City of Capitola
City Council Meeting Agenda
Thursday, November 12, 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

Closed Session – 5:30 PM

Closed Sessions are not open to the public and held only on specific topics allowed by State Law (noticed below). An announcement regarding the items to be discussed in Closed Session will be made in the City Hall Council Chambers prior to the Closed Session. Members of the public may, at this time, address the City Council on closed session items only. There will be a report of any final decisions in City Council Chambers during the Open Session Meeting.

i. CONFERENCE WITH LEGAL COUNSEL—LIABILITY CLAIMS (Gov. Code § 54956.95)
Claim Against the City of Capitola
Claimant: Tiffany Hsu

ii. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION significant exposure to litigation pursuant to Gov. Code § 54956.9(d)(2), (e)(1) (2 matters)

Regular Meeting of the Capitola City Council – 6 PM

1. Roll Call and Pledge of Allegiance

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

2. Additions and Deletions to the Agenda

3. Additional Materials

Additional information related to an agenda item on this agenda and submitted to the City after distribution of the agenda packet pursuant to Government Code §54957.5. All correspondence received prior to 5:00 p.m. on the Wednesday preceding a Council Meeting will be distributed to Councilmembers to review prior to the meeting. Information submitted after 5 p.m. on that Wednesday may not have time to reach Councilmembers, nor be read by them prior to consideration of an item.

4. Report on Closed Session

5. Oral Communications by Members of the Public

Oral Communications allows time for members of the Public to address the City Council on any "Consent Item" on tonight's agenda, or on any topic within the jurisdiction of the City that is not on the "General Government/Public Hearings" section of the Agenda. Members of the public may speak for up to three minutes, unless otherwise specified by the Mayor. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and

will not be permitted to engage in dialogue. ***A maximum of 30 minutes*** *is set aside for Oral Communications.*

6. Staff / City Council Comments

Comments are limited to three minutes.

7. Consent Items

All items listed as "Consent Items" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Council votes on the action unless members of the City Council request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Government. Note that all Ordinances which appear on the public agenda shall be determined to have been read by title and further reading waived.

A. City Council Meeting Minutes
Recommended Action: Approve minutes from the regular meeting on October 22, 2026.

B. 2027 Holidays and City Hall Closures
Recommended Action: Adopt a resolution designating the holidays and City Hall closures in calendar year 2027.

C. Donations Report FY 2025-26
Recommended Action: Receive the Annual Donations and Contributions Report.

D. Consider Contract Amendment for Fiscal Transparency & Budget Planning Software
Recommended Action: Authorize the City Manager or designee to execute an amendment to the City's existing agreement with Tyler Technologies, Inc. to add the Open Finance (fiscal transparency) and Pattern Stream (budget planning) software modules and adopt a resolution authorizing an additional appropriation of $8,300 to cover one-time implementation and first-year costs. The combined annual subscription cost for both modules is estimated at $24,000, consisting of approximately $13,200 for Open Finance and $10,800 for Pattern Stream.

E. Personal Service Contract for Affordable Housing Nexus Study and Impact Fee
Recommended Action: Authorize the Interim City Manager to execute a professional services agreement with Willdan Financial Services in an amount not to exceed $35,250, to prepare an Affordable Housing Nexus Study and provide recommendations regarding the City's Affordable Housing Impact Fee and Affordable Housing In-Lieu Fee.

F. Budget Amendment for Police Patrol Vehicle Outfitting
Recommended Action: Adopt a resolution approving an $18,000 budget amendment from the Equipment Replacement Fund balance for Police Department patrol vehicle outfitting.

G. CalOES Designated Agents for Disaster Assistance
Recommended Action: Adopt a resolution certifying the Capitola staff members who are authorized to submit CalOES paperwork.

H. Noble Gulch Culvert Cooperative Agreement Extension
Recommended Action: Authorize the Interim City Manager to execute Amendment No. 1 to the Cooperative Agreement and Reservation of Rights with the County of Santa Cruz and the Santa Cruz County Flood Control and Water Conservation District - Zone 5, in a form acceptable to the City Attorney, extending the term through January 14, 2032.

I. Liability Claim
Recommended Action: Reject liability claim from Tiffany Hsu.

8. General Government / Public Hearings

All items listed in "General Government / Public Hearings" are intended to provide an opportunity for public discussion of each item listed. The following procedure pertains to each General Government item: 1) Staff explanation; 2) Council questions; 3) Public comment; 4) Council deliberation; 5) Decision.

A. Adoption of the 2026 City of Capitola Emergency Operations Plan
Recommended Action: Adopt (1) a resolution approving the 2026 City of Capitola Emergency Operations Plan (EOP), which supersedes the 2017 EOP, and authorizing the City Manager, as Director of Emergency Services, to approve EOP annexes and make administrative updates, with substantive changes returned to the City Council for approval; and (2) a resolution adopting the Standardized Emergency Management System (SEMS), the National Incident Management System (NIMS), and the Incident Command System (ICS) as the City's emergency management standards.

B. Approval of Job Descriptions and Hourly Pay Rates for Building Plan Examiner I and Building Plan Examiner II
Recommended Action: Approve the proposed job descriptions and establish hourly pay rates for the positions of Building Plan Examiner I and Building Plan Examiner II, authorizing the City Manager to utilize these positions on an hourly, as-needed basis to support the City's Building Division.

C. City Manager Recruitment Update
Recommended Action: Review proposals from executive recruiting firms and provide staff with direction.

D. Community Development Block Grant Projects 23A-CDBG-IH-20002-A1 and 24-CDBG-CP-10001-A1 Closeout
Recommended Action: This item has been continued to the December 10, 2026 meeting.

9. Adjournment

The next regularly scheduled City Council meeting is on November 19, 2026, at 6:00 PM.

How to View the Meeting

Meetings are open to the public for in-person attendance at the Capitola City Council Chambers located at 420 Capitola Avenue, Capitola, California, 95010.

Other ways to Watch:

Spectrum Cable Television channel 8

City of Capitola, California YouTube Channel

How to Provide Comments to the City Council

Members of the public may provide public comments to the City Council in-person during the meeting. If you are unable to attend in-person, please email your comments to citycouncil@cityofcapitola.gov and they will be included as a part of the record for the meeting.

Notice regarding City Council: The City Council meets on the 2nd and 4th Thursday of each month at 6:00 p.m. in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The City Council Agenda and the complete Agenda Packet are available for review on the City's website and at Capitola City Hall prior to the meeting. Need more information? Contact the City Clerk's office at 831-475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Pursuant to Government Code §54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, California, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk's office at least 24 hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

Si desea asistir a esta reunión pública y necesita ayuda - como un intérprete de lenguaje de señas americano, español u otro equipo especial - favor de llamar al Departamento de la Secretaría de la Ciudad al 831-475-7300 al menos tres días antes para que podamos coordinar dicha asistencia especial o envié un correo electrónico a cityclerk@cityofcapitola.gov.

Televised Meetings: City Council meetings are cablecast "Live" on Charter Communications Cable TV Channel 8 and are recorded to be rebroadcasted at 8:00 a.m. on the Wednesday following the meetings and at 1:00 p.m. on Saturday following the first rebroadcast on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings are streamed "Live" on the City's website by clicking on the Home Page link "Meeting Agendas/Videos." Archived meetings can be viewed from the website at any time.

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: City Manager Department

Subject: City Council Meeting Minutes

Recommended Action: Approve minutes from the regular meeting on October 22, 2026.

Background: Attached for City Council review and approval are the draft minutes from the regular meeting on October 22, 2026.

Alignment with 2025-2029 Strategic Plan Priority: Accountable Government

Attachments:

1. Regular Meeting October 22, 2026

Report Prepared By: Lesley Milton, Interim City Clerk

Approved By: Rudy Escalante, Interim City Manager

City of Capitola
City Council Meeting Minutes
Thursday, October 22, 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

Closed Session – 5:15 PM

i. CONFERENCE WITH LEGAL COUNSEL – LIABILITY CLAIMS (gov. Code 54956.95)

Claim Against the City of Capitola

Claimant: Joseph McLean, Jr. and Terri Robbins

ii. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

significant exposure to litigation pursuant to Gov. Code § 54956.9(d)(2), (e)(1) (2 matters)

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

3. Presentations

A. E-Bike Safety Update

Police Chief Ryan provided an informational report on the grant-funded E-Bike Safety Program. Council discussed enforcement mechanisms, applicable vehicle and municipal codes, potential tiered enforcement actions, and whether regulations apply equally to juveniles and adults. Council Members raised concerns regarding vehicle speeds, citation numbers, community expectations for stronger enforcement, and the resources needed to support adequate enforcement. Chief Ryan discussed the Police Department's approach to juvenile enforcement, parental involvement, and potential municipal code updates to strengthen local enforcement authority through additional punitive measures.

4. Report on Closed Session

City Attorney Tran reported that direction was given and there was no additional reportable action.

5. Additional Materials

A. Item 9D -1 Correspondence Received

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6. Oral Communications by Members of the Public

- *Sharon Ban*

7. Staff / City Council Comments

- **City Manager Escalante reported on efforts for storm preparation in advance of the winter season including a staff tabletop exercise for emergency management. And announced details of the annual Plein Air festival.**
- **Council Member Clark noted the Halloween parade is Sunday at 2PM, starting at the Police Department**
- **Council Member Orbach spoke to positive comments received about the traffic improvements on 41st avenue.**
- **Council Member Westman spoke to the Area Agency on Aging supporting the appointment of Jaqcue Patron.**
- **Vice Mayor Jensen spoke to the Monterey Bay Air Resources Control Agency grant awarded Capitola $200,000 for electrical upgrades at the corporation yard requested to receive an informational presentation from Save Our Shores on battery storage in the community, seconded by Council Member Clarke and Mayor Morgan.**
- **Mayor Morgan spoke hosting the Mountain School 3rd grade class at City Hall.**

8. Consent Items

A. City Council Meeting Minutes
Action: Approved

B. City Check Registers
Action: Approved

C. Coastal Development Permit Approval for Consolidation for CPT tests
Action: Authorized Submission of Permit

D. Resolution Supporting Santa Cruz County Measure D
Action: Adopted Resolution 4516

E. Budget Amendment and Purchase of a Portable Pump for Winter Storm Response
Action: Approved and Adopted Resolution 4517

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

9. General Government / Public Hearings

A. Capitola Village Free Holiday Parking Program
Action: Approved

Administrative Services Director Malberg presented the report.

Public comment:

- ***Anthony, Representing the BIA***

The Council discussed efforts and obligations of both the BIA and the chamber and spoke in support of the need for additional funding to be able to replace all garbage cans at one time.

Motion to approve the two year suspension of the Capitola village free holiday parking program and direct staff to return with following items for consideration 1) resolution rescinding the resolution requiring the usage of 25% of Transient Occupancy Tax to be used for beautification 2) Allocate the $30,000 revenue from the holiday parking suspension toward the replacement of garbage cans, in addition to the $25,000 for a total of $55,000, 3) Bring back a discussion to create a carve out of future parking revenues to be allocated for village enhancements 4) Bring back authorization for reimbursement for 50% of holiday lighting expenditures for a total of $7,500 5) Add discussion of sidewalk cleaning requirements to include frequency, and 5) meet with the BIA to ensure they are in agreement prior to the agenda item returning to Council: Vice Mayor Jensen
Second: Council Member Clark
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

B. Stockton Avenue Bridge Maintenance Engineering Services
Action: Approved Contract with Moffatt & Nichol

Public Works Director presented the report and answered questions about the process, funding and qualification of each of the firms.

Public comment:

- ***None***

Council Members spoked the potential of this project to extend the life of the bridge and to the current work being provided by Mark Thomas on the Trestle project, discussed qualifications and justifications for supporting each of the proposed contractors, including work with historical bridges and experience working with Caltrans. Council Member Orbach did not support expenditures and instead spoke in support of a long-term plan.

Motion to* Authorize the City Manager to execute a Professional Services Agreement, in a form acceptable to the City Attorney, with Moffatt & Nichol for Stockton Avenue Bridge maintenance engineering services, including bid and construction support, in an amount not to exceed $146,000; and approve a resolution authorizing a budget amendment appropriating $146,000 from available restricted road funds for these services*: Council Member Clark
Second: Council Member Westman
Voting Yea: Vice Mayor Jensen, and Mayor Morgan
Voting No: Orbach

C. Beach Lifeguard Service Organizational Study
Action: Received Study and Provided Direction to Staff

City Manager Escalante Introduced the report. Consultant Richard Gould provided a presentation on the Organizational report, supported by Jason Hiduk, former Fire Chief from City of Santa Cruz.

The Council questioned the process for public outreach, direction received from staff regarding the parameters of the study, to different findings and abilities to partner with Central fire with the proposed recommendation. Mr. Hiduk responded to questions about levels of service regardless of where the lifeguard program is housed internally. He also noted that city life guards, also operate as the junior guard instructors, which provides continuity.

Public comment:

- **None**

Council Member Westman recognized recent improvements and the valuable contributions of Recreation staff and the Junior Lifeguard Program while raising concerns regarding program structure, operations, and interdepartmental coordination. She emphasized the importance of established protocols, appropriate training, clear communication, and defined emergency response responsibilities among the Police Department, Recreation Department, and other agencies. She requested a future report with recommendations to ensure a safe and effective program, including operational standards, emergency response procedures, and consideration of departmental responsibilities for special events.

Council Members encouraged continued collaboration among the Police Department, Recreation Department, and local agencies to clarify roles and responsibilities, explore potential fire department involvement in providing services, support mutual aid opportunities, and ensure the continued success of the program regardless of departmental oversight, while expressing support for the consultant's recommendations and a coordinated, team-oriented approach.

Motion directing the City Manager to work with the Recreation Director and Police Chief to develop a plan for an effective City lifeguard and Junior Lifeguard program, including necessary rules, regulations, and emergency response protocols with a clearly defined chain of command; coordinate with Human Resources to ensure staff have the training, tools, and skills necessary for effective supervision, leadership, and operational decision-making; coordinate with Central Fire to establish mutual aid procedures; and identify any resources necessary to implement the recommendations: Council Member Westman
Second: Council Member
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

D. Recertification of a Blanket Coastal Development Permit for the City of Capitola's Outdoor Dining in the Public Right-of-Way; Coastal Development Permit extensions for Sidewalk Dining at 123 Monterey Avenue (El Toro Bravo); and extensions of Street Dining Decks at 107 San Jose Ave (Left Coast Sausage Worx) and 115 Sant Jose Ave (Vin Vivant). The outdoor dining is located within the MU-V (Mixed Use Village) zoning district City Council will also consider the lease rental rates for outdoor dining in parking spaces and sidewalk areas. The project is located within the Coastal Zone and is appealable to the California Coastal Commission.
Action: Approved

Community Development Director Katie Herlihy presented the report.

Public comment:

- **Nelis Wesman**
- **Anthony**

Council Member discussed said the proposed rate citing compliance with the current parking meter rate.

Motion to recertify the Blanket Coastal Development Permit for the Outdoor Dining Program and extend Coastal Development Permits for existing participating businesses for an additional five years. The motion also directed staff to revise lease rates to reflect current parking meter rates, with adjustments for any future parking rate increases and annual CPI increases, and establish seasonal operating requirements of five days per week from April 1 through October 31 and three days per week from November 1 through March 31. Staff was further directed to notify and present any future parking rate changes to the City Council: ***Council Member Westman***
Second: Council Member Clark
Voting Yea: Council Members Clarke, Orbach, Westman, Vice Mayor Jensen, and Mayor Morgan

E. Receive Report on Police Department Grant Awards Totaling $316,278.32 for Public Safety Enforcement, Education, and Equipment
Action: Report Received

Police Chief Sarah Ryan presented the report.
Vice Mayor Jensen and Council Member Orbach expressed appreciation to the team for obtaining these grants be able to do great work in this community.

Public comment:

- **None**

10. Adjournment

The meeting adjourned at 8:55 PM.

_____

Margaux Morgan, Mayor

ATTEST:

_____

Lesley Milton, Interim City Clerk

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: City Manager Department

Subject: 2027 Holidays and City Hall Closures

Recommended Action: Adopt a resolution designating the holidays and City Hall closures in calendar year 2027.

Background: Ordinance No. 497 allows the City Council to designate holidays and closures for City offices by resolution.

Discussion: A draft resolution for the 2027 calendar year holidays is attached. As has been the practice for the past several years and consistent with employee Memoranda of Understanding, the proposed resolution also identifies the December holiday closure of City Hall and Recreation offices.

Fiscal Impact: None

Attachments:

1. Resolution

Report Prepared By: Rosie Wyatt, Deputy City Clerk

Approved By: Rudy Escalante, City Manager

RESOLUTION NO. ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA ESTABLISHING DAYS FOR CLOSURE OF CITY OFFICES DURING THE 2027 CALENDAR YEAR

WHEREAS, Ordinance No. 497 provides that days for closure of City offices may, from time to time, be set by Council Resolution; and

WHEREAS, it is the desire of the City Council of the City of Capitola to establish days for closure of City offices during the 2027 calendar year.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola as follows: City Offices, except for essential City services such as the Police Department, shall be closed on the following days occurring in calendar year 2027, unless otherwise noted:

Friday, January 1	New Year's Day
Monday, January 18	Martin Luther King, Jr. Day
Friday, February 12	Lincoln's Birthday
Monday, February 15	Presidents' Day
Monday, May 31	Memorial Day
Friday, June 18	Juneteenth (observed)
Monday, July 5	Independence Day (observed)
Monday, September 6	Labor Day
Monday, October 11	Indigenous Peoples Day
Thursday, November 11	Veterans' Day
Thursday & Friday, November 25 & 26	Thanksgiving Holiday
Friday, December 24	Christmas Day (observed)
Monday, December 27 – Friday, December 31	Holiday Closure

The foregoing does not preclude the scheduling of any City Council or Planning Commission meetings on such days. For purposes of Government Code Section 6704, Saturdays and Sundays are also days for closure of the City business office.

The foregoing is not in any sense intended to define holidays, for which employees do or do not receive additional compensation. Employees' paid holidays are defined in relevant Memoranda of Understanding.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 12th day of November, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Margaux Morgan, Mayor

ATTEST: _____
Lesley Milton, Interim City Clerk

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Administrative Services Department

Subject: Donations Report FY 2025-26

Recommended Action: Receive the Annual Donations and Contributions Report.

Background: In July 2013, the City implemented Administrative Policy III-15, which authorizes the City Manager to accept and appropriate donations or grants of $5,000 or less to support existing City projects and programs. Attachment 1 shows donations and contributions for the period July 2025 through June 2026.

Discussion: Between July 2025 and June 2026, the City received a total of $109,173.08 in donations and contributions. Of the total, $49,173.08 had values of $5,000 or less. These contributions included support for the Museum, Jr Guards sponsorships, Plein Air, weekend music and food truck event sponsorships, and the summer twilight concert series. In addition, the City received $60,000.00 in donations and contributions with values greater than $5,000. These contributions supported McGregor Pump Track Rehabilitation and the purchase of bike racks.

During this period, the City also received $6,181,992.71 in state, federal, and regional grants (Attachment 2). Included was $2,267.95 from the California Highway Patrol Fund, $13,738.35 for ABC activity reimbursement, $5,000 for Resources Recycling and Recovery, $18,793.21 for the Active Transportation Plan, $13,500 for Hoopers Ramp storm damage, $275,003.11 for the Cliff Drive Resiliency Project, $160,452 for Electric Vehicle chargers, $294,184.66 for the Stockton Avenue Bridge Repair, $614,589.97 for the Community Center Renovation, $58,847.50 for REAP 2.0, and $4,725,615.96 in Community Development Block Grant (CDBG) funding for the Community Center renovation, playground, patio, and administration.

Fiscal Impact: The City of Capitola benefits greatly from the generosity of individual citizens, local businesses, non-profit agencies, and others. Between July 2025 and June 2026, the City received $6,291,165.79 in donations, contributions, and grant funding.

Attachments:

1. Attachment 1: Donations
2. Attachment 2: Grants

Report Prepared By: Report Prepared By: Luis Ruiz, Accountant II

Reviewed By: Jim Malberg, Administrative Services Director; Lesley Milton, Interim City Clerk

Approved By: Rudy Escalante, Interim City Manager

City of Capitola
Donations & Contributions
July 2025 - June 2026

Date	From	Description	Amount
	DONATIONS & CONTRIBUTIONS $5,000 AND UNDER		
Various	Various	Museum donations	$ 10,823.08
			$ 10,823.08
Various	Junior Lifeguards Parent Club	Jr Guards Sponsorships	$ 8,000.00
			$ 8,000.00
4/16/2026	Aspromonte Hotels	Plein Air	$ 1,250.00
			$ 1,250.00
4/16/2026	Art Factory Studios	Weekend Music Sponsor	$ 50.00
7/3/2025	Shadowbrook Restaurant	Food Truck Friday Sponsor	$ 500.00
			$ 550.00
4/16/2026	Capitola By-the-Sea Inn & Suites	Twilight Concerts	$ 1,250.00
4/23/2026	Fries Properties Inc.	Twilight Concerts	$ 2,500.00
5/7/2026	Devon	Twilight Concerts	$ 2,500.00
5/14/2026	Britannia Arms Pub & Restaurant, Inc.	Twilight Concerts	$ 1,500.00
5/14/2026	Pizza My Heart	Twilight Concerts	$ 2,500.00
5/14/2026	Gayles	Twilight Concerts	$ 2,500.00
5/14/2026	Grocery Outlet	Twilight Concerts	$ 1,500.00
5/14/2026	EF Homes	Twilight Concerts	$ 800.00
5/21/2026	Zelda's	Twilight Concerts	$ 1,000.00
5/21/2026	Laverne Collins	Twilight Concerts	$ 1,500.00
5/21/2026	Anytime Plumbing Inc.	Twilight Concerts	$ 2,500.00
6/11/2026	West Coast Community Bank	Twilight Concerts	$ 2,500.00
7/3/2025	Anytime Plumbing Inc.	Twilight Concerts	$ 2,000.00
7/3/2025	Fries Properties Inc.	Twilight Concerts	$ 2,000.00
12/4/2025	Greenwaste Recovery Inc.	Twilight Concerts	$ 2,000.00
			$ 28,550.00
		TOTAL $5,000 AND UNDER	$ 49,173.08
	DONATIONS & CONTRIBUTIONS OVER $5,000		
7/24/2025	Rudolph Monte Foundation	McGregor Pump Track Rehab	$ 25,000.00
7/30/2025	Rudolph Monte Foundation	McGregor Pump Track Rehab	$ 25,000.00
9/18/2025	Wharf to Wharf	Bike Rack Contribution	$ 10,000.00
		TOTAL OVER $5,000	$ 60,000.00
		GRAND TOTAL	**$ 109,173.08**

City of Capitola Grants
July 2025 - June 2026

Date	From	Description	Amount
Various	State of CA	California Highway Patrol Fund Grant	$ 2,267.95
Various	State of CA	ABC grant - OT, travel, & meal reimbursement	$ 13,738.35
3/19/2026	State of CA	Resources Recycling & Recovery Grant	$ 5,000.00
5/14/2026	State of CA	Active Transportation Plan Grant	$ 18,793.21
Various	State of CA	Hoopers Ramp Storm Damage Grant	$ 13,500.00
Various	State of CA	Cliff Drive Resiliency Project Grant	$ 275,003.11
Various	State of CA	EV Chargers Grant	$ 160,452.00
11/6/2025	State of CA	Stockton Ave Bridge Repair Grant	$ 294,184.66
Various	SEC Natural Resources	Community Center Renovation Grant	$ 614,589.97
Various	Association of Monterey Bay	REAP 2.0 Grant	$ 58,847.50
Various	CA Housing & Community Development	CDBG - Community Center Renovation, Playground, Patio, Admin Grants	$ 4,725,615.96
		GRANT TOTAL	**$ 6,181,992.71**

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Administrative Services Department

Subject: Consider Contract Amendment for Fiscal Transparency & Budget Planning Software

Recommended Action: Authorize the City Manager or designee to execute an amendment to the City's existing agreement with Tyler Technologies, Inc. to add the Open Finance (fiscal transparency) and Pattern Stream (budget planning) software modules and adopt a resolution authorizing an additional appropriation of $8,300 to cover one-time implementation and first-year costs. The combined annual subscription cost for both modules is estimated at $24,000, consisting of approximately $13,200 for Open Finance and $10,800 for Pattern Stream.

Background: During the FY 2026–27 budget hearings, the City Council, consistent with a recommendation from the Finance Advisory Committee (FAC), appropriated $20,000 for the acquisition of fiscal transparency software. The objective was to improve public access to the City's financial information, increase transparency and accountability, and provide residents with a more accessible understanding of how public funds are budgeted and spent.

The City subsequently expanded its evaluation to include budget planning software, recognizing the opportunity to improve internal budget development processes while also enhancing public access to financial information.

The timing of this initiative is also favorable from a financial perspective. Staff's transition of Transient Occupancy Tax (TOT) administration back in-house generated approximately $19,000 in savings, substantially offsetting the original $20,000 budget allocation for this initiative.

Discussion: On July 20, 2026, the Administrative Services Department issued a Request for Proposals (RFP) for Financial Transparency and Budget Planning Software. The RFP was posted on both the City's website and the California Society of Municipal Finance Officers (CSMFO) website. Seven qualified firms submitted proposals for consideration.

Department staff evaluated the proposals based on several factors, including software capabilities, implementation approach, vendor experience, customer support, and overall cost. The three highest-ranked firms were invited to participate in online demonstrations to further evaluate their products. One of the selected firms subsequently withdrew, leaving two firms to demonstrate their software. Staff also conducted reference checks to obtain additional information regarding the leading proposal.

Both finalists offered well-regarded fiscal transparency solutions. However, after considering the proposals, software demonstrations, reference checks, and overall costs, staff determined that Tyler Technologies, Inc. offered the best overall value to the City.

The following table summarizes the average annual costs and implementation costs submitted by the responding firms:

Firm	Avg. Annual Cost	Implementation Cost
ClearGov	$32,598	$20,431
Common Sense	$13,746	N/A
Concourse	$27,000	N/A
Euna Solutions, Inc.	$31,939	$9,900
MDSS	$13,333	N/A
SDLC Corp	$24,000	$42,000
Tyler Technologies Inc.	**$24,000**	**$14,225**

Although some firms submitted lower annual subscription costs, the evaluation considered the overall services offered, implementation requirements, and the City's ability to integrate the software with its existing financial systems. Based on these considerations, staff believes Tyler Technologies provides the strongest overall combination of functionality, compatibility, and cost.

Existing Relationship with Tyler Technologies

The City has maintained a contractual relationship with Tyler Technologies since 2017 for its New World Enterprise Resource Planning (ERP) system. This hosted software platform supports several critical City functions, including accounting, human resources, payroll, time sheets, business licensing, and financial analytics.

The proposed Open Finance and Pattern Stream modules would expand the City's existing Tyler Technologies platform rather than introduce an additional financial software provider.

This approach offers several advantages:

- **Integration:** The additional modules can work within the City's existing financial software environment, providing greater continuity between financial reporting, budget development, and accounting operations.
- **Operational Efficiency:** Staff can utilize a familiar platform and existing vendor relationship rather than implementing and maintaining an entirely separate financial software system.
- **Improved Public Transparency:** Open Finance will provide residents with more accessible financial information and greater visibility into City revenues, expenditures, and budget activities.
- **Improved Budget Development:** Pattern Stream will provide staff with additional tools to develop, review, and manage the City's annual operating budget.
- **Long-Term Value:** Combining these capabilities within the City's existing ERP environment provides an opportunity to improve financial management practices while limiting the administrative complexity associated with multiple software providers.

Staff recommends contracting with Tyler Technologies for both modules beginning in FY 2026–27.

Fiscal Impact: The proposed agreement represents an investment in both public transparency and the City's internal financial management capabilities.

The estimated annual subscription costs are:

- Open Finance: $13,200
- Pattern Stream: $10,800
- **Combined annual subscription: $24,000**

The one-time implementation cost quoted by Tyler Technologies is $14,225. The first-year costs will therefore be higher than the ongoing annual subscription expense.

During the FY 2026–27 budget process, the City Council appropriated $20,000 for fiscal transparency software. Staff is requesting an additional appropriation of $8,300 to accommodate the first-year costs including one-time implementation costs and the remaining annual subscription amount of $14,000 for December 2026 – June 2027. There is approximately $600,000 available in the Information Technology Internal Service Fund.

Importantly, the original $20,000 allocation is substantially offset by approximately $19,000 in savings generated by bringing TOT administration back in-house. This represents a significant opportunity to implement the City's transparency and budget planning objectives while minimizing the net impact on available City resources.

The investment also provides value beyond the initial public transparency initiative. By adding Pattern Stream, the City will obtain additional budget development capabilities for a combined annual subscription cost of $24,000. This allows the City to address two important financial management priorities through a single software provider and an expansion of its existing ERP agreement.

The FY 2026–27 Approved Budget includes $37,866 for the City's existing Tyler Technologies agreement. With the addition of Open Finance and Pattern Stream, the estimated annual contract cost will increase to approximately $62,000.

The ongoing subscription costs will be incorporated into future proposed budgets, subject to City Council approval.

While this represents an increase in the City's annual software expenditures, staff believes the benefits of improved public access to financial information, more efficient budget preparation, and integration with the City's existing financial system provide sufficient justification for the investment.

Attachments:

1. Attachment 1: Tyler Technologies Quote Agreement
2. Attachment 2: Budget Amendment
3. Tyler Technologies 2017 agreement

Report Prepared By: Report Prepared By: Luis Ruiz, Accountant II

Reviewed By: Lesley Milton, Interim City Clerk, Jim Malberg, Administrative Services Director, Marc Tran, City Attorney

Approved By: Rudy Escalante, Interim City Manager

City of Capitola

Financial Transparency & Budget Planning Software

Fee Summary

Friday, August 14, 2026

tylertech.com

Summer Zwarun - Account Representative
1 Tyler Drive, Yarmouth, Maine 04096
947.941.1279 | Summer.Zwarun@tylertech.com

Restrictions on Disclosure

This response from Tyler Technologies, Inc. ("Tyler") contains proprietary and confidential information, including security-related information and trade secrets belonging to Tyler or Tyler's partners. Tyler is submitting this response on the express condition that the following portions will not be duplicated, disclosed, or otherwise made available, except for internal evaluation purposes:

- Security-related information, such as architectural diagrams, the content of SOC reports, security vendor names and other proprietary information that protects Tyler and government software, data and services from unauthorized access
- Response to the Functional Requirements, or "Checklist"
- Screen shots, if any

To the extent disclosure of those portions is requested or ordered, Tyler requires written notice of the request or order. If disclosure is subject to Tyler's permission, Tyler will grant that permission in writing, in Tyler's sole discretion. If disclosure is subject to a court or other legal order, Tyler will take whatever action Tyler deems necessary to protect its proprietary and confidential information and will assume all responsibility and liability associated with that action.

Tyler agrees that any portions not listed above and marked accordingly are to be made available for public disclosure, as required under applicable public records laws and procurement processes.

Trademarks Disclaimer

Because of the nature of this response, third-party hardware and software products may be mentioned by name. These names may be trademarked by the companies that manufacture the products. It is not Tyler's intent to claim these names or trademarks as our own.

Section 1 Fee Summary

As a separate attachment to the submittal, provide a Cover Letter and Fee Summary. Provide the table mentioned above listing project tasks and subtasks, with proposed staff, staff hours and fee for each, plus project-related expenses. Include a proposed not-to-exceed total fee for all work to be completed. In addition, provide your current rate schedule. Please clearly mark the separate envelope "Fee Summary".

1.1 Tyler Investment Summary

Please refer to the following pages.

Quoted By:	Summer Zwarun
Quote Expiration:	1/26/27
Quote Name:	Capitola CA _ Open Finance

Billing Address:
Capitola, Ca
420 Capitola Ave
Capitola CA 95010-3318

Tyler Annual Software - SaaS

Description	Annual
New World ERP	
ERP Insights	
Open Finance Suite	$ 13,200.00
TOTAL	**$ 13,200.00**

Fixed Fee Services

Description	Units	Price	Maintenance
New World ERP			
ERP Insights			
Open Finance - Install Fee	1	$ 3,200	$ 0
TOTAL		**$ 3,200**	**$ 0**

Summary	**One Time Fees**	**Recurring Fees**
Total Tyler Software	$ 0.00	$ 0.00
Total SaaS	$ 0.00	$ 13,200.00
Total Tyler Services	$ 3,200.00	$ 0.00
Total Third-Party Hardware, Software, Services	$ 0.00	$ 0.00
Summary Total	**$ 3,200.00**	**$ 13,200.00**

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms, subject to payment terms in an agreement, amendment, or similar document in which this sales quotation is included:

- License fees for Tyler and third-party software are invoiced upon the earlier of (i) delivery of the license key or (ii) when Tyler makes such software available accessible.
- Fees for hardware are invoiced upon delivery.
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware.
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software accessible to the

Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any s fees are prorated to align with the applicable term under the agreement, with renewals invoiced annually thereafter in accord with the Agreement.

- Fees for services included in this sales quotation shall be invoiced as indicated below.
  - Implementation and other professional services fees shall be invoiced as delivered.
  - Client has six months to use the services. If Client does not use the services within six months, Tyler may remove the unused services or issue a new quote to provide services at then-current rates.
  - o Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
  - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and material basis. "
  - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where Project Planning Services are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
  - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
  - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to fees specifically for migrations: Tyler will invoice Client 50% of any Migration Services Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite. Annual SaaS Fees will be invoiced upon availability of the hosted environment.
- Expenses associated with onsite services are invoiced as incurred.

Any SaaS or hosted solutions added to an agreement containing Client-hosted Tyler solutions are subject to Tyler's SaaS Services terms found here: https://www.tylertech.com/terms/tyler-saas-services.

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held
For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O.#: _____

1.2 PatternStream Pricing

Please refer to the following pages.

Quoted By:	Summer Zwarun
Quote Expiration:	1/26/27
Quote Name:	Capitola CA _ PatternStream SaaS

Billing Address:
Capitola, Ca
420 Capitola Ave
Capitola CA 95010-3318

3rd Party Hardware, Software and Services

Description	Quantity	Unit Price	Total	Annual
Enterprise ERP				
Third Party				
Pattern Stream Automated Document System - Implementation	56	$ 175	$ 9,800	$ 0
Pattern Stream Automated Document System - SaaS	1	$ 0	$ 0	$ 10,800
TOTAL			**$ 9,800**	**$ 10,800**

Fixed Fee Services

Description		Units	Price	Maintenance
Enterprise ERP				
Professional Services				
Project Management		1	$ 1,225	$ 0
	TOTAL		**$ 1,225**	**$ 0**

Summary	**One Time Fees**	**Recurring Fees**
Total Tyler Software	$ 0.00	$ 0.00
Total SaaS	$ 0.00	$ 0.00
Total Tyler Services	$ 1,225.00	$ 0.00
Total Third-Party Hardware, Software, Services	$ 9,800.00	$ 10,800.00
Summary Total	**$ 11,025.00**	**$ 10,800.00**

Comment

Standard Project Management responsibilities include project plan creation, initial stakeholder presentation, bi-weekly status calls, updating of project plan task statuses, and go-live planning activities.
Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms, subject to payment terms in an agreement, amendment, or similar document in which this sales quotation is included:
• License fees for Tyler and third-party software are invoiced upon the earlier of (i) delivery of the license key or (ii) when Tyler makes such software

available accessible.

- Fees for hardware are invoiced upon delivery.
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware.
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software accessible to the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
    - Implementation and other professional services fees shall be invoiced as delivered.
    - Client has six months to use the services. If Client does not use the services within six months, Tyler may remove the unused services or issue a new quote to provide services at then-current rates.
    - o Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
    - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and material basis. "
    - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where Project Planning Services are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
    - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
    - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to fees specifically for migrations: Tyler will invoice Client 50% of any Migration Services Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite. Annual SaaS Fees will be invoiced upon availability of the hosted environment.
- Expenses associated with onsite services are invoiced as incurred.

