

**CITY OF SANTA BARBARA
CITY COUNCIL**

Helene Schneider
Mayor
Cathy Murillo
Mayor Pro Tempore
Randy Rowse
Ordinance Committee Chair
Dale Francisco
Finance Committee Chair
Gregg Hart
Frank Hotchkiss
Bendy White



James L. Armstrong
City Administrator

Ariel Pierre Calonne
City Attorney

City Hall
735 Anacapa Street
<http://www.SantaBarbaraCA.gov>

**APRIL 29, 2014
AGENDA**

ORDER OF BUSINESS: Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council meeting begins at 2:00 p.m. in the Council Chamber at City Hall.

REPORTS: Copies of the reports relating to agenda items are available for review in the City Clerk's Office, at the Central Library, and <http://www.SantaBarbaraCA.gov>. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a "CAR") for that item from either the Clerk's Office, the Reference Desk at the City's Main Library, or online at the City's website (<http://www.SantaBarbaraCA.gov>). Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office located at City Hall, 735 Anacapa Street, Santa Barbara, CA 93101, during normal business hours.

PUBLIC COMMENT: At the beginning of the 2:00 p.m. session of each regular City Council meeting, and at the beginning of each special City Council meeting, any member of the public may address the City Council concerning any item not on the Council's agenda. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the City Council. Should City Council business continue into the evening session of a regular City Council meeting at 6:00 p.m., the City Council will allow any member of the public who did not address them during the 2:00 p.m. session to do so. The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than 1 minute. The City Council, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

REQUEST TO SPEAK: A member of the public may address the Finance or Ordinance Committee or City Council regarding any scheduled agenda item. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that the item is taken up by the Finance or Ordinance Committee or City Council.

CONSENT CALENDAR: The Consent Calendar is comprised of items that will not usually require discussion by the City Council. A Consent Calendar item is open for discussion by the City Council upon request of a Councilmember, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your "Request to Speak" form, you should come forward to speak at the time the Council considers the Consent Calendar.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to gain access to, comment at, or participate in this meeting, please contact the City Administrator's Office at 564-5305 or inquire at the City Clerk's Office on the day of the meeting. If possible, notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements in most cases.

TELEVISION COVERAGE: Each regular City Council meeting is broadcast live in English and Spanish on City TV Channel 18 and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 9:00 a.m., and in Spanish on Sundays at 4:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at www.citytv18.com for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

ORDER OF BUSINESS

- 12:30 p.m. - Finance Committee Meeting, David Gebhard Public Meeting Room, 630 Garden Street
- 12:30 p.m. - Ordinance Committee Meeting, Council Chamber
- 2:00 p.m. - City Council Meeting

FINANCE COMMITTEE MEETING - 12:30 P.M. IN THE DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET (120.03)

1. Subject: March 31, 2014, Investment Report And March 31, 2014, Fiscal Agent Report

Recommendation: That Finance Committee recommend that Council:

- A. Accept the March 31, 2014, Investment Report; and
 - B. Accept the March 31, 2014, Fiscal Agent Report.
- (See Council Agenda Item No. 3)

2. Subject: Review Of The Fiscal Year 2015 Recommended Budget

Recommendation: That Finance Committee hear a report from staff regarding General Fund non-departmental revenues and assumptions contained in the Fiscal Year 2015 Recommended Budget, and an updated multi-year financial forecast of the General Fund.

ORDINANCE COMMITTEE MEETING - 12:30 P.M. IN THE COUNCIL CHAMBER (120.03)

Subject: Amendment Of Santa Barbara Municipal Code Chapter 14.20 And Proposed Water Use Regulations During Water Shortage Conditions

Recommendation: That the Ordinance Committee consider an Ordinance of the Council of the City of Santa Barbara Amending Chapter 14.20 of the Municipal Code With Respect to Unlawful Water Use and Regulations During Water Shortage Conditions, and forward the ordinance amendments to the City Council for introduction and adoption.

REGULAR CITY COUNCIL MEETING – 2:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

1. Subject: Minutes

Recommendation: That Council waive further reading and approve the minutes of the special meeting of April 10, 2014, and the regular meeting of April 15, 2014.

2. Subject: Fiscal Year 2014 Interim Financial Statements For The Eight Months Ended February 28, 2014 (250.02)

Recommendation: That Council accept the Fiscal Year 2014 Interim Financial Statements for the Eight Months Ended February 28, 2014.

3. Subject: March 31, 2014, Investment Report And March 31, 2014, Fiscal Agent Report (260.02)

Recommendation: That Council:

- A. Accept the March 31, 2014, Investment Report; and
- B. Accept the March 31, 2014, Fiscal Agent Report.

4. Subject: Haley Street Youth Center Lease With The Channel Islands YMCA (330.04)

Recommendation: That Council authorize the Parks and Recreation Director to enter into a three-year lease agreement with the Channel Islands YMCA for the Haley Street Youth Center with a monthly rent of \$1,785, commencing on May 1, 2014, and ending on April 30, 2017.

CONSENT CALENDAR (CONT'D)

5. **Subject: Award Of Professional Services Agreement For Solid Waste Management Brand Development And Strategic Marketing Support To Robert TenEyck (630.01)**

Recommendation: That Council authorize the Finance Director to execute a professional services agreement with Robert TenEyck in the amount of \$43,000 for brand development and marketing support, and authorize the Finance Director to approve expenditures of up to \$7,000 for extra services that may result from necessary changes in the scope of work.

6. **Subject: Professional Services Agreement With Xerox Government Systems, LLC, For Information Technology Hosting And Support Services (520.03)**

Recommendation: That Council authorize the Fire Chief to execute a Professional Services Agreement with Xerox Government Systems, LLC, in the amount of \$38,000 for licensed access to the web version of FIREHOUSE Software Enterprise Version 7, for use in the Fire Department's daily operations.

7. **Subject: Contract For Supervisory Control And Data Acquisition Integration Services For The Corporation Yard Well - Wellhead Project (540.10)**

Recommendation: That Council authorize the Public Works Director to execute a contract with Systems Integrated, LLC, in the amount of \$65,923 for equipment, testing, and Supervisory Control and Data Acquisition Programming, and approve expenditures of up to \$10,000 for extra services that may result from necessary changes in the scope of work.

NOTICES

8. The City Clerk has on Thursday, April 24, 2014, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
9. The public hearing scheduled for April 29, 2014, at 2:00 p.m. to hear an appeal of the Architectural Board of Review's approval for 510 N. Salsipuedes Street has been cancelled due to withdrawal of the appeal.
10. The City Council will hold a public hearing on May 20, 2014, at 2:00 p.m., to consider the Historic Landmarks Commission's recommendations that the following resources be designated as City Landmarks: The Santa Barbara Club, located at 1105 Chapala Street, The Unitarian Church, located at 1535 Santa Barbara Street, and The Masonic Temple, located at 16 East Carrillo Street.

CONSENT CALENDAR (CONT'D)

NOTICES (CONT'D)

11. Receipt of communication advising of vacancy created on the Santa Barbara Youth Council with the resignation of Caedon Hirrel. The vacancy will be part of the current City Advisory Groups Semiannual Recruitment.

This concludes the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

REPORT FROM THE ORDINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

PUBLIC WORKS DEPARTMENT

12. **Subject: Contract For Construction Of Tertiary Filtration Plant Replacement Project (540.13)**

Recommendation: That Council:

- A. Appropriate \$3,116,748 from Water Fund reserves to the Water Capital Fund to construct the Tertiary Filtration Plant Replacement Project;
- B. Reject the apparent low bid from GSE Construction Co., Inc., for construction of the Tertiary Filtration Plant Replacement Project as non-responsive due to their failure to meet the bid specifications;
- C. Award a contract with Schock Contracting Corporation in their low bid amount of \$8,490,000 for construction of the Tertiary Filtration Plant Replacement Project, Bid No. 3688A, and authorize the Public Works Director to execute the contract and approve expenditures up to \$879,000 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
- D. Authorize the Public Works Director to execute a contract with MNS Engineers, Inc., in the amount of \$706,154 for construction management services, and approve expenditures of up to \$70,615.40 for extra services that may result from necessary changes in the scope of work;
- E. Authorize the Public Works Director to execute a contract with CDM Smith, Inc., in the amount of \$491,019 for construction support services, and approve expenditures of up to \$49,101 for extra services that may result from necessary changes in the scope of work; and
- F. Authorize the Public Works Director to execute a contract with Dudek in the amount of \$60,304.40 for environmental monitoring and support services, and approve expenditures of up to \$6,031 for extra services that may result from necessary changes in the scope of work.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS (CONT'D)

COMMUNITY DEVELOPMENT DEPARTMENT

13. Subject: Waterfront Hotel Update (640.10)

Recommendation: That Council receive an update from the Parker Family Trust and staff on a new Development Agreement Proposal and possible changes to the Waterfront Hotel project, and provide comments.

MAYOR AND COUNCIL REPORTS

14. Subject: Request From Mayor Schneider And Councilmember White Regarding A Ballot Measure For Hybrid At-Large/District Elections (110.03)

Recommendation: That Council consider the request from Mayor Schneider and Councilmember White regarding a ballot measure for hybrid at-large/district elections.

15. Subject: Council Liaison To The Santa Barbara Airport Commission (560.03)

Recommendation: That Council consider a change to the appointment of the Council liaison to the Santa Barbara Airport Commission.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

16. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristine Schmidt, Acting Administrative Services Director, regarding negotiations with the Treatment and Patrol Bargaining Units and Firefighters Association.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

CLOSED SESSIONS (CONT'D)

17. Subject: Conference With City Attorney - Existing Litigation (160.03)

Recommendation: That Council hold a closed session to consider existing litigation pursuant to Government Code section 54956.9(d)(1) and take appropriate action as needed. The existing litigation is *People of the State of California, City of Santa Barbara v. Eastside, Westside, et al.*, SBSC Case No. 1379826.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

ADJOURNMENT

CITY OF SANTA BARBARA

FINANCE COMMITTEE

MEETING AGENDA

DATE: April 29, 2014

Dale Francisco, Chair

TIME: 12:30 P.M.

Bendy White

PLACE: David Gebhard Public Meeting Room
630 Garden Street

Gregg Hart

James L. Armstrong
City Administrator

Robert Samario
Finance Director

ITEMS TO BE CONSIDERED:

1. Subject: March 31, 2014, Investment Report And March 31, 2014, Fiscal Agent Report

Recommendation: That Finance Committee recommend that Council:

- A. Accept the March 31, 2014, Investment Report; and
- B. Accept the March 31, 2014, Fiscal Agent Report.

(See Council Agenda Item No. 3)

2. Subject: Review Of The Fiscal Year 2015 Recommended Budget

Recommendation: That Finance Committee hear a report from staff regarding General Fund non-departmental revenues and assumptions contained in the Fiscal Year 2015 Recommended Budget, and an updated multi-year financial forecast of the General Fund.



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Finance Committee

FROM: Administration Division, Finance Department

SUBJECT: Review Of The Fiscal Year 2015 Recommended Budget

RECOMMENDATION:

That Finance Committee hear a report from staff regarding General Fund non-departmental revenues and assumptions contained in the Fiscal Year 2015 Recommended Budget, and an updated multi-year financial forecast of the General Fund.

DISCUSSION:

On April 22, 2014 the Finance Committee approved a schedule for their review of certain elements of the Fiscal Year 2015 Recommended Budget. These elements include General Fund revenue assumptions and projections, General Fund reserves and citywide fees. The proposed Finance Committee review schedule is included as an attachment to this report.

At this meeting, staff will be presenting the assumptions and proposed non-departmental revenues contained in the recommended budget. Non-departmental revenues primarily consist of taxes, including sales taxes, property taxes and transient occupancy taxes. In addition, staff will present the latest version of the General Fund multi-year financial forecast through Fiscal Year 2018.

ATTACHMENT(S): Finance Committee Review Schedule

PREPARED BY: Robert Samario, Finance Director

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Finance Committee Review Schedule
Fiscal Year 2015 Recommended Budget

Meeting Date and Time	Department
Tuesday, April 22, 2014 12:30 p.m. – 1:45 p.m.	<ul style="list-style-type: none"> ➤ Proposed Finance Committee Budget Review Schedule
Tuesday, April 29, 2014 12:30 p.m. – 1:45 p.m.	<ul style="list-style-type: none"> ➤ General Fund non-departmental revenues and assumptions ➤ General Fund Multi-Year Forecast (updated)
Tuesday, May 6, 2014 12:30 p.m. – 1:45 p.m.	<ul style="list-style-type: none"> ➤ General Fund departmental proposed fee changes ➤ 3rd Quarter Review (Non-Budget Item)
Tuesday, May 13, 2014 12:00 p.m. – 1:45 p.m.	<ul style="list-style-type: none"> ➤ Enterprise fund proposed fee changes ➤ Pension Update ➤ Potential Revenues from Improved State finances
Tuesday, May 20, 2014 12:30 p.m. – 1:45 p.m.	<ul style="list-style-type: none"> ➤ SBAG Financing ➤ Follow-up on items requested by Finance Committee ➤ Staff recommended adjustments, if any ➤ Finance Committee decisions/ recommendations

Note: No Council meeting on May 27, 2014.

CITY OF SANTA BARBARA

ORDINANCE COMMITTEE MEETING

MEETING AGENDA

DATE: April 29, 2014
TIME: 12:30 p.m.
PLACE: Council Chambers

Randy Rowse, Chair
Frank Hotchkiss
Cathy Murillo

Office of the City
Administrator

Office of the City
Attorney

Kate Whan
Administrative Analyst

Ariel Pierre Calonne
City Attorney

ITEM FOR CONSIDERATION

Subject: Amendment Of Santa Barbara Municipal Code Chapter 14.20 And Proposed Water Use Regulations During Water Shortage Conditions

Recommendation: That the Ordinance Committee consider an Ordinance of the Council of the City of Santa Barbara Amending Chapter 14.20 of the Municipal Code With Respect to Unlawful Water Use and Regulations During Water Shortage Conditions, and forward the ordinance amendments to the City Council for introduction and adoption.



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Ordinance Committee

FROM: Water Resources Division, Public Works Department

SUBJECT: Amendment Of Santa Barbara Municipal Code Chapter 14.20 And Proposed Water Use Regulations During Water Shortage Conditions

RECOMMENDATION:

That the Ordinance Committee consider an Ordinance of the Council of the City of Santa Barbara Amending Chapter 14.20 of the Municipal Code With Respect to Unlawful Water Use and Regulations During Water Shortage Conditions, and forward the ordinance amendments to the City Council for introduction and adoption.

DISCUSSION:

Santa Barbara Municipal Code (SBMC) Chapter 14.20 specifies regulations related to the use of water supplied by the City's water distribution system. Section 14.20.140 addresses unauthorized consumption of water through a City meter and was last amended in 1984. Section 14.20.215 establishes water use regulations that become effective upon Council's adoption of a resolution declaring a Stage Two or Stage Three Drought Condition. This section was created as a part of the drought response effort in 1989. Sections 225 through 227 provide the applicable remedies for violations of the regulations.

A Stage One Drought Condition was declared by the City Council on February 11, 2014. At that time, Council was advised that preparations for a Stage Two Drought Condition would commence. These preparations have included a review of the content and administration of drought water use regulations. Previous drought experience demonstrated the need to modify water use regulations as water supply conditions change and unforeseen issues arise. Historically, changes to water use regulations were made by Council resolution as authorized in the SBMC, which is appropriate. However, this process resulted in some confusion due to the difference between regulations in the SBMC and those in the resolution.

With regard to regulations that apply during all times (not limited to times of water shortage), staff is proposing to add a new section to Chapter 14.20, which is necessary to clarify that certain uses of City water from the City's distribution system are prohibited and unlawful. The activities to be prohibited by the new section are essentially activities

that result in someone taking City water without paying for it, or taking it in a manner that could compromise water quality in the distribution system. These activities must be prohibited at all times, and are of even greater concern during times of water shortage.

The new section includes prohibition of the following:

- Water use through a meter by persons other than the account holder or other authorized user, such as a tenant.
- Water use through a fire hydrant without a permit.
- Water use through a dedicated fireline, except in response to fire.
- Unauthorized water use through an unmetered connection.
- Any use of water through a meter for which there is no active billing account.
- Unauthorized removal of a meter.

Staff is also proposing to amend section 14.20.215 which currently includes the regulations that may be imposed upon the City Council's declaration of a Stage Two or Stage Three drought condition. The proposed amendment to section 14.20.215 would remove the specific regulations from the SBMC and retain the provision that regulations during drought or other water shortage conditions would be established by City Council resolution. The City Council will thereby retain the flexibility to promptly address the changing water supply situation in times of water shortage and impose the necessary regulations on water use, while avoiding inconsistencies with the SBMC.

The revised language also incorporates the broader term "water shortage condition," into the SBMC, consistent with State requirements and the fact that drought is not the City's only water shortage vulnerability. Attached is a preliminary draft of the Resolution Declaring a Stage Two Drought Condition, which includes the regulations staff is recommending to Council based on the City's current water supply situation. Staff reviewed the proposed ordinance and resolution with the City Water Commission on April 14, 2014 and received input on the proposed regulations.

ATTACHMENT(S): 1. Draft Ordinance
2. Draft Resolution Declaring Stage 2 Drought Condition

PREPARED BY: Joshua Haggmark, Acting Water Resources Manager/BF/mh

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING CHAPTER 14.20 OF
THE MUNICIPAL CODE WITH RESPECT TO
UNLAWFUL WATER USE AND REGULATIONS DURING
WATER SHORTAGE CONDITIONS.

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN
AS FOLLOWS:

SECTION 1. Section 14.20.130 of Chapter 14.20 of Title 14
of the Santa Barbara Municipal Code is added to read as follows:

14.20.130 Unlawful Use of Water and Meter Removal.

It shall be unlawful:

(a) for a person or entity that is not an Account Holder to
use water through a Meter, unless such person or entity is
authorized by agreement with the Account holder to use such
water through such Meter;

(b) for a person or entity to use water from a fire hydrant,
except as authorized by a permit issued by the Public Works
Director;

(c) for a person or entity to use water from a dedicated
fireline except in response to a fire or in the minimum amount
needed to perform maintenance of such fireline, or as authorized
by the Public Works Director;

(d) for a person or entity to use water from a Connection that does not have a Meter, except as expressly authorized by the Public Works Director;

(e) for a person or entity to use water from a Meter for which there is no active Account Holder; and

(f) for any person or entity to remove a Meter from a Water Service, except as authorized by the Public Works Director.

SECTION 2. Section 14.20.215 of Chapter 14.20 of Title 14 of the Santa Barbara Municipal Code is amended to read as follows:

14.20.215 Water Use Regulations During Water Shortage ~~Drought~~ Conditions.

A. WATER SHORTAGE CONDITIONS. A Stage One Water Shortage Condition, a Stage Two Water Shortage Condition and a Stage Three Water Shortage Condition are defined as short-term conditions declared by resolution of the City Council upon being advised by staff that projected water supply conditions warrant response measures consistent with those associated with corresponding stages in the City's adopted Water Shortage Contingency Plan. The Council resolution may identify and refer to such short-term conditions in terms or titles specific to the current water shortage.

B. REGULATIONS DURING WATER SHORTAGE ~~STAGE TWO DROUGHT~~

CONDITIONS. Upon adoption by the City Council of a resolution declaring a Stage One Water Shortage Condition, a Stage Two Water Shortage ~~Drought~~ Condition or a Stage Three Water Shortage Condition, or such other titles as may be selected by Council pursuant to subsection A, the City Council may adopt a resolution containing such rules and regulations as necessary to restrict and regulate use of water from the ~~and for as long as that condition exists, the following water use regulations, and such other regulations as may be adopted by resolution of the City Council, shall apply to all use of water, other than reclaimed wastewater, that is provided by the~~ City's water supply system in order to protect the public health and safety. Failure of any person or entity to comply with such rules and regulations as adopted by resolution of the City Council is a violation of this Code subject to the remedies and penalties provided herein and as provided by Chapter 1.28 and as otherwise provided by law.

~~1. The use of running water from a hose, pipe, or faucet for the purpose of cleaning buildings and paved, tile, wood, plastic or other surfaces shall be prohibited, except in the event the Director determines that such use is the only feasible means of correcting a potential threat to health and safety.~~

~~2. All restaurants that provide table service shall post, in a conspicuous place, a Notice of Drought Condition as approved by the Director and shall refrain from serving water except upon specific request by a customer.~~

~~3. The operation of and introduction of water into ornamental fountains and bodies of water shall be prohibited.~~

~~4. Operators of hotels, motels, and other commercial establishments offering lodgings shall post in each room a Notice of Drought Condition as approved by the Director.~~

~~5. Any use of water that causes runoff to occur beyond the immediate vicinity of use shall be prohibited.~~

~~6. The use of potable water for cleaning, irrigation and construction purposes, including but not limited to dust control, settling of backfill, flushing of plumbing lines, and washing of equipment, buildings and vehicles, shall be prohibited in all cases where the Director has determined that use of reclaimed wastewater is a feasible alternative.~~

~~7. Irrigation at any time from 8:00 a.m. to 6:00 p.m. of any yard, orchard, park, recreational area, or other area containing vegetation shall be prohibited.~~

~~8. Boats and vehicles shall be washed only at commercial car washing facilities equipped with water recycling equipment or by use of a bucket and hose equipped with a self-closing valve that~~

~~requires operator pressure to activate the flow of water.~~

~~B. STAGE THREE DROUGHT CONDITION. Upon adoption by the City Council of a resolution declaring a Stage Three Drought Condition and for as long as that condition exists, the following water use regulations, and such other regulations as may be adopted by resolution of the City Council, shall apply to all use of water, other than reclaimed wastewater, that is provided by the City water supply system.~~

~~1. Each of the Stage Two water use regulations set forth in Subsections A.1 through A.6 of this Section shall be applicable.~~

~~2. The introduction of water into swimming pools and spas shall be prohibited.~~

~~3. The use of water through a meter that is restricted to irrigation uses shall be prohibited, and the City shall have the right to shut off water service to any such meter without notice to the account holder or any other person.~~

~~4. Irrigation of any yard, orchard, park, recreational area, or other area containing vegetation shall be prohibited, except by means of a hand-held bucket.~~

~~5. Boats and vehicles shall be washed only by use of a hand-held bucket or at commercial car washing facilities equipped with water recycling equipment.~~

C. EXEMPTIONS. Exemptions to the water use regulations set

forth by City Council resolution during a declared Stage One,

Stage Two or Stage Three Water Shortage Condition,~~in this Section~~ may be granted by the Public Works Director for specific uses of water, on the basis of factually demonstrated need or undue hardship and in accordance with ~~such~~ guidelines for exemptions as may be determined by the Public Works

Director.~~the City Council may adopt.~~ If the Public Works Director denies a request for an exemption for a specific water use, a written request for reconsideration may be made to the Board of Water Commissioners. The decision of the Water

Commission shall be final.~~may be A denial of a request for an exemption may be appealed to a review committee consisting of the Director, the Parks Director or his designated representative, one member of the Board of Water Commissioners appointed by the Board, and such other persons, if any, as the City Council may appoint. The decision of the review committee shall be final.~~

D. Upon the declaration of and during a ~~Stage Three~~ Water Shortage Drought Condition, the failure of a mobilehome park owner to introduce water into a swimming pool or spa located in a mobilehome park, in accordance with the ~~requiredment~~ City Council resolution~~of Paragraph B.7 of this Section~~, shall not be considered an increase in "rent" for purposes of Municipal Code

Section 26.08.030.N.

SECTION 3. Section 14.20.225 of Chapter 20 of Title 14 of the Santa Barbara Municipal Code is amended to read as follows:

14.20.225 Violations.

A. Any failure to comply with a provision of this Chapter shall constitute a violation of this Code, regardless of whether the failure to comply is caused by an Account Hholder, a Cconsumer or any other person or entity.

B. Where the failure to comply with this Chapter is continuing and reasonably preventable by the person or entity failing to comply ~~intentional~~, each successive hour of such failure to comply shall be a separate and distinct violation.

