cruz - City Co-Sponsorship. (CN)

Motion to co-sponsor the 3rd Annual Festival del Nopal (Cactus Festival) 2012 event at no cost to the City.

4. California Emergency Management Agency (CalEMA) Designation of Applicant's Agent - Resolution. (CM)

Resolution setting forth the authorized agents of the City of Santa Cruz who may sign applicants regarding disaster assistance and reimbursement.

5. 2010 Homeland Security Grant. (PD)

Accept 2010 Homeland Security Grant Funds and Amend the FY 2011/2012 Budget in the Amount of \$85,155

Consent Agenda (continued)

6. Motion to Ratify Purchase Order Approval for Wastewater Treatment Facility Gravity Thickener # 2 Overhaul Project (m409659). (PW)

Motion to ratify the issuance of a purchase order to D.W. Nicholson Corporation of Hayward CA for the Wastewater Treatment Facility Gravity Thickener # 2 Overhaul Project in the amount of \$120,670.00.

7. Chestnut Street Emergency Repair - Budget Adjustment. (PW)

Resolution amending the FY2012 budget to appropriate funds in the amount of \$311,740 from the Gas Tax Fund to fund geotechnical investigation, design, construction, and associated work needed to repair two slip-outs on Chestnut Street.

8. Pacific Gas & Electric (PG&E) Energy Efficiency Retrofit Loan Program - Streetlight Retrofit. (PW) - Award of Contract. (PW)

Motion to authorize and direct the City Manager to accept the Pacific Gas & Electric (PG&E) loan agreement and to award a sole source contract in the amount of \$249,760 to PG&E to convert 513 City-owned streetlights to light-emitting diode (LED) fixtures. The agreement and contract have been approved as to form by the City Attorney.

9. 1130 K-2 Pacific Avenue and 1520 K-2 Pacific Avenue - Kiosk Lease Agreements with Ellen and Peter Betancourt dba Magnolia's Southern Comfort Food and The Glass Jar LLC dba The Penny Ice Creamery. (ED)

Motion to authorize and direct the City Manger to execute kiosk lease agreements and any amendments of a non-substantive nature, in a form approved by City Attorney, with Ellen and Peter Betancourt dba Magnolia's Southern Comfort Food for the kiosk located at 1130 K-2 Pacific Avenue and with The Glass Jar, LLC dba The Penny Ice Creamery for the kiosk located at 1520 K-2 Pacific Avenue.

Consent Agenda (continued)

10. Water Main Replacement Project on Riverside, Broadway, Barson, Clinton, and Cayuga - Notice of Completion. (WT)

Motion to accept the work of Pacific Underground Construction, Inc. (San Jose, CA) as complete per the plans and specifications and to authorize the filing of a Notice of Completion for the Water Main Replacement Project on Riverside, Broadway, Barson, Clinton and Cayuga.

11. Liability Claim Filed Against City of Santa Cruz. (ASD)

Motion to reject liability claim: a) Cynthia Bentley based on staff investigation.

12. Year-End Budget Adjustments for FY 2011. (FN)

Resolution amending the FY 2011 budget in the total amount of \$1,368,288 where expenditures have exceeded appropriations, as recommended by the Finance Director.

13. Remittance Processing - Budget Adjustment. (WT)

Resolution amending the FY 2012 budget to appropriate funds in the amount of \$25,000 to implement a Remittance Processing System.

End Consent Agenda

General Business

14. Ordinance Amending Section 5.04.080 Of The Santa Cruz Municipal Code Pertaining To Business Licenses. (FN)

Motion to introduce an Ordinance amending Section 5.04.080 of the Santa Cruz Municipal Code pertaining to business licenses.

**Supplemental General Business**

15. Council Meeting Calendar. (CC)

The City Council will review the meeting calendar attached to the agenda and revise it as necessary.

16. Council Membership in City Groups and Outside Agencies. (CC)

The Presiding Officer will provide councilmembers with the opportunity to update Council and the public regarding city groups and outside agencies.

17. City Attorney Report on Closed Session. (CC)

**Recess** - The City Council and Redevelopment Agency will recess to the 5:00 p.m. session.

**Joint City Council/Redevelopment Agency**

**5:00 PM**

**Joint City Council/Redevelopment Agency Oral Communications - 30 Minutes**

**Recess** - The City Council and Redevelopment Agency will recess to the 7:00 p.m. session.

**Adjournment** - The Redevelopment Agency will adjourn from the Regular Meeting of September 13, 2011 to next Regular Meeting of September 27, 2011 after the hour of 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m., and 7:00 p.m. in the Council Chambers.



City Council

7:00 PM

Call to Order

Roll Call

Presentation - Santa Cruz Follies Proclamation

General Business

18. Ordinance Pertaining to Commercial Sales in Parks and Beaches (Regulation of Surf Schools). (PK)

Introduce for publication an ordinance adding Section 13.14 pertaining to commercial activities in public parks and beaches. (Regulation of Surf Schools).

**Adjournment** - The City Council will adjourn from the Regular Meeting of September 13, 2011 to the next Regular Meeting of September 27, 2011 after the hour of 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m., and 7:00 p.m. in the Council Chambers.

### Advisory Body Appointments

The following positions are vacant. Council will make appointments at a future meeting.