Any SaaS or hosted solutions added to an agreement containing Client-hosted Tyler solutions are subject to Tyler's SaaS Services terms found here: https://www.tylertech.com/terms/tyler-saas-services.

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held
For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later. *

Customer Approval: _____ Date: _____

Print Name: _____ P.O.#: _____

*Pattern Stream Terms. Your use of Pattern Stream software and services is subject to the terms found here: https://www.tylertech.com/terms/finite-matters-ltd-consolidated-terms. By signing a Tyler Agreement or Order Form, or accessing, installing, or using Pattern Stream software or services, you agree that you have read, understood, and agree to such terms. Third Party Saas Fees are invoiced on an annual basis, and shall renew at then current rates.
Third Party Services are invoiced as performed.

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AMENDING THE 2026-27 FISCAL YEAR CITY BUDGET

WHEREAS, it is necessary to adopt the 2026-27 Fiscal Year Budget for all City funds; and

WHEREAS, the City Council conducted budget study sessions, heard and considered public comments, had modified and proposed a budget accordingly, and on June 11, 2026, adopted such budget for the Fiscal Year July 1, 2026, through June 30, 2027; and

WHEREAS, since the adoption of the FY 2026-27 Budget the City has issued a Request for Proposals for Fiscal Transparency and budget planning software; and

WHEREAS, staff has reviewed the proposals and participated in multiple demonstrations and is recommending entering an agreement with Tyler Technologies; and

WHEREAS, it is necessary to amend the FY 2026-27 Budget to increase expenditures by $8,300 for set-up fees and first year costs; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola that the 2026-27 Fiscal Year Budget is hereby amended, including Exhibit A (Budget Amendment) to this Resolution; and

BE IT FURTHER RESOLVED that the Administrative Services Director is directed to enter the budget into the City's accounting records in accordance with appropriate accounting practices, and the City Manager, with the Administrative Services Director's assistance, shall assure compliance therewith.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 12th day of November 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Margaux Morgan, Mayor

ATTEST:

_____
Lesley Milton, Interim City Clerk

Budget Adjustment Request

Date
11/02/2026

Requesting Department *
Finance

Type of Adjustment
- ○ Administrative
- ◉ Council

Item #

Council Date
November 12, 2026

Council Approval

Revenues

Account Number	Account Description	Increase/Decrease

Total Revenues
$0.00

Expenditures

Account Number	Account Description	Increase/Decrease
2211-00-00-000-4315.106	CS-Tech Contracts	$8,300.00

Total Expenditures
$8,300.00

Net Impact
-$8,300.00

Purpose
Additional funding for fiscal transparency and budget software.

Department Head Approval
Jim Malberg

Finance Director Approval

Jim Malberg

City Manager Approval

Rudy Escalante

Action History (all history times shown in Pacific Standard Time)

Submit	by Jim Malberg 11/2/2026 2:25:27 pm (Budget Amendment Request Submitted)
Approve	by Jim Malberg 11/2/2026 2:26:22 pm (Routed to Finance) • The task was assigned to Jim Malberg 11/2/2026 2:25:28 pm
Approve (send to CM for approval)	by Jim Malberg 11/2/2026 2:33:52 pm (Routed to Finance Director) • Jim Malberg assigned the task to Jim Malberg 11/2/2026 2:33:45 pm • The task was assigned to Jim Malberg & Luis Ruiz 11/2/2026 2:26:22 pm
Approve (return to Finance for processing)	by Rudy Escalante 11/2/2026 3:18:06 pm (Routed to CM for final approval) • The task was assigned to Rudy Escalante 11/2/2026 2:33:52 pm



SOFTWARE AS A SERVICE AGREEMENT

This Software as a Service Agreement is made between Tyler Technologies, Inc. and Client.

WHEREAS, Client selected Tyler to provide certain products and services set forth in the Investment Summary, including providing Client with access to Tyler's proprietary software products, and Tyler desires to provide such products and services under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

SECTION A – DEFINITIONS

- **"Agreement"** means this Software as a Services Agreement.
- **"Business Travel Policy"** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **"Client**" means City of Capitola, California.
- **"Data"** means your data necessary to utilize the Tyler Software.
- **"Data Storage Capacity"** means the contracted amount of storage capacity for your Data identified in the Investment Summary, which in all events shall not exceed 200 gigs of Data at any time.
- **"Defect"** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **"Defined Concurrent Users"** means the number of concurrent users that are authorized to use the SaaS Services. The Defined Concurrent Users for the Agreement are Sixteen (16).
- **"Developer"** means a third party who owns the intellectual property rights to Third Party Software.
- **"Documentation"** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **"Effective Date"** means the date on which your authorized representative signs the Agreement.
- **"Force Majeure"** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **"Investment Summary"** means the agreed upon cost proposal for the products and services attached as Exhibit A.
- **"Invoicing and Payment Policy"** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as Exhibit B.
- **"SaaS Fees"** means the fees for the SaaS Services identified in the Investment Summary.
- **"SaaS Services"** means software as a service consisting of system administration, system

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

management, and system monitoring activities that Tyler performs for the Tyler Software, and includes the right to access and use the Tyler Software, receive maintenance and support on the Tyler Software, including Downtime resolution under the terms of the SLA, and Data storage and archiving. SaaS Services do not include support of an operating system or hardware, support outside of our normal business hours, or training, consulting or other professional services.

- **"SLA"** means the service level agreement. A copy of our current SLA is attached hereto as Exhibit C.
- **"Support Call Process"** means the support call process applicable to all of our customers who have licensed the Tyler Software. A copy of our current Support Call Process is attached as Schedule 1 to Exhibit C.
- **"Third Party Terms"** means, if any, the end user license agreement(s) or similar terms for the Third Party Software, as applicable and attached as Exhibit D.
- **"Third Party Hardware"** means the third party hardware, if any, identified in the Investment Summary.
- **"Third Party Products"** means the Third Party Software and Third Party Hardware.
- **"Third Party Software"** means the third party software, if any, identified in the Investment Summary.
- **"Tyler"** means Tyler Technologies, Inc., a Delaware corporation.
- **"Tyler Software"** means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- **"we", "us", "our"** and similar terms mean Tyler.
- **"you"** and similar terms mean Client.

SECTION B – SAAS SERVICES

1. Rights Granted. We grant to you the non-exclusive, non-assignable limited right to use the SaaS Services solely for your internal business purposes for the number of Defined Concurrent Users only. The Tyler Software will be made available to you according to the terms of the SLA. You acknowledge that we have no delivery obligations and we will not ship copies of the Tyler Software as part of the SaaS Services. You may use the SaaS Services to access updates and enhancements to the Tyler Software, as further described in Section C(8).

2. SaaS Fees. You agree to pay us the SaaS Fees. Those amounts are payable in accordance with our Invoicing and Payment Policy. The SaaS Fees are based on the number of Defined Concurrent Users and amount of Data Storage Capacity. You may add additional concurrent users or additional data storage capacity on the terms set forth in Section H(1). In the event you regularly and/or meaningfully exceed the Defined Concurrent Users or Data Storage Capacity, we reserve the right to charge you additional fees commensurate with the overage(s).

3. Ownership.

   3.1 We retain all ownership and intellectual property rights to the SaaS Services, the Tyler Software, and anything developed by us under this Agreement. You do not acquire under this Agreement any license to use the Tyler Software in excess of the scope and/or duration of the SaaS Services.

   3.2 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

3.3 You retain all ownership and intellectual property rights to the Data.

4. Restrictions. You may not: (a) make the Tyler Software or Documentation resulting from the SaaS Services available in any manner to any third party for use in the third party's business operations; (b) modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the SaaS Services; (c) access or use the SaaS Services in order to build or support, and/or assist a third party in building or supporting, products or services competitive to us; or (d) license, sell, rent, lease, transfer, assign, distribute, display, host, outsource, disclose, permit timesharing or service bureau use, or otherwise commercially exploit or make the SaaS Services, Tyler Software, or Documentation available to any third party other than as expressly permitted by this Agreement.

5. Software Warranty. We warrant that the Tyler Software will perform without Defects during the term of this Agreement. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect in accordance with the maintenance and support process set forth in Section C(8), below, the SLA and our then current Support Call Process.

6. SaaS Services.

6.1 Our SaaS Services are audited at least yearly in accordance with the AICPA's Statement on Standards for Attestation Engagements ("SSAE") No. 16, Type 2. We have attained, and will maintain, Type II SSAE compliance, or its equivalent, for so long as you are timely paying for SaaS Services. Upon execution of a mutually agreeable Non-Disclosure Agreement ("NDA"), we will provide you with a summary of our SSAE-16 compliance report or its equivalent. Every year thereafter, for so long as the NDA is in effect and in which you make a written request, we will provide that same information.

6.2 You will be hosted on shared hardware in a Tyler data center, but in a database dedicated to you, which is inaccessible to our other customers.

6.3 We have fully-redundant telecommunications access, electrical power, and the required hardware to provide access to the Tyler Software in the event of a disaster or component failure. In the event any of your data has been lost or damaged due to an act or omission of Tyler or its subcontractors or due to a defect in Tyler's software, we will use best commercial efforts to restore all the data on servers in accordance with the architectural design's capabilities and with the goal of minimizing any data loss as greatly as possible. In no case shall the recovery point objective ("RPO") exceed a maximum of twenty-four (24) hours from declaration of disaster. For purposes of this subsection, RPO represents the maximum tolerable period during which your data may be lost, measured in relation to a disaster we declare, said declaration will not be unreasonably withheld.

6.4 In the event we declare a disaster, our Recovery Time Objective ("RTO") is twenty-four (24) hours. For purposes of this subsection, RTO represents the amount of time, after we declare a disaster, within which your access to the Tyler Software must be restored.

6.5 We conduct annual penetration testing of either the production network and/or web application to be performed. We will maintain industry standard intrusion detection and prevention systems to monitor malicious activity in the network and to log and block any such

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

activity. We will provide you with a written or electronic record of the actions taken by us in the event that any unauthorized access to your database(s) is detected as a result of our security protocols. We will undertake an additional security audit, on terms and timing to be mutually agreed to by the parties, at your written request. You may not attempt to bypass or subvert security restrictions in the SaaS Services or environments related to the Tyler Software. Unauthorized attempts to access files, passwords or other confidential information, and unauthorized vulnerability and penetration test scanning of our network and systems (hosted or otherwise) is prohibited without the prior written approval of our IT Security Officer.

6.6 We test our disaster recovery plan on an annual basis. Our standard test is not client-specific. Should you request a client-specific disaster recovery test, we will work with you to schedule and execute such a test on a mutually agreeable schedule.

6.7 We will be responsible for importing back-up and verifying that you can log-in. You will be responsible for running reports and testing critical processes to verify the returned data. At your written request, we will provide test results to you within a commercially reasonable timeframe after receipt of the request.

6.8 We provide secure data transmission paths from each of your workstations to our servers.

6.9 For at least the past ten (10) years, all of our employees have undergone criminal background checks prior to hire. All employees sign our confidentiality agreement and security policies. Our data centers are accessible only by authorized personnel with a unique key entry. All other visitors must be signed in and accompanied by authorized personnel. Entry attempts to the data center are regularly audited by internal staff and external auditors to ensure no unauthorized access.

SECTION C – OTHER PROFESSIONAL SERVICES

1. Other Professional Services. We will provide you the various implementation-related services itemized in the Investment Summary and described in our industry standard implementation plan. We will finalize that documentation with you upon execution of this Agreement.

2. Professional Services Fees. You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.

3. Cancellation. If travel is required, we will make all reasonable efforts to schedule travel for our personnel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if you cancel services less than two (2) weeks in advance (other than for Force Majeure or breach by us), you will be liable for all (a) non-refundable expenses incurred by us on your behalf, and (b) daily fees associated with cancelled professional services if we are unable to reassign our personnel. We will make all reasonable efforts to reassign personnel in the event you cancel within two (2) weeks of scheduled commitments.

4. Services Warranty. We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.

5. Site Access and Requirements. At no cost to us, you agree to provide us with full and free access to

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us.

6. Client Assistance. You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).

7. Maintenance and Support. For so long as you timely pay your SaaS Fees according to the Invoicing and Payment Policy, then in addition to the terms set forth in the SLA and the Support Call Process, we will:

   7.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (limited to the then-current version and the immediately prior version);

   7.2 provide telephone support during our established support hours;

   7.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;

   7.4 make available to you all major and minor releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and

   7.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with our then-current release life cycle policy.

We will use all reasonable efforts to perform support services remotely. Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, you agree to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). You agree to provide us with a login account and local administrative privileges as we may reasonably require to perform remote services. We will, at our option, use the secure connection to assist with proper diagnosis and resolution, subject to any reasonably applicable security protocols. If we cannot resolve a support issue remotely, we may be required to provide onsite services. In such event, we will be responsible for our travel expenses, unless it is determined that the reason onsite support was required was a reason outside our control. Either way, you agree to provide us with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for us to provide the maintenance and support services, all at no charge to us. We strongly recommend that you also maintain your VPN for backup connectivity purposes.

For the avoidance of doubt, SaaS Fees do not include the following services: (a) onsite support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (b) application design;

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

(c) other consulting services; or (d) support outside our normal business hours as listed in our then-current Support Call Process. Requested services such as those outlined in this section will be billed to you on a time and materials basis at our then current rates. You must request those services with at least one (1) weeks' advance notice.

SECTION D – THIRD PARTY PRODUCTS

1. Third Party Hardware. We will sell, deliver, and install onsite the Third Party Hardware, if you have purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.

2. Third Party Software. As part of the SaaS Services, you will receive access to the Third Party Software and related documentation for internal business purposes only. Your rights to the Third Party Software will be governed by the Third Party Terms.

3. Third Party Products Warranties.

   3.1 We are authorized by each Developer to grant access to the Third Party Software.

   3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.

   3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.

SECTION E - INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will invoice you the SaaS Fees and fees for other professional services in the Investment Summary per our Invoicing and Payment Policy, subject to Section E(2).

2. Invoice Disputes. If you believe any delivered software or service does not conform to the warranties in this Agreement, you will provide us with written notice within thirty (30) days of your receipt of the applicable invoice. The written notice must contain reasonable detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all SaaS Services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

SECTION F – TERM AND TERMINATION

1. Term. The initial term of this Agreement is five (5) years from the first day of the first month following the Effective Date, unless earlier terminated as set forth below. Upon expiration of the

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initial term, this Agreement will renew automatically for additional one (1) year renewal terms at our then-current SaaS Fees unless terminated in writing by either party at least sixty (60) days prior to the end of the then-current renewal term. Your right to access or use the Tyler Software and the SaaS Services will terminate at the end of this Agreement.

2. Termination. This Agreement may be terminated as set forth below. In the event of termination, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Disputed fees and expenses in all terminations other than your termination for cause must have been submitted as invoice disputes in accordance with Section E(2).

2.1 Failure to Pay SaaS Fees. You acknowledge that continued access to the SaaS Services is contingent upon your timely payment of SaaS Fees. If you fail to timely pay the SaaS Fees, we may discontinue the SaaS Services and deny your access to the Tyler Software. We may also terminate this Agreement if you don't cure such failure to pay within forty-five (45) days of receiving written notice of our intent to terminate.

2.2 For Cause. If you believe we have materially breached this Agreement, you will invoke the Dispute Resolution clause set forth in Section H(3). You may terminate this Agreement for cause in the event we do not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth in Section H(3).

2.3 Force Majeure. Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of the SaaS Services for a period of forty-five (45) days or more.

2.4 Resume Self-Hosting. If you determine you wish to resume self-hosting, your SaaS term will end on the last day of the month following notification and Your right to the SaaS Services will terminate then. Upon the first day of the month following when notice was received, your prior Maintenance and Support agreement will begin and such agreement will renew automatically for additional one (1) year renewal terms at our then-current on premise maintenance and support fees unless terminated in writing by either party at least sixty (60) days prior to the end of the then-current renewal term.

2.5 Lack of Appropriations. If you should not appropriate or otherwise make available funds sufficient to utilize the SaaS Services, you may unilaterally terminate this Agreement upon thirty (30) days written notice to us. You will not be entitled to a refund or offset of previously paid, but unused SaaS Fees. You agree not to use termination for lack of appropriations as a substitute for termination for convenience.

2.6 Fees for Termination without Cause during Initial Term. If you terminate this Agreement during the initial term for any reason other than cause, Force Majeure, to resume self-hosting of the Tyler Software, or lack of appropriations, or if we terminate this Agreement during the initial term for your failure to pay SaaS Fees, you shall pay us the following early termination fees:

a. if you terminate during the first year of the initial term, 100% of the SaaS Fees through the date of termination plus 25% of the SaaS Fees then due for the remainder of the initial term;

b. if you terminate during the second year of the initial term, 100% of the SaaS Fees

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through the date of termination plus 15% of the SaaS Fees then due for the remainder of the initial term; and

c. if you terminate after the second year of the initial term, 100% of the SaaS Fees through the date of termination plus 10% of the SaaS Fees then due for the remainder of the initial term.

SECTION G – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. Intellectual Property Infringement Indemnification.

1.1 We will defend you against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.

1.2 Our obligations under this Section G(1) will not apply to the extent the claim or adverse final judgment is based on your use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties, or your willful infringement.

1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense and without obligation to do so, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately. Alternatively, we may decide to litigate the claim to judgment, in which case you may continue to use the Tyler Software consistent with the terms of this Agreement.

1.4 If an infringement or misappropriation claim is fully litigated and your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; (c) replace it with a functional equivalent; or (d) terminate this Agreement and refund you the prepaid but unused SaaS Fees for the year in which the Agreement terminates. We will pursue those options in the order listed herein. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. General Indemnification.

2.1 We will indemnify and hold harmless you and your agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by our negligence or willful misconduct; or (b) our violation of a law applicable to our performance under this Agreement. You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.

2.2 To the extent permitted by applicable law, you will indemnify and hold harmless us and our agents, officials, and employees from and against any and all third-party claims, losses,

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liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for personal injury or property damage to the extent caused by your negligence or willful misconduct; or (b) your violation of a law applicable to your performance under this Agreement. We will notify you promptly in writing of the claim and will give you sole control over its defense or settlement. We agree to provide you with reasonable assistance, cooperation, and information in defending the claim at your expense.

3. **DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

4. **LIMITATION OF LIABILITY. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) DURING THE INITIAL TERM, AS SET FORTH IN SECTION F(2), TOTAL FEES PAID AS OF THE TIME OF THE CLAIM; OR (B) DURING ANY RENEWAL TERM, THE THEN-CURRENT ANNUAL SAAS FEES PAYABLE IN THAT RENEWAL TERM. THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS G(1) AND G(2).**

5. **EXCLUSION OF CERTAIN DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

6. Insurance. During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least $1,000,000; (b) Automobile Liability of at least $1,000,000; (c) Professional Liability of at least $1,000,000; (d) Workers Compensation complying with applicable statutory requirements; and (e) Excess/Umbrella Liability of at least $5,000,000. We will add you as an additional insured to our Commercial General Liability and Automobile Liability policies, which will automatically add you as an additional insured to our Excess/Umbrella Liability policy as well. We will provide you with copies of certificates of insurance upon your written request.

SECTION H – GENERAL TERMS AND CONDITIONS

1. Additional Products and Services. You may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twelve (12) months have expired, you may purchase additional products and services at our then-current list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.

2. Optional Items. Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.

3. Dispute Resolution. You agree to provide us with written notice within thirty (30) days of becoming

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aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, either of us may assert our respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures.

4. Taxes. The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.

5. Nondiscrimination. We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.

6. E-Verify. We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.

7. Subcontractors. We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld.

8. Binding Effect; No Assignment. This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.

9. Force Majeure. Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.

10. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect

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the rights of third parties under any Third Party Terms.

11. Entire Agreement; Amendment. This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. This Agreement may only be modified by a written amendment signed by an authorized representative of each party.

12. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.

13. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.

14. Independent Contractor. We are an independent contractor for all purposes under this Agreement.

15. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.

16. Client Lists. You agree that we may identify you by name in client lists, marketing presentations, and promotional materials.

17. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (*e.g.*, social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:

    (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
    (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
    (c) a party receives from a third party who has a right to disclose it to the receiving party; or
    (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the

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event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.

18. Business License. In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.

19. Governing Law. This Agreement will be governed by and construed in accordance with the laws of your state of domicile, without regard to its rules on conflicts of law. Venue for claims and disputes will be in the state or federal courts for the City of Capitola, California.

20. Multiple Originals and Authorized Signatures. This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.

21. Cooperative Procurement. To the maximum extent permitted by applicable law, we agree that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. We reserve the right to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.

22. Contract Documents. This Agreement includes the following exhibits:

Exhibit A	Investment Summary
Exhibit B	Invoicing and Payment Policy
	Schedule 1: Business Travel Policy
Exhibit C	Service Level Agreement
	Schedule 1: Support Call Process

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.

By:_____

Name:_____

Title:_____

Date:_____

Address for Notices:
Tyler Technologies, Inc.
One Tyler Drive
Yarmouth, ME 04096
Attention: Chief Legal Officer

City of Capitola

By:_____

Name:_____

Title:_____

Date:_____

Address for Notices:
City of Capitola
420 Capitola Avenue
Capitola, CA 95010
Attn: _____

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Exhibit A
Investment Summary

The following Investment Summary details the software and services to be delivered by us to you under the Agreement. This Investment Summary is effective as of the Effective Date. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

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New World ERP ASP - Investment Summary

TO: **City of Capitola**

FROM: Terri Minter, Account Representative **PHONE:** **248-269-1000**
DATE: 02/01/17
RE: New World ERP Application and System Software **EMAIL:** terriminter@tylertech.com

Item Code	Description	Annual ASP Quote
	Financial Applications	
FM	Financial Management Base Suite .NET	$7,818
FM	Purchasing Base .NET	$2,809
FM	Project Accounting .NET	$1,561
FM	Asset Management .NET	$1,561
FM	Misc Billing .NET	$1,561
FM	Bank Reconcilliation .NET	$937
	HR/Payroll Applications	
HR	Human Resources Mgt Base Suite .NET	$7,484
HR	Position Budgeting .NET	$1,248
	Community Development Applications	
CD	Business Licensing .NET	$2,185
	Analytics Applications	
DSS	Descision Support Base Datamart	
DSS	Finance Analytics	$937
DSS	HR/Payroll Analytics	$301
	eSuite Applications	
eSuite	eSuite Base	$0
eSuite	eTimeSheets	$1,561
	Annual Hosted Fee (Based on 5 Years)	**$29,960**
	VPN Fee - (One Time Cost)	**$4,000**
	Total 5 Year Investment	**$153,800**

Comments:

Recurring SaaS fee is based on a five (5) year commitment for up to sixteen (16) concurrent users.
Additional concurrent users will be billed at our then current rate which is currently $1,750 per user per year.

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Exhibit B
Invoicing and Payment Policy

We will provide you with the software and services set forth in the Investment Summary of the Agreement. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

Invoicing: We will invoice you for the applicable software and services in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in the Agreement.

1. SaaS Fees are invoiced on an annual basis, beginning on the commencement of the initial term as set forth in Section F (1) of this Agreement. Your annual SaaS fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual SaaS fees will be at our then-current rates.

2. Other Tyler Software and Services.

   2.1 *Project Planning Services*: Project planning services are invoiced upon delivery of the implementation planning document.

   2.2 *VPN Device*: The fee for the VPN device will be invoiced upon installation of the VPN.

   2.3 *Implementation and Other Professional Services (including training)*: Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.

   2.4 *Consulting Services*: If you have purchased any Business Process Consulting services, if they have been quoted as fixed-fee services, they will be invoiced 50% upon your acceptance of the Business System Design document, by module, and 50% upon your acceptance of custom desktop procedures, by module. If you have purchased any Business Process Consulting services and they are quoted as an estimate, then we will bill you the actual services delivered on a time and materials basis.

   2.5 *Conversions*: Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, we will bill you the actual services delivered on a time and materials basis.

   2.6 *Requested Modifications to the Tyler Software*: Requested modifications to the Tyler Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. You may still report Defects to us as set forth in the Maintenance and Support Agreement.

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2.7 *Other Fixed Price Services*: Other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment will be due upon delivery of the Implementation Planning document.

2.8 *Change Management Services*: If you have purchased any change management services, those services will be invoiced in the following amounts and upon the following milestones:

Acceptance of Change Management Discovery Analysis	15%
Delivery of Change Management Plan and Strategy Presentation	10%
Acceptance of Executive Playbook	15%
Acceptance of Resistance Management Plan	15%
Acceptance of Procedural Change Communications Plan	10%
Change Management Coach Training	20%
Change Management After-Action Review	15%

3. Third Party Products.

3.1 *Third Party Software License Fees*: License fees for Third Party Software, if any, are invoiced when we make it available to you for downloading.

3.2 *Third Party Software Maintenance*: The first year maintenance for the Third Party Software is invoiced when we make it available to you for downloading.

3.3 *Third Party Hardware*: Third Party Hardware costs, if any, are invoiced upon delivery.

4. Expenses. The service rates in the Investment Summary do not include travel expenses. Expenses will be billed as incurred and only in accordance with our then-current Business Travel Policy. Our current Business Travel Policy is attached to this Exhibit B at Schedule 1. Copies of receipts will be provided upon request; we reserve the right to charge you an administrative fee depending on the extent of your requests. Receipts for miscellaneous items less than twenty-five dollars and mileage logs are not available.

5. Credit for Prepaid Maintenance and Support Fees for Tyler Software. Client will receive a credit for the maintenance and support fees prepaid for the Tyler Software for the time period commencing on the first day of the SaaS Term.

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is:

Bank:	Wells Fargo Bank, N.A. 420 Montgomery San Francisco, CA 94104
ABA:	121000248
Account:	4124302472
Beneficiary:	Tyler Technologies, Inc. – Operating

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Exhibit B
Schedule 1
Business Travel Policy

1. Air Travel

   A. Reservations & Tickets

   Tyler's Travel Management Company (TMC) will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within $100 (each way) of the lowest logical fare. If a net savings of $200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

   Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven-day advance booking requirement is mandatory. When booking less than seven days in advance, management approval will be required.

   Except in the case of international travel where a segment of continuous air travel is scheduled to exceed six hours, only economy or coach class seating is reimbursable.

   B. Baggage Fees

   Reimbursement of personal baggage charges are based on trip duration as follows:

   - Up to five days = one checked bag
   - Six or more days = two checked bags

   Baggage fees for sports equipment are not reimbursable.

2. Ground Transportation

   A. Private Automobile

   Mileage Allowance – Business use of an employee's private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.

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B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a "mid-size" or "intermediate" car. "Full" size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; additional insurance on the rental agreement should be declined.

C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler's TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler's work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

"No shows" or cancellation fees are not reimbursable if the employee does not comply with the hotel's cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at www.gsa.gov/perdiem.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a

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trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

- Breakfast 15%
- Lunch 25%
- Dinner 60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.*

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner

5. Internet Access – Hotels and Airports

Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to $10.00 per day. Charges for internet access at airports are not reimbursable.

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

Exhibit C

SERVICE LEVEL AGREEMENT

I. Agreement Overview

This SLA operates in conjunction with, and does not supersede or replace any part of, the Agreement. It outlines the information technology service levels that we will provide to you to ensure the availability of the application services that you have requested us to provide. All other support services are documented in the Support Call Process.

II. Definitions. Except as defined below, all defined terms have the meaning set forth in the Agreement.

Attainment: The percentage of time the Tyler Software is available during a billing cycle, with percentages rounded to the nearest whole number.

Client Error Incident: Any service unavailability resulting from your applications, content or equipment, or the acts or omissions of any of your service users or third-party providers over whom we exercise no control.

Downtime: Those minutes during which the Tyler Software is not available for your use. Downtime does not include those instances in which only a Defect is present.

Service Availability: The total number of minutes in a billing cycle that the Tyler Software is capable of receiving, processing, and responding to requests, excluding maintenance windows, Client Error Incidents and Force Majeure.

III. Service Availability

The Service Availability of the Tyler Software is intended to be 24/7/365. We set Service Availability goals and measures whether it has met those goals by tracking Attainment.

a. Your Responsibilities

Whenever you experience Downtime, you must make a support call according to the procedures outlined in the Support Call Process. You will receive a support incident number.

You must document, in writing, all Downtime that you have experienced during a calendar quarter. You must deliver such documentation to us within 30 days of a quarter's end.

The documentation you provide must evidence the Downtime clearly and convincingly. It must include, for example, the support incident number(s) and the date, time and duration of the Downtime(s).

b. Our Responsibilities

When our support team receives a call from you that a Downtime has occurred or is occurring, we will work with you to identify the cause of the Downtime (including whether it may be the result of a Client Error Incident or Force Majeure). We will also work with you to resume normal operations.

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

Upon timely receipt of your Downtime report, we will compare that report to our own outage logs and support tickets to confirm that a Downtime for which we were responsible indeed occurred.

We will respond to your Downtime report within 30 day(s) of receipt. To the extent we have confirmed Downtime for which we are responsible, we will provide you with the relief set forth below.

c. Client Relief

When a Service Availability goal is not met due to confirmed Downtime, we will provide you with relief that corresponds to the percentage amount by which that goal was not achieved, as set forth in the Client Relief Schedule below.

Notwithstanding the above, the total amount of all relief that would be due under this SLA will not exceed 5% of one quarter of the then-current SaaS Fee. To the extent any credit is identified in any quarter, it will accumulate, and all credits will be deducted from the SaaS Fee for the immediately following year. Issuing of such credit does not relieve us of our obligations under the Agreement to correct the problem which created the service interruption. A correction may occur in the quarter following the service interruption. In that circumstance, if service levels do not meet the corresponding goal for that later billing cycle, your credits will be reissued in that following quarter.

Every quarter, we will compare confirmed Downtime to Service Availability. In the event actual Attainment does not meet the targeted Attainment, the following Client relief will apply, on a quarterly basis:

Targeted Attainment	Actual Attainment	Client Relief
100%	98-99%	Remedial action will be taken.
100%	95-97%	4% credit of fee for affected billing cycle will be posted to next billing cycle
100%	<95%	5% credit of fee for affected billing cycle will be posted to next billing cycle

You may request a report from us that documents the preceding quarter's Service Availability, Downtime, any remedial actions that have been/will be taken, and any credits that may be issued.

IV. Applicability

The commitments set forth in this SLA do not apply during maintenance windows, Client Error Incidents, and Force Majeure.

We perform maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, we will provide advance notice of those windows and will coordinate to the greatest extent possible with you.

V. Force Majeure

You will not hold us responsible for not meeting service levels outlined in this SLA to the extent any failure to do so is caused by Force Majeure. In the event of Force Majeure, we will file with you a signed request that said failure be excused. That writing will at least include the essential details and circumstances supporting our request for relief pursuant to this Section. You will not unreasonably withhold its acceptance of such a request.

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

Exhibit C
Schedule 1
Support Call Process

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

Support Channels

Tyler Technologies, Inc. provides the following channels of software support:

(1) Tyler Community – an on-line resource, Tyler Community provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
(2) On-line submission (portal) – for less urgent and functionality-based questions, users may create unlimited support incidents through the customer relationship management portal available at the Tyler Technologies website.
(3) Email – for less urgent situations, users may submit unlimited emails directly to the software support group.
(4) Telephone – for urgent or complex questions, users receive toll-free, unlimited telephone software support.

Support Resources

A number of additional resources are available to provide a comprehensive and complete support experience:

(1) Tyler Website – www.tylertech.com – for accessing client tools and other information including support contact information.
(2) Tyler Community – available through login, Tyler Community provides a venue for clients to support one another and share best practices and resources.
(3) Knowledgebase – A fully searchable depository of thousands of documents related to procedures, best practices, release information, and job aides.
(4) Program Updates – where development activity is made available for client consumption

Support Availability

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Clients may receive coverage across these time zones. Tyler's holiday schedule is outlined below. There will be no support coverage on these days.

New Year's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

Issue Handling

Incident Tracking

Every support incident is logged into Tyler's Customer Relationship Management System and given a unique incident number. This system tracks the history of each incident. The incident tracking number is

used to track and reference open issues when clients contact support. Clients may track incidents, using the incident number, through the portal at Tyler's website or by calling software support directly.

Incident Priority

Each incident is assigned a priority number, which corresponds to the client's needs and deadlines. The client is responsible for reasonably setting the priority of the incident per the chart below. This chart is not intended to address every type of support incident, and certain "characteristics" may or may not apply depending on whether the Tyler software has been deployed on customer infrastructure or the Tyler cloud. The goal is to help guide the client towards clearly understanding and communicating the importance of the issue and to describe generally expected responses and resolutions.

Priority Level	Characteristics of Support Incident	Resolution Targets
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client's remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. For non-hosted customers, Tyler's responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. For non-hosted customers, Tyler's responsibility for loss or corrupted data is limited to assisting the client in restoring its last available database.
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack. For non-hosted customers, Tyler's responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

Priority Level	Characteristics of Support Incident	Resolution Targets
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days. Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

Incident Escalation

Tyler Technology's software support consists of four levels of personnel:

(1) Level 1: front-line representatives
(2) Level 2: more senior in their support role, they assist front-line representatives and take on escalated issues
(3) Level 3: assist in incident escalations and specialized client issues
(4) Level 4: responsible for the management of support teams for either a single product or a product group

If a client feels they are not receiving the service needed, they may contact the appropriate Software Support Manager. After receiving the incident tracking number, the manager will follow up on the open issue and determine the necessary action to meet the client's needs.

On occasion, the priority or immediacy of a software support incident may change after initiation. Tyler encourages clients to communicate the level of urgency or priority of software support issues so that we can respond appropriately. A software support incident can be escalated by any of the following methods:

(1) Telephone – for immediate response, call toll-free to either escalate an incident's priority or to escalate an issue through management channels as described above.
(2) Email – clients can send an email to software support in order to escalate the priority of an issue
(3) On-line Support Incident Portal – clients can also escalate the priority of an issue by logging into the client incident portal and referencing the appropriate incident tracking number.

Remote Support Tool

Some support calls require further analysis of the client's database, process or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Support is able to quickly connect to the client's desktop and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.

Attachment: 2017 Capitola Tyler Hosted Agreement (1914 : New World Systems - Hosted)

New World Systems

☐ New Contract ☐ New/Upgrade ☐ Upgrade ☐ 3rd Party ☐ Services ☐ SS

Customer: Capitola CA

Project: SSMA

Customer No: 1448 Population: 9918

Original Contract Date: 9-29-08

Received Date:

Signature Date: 4-25-14

Distribution Date: 4-28-14

LOGOS DIVISION

- ☐ Craig Bickley
- ☐ Greg Wandrei
- ☐ Mark Dvorak
- ☐ Sandro Viselli
- ☐ Andy Breeden
- ☐ Erin Miller
- ☐ Brian Leary
- ☐ Sue Knowlton
- ☐ Stephanie Shannon
- ☐ Cindy Barber
- ☐ Carolee Beyer

AEGIS DIVISION

- ☐ Craig Bickley
- ☐ Mark Dvorak
- ☐ Sandro Viselli
- ☐ Mike Aloe
- ☐ Erin Miller
- ☐ Brian Leary
- ☐ Jeff Sanders
- ☐ Eric Burnson
- ☐ Tom Visser
- ☐ Ray Taylor
- ☐ Sue Knowlton
- ☐ Ryan Yoakam
- ☐ Stephanie Shannon
- ☐ Carolee Beyer
- ☐ Cindy Barber

ACCOUNTING/DISTRIBUTION

- ☐ Master Files
- ☐ Greg Sebastian
- ☐ Dennis Kleinedler
- ☐ Jim Fee
- ☐ Bob Kaufman
- ☐ Steve McDonald
- ☐ Dean Chmiel

SALES/MARKETING/HARDWARE

- ☑ Sales Manager Watts
- ☑ Sales Rep Jaynes
- ☐ Nancy Spencer (Aegis New Account Sales)
- ☐ JoAnn Brainard (Logos New Account Sales)
- ☐ Regina Sebastian (Customer Care Sales)
- ☐ Kathy Fant
- ☐ Bryan Proctor
- ☐ Scott Bitoff (Third Party, Hardware)
- ☐ Grace Weir (Third Party, Hardware)
- ☐ Sarah Bajek (New Customer)

OTHER

- ☐ _____
- ☐ _____

ORIGINALS:

Customer Lori Hannah

Title Finance Director

Appendix 10 Opportunity: ☐ Yes ☐ No

Outbound Marketing Lead: ☐ Yes ☐ No

Name: _____ **Date:** _____

Other Lead (web, show) ☐ Yes ☐ No

Full RFP: ☐ Yes ☐ No

Contract considered a: ☐ New Sale ☑ Upgrade Sale

Administrative Checklist:

Initial billing info e-mailed _____

Down/initial payment(s) billed:

Software _____

Project Mgmt. _____

Custom/BOC _____

Hardware (down) _____

Hardware (final) _____

Other _____ _____

S/W backlog entered _____

Hourly service rate updated _____ to _____

SSMA updated

Attachment: NWS Existing on-premises agreement (1914 : New World Systems - Hosted)

NEW WORLD SYSTEMS CORPORATION
STANDARD SOFTWARE MAINTENANCE AGREEMENT

This Standard Software Maintenance Agreement (SSMA) between **New World** Systems Corporation (New World) and **Capitola, CA** (**Customer**) sets forth the standard software maintenance support services provided by **New World**.

