

**CITY OF SANTA BARBARA
CITY COUNCIL**

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



Paul Casey
City Administrator

Ariel Pierre Calonne
City Attorney

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

**JANUARY 26, 2016
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: If you need auxiliary aids or services or staff assistance to attend or participate in this meeting, please contact the City Administrator's Office at 564-5305. If possible, notification at least 48 hours prior to the meeting will usually enable the City to make reasonable arrangements. Specialized services, such as sign language interpretation or documents in Braille, may require additional lead time to arrange.

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)

Subject: December 31, 2015, Investment Report And December 31, 2015, Fiscal Agent Report (120.03)

Recommendation: That Finance Committee recommend that Council:

- A. Accept the December 31, 2015, Investment Report; and
- B. Accept the December 31, 2015, Fiscal Agent Report.

(See Council Agenda Item No. 7)

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

Subject: Amendments To The Noise Ordinance (SBMC Chapter 9.16) Defining Noise Disturbance And Administrative Citations For Violations (120.03)

Recommendation: That the Ordinance Committee review and comment upon proposed amendments to the City's Noise Ordinance (SBMC Chapter 9.16) that would rewrite the entire chapter, define noise disturbance and establish administrative citations to be issued for violations.

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

CITY COUNCIL

1. Subject: Minutes

Recommendation: That Council waive further reading and approve the minutes of the regular meeting of December 8, 2015, and the cancelled regular meeting of January 19, 2016.

2. Subject: Adoption of Ordinance Regulating Cultivation of Marijuana (640.09)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adding Section 28.87.300 to the Santa Barbara Municipal Code to Regulate Cannabis Cultivation.

3. Subject: Adoption Of Ordinance To Prohibit Parking Over 72 Hours In City-Owned Parking Lots (640.07)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Municipal Code by Adding Section 10.44.153 Regarding Penalties for Vehicle Parking Over 72 Hours Upon Municipally-Owned Parking Lots, and Amending Section 10.44.152 Pertaining to Regulation of Parking Upon Municipally-Owned and/or -Operated Parking Lots.

CONSENT CALENDAR (CONT'D)

CITY COUNCIL (CONT'D)

4. **Subject: Adoption Of Ordinance For The Grant Of Easements To The Santa Barbara County Flood Control District, Cota Bridge Replacement Project (330.03)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Granting of Easements on City-Owned Properties Adjacent to Mission Creek to the County of Santa Barbara Flood Control and Water Conservation District for Flood Control and All Related Purposes, and Authorizing the City Administrator to Execute as Necessary the Easement Deeds in a Form Approved by the City Attorney

5. **Subject: Professional Services Agreement For Online Payment System For Utility Bills (210.01)**

Recommendation: That Council:

- A. Approve and authorize the Finance Director to execute a professional services agreement with Invoice Cloud, Inc., for a term of three years with two optional two-year extensions, for electronic bill presentment and payment services for the City's Advanced Utility Systems CIS Infinity software and Infinity.Link online payment application; and
- B. Approve and authorize the Finance Director to execute the third party payment and credit card processing agreements and merchant agreements with Sage Payment Solutions for a term of three years with two optional two-year extensions.

6. **Subject: Fiscal Year 2016 Interim Financial Statements For The Five Months Ended November 30, 2015 (250.02)**

Recommendation: That Council accept the Fiscal Year 2016 Interim Financial Statements for the Five Months Ended November 30, 2015.

7. **Subject: December 31, 2015, Investment Report And December 31, 2015, Fiscal Agent Report (260.02)**

Recommendation: That Council:

- A. Accept the December 31, 2015, Investment Report; and
- B. Accept the December 31, 2015, Fiscal Agent Report.

CONSENT CALENDAR (CONT'D)

CITY COUNCIL (CONT'D)

8. Subject: Contract For Construction Of Chapala And Gutierrez Sewer Improvement Project (540.13)

Recommendation: That Council award a contract with J & H Engineering General Contractors, Inc., in their low bid amount of \$117,000, for construction of the Chapala and Gutierrez Sewer Improvement Project, Bid No. 3771; and authorize the Public Works Director to execute the contract and approve expenditures up to \$11,700 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.

9. Subject: Increase In Construction Funding For Elings Park Recycled Water Pump Station (540.13)

Recommendation: That Council:

- A. Approve a transfer of \$86,866 from the Water Drought Fund to the Water Capital Fund;
- B. Increase appropriations and estimated revenues by \$86,866 in the Water Capital Fund for the Elings Park Recycled Water Pump Station Project;
- C. Authorize an increase in the Public Works Director's change order authority to approve expenditures for extra work for the Elings Park Recycled Water Pump Station Contract No. 25,181, with Pacific Coast Excavation, Inc., in the amount of \$70,000, for a total project expenditure authority of \$455,264; and
- D. Authorize an increase in the Public Works Director's change order authority to approve expenditures for extra work for the Elings Park Recycled Water Pump Station, Contract No. 24,879, for design services with Stantec, in the amount of \$5,000, for a total project expenditure authority of \$59,800.

10. Subject: Approval Of HD Supply Waterworks, Ltd., As The Sole Source Vendor To Provide Large Diameter Water Meters (540.01)

Recommendation: That Council:

- A. Find it to be in the City's best interest to waive the formal bid process as authorized by Municipal Code Section 4.52.070(k), and approve HD Supply Waterworks, Ltd., as the sole source City vendor for large-diameter (four-inch and larger) ultrasonic water meters;

(Cont'd)

CONSENT CALENDAR (CONT'D)

CITY COUNCIL (CONT'D)

10. (Cont'd)

- B. Authorize the General Services Manager to issue a Purchase Order to HD Supply Waterworks, Ltd., for \$50,000 for the purchase of ultrasonic water meters for Fiscal Year 2016; and
- C. Find that it is in the best interest of the City, as permitted under Municipal Code Section 4.52.070(L), to authorize the General Service Manager to issue a Purchase Order to HD Supply Waterworks, Ltd., in subsequent fiscal years through Fiscal Year 2020, if required, in an annual amount not to exceed \$100,000 per fiscal year, and subject to appropriation.

11. **Subject: Compensation Survey For Treatment And Patrol Employees - New Classification (530.01)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution No. 15-056, the Position and Salary Control Resolution for Fiscal Year 2016, Affecting the Public Works Department Effective January 26, 2016.

SUCCESSOR AGENCY

12. **Subject: Adoption Of Ordinance For Transfer Of Calle Cesar Chavez Property To Successor Agency (620.03)**

Recommendation: That Council Adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Transfer of All Right, Title and Interest to the Real Property Commonly Known As the "Calle Cesar Chavez Properties," Owned by the City of Santa Barbara, a Municipal Corporation, and the Successor Agency to the Redevelopment Agency of the City of Santa Barbara, and Authorizing the City Administrator to Execute Such Documents as Necessary to Effectuate Such Transfer of Real Property Interests to the Successor Agency to the Redevelopment Agency of the City of Santa Barbara

NOTICES

- 13. The City Clerk has on Thursday, January 21, 2016, 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.

CONSENT CALENDAR (CONT'D)

NOTICES (CONT'D)

14. Receipt of communication advising of vacancies created on the Neighborhood Advisory Council with the resignation of Javier Limon and Community Development and Human Services Committee with the resignation of Yesenia Curiel. These vacancies will be part of the next recruitment.

This concludes the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

REPORT FROM THE ORDINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

POLICE DEPARTMENT

15. Subject: Police Department Update (520.04)

Recommendation: That Council receive an oral presentation from the Police Chief regarding the Santa Barbara Police Department.

MAYOR AND COUNCIL REPORTS

16. Subject: Advisory Groups Updates And Council Liaisons (130.01)

Recommendation: That Council consider the appointment of Council Liaisons to Advisory Groups and Members of Regional Agencies.

QUASI-JUDICIAL HEARING RULES APPLY TO THIS AGENDA ITEM

PUBLIC HEARINGS

17 Subject: Appeal Of Historic Landmarks Commission Listing Of Building Located At 29-37 E. Victoria Street On The Potential Historic Resource List (640.07)

Recommendation: That Council deny the appeal of Virginia Rehling and uphold the Historic Landmarks Commission's (HLC) decision to place the building at 29-37 E. Victoria Street on the City's Potential Historic Resources List.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

PUBLIC COMMENT (IF NECESSARY)

CLOSED SESSIONS

18. Subject: Conference With Labor Negotiator (440.03)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristine Schmidt, Administrative Services Director, regarding negotiations with the General Bargaining Unit, Firefighters Association, Supervisors Association, and Police Officers Association.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

19. Subject: Conference With Real Property Negotiators - Santa Barbara High School (330.03)

Recommendation: That Council hold a closed session pursuant to the authority of Government Code Section 54956.8 to consider direction regarding price and terms of payment related to real property negotiations between the City and the Santa Barbara Unified School District.

Negotiators: City Administrator's Office and City Attorney's Office

Negotiating Party: Superintendent of Schools' Office, Santa Barbara Unified School District

Under Negotiation: Vacation of Street Easements and Fee Title Transfer of Underlying Property

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

ADJOURNMENT

CITY OF SANTA BARBARA

FINANCE COMMITTEE

MEETING AGENDA

DATE: January 26, 2016

Gregg Hart, Chair

TIME: 12:30 P.M.

Bendy White

PLACE: David Gebhard Public Meeting Room
630 Garden Street

Jason Dominguez

Paul Casey
City Administrator

Robert Samario
Finance Director

ITEMS TO BE CONSIDERED:

Subject: December 31, 2015, Investment Report And December 31, 2015, Fiscal Agent Report

Recommendation: That the Finance Committee recommend that Council:

- A. Accept the December 31, 2015, Investment Report; and
- B. Accept the December 31, 2015, Fiscal Agent Report.

(See Council Agenda Item No. 7)

CITY OF SANTA BARBARA

ORDINANCE COMMITTEE MEETING

MEETING AGENDA

DATE: January 26, 2016
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

ITEMS FOR CONSIDERATION

**Subject: Amendments To The Noise Ordinance (SBMC Chapter 9.16)
Defining Noise Disturbance And Administrative Citations For Violations**

Recommendation: That the Ordinance Committee review and comment upon proposed amendments to the City's Noise Ordinance (SBMC Chapter 9.16) that would rewrite the entire chapter, define noise disturbance and establish administrative citations to be issued for violations.



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: January 26, 2015

TO: Ordinance Committee

FROM: Andrew Bermond, Project Planner
Ariel Calonne, City Attorney

SUBJECT: Amendments To The Noise Ordinance (SBMC Chapter 9.16)
Defining Noise Disturbance And Administrative Citations For
Violations

RECOMMENDATION:

That the Ordinance Committee review and comment upon proposed amendments to the City's Noise Ordinance (SBMC Chapter 9.16) that would rewrite the entire chapter, define noise disturbance and establish administrative citations to be issued for violations.

DISCUSSION:

Problem Statement

This Noise Ordinance amendment is intended to address concerns from the Santa Barbara City College Neighborhood Task Force; specifically party disturbances at night. However, while addressing those issues staff took the opportunity to review and revise the entire ordinance which in its current form dates back to the 1980's and earlier.

Enforcement of the current noise ordinance is very difficult, and as a result rarely occurs. Currently, police officers have the option of issuing a warning to the offender, or issuing a misdemeanor disturbing the peace citation. Disturbing the peace citations are rarely issued because they require a signed complaint from the affected person and result in a criminal record for the offender.

The Neighborhood Task Force identified the Noise Ordinance of the City of San Luis Obispo as a model that was well suited to the needs of that community, specifically the creation of an escalating administrative fine that could be issued to tenants and landlords for violations without the need for a complaining party or a criminal record.

Proposed Code Amendments

The proposed changes to the Noise Ordinance amendment would establish new regulations on noise levels and establish new enforcement measures such as administrative fines.

Noise Disturbance: One of the basic strategic changes is a move away from decibel-based noise standards which require specialized equipment and training for enforcement. The proposed ordinance relies instead upon the practical experiences of those affected adversely by noise. Accordingly, "Noise Disturbance" would be defined as the making or permitting to be made any noise that is plainly audible by a person of ordinary sensitivity at a distance of fifty feet (50') from the noise source. Specific conduct that would constitute a disturbance includes the operating of televisions, music players, loud speakers, amplification, or musical instruments that create a disturbance across a property line between the hours of 10 p.m. and 7 a.m. Keeping of animals which cause a disturbance across a property line could also constitute a violation.

Exclusions: Noise Disturbance violations would not be issued to events sponsored or permitted by the City, the County, or any school. Noise complaints should be resolved with the relevant institution rather than through the City Police Department.

Enforcement: Criminal enforcement through misdemeanor citations is cumbersome and costly. This fact results in limited noise enforcement. The proposed Noise Ordinance amendment would empower police and zoning enforcement staff to issue abatement orders and administrative citations if the violation is not removed. Continued violations within a nine month period would result in escalating fines. The proposed fine schedule would be:

First Violation	\$350
Second Violation	\$750
Third and Subsequent Violations	\$1,000

Revenue generated could be used to provide funding for additional staff to enforce this ordinance. In San Luis Obispo, revenue generation is sufficient to meet all program-related expenses. Detailed discussion of staffing will be presented at a future date.

Other Noise Issues

Comments from the public on the draft Noise Ordinance amendment brought up bar and nightclub noise downtown and special event noise at Elings Park. These issues are not addressed specifically in the Noise Ordinance amendment. Council may wish to provide staff with direction on how to proceed with these noise issues.

CONCLUSION:

Staff believes the proposed changes to the existing ordinance place reasonable restrictions on nuisance noise and empowers law enforcement to improve enforcement and better respond to complaints. Potential noise disturbances from special events at excluded City facilities will be addressed in the near future through an update of the Parks rental agreements and permits.

ATTACHMENT(S): Draft Ordinance

PREPARED BY: Andrew Bermond, Project Planner

SUBMITTED BY: George Buell, Community Development Director
Ariel Calonne, City Attorney

APPROVED BY: City Administrator's Office

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING CHAPTER 9.16 OF THE
SANTA BARBARA MUNICIPAL CODE IN ITS ENTIRETY
PERTAINING TO NOISE

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

SECTION 1. Findings and Intent. It is hereby declared to be the policy of the City of Santa Barbara to minimize the exposure of residents to the harmful physiological and psychological effects of excessive noise. It is the express intent of the City Council to control the level of noise in a manner which promotes commerce, the use, value and enjoyment of property, sleep and repose, and the quality of the environment. The City Council finds that the occurrence of loud or disturbing noises in the City of Santa Barbara constitutes an immediate and ongoing threat to the public health, safety, and welfare of the residents of the City. As a matter of legislative determination and public policy, the provisions, regulations and prohibitions of this ordinance are in pursuit of and for the purpose of securing and promoting the public health, safety, and welfare and the peace and quiet of the City of Santa Barbara and its residents. Moreover, the City Council finds that this ordinance is in furtherance of, and consistent with, the Santa Barbara General Plan, including specifically Noise Policy ER31.

SECTION 2. Chapter 9.16 of Title 9 of the Santa Barbara Municipal Code is amended in its entirety to read as follows:

9.16.010 Generally.

A. CAUSING ANNOYANCE, DISCOMFORT OR DISTURBING THE PEACE

~~-Excessive or Unreasonable Noise.~~ It shall be unlawful for any person to make, cause or suffer or permit to be made or caused, upon any premises owned, occupied or controlled by ~~him~~ said person in the City, any ~~unnecessary~~ noises or sounds which cause are physically annoying annoyance or discomfort to persons of ordinary sensitiveness sensitivity or which are so harsh or so prolonged or unnatural or unusual in their use, time or place as to occasion physical discomfort to the inhabitants of the City, or any number thereof which disturb the peace and quiet of any neighborhood.

B. FACTORS USED IN DETERMINING WHETHER A VIOLATION HAS OCCURRED. The factors which shall be considered by the City in determining whether to issue a citation for a violation and whether a violation of this Section has occurred shall include, but not be limited to, the following:

1. The volume of the noise, music, or related sound;
2. The intensity of the noise, music, or related sound;
3. The duration, continuousness or repetitive nature of the noise, music, or related sound;
4. ~~Whether the nature of the noise, music, or related sound is unusual for the area in which it occurs;~~
54. Whether the origin of the noise, music, or related sound is natural or unnatural to the area in which it occurs;
65. The volume and intensity of the background noise or sound, if any;
76. The proximity of the noise, music, or related sound to residential sleeping facilities or to overnight accommodations, such as hotels and motels;

~~87.~~ The proximity to offices, places of business or other areas where work is known to be carried on, of the noise, music, or related sound;

~~98.~~ The nature and zoning of the area within which the noise, music, or related sound emanates;

~~109.~~ The time of day or night the noise, music, or related sound occurs and the relationship of this time to the normal activities of the area in which it occurs and in relation to the other factors listed in this subsection;

~~111.~~ The duration of the noise, music, or related sound;

~~102.~~ Whether the noise, music, or related sound is recurrent, intermittent, or constant;

~~113.~~ Whether the noise, music, or related sound is produced by a commercial or a noncommercial activity;

~~124.~~ Whether the person or business responsible for the noise, music, or related sound has been previously recently warned that complaints have been received about the noise, music, or related sound and such person or business has failed to reduce it to an appropriate level.

9.16.020 Noise Disturbance Prohibited.

No person shall make, continue or cause to be made or continued, or permit or allow to be made or continued, any noise disturbance in such a manner as to be plainly audible by a person of ordinary sensitivity at a distance of fifty (50) feet from the noise source; provided, nothing in this section shall be construed to prohibit any noise which does not penetrate beyond the boundaries of the noise source's own premises or does not constitute an unreasonable disturbance to people lawfully on those premises.

9.16.030 Specific Conduct Prohibited.

A. The following subsections set forth specific conduct which shall be unlawful:

1. Radios, Television Sets, Musical Instruments and Similar Devices. Operating, playing or permitting the operation or playing of any radio, television set, phonograph music player, drum, musical instrument, or similar device which produces or reproduces sound between the hours of ten (10) P.M. and seven (7) A.M. in such a manner as to create a noise disturbance audible by a person of ordinary sensitivity across a residential or commercial real property line.

2. Loudspeakers and Amplified Sound. Using or operating for any purpose any loudspeaker, loudspeaker system or similar device between the hours of ten (10) P.M. and seven (7) A.M. ~~ten p.m. and seven a.m.~~ in such a manner that the sound creates a noise disturbance audible by a person of ordinary sensitivity across a residential real property line.

3. Animals and Birds. Keeping, maintaining or possessing or harboring any animal or bird which frequently or for long duration, howls, barks, meows, squawks or makes other sounds which create a noise disturbance audible by a person of ordinary sensitivity across a residential or commercial real property line.

B. EXCLUSIONS.

1. Amplification of sound by a person as part of an event or activity sponsored or approved by the County of Santa Barbara on property owned by or leased to the County, provided the County has adopted or approved a sound control plan for the property which is applicable to the event or activity.

2. Amplification of sound by a person as a part of an event or activity sponsored or approved by the County of Santa Barbara on property owned by or leased to the County of Santa Barbara and for which property the County has not developed a sound control plan.

3. Amplification of sound by a person as part of an activity or event sponsored or approved by the City of Santa Barbara on property owned by or leased to the City of Santa Barbara.

4. Amplification of sound by a person as part of an activity or event sponsored by or approved by a nursery school or day care, elementary school, secondary school or college or university on property owned by or leased to the educational institution.

5. Amplification of sound by a person as part of an activity or event sponsored by or approved by a public entity on property owned by or leased to the public entity.

9.16.015040 Construction Work at Night Prohibited.

It shall be unlawful for any person, between the hours of 8:00 ~~p.m.~~P.M. of any day and 7:00 ~~a.m.~~A.M. of the following day to erect, construct, demolish, excavate for, alter or repair any building or structure ~~if the noise level created thereby is in excess of the ambient noise level by 5 dBA at the nearest property line of a property used for residential purposes unless a special permit therefor has been applied for and granted by the Chief of Building and Zoning Official.~~ In granting such special permit, the Chief of Building and Zoning Official shall consider if construction noise in the vicinity of the proposed work site would be less objectionable at night than during daytime because of

different population levels or different neighboring activities, if obstruction and interference with traffic, particularly on streets of major importance, would be less objectionable at night than during daytime, if the kind of work to be performed emits noises at such a low level as to not cause significant disturbance in the vicinity of the work site, if the neighborhood of the proposed work site is primarily residential in character wherein sleep could be disturbed, if great economic hardship would occur if the work were spread over a longer time, if the work will abate or prevent hazard to life or property, if the proposed night work is in the general public interest; and he shall prescribe such conditions, working times, types of construction equipment to be used, and permissible noise emissions, as he deems to be required in the public interest. This section shall not be applicable to activities of public or private utilities when restoring utility service following a public calamity or when doing work required to protect persons or property from an imminent exposure to danger.

9.16.0250 Leaf Blowers - Restriction on Use.

A. DEFINITIONS.

1. ~~LEAF BLOWER~~ Leaf Blower. Any device used, designed or operated to produce a current of air by fuel, electricity or other means to push, propel or blow cuttings, refuse or debris.

2. ~~NOISE LEVEL STANDARDS~~ Noise Level Standards.

Measured in accordance with those standards developed under the supervision of the American National Standards Institute's (ANSI) "Committee for Sound Level Labeling Standard for Hand Held and Back Pack Gasoline Engine Powered Blowers" presently adopted as ANSI B-175.2-1990 with the maximum noise level of 65 decibels.

B. PROHIBITION IN RESIDENTIAL ZONES.

It is unlawful for any person to operate a leaf blower within two hundred ~~and~~ fifty feet (250') of any residential zone, as that term is defined in Title 28 of this Code, before 9:00 ~~a.m.~~ A.M. or after 5:00 ~~p.m.~~ P.M. Monday through Saturday or at any time on Sundays or national holidays, provided that the City Parks and Recreation Department employees shall be allowed to use leaf blowers between the hours of 7:00 ~~a.m.~~ A.M. and 9:00 ~~a.m.~~ A.M. Monday through Saturday when cleaning parking lots adjacent to the City's Beachfront parks.

C. CLEAN-UP OF DEBRIS.

It is unlawful for any person operating any type of leaf blower to blow cuttings, refuse or debris onto a neighboring property or into a street or gutter. It is also unlawful for any person operating any leaf blower to fail to properly dispose of accumulated debris, leaves, or refuse in a sealed trash or refuse container.

D. PHASE-OUT OF CERTAIN LEAF BLOWERS.

1. Existing Leaf Blowers. The use of leaf blowers which are not manufactured to meet or exceed the Noise Level Standards is prohibited in all areas of the City under all circumstances, after October 9, 1997.

2. Sale of New Leaf Blowers. It is unlawful to sell or offer for sale within the City of Santa Barbara leaf blowers which are not manufactured to meet or exceed the Noise Level Standards of 65 decibels.

E. CERTIFICATION.

Owners and operators will present equipment to the City Parks and Recreation Director or his designee, with an application and reasonable fee, for noise testing

according to ANSI testing criteria in the Noise Level Standards. Leaf Blowers which generate 65 decibels or less according to the test will be issued a certification sticker, which is valid for one year following the date of testing. The use of a leaf blower, without a current and valid certification sticker affixed to it, within the City after July 1, 1998 is an infraction. All sound level measurements described in this section shall be taken with a Sound Level Meter.

F. GUIDELINES FOR THE PROPER USE OF LEAF BLOWERS.

The City Parks and Recreation Director is hereby authorized and directed to adopt guidelines for the proper use of leaf blowers which guidelines shall promote the safe and efficient use of leaf blowers, while also mitigating, to the extent possible, the noise and nuisance effects of leaf blowers. The Finance Department is hereby directed to provide a copy of this ordinance and the leaf blower guidelines to each person obtaining a City business license for the operating of a gardening or landscaping maintenance service or business within the City. The operator of every business establishment selling leaf blowers within the City of Santa Barbara shall post in a conspicuous location and shall distribute to all purchasers a copy of this ordinance and the guidelines.

9.16.02160 Use of Gasoline Powered Leaf Blowers Prohibited.

Measure D97, adopted November 4, 1997, provides: In order to secure and promote the public health, comfort, safety and welfare, and to protect the rights of its citizens to privacy and freedom from nuisance, it is the purpose of this ordinance to prohibit unnecessary, excessive and annoying noises at levels which are detrimental to the health and welfare of the community, and to minimize airborne dust and pollen.

It shall be unlawful for any person within the City to use or operate any portable machine powered with a gasoline engine, or gasoline powered generator, to blow leaves, dirt, and other debris off sidewalks, driveways, lawns, or other surfaces.

9.16.0250070 Regulation of Noise Affecting Parcels Zoned or Used for Residential Purposes.

A. HOURS OF OPERATION. Hours of operation on property zoned for agricultural use and used for planting, grading, vegetation removal, harvesting, sorting, cleaning, packing, shipping, and pesticide application shall be limited to 7:00 A.M. to 7:00 P.M. Monday through Saturday. Hours of operation for the above-stated activities shall be limited to 8:00 A.M. to 7:00 P.M. on Sunday and holidays.

B. MOTOR VEHICLE HORNS AND SIGNALING DEVICES. The following acts and the causing thereof are declared to be in violation of this ordinance:

1. The sounding of any horn or other auditory signaling device on or in any motor vehicle on any public right-of-way or public space except as a warning of danger as provided in Section 27000 of the California Vehicle Code.

2. The sounding of any horn or other auditory signaling device which produces a sound level in excess of 60 dB(A) at a distance of 200 feet.

3. Exception. Emergency vehicles may be equipped with and use auditory signaling devices that do not comply with the requirements of this section.

C. MECHANICAL EQUIPMENT. Mechanical equipment other than vehicles and equipment which is operated by electricity obtained from an electricity utility company shall not be used outside before 8:00 A.M. or after 7:00 P.M. on Saturday, Sunday or holidays or before 7:00 A.M. or after 7:00 P.M. Monday through Friday.

~~C.~~ D. **NOISE LIMITATIONS.** All mechanical equipment other than vehicles (including heating, ventilation, and air conditioning systems) shall be insulated. Sound at the property line of any adjacent parcel used or zoned for residential, institutional, or park purposes shall not exceed sixty A-weighted decibels using the Community Noise Equivalent Level (60 dB(A) CNEL). All wind machines are prohibited in the City.

~~9.16.030 Sonic Booms Declared Public Nuisance.~~

~~Flights of manned and piloted aircraft over and in the vicinity of the City so as to cause loud, sudden and intense "sonic booms" in the City constitute a public nuisance.~~

~~9.16.040 Creating Sonic Boom Unlawful.~~

~~It is unlawful to pilot any aircraft over and in the vicinity of the City at supersonic speeds so as to cause loud, sudden and intense "sonic boom" impacts in the City.~~

~~9.16.050~~080 **Sound Amplification.**

No person shall amplify sound using sound amplifying equipment contrary to any of the following:

~~_____ A.(a)~~ The only amplified sound permitted shall be either music or the human voice or both.

~~_____ B.(b)~~ Sound emanating from any public park or place shall not be amplified above the ambient noise level so as to be audible within any hospital, rest home, convalescent hospital, or church while services therein are being conducted.

~~_____ C.(c)~~ The volume of amplified sound shall not exceed ~~the noise levels set forth herein~~ 60dB(A) when measured outdoors at or beyond the property line of the property from which the sound emanates.

Time Period

~~10 p.m. - 7 a.m.~~

~~7 a.m. - 10 p.m.~~

~~Maximum Noise Level~~

~~50 dBA~~

~~60 dBA~~

 ~~D.(d)~~ The volume of amplified sound inside a structure shall not exceed 45dB(A) ~~the noise levels set forth herein~~ when measured inside a building used for residential purposes. This maximum noise level shall not apply to the dwelling unit from which the sound is emanating.

~~Time Period~~

~~10 p.m. - 7 a.m.~~

~~7 a.m. - 10 p.m.~~

~~Maximum Noise Level~~

~~40 dBA~~

~~45 dBA~~

 ~~E.(e)~~ The limits set forth above shall not apply to the following:

 ~~1.(1)~~ Amplification of sound by a person as part of an event or activity sponsored or approved by the County of Santa Barbara on property owned by or leased to the County, provided the County has adopted or approved a sound control plan for the property which is applicable to the event or activity.

 ~~2.(2)~~ Amplification of sound by a person as a part of an event or activity sponsored or approved by the County of Santa Barbara on property owned by or leased

to the County of Santa Barbara and for which property the County has not developed a sound control plan.

 ~~3.(3)~~ Amplification of sound by a person as part of an activity or event sponsored or approved by the City of Santa Barbara on property owned by or leased to the City of Santa Barbara.

 ~~4.(4)~~ Amplification of sound by a person as part of an activity or event sponsored by or approved by a nursery school, elementary school, secondary school or college or university on property owned by or leased to said educational institution.

 ~~5.(5)~~ Amplification of sound by a person as part of an activity or event sponsored by or approved by a public entity on property owned by or leased to said public entity.

9.16.060090 Definitions.

Unless the context otherwise clearly requires, technical words and phrases used in this chapter are defined as follows:

 A.(A) SOUND AMPLIFYING EQUIPMENT. "Sound amplifying equipment" shall mean any machine or device for the amplification of the human voice, music, or any other sound. "Sound amplifying equipment" shall not include standard automobile radios when used and heard only by the occupants of the vehicle in which the automobile radio is installed. "Sound amplifying equipment" as used in this chapter, shall not include warning devices on authorized emergency vehicles or horns or other warning devices on any vehicle used only for traffic safety purposes and shall not include communication equipment used by public or private utilities when restoring utility service following a

public calamity or when doing work required to protect persons or property from an imminent exposure to danger.

~~B.(B)~~ **AMBIENT NOISE.** "Ambient noise" is the all-encompassing noise associated with a given environment, being usually composed of sounds from many sources near and far. For the purpose of this ordinance, ambient noise level is the level obtained when the noise level is averaged over a period of five (5) minutes without inclusion of noise from isolated identifiable sources, at the location and time of day near that at which a comparison is to be made.

~~C.~~ **NOISE DISTURBANCE.** "Noise disturbance" shall mean any sound which (a) endangers or injures the safety or health of human beings or animals, or (b) annoys or disturbs reasonable persons of normal sensitivities, or (c) endangers or injures personal or real property, or (d) violates the factors set forth in Section 9.16.010 of this Chapter. Compliance with the quantitative standards as listed in this Chapter shall constitute elimination of a noise disturbance.

~~D.(C)~~ **DECIBEL.** "Decibel" (dB) shall mean an intensity unit which denotes the ratio between two (2) quantities which are proportional to power; the number of decibels corresponding to the ratio is ten (10) times the common logarithm of this ratio.

~~E.(D)~~ **SOUND LEVEL.** "Sound level" (noise level) in decibels is the value of a sound measurement using the "A" weighting network of a sound level meter. Slow response of the sound level meter needle shall be used except where the sound is impulsive or rapidly varying in nature in which case fast response shall be used.

~~F.(E)~~ **PERSON.** "Person" shall mean a person, firm, association, co-partnership, joint venture, corporation, or any entity, public or private in nature.

~~G.(F)~~ **SOUND LEVEL METER.** "Sound level meter" shall mean an instrument including a microphone, an amplifier, an output meter, and frequency weighting networks for the measurement of sound levels which satisfies the pertinent requirements in American National Standards Institute's specification S1.4 ~~1974~~ 2014 or the most recent revision thereof for type S-2A general purpose sound level meters.