Downtown Commission	One (1) vacancy
Measure K Oversight Committee	Two (2) vacancies

**Public Hearing:** If, in the future, you wish to challenge in court any of the matters on this agenda for which a public hearing is to be conducted, you may be limited to raising only those issues which you (or someone else) raised orally at the public hearing or in written correspondence received by the City at or before the hearing.

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 action either 60 days or 90 days following the date on which the decision becomes final as provided in Code of Civil Procedure Section 1094.6, please refer to code of Civil Procedure 1094.6 to determine how to calculate when a decision becomes "final." The 60-day rule applies to all public hearings conducted pursuant to the City's Zoning Ordinance, Title 24, Santa Cruz Municipal Code. The 90-day rule applies to all other public hearings.

### City Council Agenda Legislative History Addendum

No information was submitted.

City staff is responsible for providing the City Clerk Administrator with such documentation and information for the Legislative History Addendum. The information will be on file in the City Clerk's Division.

The Addendum is a listing of information specific to City Council business, but which does not appear on a Council meeting agenda. Such entities would include, but not be limited to:

Court decisions

Coastal Commission Appeals of City Council actions

Closed Session Agreements/Settlements, which are public record

Association of Monterey Bay Area Governments

Local Agency Formation Commission

ADDENDUM TO CITY COUNCIL AGENDA - SEPTEMBER 13, 2011  
INFORMATION ITEMS PREVIOUSLY DISTRIBUTED TO CITY COUNCILMEMBERS  
(Copies available in the Central Branch Library at the Reference Desk)

Commission for the Prevention of Violence Against Women (CPVAW)	2010 Annual CPVAW Report to the City Council and Presentation of the Spotlitged Program 7/19/11 (CM FYI 163)
City Manager	Monthly Camping Incident and Homeless Shelter Attendance Reports 8/10/11 (CM FYI 164)
	Monthly Camping Incident and Homeless Shelter Attendance Reports 9/6/11 (CM FYI 165)
Economic Development Department	1122 Pacific Avenue - Santa Cruz Jewelers Lease Extension 8/3/11 (ED FYI 021)
	Flood Plain Management Annual Progress Report 8/3/11 (ED FYI 022)
	1130 K-1 Pacific Avenue - Third Amendment to Café Campesino Kiosk Lease Agreement 8/12/11 (ED FYI 023)
	* Quarterly Sales Tax Reports - 2011 1 <sup>st</sup> Quarter 8/12/11 (ED FYI 024 & FN FYI 184)
Finance Department	Portfolio Management Report - Unpooled Cash and Investments as of June 30, 2011 7/20/11 (FN FYI 181)
	Portfolio Management Report - Pooled Cash and Investments as of June 30, 2011 7/21/11 (FN FYI 182)
	* Quarterly Sales Tax Reports - 2011 1 <sup>st</sup> Quarter 8/12/11 (FN FYI 184 & ED FYI 024)
	Portfolio Management Report - Pooled Cash and Investments as of July 31, 2011 8/22/11 (FN FYI 185)
Water Department	New Lawn Removal Rebate Program 7/29/11 (WT FYI 044)

\* Report submitted jointly by departments.

ADDENDUM TO CITY COUNCIL AGENDA - September 13, 2011

**MAYOR'S PROCLAMATIONS**

1. Proclaiming July 26, 2011 as "Adrian Lemke Day" and encouraging all citizens to join in honoring him for his heroic contribution in saving the life of Santa Cruz resident Timothy Gruber.
2. Proclaiming July 26, 2011 as "Dani Barry Day" and encouraging all citizens to join in recognizing the dedication, service, and sacrifice of Dani and all police canines to the safety our community.
3. Proclaiming August 1, 2011 as "Janie Schuyler Day" and encouraging all citizens and coworkers to join in expressing heartfelt appreciation for her numerous contributions and years of service to the City and its citizens and wishing her well in her retirement.
4. Proclaiming the month of August 2011 as "Marin Alsop Month" and encouraging all citizens to join in honoring Maestra Alsop on her 20<sup>th</sup> Anniversary and expressing heartfelt appreciation for her visionary work and commitment to engaging the entire community in the creative work of the Cabrillo Festival during her tenure.
5. Proclaiming Friday, August 12, 2011 as "Katherine Stern Weaver Day" and urging all citizens to join in honoring her for her exemplary commitment to progressive social change and wishing her well on her birthday.
6. Proclaiming September 11, 2011 as "September 11, 2001 10<sup>th</sup> Anniversary Day" and urging all citizens to join in observing a moment of remembrance to last for one minute beginning at 10:00 a.m.; offering our deepest and most sincere condolences to the families, friends, and loved ones of the innocent victims of the September 11, 2001 terrorist attacks; honoring the heroic service, actions, and sacrifices of first responders, law enforcement personnel, state and local officials, volunteers, and countless others who aided the innocent victims of those attacks and, in doing so, bravely risked and often gave their own lives; recognizing the valiant service, actions, and sacrifices of United States personnel who have given so much, including their lives and well-being, to support the cause of freedom and defend the security of the United States; and reaffirming that the people of the United States will never forget the challenges that our country endured on and since September 11, 2001, and will work tirelessly to defeat those who attacked the United States.