SECTION 4. Section 14.20.226 of Chapter 20 of Title 14 of the Santa Barbara Municipal Code is amended to read as follows:

14.20.226 Penalties and Charges.

A. In addition to the penalties and other methods of enforcement provided in Santa Barbara Municipal Code Chapter 1.28, ~~T~~the following penalties may also be ~~shall~~ appliedy to any violation of any provision of this Chapter:

1. For the first violation within the preceding twelve (12)

calendar months, the Director shall issue a written notice of the fact of such violation.

2. For a second violation within the preceding twelve (12) calendar months, the Director shall impose a penalty on the bill of ~~surcharge against~~ the aAccount hHolder for the property where the violation occurred or is occurring, in an amount not to exceed two-hundred and fifty dollars (\$250.00).

3. For a third violation within the preceding twelve (12) calendar months, the Director:

a. Shall impose a penalty on the bill of ~~surcharge against~~ the aAccount hHolder for the property where the violation occurred or is occurring, in an amount not to exceed two-hundred and fifty dollars (\$250.00); and

b. May install a flow restricter on the service where the violation occurred or is occurring, for a period to be determined by the Director.

4. For a fourth and any subsequent violation within the preceding twelve (12) calendar months, the Director:

a. Shall impose a penalty on the bill of ~~surcharge against~~ the aAccount hHolder for the property where the violation occurred or is occurring, in an amount not to exceed two-hundred and fifty dollars (\$250.00); and

b. May install a flow restricter on or shut off water

service to the property where the violation occurred or is occurring, for a period to be determined by the Director.

B. If a flow restricter is installed or water service shut off pursuant to ssubsection A of this ssection, prior to restoration of normal water service the aAccount hHolder whose service is affected shall be required to reimburse the City for all ~~whatever~~ costs it has incurred and will incur in installing and removing a flow restricter and in shutting off and turning on water service.

C. Any penalty ~~surcharge~~ imposed pursuant to this sSection shall be added to the account of the aAccount hHolder for the property where the violation occurred or is occurring and shall be due and payable on the same terms and subject to the same conditions as any other charge for regular water service. ~~The maximum amount of surcharges which an account holder may be required to pay during any twelve-month period shall be one thousand dollars (\$1,000.00).~~

~~D. Nothing in this cChapter shall limit or be construed to limit the right of an aAccount hHolder to seek reimbursement of a surcharge from a tenant or other consumer.~~

SECTION 5. Section 14.20.227 of Chapter 20 of Title 14 of the Santa Barbara Municipal Code is amended to read as follows:

14.20.227 Notice of Violation - Hearing.

A. For each violation of this Chapter, the Director shall give notice as follows:

1. By sending written notice through the U.S. mail to the aAccount hHolder for the property where the violation occurred or is occurring, at the current billing address shown in the City's water billing records; and

2. By personally giving written notice thereof to the person who committed the violation or by leaving written notice with some person of suitable age and discretion at the property where the violation occurred or is occurring; or

3. If neither the person who committed the violation nor a person of suitable age and discretion can be found, then by affixing written notice in a conspicuous place on the property where the violation occurred or is occurring.

B. Any written notice given under this Section shall contain a statement of:

1. The time, place and nature of the violation;
2. The person(s) committing the violation, if known;
3. The provision(s) of this Chapter violated;
4. The possible penalties for each violation;

5. The aAccount hHolder's right to request a hearing on the violation and the time within which such a request must be made; and

6. The aAccount hHolder's loss of the right to a hearing in the event the aAccount hHolder fails to request a hearing within the time required.

C. Any aAccount hHolder provided a notice of violation in accordance with the provisions of this Chapter shall have the right to request a hearing. The request must be made in writing and must be received by the Director within ten (10) calendar days of the date of the notice of violation. The Director shall conduct the hearing, at which both written and oral evidence may be presented, and shall decide whether a violation occurred and the appropriate penalty. In determining the appropriate penalty, the Director shall consider whether the aAccount hHolder knew of the violation at the time it occurred and whether he or she took reasonable action to correct the violation upon notification of it. In addition, the Director shall exercise his or her discretion in accordance with such guidelines as the City Council may adopt by resolution.

1. For a first, ~~or~~ second or third violation within a twelve (12) month period, the decision of the Director shall be final.

2. For a fourth ~~third~~ or subsequent violation within a twelve (12) month period, the aAccount hHolder shall have the right to appeal the decision of the Director by requesting a hearing before the Board of Water Commissioners ("Board"). The request for hearing before the Board shall be in writing and shall be delivered to the Director not later than seven (7) calendar days after the date of the decision of the Director. At the hearing, the Board may receive and hear both written and oral evidence and shall have the authority to affirm, reverse, or modify the decision of the Director. The decision of the Board shall be final.

D. If an aAccount hHolder fails to request a hearing before the Director or the Board within the period(s) provided in this Section, the action of the Director ~~Department~~ shall be deemed final.

E. ~~There shall be no installation of a flow restricter or shut off of wWater~~ service shall not be shut off until a notice of violation has become final or there is a final decision of the Director or the Board ordering the ~~installation of a flow restricter or~~ shut-off of water service.

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SANTA BARBARA DECLARING A STAGE TWO
DROUGHT CONDITION AND ESTABLISHING WATER
USE REGULATIONS TO BE EFFECTIVE DURING A
STAGE TWO DROUGHT CONDITION

WHEREAS, the City of Santa Barbara, along with the rest of the State of California, has experienced the driest three-year period on record and such conditions have resulted in the depletion of surface water resources that are the City's primary water supply;

WHEREAS, the City's 2010 Urban Water Management Plan sets forth the City's Water Shortage Contingency Plan;

WHEREAS, pursuant to the Water Shortage Contingency Plan, a Stage One Drought Condition was declared by Resolution No. 14-009 on February 11, 2014;

WHEREAS, since such declaration, there has been a continuing lack of rainfall sufficient to make a substantial improvement to the water supply situation, which has exacerbated the current drought, thereby making it increasingly desirable and necessary to conserve existing water supplies to protect the public health, safety and welfare if the current drought continues;

WHEREAS, the Water Shortage Contingency Plan provides that when the City determines that the water supply for the current or impending water year is anticipated to be approximately 10% less than projected normal demand, a Stage Two shall be declared, and such conditions now exist;

WHEREAS, SBMC Section 14.20.215 provides for the establishment, by resolution of the City Council, of water use regulations governing the use of water provided by the City's water distribution system during drought, and provides for exemptions to such regulations; and

WHEREAS, it is the intent of the City Council to minimize inequities resulting from the implementation of water use regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

1. There does now exist within the City of Santa Barbara a Stage Two Drought Condition.

2. For the protection of public health and safety, the following drought water use regulations regarding use of water from the City's water system are hereby established and shall remain in effect for the duration of the Stage Two Drought Condition, unless repealed or modified by resolution of the City Council:

a. Any use of water through a hose, pipe, or faucet not otherwise addressed by these regulations is prohibited unless the water is delivered by use of a self-closing valve that requires operator pressure to activate the flow of water.

b. The use of running water from a hose, pipe, or faucet for the purpose of cleaning buildings, pavement, tile, wood, plastic, or other hard surfaces is prohibited.

Exceptions:

i. Such use is allowed as a part of periodic maintenance of buildings and other facilities if accomplished by means of a pressure washer, defined herein to be equipment that boosts incoming water pressure for the purpose of enhancing cleaning capability and minimizing the amount of water used.

ii. Such use is allowed when it is the only feasible means of correcting a potential threat to health and safety, provided it is accomplished by use of a pressure washer, mop, bucket, brush, and/or other tools to limit the use of running water to the minimum necessary.

No such use of water shall be eligible for exception if the required task can feasibly be accomplished by means other than the use of running water. The use of running water for dust control, including as a part of street sweeping operations, is allowed provided the use of water is the minimum necessary to accomplish the intended control of dust.

c. Irrigation of any grass, shrub, plant, tree, groundcover, or other vegetation by use of an automatically controlled irrigation system is allowed only between the hours of 6:00 p.m. and 8:00 a.m. If manually operated, such irrigation is allowed only between the hours of 4:00 p.m. and 10:30 a.m. Irrigation by hand-held hose is subject to the self-closing valve provision of Section 2.a.

Exception:

i. Irrigation accomplished by use of a water truck with water delivered by injection probe below mulch or below the soil surface is exempt from such scheduling

limitations.

d. Boats and vehicles shall be washed only at commercial car washing facilities equipped with water recycling equipment, or by use of a hose, subject to the self-closing valve provision of Section 2.a. Operators of commercial car washing facilities shall post a notice in a conspicuous place advising the public as to whether their operations conform to such requirements.

e. The use of water in ornamental water features and fountains is prohibited.

f. Swimming pools and spas shall be covered at all times when not in active use.

g. Draining and refilling up to one third of the volume of a pool per year is allowed as necessary to maintain suitable pool water quality. Draining and refilling in excess of such one third per year is prohibited, except as authorized by the Public Works Director based on evidence from qualified maintenance personnel that such further draining is required to make needed repairs, or to prevent equipment damage or voiding of warranties.

h. All restaurants and other eating establishments that provide table service shall post, in a conspicuous place, a Notice of Drought Condition as approved by the Public Works Director and shall refrain from serving water except upon specific request by a customer.

i. Operators of hotels, motels and other commercial establishments offering lodging shall post in each room a Notice of Drought Condition as approved by the Public Works Director.

j. Operators of pools, exercise facilities, and other similar commercial establishments providing showering facilities shall promote limitation of showering time and post a Notice of Drought Condition as approved by the Public Works Director in a conspicuous place.

3. Violation of any regulation in this resolution is subject to the penalties and charges set forth in Santa Barbara Municipal Code Section 14.20.226.



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

SPECIAL MEETING
April 10, 2014

DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET

JOINT CITY COUNCIL AND SANTA BARBARA UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION MEETING

1. Call to Order and Roll Call

Mayor Helene Schneider called the joint meeting of the City Council and the Santa Barbara Unified School District Board of Education to order at 1:35 p.m.

Councilmembers present: Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: Dale Francisco.

Staff present: City Administrator James L. Armstrong, City Attorney Ariel Pierre Calonne, Deputy City Clerk Susan Tschech.

Board Members present: Gayle Eidelson, Edward Heron, Monique Limon, Pedro Paz, President Kate Parker.

2. Pledge of Allegiance

Mayor Schneider.

3. Spanish Translation/Traducción en Espanol and Assitive Listening for Hearing Impaired

Mayor Schneider read information related to the availability of translation of today's meeting into Spanish as well as assistive listening devices for the hearing impaired.

4. Public Comments

No one wished to speak.

5. Statement of Purpose for Joint Meeting

Mayor Schneider commented that this joint meeting presents an opportunity for the City and School District to discuss common areas of interest. Board of Education President Parker spoke of the District's strategic plan which envisions schools as community centers, and she remarked that the District's partnership with the City helps to break down barriers to achieving that goal.

Agenda Item Nos. 6 and 7

Mayor Schneider stated that Agenda Item Nos. 6 and 7 are based on written reports and asked if anyone had questions regarding these items. No questions were raised.

6. Report on Joint City/School District Programs

Documents:

April 10, 2014, written report prepared by Sarah Hanna, City Recreation Programs Manager, and David Hetyonk, School District Director of Facilities and Operations, regarding the following subjects:

- City of Santa Barbara and Santa Barbara Unified School District Joint Use Committee
- Field Scheduling and Monitoring
- Field Maintenance
- After School Programs
- Park Ranger Program

7. Update on Safety Improvements in Eastside Neighborhoods

Documents:

April 10, 2014, written report prepared by Jessica Grant, City Project Planner.

Agenda Item Nos. 8 – 11

Staff presentations were made on Item Nos. 8, 9, 10, and 11.

8. Drought Update

Documents:

PowerPoint presentation prepared and made by City and School District Staff.

Speakers:

- City of Santa Barbara: Public Works Director Rebecca Bjork.
- Santa Barbara Unified School District: Director of Facilities and Operations David Hetyonk.

(Cont'd)

8. (Cont'd)

Discussion:

City Public Works Director Bjork presented an update on the City's response to the current statewide drought, including a water supply strategy, several major capital projects, and efforts to conserve water. She also discussed the financial impacts related to these measures. Director of School District Facilities and Operations Hetyonk outlined several practices, both already implemented and anticipated for future implementation, to reduce water consumption by the District's facilities. Questions from Councilmembers and Board members were answered.

9. Local Control Funding Formula/Local Control Accountability Plan

Documents:

PowerPoint presentations prepared and made by School District Staff.

Speakers:

- Santa Barbara Unified School District: Assistant Superintendent of Business Services Meg Jetté, Superintendent David Cash.
- City of Santa Barbara: Neighborhood and Outreach Services Supervisor Mark Alvarado.

Discussion:

Assistant Superintendent Jetté reviewed the funding of California schools, including information on the new Local Control Funding Formula. Superintendent Cash discussed the District's development of a Local Control Accountability Plan, which is required by the State in connection with the receipt of funding pursuant to the Local Control Funding Formula.

10. Report on South Coast Gang Task Force

Documents:

PowerPoint presentation prepared and made by the Coordinator of the South Coast Task Force on Youth Gangs.

Speakers:

South Coast Task Force on Youth Gangs: Coordinator Saul Serrano.

Discussion:

Mr. Serrano described the mission, vision and purpose of the Task Force as well as its target population. He also outlined several accomplishments by the Task Force in 2013. Questions from Councilmembers were answered.

11. Report on District Junior High After School Program

Documents:

PowerPoint presentation prepared and made by the Principal of Santa Barbara Junior High School.

Speakers:

Santa Barbara Junior High School: Principal Lito Garcia.

Discussion:

Mr. Garcia presented an overview of the District’s Junior High School After School Sports Program, including its purpose, administration, sports played, number of participants, and feedback received from both the schools involved and the student participants.

12. Additional Matters for Placement on a Future Agenda

Discussion:

Mayor Schneider suggested that an update be provided on the furnishing of wireless Internet access to public buildings.

Councilmember Murillo requested coordination with the District related to the ability of gang injunction defendants to participate in their children’s school-related activities.

The Board of Education meeting was adjourned at 3:19 p.m.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 3:19 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK’S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST: _____
SUSAN TSCHECH, CMC
DEPUTY CITY CLERK



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING April 15, 2014 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:00 p.m. (The Finance Committee and Ordinance Committee, which ordinarily meet at 12:30 p.m., did not meet on this date).

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Dale Francisco, Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: None.

Staff present: City Administrator James L. Armstrong, City Attorney Ariel Pierre Calonne, Deputy City Clerk Sarah Fox.

CEREMONIAL ITEMS

1. Subject: Proclamation Declaring April 2014 As National Poetry Month (120.04)

Action: Proclamation presented to Poet Laureate Chryss Yost and Executive Director of the County Arts Commission Ginny Brush.

2. Subject: Proclamation Declaring April 14 – 18, 2014, As National Public Safety Telecommunicator's Week (120.04)

Action: Proclamation presented to City Fire Operations Division Chief Jim Bryden.

PUBLIC COMMENT

Speakers: Kenneth Loch, Nancy McCradie, Bob Hansen, Phil Walker, Ethan.

RECESS

The Mayor recessed the meeting at 2:21 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 15, and she stated that a report would be made.

CLOSED SESSION

15. Subject: Community Development Director Appointment (610.01)

Recommendation: That Council hold a closed session, per Government Code Section 54957(b)(1), to discuss the appointment for the position of Community Development Director.

Scheduling: Duration, 20 minutes; anytime

Report: Anticipated

Documents:

April 15, 2014, report from the City Administrator.

Time:

2:22 p.m. – 2:29 p.m. All Councilmembers were present.

Recess: 2:29 p.m. – 2:30 p.m.

Announcement:

City Administrator Armstrong reported that the Council approved his appointment of George Buell to the position of Community Development Director. Mr. Buell commented briefly on his acceptance of the position.

ITEM REMOVED FROM THE CONSENT CALENDAR

4. Subject: Adoption Of Ordinance To Establish Air Quality Design Standards For Development Near Highway 101 (630.05)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Title 22 of the Santa Barbara Municipal Code by Adding Chapter 22.65 Establishing Design Standards for New Development Near Highway 101 to Implement Policy ER7 of the 2011 General Plan.

Documents:

Proposed Ordinance.

The title of the ordinance was read.

Motion:

Councilmembers White/Hart to approve the recommendation; Ordinance No. 5651.

Vote:

Majority roll call vote (Noes: Councilmembers Francisco, Murillo).

CONSENT CALENDAR (Item Nos. 3, 5 – 10)

The title of the resolution related to Item No. 5 was read.

Motion:

Councilmembers White/Hart to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

CITY COUNCIL

3. Subject: Minutes

Recommendation: That Council waive further reading and approve the minutes of the regular meetings of March 25, 2014, and April 1, 2014 (cancelled).

Action: Approved the recommendation.

5. Subject: Measure A Five-Year Local Program Of Projects For Fiscal Years 2015 - 2019 Public Hearing (670.05)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Adopting the Measure A Five-Year Local Program of Projects for Fiscal Years 2015 - 2019.

Action: Approved the recommendation; Resolution No. 14-019 (April 15, 2014, report from the Public Works Director; proposed resolution).

6. Subject: Execution Of A Certificate Of Modification For 2224 Gibraltar Road (640.08)

Recommendation: That Council authorize the City Engineer to execute a Certificate of Modification for the amendment of a previously approved building envelope on Recorded Final Map No. 20,525.

Action: Approved the recommendation (April 15, 2014, report from the Public Works Director).

7. Subject: Contract For An Advanced Metering Infrastructure Analysis (540.06)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract with Westin Engineering, Inc., in the amount of \$69,832 to perform an Advanced Metering Analysis, and approve change order authority in the amount of \$6,983 for any additional unforeseen work that may be required of Westin Engineering, Inc.

(Cont'd)

7. (Cont'd)

Action: Approved the recommendation; Contract No. 24,816 (April 15, 2014, report from the Public Works Director).

SUCCESSOR AGENCY

8. Subject: Contract Services For The Cabrillo Pavilion And Bathhouse Renovation Project (570.07)

Recommendation: That the Successor Agency:

- A. Authorize the Executive Director to execute a contract between the Successor Agency and Moffat & Nichol, Inc., in the amount of \$54,140 to prepare a coastal engineering report and sea level rise vulnerability assessment for the Cabrillo Bathhouse and Pavilion Arts Center Renovation Project, and authorize the Executive Director to approve extra work, as necessary, in an amount not to exceed \$5,414, or 10 percent; and
- B. Find it in the best interest to waive formal bids and authorize the Executive Director to execute a contract between the Successor Agency and Cardenas and Associates Surveying, Inc., in the amount of \$3,310 for site survey services related to the above project.

Action: Approved the recommendations; Agreement Nos. 24,817 and 24,818 (April 15, 2014, report from the Parks and Recreation Director).

NOTICES

- 9. The City Clerk has on Thursday, April 10, 2014, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
- 10. Receipt of communication advising of vacancy created on the Community Development and Human Services Committee with the resignation of Josephine Torres. The vacancy will be part of the current City Advisory Groups Semiannual Recruitment.

This concluded the Consent Calendar.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

AIRPORT DEPARTMENT

11. Subject: Presentation And Amended Contract For Air Service Development (560.01)

Recommendation: That Council:

- A. Receive a presentation on air service development at the Airport; and
- B. Authorize the Airport Director to execute an Amendment to Contract No. 24,677 with InterVISTAS Consulting, LLC, to amend the scope of services to include a passenger leakage study for the Santa Barbara Airport, increasing the contract amount from \$40,000 to \$62,500.

Documents:

- April 15, 2014, report from the Acting Airport Director.
- PowerPoint presentation prepared and made by a representative of InterVISTAS.

Speakers:

- Staff: Acting Airport Director Hazel Johns.
- InterVISTAS: Vice President Chris Warren.

Motion:

Councilmembers Rowse/Hart to approve recommendation B; Contract No. 24,677.1.

Vote:

Unanimous voice vote.

PUBLIC WORKS DEPARTMENT

12. Subject: Stage One Drought Update (540.05)

Recommendation: That Council receive an update on the status of the current drought.

Documents:

- April 15, 2014, report from the Public Works Director.
- PowerPoint presentation prepared and made by staff.

Speakers:

Staff: Acting Water Resources Manager Joshua Haggmark, City Administrator James Armstrong, Water Resources Supervisor Alison Jordan.

Councilmember Francisco left the meeting at 3:09 p.m. and returned at 3:17 p.m.
Councilmember Murillo left the meeting at 3:46 p.m. and returned at 3:59 p.m.

(Cont'd)

12. (Cont'd)

Discussion:

Staff updated the Council about the water supply outlook, a recap of planned water purchases, and drought response capital projects which include recycled water systems, groundwater projects, the desalination plant and the Cachuma Operations and Maintenance Board pumping project. Staff has updated the water conservation model and has increased drought conservation outreach to users. Councilmembers' questions were answered.

13. Stage Two Drought Water Rates (540.01)

Recommendation: That Council:

- A. Hear a presentation on proposed Stage Two Drought Water Rates;
- B. Set a Public Hearing date for June 10, 2014, at 2:00 PM in the Council Chambers for Council consideration of increases in City water rates for Fiscal Year 2015; and
- C. Direct staff to send a Notice of Public Hearing to customers informing them of the hearing and proposed changes to water rates.

Documents:

- April 15, 2014, report from the Public Works Director.
- PowerPoint presentation prepared and made by staff.

Speakers:

- Staff: Water Supply Analyst Kelley Dyer, City Administrator James Armstrong, Acting Water Resources Manager Joshua Haggmark, Water Resources Supervisor Alison Jordan.
- Members of the Public: Sudhir Pardiwala, Vice President of Raftelis Financial Consultants, Incorporated; Phil Walker.

Motion:

Councilmembers Murillo/Rowse to approve recommendations B and C.

Vote:

Unanimous voice vote.

RECESS

4:44 p.m. – 4:52 p.m.

PUBLIC HEARINGS

14. Subject: Appeal Of Fire & Police Commission's Decision To Suspend 805 Roadside Towing From Participation In The Police Department's Tow Rotation List (520.01)

Recommendation: That Council consider the appeal filed by Aaron Boucher, owner/operator of 805 Roadside Towing, regarding the Fire & Police Commission's decision to suspend 805 Roadside Towing from participation in the Police Department's tow rotation list.

Documents:

- April 15, 2014, report from the Chief of Police.
- PowerPoint presentation prepared and presented by staff.
- Administrative Record prepared and submitted by the City Attorney's Office.
- Correspondence received April 9, 2014, from Appellant.

Public Comment Opened:

4:52 p.m.

Speakers:

- Staff: City Attorney Ariel Pierre Calonne, Police Captain David Whitham, Police Officer Jaycee Hunter.
- Fire and Police Commission: Members Jennifer Christensen, John Torell.
- Appellant: Aaron Boucher.
- Members of the Public: Reggie Drew.

Public Comment Closed:

5:47 p.m.

Motion:

Councilmembers Hotchkiss/Francisco to uphold the appeal with the expectation that 805 Roadside Towing meet the requirement for 20,000 square feet of storage area within 30 days.

Vote:

Unanimous voice vote.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Murillo reported on the Metropolitan Transit District Board meeting where they discussed the addition or elimination of certain routes. She also attended a poker tournament fundraiser for a local firefighter and an adult literacy luncheon at the Library, and she reported that the Living Wage Advisory Committee is reviewing whether City vendors are in compliance with the law.

(Cont'd)

Information (Cont'd):

- Councilmember Rowse reported on the Downtown Parking Committee meeting regarding the budget presentation for the Downtown Parking Fund. He also attended the Santa Barbara Fighting Back Steering Committee meeting where law enforcement officials discussed the recent Deltopia event in Isla Vista, and he commended the police for their handling of the event.
- Councilmember White reported on a meeting sponsored by Mesa Architects about Cliff Drive and Las Positas improvements.
- Councilmember Hotchkiss made mention of Metropolitan Transit District routes, and he also reported on his meeting with a local private sector employer, Sonos, who is determined to keep their business in downtown Santa Barbara as the company expands.
- Councilmember Hart attended the Neighborhood Advisory Council meeting where they are trying to determine how to administer neighborhood grants for proposed park planting projects while also considering the need to conserve water due to the current drought.
- Councilmember Francisco reported on the Cachuma Operation and Maintenance Board Adhoc Drought Contingency Committee meeting where members made a recommendation to the full board to approve the awarding of a contract for the emergency pumping project at Lake Cachuma.
- Mayor Schneider reported on the recent Sustainability Committee meeting where a report was given regarding energy saving measures taken at the City; she also spoke at a Santa Barbara Beautiful tree dedication ceremony in memory of Huell Howser.