~~H.(G)~~ **SUPPLEMENTARY DEFINITIONS OF TECHNICAL TERMS.** Definitions of technical terms not defined herein shall be obtained from the American National Standards Institute's Acoustical Terminology S1-1-~~1974~~ 1994 or the most recent revision thereof.

9.16.070100 Measurement Methods.

~~(a)~~A. Any decibel measurement made pursuant to the provisions of this Chapter shall be based on a reference sound pressure of twenty (20) micronewtons per square meter (0.0002 microbar) as measured with a sound level meter using the "A" weighting, and using the slow meter response.

~~(b)~~B. Unless otherwise provided, outdoor measurements shall be taken with the microphone located at any point on the property line of the noise source, but no closer than five (5) feet from any wall or vertical obstruction and three (3) to five (5) feet above ground level whenever possible.

~~(c)~~C. Unless otherwise provided, indoor measurements shall be taken inside the structure with the microphone located at any point as follows: (1) no less than three (3) feet above floor level; (2) no less than five (5) feet from any wall or vertical obstruction; and (3) not under common possession and control with the building or portion of the building from which the sound is emanating.

9.16.110 Enforcement.

A. PRIMA FACIE VIOLATION. Any noise exceeding the noise level limits in Section 9.16.080, or the prohibited actions as provided in Sections 9.16.010, 9.16.020 and 9.16.030, shall be deemed to be prima facie evidence of a violation of the provisions of this Chapter.

B. VIOLATIONS. Any violation of the provisions of this Chapter shall be a misdemeanor or be subject to administrative code enforcement pursuant to Chapter 1.25 of this code. Each hour such violation is committed or permitted to continue shall constitute a separate offense and shall be punishable as such.

C. ABATEMENT ORDERS.

1. In lieu of issuing a notice of violation as provided for in subsection B of this section, the zoning enforcement or police department staff responsible for enforcement of any provision of this Chapter may issue an order requiring abatement of a sound source alleged to be in violation, within a reasonable time period and according to guidelines which the police department may prescribe.

2. No complaint or further action shall be taken in the event that the cause of the violation has been removed, the condition abated or fully corrected within the time period specified in the written notice.

D. CONTINUED VIOLATIONS. Once a violation of any provision of this Chapter has been verified by a zoning enforcement or police department staff, the owner(s) of the property where the violation occurred may be subject to administrative action or misdemeanor citation for allowing a subsequent violation of this Chapter to

occur on the property within nine (9) months after the date of a previous violation, provided the property owner has received notification from the City of the previous violation and at least fourteen (14) days have passed since the date the notification was mailed to the property owner(s).

9.16.090120 Violations - Additional Remedies - Injunctions.

As an additional remedy, the operation or maintenance of any sound amplifying equipment, device, instrument, vehicle, or machinery in violation of any provision of this Chapter, which operation or maintenance causes discomfort or annoyance to reasonable persons of normal sensitiveness or which endangers the comfort, repose, health or peace of residents in the area, shall be deemed and is declared to be, a public nuisance and may be subject to abatement summarily by a restraining order or injunction issued by a court of competent jurisdiction.



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING December 8, 2015 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:00 p.m. (The Ordinance Committee met at 12:30 p.m. The Finance Committee, which ordinarily meets 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 Paul Casey, City Attorney Ariel Pierre Calonne, Deputy City Clerk Deborah L. Applegate.

CEREMONIAL ITEMS

1. **Subject: Employee Recognition - Service Award Pins (410.01)**

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through December 31, 2015.

Documents:

December 8, 2015, report from the Administrative Services Director.

Speakers:

Staff: City Administrator Paul Casey, Award Recipient Human Resources Manager Susan Gonzalez and Engineering Technician II Patricia Vogel.

(Cont'd)

1. (Cont'd)

By consensus, the Council approved the recommendation, and the following employees were recognized.

5-Year Pin

Jeannie Darbison, Accounting Assistant, Finance Department

Federico Hernandez, Custodian, Public Works Department

Margaret Heinrich, Water Reclamation/Cross Connection Specialist,
Public Works Department

Ryan Quiroga, Water Treatment Plant Operator III, Public Works Department

Randall Rowse, Councilmember, Mayor & City Council

10-Year Pin

Anthony Boughman, Assistant Planner, Community Development Department

Blake Burgard, Police Officer, Police Department

Jose Cosio, Streets Maintenance Worker II, Public Works Department

Tina Diaz, Administrative Specialist, Public Works Department

Baldomero Garcia, Custodian, Public Works Department

15-Year Pin

Jose Rojas, Equipment Operator, Parks and Recreation Department

20-Year Pin

Jason Valenzuela, Custodial Supervisor, Public Works Department

25-Year Pin

Susan Gonzalez, Human Resources Manager, Administrative Services Department

Rodolfo Villanueva, Water Treatment Chief Operator, Public Works Department

Patricia Vogel, Engineering Technician II, Public Works Department

PUBLIC COMMENT

Speakers: Michael Baker, United Boys and Girls Clubs; Ken Bortolazzo; Laura Capps, No Kid Hungry; Howard Green; Rev. Alan Haynes; Tom Widroe, City Watch; Nancy McCradin; Bob Hansen; Richard Robinson; Courtney Caswell-Peyton.

CONSENT CALENDAR (Items Nos. 2 – 16)

The titles of ordinances and resolutions related to the Consent Calendar items were read.

Motion:

Councilmembers Murillo/Rowse to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

2. Subject: Minutes

Recommendation: That Council waive further reading and approve the minutes of the adjourned regular meeting of November 16, 2015, the regular meeting of November 17, 2015, and the regular meeting (cancelled) of December 1, 2015.

Action: Approved the recommendation.

3. Subject: Introduction Of Ordinance For A Lease Agreement With Breakwater Restaurant (570.03)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Five-Year Lease Agreement with Two Five-Year Options Dated as of December 8, 2015, with Stephen and Sharon DeDecker, Doing Business As Breakwater Restaurant, at an Average Initial Base Rent of \$8,794.36 per Month, Allocated Seasonally, for the 4,053 Square-Foot Restaurant Located at 107 Harbor Way, Effective January 15, 2016.

Action: Approved the recommendation; (December 8, 2015, report from the Waterfront Director; proposed ordinance).

4. Subject: Five-Year Office Lease Agreement With Harbor Fuel Dock Manager Bob Meyer (330.04)

Recommendation: That Council approve a five-year lease agreement with Bob Meyer for a 218 square-foot office located on the second floor at 125 Harbor Way, #12, at a rate of \$538.85 per month, subject to annual Cost of Living increases.

Action: Approved the recommendation; Agreement No. 25,373 (December 8, 2015, report from the Waterfront Director).

5. Subject: Five-Year Lease Agreement With Marine Services (330.04)

Recommendation: That City Council approve a two-year lease agreement and three, one-year options with Marine Services for 490 square feet of commercial space at 117-G Harbor Way in the Santa Barbara Harbor at a rent of \$1,200 per month.

Action: Approved the recommendation; Agreement No. 25,374 (December 8, 2015, report from the Waterfront Director).

6. Subject: Introduction Of Ordinance To Establish A Definition For "Vessel" For Craft Berthed, Moored Or Anchored In The Harbor District (330.04)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the Santa Barbara Municipal Code by Amending Section 17.04.010 and Adding Section 17.12.050 Establishing a Definition of "Vessel" for Craft Berthed, Moored or Anchored in the Harbor District.

Action: Approved the recommendation (December 8, 2015, report from the Waterfront Director; proposed ordinance).

7. Subject: Amendment To Public Safety Dispatcher Recruitment Incentive Program (520.04)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution 15-089 Establishing a Public Safety Dispatcher Recruitment Incentive Program Providing Referral Incentives for City Employees and Hiring Incentives for New Public Safety Dispatchers.

Action: Approved the recommendation; Resolution No. 15-094 (December 8, 2015, report from the Chief of Police; proposed resolution).

8. Subject: Agreements For Franceschi Park And Skofield Park Resident Caretakers (570.05)

Recommendation: That Council:

- A. Authorize the Parks and Recreation Director to execute a Caretaker Rental Agreement for Franceschi Park with Charles Christman, commencing January 1, 2016, through December 31, 2016; and
- B. Authorize the Parks and Recreation Director to execute a Caretaker Rental Agreement for Skofield Park with James Rumbley, commencing January 1, 2016, through December 31, 2016.

Action: Approved the recommendations; Agreement Nos. 25,375 and 25,376 (December 8, 2015, report from the Acting Parks and Recreation Director).

9. Subject: Authorization Of Increase Of State Revolving Fund Loan For Wastewater Plant Upgrades To \$35 Million (540.13)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara to Amend Resolution 13-009 Stating the City's Intent to Reimburse Expenditures Paid Prior to Either the Issuance of Obligations or the Approval by the State Water Resources Control Board of the Project Funds for the Secondary Treatment Process Improvements Project at the El Estero Wastewater Treatment Plant. (Cont'd)

9. (Cont'd)

Action: Approved the recommendation Resolution No. 15-095 (December 8, 2015, report from the Public Works Director; proposed resolution).

10. Subject: City Of Santa Barbara And Santa Barbara City College Joint Use Agreement (150.05)

Recommendation: That Council authorize the City Administrator to enter into a Joint Use Agreement with Santa Barbara City College for the shared use of facilities for recreational and educational purposes.

Action: Approved the recommendation; Agreement No. 25,377 (December 8, 2015, report from the Acting Parks and Recreation Director).

11. Subject: Approval Of Parcel Map And Execution Of Agreements For 33 West Victoria Street (640.08)

Recommendation: That Council approve and authorize the City Administrator to execute and record Parcel Map Number 20,810, and standard agreements relating to the approved subdivision at 33 West Victoria Street; and authorize the City Engineer to record, upon completion of any required public improvements, a recital document stating that the public improvements have been completed, and that the previously recorded Land Development Agreement may be removed from the title document.

Action: Approved the recommendation; Agreement Nos. 25,378, 25,379 and 25,380 (December 8, 2015, report from the Public Works Director).

12. Subject: Memorandum Of Understanding With The Community Action Commission For The South Coast Youth Task Force On Youth Gangs (520.04)

Recommendation: That Council authorize the City Administrator to execute a Memorandum of Understanding providing \$67,665 for the Community Action Commission for their work coordinating the South Coast Task Force on Youth Gangs for Fiscal Year 2016.

Speakers:

- Staff: Neighborhood & Outreach Services Senior Supervisor Mark Alvarado.
- Members of the Public: South Coast Task Force on Youth Gangs Coordinator Saul Serrano.

Action: Approved the recommendation; Agreement No. 25,381 (December 8, 2015, report from the Assistant City Administrator).

13. Subject: Contract For Construction Of Santa Barbara High School Wellhead Project (540.10)

Recommendation: That Council award a contract with Sansone Company, Inc., in their low bid amount of \$400,700 for construction of the Santa Barbara High School Wellhead Project, Bid No. 3772; and authorize the Public Works Director to execute the contract and approve expenditures up to \$40,070 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.

Action: Approved the recommendation; Agreement No. 25,382 (December 8, 2015, report from the Public Works Director).

14. Subject: Request To Initiate Expansion Of Residential Permit Parking Near Santa Barbara City College (550.01)

Recommendation: That Council direct the Transportation Engineer to conduct a public hearing and undertake the surveys and studies necessary to prepare a report and recommendations to City Council regarding the expansion of Permit Parking Area M near Santa Barbara City College.

Speakers:

Staff: Transportation Manager Browning Allan.

Action: Approved the recommendation (December 8, 2015, report from the Public Works Director).

15. Subject: Contract For Downtown Parking Video Camera Installation And Video Storage Project (550.01)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract with Metro Video Systems, Inc., in the amount of \$326,955 for the Downtown Parking Video Camera Installation And Video Storage Project, and approve expenditures of up to \$32,695 for extra services that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Agreement No. 25,383 (December 8, 2015, report from the Public Works Director).

NOTICES

- 16.** The City Clerk has on Thursday, December 3, 2015, 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.

This concluded the Consent Calendar.

REPORT FROM THE ORDINANCE COMMITTEE

Ordinance Committee Chair Randy Rowse stated that the Ordinance Committee met to review draft amendments to the Regulation of Parking Upon Municipally Owned and/or Operated Parking Lots Ordinance and the Taxicab Stands – Curb Markings and Parking Ordinance. The proposed ordinances will be presented to Council in the future.

MAYOR AND COUNCIL REPORTS

17. Subject: Appointments To City Advisory Groups (140.05)

Recommendation: That Council make appointments to the City's advisory groups.

Documents:

December 8, 2015, report from the Administrative Services Director.

Access Advisory Committee:

Motion:

Councilmembers Francisco/Hotchkiss to appoint James R. Marston.

Vote:

Unanimous voice vote.

Appointment:

James R. Marston was appointed as Architectural/Engineering/Building Community representative for a term expiring December 31, 2017.

Architectural Board of Review:

Motion:

Councilmembers Hotchkiss/Hart to re-appoint Kirk B. Gradin and appoint Kevin Moore.

Vote:

Unanimous voice vote.

Appointment:

Kirk B. Gradin was re-appointed for a term expiring December 31, 2019.
Kevin Moore was appointed as for a term expiring December 31, 2019.

Arts Advisory Committee:

Nominees:

William Smithers, Nathan Vonk, Margie Yahyavi, Thea A. Palencia, Darian Bleacher, Nancy Lewis.

(Cont'd)

17. (Cont'd)

Vote:

- For Smithers: Councilmembers Francisco, Hotchkiss, Murillo, Rowse, White.
- For Vonk: Councilmembers Francisco, Hart, Hotchkiss, Murillo, Rowse, White, Mayor Schneider.
- For Yahyavi: Councilmembers Hart, Murillo, Rowse, Mayor Schneider.
- For Palencia: Councilmember Hotchkiss.
- For Bleacher: Councilmembers Hart, Mayor Schneider.
- For Gifford: Councilmember White.

Appointment:

William Smithers, Nathan Vonk, and Margie Yahyavi were appointed for terms expiring December 31, 2019.

Civil Service Commission:

Motion:

Councilmembers Murillo/Rowse to re-appoint Alan T. Kasehagen and Donna Lewis.

Vote:

Unanimous voice vote.

Appointment:

Alan T. Kasehagen and Donna Lewis were re-appointed for terms expiring December 31, 2019.

Community Development and Human Services Committee:

Motion:

Councilmembers Murillo/White to appoint Veronica Loza and Nicolas M. Crisosto and re-appoint Doedy Orchowski.

Vote:

Unanimous voice vote.

Appointment:

Veronica Loza was appointed as the Human Services Agencies representative for a term expiring December 31, 2018; Nicolas M. Crisosto was appointed as the Eastside Neighborhood representative for a term expiring December 31, 2019; and Doedy Orchowski was re-appointed as the Senior Community representative for a term expiring December 31, 2019.

17. (Cont'd)

Community Events and Festivals Committee:

Motion:

Councilmembers Murillo/Rowse to re-appoint Katrina Carl, Barry Dorsey, Brad Nack and appoint Antoinette Chartier.

Vote:

Unanimous voice vote.

Appointment:

Katrina Carl was re-appointed as the Business/Lodging/Retail Industry representative for a term expiring December 31, 2019. Antoinette Chartier was appointed as the Business/Lodging/Retail Industry representative for a term ending December 31, 2019. Barry Dorsey was re-appointed as the Business/Lodging/Retail Industry representative for a term ending December 31, 2019. Brad Nack was re-appointed as the Cultural Arts representative for a term expiring December 31, 2019.

Creeks Advisory Committee:

Motion:

Councilmembers Hotchkiss/Rowse to re-appoint James Hawkins, Lee Moldaver, Kathleen "Betsy" Weber.

Vote:

Unanimous voice vote.

Appointment:

James Hawkins, Lee Molaver, and Kathleen "Betsy" Weber were re-appointed for terms expiring December 31, 2019.

Downtown Parking Committee:

Motion:

Councilmembers Murillo/Hotchkiss to re-appoint Ed France.

Vote:

Unanimous voice vote.

Appointment:

Ed France was re-appointed for a term expiring December 31, 2019.

Fire and Police Commission:

Motion:

Councilmembers White/Rowse to re-appoint Jennifer Christensen and John J. Torell. (Cont'd)

17. (Cont'd)

Vote:

Unanimous voice vote.

Appointment:

Jennifer Christensen and John J. Torell were re-appointed for terms expiring December 31, 2019.

Fire and Police Pension Commission:

Motion:

Councilmembers Hart/Murillo to re-appoint Scott Tracy.

Vote:

Unanimous voice vote.

Appointment"

Scott Tracy was re-appointed for a term expiring December 31, 2018.

Harbor Commission:

Motion:

Councilmembers Hart/Hotchkiss to re-appoint Stephen MacIntosh.

Vote:

Unanimous voice vote.

Appointment:

Stephen MacIntosh was re-appointed for a term expiring December 31, 2019.

Historic Landmarks Commission:

Motion:

Councilmembers Rowse/Hart to re-appoint Michael Drury and appoint Anthony Grumbine as the Public at Large representatives.

Vote:

Unanimous voice vote.

Appointment:

Michael Drury was re-appointed and Anthony Grumbine was appointed for terms expiring December 31, 2019.

County of Santa Barbara Library Advisory Committee, City of Santa Barbara Representative:

Motion:

Councilmembers White/Hart to appoint Patricia Saley.

(Cont'd)

17. (Cont'd)

Vote:

Unanimous voice vote.

Appointment:

Patricia Saley was appointed for a term expiring June 30, 2016.

Parks and Recreation Commission:

Motion:

Councilmembers Murillo/Hart to re-appoint LeeAnne French.

Vote:

Unanimous voice vote.

Appointment:

LeeAnne French was re-appointed for a term expiring December 31, 2019.

Planning Commission:

Motion:

Councilmembers Hart/Hotchkiss to re-appoint John P. Campanella and Addison Thompson.

Vote:

Unanimous voice vote.

Appointment:

John P. Campanella and Addison Thompson were re-appointed for terms expiring December 31, 2019.

Rental Housing Mediation Board:

Motion:

Councilmembers Murillo/White to re-appoint Lynn E. Goebel as Tenant, City representative.

Vote:

Unanimous voice vote.

Appointment:

Lynn E. Goebel was re-appointed as Tenant, City representative for a term expiring December 31, 2019.

(Cont'd)

17. (Cont'd)

Single Family Design Board:

Motion:

Councilmembers Francisco/Murillo to re-appoint Fred Sweeney as the Licensed Architect representative and Lisa E. James as the Professional Qualifications representative.

Vote:

Unanimous voice vote.

Appointment:

Fred Sweeney and Lisa E. James were re-appointed for terms expiring June 30, 2019.

Water Commission:

Motion:

Councilmembers Hotchkiss/White to re-appoint Megan Birney and Barry Keller.

Vote:

Unanimous voice vote.

Appointment:

Megan Birney and Barry Keller were re-appointed for terms expiring December 31, 2019.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

18. Subject: Possible Short-Term Home Sharing Rental Ordinance (640.09)

Recommendation: That Council:

- A. Receive an update on the proposal to define, permit, regulate and tax short-term home sharing rentals in the City; and
- B. Provide direction to staff regarding the development of a short-term home sharing rental ordinance.

Documents:

- December 8, 2015, report from the Community Development Director.
- December 8, 2015, PowerPoint presentation prepared and made by Staff.
- November 24, 2015, letter from Stephen and Diane Pearson.
- November 24, 2015, letter from Dorothy Wallstein.
- December 1, 2015, letter from Ken Bortolazzo.
- December 2, 2015, email from Ernie Salomon.

(Cont'd)

18. (Cont'd)

Documents (Cont'd):

- December 3, 2015, email from Anna Marie Gott.
- December 6, 2015, email from Sybil Rosen.
- December 7, 2015, email from Sally Sphar.
- December 7, 2015, email from Allan Hendrix.
- December 7, 2015, letter from Jack Ucciferri.
- December 8, 2015, comments from Todd Jacobs.
- December 8, 2015, copies of Home-Share Journal from Denise and Sheridan.
- December 8, 2015, letter from the Boudreaux Family.
- December 8, 2015, email from Mike Conaway.
- December 8, 2015, packet from Erica – Turnkey Management Services.

Speakers:

- Staff: Project Planner Elizabeth Limon, City Planner Renee Brooke, Finance Director Bob Samario.
- Members of the Public: Todd Jacobs; Tiffany Haller, Village Properties and Santa Barbara Association of Realtors; John; Lena; Denise; Willie Quinn; Joel S. Crosby, Esq.; Nena Quiros, Airbnb Host; Tom Widroe, City Watch; Bradley Roberts, Home Sharers Democratic Club; Dorothy Wallstein; Deborah Pentland; Reyne Stapelmann, Santa Barbara Association of Realtors; Donna Bayet; Mike Conaway; Mickey Flacks; Steve Pearson; Diane Pearson; Anna Marie Gott; Lee Moldauer; Bob Hart, Santa Barbara Association of Realtors; Theo Kracke; Kathy Hay; Sandy Campbell; Courtney Caswell-Deyton; Brian Kenny; Bill Dinklage; Brad Bennett.

Motion:

Councilmembers Rowse/White to direct staff to analyze and explain the process of conversion to vacation rentals in R4 Zones and report back to Council.

Amended Motion:

Councilmembers Rowse/White to direct staff to report back to Council in the form of a memo the process of conversion to vacation rentals in R4 Zones and applicable commercial zones.

Vote:

Unanimous voice vote.

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Murillo mentioned her attendance at the following events: 1) meeting at the Zoning Ordinance Subcommittee; 2) Independent's Local Heroes Luncheon; and 3) two community workshops discussing the proposed student dormitory plan for the Mesa and Bicycle Master Plan.
- Councilmember Francisco commented on his attendance at the Fall Convention of the Association of California Water Agencies in Palm Desert.
- Councilmember Rowse mentioned his attendance at the Zoning Ordinance Subcommittee meeting.
- Councilmember Hotchkiss reported on his attendance of the Milpas Community Association event where they lit the twenty-five feet Christmas tree.
- Mayor Schneider acknowledged the Santa Barbara Downtown Association for their organization of the Holiday Parade and the Waterfront Department for the Parade of Lights.

RECESS

The Mayor recessed the meeting at 4:58 p.m. in order for the Council to reconvene in closed session for Item No. 19. She stated that no reportable action is anticipated.

CLOSED SESSIONS

19. Subject: Conference with City Attorney - Anticipated Litigation (160.01)

Recommendation: That Council hold a closed session to consider anticipated litigation pursuant to subsections 54956.9(d)(2) & (e)(2) of the Government Code and take appropriate action as needed. Significant exposure to litigation arising out of the Carpinteria Valley Water District's demand related to laboratory costs at the Cater Water Treatment Plant (Facts known to Plaintiff).

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

Documents:

December 8, 2015, report from the City Attorney.

Time:

4:58 p.m. – 5:17 p.m.

No report was made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 5:58 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

ATTEST:

HELENE SCHNEIDER
MAYOR

DEBORAH L. APPLGATE
DEPUTY CITY CLERK



**CITY OF SANTA BARBARA
CITY COUNCIL MINUTES**

**REGULAR MEETING
January 19, 2016
COUNCIL CHAMBER, 735 ANACAPA STREET**

The regular meeting of the City Council, scheduled for 2:00 p.m. on January 19, 2016, was cancelled by the Council on November 24, 2015.

The next regular meeting of the City Council is scheduled for January 26, 2016, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST: _____
DEBORAH L. APPLGATE
DEPUTY CITY CLERK

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA ADDING SECTION 28.87.300 TO THE
SANTA BARBARA MUNICIPAL CODE TO REGULATE
CANNABIS CULTIVATION

The City Council of the City of Santa Barbara does ordain as follows:

SECTION 1. Findings.

A. The Medical Marijuana Regulation and Safety Act (MMRSA) comprising Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 was enacted on October 9, 2015 and will become effective on January 1, 2016. MMRSA establishes a state licensing program for commercial medical cannabis related activities, including the dispensing and cultivation of cannabis. AB 266, through the addition of Chapter 3.5, Division 8 (Commencing with section 19300) of the Business and Professions Code, allows local jurisdiction to adopt and enforce local regulations and permitting requirements relating to commercial medical cannabis activities so long as they meet the minimum state licensing standards and regulations;

B. Assembly Bill 243 adds Article 6 (commencing with section 19331) to Chapter 3.5 of Division 8 of the Business and Professions Code, which requires the Department of Food and Agriculture to promulgate regulations and standards for the cultivation of cannabis to address the associated environmental impacts. The bill further adds section 11362.777 to the Health and Safety Code, which provides that the Department of Food and Agriculture shall establish the Medical Cannabis Cultivation Program to license commercial cultivation of cannabis and that unless a local jurisdiction has a land use regulation or ordinance regulating or prohibiting the cultivation of cannabis before March 1, 2016, then the State shall be the sole licensing authority for medical marijuana cultivation applicants in that jurisdiction; and

C. Pursuant to Santa Barbara Municipal Code section 28.87.030 C., and due to the environmental impacts and negative health and safety impacts associated with commercial cultivation and personal cultivation of more than one hundred square feet of cannabis, the City Council finds that such uses are obnoxious and detrimental to the welfare of the community and that it is in the best interest of the public to retain local control over cultivation of cannabis by permitting small-scale cultivation for personal medical use and prohibiting any commercial cultivation with the City of Santa Barbara.

SECTION 2. The Santa Barbara Municipal Code is amended to add section 28.87.300 to read as follows:

28.87.300 Cannabis Cultivation

A. Definitions.

For the purposes of this section, the following word and phrases shall be defined as set forth below:

1. "Cannabis" shall have the meaning set forth in California Business and Professions Code section 19300.5(f), the Medical Marijuana Regulation and Safety Act, as it was enrolled in 2015 in A.B. 266.
2. "Commercial" shall have the meaning set forth in section 28.04.180 of the Zoning Ordinance.
3. "Cultivation" shall have the meaning set forth in California Business and Professions Code section 19300.5(l) of the Medical Marijuana Regulation and Safety Act, as it was enrolled in 2015 in A.B. 266.
4. "Cultivation site" means a facility where medical cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities.
5. "Parcel" shall have the meaning set forth in section 28.04.515 of the Zoning Ordinance.
6. "Personal Medical Use" shall mean non-commercial cannabis cultivation by a qualified patient for their personal use.
7. "Qualified Patient" shall have the meaning set forth in California Health and Safety Code section 11362.7, and shall not include primary caregivers.
8. "Residential unit" shall have the meaning set forth in section 28.04.590 of the Zoning Ordinance.

B. Cannabis Cultivation for Personal Medical Use. A qualified patient is permitted to engage in indoor or outdoor cannabis cultivation for personal medical use on a single contiguous cultivation site, existing in a horizontal plane not exceeding a footprint of one hundred (100) square feet in area, in any zone, provided that the parcel is occupied by the qualified patient living in a lawful residential unit, but in no event may more than one cultivation site be permitted at any single lawful residential unit.

C. Commercial Cannabis Cultivation Prohibited. Commercial cannabis cultivation for any purpose or use is prohibited in all zones.

D. All Other Cannabis Cultivation Prohibited. Except to the extent expressly permitted by this section, cannabis cultivation of any kind and for any purpose shall not be construed as a permitted agricultural or other use in any zone under the Zoning Ordinance.

E. Permissive Zoning. For the purposes of California Health and Safety Code section 11362.777(b)(3), the Zoning Ordinance shall be construed as establishing

permissive zoning so that cannabis cultivation is permitted only where expressly allowed by this section.

F. Nuisance. Nothing in this section shall be construed to permit the establishment or maintenance of any use which constitutes a public nuisance.

SECTION 3. Coastal Zone. This ordinance enacts a citywide policy that does not affect, burden, or otherwise conflict with the goals of the California Coastal Act, as set forth in Public Resources Code section 30001.5, and is not subject to Public Resources Code section 30514. Further, this ordinance limits marijuana cultivation activity that would otherwise be more broadly permitted under State law, including within the Coastal Zone, and is intended to regulate nuisance activity within the City of Santa Barbara. This ordinance is exempt from certification or review by the Coastal Commission under Public Resources Code section 30005.

SECTION 4. CEQA Findings. This ordinance is exempt from CEQA pursuant to State CEQA Guidelines section 15305, minor alterations in land use limitations in areas with an average slope of less than 20% that do not result in any changes in land use or density, and section 15061(b)(3) which is the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment and CEQA does not apply where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE MUNICIPAL CODE BY ADDING SECTION 10.44.153 REGARDING PENALTIES FOR VEHICLE PARKING OVER 72 HOURS UPON MUNICIPALLY-OWNED PARKING LOTS, AND AMENDING SECTION 10.44.152 PERTAINING TO REGULATION OF PARKING UPON MUNICIPALLY-OWNED AND/OR -OPERATED PARKING LOTS

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

SECTION 1. Chapter 10.44 of Title 10 of the Santa Barbara Municipal Code is amended by adding Section 10.44.153 to read as follows:

10.44.153 Penalties for Vehicle Parking Over 72 Hours in Parking Lots,

A. PENALTIES FOR VEHICLE PARKING OVER 72 HOURS, OR PARKING OF INOPERABLE VEHICLES, UPON MUNICIPALLY OWNED PARKING LOTS. In the event a vehicle is parked, stopped or left standing in any of the municipally owned parking lots, except as permitted per Section 10.44.152 (h), in excess of a period of seventy-two (72) consecutive hours, the vehicle may be cited and the vehicle may be removed from the municipally owned parking lots by any member of the Police Department authorized by the Chief of Police in the manner and consistent with the requirements of the California Vehicle Code.

SECTION 2. Section 10.44.152 of Chapter 10.44 of Title 10 of the Santa Barbara Municipal Code is amended to read as follows:

10.44.152 Regulation of Parking Upon Municipally Owned and/or Operated Parking Lots.

(a) No person shall park a motor vehicle in a municipally owned and/or operated parking lot and fail to pay the parking fee established by resolution and posted for the use of said lot. Said fee shall be paid no later than time of departure from the lot, except that a person departing a lot with no parking attendant present shall deposit said fee or mail said fee in accordance with the instructions on the envelope securely attached to the vehicle by the parking attendant before his departure from the lot; said fee to be mailed or delivered within three (3) days.

(b) It shall be unlawful for any person to use or permit or cause to be used a monthly parking permit by a person not authorized in the permit agreement.

(c) Any person removing a vehicle from the lot and re-entering a lot for the sole purpose of avoiding payment of parking fees shall pay a parking fee as if said vehicle had not departed the lot.

(d) It shall be unlawful to present a subsequent, counterfeit, or other substitute evidence of entry into any municipally owned and/or operated parking lot for the purpose of reducing or avoiding the parking fee established for the use of said lot.

(e) In an action for violation of this section, proof that a person was the registered owner of a motor vehicle at the time the vehicle was parked unattended in a municipally owned and/or operated lot is prima facie evidence that the registered owner was the person who parked the vehicle. The registered owner shall be given written notice of the violation and an opportunity to respond as provided in Section

40202 of the Vehicle Code of the State of California as it exists today and may be amended in the future.

