

City of Capitola

City Council Meeting Minutes

Thursday, June 11, 2026 – 6:00 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 – 6 PM

1. Roll Call and Pledge of Allegiance – *The meeting was called to order at 6:00 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 to County of Santa Cruz staff declaring June 2026 as Older Americans Month*

4. Additional Materials

A. *Item 7C – One staff memorandum with updated attachment received after publication of the agenda packet.*

B. *Item 8A –Thirteen emails received after publication of the agenda packet.*

5. Oral Communications by Members of the Public

- *Carin Hanna*
- *Speaker*

The City Council discussed Item 8A at 6:12 PM, as it was a time-certain public hearing beginning at 6:15 PM. Following Item 8A, the Council took a recess at 7:41 PM and reconvened at 7:45 PM before returning to Item 6.

6. Staff / City Council Comments

- *City Manager Goldstein updated the Council and the public that the grand opening for the Jade Street Community Center and Treasure Cove Playground is postponed to mid-August. In the meantime, City staff will begin selling commemorative bricks for the Park at the Rispin Mansion on June 12th.*
- *Police Chief Ryan provided updates on upcoming Highway 1 closures of the Bay Avenue onramp and offramp due to construction by the RTC and shared that closures will be postponed til after the Wharf to Wharf Race.*
- *Council Member Clarke reminded the public that the Capitola Classic Car Show will be held on June 13th.*
- *Council Member Westman provided updates from a recently attended AMBAG meeting.*
- *Vice Mayor Jensen requested that new staff members be introduced at a Council meeting and provided updates from a recently attended RTC meeting. Vice Mayor Jensen requested that staff return to the Council to provide a “master plan” of traffic projects to outline how*

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Citywide traffic projects interplay with each other. Council Member Westman seconded his request and added that a timeline should also be incorporated to discuss project phasing.

- *Mayor Morgan requested that staff contact the City's contracted vendor for Village sidewalk cleaning to investigate claims made during public comment and requested that the Police Department engage with the junior guard participants to ensure safety in the Village.*

7. Consent Items

A. City Council Meeting Minutes

Recommended Action: Approve minutes from the regular meeting on May 28, 2026.

B. City Of Capitola Military Equipment Use

Recommended Action: Adopt a resolution renewing Chapter 2.60 of the Capitola Municipal Code entitled Military Equipment Use Ordinance, Capitola Military Equipment Use Policy 706 with no changes from the prior year, and finding that the annual Military Equipment Report complies with the standards of approval outlined in Government Code Section 7071(d). **(Resolution No. 4492)**

C. Business Improvement Assessments for Fiscal Year 2026-27

Recommended Action: Adopt a resolution providing notice of the City's intent to levy business improvement assessments for Fiscal Year 2026-27, receiving the annual report and proposed budget of the Capitola Village and Wharf Business Improvement Area, setting the date for a public hearing to be held on Thursday, June 25, 2026; and outlining noticing requirements. **(Resolution No. 4493)**

D. City Investment Policy Amendment

Recommended Action: Adopt a resolution affirming the City's Administrative Policy Number III-1, Investment Policy, as recommended by the Finance Advisory Committee. **(Resolution No. 4494)**

Motion to approve the Consent Calendar: Council Member Orbach

Second: Council Member Westman

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

8. General Government / Public Hearings

A. Transition to Districts – Second Public Hearing

Recommended Action: 1) Conduct a duly noticed **time-certain public hearing at 6:15 PM** and receive public input regarding the composition of the potential Council election districts; 2) provide direction on Council's preference for five Council districts with a rotating Mayor, or for four Council districts with a Citywide-elected Mayor; and 3) if a Citywide-elected Mayor is preferred, provide guidance on whether the Mayoral term should be two years or four years.

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

The City responded to three questions from the public concerning the selection of the Vice Mayor, how renters and mobile home park residents are considered in census data, and how multiple Council Members elected in 2026 would be handled if they lived in the same district.

Public Comment:

- ***Speaker***
- ***Marc Warshaw***
- ***Cami Corvin***
- ***Cheryl Ban***

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- **Mark Esquibel**
- **Alla Mia Basaldua**
- **Speaker**

The Council discussed their preferences for the number of electoral districts in Capitola and their preference for the term for the Mayor and when the Mayor's role should be sequenced.

Motion to direct the demographer to compose draft maps to include four electoral districts and a Citywide elected Mayor, with the Mayor to have a two-year term beginning in 2028: Council Member Clarke

Second: Council Member Westman

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, Mayor Morgan

The City Council took a recess at 7:41 PM and reconvened at 7:45 PM. Following discussion of Item 8A, the Council returned to the regular agenda order and addressed items beginning with Item 6.

- B. Fiscal Year 2026-27 Operating Budget and Five-Year Capital Improvement Program
Recommended Action: Adopt a resolution adopting the Fiscal Year 2026-27 City Budget and Five -Year Capital Improvement Program.

Administrative Services Director Malberg provided the staff report.

Public Comment:

- **Peter Wilk**
- **Speaker**

The City Council the City's proposed budget and upcoming opportunities for the Council to reassess allocations of funding.

Motion to adopt Resolution No. 4495: Council Member Westman

Second: Council Member Orbach

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

- C. 2026 General Municipal Election
Recommended Action: Adopt a resolution ordering the 2026 General Municipal Election, requesting the Santa Cruz County Department of Elections conduct the election, and requesting consolidation of the General Municipal Election in the City of Capitola on Tuesday, November 3, 2026.

City Clerk Gautho provided the staff report.

Public Comment: None

Motion to adopt Resolution No. 4496: Council Member Orbach

Second: Vice Mayor Jensen

Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

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9. **Adjournment** – *The meeting adjourned at 8:35 PM. The next regularly scheduled City Council meeting is on June 25, 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