RECESS

The Mayor recessed the meeting at 6:08 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 16.

CLOSED SESSIONS (CONT'D)

16. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristine Schmidt, Acting Administrative Services Director, regarding negotiations with the Treatment and Patrol Bargaining Units, Hourly Bargaining Unit, Police Management Association, and Firefighters Association, and regarding salaries and fringe benefits for certain unrepresented management and confidential employees.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

Document:

April 15, 2014, report from the Acting Administrative Services Director.

(Cont'd)

16. (Cont'd)

Time:

6:10 p.m. – 6:20 p.m. All Councilmembers were present.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 6:20 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

SARAH FOX
DEPUTY CITY CLERK



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Fiscal Year 2014 Interim Financial Statements For The Eight Months Ended February 28, 2014

RECOMMENDATION:

That Council accept the Fiscal Year 2014 Interim Financial Statements for the Eight Months Ended February 28, 2014.

DISCUSSION:

The interim financial statements for the eight months ended February 28, 2014 (66.7% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the General Fund, Enterprise Funds, Internal Service Funds, and select Special Revenue Funds.

ATTACHMENT: Interim Financial Statements for the Eight Months Ended February 28, 2014

PREPARED BY: Julie Nemes, Accounting Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
GENERAL FUND					
Revenue	111,479,118	71,036,730	-	40,442,388	63.7%
Expenditures	<u>111,961,176</u>	<u>72,428,113</u>	<u>1,438,187</u>	38,094,876	66.0%
<i>Addition to / (use of) reserves</i>	<u>(482,058)</u>	<u>(1,391,383)</u>	<u>(1,438,187)</u>		
SOLID WASTE FUND					
Revenue	19,927,443	13,674,467	-	6,252,976	68.6%
Expenditures	<u>20,047,668</u>	<u>12,964,601</u>	<u>198,933</u>	6,884,133	65.7%
<i>Addition to / (use of) reserves</i>	<u>(120,225)</u>	<u>709,866</u>	<u>(198,933)</u>		
WATER OPERATING FUND					
Revenue	36,524,435	26,452,645	-	10,071,790	72.4%
Expenditures	<u>48,985,726</u>	<u>25,170,553</u>	<u>2,101,465</u>	21,713,708	55.7%
<i>Addition to / (use of) reserves</i>	<u>(12,461,291)</u>	<u>1,282,092</u>	<u>(2,101,465)</u>		
WASTEWATER OPERATING FUND					
Revenue	17,907,479	12,406,924	-	5,500,555	69.3%
Expenditures	<u>19,048,005</u>	<u>10,369,479</u>	<u>1,627,782</u>	7,050,744	63.0%
<i>Addition to / (use of) reserves</i>	<u>(1,140,526)</u>	<u>2,037,445</u>	<u>(1,627,782)</u>		
DOWNTOWN PARKING					
Revenue	7,420,709	5,339,118	-	2,081,591	71.9%
Expenditures	<u>8,575,235</u>	<u>5,363,137</u>	<u>270,534</u>	2,941,565	65.7%
<i>Addition to / (use of) reserves</i>	<u>(1,154,526)</u>	<u>(24,019)</u>	<u>(270,534)</u>		
AIRPORT OPERATING FUND					
Revenue	15,751,093	10,249,665	-	5,501,428	65.1%
Expenditures	<u>16,571,531</u>	<u>10,188,482</u>	<u>556,382</u>	5,826,667	64.8%
<i>Addition to / (use of) reserves</i>	<u>(820,438)</u>	<u>61,183</u>	<u>(556,382)</u>		
GOLF COURSE FUND					
Revenue	2,108,459	1,360,684	-	747,776	64.5%
Expenditures	<u>2,076,923</u>	<u>1,372,025</u>	<u>3,750</u>	701,148	66.2%
<i>Addition to / (use of) reserves</i>	<u>31,536</u>	<u>(11,342)</u>	<u>(3,750)</u>		
INTRA-CITY SERVICE FUND					
Revenue	5,604,962	3,333,910	-	2,271,052	59.5%
Expenditures	<u>5,911,688</u>	<u>3,654,169</u>	<u>543,312</u>	1,714,207	71.0%
<i>Addition to / (use of) reserves</i>	<u>(306,726)</u>	<u>(320,259)</u>	<u>(543,312)</u>		

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
FLEET REPLACEMENT FUND					
Revenue	2,758,201	1,787,799	-	970,402	64.8%
Expenditures	<u>5,134,991</u>	<u>1,126,609</u>	<u>385,534</u>	3,622,848	29.4%
<i>Addition to / (use of) reserves</i>	<u>(2,376,790)</u>	<u>661,191</u>	<u>(385,534)</u>		
FLEET MAINTENANCE FUND					
Revenue	2,576,502	1,737,574	-	838,928	67.4%
Expenditures	<u>2,650,738</u>	<u>1,501,477</u>	<u>181,500</u>	967,761	63.5%
<i>Addition to / (use of) reserves</i>	<u>(74,236)</u>	<u>236,096</u>	<u>(181,500)</u>		
SELF INSURANCE TRUST FUND					
Revenue	5,960,947	4,004,792	-	1,956,155	67.2%
Expenditures	<u>6,022,747</u>	<u>4,366,296</u>	<u>321,549</u>	1,334,902	77.8%
<i>Addition to / (use of) reserves</i>	<u>(61,800)</u>	<u>(361,505)</u>	<u>(321,549)</u>		
INFORMATION SYSTEMS ICS FUND					
Revenue	2,514,997	1,676,665	-	838,332	66.7%
Expenditures	<u>2,965,594</u>	<u>1,900,816</u>	<u>183,658</u>	881,120	70.3%
<i>Addition to / (use of) reserves</i>	<u>(450,597)</u>	<u>(224,152)</u>	<u>(183,658)</u>		
WATERFRONT FUND					
Revenue	12,445,067	9,195,953	-	3,249,114	73.9%
Expenditures	<u>13,558,989</u>	<u>8,592,846</u>	<u>624,343</u>	4,341,799	68.0%
<i>Addition to / (use of) reserves</i>	<u>(1,113,922)</u>	<u>603,107</u>	<u>(624,343)</u>		
TOTAL FOR ALL FUNDS					
Revenue	242,979,412	162,256,925	-	80,722,487	66.8%
Expenditures	<u>263,511,011</u>	<u>158,998,606</u>	<u>8,436,929</u>	96,075,477	63.5%
<i>Addition to / (use of) reserves</i>	<u>(20,531,600)</u>	<u>3,258,319</u>	<u>(8,436,929)</u>		

*** It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be made in order to accommodate the 'carried-over' encumbrance amount. Most differences between budgeted annual revenues and expenses are due to these encumbrance carryovers.*

CITY OF SANTA BARBARA
General Fund
Interim Statement of Budgeted and Actual Revenues
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Remaining Balance</u>	<u>Percent Received</u>	<u>Previous YTD</u>
TAXES					
Sales and Use	21,084,894	13,173,600	7,911,294	62.5%	12,846,454
Property Taxes	25,475,500	14,042,156	11,433,344	55.1%	13,910,255
Utility Users Tax	6,975,300	4,741,660	2,233,640	68.0%	4,609,459
Transient Occupancy Tax	16,202,000	11,442,344	4,759,656	70.6%	10,137,870
Business License	2,415,000	1,819,903	595,097	75.4%	1,827,387
Real Property Transfer Tax	537,900	453,593	84,307	84.3%	463,709
<i>Total</i>	<u>72,690,594</u>	<u>45,673,257</u>	<u>27,017,337</u>	62.8%	<u>43,795,134</u>
LICENSES & PERMITS					
Licenses & Permits	219,180	123,116	96,064	56.2%	131,329
<i>Total</i>	<u>219,180</u>	<u>123,116</u>	<u>96,064</u>	56.2%	<u>131,329</u>
FINES & FORFEITURES					
Parking Violations	2,628,967	1,759,353	869,614	66.9%	1,702,173
Library Fines	135,000	87,473	47,527	64.8%	84,631
Municipal Court Fines	120,000	53,668	66,332	44.7%	65,234
Other Fines & Forfeitures	250,000	234,244	15,756	93.7%	177,819
<i>Total</i>	<u>3,133,967</u>	<u>2,134,737</u>	<u>999,230</u>	68.1%	<u>2,029,857</u>
USE OF MONEY & PROPERTY					
Investment Income	676,267	384,285	291,982	56.8%	542,640
Rents & Concessions	396,322	250,685	145,637	63.3%	276,676
<i>Total</i>	<u>1,072,589</u>	<u>634,970</u>	<u>437,619</u>	59.2%	<u>819,316</u>
INTERGOVERNMENTAL					
Grants	706,016	1,127,489	(421,473)	159.7%	652,545
Vehicle License Fees	-	39,945	(39,945)	100.0%	48,265
Reimbursements	14,320	6,810	7,510	47.6%	15,231
<i>Total</i>	<u>720,336</u>	<u>1,174,244</u>	<u>(453,908)</u>	163.0%	<u>716,041</u>
FEES & SERVICE CHARGES					
Finance	926,598	619,440	307,158	66.9%	581,482
Community Development	4,480,075	2,702,718	1,777,357	60.3%	2,776,840
Recreation	2,951,818	1,666,242	1,285,576	56.4%	1,551,255
Public Safety	631,938	354,899	277,039	56.2%	383,105
Public Works	5,661,288	3,753,026	1,908,262	66.3%	3,640,222
Library	753,839	714,107	39,732	94.7%	624,118
Reimbursements	4,293,383	2,843,611	1,449,772	66.2%	2,904,162
<i>Total</i>	<u>19,698,939</u>	<u>12,654,042</u>	<u>7,044,897</u>	64.2%	<u>12,461,184</u>
OTHER REVENUES					
Miscellaneous	1,624,751	1,168,425	456,326	71.9%	1,831,898
Franchise Fees	3,660,300	2,458,239	1,202,061	67.2%	2,622,299
Indirect Allocations	6,292,740	4,195,160	2,097,580	66.7%	3,894,568
Operating Transfers-In	2,365,721	820,538	1,545,183	34.7%	1,144,038
<i>Total</i>	<u>13,943,512</u>	<u>8,642,363</u>	<u>5,301,149</u>	62.0%	<u>9,492,803</u>
TOTAL REVENUES	<u>111,479,118</u>	<u>71,036,730</u>	<u>40,442,388</u>	63.7%	<u>69,445,664</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
GENERAL GOVERNMENT						
<u>Mayor & City Council</u>						
MAYOR & CITY COUNCIL	770,723	476,742	29,609	264,373	65.7%	
<i>Total</i>	<u>770,723</u>	<u>476,742</u>	<u>29,609</u>	<u>264,373</u>	65.7%	<u>479,438</u>
<u>City Attorney</u>						
CITY ATTORNEY	2,129,254	1,347,707	8,325	773,222	63.7%	
<i>Total</i>	<u>2,129,254</u>	<u>1,347,707</u>	<u>8,325</u>	<u>773,222</u>	63.7%	<u>1,349,382</u>
<u>Administration</u>						
CITY ADMINISTRATOR	1,587,391	1,046,572	109	540,710	65.9%	
CITY TV	535,137	333,500	29,163	172,474	67.8%	
<i>Total</i>	<u>2,122,528</u>	<u>1,380,072</u>	<u>29,272</u>	<u>713,184</u>	66.4%	<u>1,228,974</u>
<u>Administrative Services</u>						
CITY CLERK	475,090	312,309	5,236	157,545	66.8%	
ELECTIONS	300,000	200,284	3,200	96,516	67.8%	
HUMAN RESOURCES	1,412,691	792,591	13,974	606,126	57.1%	
EMPLOYEE DEVELOPMENT	14,447	5,440	-	9,007	37.7%	
<i>Total</i>	<u>2,202,228</u>	<u>1,310,624</u>	<u>22,410</u>	<u>869,194</u>	60.5%	<u>1,058,703</u>
<u>Finance</u>						
ADMINISTRATION	221,336	168,801	5,429	47,106	78.7%	
REVENUE & CASH MANAGEMENT	510,731	271,458	14,600	224,673	56.0%	
CASHIERING & COLLECTION	458,460	298,191	-	160,269	65.0%	
LICENSES & PERMITS	469,695	317,414	15,155	137,126	70.8%	
BUDGET MANAGEMENT	430,198	274,732	-	155,466	63.9%	
ACCOUNTING	621,961	390,828	23,412	207,721	66.6%	
PAYROLL	293,974	186,725	-	107,249	63.5%	
ACCOUNTS PAYABLE	226,149	146,846	-	79,303	64.9%	
CITY BILLING & CUSTOMER SERVICE	684,788	411,267	125,954	147,567	78.5%	
PURCHASING	639,289	376,331	580	262,378	59.0%	
CENTRAL WAREHOUSE	170,978	109,671	308	60,999	64.3%	
MAIL SERVICES	109,740	72,145	309	37,286	66.0%	
<i>Total</i>	<u>4,837,299</u>	<u>3,024,410</u>	<u>185,746</u>	<u>1,627,142</u>	66.4%	<u>2,964,837</u>
TOTAL GENERAL GOVERNMENT	<u>12,062,032</u>	<u>7,539,556</u>	<u>275,361</u>	<u>4,247,115</u>	64.8%	<u>7,081,334</u>
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	1,035,400	689,890	-	345,510	66.6%	
SUPPORT SERVICES	723,647	436,469	1,748	285,430	60.6%	
RECORDS BUREAU	1,293,046	799,922	21,188	471,935	63.5%	
ADMIN SERVICES	1,035,807	667,504	9,361	358,943	65.3%	
PROPERTY ROOM	213,001	122,108	389	90,504	57.5%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
PUBLIC SAFETY						
<u>Police</u>						
TRAINING/RECRUITMENT	483,113	297,311	7,125	178,677	63.0%	
RANGE	1,243,968	857,049	31,003	355,916	71.4%	
COMMUNITY & MEDIA RELATIONS	858,553	596,587	-	261,966	69.5%	
INFORMATION TECHNOLOGY	1,185,630	827,809	42,289	315,532	73.4%	
INVESTIGATIVE DIVISION	4,994,432	3,438,078	-	1,556,354	68.8%	
CRIME LAB	155,092	94,220	-	60,872	60.8%	
PATROL DIVISION	15,795,703	10,395,012	124,743	5,275,948	66.6%	
TRAFFIC	1,415,405	921,927	559	492,919	65.2%	
SPECIAL EVENTS	831,095	784,879	-	46,216	94.4%	
TACTICAL PATROL FORCE	1,497,838	867,777	-	630,061	57.9%	
STREET SWEEPING ENFORCEMENT	340,916	223,576	-	117,340	65.6%	
NIGHT LIFE ENFORCEMENT	301,944	222,443	-	79,501	73.7%	
PARKING ENFORCEMENT	989,866	636,142	27,800	325,924	67.1%	
COMBINED COMMAND CENTER	2,462,970	1,480,899	-	982,071	60.1%	
ANIMAL CONTROL	661,248	294,966	-	366,282	44.6%	
<i>Total</i>	<u>37,518,673</u>	<u>24,654,566</u>	<u>266,206</u>	<u>12,597,901</u>	66.4%	<u>23,450,550</u>
<u>Fire</u>						
ADMINISTRATION	816,274	525,093	13,092	278,089	65.9%	
EMERGENCY SERVICES AND PUBLIC ED PREVENTION	294,891	192,780	-	102,111	65.4%	
WILDLAND FIRE MITIGATION PROGRAM	1,118,386	770,531	-	347,855	68.9%	
OPERATIONS	199,013	116,946	3,048	79,019	60.3%	
ARFF	18,064,121	12,220,953	71,669	5,771,499	68.0%	
	1,860,354	1,149,127	-	711,227	61.8%	
<i>Total</i>	<u>22,353,039</u>	<u>14,975,430</u>	<u>87,808</u>	<u>7,289,801</u>	67.4%	<u>14,514,918</u>
TOTAL PUBLIC SAFETY	<u>59,871,712</u>	<u>39,629,996</u>	<u>354,014</u>	<u>19,887,702</u>	66.8%	<u>37,965,468</u>
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	1,049,511	521,669	8,785	519,057	50.5%	
ENGINEERING SVCS	4,871,823	3,136,709	3,148	1,731,967	64.4%	
PUBLIC RT OF WAY MGMT	1,042,862	672,577	1,756	368,529	64.7%	
ENVIRONMENTAL PROGRAMS	507,253	168,955	187,891	150,407	70.3%	
<i>Total</i>	<u>7,471,449</u>	<u>4,499,910</u>	<u>201,580</u>	<u>2,769,960</u>	62.9%	<u>4,407,389</u>
TOTAL PUBLIC WORKS	<u>7,471,449</u>	<u>4,499,910</u>	<u>201,580</u>	<u>2,769,960</u>	62.9%	<u>4,407,389</u>
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
REC PROGRAM MGMT	699,131	433,694	3,873	261,564	62.6%	
FACILITIES & SPECIAL EVENTS	778,579	487,477	9,724	281,378	63.9%	
YOUTH ACTIVITIES	954,403	722,652	8,577	223,175	76.6%	
ACTIVE ADULTS	696,667	453,043	2,428	241,196	65.4%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
AQUATICS	1,251,951	835,299	36,347	380,305	69.6%	
SPORTS	537,090	365,193	14,840	157,057	70.8%	
TENNIS	274,749	183,929	-	90,820	66.9%	
NEIGHBORHOOD & OUTREACH SERV	1,027,181	748,894	-	278,287	72.9%	
ADMINISTRATION	627,767	419,641	1,731	206,395	67.1%	
PROJECT MANAGEMENT TEAM	376,272	196,095	76	180,100	52.1%	
BUSINESS SERVICES	6,082	3,886	-	2,196	63.9%	
PARK OPERATIONS MANAGEMENT	968,835	652,929	1,383	314,523	67.5%	
GROUND & FACILITIES MAINTENANCE	4,688,543	2,755,383	65,634	1,867,526	60.2%	
FORESTRY	1,284,267	659,567	127,510	497,190	61.3%	
BEACH MAINTENANCE	157,332	87,789	15,065	54,478	65.4%	
<i>Total</i>	<u>14,328,850</u>	<u>9,005,472</u>	<u>287,188</u>	<u>5,036,190</u>	64.9%	<u>8,606,942</u>
<u>Library</u>						
ADMINISTRATION	460,433	297,351	-	163,082	64.6%	
PUBLIC SERVICES	2,607,620	1,629,834	-	977,786	62.5%	
SUPPORT SERVICES	1,617,031	1,070,738	25,503	520,790	67.8%	
<i>Total</i>	<u>4,685,085</u>	<u>2,997,923</u>	<u>25,503</u>	<u>1,661,659</u>	64.5%	<u>2,740,892</u>
TOTAL COMMUNITY SERVICES	<u>19,013,934</u>	<u>12,003,394</u>	<u>312,691</u>	<u>6,697,849</u>	64.8%	<u>11,347,834</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	551,107	348,727	497	201,883	63.4%	
ECONOMIC DEVELOPMENT	48,420	25,443	-	22,977	52.5%	
CITY ARTS ADVISORY PROGRAM	437,260	403,248	-	34,012	92.2%	
RENTAL HOUSING MEDIATION	184,566	127,734	-	56,832	69.2%	
HUMAN SERVICES	836,025	536,638	237,821	61,566	92.6%	
HOUSING PRESERVATION AND DEV	44,645	14,002	26,384	4,259	90.5%	
LONG RANGE PLAN & SPEC STUDY	905,914	544,828	306	360,779	60.2%	
DEVEL & ENVIRONMENTAL REVIEW	1,350,777	822,221	7,274	521,282	61.4%	
ZONING INFO & ENFORCEMENT	1,264,867	788,053	1,247	475,567	62.4%	
DESIGN REV & HIST PRESERVATION	1,100,803	665,798	2,542	432,463	60.7%	
BLDG INSP & CODE ENFORCEMENT	1,147,440	707,383	303	439,754	61.7%	
RECORDS ARCHIVES & CLER SVCS	563,562	332,132	7,846	223,583	60.3%	
BLDG COUNTER & PLAN REV SVCS	1,302,478	834,380	10,320	457,779	64.9%	
<i>Total</i>	<u>9,737,864</u>	<u>6,150,587</u>	<u>294,541</u>	<u>3,292,736</u>	66.2%	<u>5,987,543</u>
TOTAL COMMUNITY DEVELOPMENT	<u>9,737,864</u>	<u>6,150,587</u>	<u>294,541</u>	<u>3,292,736</u>	66.2%	<u>5,987,543</u>
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
DUES, MEMBERSHIPS, & LICENSES	22,272	23,940	-	(1,668)	107.5%	
TRANSFERS OUT	43,500	29,000	-	14,500	66.7%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
DEBT SERVICE TRANSFERS	350,746	322,078	-	28,668	91.8%	
CAPITAL OUTLAY TRANSFER	1,000,000	666,666	-	333,334	66.7%	
APPROP.RESERVE	359,658	-	-	359,658	0.0%	
NON-DEPT - COMMUNITY PROMOTIONS	<u>2,028,008</u>	<u>1,562,985</u>	<u>-</u>	<u>465,023</u>	77.1%	
<i>Total</i>	<u>3,804,184</u>	<u>2,604,670</u>	<u>-</u>	<u>1,199,514</u>	68.5%	<u>2,217,464</u>
TOTAL NON-DEPARTMENTAL	<u>3,804,184</u>	<u>2,604,670</u>	<u>-</u>	<u>1,199,514</u>	68.5%	<u>2,217,464</u>
 TOTAL EXPENDITURES	 <u>111,961,176</u>	 <u>72,428,113</u>	 <u>1,438,187</u>	 <u>38,094,876</u>	 66.0%	 <u>69,007,032</u>

*** The legal level of budgetary control is at the department level for the General Fund. Therefore, as long as the department as a whole is within budget, budgetary compliance has been achieved. The City actively monitors the budget status of each department and takes measures to address potential over budget situations before they occur.*

For Enterprise and Internal Service Funds, the level of budgetary control is at the fund level. The City also monitors and addresses these fund types for potential over budget situations.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Special Revenue Funds
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
TRAFFIC SAFETY FUND					
Revenue	506,204	342,884	-	163,320	67.7%
Expenditures	<u>506,204</u>	<u>342,884</u>	<u>-</u>	<u>163,320</u>	67.7%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	3,367,572	2,266,500	-	1,101,072	67.3%
Expenditures	<u>5,433,182</u>	<u>3,397,259</u>	<u>366,170</u>	<u>1,669,753</u>	69.3%
<i>Revenue Less Expenditures</i>	<u>(2,065,610)</u>	<u>(1,130,759)</u>	<u>(366,170)</u>	<u>(568,681)</u>	
COMMUNITY DEVELOPMENT BLOCK GRANT					
Revenue	1,853,369	374,717	-	1,478,652	20.2%
Expenditures	<u>2,167,813</u>	<u>301,926</u>	<u>170,390</u>	<u>1,695,497</u>	21.8%
<i>Revenue Less Expenditures</i>	<u>(314,444)</u>	<u>72,790</u>	<u>(170,390)</u>	<u>(216,845)</u>	
COUNTY LIBRARY					
Revenue	1,962,864	1,240,430	-	722,434	63.2%
Expenditures	<u>2,159,695</u>	<u>1,328,637</u>	<u>22,214</u>	<u>808,844</u>	62.5%
<i>Revenue Less Expenditures</i>	<u>(196,831)</u>	<u>(88,207)</u>	<u>(22,214)</u>	<u>(86,410)</u>	
STREETS FUND					
Revenue	11,270,852	7,410,436	-	3,860,416	65.7%
Expenditures	<u>15,897,321</u>	<u>6,931,574</u>	<u>1,099,967</u>	<u>7,865,780</u>	50.5%
<i>Revenue Less Expenditures</i>	<u>(4,626,469)</u>	<u>478,862</u>	<u>(1,099,967)</u>	<u>(4,005,364)</u>	
MEASURE A					
Revenue	3,411,416	2,277,587	-	1,133,829	66.8%
Expenditures	<u>4,761,898</u>	<u>2,232,074</u>	<u>675,589</u>	<u>1,854,236</u>	61.1%
<i>Revenue Less Expenditures</i>	<u>(1,350,482)</u>	<u>45,512</u>	<u>(675,589)</u>	<u>(720,406)</u>	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

