

**CITY OF SANTA BARBARA
CITY COUNCIL**

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



James L. Armstrong
City Administrator

Stephen P. Wiley
City Attorney

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

**FEBRUARY 28, 2012
AGENDA**

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

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

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

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

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

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

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

ORDER OF BUSINESS

12:30 p.m. - Ordinance Committee Meeting, Council Chamber
2:00 p.m. - City Council Meeting

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

Subject: Ordinance Amendments Related To Construction Prohibited In The Vicinity Of The Conejo Landslide And Homes Destroyed In The Tea Fire

Recommendation: That the Ordinance Committee review and consider referring to the full Council the amendments to Municipal Code Chapter 22.90, "Construction Prohibited in the Vicinity of the Conejo Landslide."

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

1. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meetings of August 16, 2011, and January 10, 2012.

2. Subject: January 2012 Investment Report (260.02)

Recommendation: That Council accept the January 2012 Investment Report.

3. Subject: Adoption Of Ordinance For Easements On Tunnel Reservoir Property (330.08)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the Public Works Director to Execute a Certain Private Road Easement Agreement with William Pasich, George V. Valois and Sherry R. Valois, Trustees, Carolyn V. Cooper, Trustee, Frederica McKay Thompson, Trustee, and Joel J. Berti and Georgia E. Berti, Trustees, Granting and Acknowledging Private Easements for the Continuing Use and Maintenance of Spyglass Ridge Road, Including Public Utilities, Located on a Portion of the Tunnel Trail Property, Sometimes Known as Tunnel Reservoir Property, Owned by the City of Santa Barbara, for Ingress and Egress to Properties Located in the County of Santa Barbara Known as 2825, 2845, 2875, 2885 and 2895 Spyglass Ridge Road.

CONSENT CALENDAR (CONT'D)

4. Subject: Resolution To Amend Rules And Regulations For The Santa Barbara Mooring Area (570.03)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Establishing Rules and Regulations for Issuing Mooring Permits in the City of Santa Barbara Mooring Area, Setting Minimum Specifications for Installing, Inspecting and Repairing Such Moorings, and Repealing Resolution No. 09-075.

5. Subject: Exclusive Right To Negotiate Agreement With MarBorg Industries (510.04)

Recommendation: That Council approve a 180-day Exclusive Right to Negotiate Agreement between the City and MarBorg Industries for a possible Citywide Solid Waste Franchise.

6. Subject: Increase In Change Order Authority For The Design Of The El Estero Wastewater Treatment Plant Fats, Oil, And Grease Project (540.13)

Recommendation: That Council authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra design work for AECOM Technical Services, Inc., for the El Estero Wastewater Treatment Plant Fats, Oil, and Grease Project in the amount of \$14,027, for a total project expenditure authority of \$101,367.

NOTICES

7. The City Clerk has on Thursday, February 23, 2012, 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 concludes the Consent Calendar.

REPORT FROM THE ORDINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

PUBLIC WORKS DEPARTMENT

8. Subject: Capital Improvement Projects Second Quarter Report For Fiscal Year 2012 (230.01)

Recommendation: That Council receive a report on the City's Capital Improvement Projects for the Second Quarter of Fiscal Year 2012.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS (CONT'D)

POLICE DEPARTMENT

9. Subject: Police Department Update (520.04)

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

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

10. Subject: Conference With Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is Santa Barbara Channelkeeper v. City of Santa Barbara, USDC Case No. CV-1103624 JHN (AGRx).

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

11. Subject: Conference With Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is Rolland Jacks, et al., v. City of Santa Barbara, SBSC Case No. 1383959.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

12. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the General bargaining unit, the Supervisory bargaining unit, and the Police Management bargaining unit, and regarding discussions with confidential employees and unrepresented management about salaries and fringe benefits.

Scheduling: Duration, 45 minutes; anytime

Report: None anticipated

ADJOURNMENT

CITY OF SANTA BARBARA

ORDINANCE COMMITTEE MEETING

MEETING AGENDA

DATE: February 28, 2012
TIME: 12:30 p.m.
PLACE: Council Chambers

Grant House, Chair
Frank Hotchkiss
Randy Rowse

Office of the City
Administrator

Office of the City
Attorney

Lori Pedersen
Administrative Analyst

Stephen P. Wiley
City Attorney

ITEM FOR CONSIDERATION

Subject: Ordinance Amendments Related To Construction Prohibited In The Vicinity Of The Conejo Landslide and Homes Destroyed in the Tea Fire.

Recommendation: That the Ordinance Committee review and consider referring to the full Council the amendments to Municipal Code Chapter 22.90, "Construction Prohibited In The Vicinity Of The Conejo Landslide."



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: February 28, 2012

TO: Ordinance Committee Members

FROM: City Attorney's Office
Building Division, Community Development Department

SUBJECT: Ordinance Amendments Related To Construction Prohibited In The Vicinity Of The Conejo Landslide And Homes Destroyed In The Tea Fire

RECOMMENDATION:

That the Ordinance Committee review and consider referring to the full Council the amendments to Municipal Code Chapter 22.90, "Construction Prohibited in the Vicinity of the Conejo Landslide."

DISCUSSION:

In 1984, the City Council adopted Municipal Code Chapter 22.90 (at that time as an uncodified ordinance), as a City ordinance provision entitled "Construction Prohibited in the Vicinity of the Conejo Road Landslide." This ordinance was due to active slide movement in the Conejo area apparently related to the very wet "El Nino" rain season of 1982-83. Since that time, approximately eight homes and structures have succumbed to landslide movement while many other homes continue to experience foundation settlement, collapse and twisting of sewers laterals and mains, exterior stucco cracking, movement of electric and gas utility lines and severe cracking or collapse of block walls fences, and driveways, including other detrimental affects upon private property. For example, the Ealand Place cul-de-sac, located at the top of the Conejo Road Landslide, in particular, continues to actively slide (especially in recent years) and is severely sloped, rendering the cul-de-sac inaccessible, at this time, to motor vehicles. At the same time, several of the homes well within the Slide Mass C area have remained habitable and essentially un-impacted by the geologic instability of the area and were only destroyed by the November 2008 Tea Fire.

Consequently, the attached draft ordinance amending Municipal Code Chapter 22.90 has been prepared in order to address concerns that certain property owners in the Conejo Road "Slide Mass C area" who lost their homes in the November 2008 Tea Fire have been prohibited by SBMC Chapter 22.90 from rebuilding those homes and, as a result, have lost a significant amount of the value of their real properties. This loss of property value has been the subject of on-going Santa Barbara Superior Court litigation between three of the impacted property owners and the City over the extent to which

Council Agenda Report

Ordinance Amendments Related To Construction Prohibited In The Vicinity Of The Conejo Landslide And Homes Destroyed In The Tea Fire

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the City's ordinance allows a Slide Mass C area home to be rebuilt after a catastrophic fire or other similar destruction caused by a casualty. In an effort to resolve this dispute, the City Attorney's office is recommending City Council consideration of the proposed ordinance to amend the City's existing "Conejo Slide Area" building restrictions as they apply to fire and other casualty rebuilds; as drafted, this amendment would allow homes within Slide Mass C to be re-built under the limited circumstances so long as they do so in a manner consistent with the recommendations contained in the Grover Hollingsworth and Associates, Inc. geotechnical report dated May 29, 2009. The Grover-Hollingsworth report was commissioned by several of the area property owners impacted by the Tea Fire and was intended, in part, to explain, from a geotechnical standpoint, how, in the opinion of the report's author (engineering-geologist, Robert Hollingsworth), the Slide Mass C area homes could be safely and cost-effectively rebuilt after the Tea Fire so long as a specific engineered approach was used in designing and building the new home foundations and the utility connections for these homes.

The City Building and Safety staff reviewed the Grover-Hollingsworth May 2009 report and asked for certain follow-up information. The City's Chief Building Official also commissioned peer review of the report by Frank J. Kenton, an experienced geologist very familiar with the history of the Conejo Slide area and its underlying geological conditions. Mr. Kenton has acted as consultant for the City on the Conejo Slide area for more than 20 years.

Thus, the proposed Code amendment draft attached to this report would allow the re-construction of any home within the Conejo Road Slide Mass C area which was lost in the November 2008 Tea Fire or which is lost thereafter as a result of any casualty which destroys the home. In the opinion of the City Attorney's office, this ordinance amendment would definitively resolve the pending litigation claim that the City's Conejo Road Slide Mass C ordinance (SBMC Chapter 22.90) constitutes a permanent taking of the property rights of the three Slide Mass C area property owners who have lost their homes in the Tea Fire on any similar "takings" claim which might be made in the future.

However, special construction conditions will still be applicable to the Tea Fire parcels identified for possible re-construction in the Grover Hollingsworth and Associates geotechnical report dated May 29, 2009 (as reviewed by Mr. Kenton's geological review dated December 17, 2009.) Some of these conditions are likely to include the following: 1. That, upon the initiation and completion of the home foundation, foundation inspections to be performed by a California Registered Engineering Geologist in order to confirm that the earth materials encountered in construction are as described in the Preliminary Geologic and Soils Engineering Reports submitted by the property owner; and, 2. that, should there be a change in the consultant record occur, the new geological or engineering or architect consultant sign a statement that they accept all geologic and soils engineering design and interpretations in the Grover Hollingsworth report dated May 29, 2009 and subsequent documents as may be applicable to the new construction.

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ATTACHMENT: Draft Ordinance Amending Chapter 22.90

PREPARED/SUBMITTED BY: Stephen P. Wiley, City Attorney

APPROVED BY: City Administrator's Office

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA BARBARA AMENDING CHAPTER 22.90 OF TITLE 22 OF THE SANTA BARBARA MUNICIPAL CODE IN ORDER TO DEFINE "NEW CONSTRUCTION" TO ALLOW THOSE HOMES WHICH EXISTED ON NOVEMBER 12, 2008 TO BE REBUILT WHEN THEY HAVE BEEN DESTROYED BY FIRE OR OTHER CASUALTY

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

SECTION ONE: Section 22.90.030 of Chapter 22.90 of Title 22 of the Santa Barbara Municipal Code is amended to add a new subparagraph D which reads as follows:

22.90.030 New Construction Prohibited; Exceptions.

A. All new construction is prohibited on the parcels which are located entirely or partially within the boundary of Slide Mass C, except as provided in this Chapter 22.90. The existing parcels located entirely or partially within Slide Mass C are identified in Section 22.90.050, Parcels Within Slide Mass C.

B. It shall be unlawful to erect, produce, permit, maintain or keep any new construction on a parcel which is located entirely or partially within the boundary of Slide Mass C, in violation of the provisions of this Chapter.

C. The following new construction is excepted from the prohibitions of this section:

(i) routine repairs and maintenance to residential structures and to road, drive, and utilities improvements,

(ii) remodeling of the interior of an existing residential structure, and;

(iii) additions to an existing building which do not exceed one hundred and fifty (150) square feet of enclosed area during any twenty four (24) month period.

D. As used in this section, the term "new construction" shall not include the construction of a home on any legal parcel located within Slide Mass C where the parcel contained a home which was destroyed by fire or other casualty after November 12, 2008.



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING August 16, 2011 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House, Randy Rowse, Michael Self, Bendy White, Mayor Schneider.

Councilmembers absent: None.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, City Clerk Services Manager Cynthia M. Rodriguez.

CHANGES TO THE AGENDA

Item Removed from Agenda

City Administrator James Armstrong reported that the following item was removed from the agenda due to the Supreme Court's decision to stay ABX1 27 and based upon the advice of the City Attorney.

13. Subject: Redevelopment Agency Continuation Ordinance (620.01)

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Declaring its Intention, Under Protest, to Make Remittances Required by ABX1 27 in Order to Avoid Dissolution of the Redevelopment Agency of the City of Santa Barbara; and

(Cont'd)

13. (Cont'd)

- B. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Determining that it will Comply, Under Protest, with the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in Order to Permit the Continued Existence and Operation of the Redevelopment Agency of the City of Santa Barbara.

PUBLIC COMMENT

Speakers: Wayne Scoles, Rick Goodfriend, Kenneth Loch, Paul Fry, Cruzito Cruz.

CONSENT CALENDAR

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

Motion:

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

Vote:

Unanimous roll call vote.

1. Subject: Introduction Of Ordinance Amending Municipal Code Title 17, Chapter 17.36, Pertaining To Operations At The Waterfront (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 Amending Title 17, Chapter 17.36 Pertaining to Parking in the Harbor Parking Lot.

Action: Approved the recommendation (August 16, 2011, report from the Interim Waterfront Director; proposed ordinance).

2. Subject: Introduction Of Ordinance For A Lease With Santa Barbara Sailing Center (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 Approving a Five-Year Lease with Two Five-Year Options with Skip Abed, Doing Business as Santa Barbara Sailing Center, for the Boat Rental and Sailing Instruction Facility at 303 West Cabrillo Boulevard Adjacent to the Harbor Launch Ramp, Effective September 21, 2011.

Action: Approved the recommendation (August 16, 2011, report from the Interim Waterfront Director; proposed ordinance).

3. Subject: Introduction Of Ordinance For A Lease With Seacoast Of Santa Barbara (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 Approving a Five-Year Lease with One Five-Year Option with Seacoast of Santa Barbara Inc., for a 562 Square-Foot Yacht Brokerage Office at 125 Harbor Way, at an Initial Base Rent of \$1,817 Per Month, Effective September 21, 2011.

Action: Approved the recommendation (August 16, 2011, report from the Interim Waterfront Director; proposed ordinance).