(f) In addition to the penalties provided for violation of this code, the use of a municipally owned and/or operated parking lot in violation of this Municipal Code, the regulations established by the Transportation Engineer, or the applicable fee requirements, shall be subject to use fees that are twice the fees for proper use.

(g) The Transportation Engineer shall make provision to mark, chalk, photograph, record or otherwise identify such use of municipally owned and/or operated parking lots as may be required for the reasonable enforcement of this Chapter. (Ord. 5061, 1998; Ord. 4760, 1992; Ord. 3864, 1976.)

(h) No person who owns, or has possession, custody or control of any vehicle shall park, stop or leave the vehicle in excess of a period of seventy-two (72) consecutive hours in a municipally owned parking lot.(i) Notwithstanding (h), the Public Works Director may issue a permit allowing for parking in excess of seventy-two (72) consecutive hours in a municipally owned parking lot.

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING THE GRANTING OF EASEMENTS ON CITY-OWNED PROPERTIES ADJACENT TO MISSION CREEK TO THE COUNTY OF SANTA BARBARA FLOOD CONTROL AND WATER CONSERVATION DISTRICT FOR FLOOD CONTROL AND ALL RELATED PURPOSES, AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AS NECESSARY THE EASEMENT DEEDS IN A FORM APPROVED BY THE CITY ATTORNEY

WHEREAS, the City has acquired fee ownership of properties that were necessary for the completion of the Cota Street Bridge Replacement Project;

WHEREAS, the City is in the process of completing construction and replacement of the bridge at Cota Street;

WHEREAS, the City and the County of Santa Barbara Flood Control and Water Conservation District (SBFCD) are working jointly to improve water conveyance and flood control within a portion of Mission Creek beginning at Canon Perdido Street and continuing to Cabrillo Boulevard known as the Lower Mission Creek Flood Control Project (LMCFCP) as originally designed by the US Army Corp of Engineers; and

WHEREAS, the intent between both the City and SBFCD has been to permanently grant easements and or other property rights acquired by the City that may allow for enhanced access and flood control purposes by SBFCD within Mission Creek, and that the City and SBFCD have agreed to transfer and accept those certain easement interests as particularly described by the respective Grant Deeds to be executed by both parties subsequent to the approval of this Ordinance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. The City hereby grants to SBFCD easements for access, flood control, and related purposes on the City fee owned properties as particularly described and shown in the existing Grant Deeds to City, filed as Instruments Nos. 2013-0033385 dated May 20, 2013; 2013-0058033 dated August 29, 2013; and 2013-0033387 dated May 20, 2015, of Official Records, in the Office of County of the County Recorder, County of Santa Barbara, State of California.

SECTION 2. The City Administrator is authorized to execute, in the form approved by the City Attorney, the above referenced Easement Grant Deeds, and other related documents as maybe necessary.

SECTION 3. Following the effective date of this ordinance, the City Clerk is hereby authorized to cause the recordation of said Easement Grant Deeds in the Official Records, in the Office of the County Recorder, County of Santa Barbara, State of California.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: Professional Services Agreement For Online Payment System For Utility Bills

RECOMMENDATION:

That Council:

- A. Approve and authorize the Finance Director to execute a professional services agreement with Invoice Cloud, Inc., for a term of three years with two optional two-year extensions, for electronic bill presentment and payment services for the City's Advanced Utility Systems CIS Infinity software and Infinity.Link online payment application; and
- B. Approve and authorize the Finance Director to execute the third party payment and credit card processing agreements and merchant agreements with Sage Payment Solutions for a term of three years with two optional two-year extensions.

DISCUSSION:

Background

The Finance Department bills and collects revenue for City water, wastewater, and solid waste services. In 2007, Council approved a software implementation contract for utility billing with Advanced Utility Systems for their CIS Infinity software, which went live in 2008. In 2012, the City implemented the Infinity.Link online payment application, which, for the first time, allowed customers to view and pay their water, wastewater, and solid waste bill online. Since 2012, the City has partnered with TransFirst, LLC, a payment processing company that was able to integrate its payment processing system with the Infinity.Link online payment application.

While the current payment platform is functional, the City identified several additional features that have become common in the marketplace—features that our customers have come to expect as standard in an online payment processing application. Examples of such features include the following: (1) the ability to accept payment from

multiple types of platforms, devices, and web browsers; (2) the ability to pay by either credit card or e-check (also known as Electronic Funds Transfer); (3) the ability to schedule payments in the future, and store bank or credit card information; (4) the ability to pay by phone, text, or email; and (5) receiving due date reminders and payment receipts by email or text.

Last year, a project team was formed to explore the various alternatives in the marketplace. The team issued a request for proposals (RFP) in March 2015 and four proposals were received in May 2015. The proposals were reviewed, references checked, and, after several in-person demonstrations, Invoice Cloud, Inc. was unanimously chosen as the best solution for online bill presentment and payment processing services based on cost, level of service and system reliability.

Selection of Invoice Cloud, Inc.

During contract negotiations, Invoice Cloud offered a no-cost implementation. Similar to other payment processing contracts at the City, Invoice Cloud charges a combination of per-item and gross-charge fees that cover all maintenance support costs, and interchange fees. With a similar volume of payments, costs are estimated at approximately \$65,000 annually. Included in these costs are fees that will be paid to Sage Payment Solutions through secondary agreements with the City for payment and credit card processing. Sage Payment Solutions is the third party payment and credit card processor for Invoice Cloud.

The Invoice Cloud application addresses all the limitations of the current system, but also provides other features needed by the City to conduct its business. Some of these are as follows:

- It is a system developed, maintained, enhanced, and supported by the vendor.
- It matches all current payment processing functionality and more—including the ability to pay on multiple platforms and devices, the ability to pay by phone, text, or email; and the ability to store payment information and schedule future payments.
- The ability to send email alerts, bill reminders, and payment receipts by email or text.
- The latest behind the scenes technical architecture that allows for single sign-on capability and a “Pump engine” that eliminates the risk of dropped payments.
- It provides easy-to-use reporting tools for non-technical staff.
- Information is easily transferred to Microsoft Word and Excel for custom reporting and analysis.

Based on several vendor demonstrations, reference checks and a thorough review of the four proposed solutions, staff is confident that Invoice Cloud offers the most reliable and complete online payment application of the four options. Invoice Cloud has integrated over 30 billing platforms, including existing real-time integration with Advanced CIS Infinity, the City’s current billing software.

The company has over 400 clients and specializes in utilities and local government electronic bill presentment and payment solutions. All of the clients that staff surveyed consistently gave Invoice Cloud high marks for quality service delivery, customer service and responsiveness to client needs.

Project Implementation Timeline

The project implementation is scheduled to begin in February 2016 with a “go-live” date in spring 2016. Staff plans to return to Council upon implementation to provide a live demonstration of the online payment system.

BUDGET/FINANCIAL INFORMATION:

The City budgets payment processing fees in the “credit card fees” accounts for each department that processes credit cards. Currently, for utility bills, these charges are paid out of the Water, Wastewater, and Solid Waste operating funds. The City has already budgeted \$79,117 related to credit card fees for Fiscal Year 2016. As outlined above, staff expects ongoing costs to total approximately \$65,000 annually at current processing levels. However, processing costs will increase as more customers move from in-person payments and payments via mail in favor of online payments. Staff believes that existing appropriations will cover the costs of the project.

SUSTAINABILITY IMPACT:

With a more user-friendly and flexible online payment management system, staff expects that online bill presentment will become a more popular feature among utility customers. Increased e-bill and online payment adoption will reduce bill printing and mailing costs, as well as the processing and storage of physical checks.

PREPARED BY: Julie Nemes, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office



Agenda Item No. 6

File Code No. 250.02

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Fiscal Year 2016 Interim Financial Statements For The Five Months Ended November 30, 2015

RECOMMENDATION:

That Council accept the Fiscal Year 2016 Interim Financial Statements for the Five Months Ended November 30, 2015.

DISCUSSION:

The interim financial statements for the five months ended November 30, 2015 (41.7% 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 Five Months Ended November 30, 2015

PREPARED BY: Jennifer Tomaszewski, 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 Five Months Ended November 30, 2015 (41.7% 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	124,763,159	42,382,097	-	82,381,062	34.0%
Expenditures	<u>125,916,082</u>	<u>51,084,462</u>	<u>4,096,355</u>	70,735,266	43.8%
<i>Addition to / (use of) reserves</i>	<u>(1,152,923)</u>	<u>(8,702,365)</u>	<u>(4,096,355)</u>		
SOLID WASTE FUND					
Revenue	20,952,792	8,511,018	-	12,441,775	40.6%
Expenditures	<u>20,999,104</u>	<u>8,221,429</u>	<u>138,661</u>	12,639,014	39.8%
<i>Addition to / (use of) reserves</i>	<u>(46,312)</u>	<u>289,589</u>	<u>(138,661)</u>		
WATER OPERATING FUND					
Revenue	45,448,662	18,825,280	-	26,623,382	41.4%
Expenditures	<u>52,607,764</u>	<u>19,422,594</u>	<u>2,200,053</u>	30,985,117	41.1%
<i>Addition to / (use of) reserves</i>	<u>(7,159,102)</u>	<u>(597,314)</u>	<u>(2,200,053)</u>		
WASTEWATER OPERATING FUND					
Revenue	18,580,927	7,915,319	-	10,665,608	42.6%
Expenditures	<u>21,183,782</u>	<u>8,160,976</u>	<u>1,504,763</u>	11,518,043	45.6%
<i>Addition to / (use of) reserves</i>	<u>(2,602,855)</u>	<u>(245,657)</u>	<u>(1,504,763)</u>		
DOWNTOWN PARKING					
Revenue	8,383,944	3,526,806	-	4,857,138	42.1%
Expenditures	<u>8,894,872</u>	<u>3,544,684</u>	<u>489,622</u>	4,860,567	45.4%
<i>Addition to / (use of) reserves</i>	<u>(510,928)</u>	<u>(17,878)</u>	<u>(489,622)</u>		
AIRPORT OPERATING FUND					
Revenue	16,338,411	6,685,670	-	9,652,741	40.9%
Expenditures	<u>17,726,517</u>	<u>6,657,597</u>	<u>1,380,083</u>	9,688,837	45.3%
<i>Addition to / (use of) reserves</i>	<u>(1,388,106)</u>	<u>28,073</u>	<u>(1,380,083)</u>		
GOLF COURSE FUND					
Revenue	2,266,957	886,579	-	1,380,378	39.1%
Expenditures	<u>2,329,493</u>	<u>979,478</u>	<u>18,549</u>	1,331,465	42.8%
<i>Addition to / (use of) reserves</i>	<u>(62,536)</u>	<u>(92,899)</u>	<u>(18,549)</u>		
INTRA-CITY SERVICE FUND					
Revenue	7,284,170	3,074,493	-	4,209,676	42.2%
Expenditures	<u>7,298,574</u>	<u>2,775,596</u>	<u>262,357</u>	4,260,621	41.6%
<i>Addition to / (use of) reserves</i>	<u>(14,404)</u>	<u>298,898</u>	<u>(262,357)</u>		

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Five Months Ended November 30, 2015 (41.7% 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	3,245,667	1,421,855	-	1,823,812	43.8%
Expenditures	<u>6,598,649</u>	<u>1,260,163</u>	<u>1,020,560</u>	4,317,927	34.6%
<i>Addition to / (use of) reserves</i>	<u>(3,352,982)</u>	<u>161,692</u>	<u>(1,020,560)</u>		
FLEET MAINTENANCE FUND					
Revenue	2,722,761	1,149,537	-	1,573,224	42.2%
Expenditures	<u>2,850,287</u>	<u>1,167,828</u>	<u>230,256</u>	1,452,204	49.1%
<i>Addition to / (use of) reserves</i>	<u>(127,526)</u>	<u>(18,291)</u>	<u>(230,256)</u>		
SELF INSURANCE TRUST FUND					
Revenue	7,068,083	2,948,122	-	4,119,961	41.7%
Expenditures	<u>6,935,527</u>	<u>2,388,944</u>	<u>163,725</u>	4,382,858	36.8%
<i>Addition to / (use of) reserves</i>	<u>132,556</u>	<u>559,178</u>	<u>(163,725)</u>		
INFORMATION SYSTEMS ICS FUND					
Revenue	3,204,557	1,335,425	-	1,869,133	41.7%
Expenditures	<u>3,682,136</u>	<u>1,611,357</u>	<u>87,764</u>	1,983,015	46.1%
<i>Addition to / (use of) reserves</i>	<u>(477,579)</u>	<u>(275,933)</u>	<u>(87,764)</u>		
WATERFRONT FUND					
Revenue	13,458,598	6,607,286	-	6,851,312	49.1%
Expenditures	<u>14,233,529</u>	<u>6,014,033</u>	<u>749,863</u>	7,469,633	47.5%
<i>Addition to / (use of) reserves</i>	<u>(774,931)</u>	<u>593,253</u>	<u>(749,863)</u>		
TOTAL FOR ALL FUNDS					
Revenue	273,718,688	105,269,487	-	168,449,201	38.5%
Expenditures	<u>291,256,317</u>	<u>113,289,140</u>	<u>12,342,611</u>	165,624,566	43.1%
<i>Addition to / (use of) reserves</i>	<u>(17,537,630)</u>	<u>(8,019,653)</u>	<u>(12,342,611)</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 Five Months Ended November 30, 2015 (41.7% 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	23,367,961	6,988,981	16,378,980	29.9%	6,764,204
Property Taxes	28,742,300	3,512,433	25,229,867	12.2%	3,467,345
Utility Users Tax	7,219,700	2,995,580	4,224,120	41.5%	3,027,729
Transient Occupancy Tax	19,707,100	9,696,836	10,010,264	49.2%	9,588,676
Business License	2,624,400	799,748	1,824,652	30.5%	809,123
Real Property Transfer Tax	659,100	332,690	326,410	50.5%	225,389
<i>Total</i>	<u>82,320,561</u>	<u>24,326,268</u>	<u>57,994,293</u>	29.6%	<u>23,882,466</u>
LICENSES & PERMITS					
Licenses & Permits	219,700	59,377	160,324	27.0%	87,329
<i>Total</i>	<u>219,700</u>	<u>59,377</u>	<u>160,324</u>	27.0%	<u>87,329</u>
FINES & FORFEITURES					
Parking Violations	2,701,987	1,169,818	1,532,169	43.3%	1,140,580
Library Fines	89,500	28,407	61,093	31.7%	43,163
Municipal Court Fines	100,000	26,100	73,900	26.1%	9,674
Other Fines & Forfeitures	310,000	139,504	170,496	45.0%	144,981
<i>Total</i>	<u>3,201,487</u>	<u>1,363,829</u>	<u>1,837,658</u>	42.6%	<u>1,338,398</u>
USE OF MONEY & PROPERTY					
Investment Income	633,743	229,984	403,759	36.3%	230,215
Rents & Concessions	419,316	151,309	268,007	36.1%	157,605
<i>Total</i>	<u>1,053,059</u>	<u>381,293</u>	<u>671,766</u>	36.2%	<u>387,820</u>
INTERGOVERNMENTAL					
Grants	260,568	52,102	208,466	20.0%	72,901
Vehicle License Fees	35,000	-	35,000	0.0%	38,585
Reimbursements	437,900	508,031	(70,131)	116.0%	75,439
<i>Total</i>	<u>733,468</u>	<u>560,133</u>	<u>173,335</u>	76.4%	<u>186,925</u>
FEES & SERVICE CHARGES					
Finance	961,454	402,719	558,735	41.9%	393,473
Community Development	4,817,843	2,311,509	2,506,334	48.0%	1,772,092
Recreation	3,189,480	1,720,645	1,468,835	53.9%	1,174,229
Public Safety	611,342	191,269	420,073	31.3%	236,951
Public Works	6,357,295	2,643,667	3,713,628	41.6%	2,494,838
Library	873,320	373,298	500,022	42.7%	326,081
Reimbursements	4,760,907	1,913,290	2,847,617	40.2%	2,092,456
<i>Total</i>	<u>21,571,641</u>	<u>9,556,397</u>	<u>12,015,244</u>	44.3%	<u>8,490,120</u>
OTHER REVENUES					
Miscellaneous	1,750,818	790,248	960,570	45.1%	917,471
Franchise Fees	3,219,400	1,770,460	1,448,940	55.0%	1,811,465
Indirect Allocations	7,180,832	2,996,204	4,184,628	41.7%	2,671,314
Operating Transfers-In	1,512,193	577,889	934,304	38.2%	349,921
Anticipated Year-End Variance	2,000,000	-	2,000,000	0.0%	-
<i>Total</i>	<u>15,663,243</u>	<u>6,134,801</u>	<u>9,528,442</u>	39.2%	<u>5,750,171</u>
TOTAL REVENUES	<u>124,763,159</u>	<u>42,382,097</u>	<u>82,381,062</u>	34.0%	<u>40,123,229</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2015 (41.7% 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	803,842	336,829	7,719	459,294	42.9%	
ARTS AND COMMUNITY PROMOTIONS	2,638,967	1,460,062	1,144,402	34,504	98.7%	
<i>Total</i>	<u>3,442,809</u>	<u>1,796,891</u>	<u>1,152,121</u>	<u>493,797</u>	85.7%	<u>1,862,061</u>
<u>City Attorney</u>						
CITY ATTORNEY-ADMINISTRATION	566,513	262,663.61	58,873	244,977	56.8%	
CITY ATTORNEY-ADVISORY	1,023,883	377,464	-	646,419	36.9%	
CITY ATTORNEY-CIVIL LITIGATION	738,668	293,322	-	445,346	39.7%	
CITY ATTORNEY-CODE ENFORCEMENT	228,540	58,523	-	170,017	25.6%	
<i>Total</i>	<u>2,557,604</u>	<u>991,973</u>	<u>58,873</u>	<u>1,506,759</u>	41.1%	<u>974,747</u>
<u>Administration</u>						
CITY ADMINISTRATOR	1,606,155	570,642	22,708	1,012,805	36.9%	
CITY TV	590,939	247,129	30,702	313,108	47.0%	
<i>Total</i>	<u>2,197,094</u>	<u>817,771</u>	<u>53,410</u>	<u>1,325,913</u>	39.7%	<u>838,726</u>
<u>Administrative Services</u>						
ADMINISTRATION	384,471	111,241	8,597	264,634	31.2%	
CITY CLERK	545,235	237,462	13,029	294,744	45.9%	
ELECTIONS	301,479	152,202	90,247	59,030	80.4%	
HUMAN RESOURCES	1,537,040	540,049	53,067	943,924	38.6%	
EMPLOYEE DEVELOPMENT	49,447	9,472	6,367	33,608	32.0%	
<i>Total</i>	<u>2,817,672</u>	<u>1,050,426</u>	<u>171,306</u>	<u>1,595,939</u>	43.4%	<u>755,196</u>
<u>Finance</u>						
ADMINISTRATION	248,839	109,777	11,016	128,046	48.5%	
REVENUE & CASH MANAGEMENT	508,976	188,909	33,463	286,604	43.7%	
CASHIERING & COLLECTION	513,575	205,782	-	307,793	40.1%	
LICENSES & PERMITS	528,331	203,890	14,068	310,372	41.3%	
BUDGET MANAGEMENT	480,869	192,581	-	288,288	40.0%	
ACCOUNTING	873,398	316,738	39,626	517,034	40.8%	
PAYROLL	375,143	149,388	-	225,755	39.8%	
ACCOUNTS PAYABLE	281,116	104,521	838	175,757	37.5%	
CITY BILLING & CUSTOMER SERVICE	698,988	252,340	134,663	311,985	55.4%	
PURCHASING	727,260	289,235	2,515	435,509	40.1%	
CENTRAL WAREHOUSE	203,235	87,928	524	114,782	43.5%	
MAIL SERVICES	120,721	49,030	150	71,541	40.7%	
<i>Total</i>	<u>5,560,451</u>	<u>2,150,120</u>	<u>236,863</u>	<u>3,173,467</u>	42.9%	<u>2,018,188</u>
TOTAL GENERAL GOVERNMENT	<u>16,575,630</u>	<u>6,807,181</u>	<u>1,672,574</u>	<u>8,095,875</u>	51.2%	<u>6,448,918</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2015 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
PUBLIC SAFETY						
<u>Police</u>						
CHIEF'S STAFF	1,151,521	478,256	2,960	670,305	41.8%	
SUPPORT SERVICES	723,816	268,958	82,298	372,560	48.5%	
RECORDS BUREAU	1,497,490	603,138	17,856	876,497	41.5%	
ADMIN SERVICES	1,254,526	474,519	35,596	744,411	40.7%	
PROPERTY ROOM	229,172	82,551	279	146,342	36.1%	
TRAINING/RECRUITMENT	517,615	200,296	28,953	288,365	44.3%	
RANGE	1,487,388	608,961	40,379	838,048	43.7%	
COMMUNITY & MEDIA RELATIONS	854,936	308,676	-	546,260	36.1%	
INFORMATION TECHNOLOGY	1,337,136	696,783	53,359	586,994	56.1%	
INVESTIGATIVE DIVISION	5,119,083	1,824,126	7,433	3,287,524	35.8%	
CRIME LAB	169,633	72,141	-	97,492	42.5%	
PATROL DIVISION	16,015,045	6,485,152	165,595	9,364,297	41.5%	
TRAFFIC	1,429,012	439,583	550	988,879	30.8%	
SPECIAL EVENTS	884,414	721,252	200	162,963	81.6%	
TACTICAL PATROL FORCE	1,683,590	772,670	-	910,920	45.9%	
STREET SWEEPING ENFORCEMENT	360,574	148,004	-	212,570	41.0%	
NIGHT LIFE ENFORCEMENT	315,189	132,817	-	182,372	42.1%	
PARKING ENFORCEMENT	1,016,030	364,321	-	651,709	35.9%	
COMBINED COMMAND CENTER	2,741,873	982,316	-	1,759,557	35.8%	
ANIMAL CONTROL	754,588	229,577	6,782	518,229	31.3%	
<i>Total</i>	<u>39,542,631</u>	<u>15,894,097</u>	<u>442,239</u>	<u>23,206,295</u>	41.3%	<u>15,695,325</u>
<u>Fire</u>						
ADMINISTRATION	946,445	411,569	1,857	533,019	43.7%	
EMERGENCY SERVICES AND PUBLIC ED	317,867	128,244	-	189,623	40.3%	
PREVENTION	1,287,740	537,746	-	749,994	41.8%	
WILDLAND FIRE MITIGATION PROGRAM	209,358	77,955	6,276	125,127	40.2%	
OPERATIONS	19,394,663	9,014,639	31,875	10,348,149	46.6%	
TRAINING AND RECRUITMENT	722,633	289,776	-	432,857	40.1%	
ARFF	2,013,700	915,714	-	1,097,986	45.5%	
<i>Total</i>	<u>24,892,406</u>	<u>11,375,642</u>	<u>40,008</u>	<u>13,476,756</u>	45.9%	<u>10,033,396</u>
TOTAL PUBLIC SAFETY	<u>64,435,037</u>	<u>27,269,739</u>	<u>482,247</u>	<u>36,683,052</u>	43.1%	<u>25,728,721</u>
PUBLIC WORKS						
<u>Public Works</u>						
ADMINISTRATION	1,136,473	414,562	5,949	715,962	37.0%	
ENGINEERING SVCS	5,639,233	2,296,918	130,065	3,212,251	43.0%	
PUBLIC RT OF WAY MGMT	1,196,363	480,375	15,819	700,169	41.5%	
ENVIRONMENTAL PROGRAMS	571,383	118,979	186,391	266,013	53.4%	
<i>Total</i>	<u>8,543,452</u>	<u>3,310,834</u>	<u>338,223</u>	<u>4,894,395</u>	42.7%	<u>2,968,687</u>
TOTAL PUBLIC WORKS	<u>8,543,452</u>	<u>3,310,834</u>	<u>338,223</u>	<u>4,894,395</u>	42.7%	<u>2,968,687</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2015 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
COMMUNITY SERVICES						
<u>Parks & Recreation</u>						
REC PROGRAM MGMT	800,514	311,207	5,988	483,319	39.6%	
FACILITIES & SPECIAL EVENTS	799,181	333,593	1,680	463,908	42.0%	
YOUTH ACTIVITIES	1,141,433	595,149	5,819	540,465	52.7%	
ACTIVE ADULTS	803,135	312,847	1,509	488,778	39.1%	
AQUATICS	1,397,010	732,525	33,039	631,446	54.8%	
SPORTS	591,369	230,057	12,218	349,094	41.0%	
TENNIS	268,345	104,373	9,400	154,572	42.4%	
NEIGHBORHOOD & OUTREACH SERV	1,328,751	581,072	-	747,679	43.7%	
ADMINISTRATION	821,741	286,542	1,472	533,727	35.0%	
PROJECT MANAGEMENT TEAM	556,412	174,897	-	381,515	31.4%	
PARK OPERATIONS MANAGEMENT	692,576	262,350	1,749	428,477	38.1%	
GROUND & FACILITIES MAINTENANCE	4,835,187	1,833,300	76,466	2,925,421	39.5%	
FORESTRY	1,327,068	556,028	79,357	691,683	47.9%	
BEACH MAINTENANCE	162,124	60,016	17,457	84,651	47.8%	
MEDIANS PARKWAYS & CONTRACTS	1,272,162	491,220	437,894	343,049	73.0%	
<i>Total</i>	<u>16,797,006</u>	<u>6,865,177</u>	<u>684,046</u>	<u>9,247,783</u>	44.9%	<u>6,406,761</u>
<u>Library</u>						
ADMINISTRATION	557,882	206,642	-	351,240	37.0%	
PUBLIC SERVICES	2,989,203	1,098,470	-	1,890,733	36.7%	
SUPPORT SERVICES	1,738,471	705,714	37,690	995,066	42.8%	
<i>Total</i>	<u>5,285,555</u>	<u>2,010,827</u>	<u>37,690</u>	<u>3,237,039</u>	38.8%	<u>2,008,830</u>
TOTAL COMMUNITY SERVICES	<u>22,082,562</u>	<u>8,876,003</u>	<u>721,736</u>	<u>12,484,822</u>	43.5%	<u>8,415,591</u>
COMMUNITY DEVELOPMENT						
<u>Community Development</u>						
ADMINISTRATION	940,815	358,886	590	581,340	38.2%	
RENTAL HOUSING MEDIATION	220,324	93,944	-	126,380	42.6%	
HUMAN SERVICES	1,068,760	258,575	746,600	63,585	94.1%	
HOUSING PRESERVATION AND DEV	25,152	2,615	19,596	2,941	88.3%	
LONG RANGE PLAN & SPEC STUDY	880,739	343,218	4,471	533,050	39.5%	
DEVEL & ENVIRONMENTAL REVIEW	1,479,691	555,469	26,149	898,073	39.3%	
ZONING INFO & ENFORCEMENT	1,531,429	559,120	2,787	969,522	36.7%	
DESIGN REV & HIST PRESERVATION	1,176,685	464,140	21,389	691,156	41.3%	
BLDG INSP & CODE ENFORCEMENT	1,218,282	502,527	468	715,288	41.3%	
RECORDS ARCHIVES & CLER SVCS	588,810	230,834	2,172	355,803	39.6%	
BLDG COUNTER & PLAN REV SVCS	1,677,579	673,364	57,353	946,863	43.6%	
<i>Total</i>	<u>10,808,266</u>	<u>4,042,692</u>	<u>881,574</u>	<u>5,884,000</u>	45.6%	<u>3,988,523</u>
TOTAL COMMUNITY DEVELOPMENT	<u>10,808,266</u>	<u>4,042,692</u>	<u>881,574</u>	<u>5,884,000</u>	45.6%	<u>3,988,523</u>