1. **Service Period**

This SSMA shall remain in effect for a period of five (5) years from (start date) 5/1/14 to (end date) 4/30/19.

2. **Services Include**

The following services or features are available under this SSMA:

(a) Upgrades, including new releases, to the Licensed Standard Software (prior releases of Licensed Standard Software application packages are supported no longer than nine (9) months after a new release is announced by **New World**).
(b) Temporary fixes to Licensed Standard Software (see paragraph 6 below). Software fixes will be delivered electronically.
(c) Revisions to Licensed Documentation. Documentation will be delivered electronically.
(d) Reasonable telephone support for Licensed Standard Software on Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone).
(e) Invitation to and participation in user group meetings.

Items a, b, and c above will be provided to **Customer** by electronic means.

Additional support services are available as requested by **Customer** using the then-current hourly rates or applicable fees.

3. **Maintenance for Modified Licensed Standard Software and Custom Software**

Customer is advised that if it requests or makes changes or modifications to the Licensed Standard Software, these changes or modifications (no matter who makes them) make the modified Licensed Standard Software more difficult to maintain. If **New World** agrees to provide maintenance support for Custom Software or Licensed Standard Software modified at **Customer**'s request, then the additional **New World** maintenance or support services provided shall be billed at the then-current hourly fees plus reasonable expenses.

4. **Billing**

Maintenance costs will be billed annually as detailed on the following page. If taxes are imposed, they are the responsibility of the **Customer** and will be remitted to **New World** upon being invoiced.

5. **Additions of Software to Maintenance Agreement**

Additional Licensed Standard Software licensed from **New World** will be added to the SSMA per the terms of the contract adding the software. Maintenance costs for the additional software will be billed to **Customer** on a pro rata basis for the remainder of the current maintenance year and on a full year basis thereafter.

Attachment: NWS Existing on-premises agreement (1914 : New World Systems - Hosted)

6. **Requests for Software Correction on Licensed Standard Software**

At any time during the SSMA period, if **Customer** believes that the Licensed Standard Software does not conform to the current specifications set forth in the user manuals, **Customer** must notify **New World** in writing that there is a claimed defect and specify which feature and/or report **Customer** believes to be defective. Before any notice is sent to **New World**, it must be reviewed and approved by the **Customer** Liaison. Documented examples of the claimed defect must accompany each notice. **New World** will review the documented notice and when a feature or report does not conform to the published specifications, **New World** will provide software correction service at no charge. A non-warranty request is handled as a billable Request for Service (RFS).

The no charge software correction service does not apply to any of the following:

(a) situations where the Licensed Standard Software has been changed by anyone other than **New World** personnel;
(b) situations where **Customer**'s use or operations error causes incorrect information or reports to be generated; and;
(c) requests that go beyond the scope of the specifications set forth in the current User Manuals.

7. **Maintenance Costs for Licensed Standard Software Packages Covered for .NET Server**

New World agrees to provide software maintenance at the costs listed below for the following **New World** Standard Software packages licensed by the **Customer**:

Application Package		Number of Modules
1. ***Logos***®	Financial Management Suite	10
2. ***Logos***®	Payroll & Human Resources Suite	5
3. ***Logos***®	Community Development Suite	1
4. ***Logos***®	Decision Support Software	1
5. ***Logos***®	eSuite	2
6. ***Logos***®	Site License	1

ANNUAL MAINTENANCE COST: See Below

Period Covered	Annual Amount	Billing Date
5/1/2014 to 4/30/2015	$16,880	4/15/2014
5/1/2015 to 4/30/2016	$17,390	4/15/2015
5/1/2016 to 4/30/2017	$17,910	4/15/2016
5/1/2017 to 4/30/2018	$18,450	4/15/2017
5/1/2018 to 4/30/2019	$19,000	4/15/2018

Note: Unless extended by **New World**, the above costs are available for 90 days after submission of the costs to **Customer**. After 90 days, **New World** may change the costs.

ALL INVOICES ARE DUE FIFTEEN (15) DAYS FROM BILLING DATE.

Attachment: NWS Existing on-premises agreement (1914 : New World Systems - Hosted)

8. **Terms and Conditions**

This Agreement is covered by the Terms and Conditions specified in the Licensing Agreement(s) for the software contained herein.

ACCEPTED BY:	ACCEPTED BY:
Customer: Capitola, CA	**New World Systems Corporation**
Name:	Name:
Title: Finance Director	Title: President
Date: 4/10/14	Date: 04-25-14

By signing above, each of us agrees to the terms and conditions of this Agreement and as incorporated herein. Each individual signing represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met. If the individual is not so authorized then (s)he assumes personal liability for compliance under this Agreement.

Attachment: NWS Existing on-premises agreement (1914 : New World Systems - Hosted)

Capitola, CA

Licensed Application Software
At January, 2014

1. **Logos® Financial Management Suite**
   - Financial Management Base Suite .NET
     - General Ledger
     - Budget Management
     - Annual Budget Preparation
     - Accounts Payable
     - Revenue/Cash Receipting
   - Purchasing Base .NET
   - Project Accounting .NET
   - Asset Management .NET
   - Misc. Billing & Receivables .NET
   - Bank Reconciliation .NET
2. **Logos® Payroll & Human Resources Suite**
   - Human Resources Mgt. Base Suite .NET
     - Base
     - Payroll Processing
     - Personnel Management
     - Position Control
   - Position Budgeting .NET
3. **Logos® Community Development Suite**
   - Business Licensing .NET
4. **Logos® Decision Support Software**
   - Finance Analytics .NET
5. **Logos® eSuite**
   - eSuite Base
   - eTime Sheets
6. **Logos® Site License**
   - Site License

Attachment: NWS Existing on-premises agreement (1914 : New World Systems - Hosted)

Save 35% on select OptiPlex, Latitude and Precision PCs after coupon SAVE35. Shop Now (http://www.dell.com/en-us/work/shop/deals/desktop-all-in-one-deals) | Call 1-877-302-3355 or Click to Chat (http://www.dell.com/learn/us/en/04/campaigns/chat-splitter-usbusiness)

Back to Customize (/en-us/work/shop/productdetails/poweredge-r630/pe_r630_1337_c?selectionState=eyJGUHJpY2UiOjEzMTkwLjQyLCJPQyI6InBlX3I2MzBfMTMzN19jIiwiUXR5IjoxLCJNb2RzIjpbeyJJZCI6MTUzMCwiT3B0cyI6W3siSWQiOiI4Mk8ifV19LHsiSWQiOjE1NTA

PowerEdge R630 Rack Server Summary

sIlByaWNlIjo2OTAuOH1dfSx7IkIkIjoxNTM0LCJPcHRzIjpbeyJJZCI6IkxCSU9TIn1dfSx7IkIkIjoyOSwiT3B0cyI6W3siSWQiOiJQU1A1WU5CIiwiUHJpY2UiOjE2MDYuMTZ9XX1dfQ%3D%3D)

Dell Price $13,190.42

Starting at Price	~~$20,030.00~~
Total Savings	$6,839.58
Standard Delivery	**Free**

Dell Business Credit
As low as $396/mo.^
(http://www.dell.com/learn/us/en/04/agreements) |
Apply (https://www.dell.com/Financing/DFSMarcom?itemtype=CFG&s=bsd&l=en&cs=04&c=us&doc=dbc&ptype=dbc&dfsref=dbc)
Ships in 3–5 business days



System Options

Option	Selection	SKU / Product Code	Quantity
Base	PowerEdge R630 Server	[210-ACXS][329-BCZI] / R630X	1
Trusted Platform Module (TPM)	No Trusted Platform Module	[461-AADZ] / NTPM	1
Chassis	Chassis with up to 8, 2.5" Hard Drives, up to 2 PCIe Slots (With Optional Riser)	[321-BBKJ] / 82O	1
Processor	Intel® Xeon® E5-2650 v4 2.2GHz,30M Cache,9.60GT/s QPI,Turbo,HT,12C/24T (105W) Max Mem 2400MHz	[338-BJDV] / ES2654	1
Additional Processor	Intel® Xeon® E5-2650 v4 2.2GHz,30M Cache,9.60GT/s QPI,Turbo,HT,12C/24T (105W) Max Mem 2400MHz	[338-BJDW] / ES105W	1
Processor Thermal Configuration	2 CPU up to 120W	[370-ABWE][412-AAEE][412-AAEE] / HS1202	1
Cooling	None		1
Memory DIMM Type and Speed	2400MT/s RDIMMs	[370-ACPH] / 2400MT	1
PCIe Riser	None		1
Memory Configuration Type	Performance Optimized	[370-AAIP] / PEOPT	1
Memory[i]	32GB RDIMM, 2400MT/s, Dual Rank, x4 Data Width	[370-ACNS] / 32GBMM	2
RAID	RAID 6 for H730/H730P (4-24 HDDs or SSDs)	[780-BBJM] / R6H	1
RAID Controller	PERC H730P RAID Controller, 2GB NV Cache	[405-AAEH] / H7302G	1
Hard Drive	400GB Solid State Drive SAS Mix Use 12Gbps 512e 2.5in Hot-plug Drive, PM1635a	[400-AQRD] / 400PM1	6
Embedded Systems Management	iDRAC8 Express, integrated Dell Remote Access Controller, Express	[385-BBHN] / I8EXP	1

Attachment: Logos Application Server Estimate (1914 : New World Systems - Hosted)

Option	Selection	SKU / Product Code	Quantity
Internal SD Module	None		1
Internal Optical Drive	No Internal Optical Drive for 8 HDD Chassis	[429-AAQN] / NODVD	1
Rack Rails	No Rack Rails or Cable Management Arm	[770-BBHJ] / NORAIL	1
Bezel	No Bezel	[350-BBBW] / NOBEZL	1
Power Management BIOS Settings	Power Saving Dell Active Power Controller	[750-AABF] / DAPC	1
Power Cords	NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America	[450-AALV] / 125V10	2
Power Supply	Dual, Hot-plug, Redundant Power Supply (1+1), 750W	[450-ADWS] / 750R	1
System Documentation	No Systems Documentation, No OpenManage DVD Kit	[631-AACK] / NODOCS	1
Operating System	Windows Server® 2016,Standard,16CORE,Factory Inst,No MED,NO CAL	[634-BILL] / WS2FI	1
OS Media Kits	Windows Server® 2016,Standard,16CORE, Media Kit	[634-BILD] / WS20S	1
Licenses	Windows Server® 2016,Standard Ed, Add License,16CORE,NO MEDIA/KEY	[634-BILE] / MS216	1
OS Partitions	None		1
Virtualization Software	None		1
Enabled Virtualization	None		1
Database Software	None		1
Advanced System Configurations	Legacy BIOS Boot mode with GPT for Data Partition	[618-BBCX] / LBIOS	1
Additional Software Offerings	None		1

Networking Options

Option	Selection	SKU / Product Code	Quantity
Network Daughter Card	Broadcom 5720 QP 1Gb Network Daughter Card	[540-BBBW] / 5720QP	1

Services

Option	Selection	SKU / Product Code	Quantity
Warranty[i]	ProSupport Plus: 5 Year Next Business Day On-site Service	[951-2015][976-7728][976-7763][976-7770] / PSP5YNB	1
Deployment Services	No Installation	[900-9997] / NOINSTL	1
Proactive Systems Management	None		1
Keep Your Hard Drive	None		1
Remote Consulting Services	Declined Remote Consulting Service	[973-2426] / NORCS	1

Accessories

Option	Selection	SKU / Product Code	Quantity

Also included in this system

The following options and default selections are included with your order.

PowerEdge R630 Shipping- 8 Drive Chassis

Additional Summary Information

Date Created: Wed Jul 05 2017 10:44:50 GMT-0700 (Pacific Daylight Time)

Attachment: Logos Application Server Estimate (1914 : New World Systems - Hosted)

Save 35% on select OptiPlex, Latitude and Precision PCs after coupon SAVE35. Shop Now (http://www.dell.com/en-us/work/shop/deals/desktop-all-in-one-deals) | Call 1-877-302-3355 or Click to Chat (http://www.dell.com/learn/us/en/04/campaigns/chat-splitter-usbusiness)

Back to Customize (/en-us/work/shop/productdetails/poweredge-r630/pe_r630_1337_c?selectionState=eyJGUHJpY2UiOjE1Nzg0LjM4LCJPQyI6InBlX3I2MzBfMTMzN19jIiwiUXR5IjoxLCJNb2RzIjpbeyJJZCI6MTUzMCwiT3B0cyI6W3siSWQiOiI4Mk8ifV19LHsiSWQiOjE1NTA

PowerEdge R630 Rack Server Summary

JzVVTyIsIlByaWNlIjoyMDgwLjMxfV19LHsiSWQiOjE1MzQsIk9wdHMiOlt7IklkIjoiTEJJT1MifV19LHsiSWQiOjI5LCJPcHRzIjpbeyJJZCI6IlBTUDVZTkliLCJQcmljZSI6MTYwNi4xNn1dfV19)

Dell Price $15,784.38

Starting at Price	~~$23,969.00~~
Total Savings	$8,184.62
Standard Delivery	**Free**

Dell Business Credit
As low as $474/mo.^
(http://www.dell.com/learn/us/en/04/agreements) |
Apply (https://www.dell.com/Financing/DFSMarcom?itemtype=CFG&s=bsd&l=en&cs=04&c=us&doc=dbc&ptype=dbc&dfsref=dbc)
Ships in 3–5 business days



System Options

Option	Selection	SKU / Product Code	Quantity
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Processor	Intel® Xeon® E5-2650 v4 2.2GHz,30M Cache,9.60GT/s QPI,Turbo,HT,12C/24T (105W) Max Mem 2400MHz	[338-BJDV] / ES2654	1
Additional Processor	Intel® Xeon® E5-2650 v4 2.2GHz,30M Cache,9.60GT/s QPI,Turbo,HT,12C/24T (105W) Max Mem 2400MHz	[338-BJDW] / ES105W	1
Processor Thermal Configuration	2 CPU up to 120W	[370-ABWE][412-AAEE][412-AAEE] / HS1202	1
Cooling	None		1
Memory DIMM Type and Speed	2400MT/s RDIMMs	[370-ACPH] / 2400MT	1
PCIe Riser	None		1
Memory Configuration Type	Performance Optimized	[370-AAIP] / PEOPT	1
Memory[i]	32GB RDIMM, 2400MT/s, Dual Rank, x4 Data Width	[370-ACNS] / 32GBMM	2
RAID	RAID 6 for H730/H730P (4-24 HDDs or SSDs)	[780-BBJM] / R6H	1
RAID Controller	PERC H730P RAID Controller, 2GB NV Cache	[405-AAEH] / H7302G	1
Hard Drive	400GB Solid State Drive SAS Mix Use 12Gbps 512e 2.5in Hot-plug Drive, PM1635a	[400-AQRD] / 400PM1	6
Embedded Systems Management	iDRAC8 Express, integrated Dell Remote Access Controller, Express	[385-BBHN] / I8EXP	1

Attachment: Logos Database Server Estimate (1914 : New World Systems - Hosted)

Option	Selection	SKU / Product Code	Quantity
Internal SD Module	None		1
Internal Optical Drive	No Internal Optical Drive for 8 HDD Chassis	[429-AAQN] / NODVD	1
Rack Rails	No Rack Rails or Cable Management Arm	[770-BBHJ] / NORAIL	1
Bezel	No Bezel	[350-BBBW] / NOBEZL	1
Power Management BIOS Settings	Power Saving Dell Active Power Controller	[750-AABF] / DAPC	1
Power Cords	NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America	[450-AALV] / 125V10	2
Power Supply	Dual, Hot-plug, Redundant Power Supply (1+1), 750W	[450-ADWS] / 750R	1
System Documentation	No Systems Documentation, No OpenManage DVD Kit	[631-AACK] / NODOCS	1
Operating System	Windows Server® 2016,Standard,16CORE,Factory Inst,No MED,NO CAL	[634-BILL] / WS2FI	1
OS Media Kits	Windows Server® 2016,Standard,16CORE, Media Kit	[634-BILD] / WS20S	1
Licenses	Windows Server® 2016,Standard Ed, Add License,16CORE,NO MEDIA/KEY	[634-BILE] / MS216	1
Client Access Licenses	1-pack of Windows® Server 2016,2012 Device CALs (Standard or Datacenter)	[634-BIMT] / 1PAWSC	20
OS Partitions	None		1
Virtualization Software	None		1
Enabled Virtualization	None		1
Database Software	Microsoft SQL Server 2016 Standard,OEM, Includes 5 USER CALs, NFI, ENGLISH	[634-BJCP] / MSS5UO	1
Advanced System Configurations	Legacy BIOS Boot mode with GPT for Data Partition	[618-BBCX] / LBIOS	1
Additional Software Offerings	None		1

Networking Options

Option	Selection	SKU / Product Code	Quantity
Network Daughter Card	Broadcom 5720 QP 1Gb Network Daughter Card	[540-BBBW] / 5720QP	1

Services

Option	Selection	SKU / Product Code	Quantity
Warranty[i]	ProSupport Plus: 5 Year Next Business Day On-site Service	[951-2015][976-7728][976-7763][976-7770] / PSP5YNB	1
Deployment Services	No Installation	[900-9997] / NOINSTL	1
Proactive Systems Management	None		1
Keep Your Hard Drive	None		1
Remote Consulting Services	Declined Remote Consulting Service	[973-2426] / NORCS	1

Accessories

Option	Selection	SKU / Product Code	Quantity

Attachment: Logos Database Server Estimate (1914 : New World Systems - Hosted)

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Community and Economic Development

Subject: Personal Service Contract for Affordable Housing Nexus Study and Impact Fee

Recommended Action: Authorize Interim City Manager to execute a professional services agreement with Willdan Financial Services in an amount not to exceed $35,250, to prepare an Affordable Housing Nexus Study and provide recommendations regarding the City's Affordable Housing Impact Fee and Affordable Housing In-Lieu Fee.

Background: The City of Capitola's Inclusionary Housing Ordinance (IHO), codified under Capitola Municipal Code Chapter 18.02: Affordable (Inclusionary) Housing, requires housing developers to include dedicated affordable housing as a component of residential developments. Capitola Municipal Code Chapter 18.05, Affordable Housing Impact Fees establishes affordable housing impact fees in the City to assure that housing development projects pay their fair share to compensate for the increased demand for affordable housing generated by such development projects within the City limits.

The City's IHO and Affordable Housing Impact Fees were last updated in 2021. Capitola's Housing Element Program 2.8 requires the City to update the Inclusionary Housing Ordinance affordable housing feasibility study to ensure the fees are sufficient to support the development of affordable housing and, if market conditions have changed, to enable the reinstatement of the inclusionary housing requirement on rental housing. The last affordable housing nexus study and impact fee analysis was completed in 2019.

In July, the City requested proposals from qualified consultants to prepare a Nexus Study for development impact fees in compliance with the Mitigation Fee Act (Government Code Sections 66000–66025), commonly known as AB 1600. The RFP anticipated analyzing Affordable Housing In-Lieu Fee and Impact Fee in compliance with the Housing Element and possibly analyzing 41st Avenue Corridor Improvements and other public facilities as a second phase in 2027.

Discussion: Willdan Financial Services was selected based on its experience preparing development impact fee and nexus studies and its proposed approach to the City's scope of work.

Under the proposed $35,250 scope, Willdan will:

- Complete an Affordable Housing Nexus Study consistent with applicable State and Federal law and the Mitigation Fee Act;
- Evaluate and provide recommendations regarding modifications to the City's existing Affordable Housing Impact Fee and Affordable Housing In-Lieu Fee, including the affordable housing rental inclusionary requirement which currently is limited to fees and no onsite requirement;
- Provide a report documenting the nexus analysis, methodology, and recommended fee structure;
- Attend two City Council meetings: one City Council meeting to present the public draft report for review and comment; and one public hearing to present the report for adoption.

The consultant's proposal also includes a separate $27,000 scope for a Corridor Impact Fee associated with improvements to 41st Avenue, Clares Street, and Capitola Road. While this work was included in the City's RFP, staff recommends deferring consideration of this fee until the City Council has a broader economic development discussion in 2027 to consider the corridor's future improvements, different economic development funding strategies, and whether a Corridor Impact Fee should be pursued.

Fiscal Impact: The affordable housing nexus study and impact fee analysis will be paid for from the Affordable Housing Trust Fund. Attachment B is a resolution for a budget amendment for $35,250.

Attachments:

1. Personal Service Agreement
2. Resolution for Budget Amendment
3. Budget Amendment

Alignment with 2025-2029 Strategic Plan Priority: Attainable Housing; Healthy Families, Community, and Environment

Report Prepared By: Katie Herlihy, Community and Economic Development Director

Reviewed By: Lesley Milton, Interim City Clerk

Approved By: Rudy Escalante, Interim City Manager

CITY OF CAPITOLA
PROFESSIONAL SERVICES AGREEMENT
Willdan Financial Services

THIS AGREEMENT is entered into on November 13, 2026, by and between the City of Capitola, a Municipal Corporation, hereinafter called "City" and Willdan Financial Services, hereinafter called "Consultant".

WHEREAS, City desires certain services described in Appendix One and Consultant is capable of providing and desires to provide these services;

NOW, THEREFORE, City and Consultant for the consideration and upon the terms and conditions hereinafter specified agree as follows:

SECTION 1
Scope of Services

The services to be performed under this Agreement are for Housing Impact Fees and In-lieu Fee Updates and further detailed in Appendix One.

SECTION 2
Duties of Consultant

All work performed by Consultant, or under its direction, shall be sufficient to satisfy the City's objectives for entering into this Agreement and shall be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession.

Consultant shall not undertake any work beyond the scope of work set forth in Appendix One unless such additional work is approved in advance and in writing by City. The cost of such additional work shall be reimbursed to Consultant by City on the same basis as provided for in Section 4.

If, in the prosecution of the work, it is necessary to conduct field operations, security and safety of the job site will be the Consultant's responsibility excluding, nevertheless, the security and safety of any facility of City within the job site which is not under the Consultant's control.

Consultant shall meet with Community Development Director, called “Director," or other City personnel, or third parties as necessary, on all matters connected with carrying out of Consultant's services described in Appendix One. Such meetings shall be held at the request of either party hereto. Review and City approval of completed work shall be obtained monthly, or at such intervals as may be mutually agreed upon, during the course of this work.

SECTION 3
Duties of the City

City shall make available to Consultant all data and information in the City's possession which City deems necessary to the preparation and execution of the work, and City shall actively aid and assist Consultant in obtaining such information from other agencies and individuals as necessary.

The Director may authorize a staff person to serve as his or her representative for conferring with Consultant relative to Consultant's services. The work in progress hereunder shall be reviewed from time to time by City at the discretion of City or upon the request of Consultant. If the work is satisfactory, it will be approved. If the work is not satisfactory, City will inform Consultant of the changes or revisions necessary to secure approval.

SECTION 4
Fees and Payment

Payment for the Consultant's services shall be made upon a schedule and within the limit, or limits shown, upon Appendix Two. Such payment shall be considered the full compensation for all personnel, materials, supplies, and equipment used by Consultant in carrying out the work. If Consultant is compensated on an hourly basis, Consultant shall track the number of hours Consultant, and each of Consultant's employees, has worked under this Agreement during each fiscal year (July 1 through June 30) and Consultant shall immediately notify City if the number of hours worked during any fiscal year by any of Consultant's employees reaches 900 hours. In addition, each invoice submitted by Consultant to City shall specify the number of hours to date Consultant, and each of Consultant's employees, has worked under this Agreement during the current fiscal year.

SECTION 5
Changes in Work

City may order major changes in scope or character of the work, either decreasing or increasing the scope of Consultant's services. No changes in the Scope of Work as described in Appendix One shall be made without the City's written approval. Any change requiring compensation in excess of the sum specified in Appendix Two shall be approved in advance in writing by the City.

SECTION 6
Time of Beginning and Schedule for Completion

This Agreement will become effective when signed by both parties and will terminate on the earlier of:

- The date Consultant completes the services required by this Agreement, as agreed by the City; or
- The date either party terminates the Agreement as provided below.

Work shall begin on or about November 13, 2026.

In the event that major changes are ordered or Consultant is delayed in performance of its services by circumstances beyond its control, the City will grant Consultant a reasonable adjustment in the schedule for completion provided that to do so would not frustrate the City's objective for entering into this Agreement. Consultant must submit all claims for adjustments to City within thirty calendar days of the time of occurrence of circumstances necessitating the adjustment.

SECTION 7
Termination

City shall have the right to terminate this Agreement at any time upon giving ten days written notice to Consultant. Consultant may terminate this Agreement upon written notice to City should the City fail to fulfill its duties as set forth in this Agreement. In the event of termination, City shall pay the Consultant for all services performed and accepted under this Agreement up to the date of termination.

SECTION 8
Insurance

Consultant shall procure and maintain for the duration of the contract and for 2 years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001).

2. Insurance Services office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).

3. Workers' Compensation insurance as required by the State of California, and Employer's Liability Insurance.

4. Professional (Errors and Omissions) Liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage shall include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1.	General Liability: (including operations, products and completed operations)	**$1,000,000** per occurrence and **$2,000,000** in aggregate (including operations, for bodily injury, personal and property damage.
2.	Automobile Liability:	**$1,000,000** per accident for bodily injury and property damage.
3.	Employer's Liability Insurance	**$1,000,000 per accident for bodily injury and property damage.**
4.	Errors and Omissions Liability: Limits	**$1,000,000** per claim and **$2,000,000** in the aggregate.

Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Capitola, its officers, officials, employees and volunteers are to be covered as additional insured's as respects: liability arising out of work or operations performed by or on behalf of the Consultant or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled except after prior written notice has been given to the City.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Waiver of Subrogation

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Capitola** for all work performed by the Contractor, its employees, agents and subcontractors.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements affecting coverage by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

SECTION 9
Indemnification

For General Services: To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless the City, its directors, officers, employees from and against any and all claims, demands, actions, liabilities, damages, judgments, or expenses (including attorneys' fees and costs) arising from the acts or omissions of Consultant's employees or agents in any way related to the obligations or in the performance of services under this Agreement, except for design professional services as defined in Civil Code § 2782.8, and except where caused by the sole or active negligence, or willful misconduct of the City.

For Design Professional Services under Civil Code §2782.8: To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless the City, its directors, officers, and employees

from and against any and all claims, demands, actions, liabilities, damages, or expenses (including attorneys' fees and costs) arising from the negligence, recklessness, or willful misconduct of the Consultant, Consultant's employees, or agents in any way related to the obligations or in the performance of design professional services under this Agreement as defined in Civil Code §2782.8, except where caused by the sole or active negligence, or willful misconduct of the City. The costs to defend charged to the Consultant relating to design professional services shall not exceed the Consultant's proportionate percentage of fault per Civil Code §2782.8.and against all claims, damages, losses, and expenses including attorney fees arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of the Consultant, Consultant's employees, agents or subcontractors, except where caused by the active negligence, sole negligence, or willful misconduct of the City.

SECTION 10
Civil Rights Compliance/Equal Opportunity Assurance

Every supplier of materials and services and all consultants doing business with the City of Capitola shall be in compliance with the applicable provisions of the Americans with Disabilities Act of 1990, and shall be an equal opportunity employer as defined by Title VII of the Civil Rights Act of 1964 and including the California Fair Employment and Housing Act of 1980. As such, consultant shall not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, age or sex with respect to hiring, application for employment, tenure or terms and conditions of employment. Consultant agrees to abide by all of the foregoing statutes and regulations.

SECTION 11
Legal Action/Attorneys' Fees

If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which he or she may be entitled. The laws of the State of California shall govern all matters relating to the validity, interpretation, and effect of this Agreement and any authorized or alleged changes, the performance of any of its terms, as well as the rights and obligations of Consultant and the City.

SECTION 12
Assignment

This Agreement shall not be assigned without first obtaining the express written consent of the Director after approval of the City Council.

SECTION 13
Amendments

This Agreement may not be amended in any respect except by way of a written instrument which expressly references and identifies this particular Agreement, which expressly states that its purpose is to amend this particular Agreement, and which is duly executed by the City and Consultant. Consultant acknowledges that no such amendment shall be effective until approved and authorized by the City Council, or an officer of the City when the City Council may from time to time empower an officer of the City to approve and authorize such amendments. No representative of the City is authorized to obligate the City to pay the cost or value of services beyond the scope of services set forth in Appendix Two. Such authority is retained solely by the City Council. Unless expressly authorized by the City Council, Consultant's compensation shall be limited to that set forth in Appendix Two.

SECTION 14
Miscellaneous Provisions

1. *Project Manager*. Director reserves the right to approve the project manager assigned by Consultant to said work. No change in assignment may occur without prior written approval of the City.

2. *Consultant Service.* Consultant is employed to render professional services only and any payments made to Consultant are compensation solely for such professional services.

3. *Licensure*. Consultant warrants that he or she has complied with any and all applicable governmental licensing requirements.

4. *Other Agreements*. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter, and no other agreement, statement or promise related to the subject matter of this Agreement which is not contained in this Agreement shall be valid or binding.

5. *City Property*. Upon payment for the work performed, or portion thereof, all drawings, specifications, records, or other documents generated by Consultant pursuant to this Agreement are, and shall remain, the property of the City whether the project for which they are made is executed or not. The Consultant shall be permitted to retain copies, including reproducible copies, of drawings and specifications for information and reference in connection with the City's use and/or occupancy of the project. The drawings, specifications, records, documents, and Consultant's other work product shall not be used by the Consultant on other projects, except by agreement in writing and with appropriate compensation to the City.

6. *Consultant's Records*. Consultant shall maintain accurate accounting records and other written documentation pertaining to the costs incurred for this project. Such records and documentation shall be kept available at Consultant's office during the period of this Agreement, and after the term of this Agreement for a period of three years from the date of the final City payment for Consultant's services.

7. *Independent Contractor*. In the performance of its work, it is expressly understood that Consultant, including Consultant's agents, servants, employees, and subcontractors, is an independent contractor solely responsible for its acts and omissions, and Consultant shall not be considered an employee of the City for any purpose.

8. *Conflicts of Interest*. Consultant stipulates that corporately or individually, its firm, its employees and subcontractors have no financial interest in either the success or failure of any project which is, or may be, dependent on the results of the Consultant's work product prepared pursuant to this Agreement.

9. *Notices*. All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given and fully received when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed to the respective parties as follows:

CITY	CONSULTANT
CITY OF CAPITOLA	Willdan Financial Services
420 Capitola Avenue	66 Franklin Street Suite 300
Capitola, CA 95010	Oakland, CA 94607
831-475-7300	

By:_____
Rudy Escalante, Interim City Manager

By:_____
James Edison, Managing Principal

Dated:_____

Dated:_____

Approved as to Form:

_____
Marc Tran, City Attorney

APPENDIX ONE
Scope of Services

Scope of Work
Willdan will work with the City to update its housing impact fees and housing in-lieu fees consistent with the Mitigation Fee Act and other relevant laws, to ensure Housing Element compliance.

Affordable Housing In Lieu Fee Study
Below is the proposed scope of services for Affordable Housing Impact fee and In Lieu Fee (charged to residential development).

Task 1: Identify and Resolve Policy Issues
Objective: Define project goals and objectives; outline project and management approach; identify roles and responsibilities; and confirm scope and schedule.
Description: Review agency documents related to affordable housing, housing supply, and development. Bring policy issues to City staff's attention, as appropriate, during the project and seek guidance prior to proceeding.
Meeting: One meeting to initiate the project, discuss data needs, and begin discussion of applicable policy issues.
Deliverables: Information requests, revised project scope and schedule, and brief summary of policy decisions.

Task 2: Affordable Housing Fee Analysis
Objective*:* Conduct an analysis related to the affordable housing impact fee and in-lieu fee, charged to residential development.
Description: The goal for the affordable housing impact fee and in-lieu fees collected from market rate development is to help offset the cost of affordable housing needed as a result of new residential development in the City.

Willdan will prepare a calculation of the maximum justifiable affordable housing fee for residential development in the City. The calculation will be based on the estimated income of new households and the employment generated by expenditures by new residents in the City.

Combined with labor market and wage data Willdan will estimate the number of new employees in the City generated by new housing and the degree to which they will require a subsidy to afford housing in the City. Willdan will also evaluate the current City incentives or structures for affordable housing provision, which will include the consideration of incentives or a fee structure that incentivizes the inclusion of affordable housing in a residential or mixed-use development.

The final report (Task 3) will contain an analysis specific to affordable housing fees, current income and housing pricing, and the cost of ownership to establish the effect of the proposed fees on housing affordability.

Deliverables: Analysis will be documented in the Final Report.

Task 3: Calculate Fees and Prepare Report
Objective: Provide technically defensible fee report that comprehensively documents project assumptions, methodologies, and results.

Description: Generate fee schedule to apportion facility costs to individual development projects. Prepare draft report tables for City staff to review that document each step of the analysis, including schedule of maximum justified fees by facility type land use category.

Following one round of comments from City staff on the quantitative analysis and fee schedules, prepare administrative draft report. Following one round of comments on the administrative draft, prepare public draft for presentation to interested parties, the public and elected officials.

Prepare final report, if necessary, based on one round of comments received on the public draft report. If requested, post report on our website for public access.

Deliverables: Draft report tables, administrative draft report, public draft report, final report, and slide presentation.

Task 4: Meetings
Objective: The project manager or other necessary Willdan staff will attend project meetings. A project team will attend up to three (3) meetings: one meeting to review the initial project results; one City Council meeting to present the public draft report for review and comment; and one public hearing to present the report for adoption.

Optional: Optional stakeholder and Council meetings may be requested by the City at additional cost.

APPENDIX TWO
Fees and Payments

Consultant will provide invoices to the City for all services and expenses on a monthly basis. City will endeavor to pay all invoices within 30 days of receipt. The total amount billed by Consultant and paid by City pursuant to this agreement shall not exceed $35,250 without written advance authorization from the City.

Consultant hereby represents and warrants, based upon Consultant's independent determination of the time and labor, including overtime, which will be required to perform said services, that Consultant will provide all said services at a cost which will not exceed the maximum price set forth in this agreement for Consultant's services. Consultant hereby assumes the risk that Consultant will perform said services within this maximum price constraint and Consultant acknowledges that its inability to do so shall not excuse completion of the services and shall not provide a basis for additional compensation.