4. Subject: Proposed Airline Rates And Charges For New Terminal (560.01)

Recommendation: That Council approve airline rates and charges for the new Airline Terminal, including the annual Airline Terminal building space square footage rental rate of \$77, a boarding bridge fee of \$42 per turn, and a landing fee of \$2.50 per thousand pounds of gross landed weight, effective August 17, 2011, through June 30, 2012.

Action: Approved the recommendation (August 16, 2011, report from the Airport Director).

5. Subject: Agreement For Reimbursement With The U.S. Forest Service For Cooperative Fire Protection (520.03)

Recommendation: That Council authorize the Fire Chief to execute the Cooperative Fire Protection Agreement between the City of Santa Barbara and the U. S. Forest Service in a form of agreement approved by the City Attorney.

Action: Approved the recommendation; Agreement No. 23,856 (August 16, 2011, report from the Fire Chief).

6. Subject: Approval Of Equipment Standardization For The Fire Operations Division (520.03)

Recommendation: That Council find it to be in the City's best interest to approve standardizing Lion turnout suits for the Fire Operations Division during the next five-year period, ending June 30, 2016, and waive the formal bidding process in accordance with Section 4.52.070 (l) of the Santa Barbara Municipal Code.

Action: Approved the recommendation (August 16, 2011, report from the Fire Chief).

7. Subject: Adoption Of Ordinance Establishing Prima Facie Speed Limits (530.05)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 10.60 of the Municipal Code by Revising Section 10.60.015, Establishing Prima Facie Speed Limits on Cota Street Between Santa Barbara Street and Alameda Padre Serra at 25 Miles Per Hour.

Action: Approved the recommendation; Ordinance No. 5563.

8. Subject: Purchase Order For Primary Coagulant Chemicals For The William B. Cater Water Treatment Plant (540.10)

Recommendation: That Council find it in the City's best interest to waive the formal bidding process as authorized by Municipal Code 4.52.070(k), and authorize the City General Services Manager to issue a Blanket Purchase Order to Summit Research Labs as the sole source and most favorable source for providing the City with Sumaclear 830B and Sumaclear 1000 coagulant chemicals in an amount not to exceed \$500,000 for Fiscal Year 2012, with the option for the City General Services Manager to renew the purchase order for an additional four years, subject to the availability of appropriated funds for this purpose in the adopted budget for each subsequent fiscal year.

Action: Approved the recommendation (August 16, 2011, report from the Public Works Director).

9. Subject: Designation Of Voting Delegate And Two Alternates For The League Of California Cities Annual Conference (180.01)

Recommendation: That Council designate Mayor Helene Schneider as the voting delegate for the League of California Cities Annual Conference.

Action: Approved the recommendation.

NOTICES

10. The City Clerk has on Thursday, August 11, 2011, 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.
11. Cancellation of the regular Redevelopment Agency meeting of August 16, 2011, due to lack of business.
12. A City Council site visit is scheduled on Monday, August 22, 2011, at 1:30 p.m. to the property located at 903 W. Mission Street, which is the subject of an appeal hearing set for August 23, 2011, at 2:00 p.m.

This concluded the Consent Calendar.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

Councilmember Rowse stated that he would not participate in the following item due to a conflict of interest related to his ownership of a business located near the subject property, and left the meeting at 2:13 p.m.

14. Subject: Plaza De La Guerra Infrastructure Improvement Project Status Report (570.05)

Recommendation: That Council receive a status report on the Plaza de la Guerra Infrastructure Improvement Project.

Documents:

- August 16, 2011, report from the Assistant City Administrator/Community Development Director.
- PowerPoint presentation prepared and made by Staff.
- August 9, 2011, email communication from Pamela Boehr.
- August 15, 2011, letter submitted by Lawrence E. Cook.
- August 16, 2011, photographs submitted by Reverend Paul Vit.
- August 16, 2011, postcard submitted by Sheila Lodge.

Speakers:

- Staff: Housing and Redevelopment Manager Brian Bosse, Redevelopment Specialist Elizabeth Limón, Redevelopment Supervisor I Marck Aguilar, Associate Transportation Planner Stacey Wilson, Facilities and Special Events Supervisor Susan Jang-Bardick.
- Downtown Organization: Executive Director Bill Collyer.
- Members of the Public: Reverend Paul Vit; Dennis Rickard; Executive Director Jarrell Jackman, Santa Barbara Trust for Historic Preservation; Sheila Lodge; Robert Burke.

By consensus, the Council received the report.

MAYOR AND COUNCIL REPORTS

15. Subject: Request From Councilmembers Self And Rowse On Maintenance And Protection Of City Of Santa Barbara Bus, Truck, Capacity, Emergency And Evacuation Routes (520.02)

Recommendation: That Council consider a request from Councilmembers Self and Rowse to establish new policies that would preserve the current bus, truck, capacity, emergency and evacuation routes established by the Santa Barbara Municipal Code.

(Cont'd)

15. (Cont'd)

Councilmember Rowse returned to the meeting at 3:44 p.m.

Documents:

August 16, 2011, report from the Public Works Director.

Speakers:

- Staff: Fire Chief Andy DiMizio, Public Works Director Christine Andersen, Police Lieutenant Jim Pflieger, City Administrator James Armstrong, Assistant City Administrator Paul Casey, City Attorney Steve Wiley.
- Metropolitan Transit District: General Manager Sherrie Fisher.
- Members of the Public: Michael Warnken.

Motion:

Councilmembers Francisco/Hotchkiss to direct Staff to include a policy in the circulation element that states that it is a high priority for the City that evacuation, commercial truck, and emergency response routes remain free and clear, and that hardscape and other permanent physical restrictions on traffic flow are discouraged on those routes.

Vote:

Majority voice vote (Noes: Councilmember House, Mayor Schneider; Abstentions: Councilmember White).

RECESS

Mayor Schneider recessed the meeting at 4:59 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 16, and she stated that no reportable action is anticipated.

CLOSED SESSIONS

16. Subject: Conference With Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is Santa Barbara Channelkeeper v. City of Santa Barbara, USDC Case No. CV-1103624 JHN (AGRx).

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

Documents:

August 16, 2011, report from the City Attorney.

(Cont'd)

16. (Cont'd)

Speakers:

Members of the Public: Michael Warnken.

Time:

5:03 p.m. - 5:17 p.m. Councilmember Self was absent.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 5:17 p.m. to Monday, August 22, 2011, at 1:30 p.m. at the property located at 903 W. Mission Street, in memory of former City employee Marko Mendoza, and Navy Seal and Santa Barbara resident Louis Langlais.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

CYNTHIA M. RODRIGUEZ, CMC
CITY CLERK SERVICES MANAGER



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

REGULAR MEETING January 10, 2012 COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Randy Rowse, Michael Self, Bendy White, Mayor Schneider.

Councilmembers absent: Grant House.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, City Clerk Services Manager Cynthia M. Rodriguez.

CEREMONIAL ITEMS

1. Subject: Comments By Outgoing Councilmember Self

Councilmember Self stated it has been an honor serving on the City Council, and thanked Staff and the community for their support.

2. Subject: Recognition Of Outgoing Councilmember Self

Mayor Schneider extended her gratitude to Councilmember Self for her service and presented her with a letter of recognition on behalf of the residents of Santa Barbara.

3. Subject: Comments By The Public

No one wished to speak.

4. Subject: Affirmation Of Allegiance By Councilmembers Dale Francisco And Randy Rowse, And Councilmember-Elect Cathy Murillo

Action: Affirmations administered.

5. Subject: Presentation Of Certificates Of Election

Action: Presented.

6. Subject: Seating Of Newly-Installed Councilmembers

Action: Councilmembers were seated.

7. Subject: Comments By Councilmembers Francisco, Murillo, And Rowse

Councilmember Rowse thanked the residents of the community and former Councilmember Michael Self. He congratulated newly-installed Councilmember Murillo and stated that he looked forward to working with her on the Council.

Councilmember Francisco commented that it's an honor and privilege to represent the people of Santa Barbara. He stated that he will continue to work with his colleagues to make the best policy decisions for the City.

Councilmember Murillo stated that it's an honor to be elected to the Council. She thanked family members, campaign workers and volunteers who assisted with her campaign, and dedicated today's ceremony to her late Grandmother.

8. Subject: Presentation Of Poem By City Of Santa Barbara Poet Laureate

Poet Laureate Paul Willis read a poem entitled, "On City Council."

9. Subject: Comments By The Public

No one wished to speak.

RECESS

2:20 p.m. - 2:47 p.m.

ROLL CALL OF NEW COUNCIL

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

Councilmembers absent: Grant House.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, City Clerk Services Manager Cynthia M. Rodriguez.

CEREMONIAL ITEMS (CONT'D)

10. 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 January 31, 2012.

Documents:

January 10, 2012, report from the Assistant City Administrator/
Administrative Services Director.

Speakers:

Staff: City Administrator James Armstrong.

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

5-Year Pin

Hong Lieu, Library Systems Tech II, Library
Elizabeth Smith, Creeks Outreach Coordinator, Parks & Recreation
Jared Hall, Police Officer, Police
Lea Salcedo-Dunihue, Police Records Specialist, Police
Heidi Braunger, Project Engineer I, Public Works
Joshua Canning, Sr. Wastewater Treatment Plant Operator, Public Works
Gaylen Fair, Laboratory Analyst II, Public Works

10-Year Pin

Robert Castro, Police Officer, Police
Craig Rullman, Police Officer, Police
Browning Allen, Transportation Manager, Public Works

15-Year Pin

Kevin Corbett, Firefighter, Fire
Darin Biamonte, Police Officer, Police
Andre Feller, Police Officer, Police
Warren Holtke, Police Sergeant, Police
Gregory Hons, Police Officer, Police
Gary Siegel, Jr., Police Officer, Police

25-Year Pin

Margarita Sanchez, Accounting Assistant, Finance
Lee Waldron, Fire Battalion Chief, Fire
Stephen Palacio, Sr. Grounds Maintenance Worker, Parks & Recreation
Damian Gadal, Accounting Coordinator, Waterfront

30-Year Pin

Joseph Poire, Fire Prevention Division Chief, Fire
David Straede, Network Administrator, Police

PUBLIC COMMENT

Speakers: George Thurlow; Steven A. Amerikaner, Peak Las Positas Partners; Kenneth Loch; Ruth Wilson; Kira Redmond, Santa Barbara Channelkeeper; Kate Smith; Pastor Wallace K. Shepherd, Second Baptist Church.

COUNCIL AND STAFF COMMUNICATIONS

Councilmember Rowse recommended that Council consider directing Staff to add the discussion of a potential ballot measure to the Veronica Meadows agenda item scheduled for January 24, 2012.

Motion:

Councilmembers Rowse/Hotchkiss to direct Staff to include a discussion of a potential ballot measure, including the cost thereof, to the January 24, 2012, agenda item related to the Zoning Ordinance Amendment for the Veronica Meadows Specific Plan.

Vote:

Unanimous voice vote (Absent: Councilmember House).

CONSENT CALENDAR (Item Nos. 11 – 15, 17 and 18)

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

Motion:

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

Vote:

Unanimous roll call vote.

11. Subject: Adoption Of An Ordinance For The Annexation Of 455 And 457 North Hope Avenue (680.04)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 28.12 (Zone Map) of Title 28 of the Municipal Code Pertaining to the Zoning Upon Annexation of Assessor's Parcel Numbers 057-191-011 and 057-191-014 Located at 455 North Hope Avenue and Assessor's Parcel Number 057-170-012 Located at 457 North Hope Avenue in the Hope Neighborhood.

Action: Approved the recommendation; Ordinance No. 5578.

12. Subject: Records Destruction For The Community Development Department (160.06)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Community Development Department in the Records Center Office of the Building and Safety Division.

Speakers:

Members of the Public: Kate Smith.

Action: Approved the recommendation; Resolution No. 12-001 (January 10, 2012, report from the Assistant City Administrator/Community Development Director; proposed resolution).

13. Subject: Records Destruction For Waterfront Department (160.06)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Waterfront Department in the Administration Office.

Action: Approved the recommendation; Resolution No. 12-002 (January 10, 2012, report from the Waterfront Director; proposed resolution).

14. Subject: Fiscal Year 2012 Interim Financial Statements For The Five Months Ended November 30, 2011 (250.02)

Recommendation: That Council accept the Fiscal Year 2012 Interim Financial Statements for the Five Months Ended November 30, 2011.

Action: Approved the recommendation (January 10, 2012, report from the Finance Director).

15. Subject: Animal Control Donation (520.05)

Recommendation: That Council:

- A. Authorize the acceptance of a \$6,400 donation from the Deborah K. Oldham Trust of 2001 to the Santa Barbara Police Department's Animal Control Program, of which \$3,500 would be used for assistance in maintenance of an Animal Control vehicle for one year, and the balance of \$2,900 would be used to purchase various items, including advanced dart rifles, animal crates, catch poles, and video monitor recorders; and
- B. Increase the estimated revenues in the Fiscal Year 2012 General Fund by \$6,400 and appropriate the funds to the Police Department's Animal Control Program.

Action: Approved the recommendations (January 10, 2012, report from the Chief of Police).

Item No. 16 appears in the Redevelopment Agency minutes.

NOTICES

17. The City Clerk has on Thursday, January 5, 2012, 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.
18. Cancellation of the regular City Council and Redevelopment Agency meetings of January 17, 2012.

This concluded the Consent Calendar.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

19. Subject: Designation Of The City Of Santa Barbara As The Successor Entity To The Redevelopment Agency Of The City Of Santa Barbara And Election To Retain The Housing Assets And Functions (620.01)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Designating the City of Santa Barbara as the Successor Entity to the Redevelopment Agency of the City of Santa Barbara, and Electing to Have the City Retain the Housing Assets and Assume the Functions Previously Held and Performed by the Redevelopment Agency of the City of Santa Barbara.