SOLID WASTE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	19,199,527	13,223,263	-	5,976,264	68.9%	12,080,813
Other Fees & Charges	474,816	224,908	-	249,908	47.4%	134,237
Grants	20,000	-	-	20,000	0.0%	11,208
Miscellaneous	233,100	226,296	-	6,804	97.1%	100,395
TOTAL REVENUES	<u>19,927,443</u>	<u>13,674,467</u>	<u>-</u>	<u>6,252,976</u>	68.6%	<u>12,326,652</u>
EXPENSES						
Salaries & Benefits	979,288	526,706	-	452,582	53.8%	524,781
Materials, Supplies & Services	18,258,021	12,108,113	197,333	5,952,575	67.4%	11,330,226
Special Projects	585,988	282,824	1,600	301,564	48.5%	275,130
Transfers-Out	50,000	33,333	-	16,667	66.7%	33,333
Capital Outlay Transfers	17,556	11,704	-	5,852	66.7%	7,781
Equipment	13,709	1,921	-	11,788	14.0%	5,070
Capitalized Fixed Assets	10,000	-	-	10,000	0.0%	641
Other	100,000	-	-	100,000	0.0%	-
Appropriated Reserve	33,106	-	-	33,106	0.0%	-
TOTAL EXPENSES	<u>20,047,668</u>	<u>12,964,601</u>	<u>198,933</u>	<u>6,884,133</u>	65.7%	<u>12,176,962</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

WATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Water Sales- Metered	32,300,000	23,651,436	-	8,648,564	73.2%	21,412,274
Service Charges	506,500	504,339	-	2,161	99.6%	445,960
Cater JPA Treatment Charges	2,467,510	1,556,963	-	910,547	63.1%	1,229,356
Investment Income	534,400	365,144	-	169,256	68.3%	406,133
Rents & Concessions	22,872	15,248	-	7,624	66.7%	15,248
Reimbursements	673,153	301,262	-	371,891	44.8%	735,621
Miscellaneous	20,000	58,253	-	(38,253)	291.3%	53,819
Operating Transfers-In	-	-	-	-	0.0%	2,600,000
TOTAL REVENUES	<u>36,524,435</u>	<u>26,452,645</u>	<u>-</u>	<u>10,071,790</u>	72.4%	<u>26,898,411</u>
EXPENSES						
Salaries & Benefits	8,333,163	5,049,323	-	3,283,840	60.6%	4,940,855
Materials, Supplies & Services	10,412,848	4,628,314	1,782,885	4,001,649	61.6%	4,745,674
Special Projects	1,105,856	242,643	115,735	747,478	32.4%	381,688
Water Purchases	11,916,230	5,134,383	141,272	6,640,575	44.3%	4,518,295
Debt Service	5,566,589	2,604,619	-	2,961,970	46.8%	3,056,385
Capital Outlay Transfers	11,189,231	7,459,487	-	3,729,744	66.7%	2,284,433
Equipment	146,195	19,130	11,919	115,146	21.2%	26,862
Capitalized Fixed Assets	132,839	7,697	49,654	75,489	43.2%	11,503
Other	32,775	24,957	-	7,818	76.1%	29,199
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>48,985,726</u>	<u>25,170,553</u>	<u>2,101,465</u>	<u>21,713,708</u>	55.7%	<u>19,994,894</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

WASTEWATER OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	16,997,000	11,591,945	-	5,405,055	68.2%	10,883,347
Fees	692,579	691,994	-	585	99.9%	566,784
Investment Income	150,900	107,741	-	43,159	71.4%	115,058
Rents & Concessions	32,000	13,911	-	18,089	43.5%	29,165
Miscellaneous	35,000	1,334	-	33,666	3.8%	31,254
Operating Transfers-In	-	-	-	-	0.0%	3,050,000
TOTAL REVENUES	<u>17,907,479</u>	<u>12,406,924</u>	<u>-</u>	<u>5,500,555</u>	69.3%	<u>14,675,608</u>
EXPENSES						
Salaries & Benefits	5,722,999	3,377,320	-	2,345,679	59.0%	3,435,648
Materials, Supplies & Services	6,760,640	3,841,496	1,572,043	1,347,101	80.1%	3,788,842
Special Projects	465,500	61,212	-	404,288	13.1%	4,020
Debt Service	1,668,096	303,886	-	1,364,210	18.2%	314,422
Capital Outlay Transfers	4,154,727	2,769,818	-	1,384,909	66.7%	2,000,081
Equipment	97,044	8,137	38,531	50,375	48.1%	33,448
Capitalized Fixed Assets	26,000	6,609	17,209	2,182	91.6%	5,809
Other	3,000	1,000	-	2,000	33.3%	1,000
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>19,048,005</u>	<u>10,369,479</u>	<u>1,627,782</u>	<u>7,050,744</u>	63.0%	<u>9,583,270</u>

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CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

DOWNTOWN PARKING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Improvement Tax	875,000	741,097	-	133,903	84.7%	732,546
Parking Fees	6,313,084	4,396,539	-	1,916,545	69.6%	4,243,826
Other Fees & Charges	1,000	2,603	-	(1,603)	260.3%	-
Investment Income	98,200	69,225	-	28,975	70.5%	74,996
Rents & Concessions	88,925	59,873	-	29,052	67.3%	27,283
Miscellaneous	1,000	40,780	-	(39,780)	4078.0%	(1,075)
Operating Transfers-In	43,500	29,000	-	14,500	66.7%	396,648
TOTAL REVENUES	<u>7,420,709</u>	<u>5,339,118</u>	<u>-</u>	<u>2,081,591</u>	71.9%	<u>5,474,224</u>
EXPENSES						
Salaries & Benefits	4,049,433	2,576,986	-	1,472,447	63.6%	2,485,161
Materials, Supplies & Services	2,108,134	1,236,949	101,031	770,154	63.5%	1,152,674
Special Projects	531,852	339,723	165,503	26,626	95.0%	321,429
Transfer-Out	303,064	202,043	-	101,021	66.7%	198,081
Capital Outlay Transfers	1,507,753	1,005,169	-	502,584	66.7%	741,297
Equipment	25,000	2,268	4,000	18,732	25.1%	1,921
Appropriated Reserve	50,000	-	-	50,000	0.0%	-
TOTAL EXPENSES	<u>8,575,235</u>	<u>5,363,137</u>	<u>270,534</u>	<u>2,941,565</u>	65.7%	<u>4,900,563</u>

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CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

AIRPORT OPERATING FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Leases-Commercial/Industrial	4,472,500	2,843,772	-	1,628,728	63.6%	2,969,097
Leases-Terminal	5,189,964	3,289,684	-	1,900,280	63.4%	3,273,641
Leases-Non-Commercial Aviation	1,895,929	1,123,290	-	772,639	59.2%	1,101,867
Leases-Commercial Aviation	3,939,000	2,850,598	-	1,088,402	72.4%	2,629,581
Investment Income	111,100	80,638	-	30,462	72.6%	85,237
Miscellaneous	142,600	61,683	-	80,917	43.3%	83,220
TOTAL REVENUES	<u>15,751,093</u>	<u>10,249,665</u>	<u>-</u>	<u>5,501,428</u>	65.1%	<u>10,142,643</u>
EXPENSES						
Salaries & Benefits	5,509,998	3,262,864	-	2,247,134	59.2%	3,190,571
Materials, Supplies & Services	7,454,870	4,602,860	553,934	2,298,077	69.2%	4,223,736
Special Projects	863,000	358,712	-	504,288	41.6%	382,774
Transfer-Out	19,728	13,152	-	6,576	66.7%	12,197
Debt Service	1,817,106	1,218,203	-	598,903	67.0%	571,869
Capital Outlay Transfers	744,632	703,187	-	41,445	94.4%	1,120,283
Equipment	66,358	29,504	2,448	34,405	48.2%	16,998
Other	-	-	-	-	0.0%	1,161
Appropriated Reserve	95,839	-	-	95,839	0.0%	-
TOTAL EXPENSES	<u>16,571,531</u>	<u>10,188,482</u>	<u>556,382</u>	<u>5,826,667</u>	64.8%	<u>9,519,589</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

GOLF COURSE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Fees & Card Sales	1,739,239	1,099,488	-	639,751	63.2%	948,622
Investment Income	8,800	6,617	-	2,183	75.2%	6,656
Rents & Concessions	332,520	221,511	-	111,009	66.6%	198,650
Miscellaneous	27,900	33,067	-	(5,167)	118.5%	300
TOTAL REVENUES	<u>2,108,459</u>	<u>1,360,684</u>	<u>-</u>	<u>747,776</u>	64.5%	<u>1,154,228</u>
EXPENSES						
Salaries & Benefits	1,022,332	675,166	-	347,166	66.0%	670,681
Materials, Supplies & Services	562,907	383,185	3,750	175,972	68.7%	353,757
Debt Service	245,698	180,687	-	65,011	73.5%	179,852
Capital Outlay Transfers	242,086	132,124	-	109,962	54.6%	105,582
Equipment	3,000	-	-	3,000	0.0%	25,751
Other	900	864	-	36	96.0%	847
TOTAL EXPENSES	<u>2,076,923</u>	<u>1,372,025</u>	<u>3,750</u>	<u>701,148</u>	66.2%	<u>1,336,470</u>

NOTE-These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
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INTRA-CITY SERVICE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service Charges	2,530,773	1,687,182	-	843,591	66.7%	1,437,810
Work Orders - Bldg Maint.	2,592,140	1,511,102	-	1,081,038	58.3%	2,039,119
Grants	120,449	92,922	-	27,527	77.1%	128,095
Miscellaneous	361,600	42,704	-	318,896	11.8%	83,711
TOTAL REVENUES	<u>5,604,962</u>	<u>3,333,910</u>	<u>-</u>	<u>2,271,052</u>	59.5%	<u>3,688,735</u>
EXPENSES						
Salaries & Benefits	3,462,955	2,170,939	-	1,292,016	62.7%	2,108,284
Materials, Supplies & Services	1,414,823	928,181	156,466	330,177	76.7%	765,947
Special Projects	940,978	550,565	369,812	20,602	97.8%	642,678
Equipment	15,000	-	-	15,000	0.0%	3,849
Capitalized Fixed Assets	51,882	4,485	17,034	30,363	41.5%	208,498
Appropriated Reserve	26,050	-	-	26,050	0.0%	-
TOTAL EXPENSES	<u>5,911,688</u>	<u>3,654,169</u>	<u>543,312</u>	<u>1,714,207</u>	71.0%	<u>3,729,256</u>

CITY OF SANTA BARBARA
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FLEET REPLACEMENT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Rental Charges	2,228,805	1,485,870	-	742,935	66.7%	1,430,811
Investment Income	122,300	83,572	-	38,728	68.3%	93,527
Rents & Concessions	233,978	155,985	-	77,993	66.7%	149,601
Miscellaneous	173,118	62,372	-	110,746	36.0%	34,755
TOTAL REVENUES	<u>2,758,201</u>	<u>1,787,799</u>	<u>-</u>	<u>970,402</u>	64.8%	<u>1,708,694</u>
EXPENSES						
Salaries & Benefits	193,629	122,793	-	70,836	63.4%	121,877
Materials, Supplies & Services	3,061	2,279	-	782	74.5%	1,814
Special Projects	1,161,400	25,177	3,330	1,132,893	2.5%	-
Capitalized Fixed Assets	3,776,901	976,360	382,204	2,418,337	36.0%	585,499
TOTAL EXPENSES	<u>5,134,991</u>	<u>1,126,609</u>	<u>385,534</u>	<u>3,622,848</u>	29.4%	<u>709,190</u>

CITY OF SANTA BARBARA
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For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)

FLEET MAINTENANCE FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Vehicle Maintenance Charges	2,463,432	1,642,288	-	821,144	66.7%	1,581,278
Reimbursements	10,000	6,667	-	3,333	66.7%	6,667
Miscellaneous	103,070	88,619	-	14,451	86.0%	49,993
TOTAL REVENUES	<u>2,576,502</u>	<u>1,737,574</u>	<u>-</u>	<u>838,928</u>	67.4%	<u>1,637,938</u>
EXPENSES						
Salaries & Benefits	1,280,067	805,592	-	474,475	62.9%	803,316
Materials, Supplies & Services	1,181,623	634,262	151,441	395,920	66.5%	795,432
Special Projects	64,663	14,070	5,196	45,396	29.8%	21,173
Debt Service	43,070	28,712	-	14,358	66.7%	-
Equipment	15,800	9,990	-	5,810	63.2%	190
Capitalized Fixed Assets	48,623	8,851	24,863	14,909	69.3%	-
Appropriated Reserve	16,893	-	-	16,893	0.0%	-
TOTAL EXPENSES	<u>2,650,738</u>	<u>1,501,477</u>	<u>181,500</u>	<u>967,761</u>	63.5%	<u>1,620,111</u>

CITY OF SANTA BARBARA
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SELF INSURANCE TRUST FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Insurance Premiums	2,756,112	1,837,408	-	918,704	66.7%	1,732,016
Workers' Compensation Premiums	2,950,702	1,967,135	-	983,567	66.7%	1,733,334
OSH Charges	193,833	129,222	-	64,611	66.7%	-
Investment Income	60,300	31,299	-	29,001	51.9%	46,353
Miscellaneous	-	39,728	-	(39,728)	100.0%	4,198
Accel-Return of Premium	-	-	-	-	0.0%	600,000
TOTAL REVENUES	<u>5,960,947</u>	<u>4,004,792</u>	<u>-</u>	<u>1,956,155</u>	<u>67.2%</u>	<u>4,115,901</u>
EXPENSES						
Salaries & Benefits	538,662	314,782	-	223,880	58.4%	321,271
Materials, Supplies & Services	5,483,919	4,051,449	321,549	1,110,922	79.7%	3,337,724
Special Projects	100	-	-	100	0.0%	-
Transfers-Out	-	-	-	-	0.0%	237,338
Equipment	66	66	-	-	100.0%	-
TOTAL EXPENSES	<u>6,022,747</u>	<u>4,366,296</u>	<u>321,549</u>	<u>1,334,902</u>	<u>77.8%</u>	<u>3,896,333</u>

The Self Insurance Trust Fund is an internal service fund of the City, which accounts for the cost of providing workers' compensation, property and liability insurance as well as unemployment insurance and certain self-insured employee benefits on a city-wide basis. Internal Service Funds charge other funds for the cost of providing their specific services.

CITY OF SANTA BARBARA
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INFORMATION SYSTEMS ICS FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Service charges	2,514,997	1,676,665	-	838,332	66.7%	1,572,052
Miscellaneous	-	-	-	-	0.0%	1,138
TOTAL REVENUES	<u>2,514,997</u>	<u>1,676,665</u>	<u>-</u>	<u>838,332</u>	66.7%	<u>1,573,190</u>
EXPENSES						
Salaries & Benefits	1,701,218	1,026,880	-	674,338	60.4%	1,052,991
Materials, Supplies & Services	874,806	589,474	173,636	111,696	87.2%	552,127
Special Projects	18,500	305	2,500	15,695	15.2%	3,483
Transfers-Out	-	-	-	-	0.0%	43,000
Capital Outlay Transfers	212,000	141,333	-	70,667	66.7%	-
Equipment	23,484	21,479	7,521	(5,517)	123.5%	100,131
Capital Fixed Assets	123,000	121,345	-	1,655	98.7%	-
Appropriated Reserve	12,586	-	-	12,586	0.0%	-
TOTAL EXPENSES	<u>2,965,594</u>	<u>1,900,816</u>	<u>183,658</u>	<u>881,120</u>	70.3%	<u>1,751,732</u>

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**Interim Statement of Revenues and Expenditures
For the Eight Months Ended February 28, 2014 (66.7% of Fiscal Year)**

WATERFRONT FUND

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
REVENUES						
Leases - Commercial	1,373,772	1,014,930	-	358,842	73.9%	1,058,009
Leases - Food Service	2,641,800	2,028,687	-	613,113	76.8%	1,917,637
Slip Rental Fees	4,122,293	2,765,058	-	1,357,235	67.1%	2,712,521
Visitors Fees	450,000	302,826	-	147,174	67.3%	284,065
Slip Transfer Fees	525,000	396,150	-	128,850	75.5%	379,650
Parking Revenue	2,009,800	1,671,604	-	338,196	83.2%	1,374,410
Wharf Parking	250,000	177,193	-	72,807	70.9%	166,283
Other Fees & Charges	236,435	169,282	-	67,153	71.6%	159,057
Investment Income	137,700	80,848	-	56,852	58.7%	90,589
Rents & Concessions	306,267	219,629	-	86,638	71.7%	217,656
Reimbursements	-	-	-	-	0.0%	10,830
Miscellaneous	392,000	369,746	-	22,254	94.3%	159,198
TOTAL REVENUES	<u>12,445,067</u>	<u>9,195,953</u>	<u>-</u>	<u>3,249,114</u>	73.9%	<u>8,529,905</u>
EXPENSES						
Salaries & Benefits	5,866,308	3,738,098	-	2,128,210	63.7%	3,706,966
Materials, Supplies & Services	3,906,598	2,364,739	607,239	934,620	76.1%	2,237,127
Special Projects	150,438	121,270	-	29,168	80.6%	92,757
Debt Service	1,843,880	1,300,999	-	542,881	70.6%	1,226,865
Capital Outlay Transfers	1,544,155	1,029,437	-	514,718	66.7%	1,027,319
Equipment	107,610	13,609	-	94,000	12.6%	63,003
Capital Fixed Assets	40,000	22,896	17,104	-	100.0%	-
Other	-	1,798	-	(1,798)	100.0%	1,000
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	<u>13,558,989</u>	<u>8,592,846</u>	<u>624,343</u>	<u>4,341,799</u>	68.0%	<u>8,355,037</u>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: March 31, 2014, Investment Report And March 31, 2014, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the March 31, 2014, Investment Report; and
- B. Accept the March 31, 2014, Fiscal Agent Report.

DISCUSSION:

On a quarterly basis, staff submits a comprehensive report on the City’s portfolio and related activity pursuant to the City’s Annual Statement of Investment Policy. The current report covers the investment activity for the period of January through March 2014.

As shown in the table to the right, the change in Treasury yields ranged from a decrease of 40 basis points on the 30-year Treasury note to an increase of 12 basis points on the 3-year Treasury note. Longer term maturities saw the largest declines in Treasury yield, yet the 5 year note decreased only slightly by 2 basis points by the end of the quarter.

U.S. Treasury Market					
	12/31/2013	1/31/2014	2/28/2014	3/31/2014	Cumulative Change
3 Month	0.07%	0.02%	0.05%	0.05%	-0.02%
6 Month	0.10%	0.06%	0.08%	0.07%	-0.03%
1 Year	0.13%	0.10%	0.12%	0.13%	0.00%
2 Year	0.38%	0.34%	0.33%	0.44%	0.06%
3 Year	0.78%	0.69%	0.69%	0.90%	0.12%
4 Year	1.25%	1.08%	1.08%	1.29%	0.04%
5 Year	1.75%	1.49%	1.51%	1.73%	-0.02%
10 Year	3.04%	2.67%	2.66%	2.73%	-0.31%
30 Year	3.96%	3.61%	3.59%	3.56%	-0.40%
LAIF	0.26%	0.23%	0.23%	0.23%	-0.03%

Investment Activity

As shown in the Investment Activity table below, the City invested \$6 million during the quarter. The purchases consisted of \$2 million in “AAA” rated Federal Agency callable securities, \$2 million in “AAA” rated Federal Agency bullets, and \$2 million in “AA” rated corporate notes (General Electric Capital Corp). The purchases replaced \$4 million in Federal Agency securities that matured, \$2 million in corporate notes (General Electric Capital Corp) that matured, and \$5 million in Federal Agency securities that were called over the quarter.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
General Electric Capital Corporation (GECC)	\$ 2,000,000	01/14/14	01/14/19	-	-	2.250%
Federal Home Loan Bank (FHLB)	2,000,000	01/17/14	04/17/18	-	-	1.480%
Federal Home Loan Bank (FHLB)	2,000,000	02/13/14	02/13/19	05/13/14	2.050%	2.050%
	\$ 6,000,000					
<i>Calls:</i>						
Federal National Mortgage Association (FNMA)	\$ 1,000,000	07/30/13	07/30/18	01/30/14	1.000%	1.896%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	02/21/12	02/21/17	02/21/14	1.300%	1.300%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	03/28/12	03/28/17	03/28/14	1.350%	1.350%
	\$ 5,000,000					
<i>Maturities:</i>						
General Electric Capital Corporation (GECC)	\$ 2,000,000	01/07/11	01/07/14	-	-	2.100%
Federal Farm Credit Bank (FFCB)	2,000,000	02/10/11	02/10/14	-	-	1.375%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	01/06/11	02/25/14	-	-	1.375%
	\$ 6,000,000					

Summary of Cash and Investments

The book rate of return, or portfolio yield, measures the rate of return of actual earnings generated from the portfolio. As shown in the table to the right, during the quarter, the City’s book rate of return decreased by 8.0 basis points from 1.257 percent at December 31, 2013 to 1.177 percent at March 31, 2014.

Mo. Ended	Yield	Days to Maturity
12/31/2013	1.257%	1108
1/31/2014	1.174%	1019
2/28/2014	1.184%	1039
3/31/2014	1.177%	1008

The portfolio’s average days to maturity, including the long-term Airport promissory note, decreased by 100 days from 1108 to 1008 days. Excluding the Airport note, the portfolio’s average days to maturity is 854 days, reflecting reinvestment of maturities and calls during the quarter in the one-to-five year range in accordance with the City’s Annual Statement of Investment Policy. The Annual Statement of Investment Policy requires that the average days to maturity on the portfolio not exceed 2.5 years, excluding any investments with a final maturity longer than 5 years that were separately authorized by Council, such as the Airport promissory note.