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Five Months Ended November 30, 2015 (41.7% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	YTD Expended and Encumbered	Previous YTD
NON-DEPARTMENTAL						
<u>Non-Departmental</u>						
OTHER	-	1,749	-	(1,749)	100.0%	
TRANSFERS OUT	239,991	109,616	-	130,375	45.7%	
DEBT SERVICE TRANSFERS	344,402	310,398	-	34,004	90.1%	
CAPITAL OUTLAY TRANSFER	855,000	356,250	-	498,750	41.7%	
APPROP.RESERVE	2,031,742	-	-	2,031,742	0.0%	
<i>Total</i>	<u>3,471,135</u>	<u>778,013</u>	<u>-</u>	<u>2,693,122</u>	22.4%	<u>1,117,906</u>
TOTAL NON-DEPARTMENTAL	<u>3,471,135</u>	<u>778,013</u>	<u>-</u>	<u>2,693,122</u>	22.4%	<u>1,117,906</u>
 TOTAL EXPENDITURES	 <u>125,916,082</u>	 <u>51,084,462</u>	 <u>4,096,355</u>	 <u>70,735,266</u>	 43.8%	 <u>48,668,346</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 Five Months Ended November 30, 2015 (41.7% 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	525,000	154,950	-	370,050	29.5%
Expenditures	<u>525,000</u>	<u>154,950</u>	<u>-</u>	<u>370,050</u>	29.5%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	4,070,672	1,997,448	-	2,073,224	49.1%
Expenditures	<u>6,513,439</u>	<u>1,262,918</u>	<u>348,355</u>	<u>4,902,165</u>	24.7%
<i>Revenue Less Expenditures</i>	<u>(2,442,767)</u>	<u>734,530</u>	<u>(348,355)</u>	<u>(2,828,942)</u>	
COMMUNITY DEVELOPMENT BLOCK GRANT					
Revenue	1,833,936	122,144	-	1,711,792	6.7%
Expenditures	<u>2,109,112</u>	<u>184,708</u>	<u>120,557</u>	<u>1,803,848</u>	14.5%
<i>Revenue Less Expenditures</i>	<u>(275,176)</u>	<u>(62,564)</u>	<u>(120,557)</u>	<u>(92,056)</u>	
COUNTY LIBRARY					
Revenue	2,098,550	599,035	-	1,499,515	28.5%
Expenditures	<u>2,294,884</u>	<u>902,133</u>	<u>4,549</u>	<u>1,388,202</u>	39.5%
<i>Revenue Less Expenditures</i>	<u>(196,334)</u>	<u>(303,098)</u>	<u>(4,549)</u>	<u>111,313</u>	
STREETS FUND					
Revenue	9,717,290	4,029,864	-	5,687,426	41.5%
Expenditures	<u>10,676,518</u>	<u>4,317,861</u>	<u>269,428</u>	<u>6,089,229</u>	43.0%
<i>Revenue Less Expenditures</i>	<u>(959,228)</u>	<u>(287,997)</u>	<u>(269,428)</u>	<u>(401,802)</u>	
MEASURE A					
Revenue	3,669,665	1,196,117	-	2,473,548	32.6%
Expenditures	<u>3,938,441</u>	<u>1,558,810</u>	<u>591,957</u>	<u>1,787,674</u>	54.6%
<i>Revenue Less Expenditures</i>	<u>(268,776)</u>	<u>(362,693)</u>	<u>(591,957)</u>	<u>685,874</u>	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2015 (41.7% 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	20,341,706	8,497,048	-	11,844,658	41.8%	8,424,237
Other Fees & Charges	361,642	-	-	361,642	0.0%	-
Investment Income	12,200	9,103	-	3,097	74.6%	3,773
Miscellaneous	237,244	4,867	-	232,377	2.1%	2,026
TOTAL REVENUES	<u>20,952,792</u>	<u>8,511,018</u>	<u>-</u>	<u>12,441,775</u>	40.6%	<u>8,430,036</u>
EXPENSES						
Salaries & Benefits	998,573	364,871	-	633,702	36.5%	383,737
Materials, Supplies & Services	19,131,521	7,810,705	132,757	11,188,059	41.5%	7,597,091
Special Projects	597,261	3,370	2,440	591,451	1.0%	8,762
Transfers-Out	50,000	20,833	-	29,167	41.7%	20,833
Equipment	156,749	21,649	3,464	131,636	16.0%	10,533
Other	40,000	-	-	40,000	0.0%	-
Appropriated Reserve	25,000	-	-	25,000	0.0%	-
TOTAL EXPENSES	<u>20,999,104</u>	<u>8,221,429</u>	<u>138,661</u>	<u>12,639,014</u>	39.8%	<u>8,020,956</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2015 (41.7% 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	41,800,000	17,608,408	-	24,191,592	42.1%	15,546,657
Service Charges	651,100	284,165	-	366,935	43.6%	323,030
Cater JPA Treatment Charges	1,680,000	554,257	-	1,125,743	33.0%	378,087
Investment Income	437,950	91,651	-	346,299	20.9%	191,539
Rents & Concessions	22,872	9,530	-	13,342	41.7%	9,530
Reimbursements	745,740	251,218	-	494,522	33.7%	308,200
Miscellaneous	111,000	26,051	-	84,949	23.5%	25,646
TOTAL REVENUES	<u>45,448,662</u>	<u>18,825,280</u>	<u>-</u>	<u>26,623,382</u>	41.4%	<u>16,782,689</u>
EXPENSES						
Salaries & Benefits	9,311,184	3,570,844	-	5,740,340	38.4%	3,401,994
Materials, Supplies & Services	11,578,899	3,578,118	2,019,792	5,980,989	48.3%	3,464,684
Special Projects	1,080,948	150,955	106,372	823,621	23.8%	88,220
Water Purchases	8,644,749	2,791,200	30,046	5,823,503	32.6%	3,379,096
Debt Service	4,692,620	2,089,434	-	2,603,186	44.5%	1,715,388
Transfer-Out	9,586,101	3,994,209	-	5,591,892	41.7%	986,346
Capital Outlay Transfers	7,220,795	3,181,212	-	4,039,583	44.1%	5,862,178
Equipment	167,576	11,138	1,784	154,654	7.7%	40,872
Capitalized Fixed Assets	145,892	29,277	41,059	75,556	48.2%	8,011
Other	29,000	26,206	1,000	1,794	93.8%	23,756
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	<u>52,607,764</u>	<u>19,422,594</u>	<u>2,200,053</u>	<u>30,985,117</u>	41.1%	<u>18,970,545</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 Five Months Ended November 30, 2015 (41.7% 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	17,844,201	7,440,384	-	10,403,817	41.7%	7,277,806
Fees	533,668	351,796	-	181,873	65.9%	385,938
Investment Income	162,700	67,172	-	95,528	41.3%	66,093
Rents & Concessions	34,358	14,584	-	19,774	42.4%	-
Miscellaneous	6,000	41,383	-	(35,383)	689.7%	15,706
TOTAL REVENUES	18,580,927	7,915,319	-	10,665,608	42.6%	7,745,543
EXPENSES						
Salaries & Benefits	5,917,398	2,363,671	-	3,553,727	39.9%	2,236,322
Materials, Supplies & Services	7,502,196	2,478,411	1,273,043	3,750,742	50.0%	2,585,303
Special Projects	635,271	58,568	189,354	387,349	39.0%	77,242
Transfer-Out	900,000	900,000	-	-	100.0%	-
Debt Service	1,794,917	619,269	-	1,175,648	34.5%	632,914
Capital Outlay Transfers	4,150,000	1,729,167	-	2,420,833	41.7%	1,636,875
Equipment	71,610	7,241	15,494	48,875	31.7%	3,790
Capitalized Fixed Assets	59,390	1,929	26,872	30,588	48.5%	216
Other	3,000	2,720	-	280	90.7%	2,750
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	21,183,782	8,160,976	1,504,763	11,518,043	45.6%	7,175,412

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 Five Months Ended November 30, 2015 (41.7% 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	1,080,000	493,422	-	586,578	45.7%	533,016
Parking Fees	7,034,826	2,900,606	-	4,134,220	41.2%	2,782,400
Other Fees & Charges	6,918	2,882	-	4,036	41.7%	1,509
Investment Income	104,200	48,741	-	55,459	46.8%	42,190
Rents & Concessions	107,000	44,583	-	62,417	41.7%	47,330
Miscellaneous	7,500	18,447	-	(10,947)	246.0%	22,551
Operating Transfers-In	43,500	18,125	-	25,375	41.7%	80,625
TOTAL REVENUES	<u>8,383,944</u>	<u>3,526,806</u>	<u>-</u>	<u>4,857,138</u>	<u>42.1%</u>	<u>3,509,621</u>
EXPENSES						
Salaries & Benefits	4,352,940	1,798,158	-	2,554,782	41.3%	1,732,721
Materials, Supplies & Services	2,371,221	931,051	162,629	1,277,541	46.1%	802,731
Special Projects	469,656	135,514	326,993	7,149	98.5%	184,175
Transfer-Out	318,399	132,666	-	185,733	41.7%	128,802
Capital Outlay Transfers	1,305,000	543,750	-	761,250	41.7%	404,167
Equipment	27,000	3,545	-	23,455	13.1%	6,285
Appropriated Reserve	50,657	-	-	50,657	0.0%	-
TOTAL EXPENSES	<u>8,894,872</u>	<u>3,544,684</u>	<u>489,622</u>	<u>4,860,567</u>	<u>45.4%</u>	<u>3,258,881</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 Five Months Ended November 30, 2015 (41.7% 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	4,488,390	1,821,214	-	2,667,176	40.6%	1,757,210
Leases-Terminal	4,884,637	2,024,391	-	2,860,246	41.4%	2,085,604
Leases-Non-Commercial Aviation	2,093,650	854,956	-	1,238,694	40.8%	776,687
Leases-Commercial Aviation	4,544,034	1,914,976	-	2,629,058	42.1%	1,920,513
Investment Income	106,600	46,747	-	59,853	43.9%	43,674
Miscellaneous	216,300	18,586	-	197,714	8.6%	132,670
Operating Transfers-In	4,800	4,800	-	-	100.0%	-
TOTAL REVENUES	16,338,411	6,685,670	-	9,652,741	40.9%	6,716,358
EXPENSES						
Salaries & Benefits	6,006,251	2,303,121	-	3,703,130	38.3%	2,200,048
Materials, Supplies & Services	8,305,343	2,850,595	1,378,399	4,076,349	50.9%	2,926,373
Special Projects	48,415	625	35	47,755	1.4%	136
Transfer-Out	12,662	5,276	-	7,386	41.7%	8,481
Debt Service	1,816,586	756,911	-	1,059,675	41.7%	756,549
Capital Outlay Transfers	1,313,733	729,269	-	584,464	55.5%	-
Equipment	138,902	11,800	1,650	125,452	9.7%	18,556
Other	-	-	-	-	0.0%	364
Appropriated Reserve	84,626	-	-	84,626	0.0%	-
TOTAL EXPENSES	17,726,517	6,657,597	1,380,083	9,688,837	45.3%	5,910,507

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 Five Months Ended November 30, 2015 (41.7% 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	1,753,034	694,004	-	1,059,030	39.6%	673,139
Investment Income	7,900	3,694	-	4,206	46.8%	3,286
Rents & Concessions	325,523	113,294	-	212,229	34.8%	126,778
Miscellaneous	500	587	-	(87)	117.5%	1,047
Operating Transfers-In	180,000	75,000	-	105,000	41.7%	-
TOTAL REVENUES	<u>2,266,957</u>	<u>886,579</u>	<u>-</u>	<u>1,380,378</u>	39.1%	<u>804,250</u>
EXPENSES						
Salaries & Benefits	1,146,810	433,636	-	713,174	37.8%	465,437
Materials, Supplies & Services	654,604	264,966	18,541	371,098	43.3%	250,884
Special Projects	9	-	9	-	100.0%	-
Debt Service	262,122	169,538	-	92,584	64.7%	169,522
Capital Outlay Transfers	265,048	110,437	-	154,611	41.7%	33,636
Other	900	901	-	(1)	100.1%	901
TOTAL EXPENSES	<u>2,329,493</u>	<u>979,478</u>	<u>18,549</u>	<u>1,331,465</u>	42.8%	<u>920,380</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 Five Months Ended November 30, 2015 (41.7% of Fiscal Year)

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	3,787,803	1,578,251	-	2,209,552	41.7%	1,099,321
Work Orders - Bldg Maint.	3,401,421	1,483,674	-	1,917,747	43.6%	1,033,733
Miscellaneous	94,946	12,569	-	82,377	13.2%	28,950
Operating Transfers-In	-	-	-	-	0.0%	2,083
TOTAL REVENUES	<u>7,284,170</u>	<u>3,074,493</u>	<u>-</u>	<u>4,209,676</u>	42.2%	<u>2,164,087</u>
EXPENSES						
Salaries & Benefits	3,801,207	1,549,457	-	2,251,750	40.8%	1,455,486
Materials, Supplies & Services	2,481,334	806,387	65,068	1,609,878	35.1%	640,782
Special Projects	545,379	247,206	195,799	102,374	81.2%	199,945
Capital Outlay Transfers	410,612	171,088	-	239,524	41.7%	-
Equipment	15,000	260	-	14,740	1.7%	4,319
Capitalized Fixed Assets	11,201	1,197	1,490	8,514	24.0%	2,861
Appropriated Reserve	33,841	-	-	33,841	0.0%	-
TOTAL EXPENSES	<u>7,298,574</u>	<u>2,775,596</u>	<u>262,357</u>	<u>4,260,621</u>	41.6%	<u>2,303,393</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2015 (41.7% of Fiscal Year)

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	2,809,765	1,240,013	-	1,569,752	44.1%	935,057
Investment Income	116,700	52,442	-	64,258	44.9%	48,096
Rents & Concessions	146,084	60,868	-	85,216	41.7%	97,486
Miscellaneous	173,118	68,531	-	104,587	39.6%	66,439
TOTAL REVENUES	<u>3,245,667</u>	<u>1,421,855</u>	<u>-</u>	<u>1,823,812</u>	43.8%	<u>1,147,078</u>
EXPENSES						
Salaries & Benefits	207,466	81,634	-	125,832	39.3%	76,026
Materials, Supplies & Services	1,243	518	-	725	41.7%	760
Special Projects	698,567	12,694	61,307	624,566	10.6%	1,475
Capitalized Fixed Assets	5,691,373	1,165,316	959,253	3,566,804	37.3%	1,006,290
TOTAL EXPENSES	<u>6,598,649</u>	<u>1,260,163</u>	<u>1,020,560</u>	<u>4,317,927</u>	34.6%	<u>1,084,551</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2015 (41.7% 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	2,609,691	1,102,220	-	1,507,471	42.2%	1,053,178
Reimbursements	10,000	4,167	-	5,833	41.7%	4,167
Miscellaneous	103,070	43,150	-	59,920	41.9%	50,807
TOTAL REVENUES	<u>2,722,761</u>	<u>1,149,537</u>	<u>-</u>	<u>1,573,224</u>	42.2%	<u>1,108,152</u>
EXPENSES						
Salaries & Benefits	1,359,285	550,212	-	809,073	40.5%	485,304
Materials, Supplies & Services	1,227,978	511,779	223,150	493,050	59.8%	467,442
Special Projects	81,308	10,424	4,863	66,021	18.8%	7,492
Debt Service	43,070	17,946	-	25,124	41.7%	17,946
Equipment	89,307	48,010	-	41,297	53.8%	-
Capitalized Fixed Assets	35,338	29,457	2,243	3,639	89.7%	25,449
Appropriated Reserve	14,000	-	-	14,000	0.0%	-
TOTAL EXPENSES	<u>2,850,287</u>	<u>1,167,828</u>	<u>230,256</u>	<u>1,452,204</u>	49.1%	<u>1,003,633</u>

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2015 (41.7% of Fiscal Year)

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	3,156,625	1,315,260	-	1,841,365	41.7%	1,160,426
Workers' Compensation Premiums	3,342,571	1,393,380	-	1,949,191	41.7%	1,411,736
OSH Charges	231,057	96,274	-	134,783	41.7%	84,776
Unemployment Insurance Premium	221,805	92,419	-	129,386	41.7%	-
Investment Income	40,200	16,695	-	23,505	41.5%	16,249
Miscellaneous	-	2,500	-	(2,500)	100.0%	2,515
Operating Transfers-In	75,825	31,594	-	44,231	41.7%	31,594
TOTAL REVENUES	<u>7,068,083</u>	<u>2,948,122</u>	<u>-</u>	<u>4,119,961</u>	41.7%	<u>2,707,296</u>
EXPENSES						
Salaries & Benefits	597,085	229,557	-	367,528	38.4%	194,636
Materials, Supplies & Services	6,338,439	2,159,388	163,722	4,015,329	36.7%	2,878,659
Special Projects	3	-	3	-	100.0%	-
Equipment	-	-	-	-	0.0%	245
TOTAL EXPENSES	<u>6,935,527</u>	<u>2,388,944</u>	<u>163,725</u>	<u>4,382,858</u>	36.8%	<u>3,073,540</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
Interim Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2015 (41.7% of Fiscal Year)

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	3,204,557	1,335,425	-	1,869,133	41.7%	1,300,245
TOTAL REVENUES	<u>3,204,557</u>	<u>1,335,425</u>	<u>-</u>	<u>1,869,133</u>	41.7%	<u>1,300,245</u>
EXPENSES						
Salaries & Benefits	1,953,525	777,918	-	1,175,607	39.8%	713,655
Materials, Supplies & Services	1,087,157	575,834	87,183	424,139	61.0%	338,310
Special Projects	18,481	2,323	581	15,577	15.7%	-
Capital Outlay Transfers	604,000	251,667	-	352,333	41.7%	143,333
Equipment	2,750	3,615	-	(865)	131.5%	2,731
Capital Fixed Assets	-	-	-	-	0.0%	14
Appropriated Reserve	16,223	-	-	16,223	0.0%	-
TOTAL EXPENSES	<u>3,682,136</u>	<u>1,611,357</u>	<u>87,764</u>	<u>1,983,015</u>	46.1%	<u>1,198,043</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 Five Months Ended November 30, 2015 (41.7% 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	1,428,787	794,687	-	634,100	55.6%	824,334
Leases - Food Service	2,844,333	1,565,205	-	1,279,128	55.0%	1,639,974
Slip Rental Fees	4,288,834	1,803,460	-	2,485,374	42.1%	1,772,335
Visitors Fees	500,000	233,531	-	266,469	46.7%	240,601
Slip Transfer Fees	575,000	293,925	-	281,075	51.1%	679,800
Parking Revenue	2,385,820	1,183,551	-	1,202,269	49.6%	1,131,816
Wharf Parking	262,258	72,798	-	189,460	27.8%	120,502
Grants	10,000	-	-	10,000	0.0%	-
Other Fees & Charges	242,304	125,987	-	116,317	52.0%	113,107
Investment Income	95,700	51,891	-	43,809	54.2%	37,991
Rents & Concessions	310,770	143,150	-	167,620	46.1%	129,207
Reimbursements	-	1,777	-	(1,777)	100.0%	-
Miscellaneous	514,792	337,323	-	177,469	65.5%	279,563
TOTAL REVENUES	<u>13,458,598</u>	<u>6,607,286</u>	<u>-</u>	<u>6,851,312</u>	<u>49.1%</u>	<u>6,969,230</u>
EXPENSES						
Salaries & Benefits	6,272,587	2,451,688	-	3,820,899	39.1%	2,478,998
Materials, Supplies & Services	4,151,182	1,755,975	685,471	1,709,736	58.8%	1,622,690
Special Projects	265,629	86,402	57,805	121,422	54.3%	40,529
Debt Service	1,841,620	1,093,705	-	747,915	59.4%	1,095,838
Capital Outlay Transfers	1,453,144	605,477	-	847,667	41.7%	577,083
Equipment	112,262	19,411	5,587	87,264	22.3%	24,095
Capital Fixed Assets	37,104	-	-	37,104	0.0%	-
Other	-	1,375	1,000	(2,375)	100.0%	1,375
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	<u>14,233,529</u>	<u>6,014,033</u>	<u>749,863</u>	<u>7,469,633</u>	<u>47.5%</u>	<u>5,840,608</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: January 26, 2016

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: December 31, 2015, Investment Report And December 31, 2015, Fiscal Agent Report

RECOMMENDATION: That Council:

- A. Accept the December 31, 2015, Investment Report; and
- B. Accept the December 31, 2015, 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 three-month period of October through December 2015.

All Treasury yields were higher by the end of the quarter. As shown in the table to the right, the change in Treasury yields ranged from an increase of 14 basis points on the 30-Year Treasury note to an increase of 42 basis points on the 2-Year Treasury note (excluding LAIF). Shorter term maturities between 6 months and 5 years saw the most significant increases in Treasury yield, including the 5-Year note which increased by 39 basis points.

U.S. Treasury Market					
	9/30/2015	10/31/2015	11/30/2015	12/31/2015	Cumulative Change
3 Month	0.00%	0.08%	0.22%	0.16%	0.16%
6 Month	0.08%	0.23%	0.42%	0.49%	0.41%
1 Year	0.33%	0.34%	0.51%	0.65%	0.32%
2 Year	0.64%	0.75%	0.94%	1.06%	0.42%
3 Year	0.92%	1.05%	1.24%	1.31%	0.39%
4 Year	1.13%	1.27%	1.43%	1.53%	0.40%
5 Year	1.37%	1.52%	1.65%	1.76%	0.39%
10 Year	2.06%	2.16%	2.21%	2.27%	0.21%
30 Year	2.87%	2.93%	2.98%	3.01%	0.14%
LAIF	0.32%	0.37%	0.37%	0.37%	0.05%

The City generally invests in securities of one to five years in duration. Within this duration, interest rates range from 0.65% to 1.76% for Treasury securities. While the U.S. economy is currently relatively strong and the Federal Reserve increased the

Council Agenda Report

December 31, 2015, Investment Report And December 31, 2015, Fiscal Agent Report

January 26, 2016

Page 2

Federal Funds rate for the first time in seven years in December 2015, impacts from changes in the global economy may be affecting U.S. interest rate increases. Even if interest rates continue to increase and the Federal Reserve raises rates again within the year, it will take several years before we realize a material increase in interest earnings as existing securities mature and are replaced with higher-yielding securities.

Investment Activity

As shown in the Investment Activity table below, the City invested \$20 million during the quarter. The purchases consisted of \$16 million in “AAA” rated Federal Agency callable securities, \$2 million in “AA-” rated corporate note bullets (Toyota Motor Credit Corp), and \$2 million in “AAA” rated Institutional U.S. Treasury Money Market Funds. The purchases replaced \$14 million in Federal Agency securities that were called, \$2 million in Federal Agency securities that matured, \$2 million in United States Treasury Notes that matured, \$6 million in corporate notes (General Electric Capital Corp, Procter & Gamble, Berkshire Hathaway Fin) that matured, and \$2 million in a Non-Negotiable Certificate of Deposit from Montecito Bank & Trust that matured over the quarter. In addition, the portfolio also received \$141,615 in a semi-annual principal payment on the Airport promissory note at the end of December. The outstanding balance on the Airport promissory note is \$4.919 million.

Issuer	Face Amount	Purchase Date	Final Maturity	Call Date	Yield To Call	Yield To Maturity
<i>Purchases:</i>						
Federal National Mortgage Association (FNMA)	\$ 2,000,000	10/29/15	10/29/20	04/29/16	1.500%	1.766%
Toyota Motor Credit (TOYOTA)	2,000,000	11/20/15	07/13/18	-	-	1.408%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	11/25/15	05/25/18	05/25/16	1.050%	1.050%
Federal National Mortgage Association (FNMA)	2,000,000	11/27/15	11/28/18	11/28/16	1.200%	1.200%
Federal National Mortgage Association (FNMA)	2,000,000	11/27/15	11/27/19	11/27/17	1.125%	1.678%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	11/30/15	05/24/19	02/24/16	1.550%	1.550%
Federal National Mortgage Association (FNMA)	2,000,000	11/30/15	11/25/20	08/25/16	1.000%	2.015%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	12/28/15	12/28/20	06/28/16	1.500%	2.365%
Federal Home Loan Mortgage Corp (FHLMC)	2,000,000	12/29/15	06/29/18	06/29/16	1.200%	1.200%
Blackrock Treasury Trust Inst. Funds (TTXX)	2,000,000	12/29/15	-	-	-	0.100%
	\$ 20,000,000					
<i>Calls:</i>						
Federal Home Loan Bank (FHLB)	\$ 4,000,000	01/16/13	01/16/18	10/16/15	1.000%	1.000%
Federal Home Loan Mortgage Corp (FHLMC)	4,000,000	01/16/13	01/16/18	10/16/15	1.050%	1.050%
Federal National Mortgage Association (FNMA)	2,000,000	11/08/12	11/08/17	11/08/15	1.000%	1.000%
Federal National Mortgage Association (FNMA)	2,000,000	11/08/12	11/08/17	11/08/15	1.000%	1.000%
Federal Farm Credit Bank (FFCB)	2,000,000	12/16/14	12/16/19	12/16/15	2.000%	2.000%
	\$ 14,000,000					
<i>Sales/Maturities:</i>						
Federal National Mortgage Association (FNMA)	\$ 2,000,000	12/10/10	10/26/15	-	-	2.067%
United States Treasury Note (USTN)	2,000,000	10/25/12	10/31/15	-	-	0.397%
General Electric Capital Corporation (GECC)	2,000,000	11/10/10	11/09/15	-	-	2.250%
Procter & Gamble (PGAMBL)	2,000,000	09/20/11	11/15/15	-	-	1.085%
Montecito Bank & Trust CD (MBTCD)	2,000,000	11/18/13	11/18/15	-	-	0.600%
Berkshire Hathaway Fin (BERK)	2,000,000	12/15/10	12/15/15	-	-	2.530%
Airport Promissory Note - Partial Redemption	141,615	07/14/09	06/30/29	-	-	4.195%
	\$ 12,141,615					

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 increased by 1.9 basis points from 1.111 percent at September 30, 2015 to 1.130 percent at December 31, 2015.

Mo. Ended	Yield	Days to Maturity
9/30/2015	1.111%	657
10/31/2015	1.123%	660
11/30/2015	1.137%	701
12/31/2015	1.130%	704

The portfolio's average days to maturity, including the long-term Airport promissory note, increased by 47 days from 657 to 704 days. Excluding the Airport note, the portfolio's average days to maturity is 557 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.

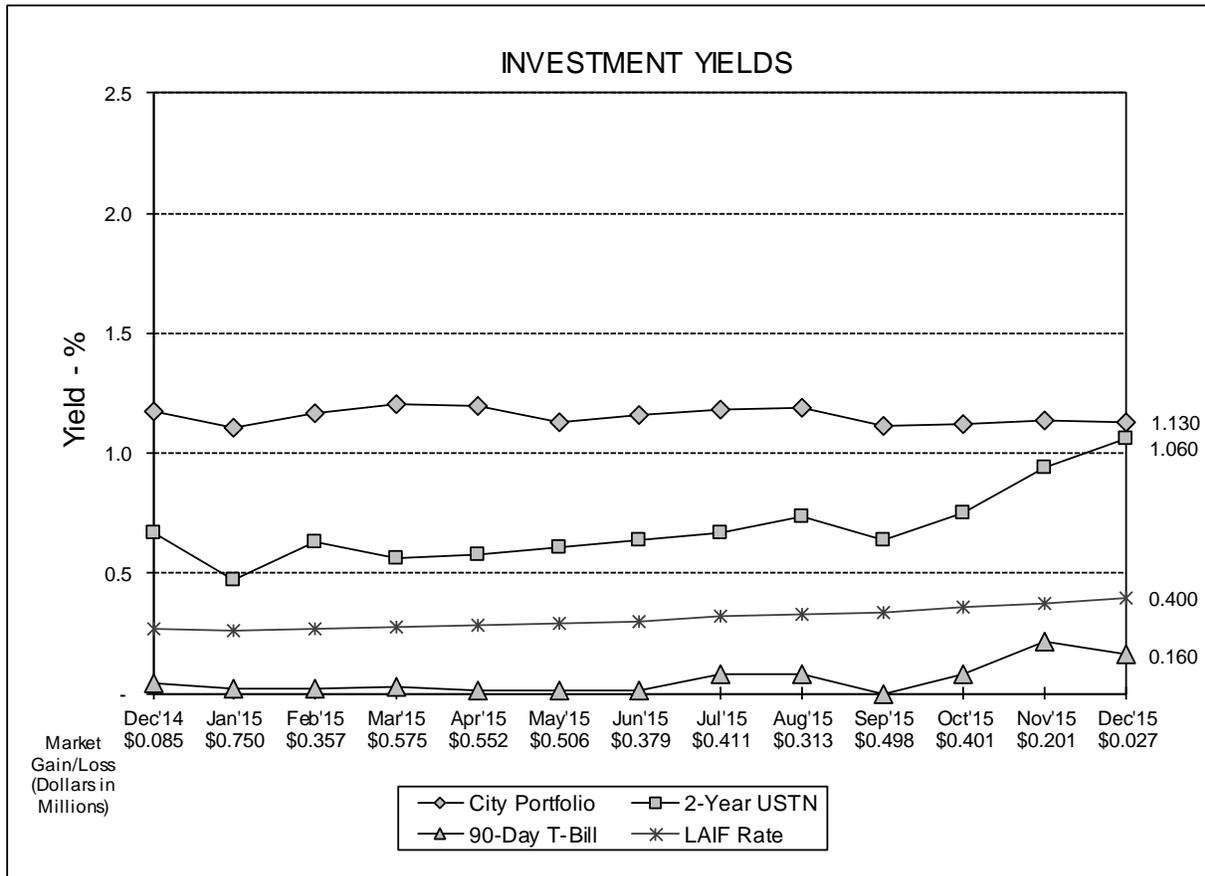
The average LAIF rate at which the City earned interest for funds invested was at 0.37 percent for the quarter ended December 31, 2015, which was up from last quarter by 5 basis points. The City's LAIF holdings at the end of the quarter were \$37 million. Staff expects to reinvest a portion of the LAIF balances in fixed-term or callable securities during the next quarter.

Credit Quality on Corporate Notes

There were no credit quality changes to the three corporate issuers of the medium-term notes held in the portfolio (i.e., Berkshire Hathaway, Inc., General Electric Capital Corp, 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 on the next page, the City's portfolio continues to be in line and above the three benchmark measures (the 90-day T-Bill, 2-year T-Note and LAIF). The benchmarks serve as indicators of the City's performance; and trends over time that substantially deviate from these benchmarks would warrant further analysis and review. At December 31, 2015, the portfolio had an overall unrealized market gain of approximately \$27,000.



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 NATL MORTGAGE ASSN	\$2,000,000	10/29/20	-\$20,400	-1.02%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	02/05/18	-\$14,940	-0.75%
FEDERAL HOME LOAN MTG CORP	\$2,000,000	05/25/18	-\$13,980	-0.70%
FEDERAL NATL MORTGAGE ASSN	\$2,000,000	11/28/18	-\$13,500	-0.68%
TOYOTA MOTOR CREDIT	\$2,000,000	07/13/18	-\$11,744	-0.59%

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 December 31, 2015, 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 December 31, 2015.