Documents:

- January 10, 2012, report from the Assistant City Administrator/Community Development Director.
- Proposed Resolution.

The title of the resolution was read.

Speakers:

- Staff: Assistant City Administrator/Community Development Director Paul Casey.
- Members of the Public: Joyce McCullough; Robert Pearson, Housing Authority of the City of Santa Barbara.

Motion:

Councilmembers Francisco/Hotchkiss to approve the recommendation; Resolution No. 12-003.

Vote:

Unanimous roll call vote (Absent: Councilmember House).

FINANCE DEPARTMENT

20. Subject: UCSB-TV Educational Access Channel Launch (150.02)

Recommendation: That Council hear a presentation from University of California Santa Barbara (UCSB) staff on the new educational access channel, UCSB-TV, debuting January 10, 2012, on Channel 72 of the regional cable system operated by Cox Communications.

Documents:

- January 10, 2012, report from the Finance Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Treasury Manager Jill Taura.
- University of California Santa Barbara: Vice Chancellor Ron Cortez, Professor of Film & Media Studies Constance Penley.

By consensus, the Council heard the presentation.

21. Subject: Update On Conversion Technology Project (630.01)

Recommendation: That Council receive a report from staff regarding the status of the conversion technology project.

Documents:

- January 10, 2012, report from the Finance Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Environmental Services Manager Matt Fore.
- Mustang Renewable Power: Chief Executive John Dewey.
- County of Santa Barbara: Deputy Director Mark Schleich, Resource Recovery and Waste Management.

Councilmember White left the dais at 5:05 p.m. and did not return to the meeting.

By consensus, the Council heard the presentation.

MAYOR AND COUNCIL REPORTS

22. Subject: Appointment Of Mayor Pro Tempore, Ordinance Committee, And Finance Committee (130.01)

Recommendation: That Council consider the appointment of a Mayor Pro Tempore, and Chairs and Members of the Ordinance and Finance Committees.

(Cont'd)

22. (Cont'd)

Documents:

January 10, 2012, report from the City Administrator.

Speakers:

Members of the Public: Ethan Shenkman.

Motion:

Mayor Schneider/Councilmember Rowse to appoint Councilmember Hotchkiss as Mayor Pro Tempore.

Vote:

Unanimous voice vote (Absent: Councilmembers House, White).

Motion:

Councilmembers Hotchkiss/Francisco to appoint Councilmembers Frank Hotchkiss, Grant House, and Randy Rowse to the Ordinance Committee and Councilmembers Dale Francisco, Cathy Murillo, and Bendy White to the Finance Committee.

Vote:

Unanimous voice vote (Absent: Councilmembers House, White).

RECESS

Mayor Schneider recessed the meeting at 5:22 p.m. in order for the Council to reconvene in closed session for Agenda Item Nos. 23 and 24, and she stated that no reportable action is anticipated.

CLOSED SESSIONS

23. Subject: Conference With Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is Santa Barbara Channelkeeper v. City of Santa Barbara, USDC Case No. CV-1103624 JHN (AGRx).

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

January 10, 2012, report from the City Attorney.

Time:

5:25 p.m. - 6:07 p.m. Councilmembers House and White were absent.

No report made.

24. Subject: Conference With Legal Counsel - Anticipated Litigation (160.03)

Recommendation: That Council hold a closed session to consider significant exposure to litigation (one potential case) pursuant to subsection (b)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

January 10, 2012, report from the City Attorney.

Time:

6:08 p.m. - 6:27 p.m. Councilmembers House and White were absent.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 6:27 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

HELENE SCHNEIDER
MAYOR

ATTEST:

CYNTHIA M. RODRIGUEZ, CMC
CITY CLERK SERVICES MANAGER



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012
TO: Mayor and Councilmembers
FROM: Treasury Division, Finance Department
SUBJECT: January 2012 Investment Report

RECOMMENDATION:

That Council accept the January 2012 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of January 31, 2012.

ATTACHMENT: January 2012 Investment Report
PREPARED BY: Jill Taura, Treasury Manager
SUBMITTED BY: Robert Samario, Finance Director
APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Activity and Interest Report
 January 31, 2012

INVESTMENT ACTIVITY

PURCHASES OR DEPOSITS

1/3 LAIF Deposit - City	\$ 7,000,000
1/5 LAIF Deposit - City	1,000,000
1/25 Federal National Mortgage Association (FNMA)	2,000,000
1/30 Federal National Mortgage Association (FNMA)	2,000,000
Total	\$ 12,000,000

SALES, MATURITIES, CALLS OR WITHDRAWALS

1/5 Federal National Mortgage Association (FNMA) - Call	\$ (2,000,000)
1/17 Federal Farm Credit Bank (FFCB) - Maturity	(2,000,000)
1/19 Federal National Mortgage Association (FNMA) - Call	(1,000,000)
Total	\$ (5,000,000)

ACTIVITY TOTAL

\$ 7,000,000

INTEREST REVENUE

POOLED INVESTMENTS

Interest Earned on Investments	\$ 241,741
Amortization	(21,497)
Interest on SBB&T Accounts	298
Total	\$ 220,543

TOTAL INTEREST EARNED

\$ 220,543

CITY OF SANTA BARBARA
Summary of Cash and Investments
January 31, 2012

ENDING BALANCE AS OF DECEMBER 31, 2011

<u>Description</u>	<u>Book Value</u>	<u>Yield to Maturity (365 days)</u>	<u>Percent of Portfolio</u>	<u>Average Days to Maturity</u>
State of California LAIF	\$ 42,000,000	0.385%	25.75%	1
Certificates of Deposit	2,000,000	0.800%	1.23%	687
Federal Agency Issues - Coupon	100,979,651	1.894%	61.92%	1,063
Corporate/Medium Term Notes	<u>12,226,654</u>	<u>1.780%</u>	<u>7.50%</u>	<u>1,239</u>
	157,206,305	1.468%	96.40%	788
SB Airport Promissory Note	<u>5,877,335</u>	<u>7.000%</u>	<u>3.60%</u>	<u>6,390</u>
Totals and Averages	<u>\$ 163,083,639</u>	<u>1.668%</u>	<u>100.00%</u>	<u>990</u>
SBB&T Money Market Account	<u>7,958,912</u>			
Total Cash and Investments	<u>\$ 171,042,551</u>			

NET CASH AND INVESTMENT ACTIVITY FOR JANUARY 2012 **\$ 5,866,614**

ENDING BALANCE AS OF JANUARY 31, 2012

<u>Description</u>	<u>Book Value</u>	<u>Yield to Maturity (365 days)</u>	<u>Percent of Portfolio</u>	<u>Average Days to Maturity</u>
State of California LAIF	\$ 50,000,000	0.385%	29.40%	1 (1)
Certificates of Deposit	2,000,000	0.800%	1.18%	656
Federal Agency Issues - Coupon	99,965,076	1.859%	58.78%	1,067
Corporate/Medium Term Notes	<u>12,218,732</u>	<u>1.781%</u>	<u>7.18%</u>	<u>1,209</u>
	164,183,808	1.391%	96.54%	748
SB Airport Promissory Note	<u>5,877,335</u>	<u>7.000%</u>	<u>3.46%</u>	<u>6,359</u>
Totals and Averages	<u>\$ 170,061,143</u>	<u>1.585%</u>	<u>100.00%</u>	<u>942</u>
SBB&T Money Market Account	<u>6,848,022</u>			
Total Cash and Investments	<u>\$ 176,909,165</u>			

Note:

(1) The average life of the LAIF portfolio as of January 31, 2012 is 245 days.

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2012

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
			MOODY'S	S & P							
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.385	0.385	50,000,000.00	50,000,000.00	50,000,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.385	0.385	0.00	0.00	0.00	0.00	
Subtotal, LAIF							<u>50,000,000.00</u>	<u>50,000,000.00</u>	<u>50,000,000.00</u>	<u>0.00</u>	
CERTIFICATES OF DEPOSIT											
MONTECITO BANK & TRUST	11/18/11	11/18/13	-	-	0.800	0.800	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>0.00</u>	
Subtotal, Certificates of deposit							<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>0.00</u>	
FEDERAL AGENCY ISSUES - COUPON											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AA+	2.250	2.120	2,000,000.00	2,000,578.35	2,009,880.00	9,301.65	
FEDERAL FARM CREDIT BANK	02/02/11	02/02/15	Aaa	AA+	2.000	2.000	1,500,000.00	1,500,000.00	1,500,060.00	60.00	Callable 02/02/12, then cont.
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,042,240.00	42,240.00	
FEDERAL FARM CREDIT BANK	03/09/11	03/09/16	Aaa	AA+	2.600	2.621	2,000,000.00	1,999,788.89	2,005,100.00	5,311.11	Callable 03/09/12, then cont.
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AA+	2.600	2.600	2,000,000.00	2,000,000.00	2,051,840.00	51,840.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AA+	2.200	2.200	2,000,000.00	2,000,000.00	2,046,440.00	46,440.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AA+	2.125	2.125	2,000,000.00	2,000,000.00	2,015,440.00	15,440.00	
FEDERAL FARM CREDIT BANK	04/30/10	04/09/15	Aaa	AA+	2.900	2.916	2,000,000.00	1,999,852.13	2,006,920.00	7,067.87	Callable 04/09/12, once
FEDERAL FARM CREDIT BANK	11/23/10	11/23/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,009,960.00	9,960.00	Callable 05/23/12, then cont.
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AA+	2.570	2.570	2,000,000.00	2,000,000.00	2,140,840.00	140,840.00	
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AA+	4.375	2.110	1,700,000.00	1,713,055.15	1,725,840.00	12,784.85	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,056,780.00	56,780.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,049,060.00	49,060.00	
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AA+	3.125	2.440	2,000,000.00	2,024,134.86	2,103,200.00	79,065.14	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AA+	1.700	1.700	2,000,000.00	2,000,000.00	2,023,060.00	23,060.00	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,060,280.00	60,280.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AA+	1.125	1.125	2,000,000.00	2,000,000.00	2,014,440.00	14,440.00	
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AA+	2.000	2.653	2,000,000.00	2,000,000.00	2,024,820.00	24,820.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	09/26/11	08/28/13	Aaa	AA+	1.000	0.381	1,000,000.00	1,009,709.47	1,010,720.00	1,010.53	
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AA+	4.375	2.272	2,000,000.00	2,064,652.26	2,130,700.00	66,047.74	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AA+	3.125	2.130	2,000,000.00	2,035,477.29	2,103,200.00	67,722.71	
FEDERAL HOME LOAN BANK	03/26/10	06/08/12	Aaa	AA+	1.375	1.325	2,000,000.00	2,000,346.36	2,009,240.00	8,893.64	
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,073,360.00	73,360.00	
FEDERAL HOME LOAN BANK	04/15/11	05/27/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,089,540.00	89,540.00	
FEDERAL HOME LOAN BANK	09/26/11	10/30/13	Aaa	AA+	2.000	0.400	1,500,000.00	1,541,719.22	1,543,485.00	1,765.78	
FEDERAL HOME LOAN MTG CORP	10/19/11	10/19/16	Aaa	AA+	1.500	1.500	2,000,000.00	2,000,000.00	2,009,040.00	9,040.00	Callable 07/19/12, then qtrly
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AA+	2.125	1.699	2,000,000.00	2,005,278.69	2,025,400.00	20,121.31	
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AA+	1.375	1.375	2,000,000.00	2,000,000.00	2,033,220.00	33,220.00	
FEDERAL HOME LOAN MTG CORP	11/09/11	11/09/16	Aaa	AA+	1.800	1.800	2,000,000.00	2,000,000.00	2,007,140.00	7,140.00	Callable 05/09/12, then qtrly