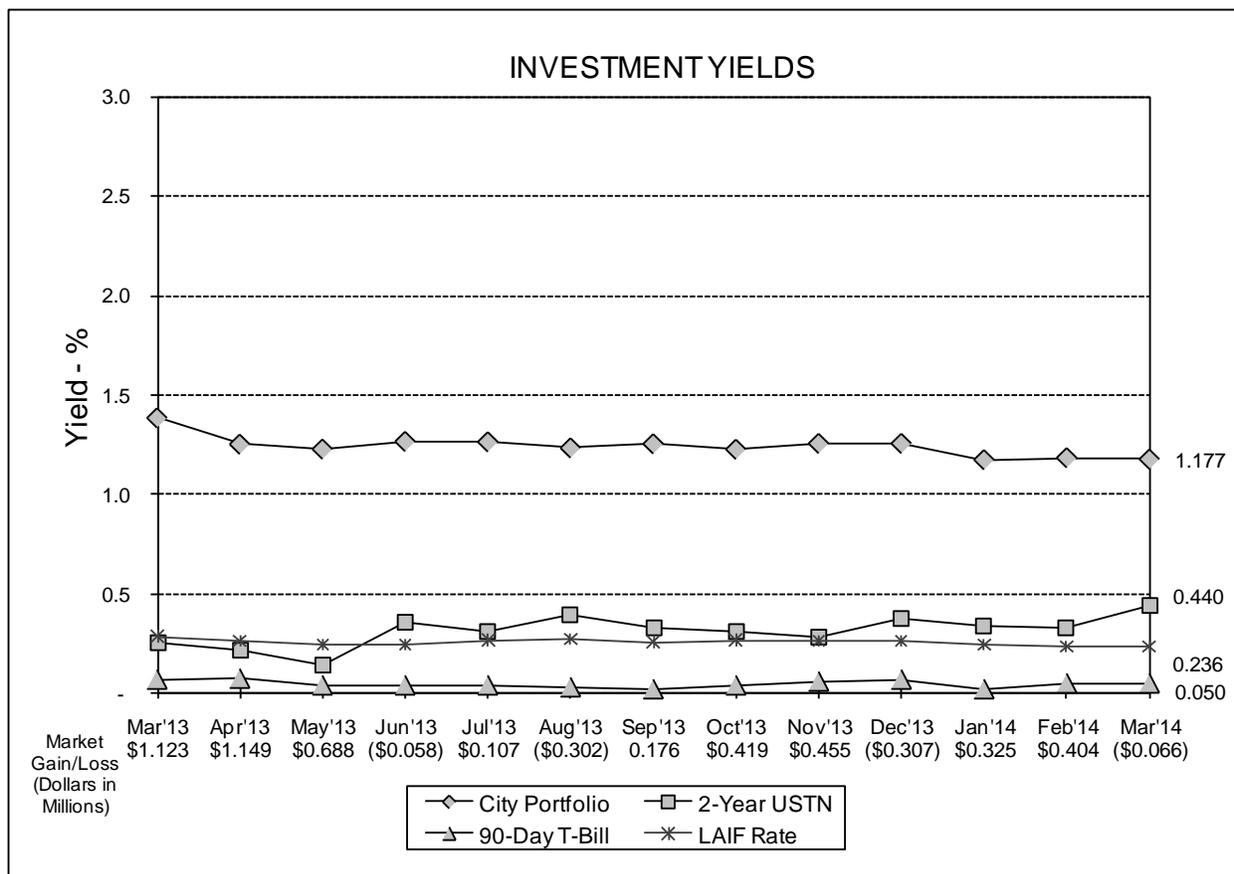
The average LAIF rate at which the City earned interest for funds invested was at 0.23 percent for the quarter ended March 31, 2014, which was down from last quarter by 3 basis points. The City’s LAIF holdings at the end of the quarter were \$40.5 million. Staff expects to reinvest a portion of the LAIF balances in fixed-term or callable securities during the next quarter.

Credit Quality on Corporate Notes

There were no credit quality changes to the four corporate issuers of the medium-term notes held in the portfolio (i.e., Berkshire Hathaway Financial, Inc., General Electric Capital Corp, Proctor & Gamble, and Toyota Motor Credit), and the ratings of all corporate notes remain within the City’s Investment Policy guidelines of “A” or better.

Portfolio Market Gains/Losses

As shown in the Investment Yields chart below, the City’s portfolio continues to significantly outperform the three benchmark measures (the 90-day T-Bill, 2-year T-Note and LAIF). The City’s portfolio reflected a market loss at March 31st as a result of the increase in market yields during the quarter compared to the yields on securities currently held in the portfolio. At March 31, 2014, the portfolio had an overall unrealized market loss of \$0.066 million.



On a quarterly basis, staff reports the five securities with the largest percentage of unrealized losses as shown in the table below. However, because securities in the City's portfolio are held to maturity, no market losses would be realized.

Issuer	Face Amount	Maturity	\$ Mkt Change	% Mkt Change
FEDERAL HOME LOAN BANK	\$4,000,000	01/16/18	-\$69,880	-1.75%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	02/05/18	-\$34,180	-1.71%
FEDERAL NATL MORTGAGE ASSN	\$4,000,000	12/26/17	-\$65,200	-1.63%
FEDERAL NATL MORTGAGE ASSN	\$3,000,000	01/30/18	-\$48,870	-1.63%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	12/12/17	-\$29,680	-1.48%

On a quarterly basis, staff also reports all securities with monthly market declines of greater than 1 percent compared to the prior month. There were no securities in the portfolio with a market decline of greater than 1 percent compared to the prior month.

Additional Reporting Requirements

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of March 31, 2014, is in compliance with the City's Statement of Investment Policy; and (2) there are sufficient funds available to meet the City's expenditure requirements for the next six months.

Fiscal Agent Investments

In addition to reporting requirements for public agency portfolios, a description of any of the agency's investments under the management of contracted parties is also required on a quarterly basis. Attachment 2 includes bond funds and the police and fire service retirement fund as of March 31, 2014.

ATTACHMENTS: 1. March 31, 2014, Investment Report
 2. March 31, 2014, Fiscal Agent Report

PREPARED BY: Genie Wilson, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
 March 31, 2014

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

3/27 LAIF Deposit - City	\$ 2,000,000
Total	\$ 2,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

3/7 LAIF Withdrawal - City	\$ (1,000,000)
3/28 Federal Home Loan Mortgage Corp (FHLMC) - Call	<u>(2,000,000)</u>
Total	\$ (3,000,000)

ACTIVITY TOTAL

\$ (1,000,000)

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 177,412
Amortization	<u>(15,698)</u>
Total	\$ 161,715

INCOME TOTAL

\$ 161,715

CITY OF SANTA BARBARA

Investment Portfolio

March 31, 2014

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.236	0.236	40,500,000.00	40,500,000.00	40,500,000.00	0.00	
Subtotal, LAIF							40,500,000.00	40,500,000.00	40,500,000.00	0.00	
CERTIFICATES OF DEPOSIT											
MONTECITO BANK & TRUST	11/18/13	11/18/15	-	-	0.600	0.600	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/15	-	-	1.230	1.247	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
UNION BANK	08/31/12	08/31/17	-	-	1.490	1.511	4,000,000.00	4,000,000.00	4,000,000.00	0.00	
Subtotal, Certificates of deposit							8,000,000.00	8,000,000.00	8,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	10/25/12	03/15/15	Aaa	AA+	0.375	0.342	2,000,000.00	2,000,624.28	2,004,380.00	3,755.72	
U S TREASURY NOTE	10/25/12	10/31/15	Aaa	AA+	1.250	0.397	2,000,000.00	2,026,823.06	2,030,940.00	4,116.94	
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,197,162.83	2,195,620.00	(1,542.83)	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,023,817.31	2,017,660.00	(6,157.31)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,015,412.41	2,000,160.00	(15,252.41)	
Subtotal, Treasury Securities							10,000,000.00	10,263,839.89	10,248,760.00	(15,079.89)	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	10/03/13	10/03/18	-	-	1.720	1.720	2,000,000.00	2,000,000.00	1,993,060.00	(6,940.00)	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	1,992,780.00	(7,220.00)	
FEDERAL FARM CREDIT BANK	08/15/12	08/15/17	Aaa	AA+	0.980	0.980	2,000,000.00	2,000,000.00	1,984,820.00	(15,180.00)	Callable, Continuous
FEDERAL FARM CREDIT BANK	09/18/13	09/18/17	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	2,022,140.00	22,140.00	
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,080,440.00	80,440.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,010,020.00	10,020.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,011,520.00	11,520.00	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,007,601.12	2,023,340.00	15,738.88	
FEDERAL HOME LOAN BANK	01/16/13	01/16/18	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,930,120.00	(69,880.00)	Callable 04/16/14, then qtrly
FEDERAL HOME LOAN BANK	07/17/13	07/17/18	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	1,996,120.00	(3,880.00)	Callable 04/17/14, then qtrly
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	1,994,880.00	(5,120.00)	
FEDERAL HOME LOAN BANK	02/13/14	02/13/19	Aaa	AA+	2.050	2.050	2,000,000.00	2,000,000.00	2,004,260.00	4,260.00	Callable 05/13/14, then qtrly
FEDERAL HOME LOAN BANK	06/27/13	06/27/18	Aaa	AA+	1.250	1.493	2,000,000.00	2,000,000.00	1,983,860.00	(16,140.00)	SU 1.125%-2.5% Call 06/27/14, then qtrly
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,026,180.00	26,180.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,040,100.00	40,100.00	
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,008,982.88	1,995,080.00	(13,902.88)	
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	1,970,400.00	(29,600.00)	Callable 06/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	07/25/13	07/25/18	Aaa	AA+	1.800	1.800	2,000,000.00	2,000,000.00	1,987,220.00	(12,780.00)	Callable 07/25/14, once
FEDERAL HOME LOAN MTG CORP	12/18/13	12/18/18	Aaa	AA+	1.500	1.839	1,000,000.00	1,000,000.00	996,040.00	(3,960.00)	SU 1.5%-2.75% Call 06/18/14, then qtrly
FEDERAL HOME LOAN MTG CORP	12/31/13	12/31/18	Aaa	AA+	1.825	1.825	1,000,000.00	1,000,000.00	1,002,340.00	2,340.00	Callable 12/31/14, once
FEDERAL HOME LOAN MTG CORP	04/23/12	04/17/15	Aaa	AA+	0.500	0.534	2,000,000.00	1,999,292.81	2,006,400.00	7,107.19	
FEDERAL HOME LOAN MTG CORP	06/12/12	06/12/17	Aaa	AA+	1.250	1.250	2,000,000.00	2,000,000.00	2,003,060.00	3,060.00	Callable 06/12/14, then qtrly

CITY OF SANTA BARBARA

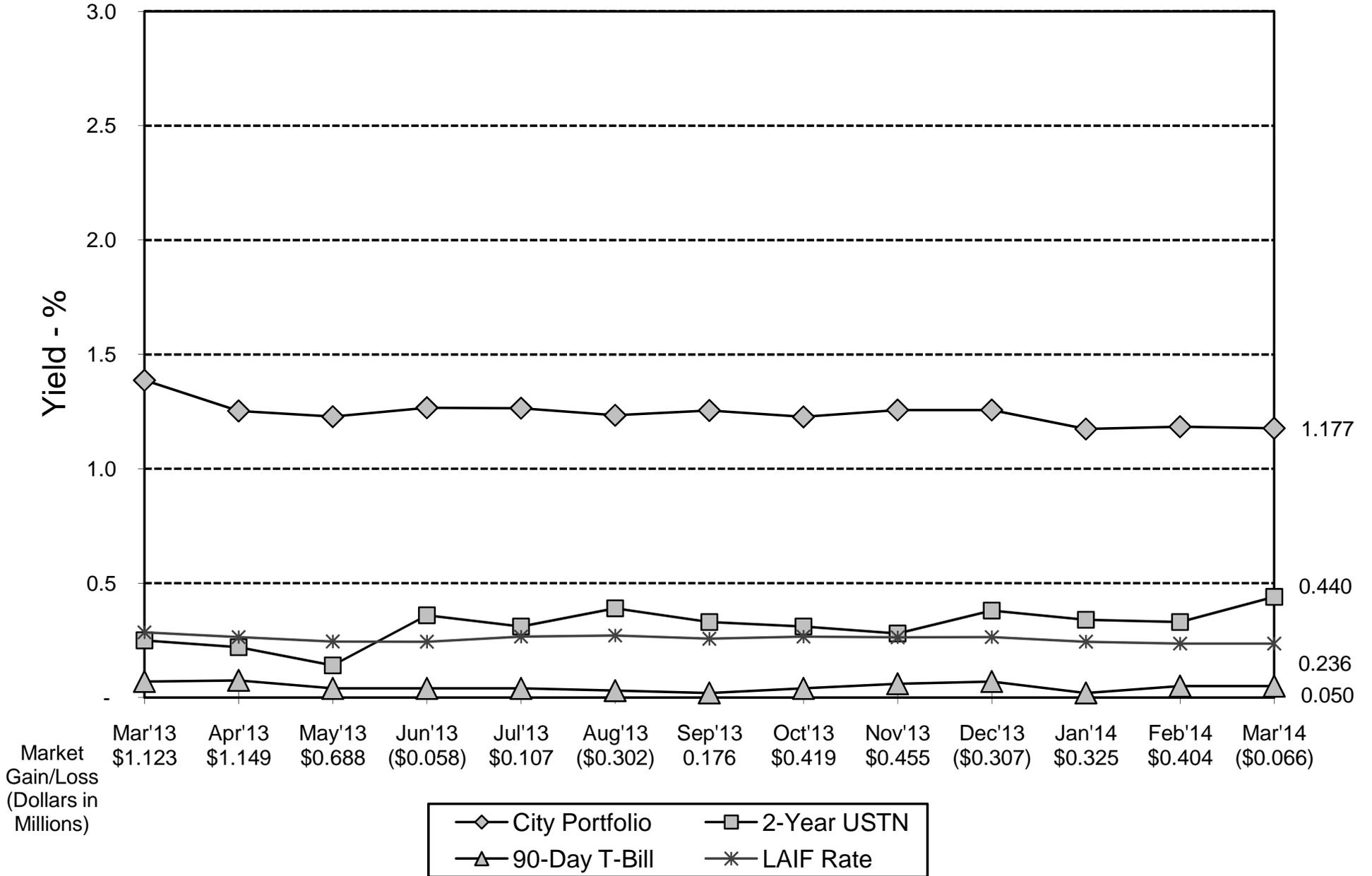
Investment Portfolio

March 31, 2014

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
FEDERAL HOME LOAN MTG CORP	07/24/12	07/24/17	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	1,994,420.00	(5,580.00)	Callable 04/24/14, then qtrly
FEDERAL HOME LOAN MTG CORP	09/12/12	09/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,981,700.00	(18,300.00)	Callable 06/12/14, then qtrly
FEDERAL HOME LOAN MTG CORP	01/16/13	01/16/18	Aaa	AA+	1.050	1.050	4,000,000.00	4,000,000.00	3,943,280.00	(56,720.00)	Callable 04/16/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/26/13	11/26/18	Aaa	AA+	1.000	1.793	1,000,000.00	1,000,000.00	1,000,630.00	630.00	SU 1%-2% Callable 11/26/14, once
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,000,155.61	2,000,240.00	84.39	
FEDERAL HOME LOAN MTG CORP	06/26/13	06/26/18	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	1,984,620.00	(15,380.00)	Callable 06/26/14, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	998,967.52	991,950.00	(7,017.52)	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,951,130.00	(48,870.00)	Callable 04/30/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,014,880.00	14,880.00	
FEDERAL NATL MORTGAGE ASSN	08/28/12	08/28/17	Aaa	AA+	1.150	1.150	2,000,000.00	2,000,000.00	1,991,960.00	(8,040.00)	Callable 05/28/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/12/12	12/12/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,970,320.00	(29,680.00)	Callable 06/12/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	06/19/13	12/19/16	Aaa	AA+	0.750	0.750	2,000,000.00	2,000,000.00	1,993,780.00	(6,220.00)	Callable 06/19/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,986,960.10	1,971,540.00	(15,420.10)	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,689.14	1,991,840.00	(9,849.14)	
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,973,440.00	(26,560.00)	Callable 05/08/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/08/12	11/08/17	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,973,440.00	(26,560.00)	Callable 05/08/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	3,934,800.00	(65,200.00)	Callable 06/26/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	07/10/13	07/10/18	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	1,999,320.00	(680.00)	Callable 07/10/14, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,049,920.00	49,920.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,986,859.57	2,040,960.00	54,100.43	
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,965,820.00	(34,180.00)	Callable 02/05/15, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/13/13	11/13/18	Aaa	AA+	0.625	1.857	1,000,000.00	1,000,000.00	994,110.00	(5,890.00)	SU 2% Callable 05/13/14, once
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,986,387.71	1,971,540.00	(14,847.71)	
Subtotal, Federal Agencies							92,000,000.00	91,976,896.46	91,739,820.00	(237,076.46)	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA	2.450	2.530	2,000,000.00	1,997,441.67	2,063,520.00	66,078.33	
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	1,990,960.00	(9,040.00)	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	A1	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,053,120.00	53,120.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,004,498.94	2,017,940.00	13,441.06	
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,022,617.79	2,041,800.00	19,182.21	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,009,348.95	2,053,180.00	43,831.05	
Subtotal, Corporate Securities							12,000,000.00	12,033,907.35	12,220,520.00	186,612.65	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	5,471,399.48	5,471,399.48	5,471,399.48	0.00	
Subtotal, SBA Note							5,471,399.48	5,471,399.48	5,471,399.48	0.00	
TOTALS							167,971,399.48	168,246,043.18	168,180,499.48	(65,543.70)	

Market values have been obtained from the City's safekeeping agent, Union Bank The Private Bank (UBTPB). UBTPB uses Interactive Data Pricing Service, Bloomberg and DTC.

INVESTMENT YIELDS



CITY OF SANTA BARBARA
Fiscal Agent Investments
March 31, 2014

	CASH & CASH EQUIVALENTS Book & Market	Guaranteed Investment Contracts (GIC) Book & Market	STOCKS		BONDS		US GOV'T & AGENCIES		TOTALS		
			Book	Market	Book	Market	Book	Market	Book	Market	
BOND FUNDS											
<i>RESERVE FUNDS</i>											
2004 RDA - Housing Bonds	0.06	-	-	-	-	-	-	-	-	0.06	0.06
2002 Municipal Improvement - Refunding COPs	22,840.07	547,530.00	-	-	-	-	-	-	-	570,370.07	570,370.07
2011 Water - Safe Drinking Water State Loan	367,123.17	-	-	-	-	-	-	-	-	367,123.17	367,123.17
2013 Water - Refunding COPS	31,599.37	428,069.44	-	-	-	-	636,099.18	638,604.80	1,095,767.99	1,098,273.61	
2009 Airport - Revenue Bonds	147,064.69	-	-	-	-	-	2,998,000.31	2,984,694.60	3,145,065.00	3,131,759.29	
2002 Waterfront - Refunding COPs	548.51	-	-	-	-	-	-	-	548.51	548.51	
2014 Waterfront - Refunding Bonds	13,045,273.37	581,455.74	-	-	-	-	-	-	13,626,729.11	13,626,729.11	
Subtotal, Reserve Funds	<u>13,614,449.24</u>	<u>1,557,055.18</u>	-	-	-	-	<u>3,634,099.49</u>	<u>3,623,299.40</u>	<u>18,805,603.91</u>	<u>18,794,803.82</u>	
<i>PROJECT FUNDS</i>											
2001 RDA Bonds	2,366,332.61	-	-	-	-	-	-	-	-	2,366,332.61	2,366,332.61
2003 RDA Bonds	8,507,029.49	-	-	-	-	-	-	-	-	8,507,029.49	8,507,029.49
2004 Sewer - Revenue Bonds	933,201.83	1,357,140.00	-	-	-	-	-	-	-	2,290,341.83	2,290,341.83
Subtotal, Project Funds	<u>11,806,563.93</u>	<u>1,357,140.00</u>	-	-	-	-	-	-	-	<u>13,163,703.93</u>	<u>13,163,703.93</u>
SUBTOTAL BOND FUNDS	<u>25,421,013.17</u>	<u>2,914,195.18</u>	-	-	-	-	<u>3,634,099.49</u>	<u>3,623,299.40</u>	<u>31,969,307.84</u>	<u>31,958,507.75</u>	
POLICE/FIRE - SVC RETIREMENT FUND											
Police/Fire Funds	87,735.46	-	173,759.91	294,685.04	163,782.21	171,055.20	-	-	425,277.58	553,475.70	
	<u>87,735.46</u>	-	<u>173,759.91</u>	<u>294,685.04</u>	<u>163,782.21</u>	<u>171,055.20</u>	-	-	<u>425,277.58</u>	<u>553,475.70</u>	
TOTAL FISCAL AGENT INVESTMENTS	<u>25,508,748.63</u>	<u>2,914,195.18</u>	<u>173,759.91</u>	<u>294,685.04</u>	<u>163,782.21</u>	<u>171,055.20</u>	<u>3,634,099.49</u>	<u>3,623,299.40</u>	<u>32,394,585.42</u>	<u>32,511,983.45</u>	

Notes:

- (1) Cash & cash equivalents include money market funds.
- (2) Market values have been obtained from the following trustees: US Bank, Bank of New York and Union Bank N.A.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Recreation Division, Parks and Recreation Department

SUBJECT: Haley Street Youth Center Lease With The Channel Islands YMCA

RECOMMENDATION:

That Council authorize the Parks and Recreation Director to enter into a three-year lease agreement with the Channel Islands YMCA for the Haley Street Youth Center with a monthly rent of \$1,785, commencing on May 1, 2014, and ending on April 30, 2017.

DISCUSSION:

In November 2013, the City was notified that Primo Boxing would be vacating the Haley Street Youth Center located at 701 East Haley Street, effective December 31, 2013. Primo Boxing had leased the facility since 1993, providing valuable services to the Santa Barbara community, but was no longer financially able to continue their programs and lease payments.

The 1,500 square foot, ADA accessible facility is located in the Eastside neighborhood of Santa Barbara. Since the facility received Community Development Block Grant (CDBG) capital funds in Fiscal Year 2010, participant demographics and program purpose must meet CDBG criteria of serving low to moderate income persons and underserved populations until September 2015. This limitation is in concert with department priorities for the use of the facility as well.

Mid-December 2013, the Parks and Recreation Department advertised and sent letters of invitation to Santa Barbara area youth-serving non-profits and agencies, soliciting proposals seeking an organization to provide youth intervention, prevention, and/or recreation services to benefit low and moderate income persons. Applicants were asked to provide background information on their agency, programs, and board of directors, as well as the proposed use, outreach, hours of operation, staffing, collaborative resources, funding sustainability, and desired length of term for the Haley Street facility.

Four applicants responded, and after one applicant withdrew, three applicants were interviewed. Each applicant provided professional presentations, demonstrated quality staff and successful programs, and proposed valuable community services. After

proposal and interview results were reviewed by the Parks and Recreation Director, the Channel Islands YMCA was selected.

The Channel Islands YMCA proposed facility use will include youth and family wellness programs comprised of a variety of instructional sports classes and leagues, as well as youth arts programs. Programs will be progressive in nature with intentional incentives for achievement in identified areas. Focus will be on youth ages 4-15 years old and their families. Family programs that are focused on engagement of the entire family will be offered dependent upon the community's identified needs and interests. These programs may include community celebrations; wellness education opportunities; family outings; family exercise classes with a focus on long-term healthy living commitment; and volunteer and community service opportunities.

The YMCA plans on conducting outreach and a needs assessment, utilizing neighborhood surveys and community forums for input to specifically identify programs that are of interest to this and adjacent neighborhoods. The lease requires that at least 75% of program participants shall be from low or moderate income households, assisting persons from households who reside within Census Tracts 8.01, 8.02, 9, 10, 11.02 and 12.04, and to document participant demographics as part of their annual report to the City.

The YMCA's management and operation of Noah's Anchorage and the Isla Vista Teen Center demonstrates their experience in working with this demographic and partnerships that bring needed resources to residents. Their financial stability; interest to expand their services to this area of the City; and a three-year funding commitment to facility improvements and program support makes the YMCA an excellent addition to a neighborhood that is in need of additional services and resources.

BUDGET/FINANCIAL INFORMATION:

The monthly base rent of \$1,785 provides lease revenue of \$3,570 for the remaining two months of Fiscal Year 2014. Beginning Fiscal Year 2015, the lease rate is proposed to increase to \$1.23 per square foot or \$1,845 per month for lease revenue of \$22,140 for a full year of operation, which is included in the proposed Fiscal Year 2015 budget.

SUMMARY:

The Parks and Recreation Department recommends that the City enter into a three-year agreement with the Channel Islands YMCA for the Haley Street Youth Center.

PREPARED BY: Sarah Hanna, Recreation Programs Manager

SUBMITTED BY: Nancy L. Rapp, Parks and Recreation Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Environmental Services Division, Finance Department

SUBJECT: Award Of Professional Services Agreement For Solid Waste Management Brand Development And Strategic Marketing Support To Robert TenEyck

RECOMMENDATION:

That Council authorize the Finance Director to execute a professional services agreement with Robert TenEyck in the amount of \$43,000 for brand development and marketing support, and authorize the Finance Director to approve expenditures of up to \$7,000 for extra services that may result from necessary changes in the scope of work.

DISCUSSION:

To achieve its mission of “maximizing diversion of solid waste from landfill disposal,” the Environmental Services Division (Environmental Services) must ensure that City residents and businesses 1) understand the inventory of solid waste-related services available to them; and 2) fully utilize these services. Environmental Services relies on an array of print, digital, radio and television media to communicate with City residents, businesses and tourists on solid waste matters. These communication pieces were traditionally developed without any real understanding of the target audience(s) and a lack of subsequent data has made meaningful evaluation of their effectiveness difficult.

