



CITY COUNCIL AGENDA

Regular Meeting

June 23, 2015

Action Agenda Prepared on June 24, 2015 with action taken in bold type.

- 12:00 P.M. CLOSED LITIGATION SESSION, COURTYARD CONFERENCE ROOM
- 1:00 P.M. CONSENT, GENERAL BUSINESS AND PUBLIC HEARINGS, COUNCIL CHAMBERS
- 7:30 p.m. GENERAL BUSINESS, PUBLIC HEARINGS AND MATTERS OF PUBLIC INTEREST,
LOUDEN NELSON COMMUNITY CENTER , 301 CENTER STREET

Council will receive e-mail regarding items on the agenda during the meeting at
citycouncil@cityofsantacruz.com.

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

Council meetings are cablecast on Comcast Channel 25 or Channel 26.

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

- Oral staff report
- Public comment - 3 minutes each; maximum total time may be established by the Presiding Officer at the beginning of the item
- Council/Agency deliberation and action

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Closed Litigation Session

12:00 PM

The Presiding Officer opened the City Council Closed Litigation Session at 12:04 p.m. in a public meeting in the Council Chambers, for the purpose of announcing the agenda, considering Agenda Items 1 and 2, and receiving public

testimony.

Roll Call - Councilmembers Present: Chase, Terrazas, Comstock, Posner, Noroyan (arrived at 12:15 p.m.); Vice Mayor Mathews; Mayor Lane.

Councilmembers absent: None.

Thereafter, the Councilmembers moved to the Courtyard Conference Room at 12:07 p.m. and the meeting was closed to the public.

Referral to Closed Session

1. [Referral to Closed Session - Potential Disposition of City Properties, 100 Laurel Street, APN 005-152-13, 326 Front Street , APN 005-151-34 and 328 Front Street , APN 005-151-35 \(ED\)](#)

Motion carried to approve a referral to closed session the potential disposition of city-owned properties located at 100 Laurel Street, APN 005-152-13, 326 Front Street, APN 005-151-34, 328 Front Street, APN 005-151-35, for the purpose of instructing the negotiator concerning price, terms, or both.

2. [Referral to Closed Session - Potential Easement Acquisition - APN 005-283-10 and APN 005-541-05 \(PW\)](#)

Motion carried to approve a referral to closed session the potential acquisition of temporary construction easement, nonexclusive access easement and a permanent easement for properties located at 107 Dakota Avenue, APN 005-283-10, owned by Marjorie and Sherman Hauser, and 111 Dakota Avenue, APN 005-541-05 owned by Owners of Common Area of PM 38-7 for the purpose of instructing the negotiator concerning price, terms, or both.

Closed Session

- A. [Real Property Negotiations \(Government Code §54956.8\)](#)

1. Potential Easement Acquisition Negotiation (Price/Terms/or Both)
Properties:

107 Dakota Avenue - APN 005-283-10

Property Owners - Marjorie and Sherman Hauser

111 Dakota Avenue - APN 005-541-05

Property Owners - Common Area Owners

City Negotiator: Mark Dettle

2. Pacific Station Project - Negotiation of Potential Disposition of City
Parcels

(Price/Terms/or Both)

Properties:

100 Laurel - APN 005-152-13

326 Front St - APN 005-151-34

328 Front St - APN 005-151-35

City Negotiator: Bonnie Lipscomb

Council received a status report, instructed the City Negotiator, and took no reportable action.

B. [Conference With Legal Counsel - Liability Claims \(Government Code §54956.95\)](#)

1. Claimant: Yasmine Safi Abdallah

2. Claimants: Cypress Point Re Investors, LLC and Braddock & Logan Services, Inc.

Claims against City of Santa Cruz

City Representatives: Marcus Pimentel & Patty Haymond

Council received a status report, instructed the City Attorney, and took no reportable action.

Closed Session (continued)

**C. [Conference With Legal Counsel - Anticipated Litigation \(Government Code §54956.9\(b\)\).](#)
(Significant Exposure to Litigation - 3 potential cases to be discussed)**

Council received a status report, instructed the City Negotiator, and took no reportable action.