CITY OF SANTA BARBARA

Investment Portfolio

January 31, 2012

DESCRIPTION	PURCHASE	MATURITY	QUALITY RATING		STATED	YIELD AT	FACE	BOOK	MARKET	BOOK	COMMENTS
	DATE	DATE	MOODY'S	S & P							
FEDERAL HOME LOAN MTG CORP	09/28/11	09/28/16	Aaa	AA+	1.400	1.400	2,000,000.00	2,000,000.00	2,009,360.00	9,360.00	Callable 09/28/12, once
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AA+	1.000	2.420	2,000,000.00	1,985,200.98	2,008,080.00	22,879.02	
FEDERAL HOME LOAN MTG CORP	03/26/10	04/25/12	Aaa	AA+	1.125	1.197	1,000,000.00	999,834.02	1,002,410.00	2,575.98	
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AA+	4.500	1.615	2,000,000.00	2,121,534.92	2,169,340.00	47,805.08	
FEDERAL HOME LOAN MTG CORP	10/03/11	10/03/16	Aaa	AA+	1.000	1.612	2,000,000.00	2,000,000.00	2,001,340.00	1,340.00	SU 2.25% Callable 04/03/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	09/28/11	09/28/16	Aaa	AA+	1.000	1.401	1,000,000.00	999,670.83	1,005,420.00	5,749.17	SU 1%-3%, Call 09/28/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	11/09/11	11/09/16	Aaa	AA+	1.500	1.807	2,000,000.00	1,999,613.89	2,014,860.00	15,246.11	SU 1.5%-3.5%, Call 11/09/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	12/28/11	12/28/16	Aaa	AA+	1.125	1.641	2,000,000.00	2,000,000.00	2,004,980.00	4,980.00	SU 2% Callable 12/28/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	02/17/11	02/17/16	Aaa	AA+	2.500	2.500	2,000,000.00	2,000,000.00	2,002,100.00	2,100.00	Callable 02/17/12, once
FEDERAL NATL MORTGAGE ASSN	06/07/11	03/07/16	Aaa	AA+	2.075	2.075	2,000,000.00	2,000,000.00	2,012,140.00	12,140.00	Callable 06/07/12, once
FEDERAL NATL MORTGAGE ASSN	09/28/11	09/28/16	Aaa	AA+	1.300	1.475	2,000,000.00	2,000,000.00	2,003,320.00	3,320.00	SU 1.3%-2.25%, Call 03/28/12, then qtrly
FEDERAL NATL MORTGAGE ASSN	10/28/11	10/28/16	Aaa	AA+	1.500	1.521	2,000,000.00	1,998,258.33	2,016,020.00	17,761.67	Callable 10/28/13, once
FEDERAL NATL MORTGAGE ASSN	01/25/12	01/25/17	Aaa	AA+	1.000	1.256	2,000,000.00	1,999,016.67	2,006,280.00	7,263.33	SU 1.5%, Callable 01/25/13, then qtrly
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AA+	2.000	2.055	2,000,000.00	1,998,635.00	2,016,300.00	17,665.00	Callable 08/10/12, once
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,042,080.00	42,080.00	
FEDERAL NATL MORTGAGE ASSN	04/11/11	04/11/16	Aaa	AA+	2.500	2.500	2,000,000.00	2,000,000.00	2,008,420.00	8,420.00	Callable 04/11/12, once
FEDERAL NATL MORTGAGE ASSN	06/27/11	06/27/16	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,033,000.00	33,000.00	Callable 06/27/13, once
FEDERAL NATL MORTGAGE ASSN	12/28/11	12/28/16	Aaa	AA+	1.625	1.625	2,000,000.00	2,000,000.00	2,013,460.00	13,460.00	Callable 12/28/12, once
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,086,180.00	86,180.00	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AA+	1.625	2.067	2,000,000.00	1,968,718.79	2,072,320.00	103,601.21	
FEDERAL NATL MORTGAGE ASSN	04/18/11	04/18/16	Aaa	AA+	2.500	2.500	2,000,000.00	2,000,000.00	2,050,220.00	50,220.00	Callable 04/18/13, once
FEDERAL NATL MORTGAGE ASSN	06/29/11	12/29/14	Aaa	AA+	1.300	1.300	2,000,000.00	2,000,000.00	2,002,760.00	2,760.00	Callable 03/29/12, once
FEDERAL NATL MORTGAGE ASSN	01/30/12	01/30/17	Aaa	AA+	1.300	1.300	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,005,040.00</u>	<u>5,040.00</u>	Callable 01/30/13, then qtrly
Subtotal, Federal Agencies							<u>99,700,000.00</u>	<u>99,965,076.10</u>	<u>101,506,675.00</u>	<u>1,541,598.90</u>	
CORPORATE/MEDIUM TERM NOTES											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,994,191.67	2,097,420.00	103,228.33	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	Aa2	AA+	2.250	2.250	2,000,000.00	2,000,000.00	2,055,600.00	55,600.00	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	Aa2	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,036,160.00	36,160.00	
PRES & FELLOWS OF HARVARD COLL	07/12/11	01/15/14	Aaa	AAA	5.000	1.000	2,000,000.00	2,154,115.97	2,167,900.00	13,784.03	Callable 03/12/12
PROCTOR & GAMBLE	09/20/11	11/15/15	Aa3	AA-	1.800	1.085	2,000,000.00	2,052,826.49	2,078,340.00	25,513.51	
TOYOTA MOTOR CREDIT	09/26/11	09/15/16	Aa3	AA-	2.000	1.800	<u>2,000,000.00</u>	<u>2,017,598.03</u>	<u>2,034,460.00</u>	<u>16,861.97</u>	
Subtotal, Corporate Securities							<u>12,000,000.00</u>	<u>12,218,732.16</u>	<u>12,469,880.00</u>	<u>251,147.84</u>	
SB AIRPORT PROMISSORY NOTE (LT)											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	<u>5,877,334.65</u>	<u>5,877,334.65</u>	<u>5,877,334.65</u>	<u>0.00</u>	
Subtotal, SBA Note							<u>5,877,334.65</u>	<u>5,877,334.65</u>	<u>5,877,334.65</u>	<u>0.00</u>	
TOTALS							<u>169,577,334.65</u>	<u>170,061,142.91</u>	<u>171,853,889.65</u>	<u>1,792,746.74</u>	

Market values have been obtained from the City's safekeeping agent, Santa Barbara Bank and Trust (SBB&T). SBB&T uses Interactive Data Pricing Service, Bloomberg and DTC.

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE A CERTAIN PRIVATE ROAD EASEMENT AGREEMENT WITH WILLIAM PASICH, GEORGE V. VALOIS AND SHERRY R. VALOIS, TRUSTEES, CAROLYN V. COOPER, TRUSTEE, FREDERICA McKAY THOMPSON, TRUSTEE, AND JOEL J. BERTI AND GEORGIA E. BERTI, TRUSTEES, GRANTING AND ACKNOWLEDGING PRIVATE EASEMENTS FOR THE CONTINUING USE AND MAINTENANCE OF SPYGLASS RIDGE ROAD, INCLUDING PUBLIC UTILITIES, LOCATED ON A PORTION OF THE TUNNEL TRAIL PROPERTY, SOMETIMES KNOWN AS TUNNEL RESERVOIR PROPERTY, OWNED BY THE CITY OF SANTA BARBARA, FOR INGRESS AND EGRESS TO PROPERTIES LOCATED IN THE COUNTY OF SANTA BARBARA KNOWN AS 2825, 2845, 2875, 2885, AND 2895 SPYGLASS RIDGE ROAD

WHEREAS, the City of Santa Barbara owns certain real property in the County of Santa Barbara, State of California, sometimes commonly known as "Tunnel Trail property," a portion of which is also referred to as "Tunnel Reservoir Property;"

WHEREAS, William Pasich owns certain real property in the County of Santa Barbara commonly known as 2825 Spyglass Ridge Road;

WHEREAS, George V. Valois and Sherry R. Valois, Trustees U/D/T March 7, 1991, F/BO the Valois Family Trust, own certain real property in the County of Santa Barbara commonly known as 2845 Spyglass Ridge Road;

WHEREAS, Carolyn V. Cooper, Trustee of the Carolyn Cooper-Griffith Living Trust dated October 6, 1989, owns certain real property in the County of Santa Barbara commonly known as 2875 Spyglass Ridge Road;

WHEREAS, Frederica McKay Thompson, Trustee of the Frederica McKay Thompson Living Trust, dated July 7, 2003, owns certain real property in the County of Santa Barbara commonly known as 2885 Spyglass Ridge Road;

WHEREAS, Joel J. Berti and Georgia E. Berti, Trustees of The J & G Berti Family Trust, own certain real property in the County of Santa Barbara commonly known as 2895 Spyglass Ridge Road;

WHEREAS, a portion of the Tunnel Reservoir Property has long been improved with a private road, sometimes known as Spyglass Ridge Road, which has provided vehicle, pedestrian and utility ingress and egress to the above mentioned real properties;

WHEREAS, the City previously granted easements for private road access through the Tunnel Reservoir Property to real properties now along Spyglass Ridge Road, which were recorded in Official Records of Santa Barbara County on August 19, 1965, as Instrument No. 29505, in Book 2117 at Page 959, and on June 13, 1979, as Instrument No. 79-26451, and on February 14, 1983, as Instrument No. 83-7190, respectively, although such private road easements are not described with specificity;

WHEREAS, the above referenced owners intend to construct a private water main project, referred to the Spyglass Ridge Road Private Water Main project, as depicted on City Plan No. C-1-4632;

WHEREAS, City desires to grant easements described with specificity to the above referenced owners to acknowledge their joint use of Spyglass Ridge Road on the Tunnel Reservoir property, and acknowledge placement of the Spyglass Ridge Road Private Water Main project, and acknowledge the existence of public utilities, in concert with existing recorded easements mentioned above;

WHEREAS, Charter Section 520 in pertinent part provides that no land owned by the City, unless the value thereof is less than five thousand dollars (\$5,000.00), shall be sold, transferred or disposed of or encumbered, unless such sale, transfer, disposition or encumbrance be made or approved by ordinance; and

WHEREAS, this Ordinance upon its adoption by Council will provide authorization for the Public Works Director to execute a Private Road Easement Agreement relating to the joint use and maintenance of Spyglass Ridge Road, including public utilities.

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

SECTION 1. That, following the effective date of this Ordinance, the Private Road Easement Agreement dated October 19, 2011, between the City of Santa Barbara and William Pasich, George V. Valois and Sherry R. Valois, Trustees, Carolyn V. Cooper, Trustee, Frederica McKay Thompson, Trustee, and Joel J. Berti and Georgia E. Berti, Trustees, which grants a non-exclusive easement to allow their joint use and maintenance of Spyglass Ridge Road on the Tunnel Reservoir property, is hereby approved, and the Public Works Director is authorized to execute the agreement.

SECTION 2. That, following the effective date of this Ordinance, the City Clerk is authorized to deliver, or to cause to deliver, the said Private Road Easement Agreement to the County Recorder of Santa Barbara County for recordation in the Official Records of said County.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012

TO: Mayor and Councilmembers

FROM: Operations Division, Waterfront Department

SUBJECT: Resolution To Amend Rules And Regulations For The Santa Barbara Mooring Area

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Establishing Rules and Regulations for Issuing Mooring Permits in the City of Santa Barbara Mooring Area, Setting Minimum Specifications for Installing, Inspecting and Repairing Such Moorings, and Repealing Resolution No. 09-075.

DISCUSSION:

Established in 2006, the Permitted Mooring Area east of Stearns Wharf includes 46 mooring sites. Moorings are owned by individual permittees and inspected annually by City-approved inspectors. The inspection cost is borne by the permittees who pay annual permit renewal fees of \$250. City Council Resolution No. 09-075 requires that any time the number of Mooring Area permittees declines to 30 or fewer, the Waterfront Department shall undertake a new lottery to fill the vacant mooring sites. The Department conducted lotteries in 2006, 2007, 2010 and 2011 to assign vessels to available mooring sites.

Owing to termination and/or voluntary relinquishment of several mooring permits during the past year, the current number of active permits is 26. Moreover, out of 45 applicants in last year's lottery, only three resulted in permit assignments. Many applicants dropped out during the sign-up process. Others dropped out during the "prove-up" process, during which individuals provisionally awarded mooring permits are required (within 90 days) to have a mooring installed, pay their initial \$250 annual permit fee and establish a vessel on the mooring in order to finalize the assignment.

In order to address these issues and others, staff proposes the following amendments to Resolution 09-075:

1. Requiring a non-refundable \$50 Application Fee that would accompany a mooring permit application. This would limit the number of speculators participating in lotteries and applying for mooring permits and reduce staff time spent on applications that don't result in issuance of permits;
2. Eliminating reference to the Grandfather Lottery. The Grandfather Lottery was completed and will not be repeated;
3. Amending language to reflect that anytime the total number of Mooring Permits assigned in the Santa Barbara Mooring Area declines to thirty (30) or fewer, a lottery "may" be held, which would provide the Department more latitude in the scheduling of lotteries and would create consistency with existing Resolution language stating, "Such lotteries shall be conducted at the discretion of the Waterfront Director";
4. Changing the amount of time a permittee has to replace a sold or destroyed vessel from 90 days to 120 days, consistent with time allotted to slip permittees in similar situations. The amended Resolution also proposes other minor changes in the time allotted for relocating a mooring that has migrated off station and submission of Mooring Inspection Reports; and
5. Adding language stating that if a permittee allows alterations or repairs to his/her mooring by persons not listed on the Waterfront Department's list of Approved Mooring Inspectors, this is cause for permit termination.