The solid waste landscape in the City has changed significantly in recent years. In August of 2011, MarBorg Industries, Inc. (MarBorg) became the City’s sole solid waste collection provider. In July of 2012, the State adopted Assembly Bill 341, which established new recycling and diversion goals for the business and multi-unit residential sectors. In February 2013, the City entered into a new, ten-year contract with MarBorg, which significantly expanded solid waste and diversion services to all ratepayers. Given this evolving landscape, it is imperative that the Environmental Services’ outreach strategy also evolve. An effective branding and marketing strategy is critical to successfully communicating with its customers. To this end, the Division recently solicited proposals from marketing and branding experts to assist staff with the following tasks:

- Gather first-hand field data regarding knowledge and perceptions of solid waste services in Santa Barbara from businesses and multi-unit residential customers;

- Segment and clarify how to best reach particular demographic groups, especially Spanish-speaking audiences and seniors;
- Develop a long-term strategic marketing plan with sequenced message roll-out;
- Assess existing communications, divesting pieces that are no longer useful, and adapting those that are still effective; and,
- Design and deploy new communications in line with the devised strategy, and measure those communications on an ongoing basis

Based upon the ranking criteria set forth in the RFP, including vendor qualifications, quality of work plan, cost and references, the proposal from Robert TenEyck received the highest score. Based upon the proposal and the work that the vendor previously performed for the Division in 2009 and 2012, staff is confident in his team's capabilities to deliver on the requested services.

A copy of the proposed professional services agreement is available for public review in the City Clerk's Office.

BUDGET/FINANCIAL INFORMATION:

As part of its contractual obligations, MarBorg pays the Division approximately \$141,000 per year in public education funding. The total cost of the proposed contract is \$50,000 over approximately 30 months. Therefore, the contract represents approximately 12% of the Division's total public education budget over the fiscal years contemplated.

Given the significant total dollars spent on customer outreach each year across an array of media, allocating a small portion of the overall budget to expert assistance to ensure that the dollars are spent effectively is fiscally responsible. The majority of the costs will be covered in Fiscal Year 2014 through existing Solid Waste Fund public education revenues. Remaining costs will be incorporated into future Solid Waste Fund operating budgets that cover the remaining contract term.

SUSTAINABILITY IMPACT:

The proposed contract will enhance the reach and effectiveness of City communications designed to encourage solid waste diversion, counteract illegal dumping, ensure proper disposal of hazardous waste, and promote a cleaner community. We anticipate this contract will result in greater utilization of the full array of Division services.

In November 2013, staff discussed with the Sustainability Committee the evolving solid waste landscape in the City and the Division's emerging strategy for achieving its communications goals, including procurement of a brand and marketing expert.

PREPARED BY: Matt Fore, Environmental Services Manager
SUBMITTED BY: Robert Samario, Finance Director
APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Administration Division, Fire Department

SUBJECT: Professional Services Agreement With Xerox Government Systems, LLC, For Information Technology Hosting And Support Services

RECOMMENDATION:

That Council authorize the Fire Chief to execute a Professional Services Agreement with Xerox Government Systems, LLC, in the amount of \$38,000 for licensed access to the web version of FIREHOUSE Software Enterprise Version 7, for use in the Fire Department's daily operations.

DISCUSSION:

BACKGROUND

For the past 10 years, the Fire Department has successfully utilized Firehouse Software Standard Version for its Record Management System (RMS) needs. Because of technological advancement, Xerox Government Systems, LLC (Xerox) will discontinue supporting this version within two years and has recommended that its customers install an upgraded version of this software.

PROJECT DESCRIPTION

Firehouse Software (FH) is the RMS program used by the Fire Department to collect, record, report and analyze critical fire operations data. Modules included are Fire and Emergency Medical Response reporting, Analytics tool, Staff activities and Training, Fire Inspection Occupancy Management, Apparatus Equipment and Inventory and Hydrant tracking with Computer-Aided-Dispatch Monitor. This project implements FH Software Enterprise Version 7 in place of the Standard version being used currently.

FH Software Enterprise Version 7 offers a number of advantages:

- Software is web hosted by FH; reduces City Information Systems server costs and maintenance
- 24/7 network support; patches and upgrades performed by FH technicians
- City information protected in off-site, state-of-the-art data center
- System now available for mobile applications for use with tablets/electronic devices
- User interface remains the same; minimal user training required

SELECTION PROCESS

The Fire Department conducted a review of competing RMS products and vendors and determined that FIREHOUSE Software Enterprise Version 7 best meets the needs and requirements of its operations with minimum disruption to existing procedures and training. Xerox is the only supplier of this software and has been selected as the vendor to provide it.

BUDGET/FINANCIAL INFORMATION:

The estimated total project cost for this Firehouse software is \$38,000. The agreement's term is 5 years and the annual cost is \$7,600. Fire's annual budget will absorb this cost and additional funding is not required.

PREPARED BY: Ronald Liechti, Administrative Services Manager

SUBMITTED BY: Patrick McElroy, Fire Chief

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Supervisory Control And Data Acquisition Integration Services For The Corporation Yard Well – Wellhead Project

RECOMMENDATION:

That Council authorize the Public Works Director to execute a contract with Systems Integrated, LLC, in the amount of \$65,923 for equipment, testing, and Supervisory Control and Data Acquisition Programming, and approve expenditures of up to \$10,000 for extra services that may result from necessary changes in the scope of work.

DISCUSSION:

BACKGROUND & PROJECT DESCRIPTION

On March 25, 2014, Council approved a wellhead construction contract with Brough Construction Inc, and a design support contract with Carollo Engineers for the construction of the Corporation Yard Well – Wellhead Project (Project), which will allow water to be pumped from the well to the Ortega Ground Water Treatment Plant (OGWTP). The wellhead construction contract consists of installing a well pump and constructing above ground improvements for the newly drilled Corporation Yard Well. This integration services contract will allow Systems Integrated, LLC, (Systems Integrated) to purchase and install the necessary hardware at the well site and the OGWTP to transmit well operation information from the well site to the treatment plant. Systems Integrated will also program the existing servers at the OGWTP to display and record data that will be transmitted from the Corporation Yard Well.

The change order authority on this contract is requested at 15 percent of the contract amount, which is higher than the typical 10 percent change order amount. The extra 5 percent is to cover probable difficulties in the radio transmission aspect of the Project, due to vegetation in the path of the transmission line between the well and the treatment plant. If these difficulties arise, field modifications to the transmission equipment may be needed.

Council Agenda Report

Contract For Supervisory Control And Data Acquisition Integration Services For The Corporation Yard Well – Wellhead Project

April 29, 2014

Page 2

Systems Integrated was selected through a Request for Proposals process which closed on March 13, 2014. The City received a total of two proposals, one from Systems Integrated and one from ProUsys. Systems Integrated has extensive experience with the City's Supervisory Control and Data Acquisition Intergration Services (SCADA) systems, and specifically with the OGWTP, as they supplied the equipment and integration services for the recent upgrade at the OGWTP.

REQUEST FOR PROPOSAL RESULTS

Two proposals were received for the subject work, as follows:

	CONSULTANT	PROPOSAL AMOUNT
1.	Systems Integrated. San Diego, CA	\$65,923
2.	ProUsys Ventura, CA	\$91,937

The proposal from Systems Integrated is acceptable and meets the requirements of the request for proposals advertisement.

FUNDING

There are sufficient funds budgeted in Water fund to cover the cost of this Project. The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY			
	Basic Contract	Change Funds	Total
Systems Integrated	\$65,923	\$10,000	\$75,923
TOTAL RECOMMENDED AUTHORIZATION			\$75,923

The following summarizes all Project design costs, construction contract funding, and other Project costs:

ESTIMATED TOTAL PROJECT COST

Previous Well Drilling Project Design and Construction Costs	\$1,247,363
Subtotal	\$1,247,363
Design Contract for Wellhead Project	\$84,000
City Design Costs	\$59,541
Construction Contract and Design Support	\$517,287
Construction Management/Inspection with City Staff	\$47,025
Subtotal	\$707,853
SCADA Integration Contract	\$75,923
Subtotal	\$75,923
TOTAL PROJECT COST	\$2,031,139

SUSTAINABILITY IMPACT:

The Corporation Yard Well is located in Groundwater Storage Unit 1. During times of drought, the City’s groundwater supplies, including the Corporation Yard Well, play an important role in providing a reliable local source of water to help meet demands.

PREPARED BY: Amanda Flesse, Supervising Civil Engineer/CW/kts

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator’s Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Construction Of Tertiary Filtration Plant Replacement Project

RECOMMENDATION: That Council:

- A. Appropriate \$3,116,748 from Water Fund reserves to the Water Capital Fund to construct the Tertiary Filtration Plant Replacement Project;
- B. Reject the apparent low bid from GSE Construction Co., Inc., for construction of the Tertiary Filtration Plant Replacement Project as non-responsive due to their failure to meet the bid specifications;
- C. Award a contract with Schock Contracting Corporation in their low bid amount of \$8,490,000 for construction of the Tertiary Filtration Plant Replacement Project, Bid No. 3688A, and authorize the Public Works Director to execute the contract and approve expenditures up to \$879,000 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
- D. Authorize the Public Works Director to execute a contract with MNS Engineers, Inc., in the amount of \$706,154 for construction management services, and approve expenditures of up to \$70,615.40 for extra services that may result from necessary changes in the scope of work;
- E. Authorize the Public Works Director to execute a contract with CDM Smith, Inc., in the amount of \$491,019 for construction support services, and approve expenditures of up to \$49,101 for extra services that may result from necessary changes in the scope of work; and
- F. Authorize the Public Works Director to execute a contract with Dudek in the amount of \$60,304.40 for environmental monitoring and support services, and approve expenditures of up to \$6,031 for extra services that may result from necessary changes in the scope of work.

EXECUTIVE SUMMARY:

Four bids were received for the Tertiary Filtration Plant Replacement Project (Project). Staff recommends that Council reject the apparent low bid of GSE Construction Co, Inc

(GSE) as non-responsive and award a contract to the next lowest bidder, Schock Contracting Corporation (Schock) for construction of the Project. Staff also recommends that Council authorize the Public Works Director to enter into contracts with MNS Engineers, Inc. (MNS), CDM Smith Inc. (CDM), and Dudek for professional services during construction and appropriate \$3,265,541 from the Water Fund reserves to the Water Capital Fund to construct the Project.

DISCUSSION:

BACKGROUND

The City's Tertiary Filtration Plant was constructed in 1989 at the El Estero Wastewater Treatment Plant. It was one of the first recycled water facilities in California and was designed to produce approximately four million gallons of recycled water per day, thereby reducing the need for potable water. The Tertiary Filtration Plant has been in operation for over 20 years and is now in need of significant rehabilitation to allow for the effective production of recycled water. In addition, the existing filter plant has operational challenges and maintenance safety concerns that need to be addressed.

On January 24, 2012, Council awarded a contract with CDM for engineering assessment and preliminary design services for the Project. CDM, working with staff, evaluated four filtration technologies and rehabilitation of the existing filter plant. The recommended alternative was Microfiltration/Ultrafiltration (MF/UF), which will provide reliable recycled water quality for users and address the various operation and maintenance issues that currently exist with the Tertiary Filter Plant.

On February 26, 2013, Council awarded a contract with CDM for final design services for the Project. The design was completed and the project was initially put out to bid in November 2013. Bids were received in January 2014, but the City received timely bid protests from the second and third lowest bidders. After analyzing the issues asserted by the protesting contractors, it was apparent that the City's specifications did not have the appropriate statements required by the State's Public Contract Code for sole sourcing City standardized equipment. Therefore, on March 4, 2014, per staff's recommendation, Council rejected the bids for construction and authorized re-bidding the project. Revisions were made to the Project specifications and the Project was promptly re-bid.

PROJECT DESCRIPTION

The scope of work for this project generally consists of demolishing the existing Tertiary Filter Plant and constructing the new MF/UF Filtration Complex, including ancillary facilities for cleaning the membranes and associated chemical systems. In the course of the design, additional work was found to be necessary which included rehabilitation of the recycled water storage reservoir; replacement of the chlorine contact basin pumps, motors and variable frequency drives; reconfiguration of piping and existing chemical storage sites; and improvements to the storm water drainage system.

When the project was recently re-bid, construction sequencing requirements were revised as a means to accelerate the construction schedule. This reduced the overall construction duration by approximately five weeks. In addition, an incentive for early completion was added as a contract provision, which compensates the contractor at a rate of \$1,500 per working day for each day the Project is substantially complete and the City is able to produce recycled water ahead of schedule, with a maximum total incentive of \$30,000. This early completion incentive cost will be paid out of the construction contract change order allowance. If Schock is able to accelerate the work and receive the maximum total incentive, it will reduce overall construction by an additional four weeks, and the project will finish ahead of the original bid schedule. Although the City could pay up to \$30,000 for schedule acceleration, the cost between purchasing water and producing recycled water is approximately \$3,300 per day, thereby reducing the overall cost difference by \$62,400.

BID PROTEST

On April 3, 2014, four bids were received and opened for the project. GSE was the apparent low bidder. The second apparent low bidder, Schock, filed a timely protest to the City concerning GSE's bid. Schock asserted that GSE's bid should be rejected as non-responsive because GSE did not name a qualified subcontractor for the pile driving work, and GSE does not meet the pile driving experience requirements of the Project specifications which are necessary to self-perform the work. Based on this protest, the City reviewed GSE's bid, the contract specifications, and written communication from both Schock and GSE. After evaluation of all the information available, staff finds GSE's proposal to be non-responsive for failure to meet the bid specifications pertaining to pile driving operations.

The Tertiary Filtration Plant Replacement Project contract specifically requires that bidders be skilled and regularly engaged in the type of work called for under the contract and that evidence of past similar projects be submitted as part of the bid proposal. For this Project, a significant portion of the work requires pile driving. Section 02365 of the contract requires that the contractor "have at least 5 years experience and at least 10 successful installations of the same general type and class of piles" that will be driven pursuant to the specifications. GSE's bid did not list a subcontractor to perform the pile driving work and has asserted that it intends to self-perform the work. Despite the assertion that it intends to self-perform, GSE has not provided any documentation that they have at least 5 years experience and at least 10 successful installations, as required by the contract. Further, failure to meet this particular contract requirement is not minor irregularity that may be waived by the City as it would create an unfair advantage over other bidders. For the foregoing reasons, Staff recommends that Council reject GSE's bid as non-responsive and award the construction contract to Schock, the next lowest bidder.

Please reference the indexed Reading File located in the City Clerk's Office to review the documents pertaining to the bid protest.

CONTRACT BIDS

A total of four (4) bids were received for the subject work, ranging as follows:

	BIDDER	BID AMOUNT
1.	GSE Construction Co., Inc., Livermore, CA	\$8,010,600*
2.	Schock Contracting Corporation, Santa Barbara, CA	\$8,490,000
3.	Stanek Constructors, Inc., Escondido, CA	\$8,802,000**
4.	Lash Construction, Santa Barbara, CA	\$9,496,000

*Non-responsive Bid
**Corrected Bid Amount

The low bid of \$8,010,600, submitted by GSE was determined to be non-responsive to the Project specifications. The second low bid of \$8,490,000, submitted by Schock is an acceptable bid that is responsive to and meets the requirements of the bid specifications. Staff recommends that Council award and authorize the Public Works Director to execute a contract with Schock in the amount of \$8,490,000.

The change order funding recommendation of \$849,000, or 10 percent, is typical for this type of work and size of project. In addition, \$30,000 will be added for the early completion incentive provision, bringing the total change order funding recommendation to \$879,000.

CONSTRUCTION PHASE CONTRACT SERVICES

Staff recommends that Council authorize the Public Works Director to execute a contract with MNS in the amount of \$706,154 for construction management services, and approve expenditures of up to \$70,615.40 for extra services that may result from necessary changes in the scope of work. The extra services funding recommendation of 10 percent is typical for this scope of work. MNS was selected by a Request for Proposal process and is experienced in this type of work.

Staff recommends that Council authorize the Public Works Director to execute a contract with CDM in the amount of \$491,019 for design support services during construction, and approve expenditures of up to \$49,101 for extra services that may result from necessary changes in the scope of work. The extra services funding recommendation of 10 percent is typical for this scope of work. CDM designed the Project and is experienced in this type of work.

Staff recommends that Council authorize the Public Works Director to execute a contract with Dudek in the amount of \$60,304.40 for environmental monitoring and support services, and approve expenditures of up to \$6,031 for extra services that may result from necessary changes in the scope of work. The extra services funding recommendation of 10 percent is typical for this scope of work. Dudek was selected by a Request for Proposal process to prepare environmental studies for the Project and is experienced in this type of work.

FUNDING

The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Basic Contract	Change Funds	Total
Schock	\$8,490,000	\$879,000	\$9,369,000.00
MNS	\$706,154	\$70,615.40	\$776,769.40
CDM	\$491,019	\$49,101	\$540,120.00
Dudek	\$60,304.40	\$6,031	\$66,335.40
TOTAL RECOMMENDED AUTHORIZATION			\$10,752,224.80

The following summarizes all Project design costs, construction contract funding, and other Project costs:

ESTIMATED TOTAL PROJECT COST

**Cents have been rounded to the nearest dollar in this table.*

Assessment and Preliminary Design (by Contract)	\$494,755
Subtotal	\$494,755
Final Design (by Contract)	\$816,646
Environmental Studies (by Contract)	\$11,700
City Staff Costs (Project Management, Survey, Environmental)	\$99,500
Subtotal	\$927,846
Construction Contract	\$8,490,000
Construction Change Order Allowance	\$879,000
Subtotal	\$9,369,000
Construction Management/Inspection (by Contract)	\$776,769
Construction Support Services (by Contract)	\$540,120
Environmental Monitoring and Support Services (by Contract)	\$66,335
Other Construction Costs (permits)	\$10,256
Construction Management/Inspection (by City Staff)	\$153,061
Subtotal	\$1,546,541
TOTAL PROJECT COST	\$12,338,142*

This project is funded by the Water and Wastewater Funds. Existing appropriations for the project total \$7,798,793 for construction costs. The total authority needed is \$10,915,541 to cover construction costs totaling \$10,752,225, plus staff costs totaling \$163,317. Therefore, Staff recommends an additional \$3,116,749 be appropriated from Water Fund reserves to fund the difference between existing appropriations and the total needed for construction. There are adequate reserves to cover this expense.

SUSTAINABILITY IMPACT:

Recycled water is an important part of our water supply that helps sustain our current water supplies and avoid the need to develop new ones. The new Tertiary Filtration Complex was designed to produce up to three million gallons of recycled water per day and should be producing recycled water by summer 2015.

At its meeting on April 14, 2014, the Board of Water Commissioners voted 4-0-0 to concur with staff's recommendation to appropriate money from the Water Fund reserves and construct the Project.

PREPARED BY: Pat Kelly, Assistant Public Works Director/City Engineer/
LA/mh

SUBMITTED BY: Rebecca Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Waterfront Hotel Update

RECOMMENDATION:

That Council receive an update from the Parker Family Trust and staff on a new Development Agreement Proposal and possible changes to the Waterfront Hotel project, and provide comments.

DISCUSSION:

In 2007, the City issued building permits for both the 150 room Waterfront Hotel, located at the corner of Cabrillo Boulevard and Calle Cesar Chavez, and a youth hostel (required as a condition of approval for the hotel), located at 12 East Montecito Street. While construction on the hostel has proceeded, the hotel project has stalled. Over the past year the Parker Family applicant team has met with staff to discuss options for developing the Waterfront Hotel site with a smaller, boutique style hotel while still retaining the option of developing the approved 150 room hotel. The Parker family is researching the appropriate room count and design of a new project and this research requires time. In order to maintain the existing development rights to the approved hotel and establish development potential for a revised project, Staff and the Parker Family believe a new Development Agreement should be considered.

Background

In 1981, the City and Coastal Commission approved Park Plaza Specific Plan #1 and a Subdivision Map creating three parcels that make up the specific plan area. These parcels included the Fess Parker DoubleTree Hotel and the Waterfront Hotel properties, as well as the Chase Palm Park expansion area. The Specific Plan allowed the development of the DoubleTree Hotel, which was constructed in the 1980's. The other two parcels were designated for retail, public parking and park development.

In 1994, the City and Coastal Commission approved an amendment to the Park Plaza Specific Plan to allow construction of a 150-room luxury hotel on the Waterfront Hotel site and development of a park on the remaining parcels. The Specific Plan area was also expanded westward to include the City property between Laguna Channel and

Santa Barbara Street. In 1994, a Coastal Development Permit, Development Plan, and Parking Modification were approved by the City for both the Chase Palm Park expansion, the Waterfront Hotel and a 75-bed hostel (now a 100-bed hostel, per a Coastal Commission requirement).

Per the conditions of approval, the park and hostel were to be completed prior to the opening of the hotel. In 1995, Mr. Parker requested a Development Agreement to extend the expiration date of his approvals because there was limited financing available for hotel development. As required by the Development Agreement, certain costs and donation of the park property would be provided immediately, in exchange for extending the approval dates for his hotel and hostel from 1997 to 2007. Since the approval of the Development Agreement, the following actions have been completed or initiated by the Parker Family:

- Both land and fees to complete the Waterfront Park (Chase Palm Park expansion) were provided by the Parker Family (American Tradition).
- Calle Cesar Chavez, formerly known as Salsipuedes Street, is completed, which now connects to Cabrillo Boulevard.
- In conjunction with the adjacent Wright project, Garden Street was connected from the 101 Freeway to Cabrillo Boulevard.
- Improvements to the area drainage on the hotel and park sites were completed and connected to a Santa Barbara County Flood Control drainage project.
- On June 25, 2007, minor changes to the hotel, including moving the underground parking to the proposed project site, were determined to substantially conform to the originally approved project plans. The number of rooms continues to remain the same. (Please note, this change is the last of several changes reviewed by the Planning Commission since 1995.)
- A building permit application for foundation and grading on the proposed hotel was issued on September 20, 2007. Work under this permit began, but is not complete and the permit is still valid.
- A building permit application for soil remediation on the hotel site was issued on September 20, 2007 and work was completed on September 4, 2008.
- A building permit application for the hotel building shell and core was issued on May 8, 2008 and is still valid.
- On September 19, 2007, a building permit to construct the youth hostel was issued and construction commenced. In 2011 the applicant revised the floor plan to create more individual rooms rather than dormitory style rooms that were more common at the time the project was approved. Estimated completion date of the hostel is summer 2014.
- Since 1995, the Parker Family contributes \$62,500 annually (indexed annually for inflation) to operate and maintain the park and will continue to do so until the hotel is constructed. Upon completion of the hotel, the contribution will be \$125,000 annually for an additional 35 years.

Development Agreement (DA) Proposal

The new DA would incorporate much of the same information as the original 1995 DA, but would be updated to reflect the conditions that the Parkers have completed since 1995. Additionally, provisions would be included establishing development potential for a revised project should the 150 room hotel not be pursued further. While all of the details are not fully ironed out, the new DA would incorporate the following components:

- Establish a new 10 year term for the DA.
- Acknowledging the approved status of the 150-room hotel, all current Building and Public Works permits for the approved 150-room hotel would expire.
- During the first four years of the DA, the approved 150-room hotel could be constructed without further discretionary review, subject to the issuance of new building permits consistent with the current building codes. After four years, the approvals for the 150-room hotel would expire.
- If a hotel project other than the approved 150 room hotel is proposed at any time during the ten year term of the DA (a new hotel), the project would be subject to the appropriate design, permit, and environmental review, consistent with current ordinances, General Plan policies, and building codes.
- If a new hotel is approved during the term of the DA and the new hotel results in less than 150 rooms, the applicant would have the ability to propose transferring the excess rooms to another site within the downtown development area.

Staff is supportive of the key objectives of a new Development Agreement that would allow for completion of the Specific Plan as contemplated all these years. We are also interested in a revised project that could involve a reduced foot print and mass on the site. Staff and the applicant appreciate this opportunity to check in with the Council for initial thoughts and questions on the proposal. The Parker Family will continue to work with staff to refine the draft of the proposed new Development Agreement. Staff will also conduct environmental analysis of the DA. The DA is a legislative action, which under the City's procedures requires Planning Commission review of the draft DA and to provide its recommendation, and then Council action through adoption of an ordinance.