D. [Conference with Labor Negotiators - \(Government Code §54957.6\)](#)

City Negotiators: Lisa Murphy, Marcus Pimentel, and Tim Davis

Employee Organizations - Bargaining Units: 1) SEIU regular; 2) IAFF & Fire Management; 3) Police Officers' Assoc'n & Police Management; 4) OE3, Mid-Managers and Supervisors; and 5) Unrepresented

Council received a status report, instructed the City Negotiator, and took no reportable action.

[City Council](#)

Call to Order - at 1:17 p.m.

Roll Call - Councilmembers Present: Chase, Terrazas, Comstock, Posner, Noroyan; Vice Mayor Mathews; Mayor Lane.

Councilmembers Absent: None.

Pledge of Allegiance

Introduction of New Employees - Director of Water R. Menard introduced Deputy Water Director/Operations Manager Steven Leonard; Director of Public Works M. Dettle introduced Engineering Technician Travis Gonsalves.

Presentations

1. Recreation Supervisor J. Clevenger gave a presentation regarding July is Parks and Recreation Month

Presiding Officer's Announcements

Statements of Disqualifications

Additions and Deletions - Motion carried to postpone

Oral Communications Announcement

City Manager Report - The City Manager did not report on events since the last council meeting.

Consent Agenda

Agenda Items 6 and 14 were pulled for separate discussion. Agenda Items 12 and 13 were postponed and to be discussed later in the agenda.

2. Minutes of the June 2, 2015 City Council Closed Personnel Session (CC)

Motion carried to approve as submitted.

Consent Agenda (continued)

3. Minutes of the June 2, 2015 City Council Study Session (CC)

Motion carried to approve as submitted.

4. Minutes of the June 9, 2015 City Council Meeting (CC)

Motion carried to approve as submitted.

5. [Homeless Services Center Emergency Funding \(CM\)](#)

Motion carried to direct staff to continue discussions with the Homeless Services Center, Homeless Action Partnership and the County of Santa Cruz to respond to the anticipated closure of Homeless Services Center programs, and develop recommendations for City of Santa Cruz participation in emergency funding and support to be considered by the City Council in August 2015.

6. [Independence Day 2015 - Safety Enhancement Zone Designation \(CM\)](#)

Resolution No. NS-28,953 was adopted designating the area within the City of Santa Cruz geographic boundaries to the Pacific Ocean a temporary safety enhancement zone for Independence Day 2015 in effect from 12:01 a.m. on July 3, 2015 to 11:59 p.m. on July 5, 2015, increasing fines and penalties for certain municipal code violations in the safety enhancement zone during the effective time of the safety enhancement zone.

7. [Downtown Management Corporation - Twenty-first Amendment to Agreement with City of Santa Cruz \(ED\)](#)

Resolution No. NS-28,954 was adopted authorizing the City Manager to execute the Twenty-first Amendment, in a form acceptable to the City Attorney, to the Agreement with the Downtown Management Corporation (DMC) providing for the fees collected by the Department of Finance from assessments levied on downtown properties and revenues collected from leasing and licensing of kiosks as well as café and retail extension areas in the downtown.

Consent Agenda (continued)

8. [Liability Claims Filed Against City of Santa Cruz \(FN\)](#)

Motion carried to reject liability claims of a) Yasmine Safi Abdallah, and b) Cypress Point Re Investors, LLC and Braddock & Logan Services, Inc., based on staff recommendation.

9. [General Obligation Refunding Bonds - Tax Rate Authorization \(FN\)](#)

Resolution No. NS-28,955 was adopted setting the tax rate for FY 2016 with respect to the City's General Obligation Refunding Bonds.

10. [Proposition 4 Appropriations Limit Adjustment Factors \(FN\)](#)

Resolution No. NS-28,956 was adopted approving the selection of the annual adjustment factors to be utilized in the calculation of the City's Proposition 4 Appropriations Limit (Gann Limit) based on the adopted budget for FY 2016, with amendments thereto, if any.

11. [FY 2016 Proposed Budget \(FN\)](#)

Resolution No. NS-28,957 was adopted approving the FY 2016 Budget, effective July 1, 2015 with amendments and addenda as directed by Council on May 12, May 26, May 27, and June 9; and authorizing the Finance Director to create additional appropriations to provide for commitments carried over from the prior fiscal year.