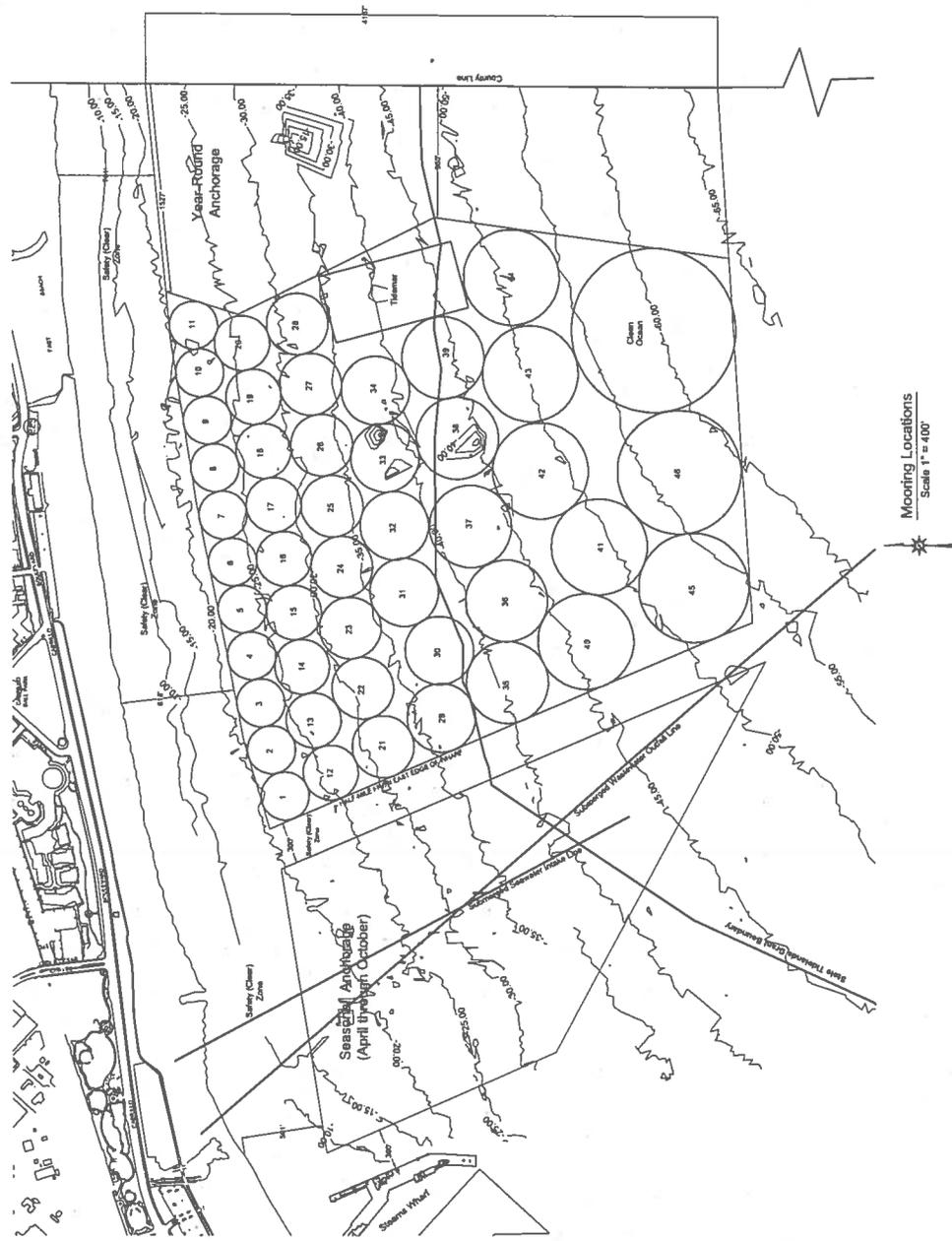
Staff believes these changes to City policy related to administration of the permitted Santa Barbara Mooring Area will streamline the program and reduce staff time spent on mooring permit assignments. At its January 2012 meeting, the Harbor Commission voted unanimously to forward these changes to Council for its approval.

ATTACHMENT: Drawing—East Beach Permitted Mooring Area

PREPARED BY: Mick Kronman, Harbor Operations Manager

SUBMITTED BY: Scott Riedman, Waterfront Director

APPROVED BY: City Administrator's Office



Space #	Diameter	Latitude	Longitude
1	350'	N34° 24.7173'	W118° 40.5345'
2	350'	N34° 24.7283'	W118° 40.5007'
3	350'	N34° 24.7407'	W118° 40.4403'
4	350'	N34° 24.7487'	W118° 40.3722'
5	350'	N34° 24.7721'	W118° 40.3043'
6	350'	N34° 24.7864'	W118° 40.2362'
7	350'	N34° 24.7965'	W118° 40.1681'
8	350'	N34° 24.8071'	W118° 40.0995'
9	350'	N34° 24.8189'	W118° 40.0309'
10	350'	N34° 24.8298'	W118° 39.9625'
11	350'	N34° 24.8333'	W118° 39.8940'
12	400'	N34° 24.8500'	W118° 40.3395'
13	400'	N34° 24.8664'	W118° 40.4643'
14	400'	N34° 24.8994'	W118° 40.3360'
15	400'	N34° 24.7104'	W118° 40.3360'
16	400'	N34° 24.7228'	W118° 40.2300'
17	400'	N34° 24.7301'	W118° 40.1520'
18	400'	N34° 24.7402'	W118° 40.0741'
19	400'	N34° 24.7524'	W118° 39.9959'
20	400'	N34° 24.7771'	W118° 39.9185'
21	450'	N34° 24.8000'	W118° 40.5005'
22	450'	N34° 24.8282'	W118° 40.4182'
23	450'	N34° 24.8423'	W118° 40.3291'
24	450'	N34° 24.8530'	W118° 40.2405'
25	450'	N34° 24.8681'	W118° 40.1523'
26	450'	N34° 24.8787'	W118° 40.0641'
27	450'	N34° 24.8943'	W118° 39.9763'
28	450'	N34° 24.7115'	W118° 39.8882'
29	500'	N34° 24.5312'	W118° 40.4573'
30	500'	N34° 24.5348'	W118° 40.3365'
31	500'	N34° 24.5782'	W118° 40.2756'
32	500'	N34° 24.5911'	W118° 40.1780'
33	500'	N34° 24.6039'	W118° 40.0806'
34	500'	N34° 24.6183'	W118° 39.9830'
35	600'	N34° 24.6321'	W118° 40.4040'
36	600'	N34° 24.6346'	W118° 40.3353'
37	600'	N34° 24.6495'	W118° 40.1718'
38	600'	N34° 24.5185'	W118° 40.0505'
39	600'	N34° 24.5336'	W118° 39.9346'
40	700'	N34° 24.5385'	W118° 40.3424'
41	700'	N34° 24.5440'	W118° 40.2042'
42	700'	N34° 24.6182'	W118° 40.0596'
43	700'	N34° 24.6300'	W118° 39.9552'
44	700'	N34° 24.6454'	W118° 39.8159'
45	800'	N34° 24.2300'	W118° 40.2612'
46	800'	N34° 24.2488'	W118° 40.0940'
Mc. Chen	1200'	N34° 24.2826'	W118° 39.8886'
ThamesE	500' x 1000'	N34° 24.6871'	W118° 39.8197'
ThamesW		N34° 24.6864'	W118° 39.8159'
ThamesSW		N34° 24.5059'	W118° 39.8609'
ThamesSE		N34° 24.5285'	W118° 39.7852'

SCALE: NOTED
 FACTOR: VERT. N/A, HOR. N/A
 CITY OF SANTA BARBARA
 WATERFRONT DEPARTMENT - FACILITIES DIVISION
 East Beach Mooring
 Lottery Map & Surveyed Dive Locations
 Waterfront Department
 PROJECT NO. 5003-014
 SHEET NO. 3 OF 3
 DATE: 7/19/04
 DRAWN BY: M. KROENHORN
 CHECKED BY: M. KROENHORN
 APPROVED BY:

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SANTA BARBARA ESTABLISHING RULES AND
REGULATIONS FOR ISSUING MOORING PERMITS IN
THE CITY OF SANTA BARBARA MOORING AREA,
SETTING MINIMUM SPECIFICATIONS FOR INSTALLING,
INSPECTING AND REPAIRING SUCH MOORINGS AND
REPEALING RESOLUTION NO. 09-075

WHEREAS, the Santa Barbara Mooring Area is established in Santa Barbara Municipal Code Chapter 17.20;

WHEREAS, the Santa Barbara Mooring Area, as established in Santa Barbara Municipal Code Chapter 17.20, requires that all vessels moored within the area possess mooring permits;

WHEREAS, the rules and regulations for Mooring Permits issued for Mooring Sites within the Santa Barbara Mooring Area are set forth herein;

WHEREAS, pursuant to SBMC Chapter 17.20 mooring permits for available Mooring Sites within the Santa Barbara Mooring Area are issued by the Waterfront Department pursuant to a lottery process;

WHEREAS, the City procedure for conducting the mooring lotteries and assigning Mooring Permits are set forth herein;

WHEREAS, in order to implement the Santa Barbara Mooring Area, procedures and policies which include the intent to protect the natural environment of the Mooring Area and assets of the City and to ensure safe navigation, minimum Ground Tackle Specifications are appropriate;

WHEREAS, the issuance and renewal of Mooring permits to individuals for Moorings in the Santa Barbara Mooring Area requires the adherence to rules and regulations for installing, inspecting and repairing Moorings in the Santa Barbara Mooring Area;

WHEREAS, SBMC Section 17.20.255 of the Santa Barbara Municipal Code describes requirements for installation, inspection and repair of Moorings in the Santa Barbara Mooring Area;

WHEREAS, SBMC Section 17.20.255 declares that the installation, inspection, and repair of Moorings in the Santa Barbara Mooring Area shall be conducted only by contractors on the City Approved Mooring Inspectors List; and

WHEREAS, the Waterfront Director may, from time to time, amend the list of City Approved Mooring Inspectors to facilitate fair, orderly and equitable administration of the Santa Barbara Mooring Area.

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

Section 1. Establishing Rules and Regulations for Mooring Permits in the Santa Barbara Mooring Area.

A. LOTTERY FOR THE OFFER OF MOORING PERMITS IN THE SANTA BARBARA MOORING AREA

Mooring Permits in the Santa Barbara Mooring Area shall be allocated to applicants by lottery according to rankings created pursuant to the following procedures. Mooring Permits (except for Special Activity Mooring Permits issued by the Waterfront Director) in the Santa Barbara Mooring Area shall be offered for assignment as established herein. The Waterfront Director shall assign Mooring Sites to ranked Lottery applicants, taking into consideration size and type (power or sail) of the vessel, as well as any other information or vessel specifications pertinent to the assignment and the overall orderliness and safety of the Santa Barbara Mooring Area.

1. Lottery Participation Request. To participate in a lottery for assignment of a Mooring Permit in the Santa Barbara Mooring Area, an applicant must submit a completed Lottery Participation Request form to the Waterfront Department. Lottery Participation Request forms shall be submitted to and received by the Waterfront Department within a designated time period that shall conclude no later than two (2) weeks prior to the Harbor Commission hearing scheduled for the lottery drawing. The opening date and duration of the time period for submission of Lottery Participation Requests to the Waterfront Department shall be publicly noticed and shall be posted at the Waterfront Department. During this time period, Lottery Participation Request forms may be obtained from the Waterfront Department during normal business hours. An individual may submit only one Lottery Participation Request. At the conclusion of the time period for accepting Lottery Participation Requests, the Waterfront Department shall place all completed Lottery Participation Requests in a sealed folder ("Request Folder").

2. Lottery Formation. A lottery shall be conducted by a drawing of Lottery Participation Requests from the Request Folder by the Harbor Commission Chair during a scheduled public hearing. At the hearing, the Harbor Commission Chair shall draw, by lot, and rank all Lottery Participation Requests for the purpose of assigning Mooring Sites in the Santa Barbara Mooring Area.

3. Lottery Ranking. The Commission Chair shall rank the Lottery Participation Requests according to the order in which each Lottery Participation Request is drawn from the Request Folder. The first applicant whose Lottery Participation Request is drawn from the Request Folder shall be ranked number one. The second applicant whose Lottery Participation Request is drawn from the Request Folder shall be ranked number two and so on until all Lottery Participation Requests are ranked. The Waterfront Director shall mail to each participant a notice of each participant's ranking and a description of the number and size of available Mooring Sites intended for assignment from that lottery.

4. Application. The Waterfront Director shall mail a Mooring Permit Application and a copy of the Minimum Ground Tackle Specifications to prospective Mooring Permittees whose lottery ranking corresponds to assignment opportunities in the Santa Barbara Mooring Area. The Mooring Permit Application shall be returned to the Waterfront Department within fourteen (14) days of the date that the Waterfront Director mails notification of Mooring Site availability. A complete application for a Mooring Permit shall contain, in addition to other information as may be requested by the Waterfront Department, a non-refundable fifty dollar (\$50) Application Fee, general description of the size and type of vessel proposed to occupy a Mooring Site in the Santa Barbara Mooring Area. Should an applicant fail to timely submit a completed application or fail to perform obligations necessary to secure an approved Mooring Permit, the next highest ranking Lottery Participant shall be mailed notice of an offer for Mooring Site assignment. This process shall continue until available Mooring Permits are assigned and approved by the Waterfront Director, or all Lottery Participation Requests from that lottery have been exhausted. Should the number of Lottery Participation Requests exceed the number of Mooring Permits assigned, the excess Lottery Participation Requests not offered assignment shall be discarded.

~~5. Grandfather Lottery. An initial lottery, held pursuant to procedures outlined in this section, shall be restricted to individuals who, according to Waterfront Department records, utilized the East Beach anchorage, including establishing presence of a vessel, during a designated window period of November 2, 2005 through March 1, 2006. In addition, any individual holding a valid, approved, non-discontinued U.S. Coast Guard Private Aids to Navigation permit for establishment of a mooring buoy East of Stearns Wharf as of April 19, 2006 shall be included in the Grandfather Lottery. To be eligible under this provision, the permittee must provide proof of a valid U.S. Coast Guard Private Aids to Navigation Permit to the Waterfront Director no later than 5:00 p.m. on May 15, 2006. If the total number of Mooring Permits assigned from the Grandfather Lottery equals thirty (30) or fewer, a subsequent lottery will be held pursuant to procedures outlined in this Resolution.~~

65. Subsequent Lottery Timing of Lotteries. Anytime the total number of Mooring Permits assigned in the Santa Barbara Mooring Area declines to thirty (30) or fewer, a lottery ~~shall~~ may be held following procedures established herein. These subsequent lotteries shall be open to the general public. Such lotteries shall be conducted at the discretion of the Waterfront Director and no more frequently than one year apart.

B. OFFER, ACCEPTANCE AND RENEWAL OF MOORING PERMITS

1. General. A permit to moor a vessel in the Santa Barbara Mooring Area shall be offered, in order, to each individual ranked during the lottery process described herein, within 30 days of the Lottery, up to a total number of offers determined by the Waterfront Director.

2. Permit Offers. Mooring Permit offers shall be sent by U.S. Certified Mail, to the individual's address indicated on the Lottery Participation Request form. The individual offered a Mooring Permit shall have 14 calendar days from the date of mailing to respond in person or by mail by returning a completed application indicating their intention to accept or decline the offer. Late postmarks shall not be accepted.

