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City of Capitola
City Council Meeting Minutes
Thursday, June 25, 2026 – 4:00 PM

City Council Chambers
420 Capitola Avenue, Capitola, CA 95010

Mayor: Margaux Morgan
Vice Mayor: Gerry Jensen
Council Members: Joe Clarke, Melinda Orbach, Susan Westman

Regular Meeting of the Capitola City Council – 4 PM

1. **Roll Call and Pledge of Allegiance** – *The meeting was called to order at 4:01 PM. In attendance: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan.*
2. **Additions and Deletions to the Agenda** – *None*
3. **Presentations**
   A. *The Mayor presented a proclamation honoring July 2026 as "Parks Make Life Better" Month to Community Services and Recreation Director Bryant.*
   B. *Council received a presentation from United Way Youth Liaison Program Participant, Josephine McGinty.*
4. **Additional Materials**
   A. *Item 8A – Three emails received after publication of the agenda packet.*
   B. *Item 8C – Presentation from the Capitola Police Officers Association included after publication of the agenda packet.*
   C. *Item 8E – Fifty-three emails received after publication of the agenda packet.*
   D. *Item 8F – Two emails received after publication of the agenda packet.*
5. **Oral Communications by Members of the Public**
   - *Linda Smith*
6. **Staff / City Council Comments**
   - *City Manager Goldstein commended the Community Service and Recreation Department on the Junior Lifeguard competition event.*
   - *Police Chief Ryan introduced Jason Kruse, Parking Enforcement Officer, and Alondra Luna-Ruiz, Records Technician, to the City Council.*
   - *Community and Economic Development Director Herlihy introduced Joe Granda, Building Official, and Mari Pepper, Assistant Planner, to the City Council.*
   - *Council Member Clarke commended the Capitola Safety Foundation on the successful Car Show event.*
   - *Council Member Orbach commended the Community Service and Recreation Department on the Junior Lifeguard competition event; and provided an update on the Friends of the Santa Cruz Metro signature gathering effort.*

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- *Council Member Westman provided comments on the first anniversary of her appointment and requested: 1) advance notice of and summaries of stakeholder meetings held by staff; 2) that staff provide greater notice and make input surveys more available to the community; 3) regular updates on project progression and opportunities to provide direction on ongoing projects.*
- *Vice Mayor Jensen provided updates from his attendance at the Santa Cruz Leadership graduation ceremony; commended Visit Santa Cruz on their new office; and provided comments on the departure of Kelly Barreto, a City employee. He requested that the City Manager provide updates on the City website.*
- *The City Manager advised the public that the City has engaged a new consultant to update the City's website search function.*
- *Mayor Morgan thanked staff and other agencies for the collaboration during the large ocean swell events and Junior Lifeguard competition.*
- *Council Member Westman provided comments on Item 7D.*

7. Consent Items

A. City Council Meeting Minutes
Recommended Action: Approve minutes from the regular meeting on June 11, 2026.

B. 2026 Reposa Avenue Pavement Rehabilitation Project – Construction Contract Award
Recommended Action: Award a construction contract to Betz Works for the 2026 Reposa Avenue Pavement Rehabilitation Project in the amount of $134,800 and authorize the City Manager to execute the contract.

C. State of California Office of Traffic Safety Grant Program
Recommended Action: Adopt a resolution accepting a California Office of Traffic Safety Selective Traffic Enforcement Program (STEP) Grant in the amount of $60,000 and amending the FY 2026-27 General Fund operating budget to increase revenues and expenditures by $60,000. ***(Resolution No. 4497)***

D. Beach Lifeguard Service Organizational Study
Recommended Action: Authorize the City Manager to enter a professional services agreement with Richard Gould in the amount of $5,000 for a Beach Lifeguard Service Organizational Study, the results of which will be presented to City Council.

Motion to approve the Consent Calendar: Council Member Westman
Second: Council Member Clarke
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

8. General Government / Public Hearings

A. Monterey Park Play Space Community Outreach Results and Next Steps
Recommended Action: Receive the Monterey Park Play Space outreach results and direct staff to develop a conceptual play space plan on the west side of the park, consistent with the survey outreach results.

Public Works Director Kahn provided the staff report.

Public Comment:

- ***Speaker***

The Council discussed the methodology by which staff obtains community input on projects and how best to allocate funds to achieve conceptual plans for the future of Monterey Park. Council discussed a preference for a small play structure with an

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investigation into the feasibility of different elements in each area (ie: a walking path and/or bocce ball courts).