ATTACHMENTS: 1. December 31, 2015, Investment Report
2. December 31, 2015, Fiscal Agent Report

PREPARED BY: Julie Nemes, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
December 31, 2015

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

12/16 LAIF Deposit - City	\$ 4,000,000
12/28 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
12/29 Federal Home Loan Mortgage Corp (FHLMC)	2,000,000
12/29 Blackrock Treasury Trust Inst. Funds (TTTXX)	2,000,000
Total	\$ 10,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

12/15 Berkshire Hathaway Fin (BERK) - Maturity	\$ (2,000,000)
12/16 Federal Farm Credit Bank (FFCB) - Call	(2,000,000)
12/30 LAIF Withdrawal - City	(4,000,000)
12/31 Airport Promissory Note - Partial Redemption	(141,615)
Total	\$ (8,141,615)

ACTIVITY TOTAL

\$ 1,858,385

INVESTMENT INCOME

POOLED INVESTMENTS

Interest Earned on Investments	\$ 142,763
Amortization	(9,833)
Total	\$ 132,930

INCOME TOTAL

\$ 132,930

CITY OF SANTA BARBARA

Investment Portfolio

December 31, 2015

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.400	0.400	37,000,000.00	37,000,000.00	37,000,000.00	0.00	
Subtotal, LAIF							37,000,000.00	37,000,000.00	37,000,000.00	0.00	
CERTIFICATES OF DEPOSIT											
ALLY BANK	09/24/15	09/25/17	-	-	1.250	1.250	250,000.00	250,000.00	249,402.50	(597.50)	FDIC Certificate 57803
AMERICAN EXPRESS BANK FSB	10/23/14	10/23/19	-	-	2.200	2.200	250,000.00	250,000.00	249,515.00	(485.00)	FDIC Certificate 35328
AMERICAN EXPRESS CENTURION BK	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	248,882.50	(1,117.50)	FDIC Certificate 27471
BMO HARRIS BANK NA	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	249,325.00	(675.00)	FDIC Certificate 16571
BMW BK NORTH AMERICA	09/30/15	09/30/20	-	-	2.200	2.200	250,000.00	250,000.00	248,882.50	(1,117.50)	FDIC Certificate 35141
CAPITAL ONE BANK USA NA	10/29/14	10/29/19	-	-	1.900	1.900	250,000.00	250,000.00	249,465.00	(535.00)	FDIC Certificate 33954
CAPITAL ONE NA	09/30/15	09/30/20	-	-	2.250	2.250	250,000.00	250,000.00	248,882.50	(1,117.50)	FDIC Certificate 4297
DISCOVER BANK	09/30/15	09/30/20	-	-	2.300	2.300	250,000.00	250,000.00	249,995.00	(5.00)	FDIC Certificate 5649
EVERBANK	09/30/15	09/29/17	-	-	1.100	1.100	250,000.00	250,000.00	249,325.00	(675.00)	FDIC Certificate 34775
GE CAPITAL BANK	10/17/14	10/17/19	-	-	2.000	2.000	250,000.00	250,000.00	249,470.00	(530.00)	FDIC Certificate 33778
GOLDMAN SACHS BANK USA	10/29/14	10/29/19	-	-	2.150	2.150	250,000.00	250,000.00	249,467.50	(532.50)	FDIC Certificate 33124
KEY BANK NA	09/30/15	10/02/17	-	-	1.150	1.150	250,000.00	250,000.00	249,345.00	(655.00)	FDIC Certificate 17534
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							7,000,000.00	7,000,000.00	6,991,957.50	(8,042.50)	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	02/22/13	05/15/16	Aaa	AA+	5.125	0.442	2,000,000.00	2,034,344.49	2,033,980.00	(364.49)	
U S TREASURY NOTE	02/22/13	08/31/16	Aaa	AA+	1.000	0.502	2,000,000.00	2,006,554.48	2,004,060.00	(2,494.48)	
U S TREASURY NOTE	02/22/13	02/28/17	Aaa	AA+	0.875	0.607	2,000,000.00	2,006,141.79	2,000,780.00	(5,361.79)	
Subtotal, Treasury Securities							6,000,000.00	6,047,040.76	6,038,820.00	(8,220.76)	
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	2,006,260.00	6,260.00	
FED AGRICULTURAL MTG CORP	12/12/13	12/12/18	-	-	1.705	1.705	2,000,000.00	2,000,000.00	2,014,080.00	14,080.00	
FEDERAL FARM CREDIT BANK	01/22/15	01/22/19	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,000,660.00	660.00	Callable 01/22/16, then 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	2,014,860.00	14,860.00	
FEDERAL FARM CREDIT BANK	02/11/15	02/11/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	2,000,840.00	840.00	Callable 02/11/16, then continuous
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,005,760.00	5,760.00	
FEDERAL FARM CREDIT BANK	07/17/13	07/17/17	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,004,300.00	4,300.00	
FEDERAL FARM CREDIT BANK	06/24/15	06/24/19	Aaa	AA+	1.520	1.520	2,000,000.00	2,000,000.00	1,997,900.00	(2,100.00)	
FEDERAL HOME LOAN BANK	09/13/13	09/14/18	Aaa	AA+	2.000	1.910	2,000,000.00	2,004,613.78	2,035,120.00	30,506.22	
FEDERAL HOME LOAN BANK	01/17/14	04/17/18	Aaa	AA+	1.480	1.480	2,000,000.00	2,000,000.00	2,008,540.00	8,540.00	
FEDERAL HOME LOAN BANK	06/29/15	06/29/18	Aaa	AA+	1.170	1.170	2,000,000.00	2,000,000.00	2,001,200.00	1,200.00	Callable 06/29/16, once
FEDERAL HOME LOAN BANK	12/16/13	12/14/18	Aaa	AA+	1.750	1.650	2,000,000.00	2,005,640.17	2,019,000.00	13,359.83	
FEDERAL HOME LOAN BANK	06/18/14	06/09/17	Aaa	AA+	1.000	1.003	2,000,000.00	1,999,903.27	1,999,580.00	(323.27)	
FEDERAL HOME LOAN BANK	10/22/14	11/18/16	Aaa	AA+	0.750	0.500	2,000,000.00	2,004,368.31	1,999,840.00	(4,528.31)	
FEDERAL HOME LOAN MTG CORP	11/25/15	05/25/18	Aaa	AA+	1.050	1.050	2,000,000.00	2,000,000.00	1,986,020.00	(13,980.00)	Callable 05/25/16, once
FEDERAL HOME LOAN MTG CORP	11/30/15	05/24/19	Aaa	AA+	1.550	1.550	2,000,000.00	2,000,000.00	1,994,040.00	(5,960.00)	Callable 02/24/16, then qtrly
FEDERAL HOME LOAN MTG CORP	12/29/15	06/29/18	Aaa	AA+	1.200	1.200	2,000,000.00	2,000,000.00	1,998,280.00	(1,720.00)	Callable 06/29/16, once
FEDERAL HOME LOAN MTG CORP	08/24/15	08/24/20	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,006,540.00	6,540.00	Callable 08/24/16, then qtrly

CITY OF SANTA BARBARA

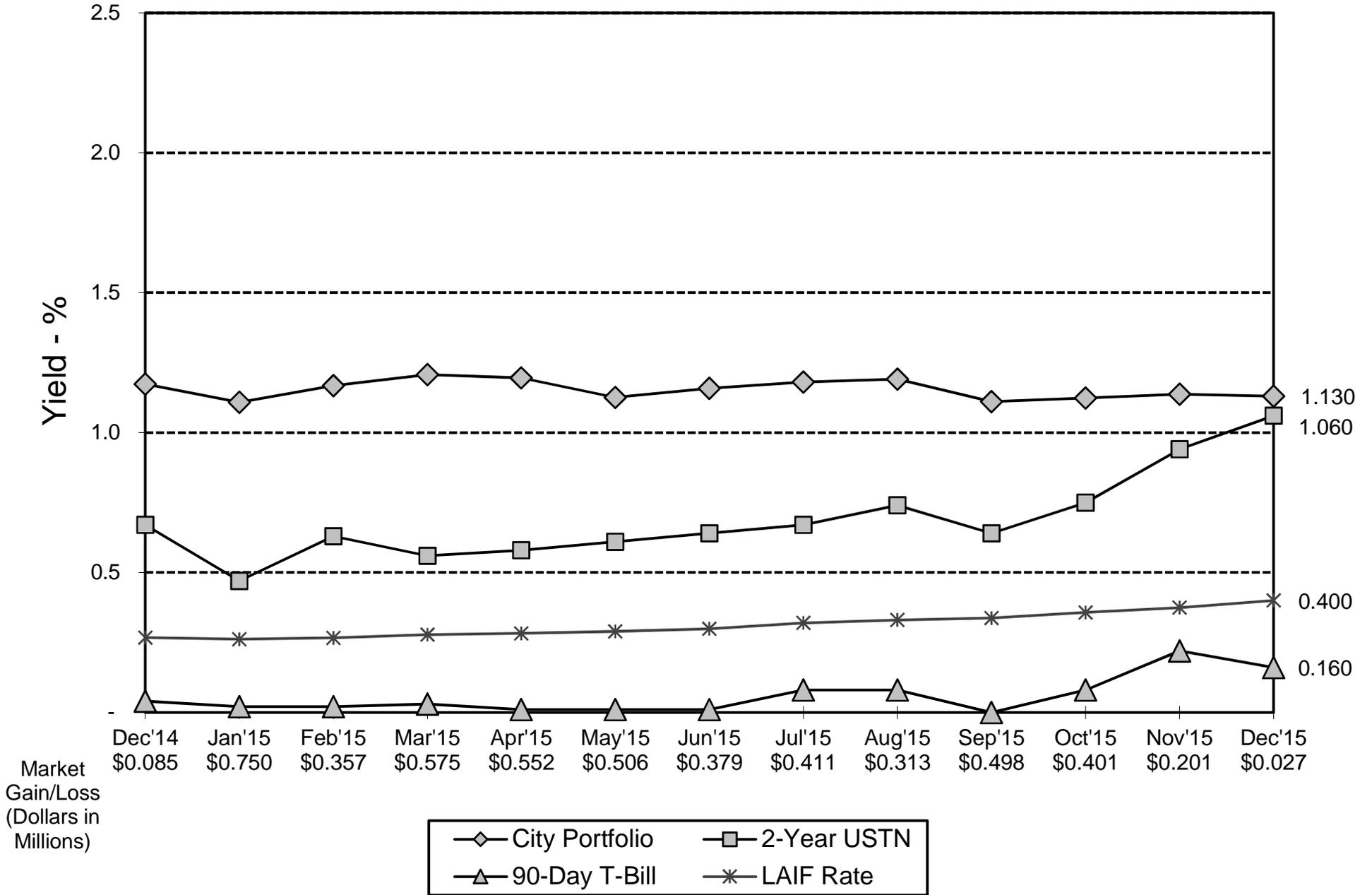
Investment Portfolio

December 31, 2015

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
FEDERAL HOME LOAN MTG CORP	12/28/15	12/28/20	Aaa	AA+	1.500	2.365	2,000,000.00	2,000,000.00	1,996,180.00	(3,820.00)	SU 1.5%-5% Call 06/28/16, then qtrly
FEDERAL HOME LOAN MTG CORP	11/20/13	09/29/17	Aaa	AA+	1.000	1.030	1,000,000.00	999,484.58	997,250.00	(2,234.58)	
FEDERAL NATL MORTGAGE ASSN	01/30/13	01/30/18	Aaa	AA+	1.030	1.030	3,000,000.00	3,000,000.00	2,985,660.00	(14,340.00)	Callable 01/30/16, 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	2,002,120.00	2,120.00	Callable 03/12/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/15/13	10/26/17	Aaa	AA+	0.875	1.062	2,000,000.00	1,993,353.20	1,991,740.00	(1,613.20)	
FEDERAL NATL MORTGAGE ASSN	12/11/13	11/27/18	Aaa	AA+	1.625	1.606	2,000,000.00	2,001,054.20	2,014,560.00	13,505.80	
FEDERAL NATL MORTGAGE ASSN	12/26/12	12/26/17	Aaa	AA+	1.000	1.000	4,000,000.00	4,000,000.00	4,003,600.00	3,600.00	Callable 03/26/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	10/29/15	10/29/20	Aaa	AA+	1.500	1.766	2,000,000.00	2,000,000.00	1,979,600.00	(20,400.00)	SU 1.5%-3% Call 04/29/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	02/05/13	02/05/18	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	1,985,060.00	(14,940.00)	Callable 02/05/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/20/13	10/26/17	Aaa	AA+	0.875	1.070	2,000,000.00	1,993,061.44	1,991,740.00	(1,321.44)	
FEDERAL NATL MORTGAGE ASSN	06/30/15	06/30/20	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,006,860.00	6,860.00	Callable 06/30/16, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/28/18	Aaa	AA+	1.200	1.200	2,000,000.00	2,000,000.00	1,986,500.00	(13,500.00)	Callable 11/28/16, once
FEDERAL NATL MORTGAGE ASSN	11/27/15	11/27/19	Aaa	AA+	1.125	1.678	2,000,000.00	2,000,000.00	1,992,260.00	(7,740.00)	SU 1.125%-2.250% Call 11/27/17, once
FEDERAL NATL MORTGAGE ASSN	11/30/15	11/25/20	Aaa	AA+	1.000	2.015	2,000,000.00	2,000,000.00	1,997,200.00	(2,800.00)	SU 1%-2.2% Call 08/25/16, once
Subtotal, Federal Agencies							<u>66,000,000.00</u>	<u>66,001,478.95</u>	<u>66,023,150.00</u>	<u>21,671.05</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY INC	11/29/13	02/09/18	Aa2	AA	1.550	1.550	2,000,000.00	2,000,000.00	2,003,260.00	3,260.00	
GENERAL ELECTRIC CAPITAL CORP	01/14/14	01/14/19	A1	AA+	2.300	2.250	2,000,000.00	2,002,853.94	2,019,380.00	16,526.06	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	2,000,000.00	2,002,686.24	2,016,140.00	13,453.76	
TOYOTA MOTOR CREDIT	11/20/15	07/13/18	Aa3	AA-	1.550	1.408	<u>2,000,000.00</u>	<u>2,007,024.22</u>	<u>1,995,280.00</u>	<u>(11,744.22)</u>	
Subtotal, Corporate Securities							<u>8,000,000.00</u>	<u>8,012,564.40</u>	<u>8,034,060.00</u>	<u>21,495.60</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	3.500	4.195	<u>4,919,388.34</u>	<u>4,919,388.34</u>	<u>4,919,388.34</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>4,919,388.34</u>	<u>4,919,388.34</u>	<u>4,919,388.34</u>	<u>0.00</u>	
MONEY MARKET FUNDS											
BLACKROCK INSTITUTIONAL FUNDS	12/29/15	-	Aaa-mf	AAAm	0.010	0.010	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>0.00</u>	
Subtotal, Money Market							<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>0.00</u>	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.400	0.400	<u>15,756,102.58</u>	<u>15,756,102.58</u>	<u>15,756,102.58</u>	<u>0.00</u>	
Subtotal, Checking Account							<u>15,756,102.58</u>	<u>15,756,102.58</u>	<u>15,756,102.58</u>	<u>0.00</u>	
TOTALS							<u>146,675,490.92</u>	<u>146,736,575.03</u>	<u>146,763,478.42</u>	<u>26,903.39</u>	

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

INVESTMENT YIELDS



**CITY OF SANTA BARBARA
Fiscal Agent Investments
December 31, 2015**

	CASH & CASH EQUIVALENTS Book & Market	Guaranteed Investment Contracts (GIC) Book & Market	STOCKS		BONDS		US GOVT & AGENCIES		TOTALS	
			Book	Market	Book	Market	Book	Market	Book	Market
BOND FUNDS										
<i>RESERVE FUNDS</i>										
2004 RDA - Housing Bonds	32,983.80	-	-	-	-	-	-	-	32,983.80	32,983.80
2002 Municipal Improvement - Refunding COPs	27,997.07	547,530.00	-	-	-	-	-	-	575,527.07	575,527.07
2011 Water - Safe Drinking Water State Loan	734,429.03	-	-	-	-	-	-	-	734,429.03	734,429.03
2013 Water - Refunding COPs	28,760.89	428,069.44	-	-	-	-	636,099.18	642,009.60	1,092,929.51	1,098,839.93
2004 Sewer - Revenue Bonds	45,948.30	1,357,140.00	-	-	-	-	-	-	1,403,088.30	1,403,088.30
2009 Airport - Revenue Bonds	1,088,469.17	-	-	-	-	-	3,139,457.55	3,147,560.80	4,227,926.72	4,236,029.97
2014 Waterfront - Refunding Bonds	10,098.95	581,455.74	-	-	-	-	-	-	591,554.69	591,554.69
Subtotal, Reserve Funds	<u>1,968,687.21</u>	<u>2,914,195.18</u>	-	-	-	-	<u>3,775,556.73</u>	<u>3,789,570.40</u>	<u>8,658,439.12</u>	<u>8,672,452.79</u>
<i>PROJECT FUNDS</i>										
2001 RDA Bonds	2,367,233.12	-	-	-	-	-	-	-	2,367,233.12	2,367,233.12
2003 RDA Bonds	8,510,202.79	-	-	-	-	-	-	-	8,510,202.79	8,510,202.79
Subtotal, Project Funds	<u>10,877,435.91</u>	-	-	-	-	-	-	-	<u>10,877,435.91</u>	<u>10,877,435.91</u>
SUBTOTAL BOND FUNDS	<u>12,846,123.12</u>	<u>2,914,195.18</u>	-	-	-	-	<u>3,775,556.73</u>	<u>3,789,570.40</u>	<u>19,535,875.03</u>	<u>19,549,888.70</u>
POLICE/FIRE - SVC RETIREMENT FUND										
Police/Fire Funds	34,260.65	-	102,711.34	174,787.54	253,267.53	258,458.50	-	-	390,239.52	467,506.69
	<u>34,260.65</u>	-	<u>102,711.34</u>	<u>174,787.54</u>	<u>253,267.53</u>	<u>258,458.50</u>	-	-	<u>390,239.52</u>	<u>467,506.69</u>
TOTAL FISCAL AGENT INVESTMENTS	<u>12,880,383.77</u>	<u>2,914,195.18</u>	<u>102,711.34</u>	<u>174,787.54</u>	<u>253,267.53</u>	<u>258,458.50</u>	<u>3,775,556.73</u>	<u>3,789,570.40</u>	<u>19,926,114.55</u>	<u>20,017,395.39</u>

Notes:

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



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Construction Of Chapala And Gutierrez Sewer Improvement Project

RECOMMENDATION:

That Council award a contract with J & H Engineering General Contractors, Inc., in their low bid amount of \$117,000, for construction of the Chapala and Gutierrez Sewer Improvement Project, Bid No. 3771; and authorize the Public Works Director to execute the contract and approve expenditures up to \$11,700 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.

DISCUSSION:

The City of Santa Barbara owns and operates a 257-mile municipal wastewater collection system which undergoes routine cleaning and inspection activities throughout the year. At times, these routine maintenance activities identify sewer mains that are damaged and are in need of immediate repair.

The sewer mains and manholes located at the intersection of Chapala and Gutierrez Streets are in poor condition and need to be repaired. The proposed work generally consists of removing and replacing a manhole, reconfiguring the existing sewer mains in the intersection, installing and maintaining a sewer bypass during construction, and managing traffic control through and around the construction work site.

CONTRACT BIDS

BIDDER	BID AMOUNT
1. J & H Engineering General Contractors, Inc. (J&H) Camarillo, CA	\$117,000
2. Whitaker Construction Group, Inc. Paso Robles, CA	\$180,810

The low bid of \$117,000, submitted by J&H, is an acceptable bid that is responsive to and meets the requirements of the bid specifications. Change order funding in the amount of \$11,700, or approximately 10 percent, is recommended for this contract.

COMMUNITY OUTREACH

City staff will post information regarding the work scheduled for this project via Media Release, and send out individual letters of notification to all affected residences and businesses in the vicinity of the Chapala and Gutierrez Sewer Improvement Project (Project). The contractor is required to provide door hangers to affected residences and businesses 72 hours prior to construction. The contractor is also required to provide two lighted, changeable message signs for the Project at least two weeks in advance of starting construction. Active construction activities are anticipated to last approximately two weeks.

FUNDING

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

ESTIMATED TOTAL PROJECT COST

Design: City Staff Costs	\$7,399.72
Subtotal	\$7,399.72
Construction Contract	\$117,000.00
Construction Change Order Allowance	\$11,700.00
Subtotal	\$128,700.00
City Staff: Construction Management, Inspection	\$23,755.00
City Staff: Design Support Services and Record Drawings	\$2,413.00
Materials Testing	\$5,000.00
Subtotal	\$31,168.00
TOTAL PROJECT COST	\$167,267.72

The Project is funded by the Wastewater Capital Fund, and there are sufficient appropriated funds to cover the cost of this Project.

PREPARED BY: Linda Sumansky, Principal Civil Engineer/LA/MJ/mh

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Increase In Construction Funding For Elings Park Recycled Water Pump Station

RECOMMENDATION: That Council:

- A. Approve a transfer of \$86,866 from the Water Drought Fund to the Water Capital Fund;
- B. Increase appropriations and estimated revenues by \$86,866 in the Water Capital Fund for the Elings Park Recycled Water Pump Station Project;
- C. Authorize an increase in the Public Works Director's change order authority to approve expenditures for extra work for the Elings Park Recycled Water Pump Station Contract No. 25,181, with Pacific Coast Excavation, Inc., in the amount of \$70,000, for a total project expenditure authority of \$455,264; and
- D. Authorize an increase in the Public Works Director's change order authority to approve expenditures for extra work for the Elings Park Recycled Water Pump Station, Contract No. 24,879, for design services with Stantec, in the amount of \$5,000, for a total project expenditure authority of \$59,800.

DISCUSSION:

Background

The Elings Park Recycled Water Pump Station Project (Project) design consists of the installation of two concrete pads and a retaining wall, as well as a skid-mounted pump station and transformer. A chain link fence will be installed around the pump station, and one parking space for a maintenance vehicle will be constructed. The Project includes a landscape plan that screens the pump station from the Jerry Harwin Parkway. Elings Park staff will install and maintain landscaping for this project.

On June 24, 2014, Council awarded a contract to Penfield and Smith (now Stantec) in the amount of \$47,300, including change order authority, for design and construction support services.

On April 14, 2015, Council awarded the construction contract in the amount of \$213,874, plus a change order authority of \$21,390, to Pacific Coast Excavation for the Project.

On September 8, 2015, Council approved an additional Project appropriation of \$214,795 due to costs associated with unsuitable soils within the Project site.

Current Status

The project is currently in construction. The solutions required for the unsuitable soils impacted the access to the Southern California Edison meter location, and Edison is requiring it be moved. In addition, the level access to the transformer required by Edison was not included in the original scope. These changes are estimated to cost \$86,866 for the additional design, construction, and construction management services.

The requested increase of \$5,000 to Stantec's contract is for the necessary structural and electrical design changes. Once the additional design is complete, staff will request a cost proposal from Pacific Coast Excavation to construct the changes required by Edison. Staff has estimated that the requested increase of \$70,000 to Pacific Coast Excavation's contract will be sufficient to cover the additional construction work required by Edison and potential delays while design work is being completed. If the cost proposal exceeds this amount, it will be necessary to request additional expenditure authority. An increase of \$11,866 for the additional construction management services to be performed by City staff is also being requested.

BUDGET/FINANCIAL INFORMATION:

FUNDING

Staff requests the transfer and appropriation of funds from the Water Drought Fund to the Water Capital Fund to support the additional scope of work generated to satisfy Edison requirements.

The following summarizes the additional expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Base Contract	Initial Change Order	Previous Increase	This Increase	Total
Pacific Coast Excavation	\$213,874	\$21,390	\$150,000	\$70,000	\$455,264
Stantec	\$43,000	\$4,300	\$7,500	\$5,000	\$59,800
Mimiaga Engineering Group	\$23,400	\$2,340	\$32,283	\$0	\$58,023
Pacific Materials Laboratory	\$1,500	N/A	\$5,000	\$0	\$6,500
Construction Management (City Staff)	\$33,866	N/A	\$20,006	\$11,866	\$65,738
Totals	\$315,640	\$28,030	\$214,789	\$86,866	\$645,325

There are sufficient appropriated funds in the Water Drought Fund to support the proposed costs.

PREPARED BY: Linda Sumansky, Principal Civil Engineer/AF/MM/kts

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Approval Of HD Supply Waterworks, Ltd., As The Sole Source Vendor To Provide Large Diameter Water Meters

RECOMMENDATION: That Council:

- A. Find it to be in the City's best interest to waive the formal bid process as authorized by Municipal Code Section 4.52.070(k), and approve HD Supply Waterworks, Ltd., as the sole source City vendor for large-diameter (four-inch and larger) ultrasonic water meters;
- B. Authorize the General Services Manager to issue a Purchase Order to HD Supply Waterworks, Ltd., for \$50,000 for the purchase of ultrasonic water meters for Fiscal Year 2016; and
- C. Find that it is in the best interest of the City, as permitted under Municipal Code Section 4.52.070(L), to authorize the General Service Manager to issue a Purchase Order to HD Supply Waterworks, Ltd., in subsequent fiscal years through fiscal year 2020, if required, in an annual amount not to exceed \$100,000 per fiscal year, and subject to appropriation.

DISCUSSION:

Staff contacted multiple water agencies and water meter representatives to determine which water meters on the market would meet the City's specified accuracy and reliability needs for high volume water users. Staff spoke with several water meter manufacturers, including Badger, Sensus, and Master Meter, as well as various water agencies, including the City of Santa Cruz, the Goleta Water District (GWD), and the City of Pasadena. The discussion with these industry professionals, and the analysis of the different metering technologies, made it clear that ultrasonic metering technology best meets the City's specified needs for its larger meters. Further investigation identified the ultrasonic water meter manufactured by Master Meter as the meter that best meets the City's large water meter specifications.

The GWD has several ultrasonic Master Meter water meters in use. GWD staff highly recommends these water meters, citing their superior performance with measuring low flows; compact size, which provides easy installation in conventional meter boxes and vaults; low maintenance requirements; and Master Meter's excellent customer service. Additionally, Master Meter's ultrasonic meters are compatible with Advanced Metering Infrastructure (AMI), in the event the City transitions to this type of metering system.

The GWD chose Master Meter's ultrasonic meter through a competitive Request for Proposal process. GWD's proposal solicited responses for large ultrasonic meters ranging in size between two and six inches (Attachment 1). The proposal submitted by HD Supply Waterworks, Ltd., (HD Supply) was selected as meeting all of GWD's specified requirements, while also offering the lowest price. HD Supply is currently the sole authorized distributor of Master Meter (Attachment 2). HD Supply has agreed to extend to the City the same unit bid prices for Master Meter's ultrasonic meters they offered to the GWD, plus a markup for inflation, to enable the City to benefit from GWD's public bidding process.

Staff recommends that Council find it in the City's best interest to waive the formal bid process, as authorized by Municipal Code Section 4.52.070(k), and approve HD Supply as the sole source City vendor for large-diameter (four-inch and larger) ultrasonic water meters. Staff also recommends that Council authorize the General Services Manager to issue to HD Supply a Purchase Order in the amount of \$50,000 for the purchase of ultrasonic water meters for Fiscal Year 2016. Additionally, since it is important to have uniformity in the water meters installed throughout the City, Staff also recommends that Council find that it is in the best interest of the City, as permitted under Santa Barbara Municipal Code section 4.52.070(L), to authorize the General Service Manager to issue purchase orders with HD Supply, in an amount not to exceed \$100,000 per year, for subsequent fiscal years through fiscal year 2020.

BUDGET/FINANCIAL INFORMATION:

There are sufficient appropriated funds in the Water Capital Fund to cover the Fiscal Year 2016 request. Future years' budgets will include requested appropriations for the purchase of the ultrasonic water meters.

ESTIMATED TOTAL PROJECT COST

Purchase authority Fiscal Year 2016	\$50,000
Purchase authority Fiscal Year 2017	\$100,000
Purchase authority Fiscal Year 2018	\$100,000
Purchase authority Fiscal Year 2019	\$100,000
Purchase authority Fiscal Year 2020	\$100,000
TOTAL PROJECT COST	\$450,000

SUSTAINABILITY IMPACT:

Large-diameter water services have an increased potential for water loss from leaks, inaccurate readings, or other types of meter failures. Replacing the City's larger water meters will enable the City to better account for water consumption, will improve confidence with the meter readings, and will help reduce water loss system wide. Such continued improvements in water loss supports the long-term effort to conserve water.

ATTACHMENTS: 1. GWD Request For Proposal, dated August 22, 2014
2. Sole authorized distributor letter

PREPARED BY: Catherine Taylor, Water System Manager/PM/mh

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office



**BOARD OF DIRECTORS
AGENDA LETTER**

**Secretary of the Board of
Directors**

4699 Hollister Avenue,
Goleta, CA 93110
(805) 879-4621

Department Name: Operations
For Agenda Of: December 9, 2014
Estimated Time: 15 Min
Continued Item: No
If Yes, date from:

TO: Board of Directors

FROM: Department: Operations
Contact Info: Tom Bunosky, Operations Manager

SUBJECT: Consideration of Contract Award – Large Meter Replacement Program

Legal Concurrence

As to form: Yes

Recommended Actions:

Adopt Resolution No. 2014-_____ (Attachment1) authorizing the General Manager to enter into a unit priced contract with HD Supply Waterworks Ltd., sole authorized distributor of Master Meter, to purchase two inch, three inch, four inch, and six inch electronic meters to implement the Large Meter Replacement Program.

Summary Text:

The District treats and delivers approximately 13,500 acre feet per year of water to approximately 87,000 people. The volume of water flowing through the distribution system and used by customers is measured through 16,651 meters varying in size from 5/8 inch to ten inch. More than fifty percent of District meters were installed over twenty years ago and have exceeded their useful life. The increasing age and relative failure rate of District meters continues to climb, resulting in under-registered, unaccounted for, and unbilled water use. Recent advances in technology have transformed the way water flow is recorded and have significantly enhanced the level of data collected and efficiency of integrating the data from the physical meter into a utility's billing system.

On February 11, 2014, the Board of Directors (Board) approved the first phase of a two-phase approach to replace aged and failing District meters. In the first phase, approximately 800 existing, large mechanical meters ranging in size from two to six inches will be replaced with new electronic meters consistent with the planned Large Meter Replacement Program.

To implement the Large Meter Replacement Program, staff issued a Request for Proposal (RFP) to seven vendors for the purchase of electronic meters to replace the District's existing two to six inch mechanical meters. Five vendors submitted unit priced proposals on various sized meters by the deadline of the RFP. Of the five vendors, one vendor submitted a proposal that did not meet the electronic meter requirements of the RFP and was disqualified. Of the four remaining vendors, three vendors submitted qualified unit priced proposals for two to six inch meters and one vendor submitted a unit priced proposal for two inch sized meters only.

Proposals were evaluated based on established criteria such as capabilities of the meter, capabilities of the battery, experience of the company, as well as warranty terms and provisions. Additionally, each sized meter was evaluated by its respective unit price inclusive of the meter warranty, battery warranty, and cost of delivery to the District. Upon evaluation of the proposals, one vendor was eliminated from further consideration as the meter offered was determined to be inadequate in terms of performance in comparison to the other meters.

Upon completion of the proposal review process for the remaining three vendors, HD Supply Waterworks Ltd. (HD Supply), sole authorized distributor of Master Meter, has been selected as the recommended vendor to provide the District with two to six inch electronic meters. The Master Meter Octave Ultrasonic (Octave Ultrasonic Meter) water meter chosen meets the District's detailed meter specifications and other requirements specified in the RFP. The Octave Ultrasonic Meter employs ultrasonic technology with no moving parts, using dual beam transducers that produce a sampling rate of 100 times per second, to measure the flow of water. The Octave Ultrasonic Meter is recommended as it carries a ten year battery warranty, has one of the highest continuous flow rates for two inch meters at 250 gpm, exceptional low flow accuracy ratings under both continuous flow and extended low flow circumstances, and does not require any straight runs of pipe before or after the meter which minimizes installation costs. The programmable nine-digit LCD display registers are compatible with all current metering technologies, providing the District with the flexibility to upgrade to more advanced data collection technologies in the future. The register also has visual alarm indicators for eight critical conditions including active leak, backflow, meter damage or tamper, rate of flow, and battery life.

As previously discussed with the Water Management and Long Range Planning Committee and Board, these new large meters would not have the capability to broadcast any information, but could be upgraded in the future should the District decide to migrate from manual reading of meters to one of several forms of electronic read technologies. Currently, the District has no plans to upgrade these meters.

HD Supply has been in business for more than 80 years and has supplied Master Meters since 1987. The Octave Ultrasonic Meter, in particular, has been manufactured since 2010 with several thousand units in service to date. HD Supply also was the low bidder of those considered qualified.

Background:

The volume of water used by customers is measured monthly through 16,651 meters varying in size from 5/8 inch to 10 inch. Water meters have a useful life of 15 to 20 years. Larger meters, two inches and above, typically begin losing accuracy after ten years as a result of wear and tear to the mechanical parts inside the meter. More than fifty percent of the District's meters were installed over twenty years ago and have exceeded their useful life.

Previously, on November 20, 2014, the Water Management and Long Range Planning Committee recommended that the Board approve and adopt the Resolution No. 2014-_____ (Attachment1)

authorizing the General Manager to enter into a unit priced contract with HD Supply. On December 19, 2013 and January 16, 2014, the Water Management and Long Range Planning Committee received briefings on the District's meter replacement program. On February 11, 2014, the Board of Directors (Board) received a presentation on the various customer water metering alternatives available to the District for its meter replacement program and directed staff to proceed with a two-phase approach. The first phase will upgrade approximately 800 existing large, mechanical meters ranging in size from two to six inches to new electronic meters with digital registers over a one-year period. Although large meters account for only 6% of all meters, they account for 52% of total District water consumption. Large meters primarily serve water to agricultural and commercial customers.

Phase 1 will also include the replacement of mechanical meters sized 1 ½ inch and smaller that have failed with new electronic meters with digital registers from various manufacturers. This will serve to establish a performance basis for use when the Phase 2 meter replacement program is recommended in the future. At the current replacement rate due to failure, approximately 300 small meters will be replaced annually which is less than 2% of existing small meters.

Additionally, Phase 1 will include the installation of electronic meters for all developer-funded new construction projects. Notably, the meter replacement program provides an opportunity to upgrade meters and keep pace with technological advancements and associated industry best-practices. Phase 1 will serve as a pilot program and will inform the implementation of Phase 2.

