

City of Capitola

City Council Meeting Minutes

Thursday, February 27, 2025 – 6:00 PM



City Council Chambers
420 Capitola Avenue, Capitola, CA 95010

Mayor: Joe Clarke

Vice Mayor: Alexander Pedersen

Council Members: Gerry Jensen, Margaux Morgan, Melinda Orbach

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 Jensen, Morgan, Orbach, Vice Mayor Pedersen, and Mayor Clarke.*
2. **Additions and Deletions to the Agenda** – *City Manager Goldstein requested to continue Item 7A to the March 13th City Council meeting.*
3. **Additional Materials**
 - A. *Item 6B – One email received after publication of the agenda packet.*
 - B. *Item 6C - One email received after publication of the agenda packet.*
 - C. *Item 6D - Staff Memorandum and Updated Attachment*
 - D. *Item 7B - Six emails received after publication of the agenda packet.*
 - E. *Item 7C - Five emails received after publication of the agenda packet.*
4. **Oral Communications by Members of the Public**
 - *Mary Beth Cahalen*
 - *Charlie Thomas*
 - *Elizabeth Bertrand*
 - *Paula Bradley*
 - *Matt Farrel*
 - *Jim Weller*
 - *Lani Faulkner*
 - *Speaker*
 - *Speaker*
 - *TJ Welch*
 - *Marilyn Garrett*
 - *Speaker*
 - *Goran Klepic*
 - *Keith Cahalen*
5. **Staff / City Council Comments**
 - *Public Works Department Director Kahn provided an update on the closure of the walkway on Depot Hill due to the loss of a portion of the bluff between Oakland and Saxon Avenues. Following a final geologist assessment, staff will return to Council with further updates on the bluff and walkway. Public Works Director Kahn also provided clarification on Consent Item*

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6B, adding that it will return to the City Council for a budget amendment if needed after the project is bid.

- Police Chief Ryan introduced Parking Enforcement Officer, Austin Wilson, and provided an update on a pilot program meant to address unsafe electric bicycle usage.
- Council Member Orbach provided comments on the RTC's March 4th meeting and requested that emails between the City Manager and the RTC's Director be released publicly and requested an agenda item at the March 27th meeting to further discuss the RTC's Park Avenue realignment request.
- Council Member Jensen attended a tour of the Santa Cruz Sanitation Facility and shared about resident grant opportunities through the Monterey Bay Air Resource Board.
- City Manager Goldstein advised the public that the Bay Avenue onramp will be open on March 10th.
- Council Member Pedersen requested that staff investigate omni-directional microphones for the Council Chambers.
- Mayor Clarke advised the public that the RTC is hosting a meeting on March 4th independently of the City; and provided comments on the dedication of the Begonia Festival Commemorative Public Art Project.
- City Attorney Zutler, City Manager Goldstein, and Council Member Orbach clarified that the emails between the RTC Director and the City Manager would be included in the record of February 27th City Council meeting minutes. Following the meeting, staff uploaded the emails to the City's website for public viewing.

6. Consent Items

A. City Council Meeting Minutes

Recommended Action: Approve minutes from the regular meeting on February 13, 2025, and the special meeting on February 19, 2025.

B. FY 2024-25 Pavement Maintenance Project

Recommended Action: Approve the plans, specifications, and construction budget of \$589,000 for the FY 2024-25 Pavement Management Project; and authorize the Department of Public Works to advertise for construction bids.

C. Public Art Fund Allocation

Recommended Action: Adopt a resolution allocating \$25,000 from the Public Art Fund as a matching contribution for an application for the National Endowment for the Arts Grant FY 2026 to support the creation of public art project at the Park at Rispin Mansion and amending the Fiscal Year 2024-25 Budget, as recommended by the Capitola Art and Cultural Commission. **Council Member Jensen pulled Item 6C for discussion.**

D. MOU with the Capitola Police Officers Association

Recommended Action: Authorize the City Manager to sign a side letter agreement with the Capitola Police Officers Association from March 1, 2025, through June 30, 2027.

C. Public Art Fund Allocation

Recommended Action: Adopt a resolution allocating \$25,000 from the Public Art Fund as a matching contribution for an application for the National Endowment for the Arts Grant FY 2026 to support the creation of public art project at the Park at Rispin Mansion and amending the Fiscal Year 2024-25 Budget, as recommended by the Capitola Art and Cultural Commission.

Community Services and Recreation Department Director Bryant presented the staff report.

Public Comment:

- **Gayle Ortiz**

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The City Council discussed the funding of public art projects and requested staff review the existing ordinance and bring an update back to the Council.