Motion to direct staff to prepare a conceptual plan for an adventure/balance/nature-based play structure: Council Member Orbach
Second: Council Member Westman
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, Mayor Morgan

B. FY 2026–27 Salary Schedule
Recommended Action: Adopt a resolution approving the Fiscal Year 2026-27 annual salary adjustments, consistent with the following employment agreements: Association of Capitola Employees, Police Officers Association, Confidential Employees, Mid-Management Employees, Police Captains, the Department Head Compensation Plan, and City Manager Employment Agreement.

Administrative Services Director Malberg provided the staff report.

Public Comment: None

Council thanked staff members for their attendance at the meeting and made comments on employee healthcare contribution costs.

Motion to adopt Resolution No. 4498: Council Member Orbach
Second: Council Member Clarke
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

C. Compliance with Assembly Bill 2561/Government Code Section 3502.3 regarding Vacancies, Recruitment, and Retention Efforts
Recommended Action: Conduct the duly noticed public hearing and receive a report on the City of Capitola's recruitment and retention efforts.

Administrative Services Director Malberg provided the staff report. In compliance with AB 2561, the Capitola Police Officers' Association provided a presentation to the Council.

Public Comment: None

D. Capitola Village and Wharf Business Improvement Area Assessments for Fiscal Year 2026-27
Recommended Action: Conduct the duly noticed public hearing and adopt a resolution levying the Fiscal Year 2026-27 Capitola Village and Wharf Business Improvement Area (CVWBIA) Assessments and accepting the CVWBIA Annual Plan and budget.

Administrative Services Director Malberg provided the staff report.

Public Comment: None

Motion to adopt Resolution No. 4499: Council Member Westman
Second: Council Member Clarke
Voting Yea: Council Members Clarke, Westman, Vice Mayor Jensen, and Mayor Morgan
Abstaining: Council Member Orbach

The Mayor opted to reorder the agenda to accommodate the time-certain public hearing for Item 8F. Items 8G and 8H followed Item 8D, before beginning Item 8F, then Item 8E.

E. City-Owned Property Leasing Policy

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Recommended Action: Consider a policy to establish a standard frequency to issue requests for proposals for the lease of City-owned property and outlining the process for the lease of City-owned property.

Chloe Woodmansee, Assistant to the City Manager, provided the staff report.

Public Comment:

- ***Linda Smith***
- ***Ed Martinez***
- ***Heidy Kellison***
- ***Tina Williams, Boat and Bait***
- ***Peter Kellison***
- ***Speaker***
- ***Cheryl Ban***
- ***Speaker***
- ***Mark Esquibel***
- ***Anthony Guajardo***
- ***Kevin Maguire***
- ***Teresa Green***
- ***Speaker***

The Council discussed the City's existing leases and the benefits they provide to the community and expressed displeasure at the proposed policy.

Motion to not move forward with the administrative leasing policy: Council Member Westman
Second: Council Member Clarke
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

Council Member Westman clarified her comments about the progression of the meeting.

F. Draft Council District Maps
Recommended Action: 1) Conduct a time-certain duly noticed public hearing at 6:15 PM; 2) receive public input; 3) provide feedback to the demographic consultant regarding the draft Council district boundary maps; and 4) consider designating a preferred map for inclusion in the ordinance that is to be drafted and brought to the Council for possible introduction following the public hearing on this topic on July 23, 2026.

City Clerk Gautho and Doug Johnson, the City's demographer, provided the staff report.

Public Comment:

- ***Heidy Kellison***
- ***Marc Warshaw***
- ***Alla Mia Basaldua***
- ***Speaker***
- ***Speaker***
- ***Speaker***
- ***Cheryl Ban***

The Council discussed their preferences for maps.

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G. Presentation Regarding California Public Records Act Requirements and Managing Related Costs
Recommended Action: Receive and file the informational presentation.

City Attorney Tran provided the staff report.

Public Comment:

- ***Heidy Kellison***

Motion to authorize the Mayor to sign a letter in support of AB 1821: Council Member Westman
Second: Council Member Orbach
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

H. FY 2026-27 City Fee Schedule
Recommended Action: Conduct the duly noticed public hearing on the proposed changes to the City's Fee Schedule and adopt a resolution approving the Fiscal Year 2026-27 Fee Schedule. *(Continued from May 14, 2026)*

Administrative Services Director Malberg provided the staff report.

Public Comment:

- ***Speaker***

Motion to adopt Resolution No. 4500: Council Member Orbach
Second: Vice Mayor Jensen
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

9. Adjournment – *The meeting adjourned at 8:10 PM. The next regularly scheduled City Council meeting is on July 23, 2026, at 6:00 PM.*

Signed by:
Margaux Morgan
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Margaux Morgan, Mayor

ATTEST:

Signed by:
Julia Gautho
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Julia Gautho, City Clerk