Salary expenses include the actual direct pay of personnel assigned to the project (except for routine secretarial and account services) plus payroll taxes, insurance, sick leave, holidays, vacation, and other fringe benefits. The percentage of compensation attributable to salary expenses includes all of Consultant's indirect overhead costs and fees. For purposes of this Agreement, Consultant's salary expenses and non-salary expenses will be compensated at the rates set forth in the fee schedule attached to this appendix and in accordance with the terms set forth therein. Non-salary expenses include travel, meals and lodging while traveling, materials other than normal office supplies, reproduction and printing costs, equipment rental, computer services, service of subconsultants or subcontractors, and other identifiable job expenses. The use of Consultant's vehicles for travel shall be paid at the current Internal Revenue Service published mileage rate.

Salary payment for personnel time will be made at the rates set forth in the attached fee schedule for all time charged to the project. Normal payroll rates are for 40 hours per week. Consultant shall not charge the City for personnel overtime salary at rates higher than those set forth in the attached fee schedule without the City's prior written authorization.

In no event shall the total fee charged for the scope of work set forth in Appendix One exceed the total budget of $35.250, without specific, written advance authorization from the City.

Payments shall be made monthly by the City, based on itemized invoices from the Consultant which list actual costs and expenses. Such payments shall be for the invoice amount. The monthly statements shall contain the following affidavit signed by a principal of the Consultant's firm:

"I hereby certify as principal of the firm of Willdan Financia Services, that the charge of $ 35,250 as summarized above and shown in detail on the attachments is fair and reasonable, is in accordance with the terms of the Agreement dated November 13, 2026, and has not been previously paid."

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AMENDING THE 2026-27 FISCAL YEAR CITY BUDGET

WHEREAS, it is necessary to adopt the 2026-27 Fiscal Year Budget for all City funds; and

WHEREAS, the City Council conducted budget study sessions, heard and considered public comments, had modified and proposed a budget accordingly, and on June 11, 2026, adopted such budget for the Fiscal Year July 1, 2026, through June 30, 2027; and

WHEREAS, since the adoption of the FY 2026-27 Budget the City has issued a Request for Proposals for a Housing Nexus Study and Impact Fee Analysis; and

WHEREAS, staff has reviewed the proposals and participated in multiple demonstrations and is recommending entering an agreement with Willdan Financial Services; and

WHEREAS, it is necessary to amend the FY 2026-27 Budget to increase expenditures in the Housing Trust Special Revenue Fund by $35,250; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola that the 2026-27 Fiscal Year Budget is hereby amended, including Exhibit A (Budget Amendment) to this Resolution; and

BE IT FURTHER RESOLVED that the Administrative Services Director is directed to enter the budget into the City's accounting records in accordance with appropriate accounting practices, and the City Manager, with the Administrative Services Director's assistance, shall assure compliance therewith.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 12th day of November 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Margaux Morgan, Mayor

ATTEST:

_____
Lesley Milton, Interim City Clerk

Budget Adjustment Request

Date
11/03/2026

Requesting Department *
Community Development

Type of Adjustment
- ○ Administrative
- ◉ Council

Item #

Council Date
Nov. 12, 2026

Council Approval

Revenues

Account Number	Account Description	Increase/Decrease
1372-00-00-000-4305.900		

Total Revenues
$0.00

Expenditures

Account Number	Account Description	Increase/Decrease
1372 00-00-000-4305.900	CS-Gen Admin Contracts	$35,250.00

Total Expenditures
$35,250.00

Net Impact
-$35,250.00

Purpose
funding for housing nexus study.

Department Head Approval
Herlihy

Finance Director Approval

Jim Malberg

City Manager Approval

Rudy Escalante

Action History (all history times shown in Pacific Standard Time)

Submit	by Jim Malberg 11/3/2026 4:29:59 pm (Budget Amendment Request Submitted)
Approve	by kherlihy@ci.capitola.ca.us 11/4/2026 2:58:11 pm (Routed to CDD) • The task was assigned to kherlihy@ci.capitola.ca.us 11/3/2026 4:29:59 pm
Approve (send to CM for approval)	by Jim Malberg 11/4/2026 3:19:37 pm (Routed to Finance Director) • Jim Malberg assigned the task to Jim Malberg 11/4/2026 3:19:24 pm • The task was assigned to Jim Malberg & Luis Ruiz 11/4/2026 2:58:11 pm
Approve (return to Finance for processing)	by Rudy Escalante 11/5/2026 12:31:44 pm (Routed to CM for final approval) • The task was assigned to Rudy Escalante 11/4/2026 3:19:37 pm

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Public Works Department

Subject: Budget Amendment for Police Patrol Vehicle Outfitting

Recommended Action: Adopt a resolution approving an $18,000 budget amendment from the Equipment Replacement Fund balance for Police Department patrol vehicle outfitting.

Background: The Equipment Replacement Fund provides funding for replacement of City vehicles, including passenger cars, maintenance vehicles, police vehicles, and specialty vehicles. Departments contribute to the fund based on vehicle depreciation costs. The fund also receives revenue from trade-ins and surplus equipment sales.

During the annual budget process, Public Works and the Police Department review the vehicle inventory and recommend acquisitions and replacements, considering ongoing maintenance costs. The Fiscal Year 2026–27 capital outlay budget includes $75,000 for a Police Department patrol vehicle and $25,000 for a GEM car for lifeguard use.

Since budget adoption, the Police Department has also been awarded grants that include funding for an additional patrol vehicle and a van. These grant-funded vehicles are separate from the patrol vehicle addressed in this budget amendment.

Discussion: The budgeted patrol vehicle has been ordered at a cost of approximately $62,000. Staff obtained competitive pricing in accordance with the City's purchasing policy.

Specialized equipment and installation are required to prepare the vehicle for patrol service. Outfitting is estimated at $31,000, based on the cost of the Police Department's most recently outfitted grant-funded vehicle. The combined vehicle and outfitting cost is approximately $93,000, exceeding the $75,000 allocation by $18,000.

Staff recommends increasing the appropriation by $18,000 to cover the anticipated outfitting cost. Staff will obtain firm pricing before placing the outfitting order.

Fiscal Impact: The proposed budget amendment would increase the appropriation for the patrol vehicle purchase and outfitting from $75,000 to $93,000. The additional $18,000 would be funded from the Equipment Replacement Fund balance which has an estimated balance of $300,000. The separate $25,000 allocation for the lifeguard GEM car would remain available for that purchase.

Attachments:

1. Resolution Approving a Budget Amendment for Police Patrol Vehicle Outfitting

Alignment with 2025-2029 Strategic Plan Priority: Accountable Government; Community Safety

Report Prepared By: Jessica Kahn, Public Works Director

Reviewed By: Jim Malberg, Administrative Services Director; Lesley Milton, Interim City Clerk

Approved By: Rudy Escalante, Interim City Manager

RESOLUTION NO. XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA APPROVING AN $18,000 BUDGET AMENDMENT FOR POLICE PATROL VEHICLE OUTFITTING

WHEREAS, the Fiscal Year 2026–27 Equipment Replacement Fund budget includes $75,000 for the purchase and outfitting of a Police Department patrol vehicle; and

WHEREAS, staff obtained competitive pricing in accordance with the City's purchasing policy and ordered the vehicle at a cost of approximately $62,000; and

WHEREAS, specialized equipment and installation are required to prepare the vehicle for patrol service, with outfitting estimated at $31,000 based on the Police Department's most recently outfitted grant-funded vehicle; and

WHEREAS, the combined vehicle purchase and outfitting cost is estimated at $93,000, requiring an additional appropriation of $18,000 from the Equipment Replacement Fund balance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola as follows:

Section 1. Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Budget Amendment. The City Council hereby approves an $18,000 budget amendment from the Equipment Replacement Fund balance for Police Department patrol vehicle outfitting, increasing the total appropriation for the vehicle purchase and outfitting from $75,000 to $93,000.

Section 3. Implementation. The City Manager or designee is authorized to take the administrative actions necessary to implement this resolution, consistent with applicable City purchasing requirements.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 12th day of November 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____

Margaux Morgan, Mayor

ATTEST:

_____

Lesley Milton, Interim City Clerk

Budget Adjustment Request

Date
10/22/2026

Requesting Department *
Public Works

Type of Adjustment
- ○ Administrative
- ◉ Council

Item #

Council Date
11/12/2026

Council Approval

Revenues

Account Number	Account Description	Increase/Decrease

Total Revenues
$0.00

Expenditures

Account Number	Account Description	Increase/Decrease
2212-00-00-000-4650.400	Capital outlay Machinery & equipment	$18,000.00

Total Expenditures
$18,000.00

Net Impact
-$18,000.00

Purpose
Appropriate $18,000 from estimated $300,000 of available Equipment Replacement Fund balance to complete outfitting of a Police Department patrol vehicle. The adopted budget includes $75,000 for the vehicle purchase and outfitting. The vehicle was ordered for approximately $62,000, and outfitting is estimated at $31,000, bringing the total anticipated cost to $93,000.

Department Head Approval
Jessica Kahn

Finance Director Approval

Jim Malberg

City Manager Approval

Rudy Escalante

Action History (all history times shown in Pacific Standard Time)

Submit	by Jessica Kahn 10/22/2026 1:27:20 pm (Budget Amendment Request Submitted)
Approve	by Jessica Kahn 10/22/2026 1:27:58 pm (Routed to PW) • The task was assigned to Jessica Kahn 10/22/2026 1:27:20 pm
Approve (send to CM for approval)	by Jim Malberg 10/22/2026 4:36:52 pm (Routed to Finance Director) • Jim Malberg assigned the task to Jim Malberg 10/22/2026 4:36:24 pm • The task was assigned to Jim Malberg & Luis Ruiz 10/22/2026 1:27:58 pm
Approve (return to Finance for processing)	by Rudy Escalante 10/23/2026 3:25:47 pm (Routed to CM for final approval) • The task was assigned to Rudy Escalante 10/22/2026 4:36:52 pm

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Administrative Services Department

Subject: CalOES Designated Agents for Disaster Assistance

Recommended Action: Adopt a resolution certifying the Capitola staff members who are authorized to submit CalOES paperwork.

Background: To apply for state or federal aid following a declared emergency, the City of Capitola must have designated agents, generally high-level staff, that work with the California State Office of Emergency Services (CalOES).

On September 14, 2023, the City Council adopted Resolution No. 4336 which designated the City Manager, Public Works Director, and Finance Director as the City's designated agents for the next three years. This resolution expired on September 14, 2026 and a replacement resolution is required by the State.

Discussion: The attached resolution maintains the same designated agents as the prior resolution and repeals Resolution No. 4336.

During a declared state of local emergency (such as COVID-19 or the 2023 Winter Storm Event), it is essential to ensure that the City is eligible for reimbursement by state or federal agencies. The proposed resolution will ensure that the City is eligible for these funding sources.

Fiscal Impact: There is no fiscal impact associated with the adoption of this resolution.

Attachments:

1. Proposed Resolution
2. CalOES 130 – Designation Form

Alignment with 2025-2029 Strategic Plan Priority: Accountable Government; Community Safety

Report Prepared By: Report Prepared By: Jim Malberg, Administrative Services Director

Reviewed By: Lesley Milton, Interim City Clerk; Marc Tran, City Attorney

Approved By: Rudy Escalante, Interim City Manager

RESOLUTION NO. XXXX
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA REPEALING RESOLUTION NO. 4336 AND DESIGNATING AGENTS FOR DISASTER ASSISTANCE WITH THE STATE OFFICE OF EMERGENCY SERVICES

WHEREAS, the California State Office of Emergency Services requires the City to appoint designated agents to represent the City; and

WHEREAS, the California State Office of Emergency Services limits such universal resolutions to a three-year period, such that the City of Capitola's Resolution No. 4336, adopted September 14, 2023, will soon expire.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the City Council of the City of Capitola that the City Manager, or Finance Director, or Public Works Director, is hereby authorized to execute for and on behalf of the City of Capitola, a public entity established under the laws of the State of California, this application and to file it in the Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

BE IT FURTHER RESOLVED that the City of Capitola, a public entity established under the laws of the State of California hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreement required.

BE IT FURTHER RESOLVED that this is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.

BE IT FURTHER RESOLVED that Resolution No. 4336 of the City Council of the City of Capitola is hereby repealed.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 12th day of November 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Margaux Morgan, Mayor

ATTEST:

_____
Lesley Milton, Interim City Clerk

DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

BE IT RESOLVED BY THE City Council OF THE City of Capitola
(Governing Body) (Name of Applicant)

THAT City Manager, OR
(Title of Authorized Agent)

Administrative Services Director, OR
(Title of Authorized Agent)

Public Works Director
(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the City of Capitola,
(Name of Applicant)
a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining federal financial assistance for any existing or future grant program, including, but not limited to any of the following:

- **Federally declared Disaster (DR), Fire Mitigation Assistance Grant (FMAG), California State Only Disaster (CDAA), Immediate Services Program (ISP), Hazard Mitigation Grant Program (HMGP), Building Resilient Infrastructure and Communities (BRIC), Legislative Pre-Disaster Mitigation Program (LPDM),** under
- Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.
- **Flood Mitigation Assistance Program (FMA)**, under Section 1366 of the National Flood Insurance Act of 1968.
- **National Earthquake Hazards Reduction Program (NEHRP)** 42 U.S. Code 7704 (b) ((2) (A) (ix) and 42 U.S. Code 7704 (b) (2) (B) National Earthquake Hazards Reduction Program, and also The Consolidated Appropriations Act, 2018, Div. F, Department of Homeland Security Appropriations Act, 2018, Pub. L. No. 115-141
- **California Early Earthquake Warning (CEEW)** under CA Gov Code – Gov, Title 2, Div. 1, Chapter 7, Article 5, Sections 8587.8, 8587.11, 8587.12

That the City of Capitola, a public entity established under the
(Name of Applicant)
laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

DESIGNATION OF APPLICANT'S AGENT RESOLUTION
NON-STATE AGENCIES
OES-FPD-130 (Rev. 10-2022)

Please check the appropriate box below

☑ This is a universal resolution and is effective for all open and future disasters/grants declared up to three (3) years following the date of approval.

☐ This is a disaster/grant specific resolution and is effective for only disaster/grant number(s):_____

Passed and approved this 12 day of November, 20 26

_____
(Name and Title of Governing Body Representative)

_____
(Name and Title of Governing Body Representative)

_____
(Name and Title of Governing Body Representative)

CERTIFICATION

I, Lesley Milton (Name), duly appointed and Interim City Clerk (Title) of City of Capitola (Name of Applicant), do hereby certify that the above is a true and correct copy of a resolution passed and approved by the City Council (Governing Body) of the City of Capitola (Name of Applicant) on the 12 day of November, 2026.

_____ Interim City Clerk

(Signature) (Title)

Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted resolution is older than three (3) years from the last date of approval, is invalid, or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on pages 1 and 2. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California.

Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the California Governor's Office of Emergency Services regarding grants for which they have applied. There are two ways of completing this section:

1. Titles Only: The titles of the Authorized Agents should be entered here, not their names. This allows the document to remain valid if an Authorized Agent leaves the position and is replaced by another individual. If "Titles Only" is the chosen method, this document must be accompanied by either a cover letter naming the Authorized Agents by name and title, or the Cal OES AA Names document. The supporting document can be completed by any authorized person within the Agency (e.g., administrative assistant, the Authorized Agent, secretary to the Director). It does not require the Governing Body's signature.

2. Names and Titles: If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document, or their title changes.

Checking Universal or Disaster-Specific Box: A Universal resolution is effective for all past disasters and for those declared up to three (3) years following the date of approval. Upon expiration it is no longer effective for new disasters, but it remains in effect for disasters declared prior to expiration. It remains effective until the disaster goes through closeout unless it is superseded by a newer resolution.

Governing Body Representative: These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents. A minimum of three (3) approving board members must be listed. If less than three are present, meeting minutes must be attached in order to verify a quorum was met.

Certification Section:

Name and Title: This is the individual in attendance who recorded the creation and approval of this resolution.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member. If a person holds two positions (such as City Manager and Secretary to the Board) and the City Manager is to be listed as an Authorized Agent, then that person could sign the document as Secretary to the Board (not City Manager) to eliminate "Self-Certification."

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Public Works Department

Subject: Noble Gulch Culvert Cooperative Agreement Extension

Recommended Action: Authorize the Interim City Manager to execute Amendment No. 1 to the Cooperative Agreement and Reservation of Rights with the County of Santa Cruz and the Santa Cruz County Flood Control and Water Conservation District - Zone 5, in a form acceptable to the City Attorney, extending the term through January 14, 2032.

Background: Noble Creek flows through Capitola and enters an approximately 1,500-foot system of corrugated metal pipe, lined pipe, and concrete culverts before discharging into Soquel Creek.

In 2020, the City, the County of Santa Cruz, and the Santa Cruz County Flood Control and Water Conservation District – Zone 5 (Zone 5) entered into a Cooperative Agreement and Reservation of Rights to facilitate inspections, maintenance, repairs, and pursuit of funding. The agreement provides a framework for cooperation while preserving each agency's position regarding ownership and responsibility for the drainage infrastructure.

The existing agreement expires January 14, 2027. The proposed amendment would extend its term for five years, through January 14, 2032.

Discussion: Staff recommends extending the agreement to support continued coordination on maintenance and repairs to the Noble Gulch culvert system. The amendment would extend the term only; the existing reservation-of-rights, notice, and indemnification provisions would remain in effect.

Previous inspections identified localized repair needs within the culvert. An updated inspection was completed on October 30, 2026, and a repair scope and cost estimate are being developed. Staff is also coordinating with County and Zone 5 staff to evaluate potential cost sharing for the recommended work.

To allow time to complete that evaluation, staff recommends considering repair funding separately from the extension. No repair funding commitment is included in the proposed amendment. Staff anticipates returning to Council with the recommended repair scope, estimated costs, and a funding approach, including any proposed contributions from the participating agencies.

The extension also requires approval by the County Board of Supervisors and the Zone 5 Board. County staff plans to present the agreement to both boards on December 15, 2026.

Fiscal Impact: The proposed extension has no additional fiscal impact. Any future request for City repair funding or a related budget amendment would be brought to Council separately for approval.

Attachments:

1. Proposed Amendment No. 1 to the Cooperative Agreement and Reservation of Rights

Alignment with 2025-2029 Strategic Plan Priority: Community Safety; Sustainable Infrastructure

Report Prepared By: Jessica Kahn, Public Works Director

Reviewed By: Lesley Milton, Interim City Clerk

Approved By: Rudy Escalante, Interim City Manager

AMENDMENT NO. 1
TO THE COOPERATIVE AGREEMENT AND RESERVATION OF RIGHTS BETWEEN THE CITY OF CAPITOLA, THE SANTA CRUZ COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, AND THE COUNTY OF SANTA CRUZ

This Amendment No. 1 ("Amendment") to the Cooperative Agreement and Reservation of Rights is entered into by and between the City of Capitola, a municipal corporation ("City"), the Santa Cruz County Flood Control and Water Conservation District ("District"), and the County of Santa Cruz ("County"). City, District, and County may each be referred to as a "Party" and collectively as the "Parties."

RECITALS

A. The Parties entered into the Cooperative Agreement and Reservation of Rights ("Agreement"), a true and correct copy of which is attached hereto as Exhibit 1, which was approved by the County Board of Supervisors on January 14, 2020.

B. Section 4.F of the Agreement provides for a seven-year term and preserves the Parties' reservation of rights after expiration.

C. The Parties desire to extend the term of the Agreement while leaving all other provisions unchanged.

NOW, THEREFORE, in consideration of the mutual promises contained in this Amendment, the Parties agree as follows:

1. Term Extension. Section 4.F of the Agreement is deleted in its entirety and replaced with the following:

> **F. Term.** The term of this Agreement is extended through January 14, 2032. However, in no case shall the expiration of this Agreement's term allow any Party to introduce any activity undertaken by the City or the District during the effective term of this Agreement to effectuate its purpose as evidence of ownership, control, or responsibility for purposes of establishing liability.

2. Continuing Effect. Except as expressly amended by this Amendment, all provisions of the Agreement remain unchanged and in full force and effect.

3. Conflict. If there is any conflict between this Amendment and the Agreement, this Amendment controls.

4. Counterparts; Electronic Signatures. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together constitute one instrument. Signatures transmitted electronically shall have the same force and effect as original signatures.

5. Effective Date. This Amendment is effective on the date it is last executed by the Parties.

IN WITNESS WHEREOF, the Parties have executed this Amendment through their duly authorized representatives.

CITY OF CAPITOLA

By: _____ Date: _____

Rudy Escalante

Interim City Manager

COUNTY OF SANTA CRUZ

By: _____ Date: _____

[AUTHORIZED SIGNATORY]

[TITLE]

SANTA CRUZ COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 5

By: _____ Date: _____

[AUTHORIZED SIGNATORY]

[TITLE]

APPROVED AS TO FORM:

By: _____ Date: _____

City Attorney

By: _____ Date: _____

County Counsel

By: _____ Date: _____

District Legal Counsel

Exhibit 1

Approved 01/
Board of Supervisor
DOC-2020-41

COOPERATIVE AGREEMENT AND RESERVATION OF RIGHTS BETWEEN THE CITY OF CAPITOLA, THE SANTA CRUZ COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, AND THE COUNTY OF SANTA CRUZ

THIS COOPERATIVE AGREEMENT AND RESERVATION OF RIGHTS is made and entered into on the date by which it has been executed by and between the City of Capitola, a municipal corporation ("City"), the Santa Cruz County Flood Control and Water Conservation District ("District"), and the County of Santa Cruz ("County"), with reference to the Recitals set forth below. City, District, and County may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, in 1949, the City was incorporated in Santa Cruz County.

WHEREAS, in 1955, the State of California created the District for purposes of controlling, diverting, and disposing of flood waters in Santa Cruz County. The District has the statutory power to create "zones" wherein property owners in a set locality are taxed to create a local fund to construct and maintain specific drainage facilities.

WHEREAS, the District is a legal entity that is separate and distinct from the County.

WHEREAS, in 1969, the District created Zone 5 to cover 8.75 square miles within the County, including in Live Oak, Capitola, and Soquel. Zone 5 facilities include certain ditches, culverts, pipes, and water storage basins.

WHEREAS, the District and the City have a dispute as to whether and to what extent the District or the City have legal control over or responsibility for certain drainage facilities that exist in the City. Moreover, the County contends that it has no responsibility for flood control within the City.

WHEREAS, Noble Creek is a natural watercourse that runs through the County until it reaches the City; it thereafter continues through the City, draining into Soquel Creek and flowing on to the Pacific Ocean. The creek consists of both natural channel and piped sections. The creek runs through a portion of natural channel before it gets to Noble Gulch Park, a city park adjacent to Bay Avenue. There, the creek is diverted underground through a series of corrugated metal pipes and concrete box culverts.

WHEREAS, the Parties recognize that critical system improvements may be required to maintain adequate storm drainage systems throughout the District, including within the geographical boundaries of the City.

WHEREAS, the Parties recognize and acknowledge that concerns about potential liability for the failure of storm drainage systems throughout the City and District and uncertainty as to whether the City or District is legally responsible for the maintenance thereof could operate as a disincentive to the City or District to undertake maintenance or repair of certain facilities, and that

#4 Zone 5
12/10/19

this is particularly a concern if maintenance or repair could later be used as evidence of "ownership and control" for purposes of establishing liability for the future failure of said facilities.

WHEREAS, the Parties now wish to work cooperatively toward an approach that facilitates completion of necessary storm drain and flood control system improvements and maintenance projects in the City, while preserving their respective rights as to whether the City or the District bears ultimate legal responsibility or liability for damages or loss caused by potential failure of such facilities.

TERMS OF AGREEMENT

NOW, THEREFORE, in light of the foregoing Recitals, and in consideration of the mutual promises, covenants, and stipulations hereinafter contained, the Parties agree as follows:

SECTION 1
CITY/DISTRICT FUNDING FOR INSPECTION

Within six months of the effective date of this agreement, the City and the District will jointly fund an inspection of the corrugated metal pipe carrying Noble Creek under the former Pacific Cove Mobile Home Park to identify any necessary maintenance issues. The consultant engaged to perform such inspection shall be jointly selected by the City and the District. The consultant shall be engaged by the City Attorney's office and all information obtained from said inspection shall be treated by the Parties as confidential attorney work product. Upon completion of the inspection, a copy of any concluding report shall be delivered to and maintained by the respective legal counsel for the Parties.

SECTION 2
FUNDING COOPERATION

On or after the effective date of this Agreement, the City and the District will work cooperatively toward identifying and pursuing sources of funding for any necessary repairs/replacements/maintenance of storm drain infrastructure within the City, including but not limited to that identified in the inspection referenced in Section 1. Future actions could include, for example, jointly or individually applying for grants or loans, or cooperating in the establishment of an assessment district or some other financing mechanism. Nothing herein shall obligate any Party to complete any future actions or work whatsoever.

SECTION 3
RESERVATION OF RIGHTS

The Parties agree that neither the terms of this Agreement, nor any activity undertaken by the City or the District to implement this Agreement, may be utilized by any Party against another as evidence of ownership, control or responsibility for purposes of establishing liability. "Activity undertaken by the City or the District to implement this Agreement" includes, but is not limited to, emergency responses during rain events and any activities to maintain drainage infrastructure of disputed ownership within the boundaries of the City, performed by City or District personnel,

provided that notice of maintenance work shall be given before the activity begins and notice of emergency responses shall be given within a reasonable time after the work occurs, and provided the Party engaging in the activity shall indemnify the other Parties from any claims or liability to the extent arising from the performance of the activity. Moreover, the Parties agree that they are prohibited from using this Agreement or any actions completed to implement it as proof or evidence that any Party has a duty or responsibility to maintain or replace any drainage infrastructure in the City. Each of the Parties expressly reserves its rights to introduce any other evidence, including evidence of its or any other Parties' actions or activities, prior or subsequent to the term of this Agreement, in order to establish another Party's liability, or its non-liability.

SECTION 4
MISCELLANEOUS PROVISIONS

A. Complete Agreement. This Agreement, along with any attachments, is the full and complete integration of the Parties' agreement with respect to the matters addressed herein and supersedes any previous written or oral agreements between the Parties with respect to the matters addressed herein.

B. Severability. The unenforceability, invalidity, or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

C. Waiver. Waiver by any Party of any portion of this Agreement shall not constitute a waiver of the entire Agreement.

D. Venue, Governing Law, and Jurisdiction. The law of the State of California shall govern this Agreement. In the event that a Party to this Agreement brings any action against another under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Santa Cruz or in the United States District Court for the Northern District of California.

E. Amendments. This Agreement may be amended only by mutual written agreement executed by duly authorized representatives of all Parties.

F. Term. The Parties agree that the term of this Agreement is 7 years. However, in no case shall the expiration of this Agreement's term allow any Party to introduce any activity undertaken by the City or the District during the effective term of this Agreement to effectuate its purpose as evidence of ownership, control or responsibility for purposes of establishing liability.

G. Notices. Notices required under this Agreement shall be deemed fully given if they are sent via regular U.S. mail, and addressed to the respective Party as follows:

CITY:
City of Capitola
Jamie Goldstein, City Manager
420 Capitola Avenue
Capitola, California 95010

COUNTY:
Santa Cruz County
Attention: County Administrative Officer
701 Ocean Street, Suite 520
Santa Cruz, California 95060

DISTRICT:
Santa Cruz County Flood Control
& Water Conservation District, Zone 5
Attention: District Engineer
701 Ocean Street, Room
Santa Cruz, California 95060

H. Contract Construction. Each Party acknowledges that it has reviewed this Agreement and that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Agreement.

I. Counterparts. The Parties may execute this Agreement in two or more counterparts, which shall, in the aggregate, be deemed an original but all of which, together, shall constitute one and the same instrument.

This AGREEMENT is effective as of the date last written below.

Dated: 6/28/19

CITY OF CAPITOLA

By _____
Jamie Goldstein
City Manager

Dated: 12/11/19

COUNTY OF SANTA CRUZ

By _____
Carlos Palacios
County Administrative Officer

Dated: _____

SANTA CRUZ COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT

By _____
Ryan Coonerty
Chairperson, Zone 5

Approved As To Form:

Reed Gallogly
Deputy City Attorney

Jason M. Heath
Chief Assistant County Counsel

District Legal Counsel

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Police Department

Subject: Adoption of the 2026 City of Capitola Emergency Operations Plan

Recommended Action: Adopt (1) a resolution approving the 2026 City of Capitola Emergency Operations Plan (EOP), which supersedes the 2017 EOP, and authorizing the City Manager, as Director of Emergency Services, to approve EOP annexes and make administrative updates, with substantive changes returned to the City Council for approval; and (2) a resolution adopting the Standardized Emergency Management System (SEMS), the National Incident Management System (NIMS), and the Incident Command System (ICS) as the City's emergency management standards.

Background: The Emergency Operations Plan (EOP) is the City's all-hazards plan for how it organizes, directs, and coordinates its response to and recovery from emergencies. It implements the City's emergency organization under Capitola Municipal Code (CMC) Chapter 8.08, defines the roles of the City Manager as Director of Emergency Services and the Police Chief as Assistant Director, and describes how the City works with Central Fire Protection District, the Santa Cruz County Operational Area, and state and federal partners.

The plan rests on the California Emergency Services Act (Government Code § 8550 et seq.), the Standardized Emergency Management System (SEMS), and the National Incident Management System (NIMS). Under Government Code § 8607(e), a local agency must use SEMS to be eligible for state funding of its response-related personnel costs. A current, adopted EOP is the City's primary evidence of how it applies SEMS and NIMS, and the California Governor's Office of Emergency Services (Cal OES) reviews local plans against its Emergency Plan Review Crosswalk (2024).

The City's EOP was last reviewed in March 2017. Since then, state and federal guidance has changed, City staffing and facilities have changed, and the City has gained direct experience from a major event. During the 2023 winter storms, the Director of Emergency Services proclaimed a local emergency on January 4, 2023, which the City Council ratified by Resolution No. 4301. The storms destroyed the middle section of the Capitola Wharf, which reopened in September 2024. Lessons from that event are built into the updated plan.

In July 2026, the Police Department commissioned a full rewrite of the EOP, restructured to align with the Santa Cruz County Operational Area EOP.

Discussion: The 2026 EOP consists of a Base Plan with 12 sections (Attachment 3), supported by the City's EOC Manual and position job aids, which serve as internal operating procedures, and by functional and hazard-specific annexes that will be developed over the next year. Council is asked to adopt the Base Plan, which sets the City's emergency organization, authorities, and concept of operations.

Key elements of the updated plan

- **Emergency organization and authority.** The City Manager serves as Director of Emergency Services and the Police Chief as Assistant Director, with a defined line of succession. The plan sets out the steps for proclaiming a local emergency, including Council ratification within seven days and review at least every 60 days (Government Code § 8630).
- **Emergency Operations Center (EOC).** The primary EOC moves from City Hall, which lies in Soquel Creek flood and tsunami exposure, to the Community Center at 4400 Jade Street. New Brighton Middle School is designated as the alternate EOC.
- **Activation levels.** A single set of EOC activation levels replaces the three different schemes in earlier drafts and lines up with the County Operational Area.

- **Tsunami and rapid-onset hazards.** A local-source tsunami can arrive in 15 to 30 minutes. The plan authorizes field personnel to begin evacuating the Village and beach without waiting for the EOC to activate, and it identifies evacuation zones, public alerting tools, and who approves alert messages.
- **Residents and visitors who need extra help.** The plan addresses older adults, people with disabilities, Spanish speakers, renters, and visitors unfamiliar with local hazards, and recognizes that Capitola's population can double on busy days.
- **Recovery and cost recovery.** The plan adds damage assessment, a designated Recovery Manager, emergency procurement rules under federal grant requirements (2 Code of Federal Regulations Part 200), and the steps for seeking state and federal disaster assistance.
- **Assignments.** A single table assigns lead and support departments for each Emergency Support Function, so every City department knows its role.

SEMS, NIMS, and the Incident Command System

The EOP is built on three standard systems. SEMS is California's required framework for coordinating emergency response among cities, operational areas, and the state, and local agencies must use it to be eligible for state funding of response-related personnel costs (Government Code § 8607). NIMS is the national equivalent, and adopting and implementing it is a condition of federal preparedness assistance. ICS is the on-scene command structure used within both systems, and the Police Department and Central Fire Protection District already use it every day.

The second resolution (Attachment 2) formally adopts all three as the City's standards, directs the City to use ICS in the field and the SEMS/NIMS structure in the EOC, and directs the City Manager to build them into City plans, training, and exercises. It supersedes any earlier City resolution on the same subject to the extent of any inconsistency.

Both resolutions are organizational and administrative actions and are not projects under the California Environmental Quality Act (CEQA Guidelines § 15378(b)(5)).

Next steps

Following adoption, staff will (1) develop annexes, starting with a severe weather annex; (2) complete the plan attachments and supporting records; (3) train EOC staff and provide a Council orientation on elected officials' roles in an emergency; and (4) conduct a tabletop exercise to test the plan. The recommended action authorizes the City Manager to approve annexes and administrative updates, such as staff names, contact lists, and corrected references. Changes to the emergency organization, authorities, or concept of operations will return to the Council.

Fiscal Impact: Adopting the EOP and the SEMS/NIMS/ICS resolution has no direct fiscal impact. Consultant services for the plan update are funded in the adopted FY 2026-27 budget. Annex development, training, and exercises will be carried out primarily with existing staff time. Equipping the EOC with supplies and forms ("EOC in a Box") will be estimated separately and brought forward through the budget process. Maintaining a current, SEMS-compliant plan supports the City's eligibility for state reimbursement of response costs and for state and federal disaster assistance.

Attachments:

1. Draft Resolution Adopting the 2026 City of Capitola Emergency Operations Plan
2. Draft Resolution Adopting SEMS, NIMS, and the Incident Command System
3. 2026 City of Capitola Emergency Operations Plan – Base Plan
4. EOC Manual

Alignment with 2025-2029 Strategic Plan Priority: Community Safety; Accountable Government

Report Prepared By: Jim Frawley, Franklin Frawley Think Tank LLC., Pedro Zamora, Operations Captain

Reviewed By: Lesley Milton, City Clerk; Sarah Ryan, Police Chief; Marc Tran, City Attorney

Approved By: Rudy Escalante, Interim City Manager

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA ADOPTING THE 2026 CITY OF CAPITOLA EMERGENCY OPERATIONS PLAN

WHEREAS, the California Emergency Services Act (Government Code Section 8550 et seq.) authorizes cities to prepare for and respond to emergencies, and Chapter 8.08 of the Capitola Municipal Code establishes the City's emergency organization and provides for the preparation of an emergency plan;

WHEREAS, Government Code Section 8607 requires local agencies to use the Standardized Emergency Management System (SEMS) to be eligible for state funding of response-related personnel costs, and a current Emergency Operations Plan (EOP) is the City's primary means of applying SEMS;

WHEREAS, the City's EOP was last reviewed in 2017, and state and federal guidance, City staffing and facilities, and lessons from the 2022–23 winter storms require that it be updated;

WHEREAS, staff has prepared the 2026 City of Capitola Emergency Operations Plan, consistent with SEMS, the National Incident Management System, the Santa Cruz County Operational Area EOP, FEMA Comprehensive Preparedness Guide 101, and the California Governor's Office of Emergency Services Emergency Plan Review Crosswalk; and

WHEREAS, the City Council finds that adopting the 2026 EOP will improve the City's ability to protect life, property, and the environment, and that adoption is not a project under the California Environmental Quality Act (CEQA Guidelines Section 15378(b)(5)) because it is an organizational and administrative activity that will not result in a direct or indirect physical change in the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola as follows:

Section 1. The City Council approves and adopts the 2026 City of Capitola Emergency Operations Plan, attached as Exhibit A and on file with the City Clerk.

Section 2. The 2026 Emergency Operations Plan supersedes all previous City emergency operations plans.

Section 3. The City Manager, as Director of Emergency Services, is authorized to approve annexes to the Emergency Operations Plan and to make administrative updates, including changes to personnel names, contact information, and references, consistent with the adopted Base Plan. Changes to the City's emergency organization, authorities, or concept of operations shall be returned to the City Council for approval.