Resolution No. NS-28,958 was adopted adding one limited-term principal management analyst position to the FY 2016 classification plan to provide for City of Santa Cruz coordination of the Bob Lee Partnership for Accountability, Connection and Treatment Program (PACT), as directed by the City Council on May 26, 2015.

12. [Service Employee International Union Local 521 Memorandum of Understanding \(HR\)](#)

Resolution No. NS-28,959 was adopted approving a Tentative Agreement with the Service Employee International Union (SEIU) Local 521.

Consent Agenda (continued)

13. [Mid-Management Association of the City of Santa Cruz Memorandum of Understanding \(HR\)](#)

Motion carried to postpone Agenda Item 13. This item was not discussed at the Regular City Council meeting of June 23, 2015.

14. [Cowell Beach/Wharf Public Access \(PK\)](#)

Resolution No. NS-28,960 was adopted approving the extension of the Cowell Beach/Wharf Public Access Policy authorizing the public's use of the dry sand portion of the beach during the hours of one hour before sunrise to midnight with the provision that the dry sand portion of the beach may be used at all hours to access the wet sand portion of the beach and with the understanding that the wet sand portion of the beach will remain open to the public 24 hours a day in accordance with all currently applicable rules for beach use (e.g. no camping, no alcohol, no smoking etc.) and for all uses by members of

the public for which the beach may currently be used (e.g. fishing, jogging, kayak, paddle board and surfboard launching and landing, walking, meditating, swimming, sightseeing, nature observation, special events, etc.) from July 22, 2015 until November 13, 2019 .

Motion carried directing that the Cowell Beach Public Access Policy shall automatically sunset on November 13, 2019 to be consistent with the California Coastal Commission's approval of the 2014 Beach Management Plan, which allows the curfew to continue for the lifetime of the plan, so long as the curfew does not lapse during the plan's timeframe.

Motion carried declaring that the documented conditions requiring implementation of the Cowell Beach Public Access Policy constitute a public nuisance.

Motion carried to direct staff to bring back a report by next summer on improved or non-improved conditions.

Consent Agenda (continued)

15. [Preliminary Negotiations with Santa Cruz Shakespeare Regarding Use of the Upper DeLaveaga Park for a Summer Theatre Series Beginning 2016 \(PK\)](#)

Motion carried to authorize the City Manager to engage in negotiations with Santa Cruz Shakespeare for use of the Upper DeLaveaga Park for a Summer Theatre Series beginning 2016, with details and a final agreement to be returned to the City Council for action in August 2015.

16. [Citywide Traffic Signal Improvements Project \(c401514\) - Authorization to Advertise for Bids and Award Contract \(PW\)](#)

Motion carried to approve the plans and specifications for Citywide Traffic Signal Improvements Project (c401514) and authorize staff to advertise for bids and award the contract. The City Manager is hereby authorized and directed to execute the contract as authorized by Resolution NS-27,563 in a form approved by the City Attorney.

17. [Spring 2014 Overlay Project - Western Drive \(c400809\) - Notice of Completion \(PW\)](#)

Motion carried to accept the work of Graniterock Company, San Jose, CA, as completed per plans and specifications and authorize the filing of a Notice of Completion for the Spring 2014 Overlay Project - Western Drive (c400809).

18. [Summer 2014 Overlay Project - Laurel Street \(c400809\) - Notice of Completion \(PW\)](#)

Motion carried to accept the work of Graniterock Company, San Jose, CA, as completed per the plans and specifications and authorize the filing of a Notice of Completion for the Summer 2014 Overlay Project - Laurel Street (c400809).

Consent Agenda (continued)

19. [Highway Safety Improvement Program \(HSIP\) Cycle 7 Grant Applications \(PW\)](#)

Motion carried to authorize the City Manager to apply for a grant from the California Department of Transportation Highway Safety Improvement Program (HSIP) Cycle 7 for (1) Bay Street Bicyclist/Pedestrian Safety Project and (2) Bay Street Sidewalk Completion Project.