3. Accepted Offers. If an offer is accepted, the prospective mooring permittee shall have 90 days to place a vessel of approved size on the Mooring Site, provide vessel ownership documentation consisting of applicable Department of Motor Vehicle registration or Coast Guard documentation, pay all remaining fees due, and prove compliance with Minimum Ground Tackle Specifications as established by City Council Resolution.

4. Declined Offers. If an offer is declined or not returned to the Waterfront Department in a timely fashion, that individual's name shall be removed from consideration for assignment in that lottery.

5. Permit Duration. Permits shall be offered for a period of one year, from ~~the date of issuance.~~

6. Permit renewal. Permits may be renewed annually, dependent upon compliance with all Mooring Permit Rules and Regulations and the Minimum Ground Tackle Specifications. Failure to meet these requirements is grounds for permit termination as described herein.

7. Non-Transferable. Mooring Permits are not transferable or inheritable.

C. ISSUANCE OF MOORING PERMIT.

1. Issuance. Mooring Permits issued by the Waterfront Director shall be issued for designated Mooring Sites. The Waterfront Director shall have full and absolute discretion to designate Mooring Sites to Permittees. The Waterfront Director may base a determination regarding the designation of Mooring Sites on criteria including size and type of vessel ~~(power or sail)~~, and any other information or vessel specifications pertinent to the assignment and the overall orderliness and safety of the Santa Barbara Mooring Area. Mooring Permits may be issued upon satisfactory completion of the Mooring installation by the City Approved Mooring Inspector.

2. Relocation. The Waterfront Director may relocate vessels to other Mooring Sites within the Santa Barbara Mooring Area in the interest of safety, space limitations, traffic, and reduction of risk due to fire, sinking, breakaway or collision. The Waterfront Department shall pay the reasonable costs to relocate a vessel and Mooring to an alternate Mooring Site if such relocation is required by the Waterfront Director. If such relocation is made at the request of a Permittee, the Permittee shall bear all Mooring and vessel relocation costs.

3. Mooring Permits shall be issued for Identified vessels only as follows:

a. Mooring Permit shall be issued only for a specifically designated vessel owned by the Mooring Permittee. Proof of ownership of the designated vessel must be supplied to the Waterfront Director at the time of Mooring Permit assignment and annually thereafter at each Mooring Permit renewal in the form of a current California Department of Motor Vehicles Registration or United States Coast Guard Document.

b. If a vessel designated ~~on to~~ a Mooring Permit is sold, destroyed or ruined by accident, damage, fire, sinking or other casualty, the Mooring Permittee may be allowed to place a replacement vessel owned by the Mooring Permittee, as such ownership is demonstrated as required herein, in the Mooring Site. Such replacement vessel shall comply with size restrictions determined by the Waterfront Director as appropriate for vessels assigned to the Mooring Site receiving the replacement vessel. Upon approval by the Waterfront Director, a Mooring Permit describing the replacement vessel shall be issued for the remaining term of the existing Mooring Permit. If an approved replacement vessel is not procured within ~~one hundred twenty (120) ninety (90)~~ days of the date that the designated vessel is removed from the Mooring Site, either by sale or casualty, the Mooring Permit shall terminate as provided herein.

4. Vessel Size.

a. All designated vessels assigned to a Mooring Site shall be a minimum of twenty (20) feet in length without bow sprit, bumpkin, pulpit, swimstep or other such appurtenance.

b. No Dinghy assigned to the Mooring Site shall exceed thirteen (13) feet without express permission of the Waterfront Director.

D. TERMINATION OF MOORING PERMIT.

1. Either party may terminate the Mooring Permit for any reason by giving thirty (30) days prior written notice to the other party.

2. The Mooring Permit may be terminated by the Waterfront Director without prior notice to the Permittee upon the occurrence of one or more of the events described below:

a. failure to pay when due Mooring Permit fees. No termination shall occur for this reason unless the fee is thirty (30) days past due;

b. failure to meet the Minimum Ground Tackle Specifications upon installation or annual inspection, or failure to complete required corrections;

c. failure to submit to the Waterfront Director a timely Mooring Inspection Report;

d. failure to maintain a vessel assigned to a Mooring Site in an Operable condition, as defined in Section 17.04.010 of the Santa Barbara Municipal Code;

e. failure to maintain the Mooring in a manner that is not detrimental to the use, operation or development of the waters of the City of Santa Barbara or does not pose a hazard to navigation;

f. failure or refusal of the Mooring Permittee to allow an inspection of the vessel, Mooring, or both to determine if the vessel is Operable or the Mooring meets the Minimum Ground Tackle Specifications;

g. rental, lease, sublease, or loan of a Mooring Site;

h. failure or refusal to relocate a Mooring, vessel, or both back to an appropriate Mooring Site within ~~three-fourteen~~ (314) days of notification by the Waterfront Director that the vessel, Mooring, or both have migrated off station;

i. use of the Mooring Site for commercial purposes, unless approved by the Waterfront Director;

j. violation of any condition of the Mooring Permit, any provision of Title 17 of the Santa Barbara Municipal Code or any resolution adopted by the City Council.

k. Allowing alterations or repairs to mooring equipment by persons or companies not listed on the Waterfront Department's list of Approved Mooring Inspectors.

3. Removal of Mooring and vessel from Mooring Site.

a. Termination under section D 1. Upon termination of a Mooring Permit due to a termination under Section D 1 or expiration of the permit, it shall be the duty of the Permittee to remove all Ground Tackle and the moored vessel within ~~ten~~ fourteen (4014) days from the date the Mooring Permit terminates or expires. If the Mooring is not removed within this time, title to the Mooring shall vest in the City. The City may, thereafter, remove and sell or dispose of the Mooring and recover the removal, storage or disposal costs from the Mooring Permittee. If the Mooring Permittee fails to pay such cost, the Waterfront Director may collect such costs in any court of competent jurisdiction or may recover any costs from the proceeds of sale of the Mooring. Vessels not removed from the Mooring Site within ~~ten-fourteen~~ (4014) days from the date the Mooring Permit terminates or expires shall be impounded by the City and subject to storage fees, disposal or lien sale proceedings as provided by law.

b. Termination under section D 2. The Waterfront Director shall notify the Mooring Permittee of the Mooring Permit termination by any reasonable means available and the Permittee shall remove the vessel and the Mooring from the Mooring Site within ~~three-fourteen~~ (314) days of the Waterfront Director's notification. If the Mooring and/or vessel are not removed within this time, title to the Mooring shall vest in the City. The City may, thereafter, remove and sell or dispose of the Mooring and recover the removal, storage or disposal costs from the Mooring Permittee. If the Mooring Permittee fails to pay such cost, the Waterfront Director may collect such costs in any court of competent jurisdiction or may recover any costs from the proceeds of sale of the Mooring. Vessels not removed from the Mooring Site within ~~three-fourteen~~ (314) days from the date the Mooring Permit terminates shall be impounded by the City and subject to storage fees, disposal or lien sale proceedings as provided by law.

4. Request for waiver or appeal of Mooring Permit Termination. A waiver or appeal of a Mooring Permit termination may be made or filed by a Mooring Permittee according to the procedures set forth in SBMC Section 17.20.255 C. 5.

E. MOORING POSITION

1. Vessel Securely Moored. Any vessel moored in a Mooring Site within the City of Santa Barbara Mooring Area shall be firmly secured to a Mooring in such a manner as to prevent the vessel from drifting, dragging or otherwise moving off the Mooring Site.

2. Migration of Vessel or Mooring. Any vessel or Mooring that migrates off station shall be relocated to the Mooring Site within ~~three-fourteen~~ (314) days of the date that the Mooring Permittee is notified by the Waterfront Director that the vessel or Mooring has migrated. The relocation of the Mooring shall be undertaken only by a City Approved Mooring Inspector. Costs of relocating a Mooring, vessel, or both, that has migrated off station from a Mooring Site shall be borne in full by the Mooring Permittee.

Section 2. City Approved Mooring Inspectors. City Approved Mooring Inspector. The Waterfront Department shall maintain a list of inspectors who are approved to install, inspect and repair Moorings in the Santa Barbara Mooring Area. Mooring Permittees may select only those inspectors on the list of City Approved Mooring Inspectors to perform Mooring installations, inspections and repairs.

Section 3. Minimum Ground Tackle Specifications.

1. Ground Tackle Specifications. All Moorings permitted and installed in the Santa Barbara Mooring Area shall comply with Minimum Ground Tackle Specifications attached hereto in Attachment A and incorporated herein by this reference.

2. Mooring Installation. An inspector selected from the City Approved Mooring Inspector list shall be the only entity approved to install Moorings in the Santa Barbara Mooring Area. The installation shall be at the Mooring Permittee's sole cost and expense. The Mooring Inspector shall submit written specifications of the Mooring installation on a City-supplied Mooring Inspection Report within ~~ten-fourteen~~ (140) days of the installation.

3. Mooring Inspection. An inspector selected from the City Approved Mooring Inspector list shall be the only entity approved to inspect Moorings in the Santa Barbara Mooring Area. Moorings shall be inspected upon installation at the Mooring Site and, except as provided below, annually thereafter in August or September to confirm continued compliance with City-approved Minimum Ground Tackle Specifications. Any mooring initially deployed in May, June or July may delay its next annual inspection after deployment until August or September of the following year.

All inspections shall be at the Mooring Permittee's sole cost and expense. The Mooring Inspector shall submit written results of the inspection on a Mooring Inspection Report within ten (10) days of completion of the inspection.

4. Mooring Repairs. Any and all repairs recommended in the Mooring Inspection Report shall be completed by the City Approved Mooring Inspector at the Mooring Permittee's sole cost and expense and verified by the Mooring Inspector by the time the Mooring Inspection Report is submitted to the Waterfront Director. The Mooring Permit shall terminate if repairs recommended in the Mooring Inspection Report are not completed and the Mooring Inspection Report is not submitted within ~~ten~~ fourteen (~~10~~14) days of the inspection and subsequently approved by the Waterfront Director.

5. Additional Inspection at Request of Waterfront Director. The Waterfront Director may require additional inspections of a Mooring anytime she or he deems such inspection necessary to assess the Mooring's compliance with the Minimum Ground Tackle Specifications. If following an inspection by a City Approved Mooring Inspector the Mooring is deemed compliant with Minimum Ground Tackle Specifications described in Attachment A, costs for said inspection shall be paid by the City. If the Mooring is deemed non-compliant, all costs for raising, inspecting, repairing and re-installing the Mooring as described and required herein shall be paid by the Mooring Permittee. All repairs necessitated by the inspection, as described in a Mooring Inspection Report, shall be undertaken within the time set forth herein. The Mooring Permit shall terminate if repairs recommended in the Mooring Inspection Report are not completed within the time set forth herein.

6. Mooring Inspections; Method. All Mooring inspections shall be conducted by raising the Mooring and inspecting its entirety out of the water unless another method is approved by the Waterfront Director.

7. Minimum Ground Tackle Specifications. The Minimum Ground Tackle Specifications described in Attachment A may be amended from time to time by the Waterfront Director.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012

TO: Mayor and Councilmembers

FROM: Environmental Services, Finance Department

SUBJECT: Exclusive Right To Negotiate Agreement With MarBorg Industries

RECOMMENDATION:

That Council approve a 180 day Exclusive Right to Negotiate Agreement between the City and MarBorg Industries for a possible Citywide Solid Waste Franchise.

DISCUSSION:

Agreement

Since 2003, the City has had two “zones” for solid waste collection and disposal in the business, multi-family residential, and single family residential sectors, each zone representing approximately half of the City. These are the two largest contracts the City has with a private company. Collectively, these contracts are worth almost \$16 million per year to the hauler(s). The cost of these services is funded entirely through the solid waste rates that the City charges to its residents and businesses.

The current hauler for both zones is MarBorg Industries (“MarBorg”). The contracts for both zones expire in June 2013, however MarBorg has two 5-year options in the contract for Zone Two that will allow it to continue to provide service in Zone Two until June 2023.

On December 13, 2011, Council authorized the Finance Director to enter into exclusive negotiations with MarBorg Industries for a new Citywide Solid Waste Franchise Agreement contingent on MarBorg’s written agreement, in a form acceptable to the City attorney, to do the following:

1. Provide the City with an option to extend the term of the current franchise agreement for an additional year should agreement not be reached before June 30, 2012;

2. Provide a deposit to cover the City's costs for HF&H's consultant services related to the franchise renewal process, up to a maximum of \$120,200; and
3. Provide City staff with access to all available financial information about the City's franchise zones, including, but not limited to, MarBorg's operations, revenues, costs, and profits.

The Exclusive Right to Negotiate Agreement presented for approval here, signed by MarBorg, includes the terms outlined by the City Council. As part of the Exclusive Right to Negotiate Agreement, MarBorg has agreed up front that a new agreement will include many covenants, such as restrictions transfer and sale of MarBorg's C&D facility, that were secured from MarBorg in 2003 in consideration for the two 5-year options included in its current franchise agreement for Zone Two.