Section 4. The City Manager is directed to provide a copy of the adopted plan to the Santa Cruz County Operational Area and the California Governor's Office of Emergency Services.

Section 5. This resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 12th day of November 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Margaux Morgan, Mayor

ATTEST:

_____
Lesley Milton, City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA ADOPTING THE STANDARDIZED EMERGENCY MANAGEMENT SYSTEM, THE NATIONAL INCIDENT MANAGEMENT SYSTEM, AND THE INCIDENT COMMAND SYSTEM

WHEREAS, Government Code Section 8607 and California Code of Regulations, Title 19, Section 2400 et seq., establish the Standardized Emergency Management System (SEMS) for managing multi-agency and multi-jurisdictional emergencies in California, and require local agencies to use SEMS to be eligible for state funding of response-related personnel costs;

WHEREAS, Homeland Security Presidential Directive 5 directed the establishment of the National Incident Management System (NIMS), and the U.S. Department of Homeland Security requires jurisdictions to adopt and implement NIMS as a condition of receiving federal preparedness assistance;

WHEREAS, the Incident Command System (ICS) is the standardized, on-scene incident management structure used within both SEMS and NIMS, and is used daily by the City's police and partner fire agencies;

WHEREAS, the 2026 City of Capitola Emergency Operations Plan is built on SEMS, NIMS, and ICS; and

WHEREAS, adoption of this resolution is not a project under the California Environmental Quality Act (CEQA Guidelines Section 15378(b)(5)) because it is an organizational and administrative activity that will not result in a direct or indirect physical change in the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola as follows:

Section 1. The City Council adopts the Standardized Emergency Management System and the National Incident Management System as the City's standards for emergency prevention, preparedness, response, recovery, and mitigation.

Section 2. The City shall use the Incident Command System to manage incidents in the field, and the SEMS and NIMS organizational structure to manage the City Emergency Operations Center.

Section 3. The City Manager, as Director of Emergency Services, is directed to incorporate SEMS, NIMS, and ICS into the City's emergency plans, procedures, training, and exercises, and to ensure that City personnel with emergency responsibilities complete the training appropriate to their roles.

Section 4. This resolution supersedes any prior City resolution adopting SEMS or NIMS to the extent of any inconsistency.

Section 5. This resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 12th day of November 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Margaux Morgan, Mayor

ATTEST:

_____
Lesley Milton, Interim City Clerk

CITY OF CAPITOLA

DRAFT



Photo: Don DeBold, CC BY 2.0

ALL-HAZARDS PLAN · BASE PLAN & ATTACHMENTS

Emergency Operations Plan

How the City prepares for, responds to, and recovers from emergencies, with the Base Plan, Attachments 1–5, and the list of supporting annexes.

City Manager's Office · Director of Emergency Services

Draft · October 20

Acknowledgements

The City of Capitola thanks the following people and organizations for their work on this Emergency Operations Plan (EOP).

Group	Members
City Council	Margaux Morgan, Gerry Jensen, Joe, Clarke, Melinda Orbach, Susan Westman
City Manager's Office	Rudy Escalante, Interim City Manager; Chloe Woodmansee, Assistant to the City Manager
Police Department	Sarah Ryan, Police Chief; Pedro Zamora, Administrative Captain; Leo Moreno, Patrol Captain
Public Works	Jessica Kahn, Director; Matt Kotila, Operations & Maintenance Supervisor
Community & Economic Development	Katie Herlihy, Director
Administrative Services (Finance, HR, IT)	Jim Malberg, Administrative Services Director/Treasurer
Community Services & Recreation	Nikki Bryant, Community Services & Recreation Director
City Clerk's Office	Julia Gautho, City Clerk; Rosie Wyatt, Assistant City Clerk
Partner agencies	Central Fire Protection District; Santa Cruz County Office of Response, Recovery & Resilience (OR3); Santa Cruz County Sheriff's Office; Santa Cruz Regional 9-1-1 (NetCom); Soquel Union Elementary School District; Soquel Creek Water District; Santa Cruz County Sanitation District; Santa Cruz METRO; American Red Cross, Central Coast Chapter
Community partners	Capitola-Soquel Chamber of Commerce; Capitola Village Business Improvement Association; local businesses, volunteers, and residents

The City also acknowledges the Santa Cruz County Operational Area EOP, which serves as the framework for this plan.

Executive Summary

The City of Capitola EOP describes how the City prepares for, responds to, and recovers from emergencies of any kind. It replaces the 2017 City EOP. The plan:

- Is consistent with the Standardized Emergency Management System (SEMS), the National Incident Management System (NIMS), and the National Response Framework (NRF).
- Works within the California State Emergency Plan and the Santa Cruz County Operational Area (OA) EOP and uses the same structure as the County EOP.
- Consists of this Base Plan, annexes, attachments, and supporting documents, including the City EOC Manual.

Capitola is a small coastal city whose population can double on busy days. Its main risks are earthquake, tsunami, flooding from Soquel Creek, Noble Gulch, and coastal storms, bluff erosion, and loss of Highway 1 and other key routes. The plan gives special attention to residents and visitors who may need extra help: older adults, people with disabilities, Spanish speakers, renters and low-income households, and visitors who do not know local hazards or evacuation routes.

The City Manager's Office leads the City's emergency management program with the Police Department. The Capitola Disaster Council oversees the program. The City Council approves the Base Plan; the City Manager approves annexes and supporting documents. Priority follow-on work includes hazard and functional annexes, a Continuity of Operations/Continuity of Government (COOP/COG) plan, and a training and exercise program (Section 11).

Plan Overview

Section	Summary
1 - Plan Administration	Acknowledgements, promulgation, implementation, record of changes and distribution
2 - Introduction	Purpose, scope, assumptions, and community profile (geography, people, infrastructure, economy, hazards)
3 - Concept of Operations	Priorities, SEMS/NIMS, whole community, emergency and EOC levels, proclamations
4 - Organization & Responsibilities	Emergency management bodies, roles, succession, continuity, facilities, ESF assignments
5 - Direction, Control & Coordination	Field command, mutual aid, DOCs, special districts, Operational Area, EOC, partners
6 - Information Management	Situational awareness, Essential Elements of Information, Community Lifelines, reporting
7 - Communications, Public Information & Warning	Alert and warning, protective action messaging, JIS/JIC, responder communications
8 - Administration, Finance & Logistics	Documentation, procurement, cost recovery, resource requests, Disaster Service Workers
9 - Recovery	Recovery organization, damage assessment, assistance programs, hazard mitigation
10 - Annexes	City Annexes lead departments
11 - Plan Maintenance	Review cycle, Integrated Preparedness Plan, training, exercises, after-action reporting
12 - Authorities & References	Local, state, and federal authorities and references
Attachments	1 - Acronyms & Glossary; 2 - Hazards Overview & Risk Assessment; 3 - Mutual Aid; 4 - Coordination with County Readiness Working Group; 5 - City Council EOP Approval

Plan Concurrence

This plan has been reviewed by the Capitola Disaster Council and City department heads and is recommended for approval by the City Manager as Director of Emergency Services. Persons reviewing the EOP include, but are not limited to:

- City Manager – Chair and Director of Emergency Services (DES)
- Police Chief – Assistant Director of Emergency Services
- Fire Chief, Central Fire Protection District
- Public Works Director
- Community & Economic Development Director
- Administrative Services Director/Treasurer
- Community Services & Recreation Director
- City Clerk
- City Attorney (advisory)

Promulgation

Protecting life, property, the environment, and the economy is a basic duty of government. As a local jurisdiction in the Santa Cruz County Operational Area, the City of Capitola is responsible for emergency

response and recovery within city limits, and coordinates through the Operational Area when an incident exceeds City capabilities or affects other jurisdictions.

This EOP supersedes all previous City emergency plans. It supports the National Preparedness Goal and is consistent with SEMS and NIMS. Federal, state, and local law take precedence over any conflicting part of this plan. The City Council endorses this plan and asks all officials, employees, partners, and residents to support the City's emergency management and resilience efforts.

This document is approved and promulgated as the City of Capitola Emergency Operations Plan by Resolution No. _____ adopted on _____ (see Attachment 5).

Implementation

The plan was developed using FEMA Comprehensive Preparedness Guide (CPG) 101, Version 3.0, the Cal OES Emergency Plan Review Crosswalk for local governments, and the Santa Cruz County OA EOP. It applies to all City departments and to partner agencies with assigned roles.

The City Manager, as Director of Emergency Services, and the Police Chief, as Assistant Director, are responsible for carrying out this plan. All City employees are Disaster Service Workers and have roles in the plan. The City Manager's Office, with the Police Department and the Disaster Council, manages plan changes. See Section 11 for review and maintenance.

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List of Annexes

Annexes are separate documents that support this Base Plan. They are approved by the City Manager (Section 11.1) and may be updated without amending the Base Plan. This list is not exhaustive; additional annexes may be added as they are developed.

Annex	Title	Lead	Status
A	EOC Manual (including EOC Organization Chart and Position Job Aids)	Police Department (EOC Coordinator) / City Manager's Office	Draft
B	Continuity of Operations / Continuity of Government (COOP/COG) Plan	City Manager's Office with Police Department	Planned

Annex	Title	Lead	Status
C	Department Annexes: C-1 City Manager's Office C-2 Police Department C-3 Public Works C-4 Community & Economic Development C-5 Community Services & Recreation C-6 Administrative Services & IT	Each department	Planned
D	Severe Weather and Coastal Flooding Annex	Public Works with Police Department	In development (priority 1)
E	Tsunami Annex	Police Department with Community Services & Recreation	Planned (priority 2)
F	Earthquake Annex	City Manager's Office with Public Works and Community & Economic Development	Planned (priority 3)
G	Council Annex – Elected Officials Guide to Emergency Management	City Manager's Office / City Clerk	Draft
H	Mass Care and Sheltering Annex (including accessible sheltering and pets)	Community Services & Recreation	Planned (priority 4)
I	Alert and Warning Annex	City Manager's Office (PIO) with Police Department	Planned
J	Large Planned Events Annex	Police Department	Planned

Page numbers are current as of this draft. In Word, right-click the table of contents and choose Update Field after any edits.

SECTION 1: Plan Administration

1.1 Record of Changes

Date	Description	Section	By
March 2017	Whole document review	EOP	Tom Held
August 2026	Full rewrite to current standards; restructured to match County OA EOP	EOP	Police Department, City Manager's Office
November 2026	Council Adoption with Resolutions added	EOP	City Council

1.2 Record of Distribution

Electronic and/or printed copies of the approved EOP go to the following:

Recipient	Copies
City Council	5 electronic
City Departments (all directors)	10 electronic, 2 printed
City EOC (primary, alternate, relocation kits)	4 printed, 4 thumbdrive
Central Fire Protection District	2 electronic
Santa Cruz County OR3 (Operational Area)	1 electronic, 1 printed
Soquel Union Elementary School District	1 electronic, 1 printed
American Red Cross	1 electronic

1.3 Access to the Plan

The Base Plan and public annexes are posted on the City website (www.cityofcapitola.gov). Sections containing sensitive security information are shared only with those who need them. City staff can find the full EOP on the City network. Printed copies are kept at City Hall, the Police Department, and each EOC site in case power or network access is lost. Requests for alternate formats (large print, Spanish, accessible electronic formats) go to the City Manager's Office, 420 Capitola Avenue, Capitola, CA 95010, (831) 475-7300.

SECTION 2: Introduction

2.1 Purpose, Scope, and Objectives

2.1.1 Purpose

The EOP sets out the City's concept of operations for emergencies. It establishes how the City classifies incidents and activates its response, coordinates City resources and personnel, works with the Santa Cruz County Operational Area, requests mutual aid, delivers accessible services to all community members, and transitions from response to recovery.

2.1.2 Scope

The EOP applies to any emergency, natural or human-caused, that affects or may affect the City of Capitola, from incidents handled with City resources to catastrophic events that need state and federal help. It applies to all City departments and to partners with assigned roles.

The EOP works with the Santa Cruz County OA EOP, the Capitola Local Hazard Mitigation Plan and the Santa Cruz County Multi-Jurisdictional Hazard Mitigation Plan, the City's climate adaptation work, Central Fire Protection District plans, and special district emergency plans. Supporting plans still to be developed include a COOP/COG plan and department annexes. The City EOC Manual describes how the EOC operates.

Under the SEMS regulations (19 CCR 2409), Santa Cruz County is the lead agency for the Operational Area. The County coordinates information, resources, and priorities among local governments, including Capitola, and links them to CalOES/State.

2.1.3 Objectives

- Establish the City's emergency response under City policy, SEMS, and NIMS.
- Describe the City's Emergency Management Organization and how it works.
- Include the whole community, including people with disabilities and access and functional needs (DAFN), older adults, Spanish speakers, renters and low-income households, and visitors.
- Describe the City's relationships with the County OA, Central Fire, and other partners.
- Describe how the community takes part in every phase of emergency management.

2.1.4 Planning Assumptions

- Incidents may occur with little or no warning, including a local-source tsunami with 15–30 minutes of warning.
- All City employees are Disaster Service Workers (Gov. Code 3100) and may be assigned emergency duties.
- Response is managed at the lowest level of government able to manage it; the City keeps authority within its limits unless superseded by law or agreement.
- The daytime and seasonal population can be far larger than the resident population, and many visitors will not know local hazards or receive local alerts.
- Highway 1, the Soquel Creek crossings, and key arterials may be closed, isolating the City and delaying outside help for 72 hours or more.
- Power, water, sewer, and communications may fail at the same time.
- Many incidents will require multiple departments and outside partners, including the County OA, Central Fire, special districts, state and federal agencies, and nonprofit and private organizations.

- The City will not discriminate on any basis protected by law and will comply with the Americans with Disabilities Act (ADA) (see Section 8.6).

2.2 Community Profile

2.2.1 Geography

Capitola covers about 1.6 square miles of land on the northern shore of Monterey Bay, at the mouth of Soquel Creek. Elevations range from sea level in Capitola Village to about 200 feet on the bluffs. The city is bordered by unincorporated Live Oak on the west, unincorporated Soquel on the north, unincorporated Aptos/Seacliff and New Brighton State Beach on the east, and Monterey Bay on the south.

Key features include beaches and coastal bluffs (Depot Hill, Grand Avenue, Opal Cliffs area), the Soquel Creek lagoon and floodplain, hillside neighborhoods with slopes up to 30%, Capitola Village at sea level, the Capitola Wharf, and the commercial corridor along 41st Avenue. The Village, the Esplanade, and beach areas lie in the tsunami hazard area and the Soquel Creek floodplain.

2.2.2 Regional Setting

Capitola is part of the Mid-County area of Santa Cruz County with Live Oak, Soquel, and Aptos, and depends on regional systems. Water is supplied mainly by Soquel Creek Water District (with a small area served by the City of Santa Cruz Water Department), sewer collection by the Santa Cruz County Sanitation District, power by PG&E (with Central Coast Community Energy as the electricity provider for most customers), fire and EMS by Central Fire Protection District, and dispatch by Santa Cruz Regional 9-1-1 (NetCom). Students attend Soquel Union Elementary School District schools, including New Brighton Middle School in Capitola, and high schools in nearby communities.

Community gathering places with emergency roles include Capitola Village; Jade Street Community Center (shelter); Capitola Branch Library; Capitola Wharf; McGregor Park (potential staging); and the 41st Avenue corridor, the City's main source of sales tax.

2.2.3 People

Data below are from the U.S. Census Bureau (2020 Census, 2025 population estimate, and 2020–2024 American Community Survey). Stakeholders reported that census data undercount several groups, especially people with disabilities and households without reliable internet; treat these figures as minimums.

Measure	Capitola	Planning implication
Population	9,340 (2025 estimate); 9,938 (2020 Census)	Daytime and summer population can double with visitors and workers
Age 65 and over	24.8%	Transportation, medical, and power-dependent needs; many seniors live alone
Under 18	15.0%	Family reunification with schools and child care
Hispanic or Latino	26.5%	Spanish-language alerts and trusted messengers; some Indigenous Mexican language speakers (e.g., Mixteco)
Language other than English at home	19.2%	Translation and interpretation for alerts and recovery information
Disability (under 65)	13.5%	Accessible alerts, transportation, and shelters (higher for those 65+)
Persons in poverty	12.9%	Limited ability to stock supplies or recover; renters at risk of displacement
Owner-occupied housing	52.2% (about 48% renters)	Renters often have fewer recovery resources

Measure	Capitola	Planning implication
Households with broadband	94.5%	Stakeholders report lower real access; alerts need low-tech backup
Median household income	$102,976	High housing costs; service-sector workers may live outside the city

Mobile home parks, senior housing, and care facilities need specific planning for evacuation and power outages. Visitors, seasonal workers, and people experiencing homelessness are not captured in census counts. The City will include people with disabilities and other affected groups in planning and exercises.

2.2.4 Transportation

Roads. Highway 1 runs east–west (north-south according to CalTrans) along the north side of the city and is the main regional route; its Soquel Creek crossing just north of the city is a single point of failure. Key local routes are 41st Avenue (north–south retail corridor), Capitola Road, Clares Street, Park Avenue, Bay Avenue, Capitola Avenue, Monterey Avenue, and Cliff Drive/Opal Cliff Drive. Many neighborhoods have only one way in or out, the Village is reached by a few narrow streets and the Stockton Avenue bridge, and evacuation traffic will be heavy.

Transit. Santa Cruz METRO serves Highway 1, 41st Avenue, and the Village; ParaCruz provides ADA paratransit by reservation. Transit may not be available in a fast-moving emergency.

Water access. The Capitola Wharf supports small boats, rentals, and fishing; there is no slip harbor in Capitola. Larger vessels use Santa Cruz Harbor or Moss Landing.

Staging and parking. Potential staging areas are McGregor Park (upland) and the Village parking areas (in the flood and tsunami zone; not usable for those hazards). Capitola Mall parking lot can only be used with permission. Space for staging is limited citywide.

Walking and biking. Sidewalks are good in the Village and commercial areas but limited in some neighborhoods. In a tsunami, people in the Village and on the beach should evacuate uphill on foot.

2.2.5 Utilities and Communications

Power outages from storms, equipment failure, and PG&E safety programs (PSPS and Enhanced Powerline Safety Settings) have become more frequent. Emergency generators serve City Hall, the Police Department, Capitola Community Center, and the Library. Most traffic signals lack battery backup. Priority restoration sites are Capitola Community Center (EOC), City Hall, the Police Department, New Brighton Middle School (alternate EOC), water and sewer pump stations, signals on evacuation routes, and open shelters.

Cellular, cable, and fiber providers serve the city. Cell sites have limited backup power and may fail in long outages. Many "landlines" are now internet-based and need power. City radio systems, NetCom dispatch, and backup communications are described in Section 7. Alert and warning tools and their limits are also described in Section 7.

2.2.6 Economy

Capitola's economy depends on tourism and retail. Capitola Village, the beaches, the Wharf, lodging, and restaurants draw large numbers of visitors, and the 41st Avenue corridor (including Capitola Mall) provides most City sales tax revenue. Many jobs are seasonal and lower-wage, and small businesses often have limited reserves and insurance. A closure of Highway 1, flooding in the Village, damage to the Wharf or beaches, or disruption of the 41st Avenue corridor would directly hurt City revenue and local jobs. Recovery planning (Section 9) therefore includes early coordination with businesses.

2.2.7 Hazard Summary

Attachment 2 contains the detailed hazard analysis. The City's main hazards are:

Hazard	Probability / impact	Capitola notes
Earthquake	High / High	San Andreas, Zayante-Vergeles, San Gregorio, and Monterey Bay fault zones. The 1989 Loma Prieta earthquake (M6.9), centered about 10 miles northeast, caused major damage. Risks: shaking, liquefaction near Soquel Creek, landslides, fire, utility failure.
Tsunami	Medium / High	Local sources give 15–30 minutes of warning; distant sources give 3+ hours. Village, Esplanade, beach, and Wharf are in the hazard area; visitors are often unaware of the risk.
Flooding and coastal storms	High / Medium-High	Soquel Creek floodplain (Village), Noble Gulch (2011 flood), storm drain overflow, high tides and storm surge. The 2022–23 atmospheric river storms led to a Local Emergency (January 4, 2023) and destroyed a section of the Wharf (reopened September 2024).
Coastal erosion and landslide	High / Medium	Bluff retreat on Depot Hill and Grand Avenue; hillside and creek-bank slides above the Village during heavy rain.
Severe weather and extreme heat	High / Low-Medium	Atmospheric rivers, wind, heat affecting older adults, drought.
Wildfire and smoke	Low-Medium / Medium	Limited wildland-urban interface; eucalyptus groves; dense Village structures; regional smoke.
Climate change	Increasing / High	Sea level rise (roughly 0.5–1 foot by 2050 and more by 2100 under state guidance) worsens flooding and erosion.
Infrastructure failure	Medium / Medium-High	Power, water, sewer, and communications failures; loss of Highway 1.
Hazardous materials	Medium / Medium	Highway 1 transport, small fixed sites, marine spills.
Cyber attack	Medium / Medium	City systems, utilities, and regional systems.
Public health emergency	Medium / Medium-High	Pandemic, disease outbreak, water contamination (County Public Health leads).
Civil unrest / large crowds	Low / Low-Medium	Large events and demonstrations.
Economic disruption	High / High	Usually a result of the hazards above; affects revenue and jobs.

Hazards often combine. An earthquake can trigger a tsunami, landslides, and fires; storms can bring flooding, slides, and power loss together. The greatest combined risk comes from coastal hazards, earthquake, and loss of key routes during peak visitor periods.

SECTION 3: Concept of Operations

3.1 Priorities, Goals, and Strategies

Emergency management is a continuing cycle of mitigation, preparedness, response, and recovery. During an emergency, normal City work not related to the incident may be suspended so staff can support the response. The Emergency Management Organization (Section 4) can activate in part or in full depending on the incident.

Response Priorities (in order)

1. **Save lives** – protect and sustain human life, including responders.
2. **Stabilize the incident** – keep the incident from getting worse and reduce immediate hazards.
3. **Protect public health and safety** – meet basic needs fairly and in ways that respect cultural and language differences.
4. **Protect property and critical infrastructure** – including community lifelines.
5. **Protect the environment and cultural resources.**
6. **Restore essential services and economic activity** – including businesses that sustain jobs and City revenue.

Throughout the response, the City documents actions and costs to support reimbursement, and begins recovery planning early.

Goals

- Meet basic needs (food, water, shelter, medical care, mental health support, safety) in a culturally competent way.
- Address the needs of people with disabilities and access and functional needs in every phase.
- Stabilize the FEMA Community Lifelines (Section 6.1.3) and restore essential services.
- Support community and economic recovery fairly and efficiently.
- Build readiness and resilience for future disasters.

3.2 SEMS and NIMS

California local governments must use SEMS to be eligible for state reimbursement of response costs (Gov. Code 8607; 19 CCR 2400 et seq.). SEMS and NIMS share the Incident Command System (ICS) and multi-agency coordination. SEMS has five levels, activated as needed:

SEMS level	Who	Capitola role
Field	Incident Commanders and responders	Police, Public Works, and other City field units use ICS; Central Fire commands fire, EMS, rescue, and hazmat; Unified Command with Central Fire, Sheriff, CHP, or others as needed
Local government	Cities, the County (for unincorporated areas), special districts	City EOC supports the field, sets City priorities, gets resources, and manages information
Operational Area (OA)	Santa Cruz County as lead agency	City sends status reports and resource requests to the OA EOC and joins OA coordination calls
State	State Operations Center	Reached through the OA; links to federal assistance

City staff with emergency roles are trained in SEMS and NIMS (Section 11.3).

3.3 Whole Community and Inclusion

Government cannot manage emergencies alone. The City uses FEMA's whole community approach: residents, businesses, nonprofits, faith-based groups, schools, and visitors all have roles. Disasters often hurt hardest those who already face barriers: people with disabilities, older adults, people with limited English, low-income households and renters, people experiencing homelessness, LGBTQIA+ community members, undocumented residents, and visitors. The City commits to fair treatment and fair distribution of help in every phase. The City will:

- Build relationships with community organizations that serve these groups and include them in planning and exercises.
- Communicate in English and Spanish at the same time, in plain language and accessible formats.
- Use trusted messengers and person-to-person networks, not only digital tools.
- Plan accessible evacuation, transportation, and sheltering (Gov. Code 8593.3; see Sections 5.7, 7, and 10).
- Protect personal information; emergency services are provided regardless of immigration status.

3.3.1 County Readiness Working Group

The County OR3 leads a Readiness Working Group (RWG) that brings together government and community partners for planning and response coordination. The City participates through the EOC Coordinator and other designees, and through County groups such as the DAFN Working Group. Attachment 4 describes the City's participation.

3.4 Emergency and EOC Activation Levels

The City uses one set of levels for both the emergency and the EOC response. Levels may change as the incident evolves. The EOC Manual contains activation triggers and staffing for each level.

Level	Description	EOC staffing	Proclamations
Level 4 - Monitoring (Baseline)	Normal operations or watching a possible threat (NWS watch, Tsunami Watch, large planned event). Departments handle incidents with normal procedures.	EOC Coordinator monitors; key staff alerted	None
Level 3 – Limited	Minor to moderate incident; City and OA resources are enough; several departments must coordinate.	About 6 core positions, in person or virtual	Local Emergency optional
Level 2 – Expanded	Moderate to severe emergency; mutual aid needed.	About 17 positions	Local Emergency likely; State of Emergency possible
Level 1 – Full	Major disaster needing regional, state, and federal help.	All positions, 24-hour operations	Local Emergency; State of Emergency; Presidential declaration may be requested

3.5 Emergency Proclamations

Proclamations give legal authority for emergency actions, open access to mutual aid and assistance programs, and tell higher levels of government how serious the situation is.

Type	Who	Effect
Local Emergency	City (CMC 8.08.060; Gov. Code 8630)	Emergency powers within the City; needed for CDAA assistance
State of Emergency	Governor (Gov. Code 8625)	State resources and mutual aid; may suspend state rules
Emergency or Major Disaster Declaration	President (Stafford Act)	Federal assistance programs

3.5.1 City Proclamation Process

1. The Director of Emergency Services (City Manager) asks the City Council to proclaim a Local Emergency if the Council is in session. If it is not, the Director (or the acting Director under the line of succession) issues the proclamation (CMC 8.08.060).
2. The proclamation states the emergency, the area affected, and the reasons for it. The Legal Advisor prepares it from the City template.
3. The City sends the proclamation right away to the County OA (OR3), which forwards it to Cal OES. A proclamation must be made within 10 days of the event for the City to be eligible for California Disaster Assistance Act (CDAA) funding.
4. The City Council must ratify a Director-issued proclamation within 7 days or it ends (Gov. Code 8630(b)).
5. The Council reviews the need to continue the Local Emergency at least every 60 days (Gov. Code 8630(c)) and ends it as soon as conditions allow.

While a Local Emergency is in effect, the Director may make rules and regulations, obtain supplies and equipment, commandeer property and personnel when needed, and direct the emergency organization, as allowed by CMC Chapter 8.08. Ending the Local Emergency does not end the City's ability to pursue reimbursement for eligible costs.

SECTION 4: Organization & Assignment of Responsibilities

4.1 Emergency Management Community

Capitola relies on partners for many essential services. Public partners include all City departments, Santa Cruz County and OR3, Central Fire Protection District, Soquel Creek Water District, Santa Cruz County Sanitation District, Santa Cruz METRO, Santa Cruz Regional 9-1-1, Soquel Union Elementary School District, neighboring jurisdictions, and state and federal agencies. Nongovernmental partners include the American Red Cross, the Capitola-Soquel Chamber of Commerce, the Capitola Village Business Improvement Association, community and faith-based organizations, CERT volunteers, businesses, and residents. Section 5.7 describes their roles.

4.2 City Emergency Management Organization

The City's Emergency Management Organization (EMO) includes the City Manager (DES), the Police Chief (Assistant DES), the Policy Group, every City officer and employee, registered volunteers, and the City EOC when activated. During a disaster, departments may be combined, staff reassigned from normal duties, and special teams formed as needed.

4.2.1 Emergency Management Bodies

The City uses three bodies with different jobs:

Body	When	Members	Role
Disaster Council	Year-round (preparedness)	Mayor (Chair), City Manager (Vice-Chair), Police Chief, Public Works Director, Community & Economic Development Director, City Attorney (advisory)	Serves as the City's disaster council under CMC Chapter 8.08 and Gov. Code 8610. Oversees the program; recommends plans and mutual aid agreements to the Council; meets at least twice a year.
Policy Group	During emergencies	City Manager (DES), Police Chief (Asst. DES), Department Directors, City Attorney, City Clerk	Makes policy decisions (proclamations, emergency orders, major spending) and briefs the Council. Meets outside the EOC.
City Emergency Management Team (CEMT)	Year-round and during activations	Department designees who staff the EOC (see EOC Manual roster)	Keeps department plans, resources, and training current; fills EOC positions when activated.

4.3 Assignment of Responsibilities

4.3.1 City Council

Sets policy for the emergency management program; proclaims or ratifies a Local Emergency (ratification within 7 days of a Director-issued proclamation); reviews the Local Emergency at least every 60 days and ends it when conditions allow; approves emergency spending and policy actions outside the Director's authority; and communicates with constituents using information from the PIO. An Elected Officials Guide to Emergency Management has been created and is listed as the Council Annex of this Base Plan.

4.3.2 City Manager – Director of Emergency Services

Under CMC Chapter 8.08, the City Manager is the Director of Emergency Services. The Director leads the Policy Group, normally serves as EOC Director, asks the Council to proclaim a Local Emergency or issues

the proclamation when the Council is not in session, and exercises emergency powers during a Local Emergency.

4.3.3 Police Chief – Assistant Director of Emergency Services

The Police Chief serves as Assistant Director, may activate the EOC, acts as Director when the City Manager is unavailable, and oversees the City's day-to-day emergency management program with the City Manager's Office. The Administrative Captain serves as EOC Coordinator.

4.3.4 Department Responsibilities

Department	Main emergency responsibilities
City Manager's Office	Program leadership; EOC Director; public information (Assistant to the City Manager as PIO); Council liaison
Police	Law enforcement, evacuation, traffic control, Genasys Protect zones, alert and warning requests, EOC Coordinator; Animal Services
Public Works	Roads, drainage, flood fighting, debris, City facilities, utility coordination, staging, logistics support
Community & Economic Development	Planning & Intelligence, building safety inspections, damage assessment, recovery planning, permitting
Community Services & Recreation	Care and shelter with Red Cross, AFN coordination, volunteer support, lifeguards for beach evacuation
Administrative Services	Finance & Administration, cost recovery, purchasing, Human Resources and DSW management, IT (contracted), risk management
City Clerk	Liaison Officer, documentation and records, Council meeting support (including emergency meetings)
City Attorney	Legal advice, proclamations, emergency orders, contracts
Central Fire Protection District (partner agency)	Fire, EMS, rescue, hazmat; agency representative to the City EOC

Each department keeps an up-to-date roster, resource list, and department procedures, and makes sure staff complete required training.

4.4 Continuity of Government and Operations

4.4.1 Lines of Succession

Successors have the full authority of the position (CMC Chapter 8.08). The succession for Director of Emergency Services is:

1. City Manager
2. Police Chief (Assistant Director of Emergency Services)
3. Public Works Director

A successor serves only when everyone above them is unavailable (as defined in Gov. Code 8636) and serves until the Director returns or the Council appoints a successor. Each Department Director names at least three successors with delegated authority and gives the list to the City Manager and Police Chief. Council succession follows Gov. Code 8635–8644 (standby officers).

4.4.2 Alternate Seats of Government

If Council Chambers at City Hall cannot be used, the Council will meet at: (1) Capitola Community Center, 4400 Jade Street; (2) New Brighton Middle School Performing Arts Center, 250 Washburn Avenue.

4.4.3 Emergency Facilities

Facility	Location	Notes
Primary EOC	Capitola Community Center, Room A 4400 Jade Street, Capitola, CA 95010	Generator, EOC in a BOX supplies stored in attic
Alternate EOC	New Brighton Middle School 250 Washburn Ave., Capitola, CA 95010	EOC in a Box supplies
Virtual EOC	Teams/Zoom bridge and shared EOC folder	For Level 3 or when travel is unsafe
Primary shelter	Capitola Community Center, Room B & C	About 200 people
Staging	McGregor Park (upland); Village parking areas only when not threatened by flood or tsunami	Site plans needed

The City EOC Manual sets out activation, setup, staffing, and relocation procedures.

4.5 Department and Hazard/Functional Annexes

The City organizes key emergency functions as Department and Hazard/Functional Annexes. Each annex has a lead department that coordinates planning and work that takes place in the EOC, and supporting departments and agencies. Not every annex is activated in every emergency. Section 10 lists the City Department and Hazard/Functional annexes with the lead and support departments.

SECTION 5: Direction, Control, & Coordination

This section describes how command, coordination, and support work together, from the field to the City EOC and the Operational Area.

5.1 Field Command

All field operations use ICS. The Incident Commander (IC) is responsible for on-scene strategy, tactics, and ordering and releasing field resources, and develops the Incident Action Plan. When several agencies have authority, a Unified Command (for example, Capitola Police with Central Fire, the Sheriff, or CHP) develops one plan from a shared command post. For large or multiple incidents, an Area Command may coordinate several ICS organizations.

If field resources are not enough, the IC asks for the EOC to be activated or for resources through the department or EOC. Routine incidents rarely need EOC support.

Tsunami and other no-notice threats. When a Tsunami Warning is issued or strong shaking is felt near the coast, field units may begin evacuating the Village, Esplanade, beach, and Wharf at once, without waiting for EOC direction, using pre-approved messages. The EOC supports and follows up.

5.1.1 State and Federal Agencies in the Field

State and federal agencies may take part in field operations, for example California State Parks (New Brighton State Beach), the U.S. Coast Guard, and the Monterey Bay National Marine Sanctuary. They work within the ICS organization or Unified Command and coordinate with the City and County EOCs.

5.2 Mutual Aid

When City resources are not enough, the City requests mutual aid under the California Disaster and Civil Defense Master Mutual Aid Agreement and discipline-specific plans (fire and rescue, law enforcement, public works, emergency management (EMMA), and medical/health). Requests move from the City to the Operational Area, then to the Cal OES/State, and federal partners. Fire and law enforcement requests use their own coordinators (County Fire and Sheriff's OA coordinators). The Emergency Management Assistance Compact (EMAC) allows interstate aid. Attachment 3 and Section 8.4 give details.

5.3 Department Operations Centers

A department may open a Department Operations Center (DOC) to manage its own field resources in a complex incident. The DOC is the link between department field units and the EOC: it sends status reports and resource requests to the EOC and keeps track of its staff and assignments. Likely DOCs are Police (at the Police Department) and Public Works (corporation yard).

5.4 Special Districts and Utilities

Agency	Service	EOC coordination
Central Fire Protection District	Fire, EMS, rescue, hazmat (Capitola is within the District)	Agency representative in the City EOC Operations Section
Soquel Creek Water District	Water supply for most of the city	Liaison/phone; status reports
Santa Cruz County Sanitation District	Sewer collection	Liaison/phone; status reports
PG&E	Electric and gas	Through County OA and PG&E liaison

Agency	Service	EOC coordination
Santa Cruz METRO / ParaCruz	Transit and paratransit (evacuation support)	Liaison/phone
Santa Cruz Regional 9-1-1 (NetCom)	Dispatch and 9-1-1	Direct coordination through Law Enforcement Branch
Soquel Union Elementary School District	Schools, student reunification, potential facilities	Liaison/phone
Santa Cruz County Animal Shelter	Animal care and sheltering	Through Care & Shelter Branch

5.5 Operational Area Coordination

The Operational Area includes the County, all cities, and special districts in Santa Cruz County. The County OA EOC coordinates information, resources, and priorities among them and links to Cal OES. The County Emergency Management Organization is activated by the County Executive Officer as the County Director of Emergency Services, the OR3 Director as Director of Emergency Management, or their designees.