20. [Broadway Street Sewer Replacement \(c401511\) - Authorization to Advertise and Award \(PW\)](#)

Motion carried to approve specifications for the Broadway Street Sewer Replacement (c401511) project and authorize staff to advertise for bids. The City Manager is hereby authorized and directed to execute the contract in a form approved by the City Attorney as authorized by Resolution NS-27,563.

21. [West Cliff Drive Multi-Use Path Rehabilitation Project - Phase 2 \(Project No. m400819\) - Contract Change Order No. 1 and Notice of Completion \(PW\)](#)

Motion carried to approve Contract Change Order No. 1 in the amount of \$41,100.00 and accept the work of Santana Paving and Grading Inc. (Capitola, CA) as completed per the plans and specifications and authorize the filing of the Notice of Completion for the West Cliff Drive Multi-Use Path Rehabilitation Project - Phase 2 (Project No. m400819).

22. [Contract Renewal with Hope Services, Inc. for the Resource Recovery](#)

Facility (PW)

Motion carried to authorize and direct the City Manager to execute a renewal of an agreement, in a form approved by the City Attorney, with Hope Services, Inc., of Santa Cruz, CA, for recycling and litter control services at the City's Resource Recovery Facility on Dimeo Lane.

Consent Agenda (continued)

23. [San Lorenzo River Parkway Levee Improvements \(c401416\) - Authorization to Reject Bids and Re-Advertise \(PW\)](#)

Motion carried to reject all bids received on June 4, 2015 for the San Lorenzo River Parkway Levee Improvement Project and to re-advertise. The City Manager is hereby authorized to execute the contract as authorized by Resolution No. NS-24,563.

24. [FY2016 Budget for Implementation for Stage 3 Water Rationing - Budget Appropriation \(WT\)](#)

Motion carried authorizing a modification to the FY 2016 Water Department budget, and its incorporation into the final FY 2016 Adopted Budget, to include an additional \$213,253 to address the financial impact of managing Stage 3 water rationing.

25. [North Coast System Rehabilitation Project-Phase 3 - Approval of Drawings and Specifications, and Authorization to Advertise for Bids and Award Contract \(WT\)](#)

Motion carried to approve the drawings, specifications and contract documents for the North Coast System Rehabilitation Project-Phase 3 and authorize staff to advertise for bids. The City Manager is hereby authorized and directed to execute the contract in a form approved by the City Attorney and as authorized by Resolution No. NS-27,563.

End Consent Agenda

Public Hearings

26. [Ordinance No. 2015-09 Amending Chapter 16.04.041 of the Santa Cruz Municipal Code Pertaining to Connection of New Water Services \(WT\)](#)

Ordinance No. 2015-09 was adopted

Public Hearings (continued)

27. [FY 2016 Cooperative Retail Management Business Real Property Improvement District Assessments \(ED\)](#)

Resolution No. NS-28,961 was adopted confirming the FY 2016 Cooperative Retail Management Business Real Property Improvement District Annual Plan and levying business improvement assessments for Fiscal Year 2016.

28. [Parking and Business Improvement Area Assessments for FY 2016 \(ED\)](#)

Resolution No. NS-28,962 was adopted approving the FY 2016 Parking and Business Improvement Area annual plan and levying the business improvement assessments for FY 2016.

29. [Minor Zoning Amendment to Title 24 \(Zoning Ordinance\) of the Santa Cruz Municipal Code and the Local Coastal Implementation Plan, to Allow Outdoor Extension Areas for Districts Outside of the Downtown Recovery Area Plan \(Environmental Determination: Exempt from CEQA\) \(City, Applicant/filed 3/29/2012\) \(PL\)](#)

Ordinance No. 2015-10 was introduced for publication, to amend Title 24 (Zoning Ordinance) Section 24.12.192 regarding outdoor extension areas.

Resolution No. NS-28,963 was adopted accepting the suggested modifications from the Coastal Commission.