Negotiations

Although HF&H and staff believe that the proposal received from MarBorg can and should be improved upon through further negotiations, the MarBorg proposal will provide a starting point to begin those negotiations. Some key issues for negotiation follow:

- **Overall Hauler Compensation:** Competitive procurements generally lead to a "sharpening of the pencil;" yet, according to HF&H, MarBorg's proposal would actually slightly increase hauler revenues. Staff will seek overall compensation payable to MarBorg that better reflects the following: cost efficiencies achieved through the consolidation of the two City zones under one hauler and through MarBorg's increased regional presence; potential hauler cost reductions from customer migration to curbside service; a hauler profit margin reasonably similar to what might be achieved in a competitive procurement process; and an adjustment to reflect the lingering effect of the economic downturn on the business sector, which led to a negotiated concession from MarBorg and Allied Waste in Fiscal Year 2012.
- **Rate Structure:** *[Note: This is a separate issue from the overall hauler compensation, since equivalent levels of hauler compensation can be achieved whether using the current rate structure, the proposed rate structure, or some alternative.]* The rate restructuring proposed by MarBorg would reduce many of the financial incentives for diversion in the business and multi-family residential sectors. It would also provide single family residential rate reductions by increasing overall rates to the other sectors, primarily businesses. Staff will explore this proposal further with MarBorg. However, absent convincing evidence of the need for such restructuring, and enforceable assurances that City diversion rates would not be negatively affected, staff will renegotiate the rate structure to maintain current diversion incentives and current proportional revenue across the business and residential sectors.

- **City Fees and Compensation**: The proposal did not accurately reflect City imposed fees included in rates, so these will need to be resolved. The solid waste fund would lose approximately \$406,000 per year that is needed for operations under the initial proposal. Staff will endeavor to maintain existing City fee levels and funding for Looking Good Santa Barbara and public education. Staff will also endeavor to maintain or improve current levels of hauler service to City facilities.
- **Diversion Commitments**: Under best industry practices, we would expect to see increasing diversion commitments and diversion guarantees to help the City keep pace with increasing State Mandates. Staff will work to ensure these commitments from MarBorg.

The Exclusive Right to Negotiate Agreement contains a list of specific negotiations points, some of which are related to the key issues listed above.

Next Steps

Assuming an agreement is reached, staff would return to Council with a resolution of intent to award the franchise to MarBorg which would include the full terms of the proposed agreement. No sooner than 20 days later, as required by Article XIV of the City Charter, Council would need to hold a public hearing on the proposed franchise award. This would allow the public to weigh in on any changes. It would also provide any other interested hauler the opportunity to comment and express interest in presenting a competing proposal. Following the public hearing, the Council could approve the proposed franchise agreement or decide to pursue the other alternatives.

ATTACHMENT: Exclusive Right to Negotiate

PREPARED BY: Kristy Schmidt, Employee Relations Manager
Matt Fore, Environmental Services Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

ATTACHMENT

**MEMORANDUM OF UNDERSTANDING BY AND
BETWEEN THE CITY OF SANTA BARBARA AND
MARBORG INDUSTRIES, INC., CONCERNING THE
NEGOTIATION OF A MUNICIPAL SOLID WASTE
FRANCHISE FOR THE CITY OF SANTA BARBARA.**

FEBRUARY 2012

THIS MEMORANDUM OF UNDERSTANDING is made as of this 28th day of February 2012 by and between the City of Santa Barbara (hereinafter the “City”) a charter city municipal corporation created and authorized by Article XI, Section 5 of the California Constitution, having its office at 735 Anacapa Street, Santa Barbara, California and the MarBorg Industries, Inc., of Santa Barbara County, a California corporation, hereinafter referred to as “MarBorg ”, located at 728 Yanonali Street Santa Barbara, California.

City and MarBorg understand and acknowledge the following information and facts form the basis of this Memorandum of Understanding (“MOU”) and the premises upon which this MOU is entered into and upon which negotiations between the City and MarBorg will occur:

BACKGROUND AND RECITALS

1. Since 2003, the City has had two geographic “zones” for franchising the collection and proper disposal of municipal solid waste (hereinafter “MSW”) in the business, multi-family residential, and single family residential sectors of the city of Santa Barbara. The cost of this franchise service is funded entirely through the solid waste rates which the City charges to its residents and businesses.

2. On November 23, 2010, City staff recommended to the City Council that the City initiate a competitive Request for Proposal process (“RFP”) for a franchise covering the MSW collection services in Zone One because the City’s franchise contract with Allied Waste Services of North America, LLC (“Allied”) was set to expire on June 7, 2013. Only Zone One was to be included in this process because MarBorg, the franchise hauler for MSW Zone Two, has an existing franchise which allows it the option to continue Zone Two services until June 2023.

3. Subsequently, Allied agreed to assign its Santa Barbara Zone One MSW franchise to MarBorg. On July 12, 2011, Council approved the assignment of the Zone One agreement to MarBorg, consolidating the City’s solid waste operations under one franchise MSW hauler.

4. The City Council authorized a professional services contract to HF&H Consultants, LLC (HF&H) to provide assistance to City staff and the Council during the Zone One franchise renewal process. The City Council initially delegated responsibility to the Sustainability Committee to assist City staff and HF&H in the franchise renewal process, and later formed a Zone One Solid Waste Franchise Ad Hoc Subcommittee of the Council to assume this function.

5. At the time the City approved the assignment of the Zone One franchise to MarBorg in July 2011, the City Council also invited MarBorg to submit a preliminary proposal to the City for new franchise agreement applicable to Zone One. The objective of the evaluation was to determine whether or not the City should continue to move forward with an open competitive RFP process for Zone One or suspend that process and enter into a period of exclusive negotiations with MarBorg to continue to provide service to both zones.

6. MarBorg’s proposal (the “proposal”) was received by the City on September 12, 2011 and following an evaluation of the proposal by the Council subcommittee, the City Environmental Services staff and HF&H, staff determined that the MarBorg proposal represented an appropriate starting point from which to begin negotiations with MarBorg for a possible Citywide franchise agreement (i.e., covering both Zone One and Zone Two of the City). On December 13, 2011, at the

recommendation of staff, the Council directed that Zone One RFP process be suspended and that the City enter into a period of exclusive negotiations with MarBorg for a possible Citywide franchise agreement, subject to certain pre-set conditions, with the goal of achieving the best franchise terms possible for City residents and businesses.

7. As a result, the reason for this MOU is to document an agreement between the City and MarBorg to enter into a period of exclusive negotiations over the terms of a possible long-term City MSW franchise between MarBorg and the City covering the collection and disposal of MSW within the entire City of Santa Barbara. In addition, this MOU is to assist the City and MarBorg by summarizing the general terms being offered by MarBorg for such a franchise and to identify any questions, franchise terms or other matters which either MarBorg or the City believes should be discussed, addressed and possibly resolved during this period of exclusive negotiations.

IT IS MUTUALLY UNDERSTOOD BETWEEN MARBORG AND THE CITY AS FOLLOWS:

I. PURPOSE OF THE MEMORANDUM.

The purpose of this memorandum is to assist the City and MarBorg in establishing a period of exclusive negotiations between the City and MarBorg to meet and consider the drafting, review and due consideration of a possible City and MarBorg franchise for the collection and disposal of Municipal Solid Waste within the City of Santa Barbara all in accordance with the needs of the City and the MarBorg proposal for such a franchise as received by the City on September 12, 2011 and as summarized in Section III (C) and (D) hereof.

II. INTERPRETATION OF MEMORANDUM.

- A.** This Memorandum has been prepared only to aid the City and MarBorg in understanding certain aspects of a September 2011 MarBorg franchise proposal such that the City and MarBorg may determine whether those aspects of the proposal are consistent with the long-term needs of the City for the collection and disposal of MSW. It is also intended to allow the City and MarBorg to address those issues, business terms, and other concerns which have manifested themselves to date concerning a possible long-term City MSW franchise and which should be discussed and resolved, if possible, prior to the time City staff submits a formal franchise agreement to the City Council and before the City and MarBorg execute a binding MSW franchise under Article 14 of the City charter.
- B.** This Memorandum has been prepared and reviewed by the City Finance and Environmental Services staff and by the Santa Barbara City Attorney and by MarBorg staff and their representatives and legal counsel so that it accurately sets forth the underlying and contingent components of the proposed MSW franchise between the City and MarBorg.
- C.** Except as otherwise specifically and expressly indicated herein with respect to MarBorg and the City entering into a 180 day period of exclusive negotiations over the terms of an MSW franchise covering the entire City, this MOU is not intended to be contractual in nature and, thus, is not intended to bind the parties. It is intended only to form the basis upon which the City and MarBorg will regularly meet to negotiate with each other over the written terms of a City-wide MSW franchise. The fact that any particular component of a possible franchise

is not addressed in this Memorandum does not infer its deletion as a subject of negotiation with respect to the proposed future franchise.

- D. The Memorandum is also intended to represent a good faith best effort by both the City staff and MarBorg staff to establish the basis upon which they will conduct these franchise negotiations and to provide the necessary information with respect to the proposed franchise. Its purpose, if possible, is to ultimately lead to the negotiation of a mutually beneficial and acceptable franchise and related agreements which will legally bind the City and MarBorg, in accordance with the franchising requirements of the City charter, or to the determination by either the City or MarBorg that further negotiations towards that end will not be appropriate or warranted.
- E. In any case, except as provided in Sections IV, V, and VI hereof, City and MarBorg expressly acknowledge that neither party will be contractually bound to any specific element of the MarBorg September 2011 franchise proposal or with respect to franchise terms proposed by City staff unless and until the final negotiation, public review and approval, and execution of a franchise agreement by the legally authorized representatives of MarBorg and by the City Council of the City of Santa Barbara in the manner required by the City charter.

III. AGREEMENT TO NEGOTIATE A POSSIBLE MSW FRANCHISE FOR POSSIBLE APPROVAL BY THE CITY COUNCIL AND BY MARBORG.

- A. **Period of Exclusive Negotiations.** The City (acting by and through its Finance and Environmental Services staff and City Attorney's office) and MarBorg agree that, for a period of One Hundred Eighty (180) days after the date of the execution of this MOU and the City's receipt of the deposit required by Section IV(A) hereof, representatives of MarBorg and the City will regularly meet and negotiate as part of a good faith effort to prepare a draft MSW franchise agreement between the City and MarBorg regarding the collection and proper disposal of municipal solid waste within the City. This is in anticipation that such a proposed franchise agreement will be presented to the Santa Barbara City Council for its approval as required by the City Charter, state law, and the governing rules and regulations and the practices of the City. The franchise, if duly approved and executed, is intended to be a contractual instrument governing the rights and obligations between the City and MarBorg and, if duly approved by both MarBorg and the City, it will expressly supersede this Memorandum.
- B. **Designation of Members of the City and MarBorg Negotiation Teams.** Within 10 days of the execution of this MOU, both the City Administrator and the chief executive officer of MarBorg agree to advise each other in writing regarding those persons who are authorized to meet and negotiate the terms of a possible MSW franchise between the City and MarBorg. At least 48 hours notice will be provided to the other party before bringing substitute negotiators or other outside parties to negotiations meetings. Both the City and MarBorg agree that all communications initiated with the other party with respect to these franchise negotiation shall occur between the members of the designated negotiation teams exclusively, unless the City or MarBorg specifically authorizes direct communication with its other representatives.

C. Base for Negotiations. The parties agree that the following existing assurances and covenants from MarBorg provided in consideration of the grant of the two five-year options to extend the term of the agreement between the City and MarBorg for Zone Two of the City (Agreement No. 20433.2, dated as of September 30, 2004) shall be included in the new franchise agreement, with appropriate updates of monetary amounts: 1. Section 3.17 Construction and Operation of the MarBorg Recycling Facility; 2. Section 12.12 “Rates not to Exceed Comparable Localities;” 3. Section 14.01 “Restrictions on Assignment;” and 4. Section 14.02 “Binding on Successors.”

The following terms, based on MarBorg’s Proposal dated September 12, 2011, are generally acceptable to the City and will be assumed to be incorporated into the new franchise agreement in a manner substantially consistent with MarBorg’s Proposal, subject to the parties reaching consensus on an overall package of Franchise terms:

- Both Zone One and Zone Two will be included in single franchise;
- The term of the Agreement will be ten years from the date MarBorg commences services under the new Franchise, or June 7, 2023, whichever is later;
- There will be no CPI increase to rates and hauler compensation in July 2012;
- All collection Citywide will initially be provided on a semi-automated basis;
- If the City chooses to designate MarBorg to assume customer billing responsibility during the term of the agreement, MarBorg will cease paying the City the 5% billing fee, and there will be a resulting 5% reduction in the City’s MSW rates;
- There will be unlimited recycling, increased greenwaste capacity, and increased frequency of bulky item and white goods collection under the basic service rate in the single family residential sector;
- There will unlimited white goods collection for the basic service rate in the multi-family residential sector;
- Single family and multi-family residential service will include household battery and cell phone collection;
- Single family residential and multi-family residential service will include a medical sharps (syringe) mail-in disposal program;
- There will be extra material collection for single family and multi-family accounts during the two weeks following Christmas;
- MarBorg may limit bulky item collection to Wednesdays;
- MarBorg may collect trash, recyclables, food waste and greenwaste on the same day of the week;
- MarBorg will convert its entire fleet to compressed natural gas (CNG) by 2015;
- MarBorg will provide color coded trash containers for all cart and can customers within the first year;
- City departments will receive food waste service at 70 events per year;
- Single family residential rates will no longer include a premium for slope or roll-over distance;
- Multi-family residential dumpster rental will be included in the service rates and not charged separately;
- Businesses will no longer receive a discount for providing their own dumpsters.

D. Basic Franchise Terms to Be Negotiated and Incorporated into a Written Franchise Agreement. The City and MarBorg shall endeavor to reach a potentially binding and written consensus with respect to the following terms for incorporation of such a consensus into a proposed franchise agreement to be submitted to the City Council.