When the City EOC is activated, the City notifies the OA, joins OA coordination calls, sends SitReps and resource requests, and may send a liaison to the OA EOC. The City keeps authority for operations within its limits.

5.6 City Emergency Operations Center

The EOC supports the field; it does not direct tactics. It sets citywide priorities, gets resources, manages information, coordinates public information, and supports policy decisions. The EOC may operate in person, virtually, or both. The City EOC Manual contains suggested activation triggers, notification steps, setup checklists, staffing rosters, and job aids for each position.

5.6.1 Activation and Deactivation

The City Manager, the Police Chief, or their designees may activate the EOC. The EOC Coordinator may activate at Monitoring or Level 3 when neither can be reached and must notify them as soon as possible. Any department head or Incident Commander may ask for activation. A Local Emergency proclamation is not required.

This plan is in effect whenever the EOC is activated, a Local Emergency is proclaimed by the City or the County, or a State of Emergency or State of War Emergency is proclaimed. Activation levels are in Section 3.4.

When a damaging earthquake or a Tsunami Warning occurs and communications are down, assigned EOC staff report on their own to the safest EOC site after making sure their families are safe.

The EOC Director deactivates the EOC when field operations are stable and remaining work can be handled by departments. Planning prepares a deactivation plan that hands off open issues to named departments.

5.6.2 EOC Organization

The EOC is organized under SEMS into Management and four Sections. Positions are filled as needed; unfilled duties stay with the supervisor.

Element	Main duties	Lead (by title)
Management	EOC Director, EOC Coordinator, PIO, Liaison, Safety, Legal Advisor, AFN & Equity Coordinator; sets objectives and priorities	City Manager (EOC Director); Police Administrative Captain (EOC Coordinator)
Operations	Coordinates field support: law enforcement and evacuation, fire (Central Fire rep), public works and utilities, care and shelter, building safety and damage assessment	Police Patrol Captain or Public Works Director, depending on hazard
Planning & Intelligence	Situation status, maps, SitReps, EOC Action Plan, documentation, recovery planning	Community & Economic Development Director
Logistics	Resources and supplies, communications and IT, personnel and volunteers, facilities	Public Works senior staff
Finance & Administration	Cost tracking, time keeping, purchasing, claims, cost recovery	Administrative Services Director

5.7 Roles of the Public, Nonprofits, and Businesses

Residents and visitors are expected to be ready to care for themselves for at least 72 hours, sign up for Cruz Aware, know their evacuation zone, and follow official instructions. In a local tsunami, people in the Village and on the beach should move to high ground on foot as soon as they feel strong shaking or hear a warning.

Volunteers. Trained Community Emergency Response Team (CERT) members support neighborhoods and the City as registered Disaster Service Worker volunteers. Spontaneous volunteers are referred to the County volunteer center or registered before being assigned. Amateur radio operators (ARES/RACES) support backup communications.

Nonprofit and faith-based organizations. The American Red Cross leads shelter operations with the City. Voluntary Organizations Active in Disaster (VOAD) members, the Salvation Army, food banks, and local community organizations help with food, supplies, case management, and outreach to people who need extra help.

Businesses. The Capitola-Soquel Chamber of Commerce and the Capitola Village Business Improvement Association help share information with businesses, lodging, and vacation rental operators, and help reach visitors. Businesses may provide supplies, equipment, and facilities under agreements and take part in recovery planning.

SECTION 6: Information Collection, Analysis, & Dissemination

Good decisions depend on a shared, accurate picture of the situation, called the common operating picture (COP). The Planning & Intelligence Section owns the COP in the EOC.

6.1 Situational Awareness

Information is raw and unverified (field reports, media, social media). **Intelligence** is information that has been checked and analyzed for accuracy and relevance. Only checked information goes into SitReps, decisions, and public messages.

6.1.1 Information Sources

- **Field reports** from responders, Department Operations Centers, CERT, damage assessment teams, and liaisons.
- **Partner agencies** including Central Fire, Santa Cruz Regional 9-1-1, utilities, schools, the County OA EOC, and the National Weather Service.
- **Open sources** such as news and social media (checked before use).
- **Maps and imagery**, including the County's SAFER situational awareness web map, City GIS, photos, video, and drone imagery.
- **Sensors and monitoring**, including the Soquel Creek stream gauge, tide data, and USGS ShakeAlert and earthquake reports.
- **Law enforcement intelligence**, including the Northern California Regional Intelligence Center (NCRIC).
- **Community partners and elected officials**, including organizations serving people with disabilities, older adults, and Spanish speakers.

6.1.2 Essential Elements of Information

Essential Elements of Information (EEIs) are the key facts the EOC needs within a set time to make decisions. The EOC keeps a standing EEI list (EOC Manual, Appendix F) that Planning adapts for each incident. Standing EEIs include casualties; evacuation zones and people evacuated; shelter counts; the status of Highway 1 and key local routes; Soquel Creek level, tides, and weather; tsunami alert status; utility outages; the status of City critical facilities; building damage; unmet resource needs; visitor population; people with access and functional needs who need help; public concerns and rumors; and County OA priorities.

6.1.3 FEMA Community Lifelines

FEMA's Community Lifelines help set priorities and organize information. FEMA currently identifies eight lifelines:

Lifeline	Components	Main Capitola partners
Safety and Security	Law enforcement, fire, search and rescue, government services, community safety	Police, Central Fire, City departments
Food, Hydration, Shelter	Food, drinking water, shelter, agriculture	Care & Shelter, Red Cross, County Human Services
Health and Medical	Medical care, public health, patient movement, medical supply, fatality management	Central Fire/EMS, County Health Services Agency, County Coroner
Energy	Power grid, fuel	PG&E, Public Works

Lifeline	Components	Main Capitola partners
Communications	Infrastructure, responder communications, alerts and warnings, finance, 9-1-1 and dispatch	NetCom, carriers, PIO, IT
Transportation	Highway, roadway, transit, maritime, aviation, railway, pipeline	Public Works, Police, Caltrans, METRO
Hazardous Materials	Facilities, hazardous debris, pollutants, contaminants	Central Fire, County Environmental Health
Water Systems	Potable water and wastewater	Soquel Creek Water District, County Sanitation District

6.2 Information Flow

1. The Incident Commander or Unified Command reports conditions, actions, and needs to the department DOC or, if no DOC is open, to the EOC Operations Section.
2. DOCs summarize field reports and send them to the EOC on a set schedule.
3. EOC Operations Branches pass field status to the Planning & Intelligence Section.
4. Planning checks and analyzes the information, updates maps and status boards, and publishes the City SitRep at least once per operational period.
5. The PIO uses only checked information in public messages.

EOC briefings are held at least once per shift; the EOC Action Plan is briefed at each shift change. Liaisons and agency representatives must be able to speak for their organizations. Some information may be sensitive and shared only with those who need it.

At the beginning of an incident and EOC activation, it is critical to gain and maintain real-time situation awareness. This is accomplished through frequent and regular status updates and briefings.

6.3 Reporting to the Operational Area

The City sends SitReps and other reports to the County OA EOC when the City EOC is activated, a Local Emergency is proclaimed by the City, or the City uses mutual aid. The City sends a Local Emergency proclamation to the OA right away and an Initial Damage Estimate as soon as possible. The OA enters information into Cal OES's CalEOC system and reports to Cal OES/State Operations Center. When a Joint Field Office opens, reports are combined into the state-federal reporting structure.

SECTION 7: Communications & Public Information and Warning

7.1 Principles

Emergency information must be timely, accurate, consistent, and reach everyone in Capitola, including people with disabilities, people with limited English, older adults, people without internet access, and visitors. No single tool reaches everyone. The City uses many channels at once, including person-to-person methods, and sends every public message in English and Spanish at the same time, in plain language.

Census data show high internet access in Capitola, but stakeholders report that many people will not get digital alerts quickly, especially during power and cell outages. Low-tech methods are therefore part of every warning plan.

7.2 Alert and Warning

7.2.1 Authority and Approval

- The EOC Director (or the Incident Commander before the EOC opens) approves alerts and protective action orders such as evacuation and shelter-in-place.
- Pre-approved tsunami and evacuation messages (English and Spanish) may be sent at once by the IC and/or Police Watch Commander.
- Wireless Emergency Alerts (WEA) and the Emergency Alert System (EAS) are sent through the County's IPAWS alerting authority at the City's request.
- Evacuation messages use Genasys Protect evacuation zone names so City and County messages match.
- Procedures follow the Cal OES Alert and Warning Guidelines (SB 833). The City keeps message templates and tests its alerting tools at least once a year.

7.2.2 Alert and Warning Tools

Tool	Reach	Limits
Cruz Aware (County)	Text, email, voice, app; multilingual; location-based	Opt-in; many residents and most visitors not enrolled
WEA (via IPAWS)	All compatible phones in the area; no sign-up	Short messages; depends on cell service
EAS (via IPAWS)	Radio and TV	Requires people to be tuned in
Nixle	Text and email from Police	Opt-in
Genasys Protect	Evacuation zone maps and status	People must know their zone
Hi-Lo sirens and loudspeakers on patrol vehicles	Signal to evacuate in a specific area	Limited by staff and access
Door-to-door, lifeguards, and staff	Direct contact, including people who are not online	Labor-intensive; staff safety
City website and social media	Detailed information	Needs power and internet
NOAA Weather Radio, ShakeAlert, National Tsunami Warning Center	Automatic federal alerts	Not controlled by the City

Tool	Reach	Limits
Partners: hotels, vacation rentals, BIA, Chamber, schools, community organizations	Visitors and trusted networks	Needs pre-arranged contact lists

7.2.3 Reaching Visitors

Visitors are unlikely to be enrolled in local alert systems. The City relies on WEA, lifeguards and beach announcements, tsunami signs, lodging and vacation rental operators, the Business Improvement Association, and messages posted in high-traffic areas. Pre-season outreach to lodging operators and businesses includes tsunami evacuation maps.

7.3 Public Information

7.3.1 Joint Information System and Center

A Joint Information System (JIS) links the PIOs of all involved agencies so they share one set of facts and messages and correct rumors quickly. For countywide incidents, the County activates an Operational Area Joint Information Center (JIC), and the City PIO coordinates with it. For City-only incidents, the City PIO works from the EOC or opens a City JIC. Santa Cruz County participates in the Bay Area JIS for training and shared resources.

7.3.2 Lead Public Information Officer

The Assistant to the City Manager serves as Lead PIO under the EOC Director. The PIO writes and clears messages, coordinates with the OA JIC, Central Fire, and Police, manages media and social media, sets up a public information line when needed, and makes sure messages are accessible (Spanish, plain language, captions, and ASL interpreters at briefings).

7.3.3 Outreach Channels

- **211** (United Way of Santa Cruz County) provides 24/7 disaster information and referrals.
- **Radio** is the most reliable channel during power outages: KSCO AM 1080, KAZU 90.3 FM, KSQD 90.7 FM, KZSC 88.1 FM, KOMY AM 1340.
- **Television, print, and online news media**.
- **Social media** (City Facebook, Instagram, X, Nextdoor) and the City website.
- **Community partners** for Spanish-speaking and Indigenous-language communities (including Mixteco speakers, through County resources).

7.4 Responder and EOC Communications

System	Description
Santa Cruz Regional 9-1-1 (NetCom)	Receives 9-1-1 calls and dispatches Capitola Police and Central Fire 24/7 from a site outside Capitola
City radio	Police and Public Works radios with County interoperability; base stations at the Police Department with backup power. The City will transition to the Regional Interoperable Next Generation (RING) P25 radio system in late 2028.
Communications plan	An ICS 205 communications plan is prepared for each EOC activation; the City will follow the County Tactical Interoperable Communications Plan
EOC phones and data	Landlines, cell phones, email, text, virtual meeting platform
Satellite	Satellite phone at the EOC; OA Satellite Information System (OASIS) through the County

System	Description
Amateur radio	ARES/RACES operators through the County OA
OA coordination	OA conference calls; CalEOC through the County
Runners	Last resort when all other systems fail

City IT services are contracted; the contract should cover emergency support for the EOC. Communications infrastructure risks (limited cell site backup power, internet-based phones that need power) are described in Section 2.2.5.

SECTION 8: Administration, Finance, & Logistics

Good records allow the City to keep paying for the response and to recover the most eligible costs. When the EOC is activated, City resources are available to the EOC to support the response.

8.1 Documentation

8.1.1 Cost Documentation

The Finance & Administration Section opens an emergency cost code when the incident begins or is threatened, and all departments use it. Costs must be tied to original records: timesheets (regular and overtime separately), equipment hours, materials, contracts, rentals, mutual aid, injuries, and insurance documents. Costs are tracked by FEMA Public Assistance category from the start.

8.1.2 EOC Records

The Documentation Unit keeps the official record of the EOC from activation to deactivation, including EOC Action Plans, SitReps, ICS 214 activity logs, messages, resource requests, and key decisions. Records are kept under the strictest of federal, state, and City retention requirements, and at least three years after the City receives the closeout of its state or federal award.

8.1.3 Vital Records

Each department identifies the records, systems, and data it needs to perform essential functions and to rebuild after a disaster, and protects them through backups, off-site or cloud storage, and salvage priorities. This will be addressed in the COOP/COG plan. The City Clerk coordinates vital records protection.

8.1.4 After-Action Reporting

After-action reporting requirements are in Section 11.5.

8.2 Procurement

- Emergency purchasing follows City purchasing policy and state law, and, for any purchase the City may seek federal reimbursement for, the federal procurement standards in 2 CFR 200.317–200.327. The stricter rule applies.
- Noncompetitive (sole-source) purchases are allowed only while an exigency or emergency exists (2 CFR 200.320(c)). The reason, dates, and how prices were judged reasonable must be documented.
- Seek multiple quotes where time allows and keep records of solicitations and responses.
- Emergency contracts are rebid when the exigency ends.
- Pre-arranged, competitively bid contracts (debris removal, equipment, generators, supplies) let the City act quickly and meet reimbursement rules.

8.3 Cost Recovery

The Administrative Services Director leads City cost recovery. Key principles:

- Start tracking costs at the first sign of the incident; do not wait for a declaration.
- Proclaim a Local Emergency within 10 days if state CDAA assistance may be needed.
- Use correct procurement and keep documentation in a form FEMA and Cal OES expect.
- Report insurance coverage; FEMA pays only costs not covered by insurance.
- Expect audits; keep records ready for the FEMA Office of Inspector General and state auditors.

8.3.1 Eligible Costs

Eligible costs are reasonable, necessary costs for eligible work caused by a declared disaster, reduced by insurance and other credits (2 CFR 200.404). For emergency work, overtime for budgeted employees is generally eligible but their regular-time pay is not; extra hires and contracts are generally eligible; equipment is reimbursed for hours used, not standby time; lost revenue is not eligible. FEMA does not cover business interruption losses or private property. Section 9.3 describes the assistance programs.

8.3.2 Insurance

Administrative Services keeps a current schedule of City insurance policies (types, limits, carriers, dates) and files claims promptly.

8.4 Logistics and Resource Requests

The EOC Logistics Section manages City resources and requests, working with Finance on purchasing and costs.

1. Field units request resources through their department or the EOC Operations Section.
2. Logistics fills requests from City sources, then vendors and agreements, then the Operational Area.
3. Requests the City cannot fill go to the County OA EOC (entered in CalEOC by the County). Fire and law enforcement requests use their specific discipline mutual aid coordinators.
4. Each request states what is needed, how many, where, when, a contact, and why. Logistics tracks each request until it is filled, cancelled, or released.

8.5 Disaster Service Workers and Volunteers

All City employees are Disaster Service Workers (DSWs) under Gov. Code 3100–3109 and may be assigned emergency duties during a declared emergency, including duties outside their normal job. Volunteers registered in the Cal OES DSW Volunteer Program, such as CERT members and amateur radio operators, have workers' compensation coverage while performing assigned disaster service. Unregistered volunteers must be registered before assignment. Human Resources keeps records of DSW assignments and hours.

8.6 Agreements

The City uses mutual aid agreements (Section 5.2 and Attachment 3) and will keep a list of standby contracts and memoranda of understanding with vendors, nonprofits, and facility owners (for example, shelters, the alternate EOC, and alternate seats of government). Agreements made during a disaster will be put in writing and approved under City authority.

8.7 Nondiscrimination and Accessibility

The City will not discriminate on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military or veteran status, or any other basis protected by law, in any emergency activity. This applies to City staff, contractors, and volunteers.

The City will meet the Americans with Disabilities Act and Gov. Code 8593.3, which requires this plan to address access and functional needs in emergency communications, evacuation, and sheltering. In summary: alerts and public information are provided in accessible formats and in Spanish (Section 7); evacuation planning includes accessible transportation and help for people who cannot leave on their own (Sections 5 and 10); and shelters are accessible, keep people with their service animals, assistive devices, and caregivers, and provide disability-related help (Sections 4.4.4 and 10).

SECTION 9: Recovery

9.1 Overview

Recovery starts during the response and continues long after the EOC closes. It has three overlapping phases: short-term (days to weeks), intermediate (weeks to months), and long-term (months to years). Decisions made early affect how quickly and fairly the community recovers. The National Disaster Recovery Framework guides recovery organization.

Capitola's recovery priorities are: safe housing for residents (especially renters and older adults); restoration of utilities and City services; reopening Highway 1 and local routes; and recovery of the Village, beaches, Wharf, and 41st Avenue corridor, which support local jobs and City revenue.

9.2 Recovery Organization

The Director of Emergency Services names a **Recovery Manager** (recommended: the Community & Economic Development Director) when the EOC moves toward deactivation. The Recovery Manager leads City recovery after the EOC closes, with these functions:

Function	Lead	Partners
Damage assessment and building safety	Community & Economic Development (Building)	Public Works, County, Cal OES Safety Assessment Program
Debris management	Public Works	Contractors, County, Caltrans
Housing and human services	Community & Economic Development	County Human Services, Red Cross, nonprofits
Economic and business recovery	Community & Economic Development	BIA, Chamber, Visit Santa Cruz County, SBA
Infrastructure and utilities	Public Works	Utilities, Caltrans
Permitting and rebuilding	Community & Economic Development	County, State
Cost recovery	Administrative Services	Cal OES, FEMA
Public information	City Manager's Office	County JIC

The City will take part in any County Recovery Task Force and will coordinate with California State Parks on New Brighton State Beach and other state facilities.

9.3 Damage Assessment

1. **Windshield survey and safety assessment.** Building staff and Safety Assessment Program evaluators inspect and post buildings (inspected, restricted use, unsafe) using ATC-20/ATC-45 procedures.
2. **Initial Damage Estimate (IDE).** The City sends an IDE to the County OA as soon as possible, generally within the first days. The OA uses it to request state and federal help.
3. **Joint Preliminary Damage Assessment.** City staff take part with Cal OES and FEMA teams.

9.4 Assistance Programs

Program	Who it helps	When
California Disaster Assistance Act (CDAA)	Local governments (repair and response costs)	Local Emergency within 10 days, plus Cal OES Director's Concurrence or Governor's proclamation
FEMA Public Assistance (PA)	Local governments and certain private nonprofits	Presidential declaration
FEMA Individual Assistance (IA)	Individuals and households	Presidential declaration with IA
SBA Disaster Loans	Homeowners, renters, businesses, nonprofits	SBA or Presidential declaration
Other federal programs	Roads (FHWA Emergency Relief), flood control (Army Corps), watersheds (NRCS)	Program-specific

9.4.1 FEMA Public Assistance

FEMA PA pays at least 75% of eligible costs for debris removal, emergency protective measures, and repair of eligible public and private nonprofit facilities. Work categories:

Category	Work
A – Debris removal	Clearing debris from public property, and from private property when in the public interest
B – Emergency protective measures	Actions to save lives and prevent further damage (e.g., evacuation, sandbagging, temporary repairs, EOC costs)
C – Roads and bridges	Non-federal-aid roads and bridges
D – Water control facilities	Levees, channels, flood control
E – Buildings and equipment	Public buildings and contents
F – Utilities	Water, sewer, power, communications
G – Parks, recreation, other	Parks, beaches, piers (including the Wharf), and other facilities

Emergency work (A–B) must generally be finished within 6 months and permanent work (C–G) within 18 months, unless extended. To be eligible, a facility must be the City's responsibility, in the declared area, in active use, and not under another federal agency's authority. Damage caused by negligence is not eligible.

9.4.2 Individual Assistance

FEMA's Individuals and Households Program helps people with uninsured, essential needs. Other programs may include crisis counseling, disaster case management, legal services, and disaster unemployment assistance. The City will work with the County to open a Local Assistance Center (LAC) or Disaster Recovery Center (DRC) in or near Capitola, publicize assistance in English and Spanish, and connect people with the Red Cross, Salvation Army, and other VOAD members.

9.5 Hazard Mitigation

Recovery is the best time to reduce future risk. Capitola adopted the Santa Cruz County Multi-Jurisdictional Hazard Mitigation Plan 2025 (MJHMP). The FEMA-approved MJHMP is required for Hazard Mitigation Grant Program funding.

- **Hazard Mitigation Grant Program (Stafford Act Section 404)** funds mitigation projects after a Presidential declaration, statewide, for damaged or undamaged facilities. Projects must be cost-effective.
- **Public Assistance Mitigation (Section 406)** funds improvements to facilities damaged in the disaster, in the declared area, to reduce future damage.

Rebuilding decisions should consider sea level rise, bluff retreat, and flood risk, including elevating or relocating vulnerable City facilities.

9.6 After-Action Review

After-action requirements are in Section 11.5.

SECTION 10: EOP and Department Annexes

The Base Plan sets policy and the overall concept of operations. EOP and Department annexes give detail for specific functions: roles, procedures, resources, and coordination. Each annex may include procedures, checklists, maps (for example, evacuation routes and shelter locations), and forms. Hazard-specific (tsunami, earthquake, flood and coastal storm, and large planned events) and function-specific (mass care & sheltering, alert & warning) annexes or playbooks provide details on response actions for that specific hazard or function.

10.1 Lead City Departments and Functional Responsibility

The table below assigns City Departments to functional areas. **Lead** departments coordinate planning for the ESF and represent it in the EOC. **Support** departments and agencies provide staff and resources. This assignment is a starting point for City Department annex development and should be confirmed by the Disaster Council.

Lead City Department	Function(s)	Support Department/Agency	EOC location
Administrative Services & IT contractor	Finance & Administration, Communications, Information Technology	All departments, Police, NetCom, ARES/RACES, County OA,	Finance & Administration, Logistics
City Manager's Office	Emergency Management, Public Information & Warning	Police (EOC Coordinator), all departments, County OA JIC, NetCom	Management / Planning
Community & Economic Development	Recovery	Administrative Services, Public Works	Planning
Community Services & Recreation	Mass Care & Shelter	American Red Cross, County Human Services, Animal Shelter	Operations, Logistics
Police	Law Enforcement & Evacuation, Animal Care	Sheriff, CHP, Public Works, Community Services & Recreation (lifeguards), Santa Cruz County Animal Shelter	Operations
Public Works	Transportation, Public Works & Engineering, Logistics & Resources, Utilities & Energy	Police, METRO/ParaCruz, Caltrans, Community & Economic Development (Building), Administrative Services, PG&E, Soquel Creek Water District, County Sanitation District	Operations, Logistics
Central Fire Protection District (partner agency)	Fire & Rescue, Hazardous Materials	Police, Public Works, County Environmental Health, Public Works	Operations (liaison)
County Health Services Agency (partner agency)	Public Health & Medical	Central Fire (EMS), Community Services & Recreation	Operations (liaison)

Search and rescue is provided by Central Fire and County resources. Food and agriculture beyond mass care is coordinated by the County.

10.2 Annex Development

The City Manager's Office, with the Police Department, will lead annex development with input from departments and partners, under the oversight of the Disaster Council. Suggested priority order:

1. Severe Weather and Coastal Storm Annex
2. Tsunami Annex (evacuation zones, routes, messaging, and AFN evacuation)
3. Earthquake Annex
4. Mass Care & Shelter Annex (including accessible sheltering and pets)

SECTION 11: Plan Development and Maintenance

The City Manager's Office, with the Police Department and the Disaster Council, is responsible for developing, reviewing, and updating the EOP. The Police Administrative Captain, as EOC Coordinator, manages day-to-day plan maintenance and the training and exercise program.

11.1 Review and Update Cycle

Document	Review	Approval
Base Plan	Every year during annex development; full update at least every 5 years	City Council
Hazard Specific and Functional Annexes	Every year	City Manager
EOC Manual, rosters, contact lists	Rosters every quarter; manual every year	City Manager
All documents	After any EOC activation, major exercise, or significant change in law, organization, or County plans	As above

Priority Annexes (Section 10.2) should be completed within the year after the Base Plan is adopted. Changes are recorded in Section 1.1 and distributed as in Section 1.2.

11.2 Integrated Preparedness Plan

The EOC Coordinator, with the City Manager's Office and the Disaster Council, will develop a multi-year Integrated Preparedness Plan (IPP) that schedules training and exercises based on the City's priorities and corrective actions. The IPP follows the Homeland Security Exercise and Evaluation Program (HSEEP) and includes partner agencies. It is reviewed every year and coordinated with the County OA's preparedness calendar.

11.3 Training

Group	Training
All City employees (Disaster Service Workers)	IS-100, IS-700, SEMS Introduction, DSW orientation
All EOC staff	Above plus IS-200, IS-800, City EOC orientation, position job aid
EOC Director, Management, Section Chiefs	Above plus CSTI Emergency Management Concepts (EMC) course
Field supervisors (Police, Public Works)	Above plus ICS-300; ICS-400 for command staff
PIOs	IS-29, G-290/G-291; IPAWS training if authorized to send alerts
Building and damage assessment staff	Cal OES Safety Assessment Program evaluator
Finance staff	FEMA Public Assistance and procurement training
City Council and Policy Group	Executive briefing (ICS-402 or equivalent) and proclamation process
New employees	DSW orientation and IS-100/700 within six months of hire

Training may be online, classroom, or on-the-job. Training records are kept by Human Resources. Capitola staff may also use County and Bay Area UASI training opportunities.

11.4 Exercises

Frequency	Exercise
Quarterly	Staff notification drill; EOC setup drill (rotating sites, including the relocation EOC)
Annually	EOC tabletop exercise, rotating hazards (tsunami, earthquake, atmospheric river/flood)
Annually	Alert and warning test (Cruz Aware/WEA request procedure, Nixle, door-to-door)
Every two years	EOC functional exercise with the County OA and partners
As scheduled by the County	Participation in OA full-scale exercises

Exercises should reflect Capitola's population, including visitors, Spanish speakers, older adults, and people with disabilities, and should include people with disabilities as participants where possible. Exercises follow HSEEP progressive design.

11.5 After-Action Reports and Corrective Actions

The City completes an After Action Report (AAR) and Improvement Plan after every EOC activation, significant incident, and exercise, whether or not an emergency was proclaimed. The EOC Planning & Intelligence Section prepares the AAR with the EOC Coordinator, and the City Manager approves it.

If the City proclaims a Local Emergency for which the Governor proclaims a State of Emergency, the City must send an AAR to Cal OES within 90 days of the close of the incident period (19 CCR 2450). The AAR must cover response actions taken, use of SEMS and NIMS, suggested changes to SEMS, needed changes to plans and procedures, and training needs. Cal OES prepares a statewide AAR within 120 days (Gov. Code 8607(f)).

Corrective actions are assigned to a responsible department with a due date, tracked by the EOC Coordinator, reported to the Disaster Council, and tested in later exercises.

SECTION 12: Authorities & References

These authorities and references apply to the Base Plan and all annexes and attachments. City documents are kept by the City Clerk on the City network and in each EOC kit.

12.1 City of Capitola

1. Capitola Municipal Code Chapter 8.08 – Emergency Services (Director of Emergency Services; proclamations, Section 8.08.060; disaster council)
2. City Manager powers and duties (Capitola Municipal Code Chapter 2.08)
3. City of Capitola General Plan (2019)
4. Santa Cruz County Multi-Jurisdictional Hazard Mitigation Plan (2026): Volume 2, Section 1, Municipal Annex – City of Capitola
5. City of Capitola Emergency Operations Center Manual (2026)
6. Mutual aid agreements, joint powers agreements, and memoranda of understanding
7. Resolution adopting this EOP

12.2 State of California

1. California Emergency Services Act, Gov. Code 8550 et seq., including: 8593.3 (access and functional needs in emergency plans; AB 2311, 2016 and AB 477, 2019); 8605 (Operational Areas); 8607 (SEMS; after-action reports); 8608 (animal care in state emergency planning); 8610 (disaster councils); 8625 (State of Emergency); 8630–8634 (Local Emergency, ratification and review, orders and regulations); 8635–8644 (preservation of local government; standby officers); 8620–8624 (State of War Emergency)
2. Gov. Code 8593.3.5 – cultural competence in county emergency plans (SB 160, 2019) (guidance for the City)
3. Gov. Code 8593.9 and Cal OES Alert and Warning Guidelines (SB 833, 2018)
4. SEMS Regulations, Cal. Code of Regulations Title 19, Division 2, Chapter 1 (Sections 2400 et seq.), including 2409 (Operational Area) and 2450 (after-action reports)
5. California Disaster Assistance Act, Gov. Code 8680 et seq., and Title 19 CCR 2900 et seq.
6. Disaster Service Workers, Gov. Code 3100–3109; Labor Code 3211.92
7. California Constitution, Article IV, Section 21 (continuity of government) and Article XI (local government)
8. Ralph M. Brown Act emergency meetings, Gov. Code 54956.5; closed session, 54957
9. California Public Records Act, Gov. Code 7920.000 et seq.
10. California Public Contract Code
11. California Disaster and Civil Defense Master Mutual Aid Agreement
12. California Emergency Management Mutual Aid (EMMA) Plan (2022); Law Enforcement Mutual Aid Plan; Fire and Rescue Mutual Aid Plan
13. California State Emergency Plan (2024)
14. Cal OES Emergency Proclamations Quick Reference Guide for Local Government (2022)

12.3 Federal

1. Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq., as amended (including the Sandy Recovery Improvement Act of 2013 and the Disaster Recovery Reform Act of 2018)

2. Post-Katrina Emergency Management Reform Act of 2006
3. Pets Evacuation and Transportation Standards (PETS) Act of 2006
4. Homeland Security Act of 2002; Homeland Security Presidential Directive 5; Presidential Policy Directive 8 (National Preparedness)
5. Code of Federal Regulations, Title 44 (Emergency Management and Assistance)
6. Code of Federal Regulations, Title 2, Part 200 (Uniform Guidance, including procurement standards 200.317–200.327)
7. Americans with Disabilities Act of 1990, as amended (ADA Amendments Act of 2008); Rehabilitation Act of 1973, Sections 504 and 508
8. Civil Rights Act of 1964, Title VI; Executive Order 13166 (Limited English Proficiency)
9. Executive Order 13407 (Integrated Public Alert and Warning System)
10. Emergency Management Assistance Compact (1996)
11. National Incident Management System, 3rd Edition (2017)
12. National Response Framework, 4th Edition (2019); National Disaster Recovery Framework
13. FEMA Comprehensive Preparedness Guide (CPG) 101, Version 3.0 (2021)
14. FEMA Community Lifelines Implementation Toolkit, Version 2.1 (2023)
15. Homeland Security Exercise and Evaluation Program (HSEEP) (2020)
16. FEMA Public Assistance Program and Policy Guide (current version)
17. A Whole Community Approach to Emergency Management (FEMA, 2011)

12.4 Websites

- Cal OES: https://www.caloes.ca.gov
- FEMA: https://www.fema.gov
- FEMA CPG 101 and planning guides: https://www.fema.gov/emergency-managers/national-preparedness/plan
- HSEEP: https://www.fema.gov/emergency-managers/national-preparedness/exercises/hseep
- NIMS: https://www.fema.gov/emergency-managers/nims
- Santa Cruz County OR3: https://www.santacruzcountyca.gov/OR3
- Cruz Aware sign-up: https://www.santacruzcountyca.gov/OR3/Response/PlanandPrepare/AlertNotificationApplication

ATTACHMENT 1: Acronyms & Glossary

A1.1 Acronyms

Acronym	Meaning
AAR	After Action Report
ADA	Americans with Disabilities Act
AFN	Access and Functional Needs
ARES	Amateur Radio Emergency Service
ASL	American Sign Language
BIA	Business Improvement Association (Capitola Village)
Cal OES	California Governor's Office of Emergency Services
CalEOC	Cal OES web-based emergency management information system
CCR	California Code of Regulations
CDAA	California Disaster Assistance Act
CEMT	City Emergency Management Team
CERT	Community Emergency Response Team
CFR	Code of Federal Regulations
CHP	California Highway Patrol
CMC	Capitola Municipal Code
COG	Continuity of Government
COOP	Continuity of Operations
COP	Common Operating Picture
CPG	Comprehensive Preparedness Guide (FEMA)
CSTI	California Specialized Training Institute
DAFN	Disabilities, Access and Functional Needs
DES	Director of Emergency Services
DOC	Department Operations Center
DRC	Disaster Recovery Center
DSW	Disaster Service Worker
EAS	Emergency Alert System
EEI	Essential Elements of Information
EMAC	Emergency Management Assistance Compact
EMMA	Emergency Management Mutual Aid
EMO	Emergency Management Organization
EOC	Emergency Operations Center
EOP	Emergency Operations Plan
ESF	Emergency Support Function

Acronym	Meaning
FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
GIS	Geographic Information System
HSEEP	Homeland Security Exercise and Evaluation Program
IA	Individual Assistance (FEMA)
IC	Incident Commander
ICS	Incident Command System
IDE	Initial Damage Estimate
IPAWS	Integrated Public Alert and Warning System
IPP	Integrated Preparedness Plan
JFO	Joint Field Office
JIC	Joint Information Center
JIS	Joint Information System
LAC	Local Assistance Center
MHOAC	Medical Health Operational Area Coordinator
MJHMP	Multi-Jurisdictional Hazard Mitigation Plan
MMAA	Master Mutual Aid Agreement
NCRIC	Northern California Regional Intelligence Center
NDRF	National Disaster Recovery Framework
NetCom	Santa Cruz Regional 9-1-1
NIMS	National Incident Management System
NRCS	Natural Resources Conservation Service
NRF	National Response Framework
NWS	National Weather Service
OA	Operational Area
OASIS	Operational Area Satellite Information System
OR3	Santa Cruz County Office of Response, Recovery & Resilience
P25	Project 25 (digital radio standard)
PA	Public Assistance (FEMA)
PG&E	Pacific Gas and Electric Company
PIO	Public Information Officer
PSPS	Public Safety Power Shutoff
RACES	Radio Amateur Civil Emergency Service
RING	Regional Interoperable Next Generation (P25 radio system)
RWG	Readiness Working Group (County)
SAFER	Situational Awareness For Emergency Response (County web map)
SAP	Safety Assessment Program (Cal OES)

Acronym	Meaning
SBA	U.S. Small Business Administration
SEMS	Standardized Emergency Management System
SitRep	Situation Report
SUESD	Soquel Union Elementary School District
TICP	Tactical Interoperable Communications Plan
UASI	Urban Area Security Initiative
USGS	U.S. Geological Survey
VOAD	Voluntary Organizations Active in Disaster
WEA	Wireless Emergency Alerts

A1.2 Glossary of Terms

Evacuation terms follow the California Statewide Evacuation Terminology adopted by Cal OES and used by Santa Cruz County. City alerts and public messages use these terms.