Fiscal Analysis:

The full program cost was included in the Fiscal Year (FY) 2014 -15 Budget. HD Supply Waterworks will be awarded a one year, unit priced contract, which is the estimated time to fully implement Phase 1 of the meter replacement program. The quantities indicated are used for budgeting purposes only and are not to be used by the vendor as a quantity that must be purchased. The table below provides the unit price of each meter by size and the estimated quantity of meters needed.

Item	Description	Estimated Quantity	Unit Price	Total Amount
1	2" Electronic Meter	622	\$900.00	\$559,800.00
2	3" Electronic Meter	53	\$1,094.34	\$58,000.02
3	4" Electronic Meter	30	\$1,416.66	\$42,499.80
4	6" Electronic Meter	41	\$2,361.11	\$96,805.51
Total		746	-	\$757,105.33

Attachments:

Attachment 1 – Resolution 2014- _____ authorizing the General Manager to enter into a unit priced contract with HD Supply Waterworks, Ltd., sole authorized distributor of Master Meter, to purchase two inch, three inch, four inch, and six inch electronic meters to implement the Large Meter Replacement Program.

Authored by: Tom Bunosky

Attachment 1

Resolution No. 2014 –

Resolution Authorizing a Contract with HD Supply Waterworks

Item	Description	Quantity	Unit Price	Total Price
1	2" Electronic Meter	100	\$150.00	\$15,000.00
2	3" Electronic Meter	50	\$200.00	\$10,000.00
3	4" Electronic Meter	25	\$300.00	\$7,500.00
4	5" Electronic Meter	10	\$400.00	\$4,000.00
Total				\$36,500.00

RESOLUTION NO. 2014 -
Introduced by General Manager

**A RESOLUTION OF THE GOLETA WATER DISTRICT BOARD OF DIRECTORS
AUTHORIZING A CONTRACT WITH HD SUPPLY WATERWORKS PURSUANT
TO THE PROVISIONS OF THE GOLETA WATER DISTRICT CODE**

WHEREAS, the Goleta Water District issued a request for proposal to provide electronic meters, 2", 3", 4", and 6" in size, and other appurtenances.; and

WHEREAS, the proposal by HD Supply Waterworks submitted the lowest cost proposal within the budgeted expenditures authorized in the Fiscal Year 2013-14 budget; and

WHEREAS, the Goleta Water District Code Section 2.12.010 (C) (4) authorizes the District General Manager to execute contracts for such purposes and within limits authorized by the Board of Directors; and

NOW THEREFORE BE IT FOUND, DETERMINED AND RESOLVED by the Board of Directors of the Goleta Water District as follows:

- 1. The General Manager is hereby is authorized to enter into a contract with the following vendor for the purpose(s) listed below:**
 - a. NAME OF VENDOR: HD Supply Waterworks.**
 - b. WORK, SERVICES OR GOODS TO BE PROVIDED: To provide electronic meters, 2", 3", 4", and 6" in size, and other appurtenances..**
 - c. CONTRACT AMOUNT BEING AUTHORIZED: Not to exceed \$832,815.86**
- 2. The contract shall be in such form as approved by counsel.**
- 3. The contract shall be indexed as required by the Goleta Water District Code. (GWC 2.12.010E)**
- 4. This resolution shall take effect immediately.**

PASSED AND ADOPTED by the Board of Directors of the Goleta Water District this ___ day of ___, 2014 by the following roll call vote:

AYE:

NAY:

ABSENT:

ABSTAIN:

ATTEST:

JOHN D. MCINNES
DISTRICT SECRETARY

WILLIAM C. ROSEN, PRESIDENT
BOARD OF DIRECTORS



4699 HOLLISTER AVENUE
GOLETA, CALIFORNIA 93110-1999
TELEPHONE 805/964-6761
FAX 805/964-7002

August 22, 2014

Thomas Feickert
HD Supply Waterworks
25575 Avenue Stanford
Valencia, CA 91355

Dear Thomas Feickert:

The Goleta Water District (District) is pleased to invite the submission of proposals for development of *Large Meter Replacement Program*.

The District serves approximately 87,000 residents in the greater Goleta area of Santa Barbara County, California; the service area spans 29,000 acres between El Capitan to the west and the City of Santa Barbara to the east. The District maintains a diverse water supply portfolio from four distinct sources with availability averaging 15,472 acre feet per year.

The District is seeking to implement the *Large Meter Replacement Program* by replacing all of the current 2", 3", 4", and 6" water meters for electronic meters. A more detailed description of the project scope and requirements is provided in the attached Request for Proposals (RFP).

The deadline for submitting proposals is September 24, 2014 at 3:00 PM. All correspondence and questions pertaining to the attached RFP should be directed to the District's Operations Manager, Tom Bunosky, whose contact information is provided in the RFP. Thank you for your interest and we look forward to receiving your proposal.

Sincerely,

David Matson
Assistant General Manager



Goleta Water District

REQUEST FOR PROPOSAL

Large Meter Replacement Program

August 22, 2014

Proposal Due Date: Wednesday, September 24, 2014, 3:00 PM

Mailing Address: 4699 Hollister Avenue
Goleta, CA 93110-1999

District Contact: Tom Bunosky, Operations Manager

Phone: (805) 879-4630

E-mail: tbunosky@goletawater.com

REQUEST FOR PROPOSAL

SECTION 1: PURPOSE

The Goleta Water District (District) is requesting proposals to provide electronic meters regarding the Large Meter Replacement Program. All interested parties are required to submit proposals in accordance with the conditions and dates outlined in this Request for Proposal (RFP). The Meter Replacement Program will replace the 2" and larger existing mechanical water meters with electronic meters and digital registers that record water use electronically. In contrast to mechanical meters with moving parts, electronic meters capture accurate flow measurement at both high and low flow rates, allowing the District to account for all water use while preventing water loss among the largest customers. The registers should be compatible with all metering technologies, providing the District with the flexibility to upgrade to more advanced data collection technologies in the future to accommodate various data collection technologies. A modification of the meter registers would need to be added at a future date as the meters would not have the capability to broadcast remotely any information to any collection devices upon initial installation. Approximately 800 large meters will be upgraded over a one-year period.

SECTION 2: INTENT OF RFP

It is the intent of the District that this Request for Proposal (RFP) encourages competition. It shall be the responsibility of each Vendor to notify the District in writing immediately if any language, requirement, specification, or combination thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source. Such notification must be received by the District Contact not later than 4 (four) days prior to the proposal due date.

SECTION 3: BACKGROUND INFORMATION

Goleta Water District

The District, which is governed by a five member Board of Directors, was established on November 17, 1944. It encompasses an area extending along the south coast of Santa Barbara County, west from the Santa Barbara District limits to El Capitan, and south from the foothills of the Santa Ynez Mountains to the Pacific Ocean. The District spans approximately 29,000 acres and uses its treatment facilities and over 270 miles of pipeline to provide water to approximately 87,000 people in a mix of urban and rural settings. The District water supply portfolio includes Lake Cachuma, groundwater, State Water Project (SWP) and recycled water. Water demand characteristics include urban (68%), agriculture (21%), and landscape irrigation (11%). Additional information may be found at www.goletawater.com.

SECTION 4: SPECIFICATIONS AND DELIVERY

1. 2" to 6" Electronic Meters

1.1 General

The Goleta Water District will replace all 2", 3", 4", and 6" meters. The measuring device of the meters shall not consist of any moving parts and have a digital readout with a 9 digit LCD screen. There shall be a digital register with solid state memory and processor. The meters can provide information on rate of flow and reverse flow indication, alarms, and other data not available through mechanical meters, but is not required. The meters shall be battery operated. The battery life and the method of replacement shall be described. The meters shall have the option to be upgradable to AMR/AMI devices and systems, but shall not broadcast through radio transmission any information upon initial installation.

1.2 Quality

Each meter size shall comply with the appropriate parts of the ANSI/AWWA Standards, and NSF/ANSO Standard 61, Annex G. The meters can be stainless steel, brass, bronze, or epoxy coated ductile iron, but must be lead-free. Each meter size shall follow the specifications of ANSI/AWWA Standards according to the type of electronic meter. Electronic meters can meet any of the following standards listed below or the Proposer can propose different ANSI/AWWA standards for their specific meters.

1.2.1 Electromagnetic Meters

Electromagnetic meters shall follow the ANSI/AWWA C701 Class II Standard. Within the normal test flow limits for each meter size, the meters shall register not less than 98.5% and not more than 101.5%.

1.2.2 Fluidic Oscillator Meters

Fluidic Oscillator meters shall follow the ANSI/AWWA C713 Standard. Within the normal test flow limits for each meter size, the meters shall register not less than 98.5% and not more than 101.5%.

1.2.3 Ultrasonic Meters

Ultrasonic meters shall follow the ANSI/AWWA C750 Standard. . Within the normal test flow limits for each meter size, the meters shall register not less than 99% and not more than 101%.

1.3 Delivery and Estimated Quantities

The delivery of the meters will be spaced out over the duration of 12 months with one delivery per month. Request for delivery shall be made throughout the term of the contract, either in writing, email or by telephone with orders being placed no less than eight weeks in advance of requirements. Shipments are to be made to the Goleta Water District, 4699 Hollister Avenue, Goleta, CA 93110-1999. The Vendor must provide the maximum quantity of each meter by size deliverable to the District no less than eight weeks of the quantity being ordered. Quantities are estimated amounts used for budgeting purposes only. The District does not guarantee nor represent that this is the quantity to be delivered during the term of the contract. The District reserves the right to purchase such greater or lesser quantities as may be required to meet District requirements.

The Vendor shall make a diligent effort to have each shipment truck arrive at its delivery location between 8:00 A.M. and 4:00 P.M. of the delivery day. A District representative will meet the truck at the delivery location for each shipment, show the driver where to make the delivery and assist in unloading the truck. The District will not accept loads after 4:00 P.M., without prior District approval.

SECTION 5: CONFIDENTIALITY OF INFORMATION

The selected Proposer and its staff working with the District on this purchase will be required to keep confidential all information they learn about the District's water facilities and electronic systems. Disclosure of any information gathered has potential to pose a significant risk to public health and safety. During the proposed phase and subsequent contract, the Proposer makes provisions to secure all records.

SECTION 6: COST PROPOSAL

Provide a cost proposal in Section 6.1. The District requires the Proposer to fill out an Estimated Fees Table similar to the Table in Section 6.1. The unit price is guaranteed by the Vendor for the period of one year set by the first delivery date. The quantities are not guaranteed by the District.

The quantity of meters indicated is an estimate. The actual quantity shall be the basis of payment per unit price indicated. If the quantity of each meter by size varies more than $\pm 25\%$ from the estimated quantity, then the unit price for each meter by size is subject to renegotiation if requested by either the Vendor or District.

6.1 Estimated Fees Table

ESTIMATED FEES TABLE

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT PRICE*	TOTAL AMOUNT
1	2" Electronic Meter	622		
2	3" Electronic Meter	53		
3	4" Electronic Meter	30		
4	6" Electronic Meter	41		
		746	N/A	N/A

***UNIT PRICE SHALL EXCLUDE SALES TAX**

The Proposer shall be responsible for calculating and providing price totals. The proposal shall include all costs for the meters delivered to the District including all freight, fuel, and miscellaneous charges, except sales tax. The unit price for each meter by size shall include the warranty of the meter and batteries. The warranty of the meter and the battery shall be described in detail. In case of conflict or error in calculation, the proposal may be considered irregular and may be subject to rejection.

COMPANY NAME OF VENDOR: _____

AUTHORIZED SIGNATURE: _____ DATE: _____

TITLE: _____

6.2 2nd Year Unit Price

The proposer shall include the estimated unit price change of each meter by size after the one year period, months 13 to 24. The estimated unit price change after one year shall be excluded from the proposal total. The estimated unit price will be a firm price up to the estimated quantity for the situation if the District does not order and receive all the meters within the 12 month original time frame.

2nd YEAR UNIT PRICE TABLE

ITEM	DESCRIPTION	UNIT PRICE*	TOTAL AMOUNT
1	2" Electronic Meter		
2	3" Electronic Meter		
3	4" Electronic Meter		
4	6" Electronic Meter		
		N/A	N/A

***UNIT PRICE SHALL EXCLUDE SALES TAX**

6.3 Battery Table

The District requires the Proposer to fill out a Battery Table similar to the Table below. The Battery Table is for the overall evaluation of the meter performance and is **excluded from the Estimated Fees Table**. The battery life and type for each electronic meter shall be described in detail. The battery replacement, shipping and labor costs shall be included in the Battery Table. The costs shall be calculated using current prices. The purpose of the Battery Table is to estimate the costs to replace the battery at the end of the warranty period using current replacement costs. The Battery Table shall include all costs to have a functioning meter at the installation location upon battery failure. It is the total cost to restore that particular meter to functionality in the field location of the meter.

BATTERY TABLE

***INFORMATIONAL PURPOSES ONLY**

ITEM	BATTERY LIFE	BATTERY TYPE	COST OF BATTERY	SHIPPING	LABOR	OTHER COSTS	TOTAL COST
2" Electronic Meter							
3" Electronic Meter							
4" Electronic Meter							
6" Electronic Meter							

6.4 Important Information

IMPORTANT

The District is evaluating all proposals submitted by size and will award each size meter independently of the other.

SECTION 7: CONTRACT REQUIREMENTS

Attached for review is a sample contract with Goleta Water District, including the Standard Rider. Contractual terms will include:

- A. Unit price for products as indicated in Section 6
- B. Business Tax Registration requirements
- C. Liability insurance requirements including:
 - 1. Commercial General and Umbrella
 - 2. Business Auto and Commercial Umbrella
- D. Workers' Compensation and Employers Liability Insurance requirements
- E. Scope of Work
- F. Estimated Fees Table and Battery Table with spreadsheet breakdown by main each line item described in Section 6 above
- G. Termination at any time with liability for pre-termination work
- H. Proposed Plan shall include all electronic meter devices described in Sections 4 & 6.

SECTION 8: INSTRUCTIONS FOR PREPARING PROPOSAL

Proposers shall provide a proposal on their own forms. The cost proposal shall include the cost of the meters detailed for each item number indicated in Section 6. However, the proposal must be clear and concise, and contain information covering the following topics:

A. Description of the Meter

The Proposer shall describe each size of the meter and how it meets the District's specifications in Section 4.

B. Description of the Battery

The Proposer shall describe each battery for each meter size. The description shall include the type of battery, the battery life expectancy, the warranty provided, and battery replacement methods.

C. Warranty of Meters and Batteries

The proposal shall include a detailed description of the warranty for each meter size and meter batteries as outlined in Section 6.1 that is included in the Estimated Fees Table costs.

As outlined in Section 6.1, 6.2, 6.3 the battery replacement methods shall be described in detail. The battery replacement cost shall be based on current prices. The meter, battery and meter warranties, and battery replacement after warranty expiration, will be considered in awarding the contract.

D. Quantity of Meters Sold

The Proposer shall provide the number of similar meters sold by year for 2013 and 2012. Along with the number of meters by year, they shall provide how long and estimated quantities they have been supplying the meter proposed if supplying prior to 2012.

E. References

Provide three or more relevant references that can provide information on the quality of the Proposer's products during the past two years.

F. Conflict of Interest

All conflicts of interest must be disclosed. Post retainer, the selected Proposer will not represent directly or indirectly any employee organization.

G. Cost Proposal

The proposal shall include a detailed cost profile for each meter by size as outlined in Section 6.1.

The Estimated Fees Table shall be structured as a unit price proposal by size of meter, and shall be based on the Proposer's best pricing using the estimated quantities indicated, including delivery costs and the warranty costs of the meter and batteries. The estimated

fees shall also be presented with an overview of the fee structure and followed by a detailed description of any assumptions and estimated quantities that may differ from the definitions in this document.

The Proposal shall include the estimated unit price change of each meter by size after the one year period, months 13 to 24. **The estimated unit price change after one year shall be excluded from the proposal total** for each size meter as indicated in section 6.2.

H. Battery Table

The proposal shall include a detailed cost profile for each meter by size as outlined in Section 6.3 for the estimated current cost to replace the battery.

The Battery Table is for informational purposes only and is excluded from the proposal total. The battery life and type of each meter size shall be described in detail. The cost of replacement, shipping, and labor shall be calculated using current prices.

The quantity of meters indicated is an estimate. The actual quantity shall be the basis of payment per unit price indicated. If the quantity of each meter by size varies more than $\pm 25\%$ from the estimated quantity, then the unit price for each meter by size is subject to renegotiation if requested by either the Proposer or District.

The District will award each size meter independent of the other size of meter evaluation.

I. Delivery Schedule

The Proposer shall provide the maximum number of meters by size deliverable to the District within eight weeks of the order date.

The proposal shall be submitted in electronic and printed formats. The proposal shall be limited to 12 pages with 12-point font. Resumes and company qualification brochure data may be added to the 12-page proposal, provided they are located as an appendix.

Mandatory Meter Presentation:

The Proposer shall give a presentation for the District the week of **September 15, 2014**. The exact date and time will be set by the availability of the District and Proposer. The Proposer shall provide a reference sample of each size of the electronic meters for replacement. The presentation shall be no longer than 3 hours and include the following:

- Specifications of each meter size in detail
- Details on how each meter will be read and the technology required
- Description and demonstration on how meters **do not** broadcast any radio frequencies
- Details on the upgradeable AMI/AMR capabilities and features
- Manufacture locations of the parts and assembly of the meters

Schedule of Events:

Following is a summary of the current project schedule.

- RFP Issue Date.....August 22, 2014
- Mandatory Meter Presentation.....Week of September 15, 2014
- Deadline for Questions.....Friday, September 19, 2014
- RFP Due Date.....Wednesday, September 24, 2014
- WMLRP Committee Review.....Thursday, October 16, 2014
- Board of Directors Meeting and Contract Approval.....Tuesday, November 11, 2014
- Notice to Proceed.....Monday, December 1, 2014

Questions and Inquiries

Questions about this RFP should be directed to Tom Bunosky, Operations Manager, at (805) 879-4630 or at tbunosky@goletawater.com

Proposals shall be submitted **no later than 3:00 PM on Wednesday, September 24, 2014**. All proposals shall be mailed, emailed, or hand delivered to the front desk and labeled to the attention of Tom Bunosky, Operations Manager, Goleta Water District, 4699 Hollister Avenue, Goleta, CA 93110-1999.

Note: Proposals will NOT be accepted after the listed due date and time, including mail delivered after 3 PM. Late proposals will be returned UNOPENED.

Addendum and Supplement to Request:

If it becomes necessary to revise any part of this RFP or if additional information is necessary to enable an exact interpretation of provisions of this request, an addendum will be issued to the same distribution list as the original RFP. It is the responsibility of the Proposer to ensure that they have received all addendums prior to submitting a proposal and shall acknowledge receipt of them in the submitted proposal.

Authority to Bind:

Proposals MUST give full legal name and address of the Vendor. Failure to manually sign proposal may disqualify it. Person signing the proposal should show TITLE or AUTHORITY TO BIND the Vendor in a legal contract.

Right to Reject:

The District reserves the right to reject any or all proposals submitted, and no representation is made hereby that any contract will be awarded pursuant to this RFP or otherwise.

All costs incurred in the preparation of a proposal, the submission of additional information and/or any aspect of a proposal prior to award of a written contract will be borne by the respondent. All proposals submitted become the property of the District.

Additional Information:

1. All proposals submitted shall be valid for a minimum period of one hundred sixty (160) calendar days following the proposal due date.
2. The District will not be responsible for any expenses incurred relative to the preparation and submittal of a proposal.
3. The contents of the proposal submitted by the Vendor and this RFP will become part of any contract awarded as a result of the RFP.
4. The submitting Vendors whose proposals are not accepted will be notified in writing upon award of the contract.

SECTION 9: EVALUATION OF PROPOSALS

Proposals will be evaluated by a committee assembled by the District and a recommendation made to the Board of Directors for award of a contract. While pricing is a factor, the District intends to select a vendor with meters that meet the District's specifications, warranty, battery life and replacement, quantities, and performance. The District therefore requires each Proposer to submit a proposal clearly addressing all of the requirements outlined in this RFP.

Appendix A – Standard contract

- Standard Contract
- Standard Contract Rider

STANDARD CONTRACT FOR GOODS AND SERVICES

This contract ("Contract") is made _____ by and between **GOLETA WATER DISTRICT** with its office and principal place of business at 4699 Hollister Avenue, Goleta, CA 93110, ("GWD") and **VENDOR** , with its office at XXXXXXXXXXXXXXXX ("Vendor").

The parties agree as follows:

1. **RIDERS.** The "Standard Contract Rider for Goods and all additional riders, schedules, and exhibits attached to this Contract are incorporated herein and made a part of this Contract with the same force and effect as if more fully set forth at length herein.
2. **PURPOSE OF CONTRACT.** Upon execution of this Contract, GWD may purchase from Vendor metera. Nothing herein however precludes GWD from procuring goods or services from other vendors as it chooses. All such purchases shall be subject to this Contract.
3. **SPECIAL PROVISIONS.** Payments by GWD to Vendor under this Contract shall be made 30 days from GWD approval of Vendor's invoice.
4. **CONTRACT PRICE.** GWD shall pay to Vendor for _____ a price of _____ per meter.
5. **OTHER CHANGES.** The following provisions of the Standard Contract Rider for Goods and for Services are hereby amended as set forth: None
6. **TERM OF CONTRACT.** This Contract commences as of the date of this Contract and ends on **June 30, 2016**.
7. **CONFLICTS BETWEEN DOCUMENTS.** In the event there is a conflict among them, this Standard Contract for Goods and Services shall prevail over both the Standard Contract Rider for Services and the Standard Contract Rider for Goods, and the Standard Contract Rider for Services shall prevail over the Standard Contract Rider for Goods.

NOTE: Riders, schedules and other documents must be attached to this agreement.

THIS CONTRACT CONSISTS OF THE FOLLOWING DOCUMENTS:

1. Standard Contract for Goods and Services
2. Standard Contract Rider for Goods

The next page is the signature page.

The parties have executed this Contract by their authorized officers as set forth below to be effective as of the date set forth above.

The persons signing below on behalf of the Vendor represents and warrants that they have authority to bind the Vendors to the terms of this Contract.

GOLETA WATER DISTRICT

By: _____
John D. McInnes Title: General Manager

**VENDOR,
[VENDOR]**

By: _____
Name: Title:

By: _____
Name: Title:

Approved as to Form:

By: _____
Mary L. McMaster, General Counsel

STANDARD RIDER FOR GOODS

1. **DEFINITIONS:** Unless the context requires a different meaning or the agreement to which this rider is attached specifically states that a provision thereof modifies this Rider, the following terms shall have the meanings set forth herein:
 - a. "GWD" shall mean Goleta Water District.
 - b. "State" shall mean the State of California.
 - c. "Agency" shall mean a governmental entity of the State or County.
 - d. "Vendor" or "Contractor" shall mean the party who is required to supply goods to GWD pursuant to this Contract.
 - e. "Contract" means collectively this Rider, the written agreement to which it is attached and any other riders and attachments thereto.
2. **REPRESENTATIONS OF VENDOR:** The Vendor represents to GWD that:
 - a. Vendor has the knowledge and experience necessary to perform this Contract.
 - b. Vendor has not filed or had filed against Vendor a petition in bankruptcy.
 - c. Vendor has not been disqualified from performing any contract funded by the Federal government, the State, or the County of Santa Barbara and that there is no proceeding pending or threatened against Vendor by any such governmental authority.
 - d. If required by this Contract or applicable law, Vendor is licensed or employs employees who are licensed to provide the goods to be provided pursuant to this Contract.
 - e. No officer or employee of GWD has an interest in this Contract that would disqualify the Vendor from performing this Contract and receiving payment therefrom.
3. **PAYMENTS:** GWD shall pay to the Vendor for goods provided pursuant to this Contract subject to the following conditions:
 - a. Payment shall be made after submission to GWD by the Vendor and approved by GWD of a voucher prepared by and on Vendor's letterhead which sets forth in detail the dates and description of all of the goods and the amount of the charges for which claim for payment is made.
 - b. Vendor shall supply such information as may be requested by GWD for tax purposes including but not limited to Tax Payer Identification or Social Security Numbers and shall certify pursuant to Internal Revenue Service regulations, if required, as to such information as may be required by such regulations.
6. **COMPLIANCE WITH LAWS AND REGULATIONS:** Vendor shall comply with all applicable Federal or State laws and regulations. If the Vendor or persons in Vendor's employ are required to be licensed by the State or any other agency, the Vendor shall employ the required licensed personnel and shall not permit or suffer any unlicensed personnel to perform any services required to be performed pursuant to this Contract by a licensed employee.
7. **PUBLIC RECORDS ACT.** GWD is subject to the California Public Records Act which requires it to release public contracts, bids and proposals to members of the public upon request immediately after a contract has been awarded.
8. **PACKING AND SHIPPING.** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to assure adequate protection of the merchandise in shipment and storage and its arrival at F.O.B. point in undamaged condition. An itemized packing list shall accompany each shipment. Unless otherwise specified on the face of this order, the F.O.B. point shall be GWD's location designated on the face of this order. If transportation is F.O.B. Vendor's location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to GWD, until delivery of the merchandise to GWD's designated location.

9. INSPECTION.

Final inspection and acceptance of the merchandise shall be at the F.O.B. point unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures of Buyer at the location where the merchandise is received. GWD reserves the right to use sampling procedures for the acceptance or rejection of any or all items ordered. If a lot is rejected by the sampling procedure, the entire lot may be returned to Vendor for screening at the Vendor's expense or, at the option of GWD, the rejected workmanship or does not conform to specifications or samples. In such event, GWD may, at its option, and upon written notice to Vendor: (i) rescind this order as to such merchandise; (ii) accept such merchandise at an equitable reduction in price; (iii) reject such merchandise and require the delivery of replacements. Deliveries of replacement merchandise shall be accompanied by a written notice specifying that such merchandise is a replacement. If Vendor fails to deliver required replacements promptly, GWD may: (i) replace or correct such merchandise and charge the Vendor the cost thereby incurred by GWD; or (ii) terminate this order for cause. The rights of GWD under this Section are in addition to any other rights or remedies herein or by law.

10. WARRANTIES.

In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (i) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

11. INDEMNIFICATION AND HOLD HARMLESS: To the fullest extent permitted by law, when an action, suit, legal proceeding or claim is commenced by a person or entity other than a party to this Contract, the Vendor shall indemnify and hold harmless and if requested, shall defend GWD, its directors, officers, employees, or authorized volunteers and each of them from and against:

a. Any and all claims, losses, demands, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever for, but not limited to, injury to or death of any person including GWD and/or Vendor, or any directors, officers, employees, or authorized volunteers of GWD or Vendor, and damages to or destruction of property of any person, resulting directly or indirectly out of Vendor's performance or failure to perform under this Contract regardless of any negligence of GWD or its directors, officers, employees, or authorized volunteers, except to the extent that such indemnity is void or otherwise unenforceable under applicable law and except where such loss, damage, injury liability or claim is the result of willful misconduct of GWD and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement of Vendor, its subcontractors. If Vendor is a party to any litigation arising from the performance of this Contract, the Vendor shall give notice of the commencement of such litigation no later than 30 days following the date upon which the Vendor is served with process or is advised of a threat of litigation.

b. Any and all actions, proceedings, damages, costs, expenses, penalties, or liabilities, arising out of the violation of any governmental law or regulation, compliance with which is the responsibility of the Vendor.

Vendor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by GWD or its directors, officers, employees, or authorized volunteers.

12. EVENTS OF DEFAULT: The following events shall constitute an event of default:

- a. The failure of the Vendor to properly perform this Contract or any of its term, provision or covenants or a finding by GWD that any representation or certification made by Vendor is false or becomes untrue.
- b. The assignment of the performance of this Contract or of any funds due or to become due

- hereunder or permitting or suffering a levy or attachment to be made upon any such funds.
- c. The failure of the Vendor to comply with any statute, rule or regulation applicable to the performance of this Contract.

13. REMEDIES:

- a. If the Vendor shall be in default under this Contract, GWD at its option may:
 - i. Terminate this Contract after allowing reasonable opportunity for Vendor to cure and Vendor's failure to so cure. GWD shall remain liable for all approved goods provided by Vendor prior to the termination date.
 - ii. Deduct from payment of any monies due the Vendor all charges for disallowed costs and expenses theretofore paid by GWD to the Vendor.
 - iii. Seek recovery of any monies overpaid, disallowed or otherwise not due the Vendor.
 - iv. Take any other action to protect the interest of GWD, including but not limited to requiring the Vendor to take such action as may be necessary to cure any default.
 - v. Recover monetary damages.
 - vi. The remedies provided to GWD are cumulative.
- b. If GWD is determined to be in default under this Contract, Vendor may seek recovery of any monies due Vendor, provided however, that in the event that GWD shall have disallowed costs or expenditures after audit and after notice to the Vendor, it shall be a condition precedent to the institution of any action or proceeding by Vendor against GWD that Vendor shall have paid such amounts so claimed by GWD.
- c. GWD may procure, upon such terms and in such manner, as GWD may deem appropriate, similar to those so terminated, and the Vendor shall be liable to GWD for any excess costs for such similar supplies.

14. COUNSEL FEES AND EXPENSES OF LITIGATION: In the event a party shall institute legal proceedings of any kind against the other party, counsel fees and expenses of litigation incurred by a party shall be borne such party regardless of the outcome of any litigation, proceeding or action.

15. VENUE: In any proceeding instituted against GWD, the venue for such action shall be in the Superior Court of the State of California in and for the County of Santa Barbara; and in the United States District Court for the Central District of California. Arbitration shall be conducted in Santa Barbara County.

16. NOTICES: Notices under this Contract shall be sent to the parties at the addresses provided in the first paragraph of the contract.

17. NO ASSIGNMENT. Neither party shall assign any rights or obligations due under this Contract.

18. AMENDMENT: This Contract may be modified only in writing and signed by both parties.

19. FACSIMILE SIGNATURES AND TRANSMISSION: This Contract may be executed in several counterparts signed by each party separately and transmitted to the other party by facsimile transmission, email, or other electronic means.

20. TIME OF THE ESSENCE: With respect to performance of this Contract by the Vendor, time shall be of the essence.

21. ARBITRATION: Any dispute as to the interpretation, meaning or implementation of this Contract shall be submitted to arbitration in accordance with the rules of the American Arbitration Association or similar forum agreed to by the parties. No claim shall be made more than 180 days

after the occurrence of facts which shall have given rise to such claim. The parties waive any and all rights to litigate issues related to this Contract in a court or with a jury trial and do hereby consent to arbitration of any such dispute. Upon giving notice of a claim for arbitration, the parties shall each select an arbitrator and the two arbitrators so selected shall choose a third, neutral arbitrator. The parties agree that any written settlement agreement may waive arbitration and finally settle any and all disputes between the parties. BY SIGNING THIS AGREEMENT, EACH PARTY ACKNOWLEDGES THAT THIS AGREEMENT TO ARBITRATE RESULTS IN A WAIVER OF EACH PARTY'S RIGHTS TO A COURT OR JURY TRIAL FOR ANY DISPUTE ARISING UNDER THIS CONTRACT INCLUDING THE RIGHT TO AN APPEAL.

21. **SERVIVAL CLAUSE:** The provisions set forth in Section 11 Indemnification shall survive termination or expiration of this Contract.