Motion to adopt Resolution No. 4418 and direction provided to staff to review the City's public art ordinance: Council Member Orbach

Second: Council Member Pedersen

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

Motion to approve Consent Calendar Items 6A, 6B, 6D: Council Member Morgan

Second: Council Member Orbach

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

7. General Government / Public Hearings

Mayor Clarke reorganized the agenda items to hear Items 7D and 7E first.

D. FY 2024-25 Mid-Year Budget Report

Recommended Action: Receive the Fiscal Year 2024-25 Mid-Year Budget Report and adopt a resolution amending the Fiscal Year 2024-25 Budget.

Finance Department Director Malberg presented the staff report.

Public Comments: None

The Council reminded the audience that the Finance Advisory Committee meetings are open to the public.

Motion to adopt Resolution No. 4419 amending the FY 2024-25 Budget: Council Member Morgan

Second: Council Member Jensen

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

E. CDBG Program Income Funds

Recommended Action: 1) Conduct a public hearing and receive public comment regarding Program Income and its eligible uses; 2) adopt a resolution rescinding Resolution No. 4414 and allocating \$170,000 of Program Income for the Community Center Rehabilitation Project; and 3) adopt a resolution amending the FY 2024-25 budget.

Finance Department Director Malberg presented the staff report.

Public Comments: None

Motion to adopt Resolution No. 4420 rescinding Resolution No. 4414 and allocating \$170,000 of Program Income for the Community Center Rehabilitation Project and adopt Resolution No. 4421 amending the FY 2024-25 Budget: Council Member Morgan

Second: Council Member Orbach

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

A. Appointment of Capitola Representative to Measure Q Oversight Advisory Board

Recommended Action: Appoint a member of the public to serve as Capitola's representative on the Measure Q Citizens Oversight Advisory Board. ***(Continued to the March 13, 2025, City Council Meeting)***

B. Bay Avenue Corridor Study

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Recommended Action: Staff recommends the City Council 1) identify Alternative 2 as the preferred long-term improvement alternative for the Bay Avenue corridor; 2) authorize staff to proceed with public engagement and conceptual design refinement; and 3) direct staff to pursue grant funding opportunities for final design and construction.

Council Member Jensen recused himself from the item due to the proximity of his personal residence. The City Council took a recess at 7:14 PM and resumed the meeting at 7:17 PM.

Public Works Department Director Kahn and project consultants Derek Wu and Frederik Venter from Kimley Horn presented the staff report.

Public Comments:

- ***Keith Cahalen***
- ***David Quantas***
- ***Gayle Ortiz***
- ***Speaker***
- ***Adrienne West***
- ***Stephen Svete***
- ***Lani Faulkner***
- ***Speaker***
- ***Nancy Jones***
- ***Sandy Farreto***
- ***Doug Lagan***
- ***Speaker***
- ***Paula Bradley***
- ***Liz***
- ***Dorothy Anton***
- ***Speaker***

The City Council discussed some of the questions brought up by members of the public during the public comment period, addressed questions with the Kimley Horn consultants, and discussed the benefits of traffic safety improvements for pedestrians and cyclists.

Motion to identify Alternative 2 as the preferred long-term improvement for the Bay Avenue corridor; authorize staff to proceed; and direct staff to pursue grant funding opportunities: Council Member Orbach

Second: Council Member Morgan

Voting Yea: Council Members Morgan, Orbach, Vice Mayor Pedersen, Mayor Clarke

Abstain: Council Member Jensen

C. Bay Avenue and Hill Street Traffic Safety Update

Recommended Action: Provide direction on short-term modifications to the Bay Avenue and Hill Street intersection.

Council Member Jensen recused himself from the item due to the proximity of his personal residence.

Public Works Department Director Kahn presented the staff report.

Public Comments:

- ***Keith Cahalen***

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- **Speaker**
- **Speaker**
- **Mick Routh**
- **Sandy Farreto**
- **Speaker**
- **Carin Hanna**
- **Doug Lagan**

The City Council discussed the possibility of collaborating with PG&E to install additional lighting options in the intersection.

**Motion to continue the quick-build project as-is until a long-term solution is identified:
Council Member Orbach**

Second: Vice Mayor Pedersen

Voting Yea: Council Members Morgan, Orbach, Vice Mayor Pedersen, Mayor Clarke

Abstain: Council Member Jensen

8. Adjournment – The meeting adjourned at 9:00 PM. The next regularly scheduled City Council meeting is on March 13, 2025, at 6:00 PM.

ATTEST:

Signed by:

Julia Gautho

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Julia Gautho, City Clerk

Signed by:

Joe Clarke

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Joe Clarke, Mayor