Term	Definition
Access and Functional Needs (AFN)	Needs of people who may need extra help before, during, or after an emergency, including people with disabilities, older adults, children, people with limited English, people with chronic conditions, and people without transportation.
After Action Report (AAR)	A report that documents what happened in an incident or exercise, what worked, and what needs to improve, with an Improvement Plan of corrective actions.
Agency Representative	A person assigned by a partner agency to the EOC who can speak and make decisions for that agency.
Common Operating Picture (COP)	A shared, checked view of the situation used by everyone in the response.
Community Lifelines	FEMA's eight categories of essential services (Safety and Security; Food, Hydration, Shelter; Health and Medical; Energy; Communications; Transportation; Hazardous Materials; Water Systems) used to set priorities.
Continuity of Government (COG)	Actions that keep lawful leadership and authority in place, including lines of succession and alternate seats of government.
Continuity of Operations (COOP)	Actions that keep essential City functions running during and after a disaster.
Department Operations Center (DOC)	A center where a single department manages its own field resources and reports to the EOC.
Director of Emergency Services (DES)	The City Manager, who leads the City's emergency organization under CMC Chapter 8.08.
Disaster Council	The City body established under CMC Chapter 8.08 and Gov. Code 8610 that oversees the emergency management program and recommends plans and agreements to the City Council.
Disaster Service Worker (DSW)	All public employees (Gov. Code 3100) and registered volunteers who may be assigned emergency duties.
Emergency Operations Center (EOC)	The location where City staff coordinate information, resources, and policy to support field operations.
EOC Action Plan	The written plan of objectives and assignments for an EOC operational period.

Term	Definition
Essential Elements of Information (EEI)	Key facts the EOC needs within a set time to make decisions.
Evacuation Order	California statewide evacuation term: immediate threat to life. A lawful order to leave now. The area is lawfully closed to public access.
Evacuation Warning	California statewide evacuation term: potential threat to life and/or property. People who need more time to evacuate, and people with pets and livestock, should leave now.
Shelter in Place	California statewide evacuation term: go indoors, shut and lock doors and windows, and prepare to self-sustain until further notice or until contacted by emergency personnel.
Evacuation Order Lifted	California statewide evacuation term: the formal announcement that people may return to a previously evacuated area.
Hazard Mitigation	Actions that reduce or eliminate long-term risk to people and property from hazards.
Incident Command System (ICS)	The standard on-scene management system used by all responders.
Incident Commander (IC)	The person responsible for all on-scene incident activities.
Initial Damage Estimate (IDE)	The first estimate of damage the City sends to the Operational Area to support requests for state and federal assistance.
Joint Information Center (JIC)	A location where PIOs from involved agencies work together to produce consistent public information.
Local Emergency	A condition of disaster or extreme peril within the City proclaimed under CMC 8.08.060 and Gov. Code 8630.
Mutual Aid	Voluntary sharing of personnel and resources among jurisdictions under the Master Mutual Aid Agreement and discipline plans (see Attachment 3).
Operational Area (OA)	The County and all political subdivisions within it; Santa Cruz County is the OA lead agency.
Operational Period	The time scheduled to accomplish a set of objectives, usually 12 hours.
Policy Group	City leaders who make policy decisions during an emergency (Section 4.2.1).
Resource Request	A written request for personnel, equipment, or supplies stating what, how many, where, when, contact, and purpose.
Situation Report (SitRep)	A periodic summary of the incident, actions, and needs.
Staging Area	A location where incoming resources wait until assigned.
State of Emergency	A condition proclaimed by the Governor under Gov. Code 8625.
Unified Command	An ICS structure in which agencies with jurisdiction share command and develop one plan.
Whole Community	An approach that involves residents, businesses, nonprofits, and government in all phases of emergency management.

ATTACHMENT 2: Hazards Overview & Risk Assessment

A2.1 Purpose and Method

This attachment expands on the hazard summary in Section 2.2.7. It ranks Capitola's hazards to set priorities for planning, training, and annex development. It draws on the Santa Cruz County Multi-Jurisdictional Hazard Mitigation Plan (2026), Volume 2, Section 1, Municipal Annex – City of Capitola, together with California Geological Survey tsunami hazard area maps, FEMA flood maps, National Weather Service data, and the City's own incident history. The MJHMP remains the authoritative risk assessment; where figures differ, the MJHMP governs.

Rating	Probability	Impact
High	Likely to occur at least once in 10 years, or ongoing	Deaths or many injuries; long loss of critical services; major damage or displacement
Medium	Likely to occur once in 10–100 years	Some injuries; service disruption of days; moderate damage
Low	Less than once in 100 years	Few injuries; brief disruption; minor damage

A2.2 Risk Ranking

Hazard	Probability	Impact	Overall risk	Areas most affected	Related annex
Earthquake	High	High	High	Citywide; liquefaction near Soquel Creek; older Village buildings; bluff-top homes	Earthquake
Tsunami	Medium	High	High	Village, Esplanade, beaches, Wharf, Soquel Creek lagoon	Tsunami
Flooding and coastal storms	High	Medium-High	High	Soquel Creek floodplain (Village), Noble Gulch, low-lying streets, Esplanade, Wharf	Severe Weather & Coastal Flooding
Coastal erosion and landslide	High	Medium	Medium-High	Depot Hill, Grand Avenue, Opal Cliffs, slopes above the Village	Severe Weather & Coastal Flooding
Severe weather and extreme heat	High	Low-Medium	Medium	Citywide; older adults and outdoor workers	Severe Weather & Coastal Flooding; Mass Care & Sheltering
Power disruption / PSPS	High	Medium	Medium	Citywide; people using electric medical devices; signals; communications	Department Annexes; Mass Care & Sheltering
Wildfire and smoke	Low-Medium	Medium	Medium	Eucalyptus groves, creek corridors, dense Village structures; regional smoke citywide	Department Annexes (Fire: Central Fire)
Infrastructure failure	Medium	Medium-High	Medium	Highway 1 and Soquel Creek crossings; water, sewer, communications	Department Annexes
Hazardous materials	Medium	Medium	Medium	Highway 1 corridor; small fixed sites; shoreline (marine spills)	Department Annexes (Central Fire)

Hazard	Probability	Impact	Overall risk	Areas most affected	Related annex
Cyber attack	Medium	Medium	Medium	City systems; regional utilities and dispatch	COOP/COG
Public health emergency	Medium	Medium-High	Medium	Citywide (County Public Health leads)	Mass Care & Sheltering
Civil unrest / large crowds	Low	Low-Medium	Low	Village and beach during large events	Large Planned Events
Economic disruption	High	High	High	Village, Wharf, beaches, 41st Avenue corridor	Recovery (Section 9)
Dam failure	Low	Low	Low	No major dams upstream on Soquel Creek; confirm with DWR Division of Safety of Dams inundation maps	None

A2.3 Hazard Profiles

Earthquake

Capitola lies near the San Andreas, Zayante-Vergeles, San Gregorio, and Monterey Bay fault zones. The 1989 Loma Prieta earthquake (M6.9), centered about 10 miles northeast, caused heavy damage across the county. A large earthquake could damage older and unreinforced buildings in the Village, cause liquefaction near Soquel Creek, trigger bluff and hillside failures, start fires, and cut water, power, sewer, roads, and communications at the same time. A nearby offshore earthquake could also generate a local tsunami. There is no warning beyond the few seconds provided by ShakeAlert.

Planning considerations: staff self-report to the EOC when communications are down; building safety inspections (SAP); search and rescue (Central Fire); mass care for displaced residents and stranded visitors; immediate tsunami evacuation of the Village and beach after strong shaking.

Tsunami

A local-source tsunami from an offshore earthquake or submarine landslide could arrive in 15–30 minutes; distant-source tsunamis give three hours or more. The tsunami hazard area includes the Village, the Esplanade, the beaches, the Wharf, and the Soquel Creek lagoon. Strong currents can damage the Wharf and endanger people on the beach even in a Tsunami Advisory. The 2011 Tōhoku tsunami produced damaging currents in Santa Cruz Harbor. The greatest life-safety risk is to visitors on the beach and in the Village on busy days.

Planning considerations: field units may evacuate at once (Section 5.1); people evacuate on foot uphill; pre-approved English and Spanish messages; lifeguard and beach notification; adjust Genasys Protect zones; the EOC opens at the Capitola Community Center, outside the tsunami hazard area.

Flooding and Coastal Storms

Flooding comes from Soquel Creek overflowing into the Village, Noble Gulch and storm drain overflow, and high tides and storm surge along the Esplanade. The March 2011 Noble Gulch flood damaged the Village. The 2022–23 atmospheric river storms led to a Local Emergency on January 4, 2023, flooded the Village waterfront, and destroyed a section of the Wharf, which reopened in September 2024. Floods usually give hours to days of warning through NWS watches and warnings, creek gauges, and tide forecasts.

Planning considerations: pre-storm sandbag distribution and drain clearing; road closures; early evacuation of the Village and low-lying areas; staging outside the Village; protection of City facilities in the floodplain (City Hall, Police Department).

Coastal Erosion, Bluff Failure, and Landslides

Bluff retreat threatens homes and infrastructure on Depot Hill, Grand Avenue, and the Opal Cliffs area. Heavy rain can cause slides on slopes above the Village and along creek banks. Sea level rise and stronger storms are speeding up erosion.

Severe Weather and Extreme Heat

Atmospheric rivers bring heavy rain, wind, downed trees, and power outages. Extreme heat is uncommon on the coast but hits older adults and people without cooling hardest. Drought affects water supply.

Power Disruption and PSPS

Storms, equipment failure, PG&E Public Safety Power Shutoffs, and fast-trip safety settings can cause outages lasting hours to days. Outages affect people who use electric medical devices, traffic signals, cell sites, and internet-based phones. Generators serve City Hall, the Police Department, the Capitola Community Center, and the Library.

Wildfire and Smoke

Capitola has limited wildland-urban interface, but eucalyptus groves, creek corridors, and closely spaced Village buildings can carry fire. Regional wildfires, such as the 2020 CZU Lightning Complex, can bring unhealthy smoke for days.

Other Hazards

Hazardous materials releases may occur on Highway 1 or along the shoreline. Cyber attacks can disable City systems and regional services. Public health emergencies, such as the COVID-19 pandemic, are led by County Public Health with City support. Large events and demonstrations in the Village can create crowd safety issues. No major dams lie upstream on Soquel Creek; dam failure is not a significant direct hazard to Capitola.

A2.4 Significant Events

Date	Event	Capitola impacts
October 1989	Loma Prieta earthquake (M6.9)	Building and infrastructure damage countywide; federal disaster declaration
March 2011	Noble Gulch flood; Tōhoku tsunami (distant source)	Village flooding; tsunami currents damaged regional harbors
Winter 2017	Severe winter storms	Flooding and slides countywide; federal disaster declaration
August 2020	CZU Lightning Complex wildfire	Regional smoke; evacuees in the area
2020–2022	COVID-19 pandemic	Extended emergency operations; County Public Health lead
Dec 2022 – Mar 2023	Atmospheric river storms	Local Emergency (Jan 4, 2023); Village waterfront flooding; Wharf section destroyed (reopened Sept 2024); federal disaster declarations

A2.5 Critical Facility Exposure

Facility	Main hazard exposure	Emergency role
Capitola Community Center, 4400 Jade Street	Earthquake; power outage	Primary EOC (Room A); primary shelter (Rooms B & C)
New Brighton Middle School, 250 Washburn Avenue	Earthquake; power outage	Alternate EOC; alternate seat of government
City Hall, 420 Capitola Avenue	Soquel Creek flooding; earthquake	Seat of government; Council Chambers
Police Department	Soquel Creek flooding; earthquake	Police operations; radio base stations; likely DOC
Capitola Branch Library, 2005 Wharf Road	Earthquake; flooding [VERIFY]	Potential resilience center
Capitola Wharf	Tsunami; coastal storms	Recreation and small craft; public safety concern
McGregor Park	Earthquake	Staging area
Water and sewer pump stations	Flooding; power outage; earthquake	Water Systems lifeline (Soquel Creek Water District; County Sanitation District)

Detailed exposure counts for people, buildings, and values are in the MJHMP Capitola annex.

ATTACHMENT 3: Mutual Aid

A3.1 California Mutual Aid System

Under the California Disaster and Civil Defense Master Mutual Aid Agreement (MMAA), the State, counties, and cities agree to help one another with personnel, equipment, and supplies during emergencies. Mutual aid is organized by discipline and moves through the SEMS levels: from the City, to the Santa Cruz County Operational Area, to the Cal OES Coastal Region (Mutual Aid Region II), to the State, and to federal partners. The Emergency Management Assistance Compact (EMAC) provides aid between states.

Discipline	OA coordinator	How Capitola requests
Fire and rescue (including hazmat and US&R)	County Fire Operational Area Coordinator	Through Central Fire Protection District command
Law enforcement	Santa Cruz County Sheriff (OA Law Enforcement Mutual Aid Coordinator)	Police Chief or Watch Commander to the Sheriff's Office
Coroner	Santa Cruz County Sheriff-Coroner	Police to the Sheriff-Coroner
Emergency management (EMMA)	County OR3	EOC Director through the OA EOC
Medical and health	Medical Health Operational Area Coordinator (MHOAC), County Health Services Agency	Through the OA EOC or Central Fire (EMS)
Public works and engineering	County Public Works / OA EOC	Public Works Director through the OA EOC
Building safety inspectors	Cal OES Safety Assessment Program, through the OA	Building Official through the OA EOC
Water and wastewater	California Water/Wastewater Agency Response Network (CalWARN)	Soquel Creek Water District and County Sanitation District request directly
All other resources	OA EOC (Logistics)	EOC Logistics through the OA EOC (CalEOC)

A3.2 Requesting Mutual Aid

1. Use City resources, vendors, and existing agreements first.
2. The Incident Commander or EOC section identifies the need and completes a resource request (ICS 213RR or CalEOC request).
3. The request states the resource kind and type, quantity, mission, reporting location, time needed, contact, and expected duration.
4. The EOC Director (or DES) approves requests to the OA. Fire and law enforcement requests may go directly through their discipline coordinators and are reported to the EOC.
5. Logistics tracks each request until it is filled, cancelled, or released, and Finance tracks costs.

A3.3 Receiving Mutual Aid

- Assign a staging area outside the hazard area (McGregor Park; Capitola Mall parking lot only with permission).
- Check in arriving resources, brief them, and give them maps, a communications plan (ICS 205), and safety information.
- Provide food, lodging, fuel, and support as agreed.

- Track hours, equipment, and costs for reimbursement.
- Release resources through the Logistics Section and notify the OA.

A3.4 Providing Mutual Aid

The City may send staff and equipment to help other jurisdictions when doing so does not leave Capitola without needed protection. The DES or EOC Director approves the deployment. Deployed staff serve as Disaster Service Workers, keep ICS 214 logs and time records, and follow the receiving agency's direction. Finance documents costs for reimbursement under the applicable agreement.

A3.5 Reimbursement

Aid under the MMAA is generally provided without charge for the first period of response unless an agreement says otherwise. EMMA and assistance-by-hire may be reimbursable. Costs of receiving aid may be eligible for CDAA or FEMA Public Assistance when a disaster is declared. Keep all agreements, requests, and cost records (Section 8).

A3.6 City Agreements

Agreement	Parties	Status
California Disaster and Civil Defense Master Mutual Aid Agreement	State, counties, cities	In effect statewide
Santa Cruz County Operational Area agreement	County, cities, special districts	In progress
Law Enforcement Mutual Aid Plan	Statewide; Sheriff as OA coordinator	In effect statewide
Fire and Rescue Mutual Aid Plan	Statewide; Central Fire participates	In effect statewide
Emergency Management Mutual Aid (EMMA) Plan (2022)	Statewide	In effect statewide
Shelter agreement	City and American Red Cross, Central Coast Chapter	In progress
Facility use – alternate EOC and alternate seat of government	City and Soquel Union Elementary School District (New Brighton Middle School)	In progress
Staging – Capitola Mall parking lot	City and Capitola Mall ownership	In progress

ATTACHMENT 4: Coordination with County Readiness Working Group

A4.1 Purpose

The Santa Cruz County Office of Response, Recovery & Resilience (OR3) leads a Readiness Working Group (RWG) that brings together government agencies and community partners to plan for emergencies, test assumptions, and keep working relationships in place. The City takes part so that Capitola's needs are reflected in Operational Area planning and so that the City benefits from County programs, training, and community networks.

A4.2 City Representation

Role	Primary	Alternate
City RWG representative	Police Administrative Captain (EOC Coordinator)	Assistant to the City Manager
Mass care, sheltering, and AFN	Community Services & Recreation Director	Recreation Supervisor/Coordinator
Public information and outreach	Assistant to the City Manager (PIO)	City Clerk
Recovery and business continuity	Community & Economic Development Director	Economic development staff

City representatives attend RWG meetings as scheduled by OR3 and take part in related County groups, including the DAFN Working Group.

A4.3 Coordination Activities

- Share City plan updates (Base Plan, annexes, EOC Manual) with OR3 and review County plan updates for effects on Capitola.
- Coordinate alert and warning, evacuation zones, and public messaging with the County.
- Join County and OA exercises, and invite RWG partners to City exercises.
- Use RWG networks to reach people with access and functional needs, Spanish speakers, Indigenous-language speakers, older adults, and people experiencing homelessness.
- Coordinate shelter, feeding, and pet-sheltering plans with the County, Red Cross, and the County Animal Shelter.
- Bring lessons from City incidents and exercises to the RWG.

A4.4 Community Engagement

The City engages community partners in planning, exercises, and outreach so that the plan reflects the people it serves, including people with disabilities and access and functional needs and culturally diverse communities. The City will document stakeholder engagement for each plan update (meetings held, organizations involved, and changes made as a result).

A4.5 Local Community Partners

The following partners support emergency preparedness and response in Capitola. Contact details are kept with the EOC contact list.

Organization	Population or function served	Role
Capitola CERT volunteers	Neighborhoods	Neighborhood preparedness; EOC and shelter support as DSW volunteers
ARES/RACES	Backup communications	Amateur radio support to the EOC and shelters
American Red Cross, Central Coast Chapter	Displaced residents	Shelter, feeding, and recovery assistance
Capitola Village Business Improvement Association	Village businesses and visitors	Business and visitor notification; recovery
Capitola-Soquel Chamber of Commerce	Businesses	Business outreach and recovery
Lodging and vacation rental operators	Visitors	Tsunami and evacuation information for guests
Soquel Union Elementary School District	Students and families	Reunification; facility use
United Way of Santa Cruz County (211)	Public	Information and referral
Senior housing, care facilities, and mobile home parks	Older adults and people with AFN	Facility emergency plans; resident notification
Disability and senior service organizations	People with disabilities and older adults	AFN planning, outreach, and accessible communication
Faith-based and community organizations	Spanish-speaking and other communities	Trusted messengers; volunteers; facilities

ATTACHMENT 5: City Council EOP Approval

A5.1 Adoption Resolution

The signed resolution adopting this plan is filed here once approved by City Council.

A5.2 Concurrence

By signing, each department and partner agency confirms that the plan accurately describes its emergency roles and responsibilities.

Department / Agency	Name and title	Signature	Date
City Manager's Office (Director of Emergency Services)			
Police Department (Assistant Director of Emergency Services)			
Public Works			
Community & Economic Development			
Community Services & Recreation			
Administrative Services			
City Clerk			
City Attorney			
Central Fire Protection District			
Santa Cruz County OR3 (Operational Area)			

CITY OF CAPITOLA



CITY COUNCIL BRIEFING · EXECUTIVE OVERVIEW

Emergency Operations Plan Rewrite

The new all-hazards Base Plan, the supporting documents built with it, and the next three annexes

City Manager's Office · Director of Emergency Services

November 202

Council is asked to adopt two resolutions

1

RESOLUTION 1 · ATTACHMENT 1

Approve the 2026 City of Capitola Emergency Operations Plan

- Supersedes the 2017 EOP
- Authorizes the City Manager, as Director of Emergency Services, to approve EOP annexes and make administrative updates
- Substantive changes return to the City Council for approval

2

RESOLUTION 2 · ATTACHMENT 2

Adopt SEMS, NIMS, and ICS as City standards

- ICS in the field; the SEMS/NIMS structure in the EOC
- City Manager builds them into City plans, training, and exercises
- SEMS keeps the City eligible for state funding of response personnel costs (Gov. Code § 8607(e))

No direct fiscal impact

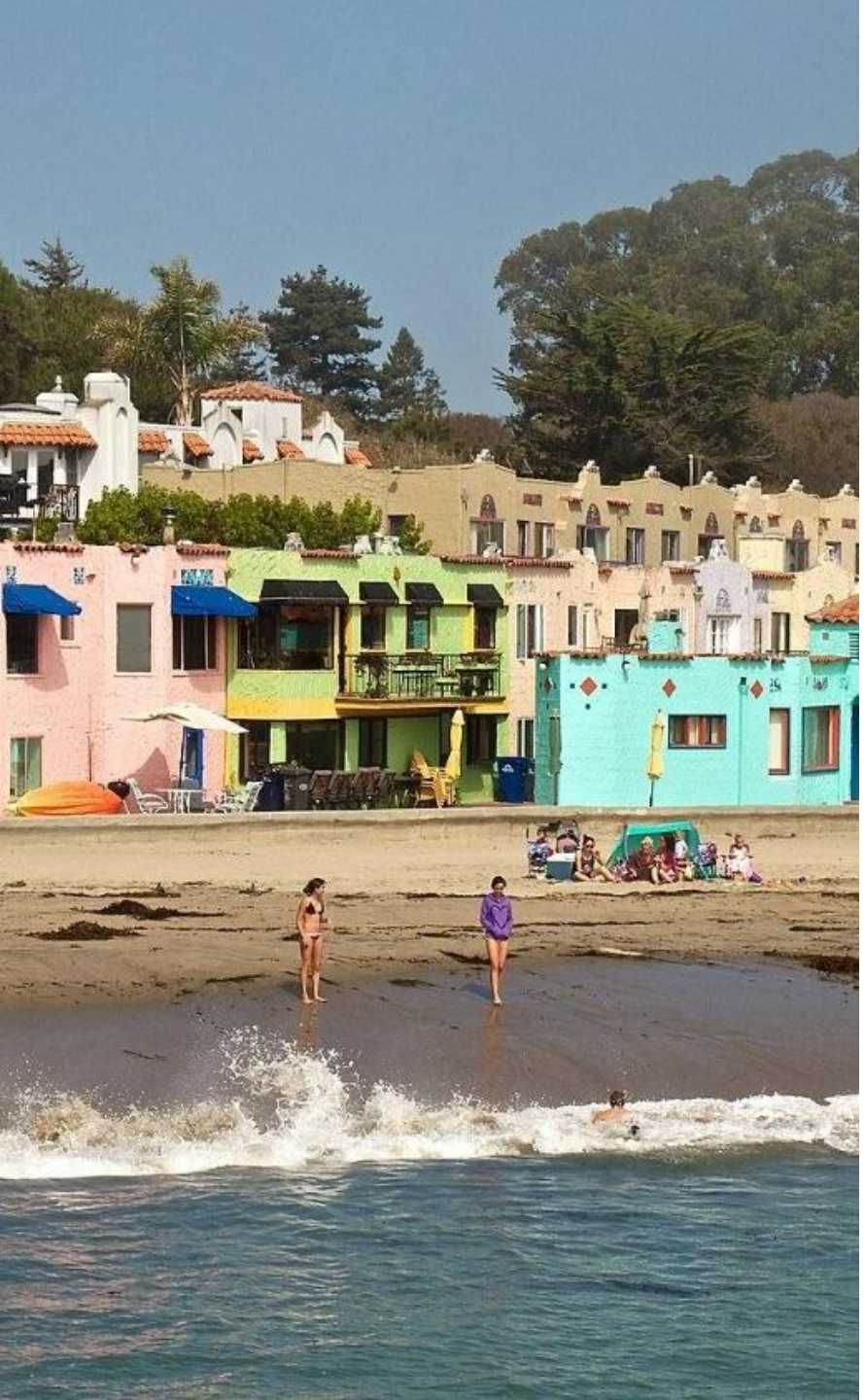
Plan update funded in the adopted FY 2026-27 budget. EOC in a Box costs come forward separately.

Not a CEQA project

Organizational and administrative actions (CEQA Guidelines § 15378(b)(5)).

Strategic Plan priorities

Community Safety and Accountable Government (2025-2029 Strategic Plan).



A new all-hazards plan

Replaces the 2017 City EOP

One plan for preparing for, responding to, and recovering from any emergency: Base Plan, 5 attachments, and 10 listed annexes.

Built to state and federal standards

Consistent with SEMS, NIMS, and the NRF. Mirrors the Santa Cruz County Operational Area EOP. Developed with FEMA CPG 101 v3 and the Cal OES crosswalk.

Written for Capitola's realities

Population can double on busy days. Extra attention to older adults, people with disabilities, Spanish speakers, renters, and visitors.

Clear lines of authority

City Manager's Office leads the program with the Police Department. The Disaster Council oversees it. Council approves the Base Plan.

Four high-risk hazards drive the plan



Earthquake

High probability · High impact

Citywide. Liquefaction near Soquel Creek, older Village buildings, bluff-top homes. Can trigger tsunami, slides, and fire.



Tsunami

Medium probability · High impact

Village, Esplanade, beaches, Wharf, and lagoon. A local source gives only 15–30 minutes of warning.



Flooding & coastal storms

High probability · Medium-high impact

Soquel Creek floodplain, Noble Gulch, low streets, Esplanade, Wharf. Recalls the 2022–23 atmospheric rivers.



Economic disruption

High probability · High impact

Village, Wharf, beaches, and the 41st Avenue corridor. Addressed through recovery (Section 9).

Medium risk, also planned for: coastal erosion and landslide · severe weather and extreme heat · power disruption / PSPS · wildfire and smoke · infrastructure failure · hazardous materials · cyber attack · public health emergency

What the Base Plan puts in place

One set of activation levels

Emergency and EOC levels 4 to 1 match the EOC Manual and the County Operational Area.

Clear command and succession

City Manager is Director of Emergency Services; Police Chief is Assistant Director. Disaster Council oversees.

Defined EOC sites

Primary EOC at Capitola Community Center (Room A); alternate at New Brighton Middle School.

Alert, warning & public information

WEA and Cruz Aware alerts, plus English/Spanish tsunami and evacuation messages approved in advance.

Whole community

Plans for people who need extra help, accessible formats, and visitors unaware of local hazards.

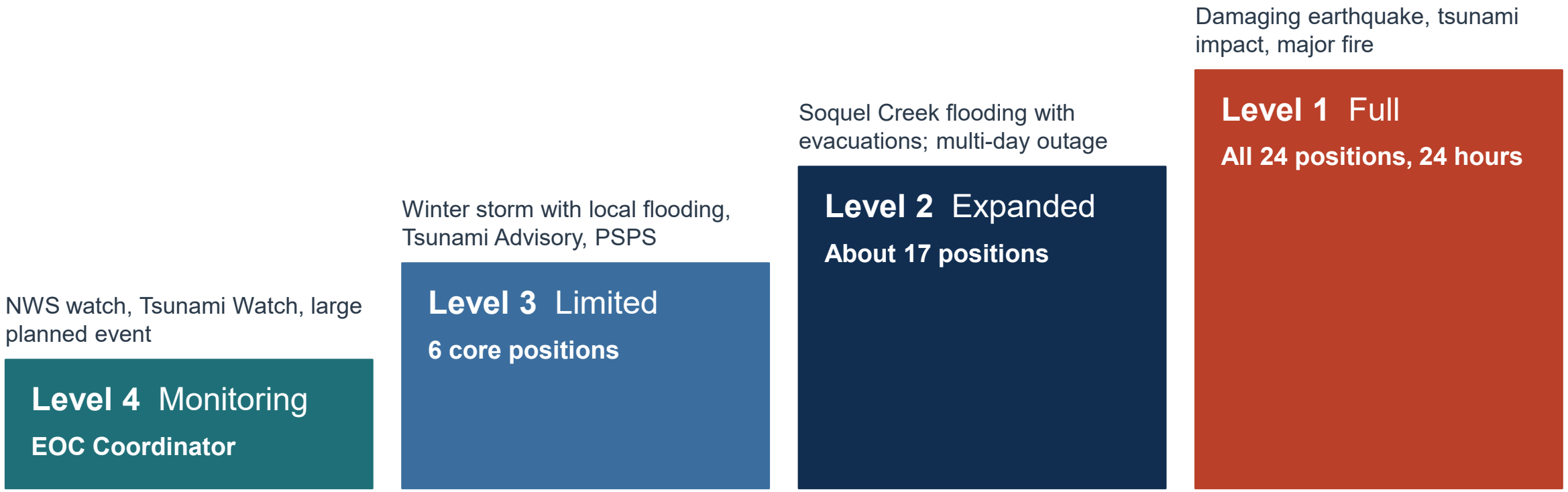
Recovery & cost recovery

Recovery organization, damage assessment, 2 CFR 200 procurement, and FEMA/Cal OES assistance.

The City scales its response in four levels

Staffing limit: City staff can fill the first Level 1 shift, but a second 12-hour shift needs mutual aid.

Automatic triggers: a Tsunami Warning opens the EOC at Level 1; damaging shaking opens it at Level 2.



Built alongside the EOP so the plan works on day one



Shared cover design, colors, and type across every document

EOC Manual (Annex A)

How staff activate, staff, run, and close the EOC: triggers, facilities, planning cycle, forms.

EOC Org Chart & Position Job Aids

24 positions in five sections, with named leads, alternates, training, and a checklist for each.

EOC in a Box: Supply List & Shopping List

Five section bins plus 24 personal kits. About $18K in supplies can be ordered now; radios, laptops, and network gear need quotes.

Elected Officials Guide (Annex G)

The Council Annex: Council's role, proclamations, and public communication in an emergency.

Cal OES Crosswalk Self-Review & Change Log

Checks the plan against state review elements and records every change and open item.

The Council's role before, during, and after

Set policy

Adopt the Base Plan by resolution and set policy for the emergency management program.

Proclaim or ratify

Proclaim a Local Emergency, or ratify one issued by the Director of Emergency Services within 7 days.

Review every 60 days

Review the Local Emergency at least every 60 days and end it when conditions allow.

Approve extra spending

Approve emergency spending and policy actions outside the Director's authority.

Speak with one voice

Communicate with constituents using information from the City's Public Information Officer.

Approval path: City Council approves the Base Plan. The City Manager approves annexes and supporting documents, so they can be updated without amending the Base Plan.

Three hazard annexes come next

1

ANNEX D

Severe Weather & Coastal Flooding

Lead: Public Works with Police
Status: Draft out for department and partner review

- Storm playbook with four Readiness Stages tied to EOC levels
- Action Sheet for every department and partner
- Very strong El Niño expected for winter 2026–27

2

ANNEX E

Tsunami

Lead: Police with Community Services & Recreation
Status: Planned

- Evacuation zones and walking routes uphill
- Bilingual warning messages
- Evacuation of people who need extra help, with only 15–30 minutes of local-source warning

3

ANNEX F

Earthquake

Lead: City Manager's Office with Public Works and CED
Status: Planned

- Highest-ranked hazard in the plan
- Building safety and damage assessment
- Cascading effects: tsunami, landslides, fire, route loss

Target: complete the priority annexes within a year of Base Plan adoption. Next after these: Mass Care & Sheltering, a COOP/COG plan, and the training and exercise program.

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: Administrative Services Department

Subject: Approval of Job Descriptions and Hourly Pay Rates for Building Plan Examiner I and Building Plan Examiner II

Recommended Action: Approve the proposed job descriptions and establish hourly pay rates for the positions of Building Plan Examiner I and Building Plan Examiner II, authorizing the City Manager to utilize these positions on an hourly, as-needed basis to support the City's Building Division.

Background: The City's Building Division is responsible for reviewing building plans and construction documents to ensure compliance with applicable building codes, state regulations, and local ordinances. Timely and thorough plan review is an essential component of the City's building permit process and helps ensure that proposed construction projects meet established health, safety, and building standards.

The volume and complexity of building permit applications can fluctuate throughout the year, creating periods when additional plan review resources are necessary. Maintaining sufficient plan review capacity is important to providing timely service to residents, contractors, developers, and the local business community.

To provide greater flexibility in meeting these demands, staff recommends establishing two hourly classifications: Building Plan Examiner I and Building Plan Examiner II. These classifications will allow the City to engage qualified personnel on an as-needed basis rather than relying exclusively on permanent staffing or outside consulting services.

Discussion: The City currently contracts with CSG for building plan review services. Under the existing arrangement, the City retains 35% of the plan check fees collected, while CSG receives the remaining 65% as compensation for performing the plan review.

Bringing plan review services in-house provides an additional financial benefit because the City will retain 100% of the plan check fees associated with projects reviewed by City personnel, rather than paying 65% of those fees to an outside consultant. These revenues will help offset the salary costs associated with the proposed classifications while allowing the City to retain greater control over the plan review process.

Staff anticipates that approximately 75% of plan review activity can be handled internally. However, larger and more complex development projects account for approximately 25% of plan review activity and generate approximately 50% of total plan check fee revenue. Due to the complexity and specialized expertise required for these projects, staff anticipates that they will continue to be outsourced to CSG or other qualified plan review consultants.

This approach allows the City to focus its in-house resources on routine residential and less complex commercial projects while retaining access to outside expertise for larger, more technically demanding projects. It also provides a balanced approach that reduces consulting

expenses without requiring the City to maintain specialized expertise for every type of construction project.

The proposed classifications are designed to provide the City with flexibility in assigning plan review responsibilities based on the experience, qualifications, and technical expertise of available personnel.

Building Plan Examiner I

The Building Plan Examiner I position is intended for individuals with the foundational knowledge and technical qualifications necessary to conduct building plan reviews under established procedures and applicable building codes. Responsibilities may include reviewing residential and less complex commercial construction plans, identifying code compliance issues, preparing correction comments, and coordinating with applicants and contractors.

Building Plan Examiner II

The Building Plan Examiner II position is intended for experienced plan review professionals capable of independently reviewing more complex residential and commercial construction projects. Responsibilities may include conducting comprehensive plan reviews, interpreting complex building code requirements, evaluating structural and building systems, resolving technical code issues, and providing technical assistance to Building Division staff.

Establishing two classifications will allow the City to match the complexity of plan review assignments with the appropriate level of experience and expertise.

The positions are proposed as hourly classifications that may be utilized on an as-needed basis depending on workload and available resources. Establishing these classifications does not commit the City to filling either position or guarantee any minimum number of work hours.

The proposal is expected to save approximately $31,000 annually while bringing more plan review expertise in-house, reducing dependence on outside consultants, and improving the City's ability to manage permit processing workloads.

Fiscal Impact: The City currently spends approximately $82,000 annually on outsourced building plan review services through CSG. Under the existing arrangement, CSG retains 65% of the plan check fees associated with outsourced reviews, while the City retains 35%.

By establishing in-house plan examiner classifications, the City expects to perform approximately 75% of plan reviews internally. For projects reviewed by City personnel, the City will retain 100% of the associated plan check fees rather than paying 65% to an outside consultant. Larger and more complex projects, which represent approximately 25% of plan review activity and 50% of plan check fee revenue, will continue to be outsourced.

Staff estimates that this approach will reduce annual outsourced plan review expenditures by approximately 50%, or $41,000, based on current spending levels. The City will also benefit from retaining the full plan check fee revenue on projects reviewed internally.

To implement this approach, staff anticipates promoting the current Development Services Technician into the Building Plan Examiner I classification. This promotion is expected to increase annual salary costs by approximately $10,000.

The anticipated annual financial impact is summarized below:

Description	**Annual Amount**
Current outsourced plan review costs	$82,000
Estimated reduction in outsourced costs (50%)	($41,000)
Additional salary expense associated with promotion	$10,000
Estimated annual net expenditure savings	**$31,000**

The estimated $31,000 in annual net expenditure savings reflects the anticipated reduction in outside consulting expenses, less the additional salary expense associated with the promotion. It does not include the additional financial benefit of retaining 100% of plan check fees on projects reviewed internally, rather than paying 65% of those fees to CSG. Consequently, the City's overall financial benefit may be greater than the $31,000 in projected annual expenditure savings.

The proposal provides a cost-effective approach to building plan review by utilizing City personnel for the majority of projects while continuing to rely on outside consultants for larger, more complex projects. This arrangement reduces consulting expenditures, increases the City's retention of plan check revenues, and improves the Building Division's ability to manage permit processing workloads.

Staff will monitor the utilization and cost-effectiveness of the positions to ensure that the program continues to provide operational and financial benefits to the City.