NOTE: ADDITIONAL RIDERS MAY BE APPLICABLE.

End of Standard Contract Rider For Goods Contracts



101 REGENCY PKWY
MANSFIELD, TX 76063
817-842-8000
FAX 817-842-8100

August 27th, 2015

City of Santa Barbara

Attention: Dana Hoffenberg

To Whom It May Concern:

Reference: Exclusive Distribution

H.D. Supply Waterworks in California is Master Meter's exclusive distributor. The exclusive agreement covers all of California.

H.D. Supply was selected as our exclusive distributor due to their locations, sales, customer relations, commitment, and willingness to maintain inventory, which allows them to better service Master Meter customers in the area. They have made a commitment to stock inventory for the various customers and to provide on-going support and the sale effort needed to grow our business. H.D. Supply is classified as a Stocking Distributor, which means they purchase material from Master Meter at the lowest price available.

Exclusive agreements are very common in our industry today due to the complexity of the products being sold. The knowledge needed to properly support a product line such as water meters and electronics is essential to servicing our customers. Working exclusively with one distributor in an area makes it easier to properly track the movement of product and is critical to our ability to respond when a problem occurs.

Many times problems occur when a distributor who is not authorized to sell in a particular area ships or sells product to customers outside their exclusive area. Our past experience dealing with multiple distributors in an area has led us to working exclusively with distributors like H.D. Supply.

In addition to the local support of HD Supply and myself, Regional Sales Manager for Master Meter, we have a local agent/representative for Southern California, The B.E.S.T. Meter Co. Inc., whom aides in writing specifications, training, trouble-shooting, and customer service support.

Please feel free to contact me if you should have any questions. Master Meter, HD Supply and The B.E.S.T. Meter Co., Inc. look forward to having the opportunity to help The City of Santa Barbara in any way we can.

With Warm Regards,

MASTER METER INC.

Ed Amelung
Regional Sales Manager
714-566-5395



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: Administration, Administrative Services

SUBJECT: Compensation Survey for Treatment and Patrol Employees - New Classification

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution No. 15-056, the Position and Salary Control Resolution for Fiscal Year 2016, Affecting the Public Works Department Effective January 26, 2016.

DISCUSSION:

As part of the existing 2014-2017 labor agreement with the Treatment and Patrol bargaining unit, represented by the Service Employee International Union (S.E.I.U.), Local 620, Council authorized up to \$53,564 to address any inequities identified by a then-ongoing professional total compensation survey, retroactive to October 2014. The survey was completed, and one of the recommended changes is a classification change in Water Resources.

Survey Results

The survey was completed, comparing the City's compensation package to similar jobs in the following comparable public agencies: the cities of Burbank, Huntington Beach, Lompoc, Los Angeles, Morro Bay, Newport Beach, Oxnard, Pasadena, Redondo Beach, Santa Cruz, Santa Maria, Santa Monica and the counties of Ventura and Counties of Santa Barbara, San Luis Obispo, Los Angeles, Orange and Sacramento.

Significant market inequities in a number of different classifications were identified by the consultant hired to complete the survey. As a result of the survey, the following adjustments were made to salaries that were determined to be 5% or more below the labor market median compensation:

CLASSIFICATION	Percent increase
AIRPORT PATROL OFFICER	1.02%
AIRPORT PATROL OFFICER II	.92%
SENIOR AIRPORT OPERATIONS SPECIALIST	1.26%
AIRPORT OPERATIONS SPECIALIST	1.40%
HARBOR PATROL OFFICER	.85%
HARBOR PATROL OFFICER II	.81%
PARK RANGER	1.3%
LABORATORY ANALYST II	1.06%
LABORATORY ANALYST COORDINATOR	.96%
LABORATORY ANALYST I	1.16%
WASTEWATER COMPLIANCE SPECIALIST	1.11%
WATER DISTRIBUTION OPERATOR TECHNICIAN OIT	1.34%
WATER TREATMENT PLANT OPERATOR III	.92%
WATER TREATMENT CHIEF OPERATOR	.80%
WATER TREATMENT PLANT OPERATOR II	1.06%
CONTROL SYSTEMS OPERATOR SPECIALIST II	.89%
SR CONTROL SYSTEMS OPERATOR SPECIALIST	.80%
WATER TREATMENT PLANT OIT	1.28%
WASTEWATER TREATMENT PLANT OPERATOR II	1.06%
WASTEWATER TREATMENT PLANT CHIEF OPERATOR	.80%
WASTEWATER TREATMENT PLANT OPERATOR I	1.17%

These adjustments will only partially address the market inequities discovered through the study. Since the total market inequities are agreed to exceed the \$53,564 in annualized cost, under the terms of the labor agreement, the City and the Union will meet and consult informally with regard to the possibility of up to an additional \$53,564 in annualized cost to address the remaining equities, effective October 1, 2016.

Classification Change

As part of the survey, it was determined that a differential should exist between Control Systems Operator Specialists who are fully certified as journey level operators of the water treatment, wastewater treatment, and water distribution operations, and those that are not. The Control Systems Operator Specialist classification exists primarily to install, maintain, and operate electrical control systems at the treatment plants and operations. A journey-level operator certification is not a minimum requirement of the job, but highly desirable to the Water Resources Division for many reasons. Therefore, the attached Resolution establishes a flexibly staffed Control Systems Operator Specialist II level to recognize and incentivize the optional certification.

Eventually, the new Control Systems Operator Specialist II will be paid 10% above the Control Systems Operator Specialist I. However, this increase will only be partially addressed now. Additional adjustments will be implemented over time based on negotiation, in the same way as the other identified market inequities mentioned above.

BUDGET/FINANCIAL INFORMATION:

The \$53,564 cost of these changes was already approved as part of the existing labor agreement, in anticipation of the survey results, and is almost exclusively a non-General Fund cost.

SUBMITTED BY: Kristine Schmidt, Director of Administrative Services

APPROVED BY: City Administrator's Office

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING RESOLUTION NO. 15-056, THE POSITION AND SALARY CONTROL RESOLUTION FOR FISCAL YEAR 2016, AFFECTING THE PUBLIC WORKS DEPARTMENT EFFECTIVE JANUARY 26, 2016.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT Resolution No. 15-056, the Position and Salary Control Resolution for Fiscal Year 2016, is hereby amended as follows:

	<u>Full-Time Positions Authorized</u>	<u>Part-Time Positions Authorized</u>
<u>PUBLIC WORKS DEPT:</u>		
<u>WATER RESOURCES:</u>		
<u>WASTEWATER TREATMENT</u>		
Control Systems Operator Specialist	2	
Control Systems Operator Specialist II	2	
Division Total	28 28	
 <u>WATER DISTRIBUTION</u>		
Control Systems Operator Specialist	4	
Control Systems Operator Specialist II	1	
Division Total	40 40	
 <u>WATER TREATMENT</u>		
Control Systems Operator Specialist	4	
Control Systems Operator Specialist II	1	
Division Total	44 14	0.8
 Department Total	 292 292	 5.7
 City Wide Total	 1007 1007	 22.70

<u>Classification Title</u>	<u>FLSA</u>	<u>Status</u>	<u>Unit</u>	<u>Biweekly Salary</u>
Control Systems Operator Specialist	N	C	19	\$2,645.85 - \$3,216.05
Control Systems Operator Specialist I	N	C	19	\$2,645.85 - \$3,216.05
Control Systems Operator Specialist II	N	C	19	\$2,669.39 - \$3,244.67

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING THE TRANSFER OF ALL RIGHT, TITLE AND INTEREST TO THE REAL PROPERTY COMMONLY KNOWN AS THE "CALLE CESAR CHAVEZ PROPERTIES," OWNED BY THE CITY OF SANTA BARBARA, A MUNICIPAL CORPORATION, AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA, AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE SUCH DOCUMENTS AS NECESSARY TO EFFECTUATE SUCH TRANSFER OF REAL PROPERTY INTERESTS TO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA.

WHEREAS, in accordance with Assembly Bill No. 1X 26, as amended by Assembly Bill No. 1484 ("Dissolution Act"), the Redevelopment Agency of the City of Santa Barbara ("RDA") dissolved on February 1, 2012 and the Successor Agency to the former RDA assumed all of the authority, rights, powers, duties, and obligations previously vested in the RDA;

WHEREAS, prior to the dissolution of the RDA, the RDA transferred all right, title and interest in all RDA-owned property to the City of Santa Barbara which transfer was subsequently invalidated pursuant to the Dissolution Act and all assets were returned to the Successor Agency;

WHEREAS, in order to remove the Grant Deed recorded on the Calle Cesar Chavez Property when the property was transferred by the RDA to the City, it is necessary to record a quitclaim deed transferring title from the City of Santa Barbara and the Successor Agency to the Redevelopment Agency of the City of Santa Barbara to the Successor Agency and to revoke the Grant Deed No. 61-363; and

WHEREAS, City of Santa Barbara Charter Section 520 requires the transfer of real property owned by the City to be approved by ordinance.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF SANTA BARBARA DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The above recitations are true and correct.

SECTION 2. The City Council of the City of Santa Barbara does hereby approve the transfer of all right, title and interest in the Calle Cesar Chavez Property described generally as Assessor's Parcel Nos. 017-113-029, 017-113-030, 017-113-034 and 017-113-023 to the Successor Agency to the Redevelopment Agency of the City of Santa Barbara.

SECTION 3. The City Council hereby authorizes the City Administrator, or designee, to execute, subject to approval as to form by the City Attorney, all documents necessary to effectuate such transfer of said real property interests by the City.

SECTION 4. The City Council of the City of Santa Barbara hereby consents to the recordation of the Quitclaim Deed in the Official Records, County of Santa Barbara.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016
TO: Mayor and Councilmembers
FROM: Chief's Staff, Police Department
SUBJECT: Police Department Update

RECOMMENDATION:

That Council receive an oral presentation from the Police Chief regarding the Santa Barbara Police Department.

DISCUSSION:

As requested by the Mayor and City Council, Police Chief Cam Sanchez provides regular briefings on updates concerning the Police Department and its operations. This presentation is part of a series of updates and occurs on a periodic basis. The following topics will be covered:

- Staffing and Recruitment Update
- Detective Bureau Update
- Patrol Update
- Crime Trends & Strategies
- Youth Programs

PREPARED BY: Chief Sanchez, Police Chief
SUBMITTED BY: Cam Sanchez, Police Chief
APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Advisory Groups Updates And Council Liaisons

RECOMMENDATION:

That Council consider the appointment of Council Liaisons to Advisory Groups, and Members of Regional Agencies.

DISCUSSION:

Traditionally, every January, the City Council appoints Council Liaisons to Advisory Groups.

It is recommended that Council Liaisons be appointed to the groups on the attached list.

ATTACHMENT: 2015 Advisory Groups Council Liaisons

PREPARED BY: Nicole Grisanti, Administrator's Office Supervisor

SUBMITTED BY: Paul Casey, City Administrator

APPROVED BY: City Administrator's Office

**CITY OF SANTA BARBARA
ADVISORY GROUPS
COUNCIL LIAISONS
2015**

Airport Commission.....	Hotchkiss
(incl. Airport Noise Abatement Committee)	
Architectural Board of Review.....	Francisco; Alternate: Hotchkiss
Arts Advisory Committee.....	Hotchkiss
Building and Fire Code Board of Appeals.....	Murillo
Civil Service Commissioners, Board of.....	White
Community Development and Human Services Committee.....	Hotchkiss
Community Events and Festivals Committee.....	Murillo
Creeks Advisory Committee.....	Hart; Alternate: Murillo
Downtown Parking Committee.....	Rowse; Alternate: Hotchkiss
Fire and Police Commissioners, Board of.....	Hart
Fire and Police Pension Commissioners, Board of.....	Murillo
Harbor Commissioners, Board of.....	Hotchkiss
Historic Landmarks Commission.....	Francisco
Housing Authority Commission.....	Murillo
Library Board.....	Murillo
Living Wage Advisory Committee.....	Murillo
Neighborhood Advisory Council.....	Hart, White
Parks and Recreation Commission.....	Murillo
Planning Commission.....	White
Rental Housing Mediation Board.....	Murillo; Alternate: Hart
Santa Barbara Sister Cities Board.....	Schneider
Santa Barbara Youth Council.....	Murillo
Single Family Design Board.....	Francisco; Alternate: Murillo
<u>Southern California Edison (SCE).....</u>	
Transportation and Circulation Committee.....	Murillo; Alternate: Hart
Water Commissioners, Board of.....	White

**CITY OF SANTA BARBARA
COUNCIL COMMITTEES
2015**

Committee on District Elections (Ad Hoc)..... Murillo, Rowse, Schneider
Committee on Legislation..... Francisco, Hotchkiss, White
Commuter Rail Exploration Francisco, Schneider, White
Finance Committee [Francisco Dominguez](#)(Chair), Hart [\(Chair\)](#), White;
Alternate: Schneider
Infrastructure Subcommittee Rowse, Schneider, White
Mayor Pro Tempore
[Hart](#)[White](#)
New Zoning Ordinance Committee..... Murillo, White
Ordinance Committee Hotchkiss, Murillo, Rowse (Chair); Alternate: Schneider
Sign Ordinance Review Committee Hart, Hotchkiss
Sustainability Council Committee Rowse, Schneider, White

**CITY OF SANTA BARBARA
CITY-RELATED AGENCIES
2015**

Coast Village Road Business Association Francisco
Downtown Organization Francisco; Alternate: White
Greater Santa Barbara Lodging and Restaurant Association Francisco; Alternate: Rowse
Looking Good Santa Barbara Committee Murillo
Milpas Action Task Force Hotchkiss, Murillo
Presidio Joint Powers Committee Francisco
Santa Barbara Beautiful White
Santa Barbara Center for the Performing Arts Schneider
Visit Santa Barbara Hart

**COUNCIL REPRESENTATION ON REGIONAL AGENCIES
2015**

Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) Hart
Cachuma Conservation Release Board.....Francisco; Alternate: White
Cachuma Operation and Maintenance Board.....White; Alternate: Murillo
Central Coast Collaborative on Homelessness Schneider, Francisco; Alternates: Murillo, Hotchkiss
Central Coast Water AuthorityFrancisco; Alternate: White
City/County Affordable Housing Task GroupHart, Murillo
City/County Solid Waste Task Group Schneider, White; Alternate: Rowse
Coastal Rail Coordinating Council (appointed by SBCAG) Schneider
Community Action Commission Murillo (rep. by Comm. Dev. Staff)

Community Choice Energy.....

Los Angeles-San Diego Rail Corridor Agency (LOSSAN) (appointed by SBCAG) Alternate:
Schneider Santa Barbara County Air Pollution Control Dist. Bd. of Directors Schneider;
Alternate: White Santa Barbara County Association of Governments (SBCAG) Schneider;
Alternate: White Santa Barbara Metropolitan Transit District Board
Murillo; Alternate: Hart

Solid Waste Ad Hoc Committee.....

South Coast Gang Task Force Leadership CouncilSchneider; Alternate: Francisco

**NATIONAL AND STATE ORGANIZATIONS
2015**

Channel Counties Division of the League of California Cities (Past President) Schneider
U.S. Conference of Mayors Hunger and Homelessness Task Group (Co-Chair) Schneider

Mayor Schneider

1. Central Coast Collaborative on Homelessness
2. Channel Counties Division of the League of California Cities (Past President)*
3. City/County Solid Waste Task Group
4. Coastal Rail Coordinating Council**
5. Committee on District Elections (Ad Hoc)
6. Commuter Rail Exploration
7. Finance Committee (Alternate)
8. Infrastructure Subcommittee
9. Los Angeles-San Diego Rail Corridor Agency (LOSSAN) (Alternate)**
10. Ordinance Committee (Alternate)
11. Santa Barbara Center for the Performing Arts
12. Santa Barbara County Air Pollution Control District Governing Board Member
13. Santa Barbara County Association of Governments (SBCAG) Board Member
14. Santa Barbara Sister Cities Board
15. South Coast Gang Task Force Leadership Council
16. Sustainability Council Committee
17. U.S. Conference of Mayors Hunger and Homelessness Task Group (Co-Chair)***
18. Santa Barbara County Association Of Government (SBCAG) Coastal Rail Coordinating Council Delegate

*Appointed by League of Cities

**Appointed by Santa Barbara Co. Association of Governments

***Appointed by U.S. Conference of Mayors

Councilmember Francisco

1. Architectural Board of Review
2. Cachuma Conservation Release Board
3. Central Coast Collaborative on Homelessness
4. Central Coast Water Authority
5. Coast Village Road Business Association
6. Committee on Legislation
7. Commuter Rail Exploration
8. Downtown Organization
9. Finance Committee (Chair)
10. Greater Santa Barbara Lodging and Restaurant Association
11. Historic Landmarks Commission
12. Presidio Joint Powers Committee
13. Single Family Design Board
14. South Coast Gang Task Force Leadership Council (Alternate)

Councilmember Hart

1. Beach Erosion Authority for Clean Oceans and Nourishment (BEACON)
2. City/County Affordable Housing Task Group
3. Creeks Advisory Committee
4. Finance Committee
5. Fire and Police Commissioners, Board of
6. Mayor Pro Tempore
7. Neighborhood Advisory Council
8. Rental Housing Mediation Board (Alternate)
9. Santa Barbara Metropolitan Transit District Board (Alternate)
10. Sign Ordinance Review Committee
11. Transportation and Circulation Committee (Alternate)
12. Visit Santa Barbara

Councilmember Hotchkiss

1. Airport Commission (including Airport Noise Abatement Committee)
2. Architectural Board of Review (Alternate)
3. Arts Advisory Committee
4. Central Coast Collaborative on Homelessness (Alternate)
5. Committee on Legislation
6. Community Development and Human Services Committee
7. Downtown Parking Committee (Alternate)
8. Harbor Commissioners, Board of
9. Milpas Action Task Force
10. Ordinance Committee
11. Sign Ordinance Review Committee

Councilmember Murillo

1. Building and Fire Code Board of Appeals
2. Cachuma Operation and Maintenance Board (Alternate Director)
3. Central Coast Collaborative on Homelessness (Alternate)
4. City/County Affordable Housing Task Group
5. Committee on District Elections (Ad Hoc)
6. Community Action Commission
7. Community Events and Festivals Committee
8. Creeks Advisory Committee (Alternate)
9. Fire and Police Pension Commissioners, Board of
10. Housing Authority Commission
11. Library Board
12. Living Wage Advisory Committee
13. Looking Good Santa Barbara Committee
14. Milpas Action Task Force
15. New Zoning Ordinance Committee
16. Ordinance Committee
17. Parks and Recreation Commission
18. Rental Housing Mediation Board
19. Santa Barbara Metropolitan Transit District Board
20. Santa Barbara Youth Council
21. Single Family Design Board (Alternate)
22. Transportation and Circulation Committee

Councilmember Rowse

1. City/County Solid Waste Task Group (Alternate)
2. Committee on District Elections (Ad Hoc)
3. Downtown Parking Committee
4. Greater Santa Barbara Lodging and Restaurant Association (Alternate)
5. Infrastructure Subcommittee
6. Ordinance Committee (Chair)
7. Sustainability Council Committee

Councilmember White

1. Cachuma Conservation Release Board (Alternate)
2. Cachuma Operation and Maintenance Board Director
3. Central Coast Water Authority (Alternate)
4. City/County Solid Waste Task Group
5. Civil Service Commissioners, Board of
6. Committee on Legislation
7. Commuter Rail Exploration
8. Downtown Organization (Alternate)
9. Finance Committee
10. Infrastructure Subcommittee
11. Neighborhood Advisory Council
12. New Zoning Ordinance Committee
13. Planning Commission
14. Santa Barbara Beautiful
15. Santa Barbara County Air Pollution Control District Governing Board Member
16. Santa Barbara County Association of Governments (SBCAG) (Board Member Alternate)
17. Sustainability Council Committee
18. Water Commissioners, Board of



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: Appeal Of Historic Landmarks Commission Listing Of Building Located At 29-37 E. Victoria Street On The Potential Historic Resource List

RECOMMENDATION:

That Council deny the appeal of Virginia Rehling and uphold the Historic Landmarks Commission's (HLC) decision to place the building at 29-37 E. Victoria Street on the City's Potential Historic Resources List.

DISCUSSION:

On November 16, 2015, an appeal was filed by Virginia Rehling, who lives adjacent to the subject property under appeal. The one-story Spanish Colonial Revival building designed by noted architects Soule, Murphy, and Hastings in 1922 is located on the corner of E. Victoria Street and Anacapa Street. The appellant asserts that the City did not follow the processing steps outlined in the Santa Barbara Municipal Code (SBMC) for listing the property on the City's Potential Historic Resources List (City's Potential List) (Attachment 1 – Appellant's Letter).

Furthermore, the appellant states that the Historic Structures Ordinance (SBMC Chapter 22.22) does not specifically grant the City's Urban Historian the authority to recommend that properties be placed on the City's Potential List. Staff does not agree with these statements and believes the HLC had sufficient basis for listing the structure on the City's Potential List.

Background

The current appeal is the second appeal filed regarding the HLC's decision to list this structure on the City's Potential List. On August 26, 2015, the HLC (at the request of the property owner) took its first action to place this structure on the City's Potential List. Ms. Rehling subsequently filed an appeal on September 8, 2015, citing process concerns that the property at 29-37 E. Victoria St. was not reviewed first by the HLC Designations Subcommittee before being placed on an HLC agenda for listing. In an attempt to address

Ms. Rehling's concerns regarding failure to follow procedural steps, the City Attorney's office recommended that the pending appeal to Council not move forward until Planning staff restarted the listing process by referring the item to the HLC Designations Subcommittee.

On October 21, 2015, the HLC Designations Subcommittee held a meeting and confirmed that the building was eligible for listing and recommended it be considered by the HLC to be added to the City's Potential List. At the HLC Designations Subcommittee meeting, Ms. Rehling did not present information disputing the historic significance of the property. On November 4, 2015, the HLC considered the recommended listing and unanimously voted again to add the property to the City's Potential List. On November 16, 2015, Ms. Rehling withdrew her first appeal and filed a new appeal of the HLC's most recent action, citing similar concerns regarding the listing process (Attachment 2 – Letter Withdrawing Appeal).

Appeal Issue

Compliance with Municipal Code Chapter 22.22 - Historic Structures Ordinance

SBMC Section 22.22.030 describes three methods whereby Historic properties may be identified by the City for listing purposes. Listings may be initiated through: 1) the use of a historic resource survey, 2) the request of a HLC Commissioner, or 3) the use of a Historic Structure/Site Report obtained in connection with HLC review. Based on reading of this particular code section, the appellant claims that there is no ordinance authority for the City's Urban Historian to initiate and recommend listing of an eligible building on the City's Potential List on a case by case basis.

In the case at hand, the owners of the building located at 29-37 E. Victoria Street sought to use the California Historical Buildings Code (CHBC) in order to obtain relief from certain building code requirements in the course of their proposed tenant improvements. City staff told the property owners that the building must be on the City's Potential List in order to be considered a Qualified Historical Building for purposes of the CHBC.

Therefore, the property owner requested that their property be presented to the Historic Landmarks Commission in order to be considered for addition to the City's Potential List. Although the subject property is located within an area of the City that was surveyed in 1978, due to the passage of time, City staff determined that further evaluation of the building was required in order to confirm whether the current condition of the building warranted its addition to the City's Potential List. Staff used this current evaluation in order to update the prior survey and presented the property to the HLC for consideration pursuant to SBMC Section 22.22.030.B. (Attachment 3 – Staff Memorandum) As part of the early historic resource surveys, the Landmarks Committee only selected the best candidates for designation as potential landmarks which formed the basis for the development of the original "Potential List" inventory.

The Municipal Code and “Administrative Regulations for the Identification and Protection of Potentially Significant Historic Structures” adopted by City Council in 2004 explain the role of City staff in the conduct of historical surveys and the identification of historical resources. (Attachment 4 – Administrative Regulations). Staff does not agree with the Appellant’s assertion that these documents foreclose a staff role in assisting the HLC in considering the eligibility of a potential historical resource that was previously surveyed.

Following the first appeal, the HLC Designations Subcommittee and the HLC followed the procedures specified for surveyed structures in SBMC Section 22.22.030.B and the Administrative Regulations for the Identification and Protection of Potentially Significant Historic Structures. The HLC determined that the listing process for this structure was consistent with standard procedures for identification of historic properties. Staff believes there is sufficient clarity in the current ordinance and administrative regulations to ensure a fair and open process for the listing of potentially historic and significant structures.

Other Issue Raised by the Appellant

In other correspondence to staff and the HLC, the appellant has questioned why the structure at 29-37 E. Victoria Street was not subsequently designated a Structure of Merit after listing it on the City’s Potential List, as requested by the HLC at the November 4, 2015 meeting (Attachment 5 - HLC Minutes). Although the HLC requested that staff proceed with a Structure of Merit designation, the property owner has not agreed to it. It is the HLC’s preference to first obtain the property owner’s consent prior to pursuing designations of historically significant structures. It is rare for the HLC to proceed with a historic designation without the owner’s consent. Since the site is located in the El Pueblo Viejo Landmark District, there is less concern regarding future oversight, given that all proposed exterior alterations to the building would still require HLC review.

In this case, the property owner requested the structure be placed on the City’s Potential List in order to take advantage and use alternative code provisions allowed in the State Historic Building Code. Some property owners are reluctant to pursue a historic designation, believing it may complicate their ability to make future alterations to their building. The HLC and staff continue to work with property owners to educate them about the benefits and incentives available for designated structures.

- ATTACHMENTS:**
1. Appellant’s letter, dated November 16, 2015
 2. Appellant’s letter withdrawing prior appeal, dated November 16, 2015
 3. Staff Historic Assessment Memorandum and photos dated August 26, 2015
 4. Administrative Regulations for the Identification and Protection of Potentially Significant Historic Structures (excerpt)
 5. Summary of HLC Meeting Minutes

Council Agenda Report

Appeal Of Historic Landmarks Commission Listing Of Building Located At 29-37 E.
Victoria Street On The Potential Historic Resource List

January 26, 2016

Page 4

PREPARED BY: Jaime Limón, Senior Planner II

SUBMITTED BY: George Buell, Community Development Director

APPROVED BY: City Administrator's Office

11/16/2015 Initial Appeal Letter

RECEIVED

2015 NOV 16 PM 5:31

CITY OF SANTA BARBARA
CITY CLERK

Virginia Rehling
1305 Anacapa Street
Santa Barbara, CA 93101-2011
(805) 966-9090
virginiarehling@gmail.com

November 16, 2015

Mayor and City Council
c/o City Clerk
City of Santa Barbara
City Hall
735 Anacapa Street
Santa Barbara, CA 93101

Mayor Schneider and Members of the City Council:

APPEAL

I hereby appeal the vote of the HLC on November ⁴16, 2015 to approve Agenda Item 2, thereby amending the City's Master Environmental Assessment--Guidelines For Archeological Resources and Historic Structures And Sites ("MEA") by adding to Appendix C of the MEA, the structure at A.P.N. 039-133-009, 29-37 E. Victoria Street.¹

LEGAL AUTHORITY

In Agenda Item 2 on ~~August 26~~ ^{NOVEMBER 4,} 2015, the HLC did not comply with Ordinance 5333 (2004), as codified in Santa Barbara Municipal Code ("SBMC") Chapter 22.22.030. Therefore my appeal is pursuant to SBMC Section 22.22.030 (F):

"A decision by the Commission to list a structure, site, or feature on the City's Potential Historic Resources List may be appealed to the

¹ Appendix C of the MEA is commonly known as the City's "Potential Historic Resources List."

City Council in accordance with the appeal procedures established in [SBMC] Chapter 1.30.”

RIGHT TO SUPPLEMENT

This is my initial appeal letter. I reserve the right to submit written evidence and argument, and will do so sufficiently in advance for it to be included in any City Council Agenda Report on this appeal.

STANDING

I appeal as an interested citizen of Santa Barbara who desires to promote historic preservation without sacrificing respect for the law.

I also appeal as an interested adjacent property owner who has lost, and will lose, property, and quality of life, as a result of the decision appealed from.

I am the owner of the adjacent, slightly larger parcel, 039-133-008. My property shares a 100 foot property line with 29-37 E. Victoria Street.

SITE VISIT

I request a hearing before the City Council, and a site visit to 29-37 E. Victoria Street on the day before the hearing.

SUMMARY OF GROUNDS FOR APPEAL

Grounds I:

Pursuant to CEQA Guidelines, 14 Cal. Code Regulations § 15169, the City has adopted a Master Environmental Assessment (“MEA”). The current MEA was adopted on February 12, 2002, as Resolution 02-025.

Appendix C of the MEA is the City’s Potential Historic Resources List. Rather than have every modification to Appendix C return to the City

Council for an amendment of the MEA, in 2004 the City created a limited authority for the HLC to amend Appendix C directly. Ordinance 5333 was enacted on October 19, 2004. The part of the Ordinance defining the limited delegation of authority, and the required procedures through which the HLC could amend MEA Appendix C, was codified as SBMC Chapter 22.22.030.

In Ordinance 5333, the 2004 City Council authorized the HLC to add a site or structure to Appendix C if, and only if, the process was initiated in one of three ways:

1. If one of the periodic neighborhood surveys contemplated and required by Ordinance 5333 identified the site or structure as historically significant, and the HLC acted within one year of the neighborhood survey. SBMC 22.22.030(D)(1).
2. If a single HLC Commissioner submitted a request in writing for the addition to be considered. SBMC 22.22.030(D)(2).
3. If a Historic Structures Report accepted by the HLC identified the site or structure as historically significant. SBMC 22.22.030(D)(3).

None of the above applied here. The HLC had no legal authority to make the decision appealed from.

On October 19, 2004, the City Council also adopted Administrative Regulations to implement the Council's limited delegation of authority to the HLC. The Administrative Regulations were adopted as Resolution 04-083.

The Administrative Regulations, further clarify the intent of the City Council in Ordinance 5333 was not to provide for direct owner request as a mechanism for adding properties to the list.

11/16/2015 Initial Appeal Letter
Page 4

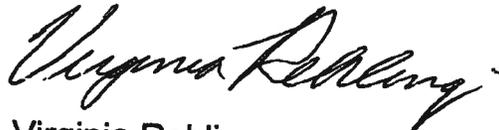
Grounds No. II:

I believe that Grounds No. 1 is legally conclusive. If however, a hearing must go forward before the City Council, then I assert as grounds No. II of my appeal, that this case demonstrates the wisdom of the City's policy decision in enacting Ordinance 5333 and Resolution 04-083.

As the owner of this property has amply demonstrated, here, an owner's request to be added to the list has served a means to seek cover for past acts which violated the law, and prospectively, to allow public safety to be endangered. If the City reaches the discretionary decision of whether to add this property to this list at all, it should decline to do so, as this is an unusual circumstance of a resource which needs protection from its owner. This resource can best be protected by declining this owner's request.

Thank you for consideration of my appeal.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Virginia Rehling".

Virginia Rehling

MISCELLANEOUS ACTION ITEM

**2. CITY'S POTENTIAL HISTORIC STRUCTURES/SITES LIST
29-37 E VICTORIA ST**

C-2 Zone

(2:05) Assessor's Parcel Number: 039-133-009

Owner: Radius Group Commercial Real Estate

(Hold a Public Hearing to consider adding the Spanish Colonial Revival commercial building designed by noted architects Soule, Murphy and Hastings in 1922. The structure is eligible as a Structure of Merit.)