- ATTACHMENTS:**
1. Parker Family letter dated April 15, 2014
 2. Development Agreement (w/o Exhibits) dated August 9, 1996
 3. Development Agreement Map

PREPARED BY: Peter Lawson, Associate Planner

SUBMITTED BY: Bettie Weiss, City Planner/Acting Community Development Director

APPROVED BY: City Administrator's Office



Fespar Enterprises LLC

April 15, 2014

Hon. Mayor and City Council Members
City of Santa Barbara
Post Office Box 1990
Santa Barbara, California 93102-1990

Re: Initiation of Development Agreement for Parker Waterfront Hotel Property at 433 East Cabrillo Boulevard (“Waterfront Hotel Property”)

Dear Hon. Mayor Schneider and Council Members:

We would like to take this opportunity to update the Council on our vision for the Waterfront Hotel Property and to propose a course of action that will result in a new hotel on the Waterfront Hotel Property and completion of the City’s waterfront area. We would also request an opportunity to discuss our plans for the Waterfront Hotel Property with you at your next available council meeting.

As a bit of background, the proposed development of the Waterfront Hotel Property dates back to 1981 when the City, in coordination with the Parker family, adopted Specific Plan No. 1 Park Plaza (“Specific Plan No.1”). Prior to Specific Plan No. 1, there had been a series of failed attempts by the City and prior property owners to revitalize the City’s waterfront. Our family’s acquisition of approximately 33 acres of waterfront property in the late 1970’s provided an opportunity for the City and the Parkers to develop a shared vision for a revitalized waterfront area.

Specific Plan No.1 provided the roadmap for the development of a large portion of waterfront property owned by our family. Specific Plan No. 1 paved the way for the development of what is now “The Fess Parker Resort” (formerly “the Fess Parker Double Tree Resort”), as well as dedication by the Parkers of public parking and open space along Cabrillo Boulevard. Today, The Fess Parker is the largest hotel in the City of Santa Barbara and continues to generate significant revenue for the City and local businesses, while the dedicated parking and open space provide continuing public benefits to the Santa Barbara community.

Hon. Mayor and City Council Members
City of Santa Barbara
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Santa Barbara, California 93102-1990
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After the successful development of The Fess Parker, the City Redevelopment Agency and our family agreed to continue to carry out our shared vision for the development of the waterfront on the remaining property owned by our family. To this end, in 1994 the City adopted certain amendments to Specific Plan No.1 (“Amended Specific Plan”). The Amended Specific Plan provided the necessary zoning and land use regulations to develop a luxury hotel on the Waterfront Hotel Property and to construct what is now Chase Palm Park, a large portion of which sits on land donated by the Parker family to the City. In conjunction with our family’s agreement to donate the Chase Palm Park property, we entered into a Development Agreement with the City in 1995 (“Development Agreement”).

The Development Agreement granted our family a vested right to build a 150-room luxury hotel on the Waterfront Hotel Property, subject to certain conditions. As consideration for the vested rights granted by the Development Agreement, we provided significant benefits to the City, including donating 5 acres of property for the development of Chase Palm Park, providing the land for and constructing a 100-bed hostel (which is near completion and is scheduled to open this summer), and paying significant fees to maintain and operate Chase Palm Park. Today, Chase Palm Park is one of the largest waterfront parks in the City of Santa Barbara and hosts many of the City’s most successful community events, including the annual “Concert in the Park” series, while the hostel will provide much-needed affordable lodging on the City’s waterfront. Pursuant to the Development Agreement, we obtained and continue to hold the necessary building permits to construct the new hotel.

Much has changed since we entered into the Development Agreement in 1995. While we maintain our vested right to construct the 150-room hotel, we believe there may be other design opportunities that could better meet the demand for current market conditions. Such a design would likely result in a reduced development footprint and fewer hotel rooms on the Waterfront Hotel Property. We would like the opportunity explore alternative designs.

To allow our team the opportunity to explore alternative design concepts for the hotel, we recently submitted an application for a new development agreement. A new development agreement would preserve our family’s development rights in the Waterfront Hotel Property so we can move forward and make significant financial and personnel commitments to the project, and allow the City to help shape any new hotel proposal.

Over the past year, we have met with City staff on numerous occasions to discuss the possibility of a new development agreement. As a result of these discussions, we believe City staff supports the idea of a new development agreement and the key terms we intend

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Santa Barbara, California 93102-1990
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to propose. While we understand there are many terms and conditions that must be included in any new development agreement, including terms specifically required by State law and the City's own regulations, the following is an abbreviated list of the key terms we have discussed with City staff and hope to include in a new development agreement.

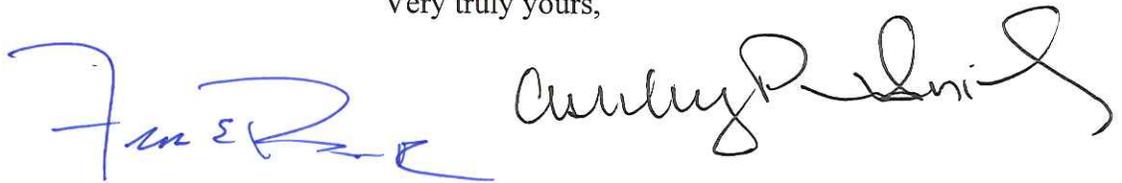
1. The Parker family would maintain its vested right to develop the already-approved 150-room hotel, subject only to the Parker family applying for a new building permit processed under current building code standards within four years of the effective date of the new development agreement.
2. The Parker family would retain its right to develop up to 150 hotel rooms on the Waterfront Hotel Property by way of a new and revised hotel project. Any new hotel proposal would be subject to the City's review process, and to the 1994 Amended Specific Plan and all ordinances and regulations in effect as of the effective date of the new development agreement. Additionally, the development agreement may include provisions that supplement certain development regulations related to the proposed hotel.
3. In the event a new hotel project on the Waterfront Hotel Property is approved during the term of the development agreement and generates fewer than 150 hotel rooms, the development agreement would address the possible transfer of remaining development rights (i.e. hotel rooms) from the Waterfront Hotel Property to an offsite location within the "Downtown Development Area".
4. The Parker family would have no less than 10 years (the actual time period will be specified in the development agreement) from the effective date of the new development agreement to process entitlements with the City for a new hotel project.

In our discussions with City staff, we understand the next steps in the development agreement process are completing the formal application for a new development agreement, followed by review of the application and proposed development agreement by the City Planning Commission, and a return to the City Council for final approval of the development agreement by adoption of an ordinance. We will continue to work with City staff and the City Attorney's office as we prepare the required application and new development agreement.

Hon. Mayor and City Council Members
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We thank you in advance for your consideration of our request and we look forward to discussing with you our vision for completing the last piece of the City's waterfront at your next available council meeting.

Very truly yours,

Two handwritten signatures in blue ink. The signature on the left is stylized and appears to be 'Frank R...'. The signature on the right is more legible and appears to be 'Carmel P. ...'.

96-047998

Rec Fee .00
A. R. .00

Recording requested by and when recorded, please return to:

Recorded
Official Records
County of
Santa Barbara
Kenneth A Pettit
Recorder
8:00am 9-Aug-96

City Clerk
City of Santa Barbara
P.O. Box 1990
Santa Barbara, CA 93102-1990

CONT BB 32

RECORDING REQUESTED BY
CONTINENTAL LAWYERS TITLE COMPANY

200458

No fee per GOVT CODE § 6103

No Documentary Transfer Tax Space above line for Recorder's use

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of this 2nd day of August, 1996, by and between THE CITY OF SANTA BARBARA, a municipal corporation (hereinafter the "City"), and AMERICAN TRADITION, a California general partnership (hereinafter the "Parker Family").

RECITALS

A. WHEREAS, Government Code Sections 65864-65869.5 authorize local agencies to enter into a binding Development Agreement (as such agreements are defined by Govt. Code §§65864-65869.5) with a property owner for the development of property in order to give assurances to the property owner and the City that, once approved under the applicable planning and zoning codes, a development project can proceed in accordance with existing land development policies, rules and regulations.

B. WHEREAS, Government Code Section 65869 specifically provides that a statutory development agreement such as this agreement need not be approved by the state Coastal Commission for any development project located in an area for which a local coastal program is required so long as the required local coastal program has been certified pursuant to the Coastal Act by the Coastal Commission prior to the date the development agreement is approved by the local agency.

C. WHEREAS, the City of Santa Barbara's Local Coastal Program was certified by the state Coastal Commission on November 12, 1986 and duly amended from time to time since then.

D. WHEREAS, under the Santa Barbara City Charter, the City exercises control over municipal affairs, including the land development process, and has the authority to enter into development agreements for purposes consistent with the public health, safety and general welfare.

E. WHEREAS, on October 17, 1989, the City Council adopted Resolution No. 89-120 establishing procedures for considering statutory development agreements, which resolution sets forth in Recitals A-D thereof the City authority and public purpose of such agreements.

F. WHEREAS, On August 19, 1993, the City Planning Commission recommended that the City Council of the City approve a Specific Plan Amendment and the Planning Commission approved various permits for the real property located at 325 East Cabrillo Boulevard and 33 West Montecito (hereinafter collectively referred to as the "Site" as described in more detail in Redevelopment Parcel Map 95-20,587 as Parcels 1, 2 and 3 approved by the City and the Redevelopment Agency concurrently herewith (and recorded in the official records of Santa Barbara County on 8/9/96 BK 51 as instrument 09291-96) and zoned as HRC-2, S-D-3, SP-1 Hotel and Related Commerce 2 with Coastal Overlay Zone, Specific Plan No. 1 and General Plan designation of Open Space, Parking and Buffer/Stream for a proposed public/private project to be jointly developed by the Redevelopment Agency of the City and the Parker Family and consisting of a 150 room luxury hotel (hereinafter the "Hotel") on a 3.0 acre parcel (hereinafter referred to as the "Hotel Parcel" and more particularly described in the legal description attached hereto as Exhibit A) and an adjacent approximately 10 acre public park (hereinafter the "Park") together with the required public parking.

In addition, as a pre-condition of approval on the construction and operation of the Hotel, the Hotel Developer is required to construct a 100 bed youth hostel to be constructed at an off-site location acceptable to the City pursuant to a separate Coastal Development Permit issued for the hostel on April 20, 1995 as City CDP No. #95-0016 (hereinafter the "Hostel"). The construction of the Hotel, the adjacent Park and the required Hostel are hereinafter collectively referred to as the "Project."

G. WHEREAS, on September 21, 1993, the City Council of the City approved the Specific Plan Amendment (hereinafter the "Specific Plan No. 1) requested by the Redevelopment Agency and the Parker Family necessary for the development of the Project and, shortly thereafter, an application for a Local Coastal Program ("LCP") Amendment with respect to Specific Plan No. 1 was submitted to the California Coastal Commission in order to certify that the amendments made to the original Specific Plan were acceptable to the Coastal Commission under the Coastal Act; on January 12, 1994, the Coastal Commission certified the City's LCP amendment with the modifications which resulted in the need to impose additional conditions on the Project.

H. WHEREAS, on March 10, 1994 the City Planning Commission adopted Resolution No. 020-94 incorporating the modifications made necessary by the action of the state Coastal Commission for the

development of the Project into the Specific Plan and granting the City Development Plan approvals and making the findings required by the City's Zoning Ordinance (Title 28 of the Santa Barbara Municipal Code) and required by the California Environmental Quality Act (Public Resources Code § 21000 et seq.). The revised Specific Plan for the Project was then approved by the City Council on March 22, 1994.

I. WHEREAS, On April 20, 1995, the Planning Commission confirmed that the relocation of the required Hostel from the location originally proposed at 33 West Montecito Street to a new location at 12 East Montecito Street (the southwest corner of the intersection of Montecito and Helena Streets and hereinafter included within the definition of the term "Site") is in substantial conformance with the intent and purposes of the original hostel condition imposed on the approval of the Project and the Planning Commission issued a Coastal Development Permit, Development Plan approval and Conditions for the relocated hostel at 12 East Montecito Street.

J. WHEREAS, through the execution of a Memorandum of Understanding in November of 1990, and until late 1994, it was the desire and the intention of the Agency and the Parker Family to accomplish a joint project in such a way that the construction of the public park, the luxury hotel and the required youth hostel (as well as all the required public infrastructure improvements and mitigation measures necessary for these developments) occurred concurrently. However, recent events have demonstrated to the Agency, the Parker Family, and the City that the financing and construction of the luxury hotel and the required youth hostel are not possible in the near term and that Agency construction of the approximately 10 acre public park is currently possible with available Agency tax-exempt bond funds. As a result, the Agency, the City and the Parker Family have decided to take those steps necessary to convey the real property necessary for the construction of the Park to the Agency and to vest with the Parker Family the right to construct the luxury hotel and to construct the required youth hostel.

Pursuant to and in furtherance of this goal, the City is entering into this development agreement concurrently with and in full consideration of several other agreements by and between the Agency, the City, and the Parker Family which agreements are as follows (and hereinafter referred to as the "Project Agreements"):

1. the Escrow Agreement by and between the Agency and the Parker Family,
2. the Reimbursement Agreement by and between the Parker Family and the Agency (hereinafter the "Reimbursement Agreement"),
3. the Option Agreement by and between the Parker Family and the Agency,
4. the Declaration of Construction and Operating Covenants and Reciprocal Easements by and between the Agency and the Parker Family (hereinafter referred to as the "Declaration"),
5. the Grant Deed with Power of -----

Termination granting certain land to the Agency for use as a public park subject to an express power of termination.

As a result, City and Parker Family understand and acknowledge that the consideration for and basis of this Development Agreement is dependent upon the concurrent approval and execution of all of the Project Agreements by the Parker Family, the Redevelopment Agency of the City of Santa Barbara and the City.

K. WHEREAS, the City and the Parker Family desire to enter into this Agreement concerning the development of the Hotel and Hostel portions of the Project as described in Planning Commission Staff Report dated June 8, 1995 and as approved by the City Planning Commission on June 8, 1995 and as approved by the City Council on August 15, 1995 [as reflected in City Ordinance No. 4920], in order to allow the construction of the public park portion of the Project by the City Redevelopment Agency to move forward as soon as possible.

L. WHEREAS, a substantial amount of time and effort was expended by City officials and staff and the Redevelopment Agency staff to review the Project. All aspects of the Project have been reviewed extensively and were the subject of numerous public hearings. All environmental impacts of the development of each portion of the Project was addressed in the required Final Environmental Impact Report (ENV92-0107) issued by the City Environmental Review Committee and, with respect to which, Notices of Determination were filed with the County Clerk on August 19, 1993, September 21, 1993, March 11, 1994, March 23, 1994 and May 11, 1994, pursuant to Public Resources Code § 21152(a) and for which a related Notice of Determination was issued regarding the conditions imposed by the Coastal Commission on the youth Hostel, which notice was filed with the County Clerk on April 24, 1995.

M. WHEREAS, City acknowledges and agrees that: 1. the review, consideration and the approval of this Agreement by the City is an integral and dependant part of a larger public/private project and that 2. prior to execution of this Agreement, the Parker Family and the Redevelopment Agency had the right to immediately commence construction of the Project without the necessity or requirement for any other discretionary review or approval by City with the exception of the design review for the Hotel and the Hostel necessitated by City Charter Section 817.

N. WHEREAS, pursuant to the terms of this Agreement, the Parker Family (pursuant to the Project Agreements with the Redevelopment Agency listed in Recital J above) will provide substantial benefit to the City as consideration to the City for entering into this Agreement including, but not limited to, the following:

1. Acting through the Redevelopment Agency pursuant to the Reimbursement Agreement, the substantial completion of public street improvements for the extension of Salsipuedes Street across the Southern Pacific Railroad tracks and its connection to the existing intersection of Salsipuedes and Cabrillo Boulevard, and related traffic and parking improvements on Cabrillo Boulevard and the Park area adjacent to the terminus of Carpinteria Street, and a public sidewalk along the north side of Cabrillo Boulevard between Calle Puerto Vallarta and Milpas; and

2. By conveying approximately 4.9 acres of land to the Redevelopment Agency for use in the construction of an approximately 10 acre public park together with the payment of an annual assessment contribution to the City towards the maintenance of the Park of not less than Sixty Two Thousand Five Hundred Dollars (\$62,500) in the form of an annual assessment imposed on the Hotel parcel; and

3. Acting through the Redevelopment Agency pursuant to the Reimbursement Agreement to provide a one-time cash contribution of approximately Fifty Four Thousand Dollars (\$54,000) toward improved air quality in the Santa Barbara County south coast regional area to the Santa Barbara County Regional Air Quality District at the time of the construction of the Hotel.

4. The redevelopment of an area of the Santa Barbara Central City Redevelopment Project Area which redevelopment should have the affect of inducing adjacent private property owners to improve and redevelop their properties and to thereby strengthen the commercial and tourism trade of the City.

O. WHEREAS, the City Council has determined that this Agreement will be in the public's best interest and intends that the approval of this Agreement be considered a present exercise of the City's police power to regulate the development of the Site during the term of this Agreement. The adoption of this Agreement shall be deemed to supersede, amend or modify any inconsistent provisions of the Municipal Code, ordinances, resolutions or policies to the extent required by the terms of this Agreement, but only with respect to development of the Project on the Site, as provided in this Agreement and as conditioned by the City Planning Commission.

P. WHEREAS, in consideration of the public improvements and benefits to be provided by Parker Family pursuant to this Agreement, and in order to strengthen the public planning process and reduce the economic costs of development, by its execution of this Agreement, the City intends to give the Parker Family assurances that the Parker Family has vested rights to proceed with the development of the Hotel and the Hostel portion of the Project for the term of this Agreement (as set forth in Paragraph 21 hereof), pursuant to this Agreement in accordance with the City's

policies, rules and regulations in effect as of the date of the execution of this Agreement.

Q. WHEREAS, the Parker Family would not enter into this Agreement, or agree to provide the public benefits and improvements and financial contributions as described in this Agreement within the times specified without the assurances of the City that the Project can be developed during the term of this Agreement as provided for herein.

R. WHEREAS, the City finds that this Agreement is consistent with the City of Santa Barbara's General Plan, the Redevelopment Agency's Central City Redevelopment Project Plan and the City's Local Coastal Program, and that the City has completed all necessary proceedings in accordance with the City's rules and regulations for its approval.

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual promises, obligations and covenants herein contained and in the Project Agreements, the City and the Parker Family agree as follows:

1. PURPOSE.

The purpose of this Agreement is to provide certain terms and conditions for the development of the Hotel and Youth Hostel portions of the Site (both individually and collectively) by the Parker Family and to assure the Parker Family that, during the term of this Agreement, the Hotel and Hostel portions of the Project can be developed in full accordance with the Conditions of Approval described in City Ordinance No. 4920. While it is understood by both the Parker Family and the City that the construction of the Hostel is a pre-condition to the construction of the Hotel, nothing herein shall be deemed to require the construction of the Hotel nor to preclude the Parker Family from developing and constructing the Hostel only.

2. HOSTEL PARCEL.

The Parker Family represents that it is the fee owner of that portion of the Site necessary to develop the Hotel portion of the Project and that, concurrently herewith, it has obtained a binding recorded option from the Redevelopment Agency to purchase that portion of the Site necessary to construct the required Hostel.

3. PERMITTED USES OF SITE.

The City and the Parker Family hereby agree that, for the term of this Agreement, the permitted uses, density and intensity of uses, and maximum height and size of the Project (as defined in the Declaration) shall be those described in City Ordinance No. 4920 or

as amended by subsequent action of the City Planning Commission upon application of the Parker Family.

The Parker Family agrees that the payment of the Reimbursement Amount to the Redevelopment Agency in accordance with the Reimbursement Agreement shall be a condition precedent to the construction of a Luxury Hotel on the Hotel Parcel, that the payment of the Reimbursement Amount to Agency shall be a condition precedent to the issuance or grant by the City of a building permit for such Luxury Hotel and that any application for such building permit shall not be deemed complete unless the applicant submits evidence satisfactory to the City that the Reimbursement Amount has been paid to the Agency or payment thereof has otherwise been assured to the satisfaction of the Agency.

4. OBLIGATIONS OF THE PARKER FAMILY.

The Parker Family shall have the following affirmative obligations for the benefit of the City:

4.1 Conveyance of Park Parcel. In accordance with the Escrow Agreement, the Parker Family shall convey Parcel 2 of Redevelopment Parcel Map 95-20,587 to the Agency for the construction of a Park in accordance with the Declaration and subject to the Power of Termination.

4.2 Annual Maintenance Assessment Resolution. Upon the completion of construction of the Park portion of the Project (as established by the issuance of a certificate of completion for the Park by the City Engineer) and annually on the same date thereafter (when and as provided for in the Chase Palm Park Maintenance Assessment Resolution - hereinafter the "Assessment Resolution"), the Parker Family shall pay to the City the assessment provided for in the Assessment Resolution which resolution shall be adopted by the City for maintenance of the Park in accordance with the Assessment Resolution and the Declaration. (The Assessment amount shall be appropriately prorated for the first year of the Assessment as described in more detail in the Assessment Resolution.)

4.3 Air Quality Mitigation Fee. In accordance with the terms of the Escrow Agreement, the Parker Family shall pay to the Santa Barbara County South Coast Regional Air Quality District a one-time fee in the amount of Fifty Four Thousand (\$54,000) to assist the City and other public agencies in improving the air quality of the Santa Barbara south coast regional area.

5. OBLIGATIONS OF CITY.

The City shall have the following obligations for the benefit of the Parker Family:

5.1 Extension of Development Approvals. Without requiring any further discretionary development plan review by City, the City shall extend to September 21, 2007 (hereinafter the "Termination Date"), without penalty or other obligation, all approvals and development permits issued and granted or obtained for the Hotel and Hostel portions of the Project prior to the adoption of the ordinance approving this Agreement (City Ordinance No. 4920).

5.2 Design Review and Approval by the Historic Landmarks Commission. Provided that the proposed final architectural design of the Hotel portion of the Project substantially conforms with the design plans for the Hotel submitted to the Architectural Board of Review and the Landmarks Committee at their joint meeting of March 18, 1992, and the design plans for the Hotel dated August 20, 1992 and submitted to the City's Planning Commission on August 19, 1993 and provided further that the final architectural design of the Hostel portion of the Project substantially conforms with the design plans for the Hostel submitted to the Historic Landmarks Commission on February 1, 1995 and the City Planning Commission on April 20, 1995 (including the comments made by the commissioners thereon as described in Exhibit B), as such consistency may be determined at the time by the City's Community Development Director, upon the application of the Parker Family and upon completion of design review for the Hotel and Hostel as above contemplated, the City Historic Landmarks Commission (or if appealed to the City Council, the City Council) shall issue a preliminary and final approval of the design of the Hotel and Hostel portions of the Project.

A determination of "substantial conformity" for the purposes of this Section 5.2 shall not be unreasonably withheld and shall be made with respect to the following considerations only: 1(a) the Hotel plans dated June 5, 1992 and submitted to the City Planning Commission on August 19, 1993, and 1(b) the Hostel plans submitted to the Historic Landmarks Commission on February 1, 1995 and the Planning Commission on April 20, 1995; 2. the comments of the Architectural Board of Review and the Landmarks Committee at their joint meeting of April 15, 1991; 3. the Historic Landmarks Commission guidelines in effect on the date of the execution of this Agreement; and, 4. the Conditions of Approval for the Project as described in City Ordinance No. 4920. Attached as Exhibit B hereto are minutes for the following meetings: the joint meeting of the Architectural Board of Review and the Historic Landmarks Commission, Hotel, April 15, 1991; Historic Landmarks Commission, Hostel, February 1, 1995; Planning Commission, Hotel, August 19, 1993; and Planning Commission Hotel, April 20, 1995.

5.3 Development Plan Approval. Without requiring any further discretionary development plan review by City, the City shall extend, for the term of this Agreement and without penalty or other obligation, the Development Plan Approvals and the City Coastal Development Permits for the Hotel, adopted pursuant to Planning Commission Resolution No. 038-95, and for the Hostel, adopted pursuant to PC Resolution No. 027-95.