Attachments:

1. Proposed Job Description – Building Plan Examiner I
2. Proposed Job Description – Building Plan Examiner II
3. Proposed hourly pay rates

Report Prepared By: Report Prepared By: Jim Malberg, Administrative Services Director

Reviewed By: Lesley Milton, Interim City Clerk; Marc Tran, City Attorney

Approved By: Rudy Escalante, Interim City Manager

BUILDING PLANS EXAMINER I

PROPOSED POSITION DESCRIPTION

GENERAL PURPOSE

The Building Plans Examiner I is a technical and public service position in the Community and Economic Development Department. The position reviews building permit applications, plans, specifications, and supporting documents for completeness and compliance with applicable California building standards, local ordinances, and City procedures. The employee performs plan review within an assigned scope and level of complexity, prepares clear correction lists, and coordinates review with applicants, City staff, and outside agencies. The position also performs development services counter, permit processing, records management, affordable housing administration, and related administrative duties. The Building Plans Examiner I supports the Building Official and refers complex or unusual code and design questions for direction.

SUPERVISION RECEIVED

Works under the general supervision of the Building Official. Receives technical direction from the Building Official and Building Inspector on building plan review and permit matters, and from the Community and Economic Development Director and Senior Planner on assigned planning, affordable housing, and department support duties.

SUPERVISION EXERCISED

None.

ESSENTIAL DUTIES AND RESPONSIBILITIES

Building plan review and permit processing

- Review assigned residential and other lower-complexity building plans, specifications, calculations, and supporting documents for completeness and conformance with applicable California codes, local amendments, and other requirements within the employee's training and delegated authority.
- Review plans for assigned work such as new one- and two-family dwellings, additions, remodels, accessory structures, ADUs and JADUs, and straightforward tenant improvements, as assigned by the Building Official.
- Evaluate site and building plans for code items within the assigned review scope, including fire and life safety, egress, structural plan coordination, energy and green building documentation, accessibility triggers, and applicable residential code provisions. Identify when specialist review or Building Official direction is needed.
- Prepare written plan review comments that identify the applicable correction, explain what information or revision is needed, and maintain a clear record of comments, resubmittals, and dispositions.
- Answer questions from applicants, owners, designers, and contractors about plan review comments, building permit submittal requirements, City procedures, and applicable code provisions. Refer questions involving complex interpretation, alternate methods, structural engineering judgments, or policy decisions to the Building Official.
- Review resubmittals for responses to prior comments; coordinate unresolved or interdepartmental comments and recommend approval, conditional approval, or further corrections within delegated authority.
- Screen applications for completeness; calculate basic plan review, permit, and outside-agency fees; calculate floor areas and construction valuation; route plans to City departments, fire agencies, and outside reviewers; and track due dates and permit status.
- Process building permit records and approved documents, maintain plan review and permit files, and assist with permit issuance and utility service release procedures as assigned.

Development services and public counter support

- Assist the public at the counter, by telephone, email, and through the electronic permitting system. Provide accurate information about building, planning, affordable housing, zoning, permit filing, plan review, and permit status.
- Confer with applicants and property owners about application requirements and process steps; review project conditions of approval for assigned projects and refer potential conflicts or violations to the appropriate staff member.
- Perform assigned field investigations and basic code compliance work, including documenting observed conditions, responding to complaints, explaining requirements, and referring unresolved or complex matters to the Building Official, Planner, or other responsible staff.
- Provide administrative support for affordable housing programs as assigned, including maintaining program and unit records, oversite of purchase and sale of deed restricted units, assisting with contracts, deed restrictions, and grant documentation, tracking budgets, organizing application materials, and acting as lead liaison between City, applicants, and third parties.
- Maintain permit tracking, land use databases, paper and electronic records, utility meter release logs, and other department records; prepare informational flyers and reports; and provide backup support for the City telephone system and department operations.
- Perform other related duties as assigned.

MINIMUM QUALIFICATIONS

Education and experience

Requires the ICC Residential Plans Examiner certification based on the International Residential Code (IRC).

Alternative Allowance: The ICC Building Plans Examiner certification is accepted in lieu of the Residential Plans Examiner certification.

Education equivalent to graduation from high school and at least two years of increasingly responsible experience in building permit processing, construction, drafting, building inspection, plan review, or related development services work.

Additional relevant education, vocational training, or professional experience may be considered as an equivalent combination.

Possession of an International Code Council (ICC) Residential Plans Examiner certification is desirable at appointment. If not held at appointment, the employee must obtain the certification within 12 months, subject to City policy and an approved training plan.

Necessary knowledge, skills, and abilities

- Working knowledge of building construction methods, materials, and terminology; the organization and content of building plans; and the purpose and use of applicable California building standards and local ordinances.
- Ability to read and interpret residential construction plans, site plans, specifications, and supporting documents; identify missing information and common code issues; and explain corrections in clear, concise writing.
- Ability to learn and apply code requirements consistently, recognize when a question is outside the assigned scope, and seek direction on unusual conditions or interpretations.
- Ability to provide courteous, accurate, and even-handed service to the public and maintain effective working relationships with applicants, design professionals, contractors, City staff, elected officials, and outside agencies.
- Ability to use permit tracking, document management, word processing, spreadsheet, database, and other City software; maintain accurate records; perform basic arithmetic and fee calculations; and organize and prioritize multiple assignments.
- Ability to learn and apply the City’s affordable housing requirements and administer the affordable housing program requirements for deed restricted affordable housing units in the City of Capitola.

- Ability to communicate effectively in writing and in person, exercise sound judgment under frequent interruptions, and handle difficult public interactions professionally.

SPECIAL REQUIREMENTS

Possession of a valid California driver's license and maintenance of a safe driving record if driving is required for assigned duties. The employee may be required to attend evening meetings or occasional weekend activities.

TOOLS AND EQUIPMENT USED

Personal computer and standard office equipment; electronic plan review and permit tracking systems; telephone and voicemail systems; calculator; measuring tools; and a City vehicle when field assignments require travel.

PHYSICAL DEMANDS AND WORK ENVIRONMENT

Work is performed primarily in an office and public counter setting, with occasional field work at construction sites or properties and attendance at off-site or evening meetings. The employee is frequently required to sit or stand, communicate in person and by telephone, use a computer, walk, drive, and handle files or plans. Field work may require walking on uneven surfaces and occasional bending, stooping, or crouching. The employee may occasionally lift or move materials weighing up to 25 pounds. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

SELECTION GUIDELINES

Formal application, evaluation of education and experience, interview, reference check, and job-related tests may be required.

The duties listed above are examples of the work assigned to this position and do not exclude other related duties. This position description does not constitute an employment agreement and may be revised as City needs and position requirements change.

BUILDING PLANS EXAMINER II

PROPOSED POSITION DESCRIPTION

GENERAL PURPOSE

The Building Plans Examiner II is a journey-level technical and public service position in the Community and Economic Development Department. Building plan examination is the position's primary technical assignment. The employee independently reviews assigned building plans, specifications, calculations, and supporting documents for compliance with applicable California building standards, local ordinances, and City procedures. The position also performs the development services and permit processing work needed in a small department, including public counter service, application intake and processing, records management, public information, and assigned planning and affordable housing administration support. The employee is expected to assist the public and provide counter coverage as part of the regular work, while balancing those duties with plan review assignments. The position works under the general supervision of the Building Official and refers matters outside delegated authority to the appropriate staff member.

SUPERVISION RECEIVED

Works under the general supervision of the Building Official. Receives technical direction from the Building Official and Building Inspector on code, plan review, inspection, and permit matters. Receives direction from the Community and Economic Development Director and Senior Planner on assigned planning, affordable housing, public noticing, and department support duties. Coordinates with other City staff and outside agencies as needed.

SUPERVISION EXERCISED

None.

ESSENTIAL DUTIES AND RESPONSIBILITIES

Building plan examination

- Independently examine assigned residential and commercial building plans, specifications, calculations, and supporting documents for completeness and compliance with applicable California codes, local amendments, and other requirements within the City's adopted review scope.
- Review projects such as new dwellings, additions, remodels, accessory structures, ADUs and JADUs, tenant improvements, and other building work assigned by the Building Official, including projects of varied scope and complexity.
- Evaluate building and site plans for applicable fire and life safety, egress, structural, accessibility, energy, green building, plumbing, mechanical, and electrical requirements. Identify when specialist review, additional documentation, or Building Official direction is needed.
- Prepare written plan review reports that identify applicable requirements, explain needed corrections, and maintain a clear record of comments, resubmittals, and review dispositions.
- Review resubmittals, resolve routine technical comments within delegated authority, and recommend approval or further corrections. Refer appeals, alternate methods, unusual conditions, policy questions, and interpretations outside established practice to the Building Official.
- Discuss plan review comments and code requirements with owners, architects, engineers, designers, and contractors; explain acceptable paths to compliance without designing the project for the applicant.
- Coordinate building plan review with City departments, fire agencies, outside reviewers, and consultants; track review status and communicate outstanding comments or required actions.

- Assist with development and maintenance of plan review checklists, procedures, and public information as codes and City practices change. Conduct limited field visits when needed to clarify plan review questions or compare approved documents with field conditions.

Development services and permit processing

- Assist the public at the counter, by telephone, email, and through the electronic permitting system. Provide accurate information about building, planning, affordable housing, zoning, permit filing, plan review, permit status, and City procedures; refer questions requiring policy or discretionary decisions to the appropriate staff.
- Accept, screen, and process assigned building and development applications. Explain application requirements and process steps, confer with applicants and property owners about project feasibility and submittal needs, and route plans to City departments and outside agencies for review.
- Review plans for completeness, calculate basic fees using construction valuation and floor areas, calculate or assess outside-agency fees, and maintain accurate application, permit, and plan review records.
- Review assigned development projects for compliance with conditions of approval and refer potential conflicts or violations to the responsible planner or Building Official.
- Provide administrative support for affordable housing programs as assigned, including maintaining unit and program records, oversite of purchase and sale of deed restricted units, assisting with contracts, deed restrictions, grants, and loan documents, verifying application information, and tracking budgets. Acts as the lead liaison between the City, applicants, and third parties.
- Maintain permit tracking software, land use databases, paper and electronic files, utility meter release logs, and other department records. Prepare or update informational flyers and reports and provide backup support for the City telephone or voicemail system as assigned.
- Perform other related building, planning, housing, public counter, and administrative duties as assigned.

MINIMUM QUALIFICATIONS

Education and experience

Requires the ICC Building Plans Examiner certification based on the International Building Code (IBC).

A combination of education, training, and experience that provides the knowledge and abilities needed to perform journey-level building plan examination and development services work. A typical qualification is a high school diploma or equivalent and at least three years of increasingly responsible experience in building plan review, building inspection, construction, drafting, permit processing, or related development services work, including demonstrated ability to read plans and apply building code requirements.

Relevant college, technical, or code-related coursework may substitute for a portion of the experience.

Possession of an ICC Plans Examiner certification appropriate to the assigned review scope is required. Additional ICC or CALBO certifications may be required as the review assignment expands. The City may establish a reasonable certification timeline when an employee advances into the classification.

Knowledge, skills, and abilities

- Knowledge of building construction methods and materials; building plan organization and notation; and principles and practices of technical plan examination.
- Knowledge of California building standards, local requirements, and development services procedures applicable to assigned work, and ability to research and apply them consistently.

- Ability to read and interpret building plans, site plans, specifications, and calculations; identify code issues and missing information; and write concise, understandable correction comments and reports.
- Ability to make routine technical determinations independently within delegated authority, recognize questions outside that authority, and explain when Building Official or specialist review is needed.
- Ability to explain application and permit requirements accurately and provide helpful, fair, and courteous service to the public, applicants, design professionals, City staff, and outside agencies.
- Ability to organize multiple reviews and deadlines, maintain accurate records, perform basic mathematical and fee calculations, and use electronic plan review, permit tracking, database, spreadsheet, and word processing systems.
- Ability to support public meetings and noticing requirements, handle difficult public interactions professionally, and work effectively with frequent interruptions.
- Ability to learn and apply the City's affordable housing requirements and administer the affordable housing program requirements for deed restricted affordable housing units in the City of Capitola.

SPECIAL REQUIREMENTS

Possession of a valid California driver's license and maintenance of a safe driving record if driving is required for assigned duties. The employee may be required to attend evening meetings or occasional weekend activities.

TOOLS AND EQUIPMENT USED

Personal computer and standard office equipment; electronic plan review, permit tracking, and land use database systems; telephone and voicemail systems; calculator; measuring tools; and a City vehicle when field assignments require travel.

PHYSICAL DEMANDS AND WORK ENVIRONMENT

Work is performed primarily in an office and public counter setting, with occasional field work at construction sites or properties and attendance at off-site or evening meetings. The employee is frequently required to sit or stand, communicate in person and by telephone, use a computer, walk, drive, and handle files or plans. Field work may require walking on uneven surfaces and occasional bending, stooping, or crouching. The employee may occasionally lift or move materials weighing up to 25 pounds. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

SELECTION GUIDELINES

Formal application, evaluation of education and experience, interview, reference check, and job-related tests may be required.

The duties listed above are examples of the work assigned to this position and do not exclude other related duties. This position description does not constitute an employment agreement and may be revised as City needs and position requirements change.

Position	Bargaining Unit	Step A	Step B	Step C	Step D
Building Plan Examiner I	ACE	40.82	42.86	45.00	47.25
Building Plan Examiner II	ACE	52.09	54.70	57.43	60.30

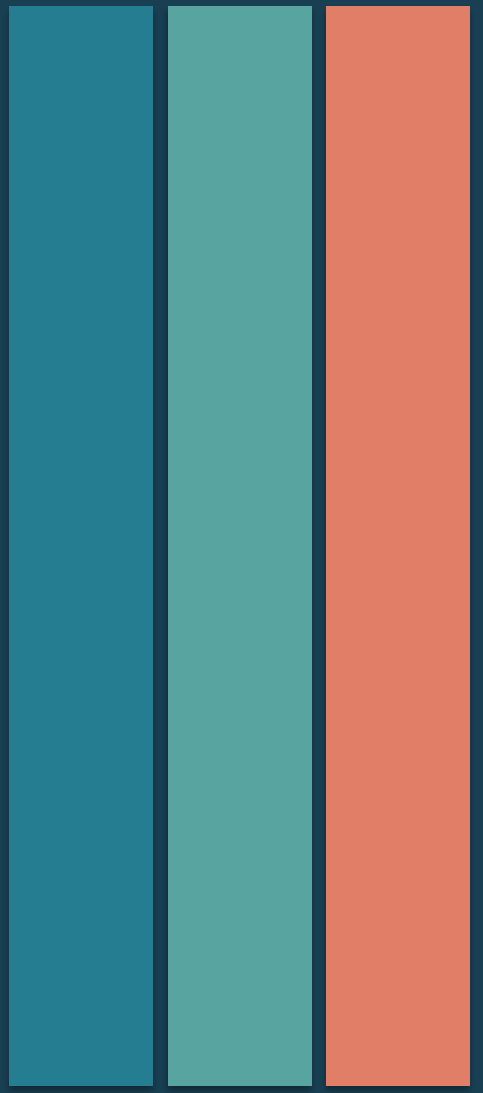
Step E
49.61
63.32

CITY COUNCIL | STAFF REPORT PRESENTATION

Building Plan Examiner Classifications

Approval of job descriptions and hourly pay rates
Building Plan Examiner I and II

City of Capitola



BUILDING DIVISION OPERATIONS

Why additional plan review capacity?

Plan review confirms compliance with building codes, state regulations, and local ordinances.

Permit application volume and project complexity fluctuate throughout the year.

Timely reviews support residents, contractors, developers, and local businesses.

Internal staffing helps maintain service levels without relying exclusively on consultants.

Operational objective

Match plan review resources to workload and project complexity—using City personnel for routine reviews and outside expertise for highly complex projects.

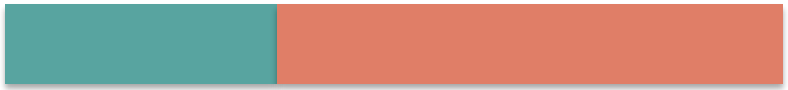
OUTSOURCED PLAN REVIEW

Current service model

Current annual outsourced cost

$82,000

Plan check fee allocation under CSG arrangement



City retains 35% **CSG receives 65%**

Opportunity

For reviews completed by City personnel, the City retains 100% of the associated plan check fees rather than paying 65% to an outside consultant.

WORKLOAD ALLOCATION

Proposed approach: keep routine reviews in-house

75% of plan review activity

Anticipated to be handled internally, focusing on routine residential and less complex commercial projects.

25% of plan review activity

Larger and more complex projects expected to remain outsourced due to specialized expertise requirements.

50% **of total plan check fee revenue is generated by the larger, complex projects that will continue to be outsourced.**

A balanced model: reduce routine consulting costs while preserving access to specialized review.

PROPOSED POSITIONS

Two classifications provide flexibility

Building Plan Examiner I

Foundational plan review knowledge and technical qualifications.

- Routine residential projects
- Less complex commercial projects
- Identify code issues and prepare correction comments
- Coordinate with applicants and contractors

Building Plan Examiner II

Experienced professional able to independently review more complex projects.

- Comprehensive residential and commercial reviews
- Interpret complex code requirements
- Evaluate structural and building systems
- Resolve technical issues and advise staff

PERSONNEL MANAGEMENT

Existing Staff

Building Department Development Services Technician

- Currently studying to become Plan Examiner
- Anticipate completion of classes in approximately 6 months
- Opportunity for promotion and retention of existing staff

FISCAL ANALYSIS

Estimated annual financial impact

Current outsourced plan review costs	**$82,000**
Estimated reduction in outsourced costs (50%)	**($41,000)**
Additional salary expense associated with promotion	**$10,000**
Estimated annual net expenditure savings	**$31,000**

The City retains 100% of plan check fees on internally reviewed projects, rather than sharing 65% with CSG.

STAFF RECOMMENDATION

Recommendation and ongoing oversight

Approve

Approve the proposed job descriptions and establish hourly pay rates for Building Plan Examiner I and II.

Staff will monitor:

Utilization • Outsourced consulting costs • Plan review workload • Overall cost-effectiveness

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: City Manager Department

Subject: City Manager Recruitment Update

Recommended Action: Review proposals from executive recruiting firms and provide staff with direction.

Background: Earlier this year, City Manager Jamie Goldstein announced his intent to retire. Thereafter, the City appointed Rudy Escalante to serve as the Interim City Manager. City efforts to recruit a permanent City Manager continue.

On October 9, 2026, staff published a Request for Proposals (RFP) for executive recruiting firms to manage the end-to-end recruitment process for the City's next permanent City Manager. The RFP closed on October 23, 2026.

Discussion: The City received ten proposals from qualified recruitment firms, listed below in alphabetical order. The proposals are available to review using the links at the end of this report.

1. Beyond the Basics Recruitment
2. Bob Murray
3. CPRS HR
4. Firefly Recruiting
5. Government Professional Solutions
6. QVID Talent Solutions
7. Ralph Anderson and Associates
8. SGR Strategic Government Resources
9. Sumpter Local Government Consulting
10. WBCP INC
11. CPS HR Executive Search

The City Manager role is one of two positions with the City of Capitola that report directly to, and are hired by, the City Council.

Staff seeks direction from the City Council regarding next steps. The City Council could entertain any number of options, including, but not limited to: (1) creating an ad hoc committee to thoroughly vet and potentially interview qualified firms or (2) discuss proposals, select a firm, and direct staff to return with an item authorizing the Interim CM to enter a contract to engage the firm and begin the official recruitment process.

Fiscal Impact: The cost of proposals ranges between about $25,000 and $30,000. If approved, the FY 2026-27 budget for Recruitment Services would need to be amended. The current June 30, 2027 estimated general fund balance is $581,000 which is above the historical target balance of $500,000 leaving $81,000 available.

Links to All Submitted Proposals:

1. CPS-HR-Exec Search Firm Proposal

2. WBCP Exec Search Firm Proposal
3. SGR Exec Search Firm Proposal
4. QVID Exec Search Firm Proposal
5. Ralph Anderson Exec Search Firm Proposal
6. GPS Exec Search Firm Proposal
7. Firefly Exec Search Firm Proposal
8. Sumter-LGC Exec Search Firm Proposal
9. BTB Exec Search Firm Proposal
10. Bob Murray Exec Search Firm Proposal
11. CPRS Exec Search Firm Proposal

Alignment with 2025-2029 Strategic Plan Priority: Accountable Government

Report Prepared By: Chloé Woodmansee, Assistant to the City Manager

Reviewed By: Lesley Milton, Interim City Clerk

Approved By: Rudy Escalante, Interim City Manager

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AMENDING THE 2026-27 FISCAL YEAR CITY BUDGET

WHEREAS, it is necessary to adopt the 2026-27 Fiscal Year Budget for all City funds; and

WHEREAS, the City Council conducted budget study sessions, heard and considered public comments, had modified and proposed a budget accordingly, and on June 11, 2026, adopted such budget for the Fiscal Year July 1, 2026, through June 30, 2027; and

WHEREAS, since the adoption of the FY 2026-27 Budget the City has issued a Request for Proposals for executive recruiting firms; and

WHEREAS, staff has received ten proposals for City Councils consideration with cost ranges between $25,000 and $30,000; and

WHEREAS, it is necessary to amend the FY 2026-27 Budget to increase General Fund expenditures by $30,000; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola that the 2026-27 Fiscal Year Budget is hereby amended, including Exhibit A (Budget Amendment) to this Resolution; and

BE IT FURTHER RESOLVED that the Administrative Services Director is directed to enter the budget into the City's accounting records in accordance with appropriate accounting practices, and the City Manager, with the Administrative Services Director's assistance, shall assure compliance therewith.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 12th day of November 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Margaux Morgan, Mayor

ATTEST:

_____
Lesley Milton, Interim City Clerk

Budget Adjustment Request

Date

11/04/2026

Requesting Department *

City Manager

Type of Adjustment

- (•) Administrative
- ( ) Council

Revenues

Account Number	Account Description	Increase/Decrease

Total Revenues

$0.00

Expenditures

Account Number	Account Description	Increase/Decrease
1000-10-12-000-4340.100	Personnel Recruitment Services	$30,000.00

Total Expenditures

$30,000.00

Net Impact

-$30,000.00

Purpose

Funding for executive recruitment firm for City Manager recruitment.

Department Head Approval

Chloe Woodmansee

Finance Director Approval

Jim Malberg

City Manager Approval

Rudy Escalante

Action History (all history times shown in Pacific Standard Time)

Submit	by Jim Malberg 11/4/2026 1:52:32 pm (Budget Amendment Request Submitted)
Approve	by Chloe Woodmansee 11/4/2026 2:18:29 pm (Routed to CM) • The task was assigned to Chloe Woodmansee 11/4/2026 1:52:32 pm
Approve (send to CM for approval)	by Jim Malberg 11/4/2026 2:19:43 pm (Routed to Finance Director) • Jim Malberg assigned the task to Jim Malberg 11/4/2026 2:19:34 pm • The task was assigned to Jim Malberg & Luis Ruiz 11/4/2026 2:18:29 pm
Approve (return to Finance for processing)	by Rudy Escalante 11/4/2026 3:01:31 pm (Routed to CM for final approval) • The task was assigned to Rudy Escalante 11/4/2026 2:19:43 pm

CITY OF CAPITOLA • CITY COUNCIL

City Manager Recruitment

Selecting an Executive Recruitment Firm

November 12, 2026



Why this item is before Council

City Manager retired October 1, 2026

The City Manager position is now vacant and requires a permanent appointment.

Interim City Manager is a CalPERS retired annuitant

State law caps a retired annuitant at 960 hours per fiscal year (July 1 – June 30).

Council appoints the City Manager

One of two positions hired by and reporting directly to the City Council.

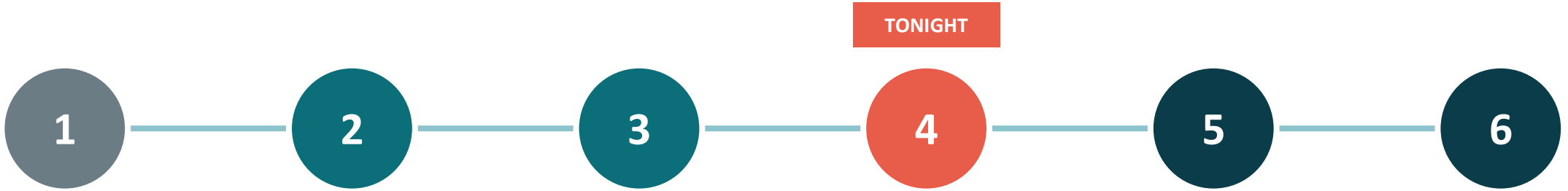
960

hour annual cap on the Interim
≈ 24 weeks at a full-time schedule

3–6

months is the typical City Manager recruitment, depending on Council's choices

Process to date



Oct 1
City Manager retires

Oct 9
RFP issued to recruitment firms

Oct 23
Proposals due: 10 received

Nov 12
Council reviews and gives direction

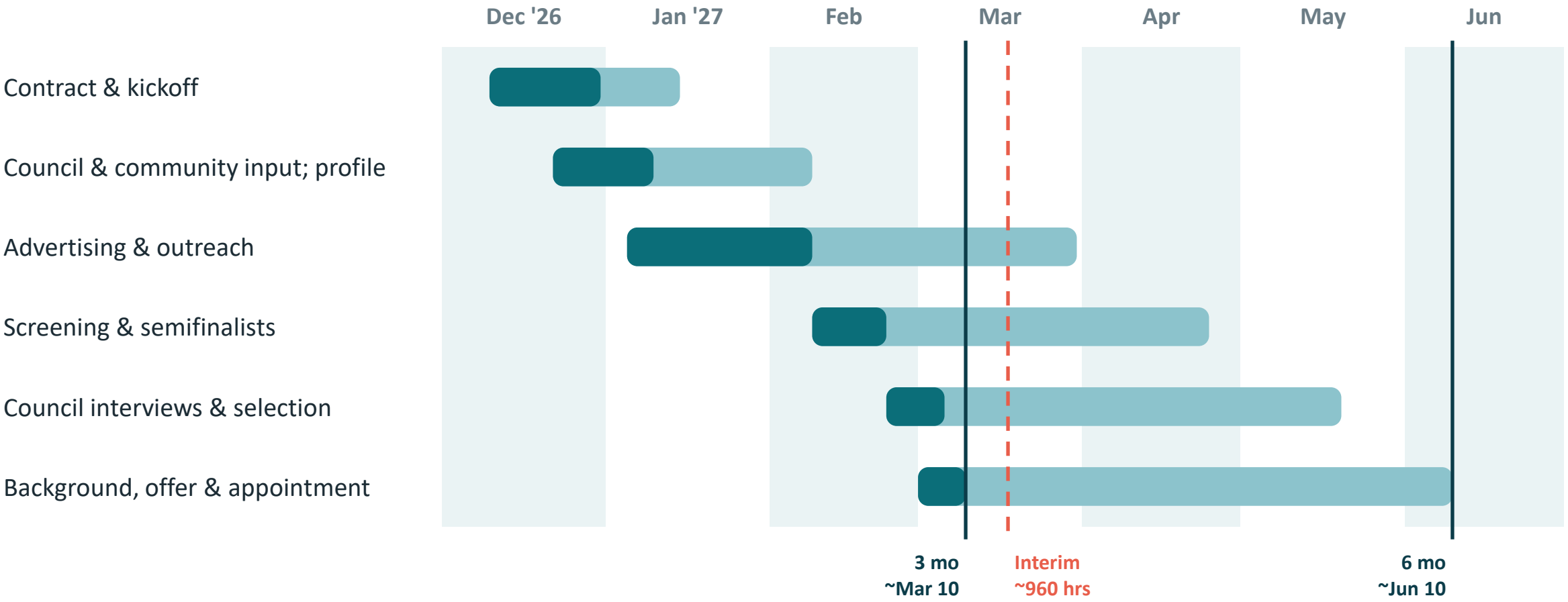
Dec 10
Contract returns for approval

Early 2027
Recruitment launches

A note on the proposal count

The staff report lists 11 proposals, but the CPRS HR and CPS HR uploads are the same proposal. Council is reviewing 10 distinct proposals.

Recruitment timeline: 3 to 6 months



How the proposals were reviewed



30 — **Methodology**
Stakeholder engagement, sourcing, screening and finalist process

25 — **Team**
Assigned recruiter experience and California municipal searches

25 — **Cost & value**
Total comparable price, included scope, exclusions and guarantees

10 — **References**
Comparable completed searches with verifiable references

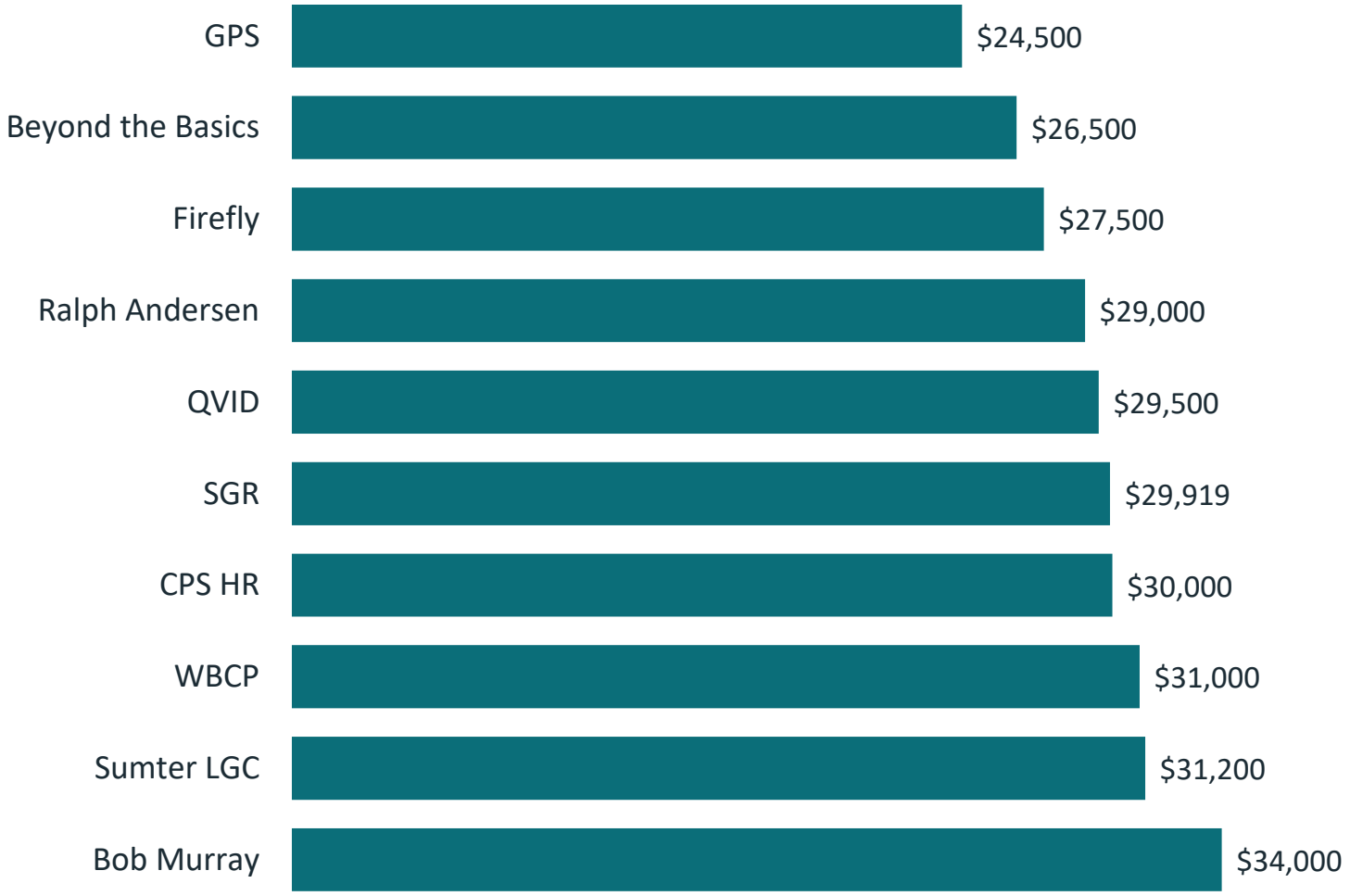
10 — **Timeline**
Realistic schedule and ability to meet the desired appointment date

Preliminary staff review matrix

#	Firm	Method /30	Team /25	Cost /25	Refs /10	Timeline /10	Total /100	Proposed cost
1	CPS HR Consulting	30	25	20	10	8	93	$30,000
2	Ralph Andersen & Associates	30	25	20	8	8	91	$29,000
3	WBCP, Inc.	30	20	20	10	8	88	$31,000
4	Bob Murray & Associates	30	25	15	10	8	88	$34,000
5	Strategic Government Resources (SGR)	30	20	20	8	8	86	$29,919
6	Government Professional Solutions (GPS)	24	20	25	8	8	85	$24,500
7	Firefly Recruiting	24	15	25	6	10	80	$27,500
8	Beyond the Basics Recruitment	24	15	20	6	10	75	$26,500
9	Sumter Local Government Consulting	24	20	15	8	8	75	$31,200
10	QVID Talent Solutions	18	10	20	2	10	60	$29,500

Preliminary scores to inform discussion; Council makes the final selection. Costs are base/estimated; candidate travel and optional services may add cost.

Proposed cost comparison



$24,500 – $34,000
Range of comparable base/estimated costs

$29,750
Median proposal

$9,500
Spread between lowest and highest

Most quotes exclude candidate travel; some exclude optional services (e.g., community surveys) or estimate advertising and travel. Final contract amounts may differ.

Options for Council direction

OPTION A

Select a firm tonight

Council discusses the proposals and selects a firm. Staff returns December 10 with an agreement authorizing the Interim City Manager to contract and begin the formal recruitment.

Fastest path to launch

OPTION B

Form an ad hoc committee

A Council ad hoc committee vets the proposals and may interview finalist firms, then brings a recommendation back to the full Council.

Adds review time before contract

Fiscal impact

A FY 2026-27 budget amendment for Recruitment Services will be needed. Estimated June 30, 2027 General Fund balance: $581,000, which is $81,000 above the $500,000 target.

STAFF RECOMMENDATION

Review and provide direction

1

Review
all 10 executive recruitment proposals

2

Direct
staff on which firm to contract with

3

Return December 10
with the agreement for Council approval

Questions?

Appendix: firm-by-firm notes

93 — **CPS HR Consulting**
Extensive CA public-sector searches; strong Council engagement

91 — **Ralph Andersen & Assoc.**
CA city-manager specialist; fixed comprehensive price

88 — **WBCP, Inc.**
Strong local-government portfolio; stakeholder surveys

88 — **Bob Murray & Assoc.**
Deep CA track record; highest price, optional extras

86 — **SGR**
National sourcing network; verify CA depth and extras

85 — **GPS**
Former city-manager-led; lowest fixed price

80 — **Firefly Recruiting**
Owner-led 12-week approach; limited CM search history

75 — **Beyond the Basics**
Structured assessment; newer, smaller track record

75 — **Sumter LGC**
Municipal-only; 2-year guarantee; travel cost uncertain

60 — **QVID Talent Solutions**
Clear milestones; new firm, no comparable references

Capitola City Council

Agenda Report

Meeting: November 12, 2026

From: City Clerk Department

Subject: Community Development Block Grant 23A-CDBG-IH-20002-A1 and 24-CDBG-CP-10001-A1 Closeout

Recommended Action: Receive a report summarizing the accomplishments performed under State CDBG Agreements 23A-CDBG-IH-20002-A1 and 24-CDBG-10001-A1, solicit citizen input regarding expenditures and accomplishments of the funding received under these contracts, and direct staff to proceed with submitting required documents for closeout to the State.

Background:

This item has been continued to the December 10, 2026 meeting.

Report Prepared By: Lesley Milton, Interim City Clerk

Approved By: Rudy Escalante, Interim City Manager