General Business

30. [Ordinance Amendment A15-0002 - City-wide - Amendments to Title 24 \(Zoning Ordinance\) of the Santa Cruz Municipal Code Multi-family and Off-street Parking Sections and the Local Coastal Implementation Plan to Help Legalize or Create Additional Multi-family Residential Units \(Environmental Determination: Exempt from CEQA\) \(City of Santa Cruz, Applicant\) \(PL\)](#)

Ordinance No. 2015-11 was introduced for publication amending portions of Title 24 and the Local Coastal Implementation Plan pertaining to certain multi-family, off-street parking and accessory structure standards; with the addition of a ninth amendment allowing

existing legal accessory buildings to be converted into second unit in the RL and RM districts with the maximum size of said unit being 10% of lot area up to 800 square feet; and that the ordinance include a statement of intent of the City Council is that any additional units permitted as a result of the ordinance are intended for residential long term and not short-term rentals.

31. [Corridor Planning Process and Rezoning Update \(PL\)](#)

Motion carried to continue the presentation of the Phase I of the Corridor Planning Process to August 4, 2015.

32. [Pilot Paddling Program Advisory Group Findings and Recommendations \(CM\)](#)

Motion carried to accept the Lower San Lorenzo River Pilot Paddling Advisory Group report and direct the City staff to contract for a short-term baseline bird study, not to exceed \$20,000 in costs, to take place in 2015 during the same timeframe as the proposed pilot program and direct the Coastal Watershed Council to pay for a pilot program to occur in 2016, which follows the paddling and wildlife conditions established by the Advisory Group recommendation.

At 4:49 p.m. the Mayor called on members of the Council to reordered the agenda and discuss Consent Agenda Item 12 that was previously postponed pending final voting of a Tentative Agreement from Service Employee International Union (SEIU) Local 521.

Resolution No. NS-28,959 was adopted approving a Tentative Agreement with the Service Employee International Union Local 521.

General Business (continued)

33. [Approval of Exclusive Negotiation Agreement with Cruzio Internet \(ED\)](#)

Motion carried approving an Exclusive Negotiation Agreement (ENA) and directing the City Manager to execute the agreement in a form approved by the City Attorney with Cruzio Internet to continue to pursue a public-private partnership opportunity to expand gigabit broadband infrastructure in the City of Santa Cruz.

34. [Pacific Station - Consideration to Proceed with Project Development \(ED\)](#)

Motion carried approving the Pacific Station design Options 1 and 2 and directing staff to proceed with further project development

including the preliminary preparation of environmental documents and other actions as necessary to enable the future submittal of grant applications to support the public elements of the project.

At this point the Mayor reordered the agenda to hear Agenda Item 35 and 36 to the 7:30 p.m. session.

Council Meeting Calendar

35. The City Council reviewed and did not revise the meeting calendar attached to the agenda.

Council Memberships in City Groups and Outside Agencies

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

City Attorney Report on Closed Session

Recess - The City Council recessed at 6:53 p.m. to the 7:30 p.m. session located at the Loudon Nelson Community Center, 301 Center Street, Room 3 for a Joint City Council / Water Supply Advisory Committee (WSAC) meeting.

**Joint City Council / Water Supply Advisory Committee (WSAC)
Loudon Nelson Community Center
301 Center Street, Room 3
Santa Cruz, CA 95060**

7:30 PM

Call to Order - at 7:46 p.m.

Roll Call - Councilmembers Present: Chase, Terrazas, Comstock, Posner, Noroyan; Vice Mayor Mathews; Mayor Lane.

Councilmembers Absent: None.

General Business

1. Joint Study Session Between the Santa Cruz City Council and the Council Appointed Water Supply Advisory Committee on Technical Analysis and Committee Work to Date (WT)

The Council and Water Supply Advisory Committee discussed the Water Supply Advisory Committee technical analysis and work to date.

At approximately 10:00 p.m. the City Council reconvened to closed session at the Loudon Nelson Community Center in the Senior Computer Center.

Adjournment - at approximately 10:20 p.m. the closed session was concluded with no reportable action taken and the meeting was adjourned, with no further discussion or action on Consent Agenda Item 13, to the special meeting of August 4, 2015 after the hour of 7 p.m. in City Council Chambers.

PLEASE NOTE: The City Council will not convene meetings in the month of July.