6. EFFECT OF AGREEMENT ON REGULATIONS.

6.1 Ordinances, Rules, and Regulations Applicable.

6.1.1 Applicability of Existing Regulation Only. The City and Parker Family hereby agree that, for the term of this Agreement, the City ordinances, resolutions, rules, regulations, and official policies governing the permitted uses of land, subdivision, density, design, improvement and construction standards and specifications applicable to the development of the Project shall be those ordinances, resolutions, rules, regulations and official policies in force on the effective date of the ordinance approving this Agreement.

6.1.2 Non-conflicting Regulations. This Agreement shall not prevent the City, in subsequent actions applicable to the Project, from applying new rules, regulations, and policies which do not conflict with those rules, regulations and policies which were applicable to the Project on the effective date of the ordinance approving this Agreement provided the same do not prevent, delay or interfere with Parker Family's development of the Hotel or Hostel portions of the Project in conformity with the terms of this Agreement.

6.1.3 Payment of then Applicable Fee Amounts. Nothing herein shall be deemed to relieve the Parker Family from the payment of then applicable plan check fees, plan or design review fees or building permit fees (or similar such fees of general application which are uniformly applied and imposed by governmental agencies other than the City) which may be in effect at the time the necessary demolition and building permits are obtained for the construction of the Hotel or the Hostel.

6.1.4 Reduction in City Fees. Except with respect to fees and charges specifically allocated between the Parker Family and the Redevelopment Agency in the Reimbursement Agreement, in the event that City development fees, assessments or charges applicable to this Project are reduced or eliminated subsequent to the execution of this Agreement, the Parker Family shall be entitled to receive the benefit of such a reduction or elimination.

6.2 Subsequent Modifications. In the event that any subsequent changes in state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, such provision shall be modified to conform to the change or, if modification is infeasible, deleted. Any such modification or deletion shall be made only to the extent necessary to comply with any such new federal or state law or regulations and shall be made by the parties with the intent of carrying out the objectives of this Agreement and to preserve to the Parker Family the right to construct the Hotel and Hostel portions of the Project in substantial conformity with this Agreement.

6.3 Suspension of Agreement. In the event that the implementation of this Agreement is suspended by reason of a court order or for any other reason through no fault of the parties, the Parker Family may nonetheless, at its sole option, apply for and process permits and approvals under the City's land use planning process then in effect as applicable to the Site.

7. SUBSEQUENT APPROVALS AND PERMITS AND ACTS OF CITY.

With the exception of the requirement that the Parker Family submit the architectural design of the Hotel and the Hostel to the City for a determination of substantial conformity pursuant to Section 5.2 hereof the City shall not require the Parker Family to obtain any further approvals or permits for the development of the Hotel or Hostel portion of the Project during the term of this Agreement. With the exception of the manner of design review described herein with respect to the Historic Landmarks Commission, in the event any further approvals or permits are required by the City for the development of those portions of the Project during the term of this Agreement, the City agrees to grant all such approvals and permits to the Parker Family without requiring any further discretionary review, provided the development authorized by such permit or approval is in substantial conformity with this Agreement. The City agrees and assures the Parker Family that the terms, conditions and requirements for such permits or approvals shall not prevent or materially interfere with or delay the Parker Family's development of the Hotel and Hostel portions of the Project in substantial accordance with the terms of this Agreement.

Nothing herein shall be deemed to relieve the Parker Family from the obligation to obtain all necessary building and demolition permits generally required by the Uniform Building Code as such Code is adopted by the City of Santa Barbara nor to relieve the Parker Family from paying the Reimbursement Amount to the Agency as a condition precedent to the construction of a Luxury Hotel and the issuance of a building permit for such Luxury Hotel.

8. HOLD HARMLESS/INDEMNIFICATION DURING CONSTRUCTION OF HOTEL OR HOSTEL.

The Parker Family agrees to indemnify, defend and hold harmless the City, its officers, agents, employees and representatives from all claims, demands, costs, expenses, judgments or liability including attorneys' fees (collectively referred to as "claims") arising from damage or claims for personal injury, death, or property damage which may result from the direct and indirect operations of the Parker Family or those of its contractor, subcontractor, agent, employee or other person acting on its behalf which relate to the development of the Site and the construction of the Hotel and Hostel portions of the Project. The provisions of this Section shall not apply to the extent such damage, liability or claim is proximately caused by the sole

negligence or willful misconduct of the City, its officers, agents, employees or representatives.

9. AMENDMENTS OR CANCELLATION OF THIS AGREEMENT.

Except as otherwise permitted herein, this Agreement may be amended or terminated in whole or in part only by the mutual consent of the parties and only in the same manner as its adoption by an ordinance of the City Council.

10. PERIODIC REVIEW.

As required by Government Code Section 65865.1 and the City procedures adopted pursuant thereto, the City's Public Works and Community Development Directors shall review the Parker Family's performance pursuant to the terms of this Agreement at least once every twelve (12) months during the term of this Agreement.

11. DEFAULT OF THE PARKER FAMILY.

Actions with Respect to the Project Agreements. The Parker Family shall be in default under this Agreement upon a finding and determination by the City Council that the Parker Family has failed to convey Parcel No. 2 of Redevelopment Parcel Map 95-20,587 to the Agency for the construction of the Park in accordance with the Declaration.

12. DEFAULT OF CITY.

12.1 General Default. The City shall be in default under this Agreement if it breaches its obligations to the Parker Family under Sections 5 and 7 hereof or imposes upon the Parker Family ordinances, resolutions, rules, regulations or official policies governing the permitted uses of land, density, design, improvement and construction standards and specifications applicable to the development of the Project or the Site which are not the same as those ordinances, resolutions, rules, regulations and official policies in effect on the effective date of the ordinance approving this Agreement except as otherwise specifically provided herein.

12.2 Changes Not in Control of City. The City shall not be in breach of this Agreement by reason of any subsequent changes of laws or regulations of another public agency not controlled by the City or litigation which specifically prevents or precludes compliance by the City or the Parker Family with this Agreement.

13. ASSIGNMENT.

The rights and obligations of the Parker Family under this Agreement may be transferred or assigned, provided (i) such transfer or assignment is made as part of a transfer, assignment, sale or long-term lease of all or any portion of the Site and a

concurrent transfer of rights to complete the Hotel and Hostel portions of the Project, and (ii) prior to such an assignment, the assignee executes and delivers to the City a written assumption of the Parker Family's obligations under this Agreement and the Reimbursement Agreement. Any such transfer or assignment shall be subject to the provisions of this Agreement and the controls and limitations contained herein. During the term of this Agreement, any such assignee or transferee shall observe and perform all of the duties and obligations of the Parker Family contained in this Agreement as such duties and obligations pertain to the portion of the Site so transferred or assigned. The Parker Family shall give City prompt written notice of any such transfer or assignment and provide the City with a complete copy thereof upon its execution.

14. BINDING EFFECT OF AGREEMENT.

This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective successors, assigns or transferees. Whenever the term "Parker Family" is used herein, such term shall include any assignee, transferee or successor.

15. RELATIONSHIP OF PARTIES.

It is understood that the Parker Family is not an agent of the City, and City is not an agent of the Parker Family.

16. NOTICES.

All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid. Notice shall be effective on the date delivered in person or the date when the postal authorities indicate that the mailing was delivered to the address of the receiving party indicated below.

Notice to the Parker Family shall be addressed as follows:

American Tradition, a California
General Partnership
P.O. Box 908
Los Olivos, CA 93441
Attn: Mr. Fess E. Parker, Jr.
Trustee of The Fess and Marcella Parker
Trust U/A dated June 5, 1970, General Partner

With copies to:

J. Robert Andrews, Esq.
Mullen & Henzell
Post Office Box 789
Santa Barbara, California 93102-0789

Notice to the City shall be addressed as follows:

Community Development Director
City of Santa Barbara
630 Garden Street
Post Office Box 1990
Santa Barbara, CA 93102

with a copy to the City Attorney addressed as follows:

Santa Barbara City Attorney
740 Anacapa Street
Post Office Box 1990
Santa Barbara, California 93102-1990

A party may change its address by giving notice in writing to the other party and thereafter notices shall be delivered or sent to such new address.

17. SEVERABILITY.

If any provision of this Agreement shall be held to be invalid by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, unless the court shall specifically find that the invalid part is so fundamental and essential to the understanding of the parties that the entire Agreement shall be invalidated.

18. WAIVER.

No waiver of any portion of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. No waiver of any right or remedy in respect of any occurrence or event shall be deemed a waiver of any right or remedy in respect of any other occurrence or event.

19. APPLICABLE LAW.

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

20. TIME OF ESSENCE.

Time is of the essence for this Agreement.

21. EFFECTIVE DATE AND TERM.

This Agreement shall be approved by ordinance of the City Council pursuant to Resolution No. 89-120. This Agreement shall be deemed in full force and effect upon its full and complete execution by both the City and the Parker Family and its

recordation in the official records of Santa Barbara County in accordance with the Escrow Agreement and shall terminate on the Termination Date.

22. EFFECT OF INVALIDITY.

In the event this Agreement shall be declared invalid, illegal or unenforceable by a court or any official body with authority to do so, the Parker Family and the City mutually waive any right which either may have to seek or obtain from the other any damages arising out of such invalidity, illegality, or unenforceability.

23. DUTY OF GOOD FAITH AND FAIR DEALING.

The parties to this Agreement shall have an obligation of good faith and fair dealing in interpreting, enforcing and carrying out its obligations under the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

"CITY"

THE CITY OF SANTA BARBARA

By: [Signature]
City Administrator

ATTEST:
CITY CLERK

By: [Signature]
Deputy City Clerk

APPROVED AS TO CONTENT:
COMMUNITY DEVELOPMENT DIRECTOR

By: [Signature]

APPROVED AS TO FORM:
AGENCY COUNSEL

By: [Signature]
Asst. Agency Counsel

By: [Signature]
Agency Special Counsel

"PARKER FAMILY"

AMERICAN TRADITION, a
California General Partnership

By: [Signature]
Fess Elisha Parker, Jr.,
Trustee

By: [Signature]
Marcella Belle Parker,
Trustee

Trustees of The Parker Family
Trust U/A dated June 5, 1970,
General Partner

By: [Signature]
J. Robert Andrews, Their Attorney in Fact

By: [Signature]
Fess Elisha Parker III,
General Partner

By: [Signature]
J. Robert Andrews, His Attorney in Fact
Ashley-Allen Rinehart
Parker Shull,
General Partner

By: [Signature]
J. Robert Andrews, Her Attorney in Fact

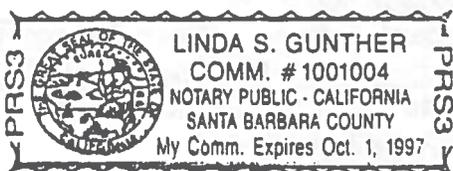
STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA BARBARA)

On August 7, 1996,
before me, the undersigned Notary Public in and for said County and
State, personally appeared PETER K. WILSON, Deputy City
Administrator of the City of Santa Barbara, personally known to me
or proved to me on the basis of satisfactory evidence to be the
person whose name is subscribed to the within instrument and
acknowledged to me that ~~she~~ executed the same in ~~her~~ authorized
capacity, and that by ~~her~~ signature on the instrument the person,
or the entity upon behalf of which the person acted, executed the
instrument.

WITNESS my hand and official seal.

[SEAL]

Linda S. Gunther
Notary Public



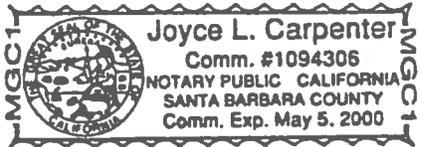
State of CALIFORNIA

County of SANTA BARBARA

On Aug. 8, 1996 before me, Joyce L. Carpenter

personally appeared J. ROBERT ANDREWS

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.
Joyce L. Carpenter
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
CORPORATE OFFICER
TITLE(S)
PARTNER(S) LIMITED
ATTORNEY-IN-FACT
TRUSTEE(S)
GUARDIAN/CONSERVATOR
OTHER:

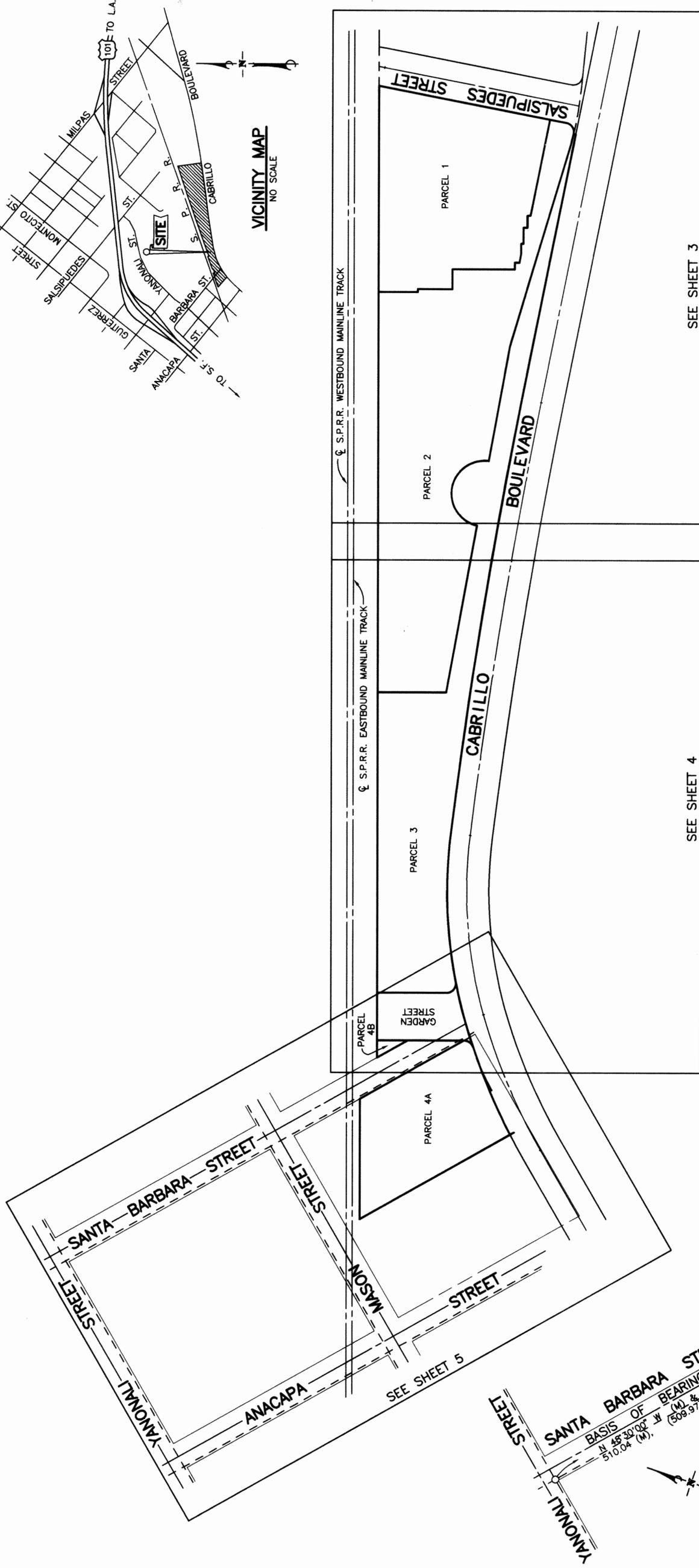
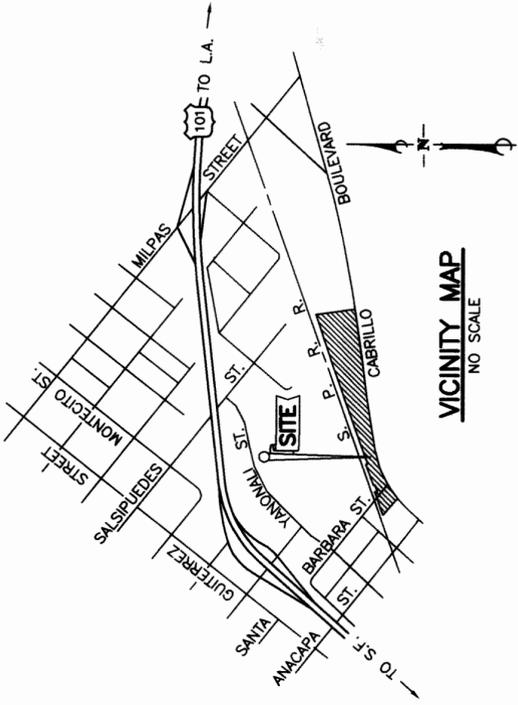
DESCRIPTION OF ATTACHED DOCUMENT

DEVELOPMENT AGREEMENT
TITLE OR TYPE OF DOCUMENT
NUMBER OF PAGES
DATE OF DOCUMENT
SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

Exhibit A

(Parcel 1 of Redevelopment Parcel Map No. 20,587 recorded on 8/9/96 in Book 51 at Page 91-94 of Parcel Maps in the office of the recorder of the County of Santa Barbara.)



LEGEND

- SET 1/2" PIPE WITH PLASTIC PLUG MARKED "L.S. 5617"
- ⊙ FOUND 1/2" PIPE WITH TAG MARKED "L.S. 3873" PER R2
- ⊙ FOUND 1/2" PIPE WITH TAG MARKED "L.S. 3873" PER R2
- FOUND MONUMENT AS NOTED
- R1 RECORD PER STATE HIGHWAY MAP BOOK 2 PAGES 170 - 185
- R2 RECORD PER BOOK 31 PAGE 4 OF PARCEL MAPS
- R3 RECORD PER BOOK 114 PAGE 22 OF RECORDS OF SURVEYS
- R4 RECORD PER BOOK 116 PAGE 11 OF RECORDS OF SURVEYS
- R5 RECORD PER CITY BLOCK BOOK (PENFIELD & SMITH PRIVATE RECORDS)
- DD1 RECORD PER INSTRUMENT NUMBER 92-104284 OFFICIAL RECORDS
- C.A. COMPASS ADJUST
- FTC FROM TRUE CORNER
- L&T LEAD AND TAG MARKED "L.S. 5617"

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS SURVEY IS THE BASIS OF BEARINGS ALONG THE "CITY MONUMENT LINE" OF SANTA BARBARA STREET AS ESTABLISHED BETWEEN FOUND "CITY MONUMENTS" PER R4 AT THE INTERSECTIONS OF SAID LINE WITH THOSE OF YANOMALL AND MASON STREETS AS SHOWN HEREON.

Penfield & Smith
ENGINEERS & SURVEYORS
111 E. VICTORIA ST. SANTA BARBARA
(805) 963-9532 CALIF. 93101
MAILING ADDRESS: P.O. BOX 98 (93102)
11514P42.DWG W.O. 11514.01

NOTES

SEE SHEETS 3, 4 & 5 FOR LOTS AND EXTERIOR BOUNDARY DIMENSIONING.
SEE SHEET 6 FOR INFORMATIONAL MAP SHEET.
THE DIMENSIONS SHOWN HEREON AS "CFR1" ARE GROUND LEVEL DISTANCES PER R1. THE CALIFORNIA COORDINATE SYSTEM, ZONE 5, DISTANCES AS SHOWN ON R1 HAVE BEEN MULTIPLIED BY 1.000006339.

PARCEL MAP NO. 20,587

IN THE CITY OF SANTA BARBARA, STATE OF CALIFORNIA
PURSUANT TO THE CALIFORNIA COMMUNITY REDEVELOPMENT LAW
FOR REDEVELOPMENT PURPOSES
BEING A REDEVELOPMENT OF PORTIONS OF CITY BLOCKS 320, 321, 345, 345 1/4, 345 1/2, 335, 336, AND 336 1/2 AND VACATED PORTIONS OF GARDEN STREET, LAGUNA STREET, OLIVE STREET (FORMERLY CANAL STREET), QUINIENTOS STREET AND CARPINTERIA STREET IN CITY OF SANTA BARBARA, AND PORTIONS OF BLOCKS "A", "B", "C", AND "D" AND THE STREETS LYING BETWEEN SAID LETTERED BLOCKS OF SHORE ACRES IN THE CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 6, PAGE 51 OF MAPS.



JULY, 1996

SHEET 2 OF 6 SHEETS



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Request from Mayor Schneider and Councilmember White
Regarding A Ballot Measure For Hybrid At-Large/District Elections

RECOMMENDATION:

That Council consider the request from Mayor Schneider and Councilmember White regarding a ballot measure for hybrid at-large/district elections.

DISCUSSION:

Attached is a memorandum from Mayor Schneider and Councilmember White requesting that Council receive a report on the possibility of Council proposing a ballot measure to create hybrid at-large/district elections.

ATTACHMENT: Memorandum from Mayor Schneider and Councilmember White

PREPARED BY: Jennifer Jennings, Administrator's Office Supervisor

SUBMITTED BY: Jim Armstrong, City Administrator

APPROVED BY: City Administrator's Office



City of Santa Barbara
Mayor & Council Office

Memorandum

DATE: April 17, 2014

TO: James L. Armstrong, City Administrator

FROM: Mayor Helene Schneider and Councilmember Bendy White *Bendy White*

SUBJECT: Ballot Measure for Hybrid At-Large/District Elections

- Summary of Information to be Presented to the City Council

Receive a report on the possibility of Council proposing a ballot measure to create hybrid at-large/district elections. Refer the matter for further consideration and review to be completed in time to allow this charter amendment to be placed on the November 2014 statewide general election ballot.

- Statement of Specific Action the Council will be Asked to Take

We propose that the Council place a ballot measure on the November 2014 statewide general election ballot to create an at-large/district hybrid election system for Santa Barbara. We would propose that four members of the Council be elected from geographically-defined districts. Two members of the Council and the Mayor would be elected at-large. By framing a charter amendment proposal in this manner, the community would be able to express its support or opposition to the concept of district elections.

We think this issue is timely given the community debate currently underway concerning the propriety and wisdom of district elections. Unlike a pure geographical district system, our proposal assures that each City resident would have a majority of the Council who consider that resident to be a constituent, i.e., the district representative, the Mayor and the two at large Councilmembers.

There are many pros and cons to district election systems which should be debated publicly.

- Statement of the Reasons Why it is Appropriate and Within the Jurisdiction of the Council to Consider this Subject Matter and to Take the Requested Action

The Council is authorized by the California Elections Code to propose charter amendments. We believe it is appropriate for the Council to lead this public debate.

cc: Mayor and Council
Ariel Calonne, City Attorney



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Council Liaison To The Santa Barbara Airport Commission

RECOMMENDATION:

That Council consider a change to the appointment of the Council liaison to the Santa Barbara Airport Commission.

DISCUSSION:

On January 14, 2014, Council appointed Councilmember Randy Rowse as the Liaison to the Airport Commission. Councilmember Rowse has since discovered that, due to scheduling conflicts, he is unable to attend the Airport Commission meetings on a regular basis, and has asked that another Councilmember replace him in this role. The Airport Commission meets on the third Wednesday of every month at 6:00 p.m.

PREPARED BY: Jennifer Jennings, Administrator's Office Supervisor

SUBMITTED BY: Jim Armstrong, City Administrator

APPROVED BY: City Administrator's Office



Agenda Item No. 16

File Code No. 440.05

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Conference With Labor Negotiator

RECOMMENDATION:

That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristine Schmidt, Acting Administrative Services Director, regarding negotiations with the Treatment and Patrol Bargaining Units and Firefighters Association.

SCHEDULING: Duration, 30 minutes; anytime

REPORT: None anticipated

PREPARED BY: Kristine Schmidt, Acting Administrative Services Director

SUBMITTED BY: Kristine Schmidt, Acting Administrative Services Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 29, 2014
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference with City Attorney – Existing Litigation

RECOMMENDATION:

That Council hold a closed session to consider existing litigation pursuant to Government Code section 54956.9(d)(1) and take appropriate action as needed.

The existing litigation is *People of the State of California, City of Santa Barbara v. Eastside, Westside, et al.*, SBSC Case No. 1379826.

SCHEDULING: Duration, 30 minutes; anytime
REPORT: None anticipated
SUBMITTED BY: Ariel Calonne, City Attorney
APPROVED BY: City Administrator's Office