Actual time: 2:13 p.m.

Public comment opened at 2:15 p.m.

- 1) Roy Harthorn, historical consultant, commented that the building was associated with a historical figure, Franklin Pierce Knot, a world famous photographer, who published colored works in the National Geographic as early as 1916.
- A Staff Memo outlining the significance of the building from the Urban Historian was provided to the Commission.

A letter with expressed concerns from Virginia Rehling was acknowledged.

Public comment closed at 2:19 p.m.

Commissioner Drury mentioned the significance of Dana's Toy Town to the history of that structure.

- Motion:** To add the structure located at 29-37 East Victoria Street on the City's List of Potential Historic Resources as it was found to be eligible as a Structure of Merit.
- Action:** Shallenberger/La Voie, 7/0/0. (Mahan and Murray absent.) Motion carried.

**** THE COMMISSION RECESSED FROM 2:26 P.M. TO 2:33 P.M. ****

Attachment 2 to 11/16/2015 appeal transfer letterRECEIVED
Initial Appeal Letter

2015 SEP -8 PM 5: 30

CITY OF SANTA BARBARA
CITY CLERK'S OFFICE

Virginia Rehling
1305 Anacapa Street
Santa Barbara, CA 93101-2011
(805) 966-9090
viriniarehling@gmail.com

September 8, 2015

Mayor and City Council
c/o City Clerk
City of Santa Barbara
City Hall
735 Anacapa Street
Santa Barbara, CA 93101

Mayor Schneider and Members of the City Council:

With a heavy heart, I appeal a decision of a City Advisory Commission which I have admired and supported for years--the Historic Landmarks Commission ("HLC").

This is not a situation where the expertise or judgment of the HLC is being second-guessed by a citizen. It is a situation where, surely out of inadvertence and incorrect advice by staff, there has been a clear cut failure to comply with mandatory provisions of law.

It is my hope, in filing this appeal, that perhaps a hearing will not be necessary. Perhaps in consultation with the City Attorney's office, the HLC will realize that a legal error has been made, and will entertain a motion to reconsider the decision. The decision appealed from could then be vacated by the HLC. In a subsequent "do-over," it could proceed in a manner authorized by law. Because it would then be complying with the legal requirements in subsequent decisions going forward, the HLC would retain the legitimacy and the respect it richly deserves.

If that is not to be, then the City Council has no legal option other than to uphold this appeal. Neither the HLC, nor the City Council,

Note: The material submitted by the Appellant was received in this form, with the remaining page(s) of the September 8, 2015 letter omitted.

Attachment 3 to 11/16/2015 appeal transfer letter

MISCELLANEOUS ACTION ITEM

**2. CITY'S POTENTIAL HISTORIC STRUCTURES/SITES LIST
29-37 EAST VICTORIA ST**

C-2 Zone

(2:05)

Assessor's Parcel Number: 039-133-009

Owner: Radius Group Commercial Real Estate

(Hold a Public Hearing to consider adding the Spanish Colonial Revival commercial building designed by noted architects Soule, Murphy and Hastings in 1922 based on the recommendation of the HLC Designation Subcommittee. The structure is eligible as a Structure of Merit.)

Actual time: 1:47 p.m.

Present: Nicole Hernández, Urban Historian, City of Santa Barbara

Staff comments:

1. Ms. Hernández stated that the item was reprocessed according to the Administrative Regulations. The Designation Subcommittee reviewed the item on October 21 and recommends, along with staff, that it be added to the City's Potential Historic Structures/Sites List, as it is eligible as a Structure of Merit under Criteria D and F.
2. Mr. Limón wished to clarify points raised by the appellant Virginia Rehling. The City follows a process that was created partly by the Demolition Review Ordinance, which requires staff to assess the historical significance of every structure that comes forward for review in the downtown Demolition Review area. On occasion, the Urban Historian makes a recommendation for a property to be added to the City's Potential Historic Structures/Sites List, and/or a property owner may request a review, as in this case. As this structure is eligible, it was placed on the list. The technicality raised by Ms. Rehling is that the ordinance does not specify that individual properties may be processed in this manner. Rather, the ordinance refers to Administrative Regulations that specify a method of group surveys, whereby the HLC receives a recommendation for inclusion from the Designation Subcommittee. To prevent placing an undue burden on the Designation Subcommittee, staff believes it is prudent that the HLC review single properties based on the Urban Historian's recommendation. Staff intends to change the Administrative Regulations to clarify this process. Mr. Limón expressed the hope that the HLC will act today to confirm its understanding of this process going forward.

Public comment opened at 1:55 p.m.

1. Roy Harthorn, historian, made comments about the historical importance of the owners, architect, and builders of this structure. On these grounds, he believes the structure should be added to the list.
2. Vice-Chair Winick acknowledged public comment in opposition from Virginia Rehling.

Public comment closed at 1:58 p.m.

Commissioner comments:

1. Commissioner Shallenberger voiced support for the proposed process of the Urban Historian making recommendations directly to the HLC for the inclusion of individual properties on the list.
2. Commissioner La Voie also voiced support, noting that the Urban Historian puts great effort into providing sufficient information on such properties to the HLC.
3. Commissioner Mahan emphasized that it is important to protect single-story buildings on corners, such as this one, in the El Pueblo Viejo area.

Motion: To add the structure located at 29-37 East Victoria Street to the City's Potential Historic Structures/Sites List and proceed with Structure of Merit designation.

Action: La Voie/Mahan, 5/0/0. (Drury, Murray, Orías, and Suding absent.) Motion carried.

The ten-day appeal period was announced.

**** THE COMMISSION RECESSED FROM 2:03 P.M. TO 2:15 P.M. ****

Attachment 4 to 11/16/2015 appeal transfer letter



Virginia Rehling` <virginiarehling@gmail.com>

RE: appeal fee

1 message

Peirce, Gwendolynn <gpeirce@santabarbaraca.gov>

Mon, Nov 16, 2015 at 4:08
PM

To: Virginia Rehling` <virginiarehling@gmail.com>

Cc: "Applegate, Deborah" <dapplegate@santabarbaraca.gov>

Ms. Rehling,

Yes, I am confirming that if you withdraw your initial appeal and file a new appeal, you would need to submit payment for \$96 for the new appeal. We close at 5:30 today.

Thank you,

Gwen Peirce, CMC

City Clerk Services Manager

City of Santa Barbara

PO Box 1990

Santa Barbara, CA 93102

Direct: 805.564.5310 s Fax: 805.897.2623

Virginia Rehling
1305 Anacapa Street
Santa Barbara, CA 93101
virginiarehling@gmail.com

RECEIVED

2015 NOV 16 PM 5:30

CITY OF SANTA BARBARA
CITY CLERK

November 16, 2015

City Clerk
City of Santa Barbara
City Hall, 735 Anacapa Street
Santa Barbara, CA 93101

RE: Withdrawal of Appeal and Transfer of Appeal Fee

Dear Clerk of the City of Santa Barbara:

On August 26, 2015, the Historic Landmarks Commission ("HLC") passed a motion "[t]o add the structure located at 29-37 East Victoria Street on the City's List of Potential Historic Resources as it was found to be eligible as a Structure of Merit." See Attachment 1.

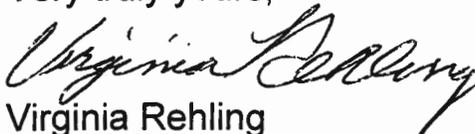
On September 8, 2015, I filed a timely appeal. See Attachment 2.

On November 4, 2015, the HLC passed a motion "[t]o add the structure located at 29-37 East Victoria Street to the City's Potential Historic Structures/Sites List and proceed with Structure of Merit designation." See Attachment 3.

I hereby withdraw my September 8, 2015, appeal, and I am filing an appeal concurrently with this letter, an appeal of the November 4, 2015, HLC decision. In my opinion, the City repeated the same decision and so I should be able to transfer my appeal fee in full to my appeal of the November 4th decision. However, the City Clerk Services manager has indicated that I must pay a \$96 fee with my new appeal. See Attachment 4.

I am submitting the \$96 fee with my new appeal letter, but under protest, and I respectfully request a refund if it turns out that I should not have been charged the additional \$96.

Very truly yours,



Virginia Rehling

Encs: Attachments 1 through 4.



City of Santa Barbara
Planning Division

Memorandum

DATE: August 26, 2015

TO: Historic Landmark Commission (HLC)

FROM: Nicole Hernandez, City Urban Historian

SUBJECT: Addition to Potential Historic Resources List

ADDRESS: 29-37 East Victoria Street

The 1922 Spanish Colonial Revival commercial building was designed by the noted Santa Barbara architectural firm of Soule, Murphy and Hastings. The owner requested to have the structure added to the Potential Historic Resources List. In order to qualify to use the State Historic Building code, the City of Santa Barbara requires the building to be listed on the Potential Historic Resources List, or be a designated Structure of Merit or City Landmark. This Listing allows the Historic Landmarks Commission to treat the building as a historic resource.

The City of Santa Barbara establishes historic significance as provided by the Municipal Code, Section 22.22.040. Any historic building that meets one or more of the eleven criteria (Criteria A through K) established for a City Landmark or a City Structure of Merit can be considered significant. In my professional opinion, the commercial building at 29-37 East Victoria Street is eligible to qualify as a Structure of Merit per the following criteria

Criterion D, its exemplification of a particular architectural style or way of life important to the City, the State, or the Nation;

The building embodies distinguishing characteristics of the Spanish Colonial Revival style that is an important architectural style of Santa Barbara. Its smooth stucco walls, arched door entrances, and red clay tile roof are character-defining features of the building's Spanish Colonial Revival style. Between 1922 and 1925, several buildings within the downtown core, were built using the architectural motif of the City's Colonial and Mexican past. As a result, when the earthquake occurred in 1925, the Community Arts Association viewed the disaster as an opportunity to rebuild the downtown in Spanish Colonial Revival, Mediterranean and Mission styles that reflect the heritage of the city. As this building is one of the authentic, original Spanish Colonial Revival buildings in El Pueblo Viejo, it qualifies under criterion D.

Criterion F. Its identification as the creation, design, or work of a person or persons whose effort significantly influenced the heritage of the City, the State, or the Nation;

Soule, Murphy and Hastings was the noted architectural firm of the building. They designed many Spanish Colonial Revival Buildings in Santa Barbara in the 1920s. Through their architectural designs in Santa Barbara, they made a significant contribution to the heritage of the City that qualifies the building under criterion F.

STAFF RECOMMENDATION: Staff recommends that the HLC make a motion to add the 1922 building at 29-37 East Victoria Street to the Potential Historic Resources List.





ADMINISTRATIVE REGULATIONS
FOR THE IDENTIFICATION AND PROTECTION
OF POTENTIALLY SIGNIFICANT HISTORIC
STRUCTURES

Adopted By City Council
On October 19, 2004

TABLE OF CONTENTS

I.	Purpose of Administrative Regulations	1
II.	Completion of Historic Resource Surveys.....	1
III.	Staff and Historic Landmarks Commission Roles in the Identification and Listing of Potential Historic Resources.....	3
IV.	Process for Properties Proposed for Listing on the City’s Potential Historic Resources List	5
V.	Process for Properties Proposed for Removal from the City’s Potential Historic Resources List	6
VI.	Demolition Review/Historic Resources Survey Study Area.....	7
VII.	Determination of What Constitutes Demolition	8
VIII.	Demolition Application Review Process	8
IX.	Demolition or Alterations of Potential Historic Resources	11
X.	Minor Alterations to Potential Historic Resources Eligible for Administrative Approval.....	12
XI.	City Landmarks and Structures of Merit.....	12
XII.	City Historic Districts/Special Design Districts	15
XIII.	Project Impact Evaluation Procedures	17
EXHIBITS:		
	A. Historical Survey Study Areas Map	
	B. Survey Study Area Maps; B-1 through B-9	
	C. 2003 Demolition Review/Historic Survey Study Area Map	
	D. Demolition Review Process Flow Chart For Unlisted Structures	

I. PURPOSE OF ADMINISTRATIVE REGULATIONS

This document contains the regulations City Staff and the Historic Landmarks Commission (HLC) will utilize in the identification and protection of potentially significant historic structures. The purpose of these regulations is to provide procedures to administratively carry out the provisions of Santa Barbara Municipal Code (SBMC) Section 22.22.010, which states that the purpose of the Historic Structures Ordinance is for:

“the recognition, preservation, enhancement, perpetuation and use of structures, natural features, sites, and areas within the City of Santa Barbara having historic, architectural, archaeological, cultural, or aesthetic significance is required in the interest of the health, economic prosperity, cultural enrichment, and general welfare of the people...”

These Regulations also further goals contained in the City’s Conservation Element that call for, wherever feasible, the preservation and protection of sites of significant historic or architectural resources and the preservation of structures which are representative of architectural styles of fifty or more years ago.

Staff shall follow the administrative regulations set forth in this document in order to assist the HLC in the completion of historical surveys and identification of historic resources. These regulations also set forth procedures which Staff will follow in working with the HLC to review permit applications for demolition or alteration and in complying with the California Environmental Quality Act (CEQA) and CEQA Guidelines and the City’s Master Environmental Assessment Guidelines for Archaeological Resources and Historic Structures and Sites (MEA Historic Resources Guidelines) in order to avoid or reduce impacts to historic resources.

II. COMPLETION OF HISTORIC RESOURCE SURVEYS

The City organizes and conducts on-going historic resource surveys of structures and sites to determine their potential historic or architectural significance and to ensure that these historic resources are identified and protected. The primary intended purpose of these survey efforts is to identify and initiate designations of the City’s historic resources, which are worthy of additional protection. Over the last several decades, historic resource surveys were completed as funds became available, in 1978, 1980, and 1990. These historic resource surveys were primarily focused on the commercial core and downtown neighborhoods. These survey efforts have led to the creation of a historic resource survey records database and to numerous historic designations; however, the majority of the structures in the City remain unsurveyed. The City Council, Planning Commission, HLC and the Architectural Board of Review have all recognized the need to conduct additional surveys to identify potentially significant historic structures. Additional survey study areas have been identified and are expected to be completed in the future as funding is allocated (see Exhibit A).

Trained citizen volunteers along with professional historians conduct the City's intensive level historical surveys. The City provides funds and enters into a contract with a qualified firm or individual to work with volunteers by coordinating data collection and surveying efforts. Professional historians are responsible for completion and accuracy of the survey forms and assessment. The professionals provide architectural descriptions and determine significance statements from data collection forms completed by the volunteers. All completed survey forms to date are available for review at the City Community Development Department, Planning Division.

The information obtained from the surveys is then presented to the HLC Survey Subcommittee for the purpose of determining which structures/sites should be regarded as potentially significant historic structures/sites. In most cases, research performed during the City's surveys has provided previously unknown information about the age, background, and history of individual buildings and sites. The completed site records and historic assessment findings are presented to the City's HLC for consideration of the placement of these structures/sites on the City's Potential Historic Resources List (Potential List). The City's Potential List is a means to identify and list the City's resources that appear eligible for possible designation as a Structure of Merit, or as a City Landmark following the process outlined in SBMC §22.22. In some cases, recommendations are also made regarding a grouping of properties that may qualify collectively as a possible Historic District. A Historic District could contain both contributing and non-contributing resources. A contributing resource is a building or structure that contributes to the designation of an area as a Historic District.

The HLC Designations Subcommittee also interacts with Staff by directing that additional research be completed on structures or sites identified as potentially eligible for historic designation purposes. Based on the review of the research reports prepared by Staff, the Designations Subcommittee will make recommendations to the full Commission about which structures and sites are worthy of designation status as a City Landmark or as a Structure of Merit. Although not required, the City and the Commission work to gain a property owner's consent prior to commencing the designation process. If the HLC denies a request for a substantial alteration or demolition of a structure on the City's Potential List, then the HLC must initiate and complete the designation of the structure as a Structure of Merit or adopt a resolution recommending the designation of the structure as a City Landmark to the City Council pursuant to SBMC §22.22.037.B.

Staff and the HLC Survey Subcommittee have identified the following survey study areas that have yet to be surveyed that most likely contain potentially significant historic structures. The scheduling of future historic resource survey work is determined by the availability of citizen volunteers and amount of funding allocated by City Council. (See Survey Study Area Maps, Exhibit B):

1. Downtown Area (Completed 1978, 1980, 1990)
2. Upper Westside
3. Lower Westside
4. Waterfront (Survey completed 2001, recommendations pending)

5. Lower Eastside
6. Upper Eastside/Lower Riviera
7. Upper Riviera
8. Eucalyptus Hills
9. San Roque
10. Other not yet surveyed areas¹

III. STAFF'S AND HLC ROLES IN THE IDENTIFICATION AND LISTING OF POTENTIAL HISTORIC RESOURCES

The historic and architectural survey of structures and properties is crucial to the community as a planning tool. Collection of information on the heritage of Santa Barbara allows the City to make informed decisions to protect and enhance its character and livability. Planning Staff plays an important role in collecting and organizing data on the City's historic resources in order to evaluate development proposals. The following explains procedures which are to be followed by Planning Staff in the identification and listing of potential historic resources:

- A. Staff shall organize and oversee the completion of survey areas as directed by the HLC. The City shall train and use volunteers to assist in the completion of site surveys and record forms. Contracted professional historians shall monitor the accuracy of data entered into survey forms and review the historic assessment findings once completed. Staff and Historic Landmarks Commissioners shall review completed research and data forms, architectural descriptions, and statements of significance and make informed decisions about the historical and architectural quality of each site. Properties containing structures deemed potentially significant to the community's heritage shall be placed on the City's Potential List by the HLC, pursuant to SBMC §22.22.030.
- B. The City considers the City's Potential List a working inventory of properties that may be eligible for Structure of Merit or Landmark designation. Upon final completion of the historical survey and assessment period, Staff shall forward the list of properties identified as potentially significant historic resources to the HLC for possible inclusion on the City's Potential List. The HLC shall consider the proposed additions to the City's Potential List at a regularly scheduled meeting and provide mailed notice to all owners of properties that are proposed for listing, as specified in SBMC §22.22.030.
- C. Additionally, based upon their collective expertise regarding the history of the City and its neighborhoods, Commissioners may select and recommend properties not yet surveyed for placement on the City's Potential List, as specified in SBMC Chapter 22.22. A Commissioner's recommendation shall be made in writing and shall include reasons such listing may be appropriate. Staff shall refer these selected properties to the HLC Designation Subcommittee, which will make a

¹ Additional survey study areas or thematic surveys may be added in the future as the need arises.

- D. recommendation to the full Commission. Authority to select such properties stems from Section 817(d) of the City Charter.
- E. During the review and acceptance of a Historic Structures/Sites Report, Staff shall assist the HLC in the identification of potentially significant historic structures eligible for inclusion on the City's Potential List by using the criteria outlined in the MEA's Historic Resources Guidelines, which are utilized for local designation purposes. The HLC shall consider if the historic resource should be added to the City's Potential List as part of a regularly scheduled meeting and provide mailed notice to the property owner.
- F. The HLC has the following role relative to the identification of historic structures:
1. Assists staff in conducting a continuing survey of all structures, natural features, sites, and areas in the City of Santa Barbara having historical, architectural, archaeological, cultural, or aesthetic significance and which may be eligible for designation as a City Landmark or a Structure of Merit.
 2. Reviews and evaluates the accuracy of Historic Structures/Sites Reports which have been prepared to identify and assess the significance of historic structures/sites or archaeological resources.
 3. Considers recommendations for listing structures, sites, or natural features on the City's Potential List.
 4. Reviews and evaluates proposals for the designation of City Landmarks and Structures of Merit.
 5. Recommends Landmark designations to City Council for final action.
 6. Designates Structures of Merit.
- G. The HLC has the following role relative to the protection of historic structures:
1. Enforces SBMC Chapter 22.22 (Historic Structures Ordinance), which provides approval authority to the Commission for all exterior alterations to designated City Landmarks and Structures of Merit and building/demolition permit applications for properties listed on the City's Potential List.
 2. Assists in historic resource survey efforts to identify all potentially significant historic properties which have not yet been surveyed and which merit additional protection from demolition or incompatible alterations.
 3. Reviews and evaluates the accuracy of Historic Structures/Sites Reports which have been prepared to identify and assess the significance of historic structures/sites or archaeological resources. Develops mitigation measures that avoid or reduce project impacts.
 4. Reviews demolition permit applications for structures located within the "2003 Demolition Review/Historic Resources Survey Study Area" that are

over fifty years of age, have not been surveyed within the last 10 years, and have been determined by the City's Urban Historian to be potentially historically significant.

IV. PROCESS FOR PROPERTIES PROPOSED FOR LISTING ON THE CITY'S POTENTIAL HISTORIC RESOURCES LIST

A. Structures, sites, and natural features can be added to the City's Potential List three ways:

1. City's Historic Resource Survey Process

The historical survey findings are presented to the HLC Designation Subcommittee for a recommendation to the full Commission on the possible placement of structures/sites identified as being potential historic resources on the City's Potential List, designation as a Structure of Merit, or designation as a City Landmark. If the HLC Designation Subcommittee recommends that the Commission place a structure, site, or natural feature on the City's Potential List as a result of the City's on-going historic resource survey's, the placement shall be considered by the HLC at a noticed public hearing within one year of the completion of the area survey process.

2. Historic Landmarks Commissioner's recommendation

An individual Historic Landmarks Commissioner may request in writing that a particular structure, site, or natural feature be placed on the City's Potential List. The request shall state the reason that the Commissioner believes such listing is appropriate. In response to this request, Staff will research the particular structure, site, or natural feature believed to be potentially eligible for inclusion on the City's Potential List and present the results of the research to the HLC Designation Subcommittee for a recommendation to the full Commission. If the HLC Designation Subcommittee concurs with the recommendation for placement of the structure, site, or natural feature on the City's Potential List, the recommendation will be forwarded to the full Commission for consideration. Structures, sites, and natural features identified as having potential as a City Historic Resource by an individual Commissioner or by the HLC Designation Subcommittee, shall be considered by the HLC for listing on the City's Potential List at a noticed public hearing.

3. Project Specific Historic Structures/Sites Reports

The regulatory framework, thresholds of significance, and project impact evaluation procedures for historic resources are contained in the MEA Historic Resources Guidelines. These Guidelines contain the required content and format for Historic Structures/Sites Reports. The purpose of a Historic Structures/Sites Report is to identify historical structures/sites on a project site, assess the significance of identified historic structures and/or sites, evaluate potential project

impacts to significant historic resources, and propose mitigation measures as appropriate.

A project specific Historic Structures/Sites Report may conclude that a structure, site, or natural feature is a potential historic resource and recommend that it be placed on the City's Potential List for future research and possible formal designation as a Structure of Merit or City Landmark. Structures, sites, and natural features identified as having potential as a City Historic Resource by a project specific Historic Structures/Sites Report can be considered by the HLC for listing on the City's Potential List at the public meeting scheduled for the acceptance of the Historic Structures/Sites Report. Notice of the hearing for potential listing shall occur as provided in SBMC §22.22.030.

B. Public Hearing Process

Property owners of affected structures, sites, and natural features proposed for listing on the City's Potential List as a result of the City's Historic Resources Survey process or a Historic Landmarks Commissioner's request shall receive notice of the public hearing no less than 60 days prior to said public hearing, unless the owner consents in writing to less time. If the proposed listing is as a result of a project specific Historic Structures/Sites Report, no mailed notice is required.

The property owner, or owner's representative, may present both oral and written evidence to the Commission to establish whether the structure, site, or natural feature merits placement on the City's Potential List. It is suggested that the written evidence take the form of a Historic Structures/Sites Report. The Historic Structures/Sites Report must meet the requirements of the City's MEA Historic Resources Guidelines and be prepared by a qualified City approved historical consultant at the property owner's expense. The Historic Structures/Sites Report shall assess the significance of the identified historic resource using the criteria of significance provided in the MEA Historic Resources Guidelines.

In order for the property to be not included on the City's Potential List, the oral or written evidence (including the Historic Structures/Sites Report if prepared) shall clearly demonstrate that the property is not eligible for inclusion. The HLC must agree on the conclusions of the report and make appropriate findings to not include the property on the City's Potential List.

V. PROCESS FOR PROPERTIES PROPOSED FOR REMOVAL FROM THE CITY'S POTENTIAL HISTORIC RESOURCES LIST

Per Section 22.22.030.B.3, Staff will review the existing City's Potential List to verify the accuracy of all the existing listings within two years of the adoption of the Demolition Review Ordinance. Staff's administrative review will focus on properties that have insufficient survey records or on properties that Staff has received an inquiry from

HISTORIC LANDMARKS COMMISSION MINUTES

August 26, 2015

MISCELLANEOUS ACTION ITEM

**2. CITY'S POTENTIAL HISTORIC STRUCTURES/SITES LIST
29-37 E VICTORIA ST**

C-2 Zone

(2:05)

Assessor's Parcel Number: 039-133-009

Owner: Radius Group Commercial Real Estate

(Hold a Public Hearing to consider adding the Spanish Colonial Revival commercial building designed by noted architects Soule, Murphy and Hastings in 1922. The structure is eligible as a Structure of Merit.)

Actual time: 2:13 p.m.

Public comment opened at 2:15 p.m.

- 1) Roy Harthorn, historical consultant, commented that the building was associated with a historical figure, Franklin Pierce Knot, a world famous photographer, who published colored works in the National Geographic as early as 1916.
- A Staff Memo outlining the significance of the building from the Urban Historian was provided to the Commission.

A letter with expressed concerns from Virginia Rehling was acknowledged.

Public comment closed at 2:19 p.m.

Commissioner Drury mentioned the significance of Dana's Toy Town to the history of that structure.

Motion: To add the structure located at 29-37 East Victoria Street on the City's List of Potential Historic Resources as it was found to be eligible as a Structure of Merit.

Action:Shallenberger/La Voie, 7/0/0. (Mahan and Murray absent.) Motion carried.

HISTORIC LANDMARKS COMMISSION MINUTES
November 4, 2015

MISCELLANEOUS ACTION ITEM

2. CITY'S POTENTIAL HISTORIC STRUCTURES/SITES LIST
29-37 EAST VICTORIA ST **C-2 Zone**

(2:05) Assessor's Parcel Number: 039-133-009

Owner: Radius Group Commercial Real Estate

(Hold a Public Hearing to consider adding the Spanish Colonial Revival commercial building designed by noted architects Soule, Murphy and Hastings in 1922 based on the recommendation of the HLC Designation Subcommittee. The structure is eligible as a Structure of Merit.)

Actual time: 1:47 p.m.

Present: Nicole Hernández, Urban Historian, City of Santa Barbara

Staff comments:

1. Ms. Hernández stated that the item was reprocessed according to the Administrative Regulations. The Designation Subcommittee reviewed the item on October 21 and recommends, along with staff, that it be added to the City's Potential Historic Structures/Sites List, as it is eligible as a Structure of Merit under Criteria D and F.
2. Mr. Limón wished to clarify points raised by the appellant Virginia Rehling. The City follows a process that was created partly by the Demolition Review Ordinance, which requires staff to assess the historical significance of every structure that comes forward for review in the downtown Demolition Review area. On occasion, the Urban Historian makes a recommendation for a property to be added to the City's Potential Historic Structures/Sites List, and/or a property owner may request a review, as in this case. As this structure is eligible, it was placed on the list. The technicality raised by Ms. Rehling is that the ordinance does not specify that individual properties may be processed in this manner. Rather, the ordinance refers to Administrative Regulations that specify a method of group surveys, whereby the HLC receives a recommendation for inclusion from the Designation Subcommittee. To prevent placing an undue burden on the Designation Subcommittee, staff believes it is prudent that the HLC review single properties based on the Urban Historian's recommendation. Staff intends to change the Administrative Regulations to clarify this process. Mr. Limón expressed the hope that the HLC will act today to confirm its understanding of this process going forward.

HISTORIC LANDMARKS COMMISSION MINUTES
November 18, 2015

GENERAL BUSINESS:

A. Public Comment:

Chair Suding acknowledged e-mailed comments from Virginia Rehling regarding the motion from Item 2 of the November 4, 2015 Historic Landmarks Commission meeting. Ms. Rehling supports the designation of 29-37 East Victoria Street as a Structure of Merit.

Mr. Limón stated that the applicant is not interested in seeking Structure of Merit designation, and the HLC will need to determine if it will move forward on the designation over the owner's objection.

HISTORIC LANDMARKS COMMISSION MINUTES
December 16, 2015

D. Announcements, requests by applicants for continuances and withdrawals, future agenda items, and appeals.

1. Ms. Kaufman announced that today is Commissioner Winick's last meeting with the HLC.
2. Ms. Hernández announced the appointment of Anthony Grumbine as a new Commissioner to the HLC.
3. Mr. Limón responded to a public comment letter for Item 4 from Virginia Rehling about the process of listing an item on the Potential Historic Resources List. There is a pending appeal of such an item from Ms. Rehling. Ms. Rehling argues that the City is not following the three methods of adding a potential historic resource to the list as described in the ordinance. Mr. Limón explained that there is a fourth method in the ordinance related to demolition applications. The Urban Historian has the authority to assess such applications to identify potential historic significance. The HLC has agreed that the Urban Historian is qualified to make those assessments and offer recommendations to the HLC. The HLC has also agreed that it has the authority to refer designations to the Designation Subcommittee. Lastly, the HLC has the ability to request a full Historic Structures/Sites Report be prepared. Mr. Limón emphasized that these mechanisms are in place to ensure that recommendations are given proper consideration. He assured the HLC that staff has sufficient ordinance basis on which to proceed with the current practice of listing properties and will respond accordingly on the pending appeal.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016

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, Administrative Services Director, regarding negotiations with the General Bargaining Unit, Firefighters Association, Supervisors Association, and Police Officers Association.

SCHEDULING: Duration, 30 minutes; anytime

REPORT: None anticipated

SUBMITTED BY: Kristine Schmidt, Administrative Services Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 26, 2016
TO: Mayor and Councilmembers
FROM: City Administrator's Office
SUBJECT: Conference With Real Property Negotiators – Santa Barbara High School

RECOMMENDATION:

That Council hold a closed session pursuant to the authority of Government Code Section 54956.8 to consider direction regarding price and terms of payment related to real property negotiations between the City and the Santa Barbara Unified School District.

Properties:

Lands underlying certain streets located adjacent to and within the campus of Santa Barbara High School, being portions of Carrillo Street, Figueroa Street, Rinconada Road, Salsipuedes Street, and Quarantina Street, and being portions of Santa Barbara County Assessor's Parcels APN 029-240-003 and APN 029-240-008.

City Negotiator:

City Administrator's Office and the City Attorney's Office

Negotiating Party:

Superintendent of Schools' Office, Santa Barbara Unified School District

Under Negotiation:

Vacation of Street Easements and Fee Title Transfer of Underlying Property

SCHEDULING: Duration, 15 minutes; anytime
REPORT: None anticipated
PREPARED BY: Kristine Schmidt, Director of Administrative Services
SUBMITTED BY: Paul Casey, City Administrator
APPROVED BY: City Administrator's Office