- Compensation to MarBorg under the franchise;
- City fees and the basis of calculation of such fees;
- Proposed changes to the existing division of total revenue between the single family, multi-family, and business sectors;
- Proposed changes to rate incentives for diversion (discounts as compared to trash) in the business and multi-family residential sectors;
- Other changes proposed by MarBorg to the existing rate structure;
- MarBorg's funding for the Looking Good Santa Barbara program;
- MarBorg's funding for the City's Public Education programs;
- Level of discount for curbside service in the single family residential sector;
- Number of bulky item collections per multi-unit family residential account, and the process for scheduling collection;
- Process for scheduling multi-unit family residential account white goods collection;
- Franchise diversion guarantees from MarBorg and liquidated damages;
- Sorting franchise loads at MarBorg's C&D facility;
- Revenues from the sale of comingled recyclables;
- Process and rates for future implementation of a foodscraps program in multi-family and single family residential sectors;
- Implementation of fully automated service within the City and associated rate reductions;
- Types of containers used for semi-automated collection;
- Process for MarBorg or the City to request free or discounted service for customers;
- Annex Yard pick up by hauler and Annex Yard drop off service to C&D Facility;
- Updating the following terms of the existing agreement: Insurance coverage requirements;
- Setting a limit on the volume of trash for a SFR account;
- Revising the existing single family residential billing methodology to assign a rate to each container;
- Low income service rates;
- Reopener on issues related to conversion technology facility;
- Updating contractual dollar amount (performance bond and insurance requirements, liquidated damages, assignment fees, etc.)

Additionally, administrative changes will be made to the base agreement to make it consistent with current law and established practice, remove or update expired or outdated provision, and to improve the comprehensibility of the agreement. Attachments and Exhibits will be updated with current information.

This list is intended to be non-binding, providing a basis to begin negotiations.

- A. EXTENSION OF ZONE ONE FRANCHISE TERM.** If the City and MarBorg are not able to reach agreement during the period of exclusive negotiations established herein, MarBorg expressly agrees that it will continue to provide services to Zone One under the terms of the existing 2003-2013 Zone One Franchise Agreement for up to one additional year after the currently established Franchise termination date while City pursues a Request for Proposals and procurement process for the issuance of a new Franchise. If the City pursues a Request for Proposals and procurement process the City may, at its sole option and upon ninety (90) days written notice to MarBorg, extend the term of the Zone One Franchise Agreement by one year in order to ensure collection services are provided to its residents until the City completes the procurement process.
- B. PAYMENT OF CONSULTANT COSTS.** MarBorg expressly agrees to pay the City's costs for consultant expenses already incurred in connection with preparation for the franchise renewal process and evaluation of MarBorg's September 2011 proposal, and those consultant expenses that have been and will be incurred in the negotiation of the terms of a possible franchise agreement pursuant to the MOU. MarBorg's obligation in this respect shall cease upon the expiration or termination of this MOU, or when MarBorg commences services under a new Franchise, and shall be limited to a maximum of \$120,200. MarBorg shall post a deposit in this amount as provided herein.
- C. PROVISION.** MarBorg shall provide City with any and all information deemed necessary by staff to pursue negotiations, including but not limited all available information about costs and profits from the City's franchise zones.

IV. GENERAL MATTERS

- A. EFFECTIVE DATE OF MOU; POSTING OF DEPOSIT.** This MOU shall not take effect and shall not be binding on the City or MarBorg until MarBorg deposits the amount of \$120,200 with the City as the amount of reimbursement due to the City for consultant expenses incurred in connection with preparation for franchise renewal and evaluation of MarBorg's proposal already incurred, and for the negotiation of the terms of a possible franchise agreement. This deposit shall be non-refundable and is expressly not contingent on the City Council's approval of a proposed franchise agreement between the City and MarBorg. However, to the extent the City does not expend any portion of the deposit to reimburse the City for consultant costs actually incurred with the franchise negotiation process, such amounts shall be returned to MarBorg within ten (10) days of the termination of this MOU.
- B. POSTPONEMENT OF JULY 2012 CPI INCREASE:** MarBorg's proposal for a new franchise agreement includes a waiver of the July 2012 CPI adjustment for collection services provided for under the existing 2003-2013 Franchise Agreements for Zone One and Zone Two. Pending agreement between the parties on a new franchise agreement adopting this waiver, the City will notice the rate increase to customers, consistent with the requirements of law and City policy, with a notice that implementation of the increase may be affected by ongoing negotiations with MarBorg. No CPI rate increase will be implemented unless the City and MarBorg are not able to reach a new franchise agreement during the period of exclusive negotiations established herein.

If negotiations terminate on or before the 20th of June, 2012, the CPI increase will be effective on July 1, 2012. Thereafter, if negotiations terminate before the 20th of the month, the CPI increase will become on the first day of the first month following the termination of negotiations under this MOU and if negotiations terminate after the 20th of the month, the CPI increase will become effective the first day of the second month following the termination of negotiations.

V. TERMINATION.

Either City or MarBorg may elect to terminate further negotiations with respect to a MarBorg franchise at any time prior to the approval of a binding franchise agreement, if, in their sole discretion, they determine it advisable to do so and such a termination shall be without further obligation to the non-terminating party.

IN WITNESS WHEREOF, City and MARBORG have executed this MOU as of the day and year set above the signature of City

Date: _____, 2012

THE CITY OF SANTA BARBARA

APPROVED AS TO FORM
CITY ATTORNEY

By: _____
City Administrator

By: _____
Stephen P. Wiley

ATTEST:
CITY SECRETARY (seal)

By: _____
Deputy City Clerk

APPROVED AS TO CONTENT

By: _____
Finance Director

MARBORG IN SANTA BARBARA
COUNTY "MARBORG"

By: _____
Executive Director

By: _____
Secretary



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012

TO: Mayor and Councilmembers

FROM: Facilities Division, Public Works Department
Water Resources Division, Public Works Department

SUBJECT: Increase In Change Order Authority For The Design Of The El Estero Wastewater Treatment Plant Fats, Oil, And Grease Project

RECOMMENDATION:

That Council authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra design work for AECOM Technical Services, Inc., for the El Estero Wastewater Treatment Plant Fats, Oil, and Grease Project in the amount of \$14,027, for a total project expenditure authority of \$101,367.

DISCUSSION:

BACKGROUND

The original scope of work for the El Estero Wastewater Treatment Plant (El Estero) Fats, Oil, and Grease (FOG) Project (Project) consists of designing an injection system to divert FOG materials into El Estero's digesters, thereby reducing the truck trips currently required to haul the material long distances for disposal. Additionally, staff anticipates that the FOG Project will generate an increased amount of methane that can be used for co-generation of heat and electricity. This will result in a reduction of up to 17 metric tons of carbon dioxide-equivalent emissions annually.

On February 2, 2010, Council awarded the design contract to AECOM Technical Services, Inc. (AECOM) in the amount of \$59,400, plus a Change Order Authority of \$5,940, for a total contract amount of \$65,340. On July 13, 2010, Council approved an increase in Change Order Authority by \$22,000, for a total Change Order Authority of \$27,940 and a total contract amount of \$87,340. That change was requested to add redundancies to the design that would prevent down time in the system.

On November 22, 2011, Council approved the Contract for Construction for the FOG Project with Lash Construction, Inc., in the amount of \$572,500.

CURRENT STATUS

The proposed change order increase (see attached) would cover the design support services during construction. These services would include a pre-construction conference and job walk, up to nine (9) submittal reviews and up to four (4) requests for information, construction phase support onsite, and completing As-built drawings.

To design the Project to this updated scope, the Project Change Order Authority would need to be increased by \$14,027.

BUDGET/FINANCIAL INFORMATION:

Staff recommends that the Change Order Authority be increased by \$14,027, from \$27,940 to a total change order authority of \$41,967, to cover additional work identified in this report. If approved, the total Project expenditure authority will be increased to \$101,367.

There are sufficient appropriated funds in the Wastewater Capital Fund to cover the City's portion of the recommended extra work items.

ATTACHMENT: AECOM El Estero FOG Change Order Proposal

PREPARED BY: James Dewey, Facilities and Energy Manager/JW/mh
Christopher Toth, Wastewater System Manager

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

AECOM El Estero FOG Change Order Proposal

Scope of Services – El Estero WWTF FOG Pilot Project – Construction Phase Engineering Support

Our Scope of Work for Construction Phase Services is limited to the specific support tasks noted below, provided on a time and materials basis as directed by the City and according to the attached standard fee schedule. We have assumed that the City will be responsible for the overall management of the construction phase of the project. We have therefore not included comprehensive construction management as part of our scope. If unforeseen site conditions or quality concerns arise as construction proceeds, AECOM can perform additional support and site visits on an as-needed basis to assist with resolving issues and developing solutions in the field. Our fee for these services will not exceed \$14,027 without prior written approval from the City.

TASK 1.0 CONSTRUCTION PHASE ENGINEERING SUPPORT

1.1 Pre-Construction Conference and Job Walk

AECOM will attend a pre construction conference with the City and Contractor's team as they prepare to mobilize for the Project. As part of this effort AECOM will review the plans and specifications with the Contractor to facilitate the Contractor's understanding of the Project.

1.2 Submittal Review & Requests for Information (RFIs)

AECOM will review up to nine (9) submittals at the owner's direction for conformance with specifications. AECOM will provide these services on a time and materials basis at the direction of the City. During the construction phase, AECOM will respond to up to four (4) RFIs. We have assumed that the City's representative will receive and manage the incoming submittal and RFIs from the contractor.

1.3 Construction Phase Support

During the construction phase, AECOM will be onsite for four hours during the first day of field work, for four hours during one progress visit during construction, and for four hours for one final visit to evaluate the near completed facilities to evaluate general compliance and/or identify discrepancies and deficiencies in the work performed by the Contractor. The Contractor has sole responsibility for compliance with safety requirements.

1.4 As-Built Drawings

AECOM will review the project as-built drawings produced by the Contractor and confirm that drawings reflect the current project conditions and prepare one set of electronic record drawings.

AECOM
FEE SCHEDULE FOR PROFESSIONAL SERVICES
Effective January 1, 2011

Engineers, Planners, Architects, Scientists:

Assistant I	\$ 100.00 per hour
Assistant II	\$ 110.00 per hour
Associate	\$ 130.00 per hour
Senior I	\$ 155.00 per hour
Senior II	\$ 165.00 per hour
Managing Engineer	\$ 185.00 per hour
Principal	\$ 210.00 per hour

Construction Administration Personnel:

Resident Project Representative	\$ 115.00 per hour
Senior Resident Project Representative	\$ 125.00 per hour
Resident Engineer	\$ 150.00 per hour
Construction Services Manager	\$ 200.00 per hour

Technical Support Staff:

Clerical/General Office	\$ 75.00 per hour
Drafter/CADD Technician	\$ 72.00 per hour
Assistant CADD Operator	\$ 84.00 per hour
Designer/CADD Operator	\$ 95.00 per hour
Senior Designer/Design CADD Operator	\$ 110.00 per hour
Design/CADD Supervisor	\$ 125.00 per hour

General Project Expenses ^{1/}

8% of Labor

Direct Project Expenses

Other Reproduction (8 1/2 x11/11x17 Color)	\$1.15/1.50 per page
Plan Sheet Printing - In House Bond/Vellum/Mylar	\$3.00/4.00/7.00 per sheet
Subcontracted Services/Reproduction	Cost + 10%
Subcontracted or Subconsultant Services	Cost + 10%
Auto Mileage for Construction Phase Services	\$0.60 per mile
Travel & Subsistence (other than mileage)	Cost
Miscellaneous Materials	Cost + 10%

If authorized by the Client, an overtime premium multiplier of 1.5 may be applied to the billing rate of hourly personnel who work overtime in order to meet a deadline which cannot be met during normal hours.

Applicable sales tax, if any, will be added to these rates. Invoices will be rendered monthly. Payment is due upon presentation. A late payment finance charge of 1.5% per month (but not exceeding the maximum rate allowable by law) will be applied to any unpaid balance commencing 30 days after the date of the original invoice.

Fee schedule is subject to change annually.

^{1/} *Includes mail, telephone, fax, office photo copies, personal computers and mileage (except as noted).*



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Capital Improvement Projects Second Quarter Report For Fiscal Year 2012

RECOMMENDATION:

That Council receive a report on the City's Capital Improvement Projects for the Second Quarter of Fiscal Year 2012.

EXECUTIVE SUMMARY:

A presentation will be made to Council summarizing the Capital Improvement Projects progress for the Second Quarter of Fiscal Year 2012. The value of projects with construction in progress totals \$91,265,631 and the design phase totals \$76,658,429.

DISCUSSION:

CONSTRUCTION HIGHLIGHTS

Five projects were completed with a Notice of Completion in the Second Quarter of Fiscal Year 2012, with a total project cost of \$1,906,435 (Attachment 1). The following describes some of the highlights of completed construction:

- East Cabrillo Sidewalk Phase 2 (\$399,619) - The completed project consisted of 14,600 square feet of sidewalk replacement, new landscape improvements, new trash and recycle receptacles, concrete benches and new access ramps, new bollards, and new newspaper racks. This project improved the safety and usability of the sidewalk from Milpas Street to the Cabrillo Arts Pavilion by removing damaged sidewalk and trip hazards and installing access ramps.
- El Estero Pump Replacement (\$295,980) - The completed project consisted of upgrading the Return Activate Sludge, Wasted Activated Sludge, and Elutrient pumps at the El Estero Wastewater Treatment Plant.

- Terminal Baggage Handling System (\$943,577) – The completed project consisted of specialty items not included in the overall terminal building bid process, specifically the outbound baggage handling system.
- El Estero Belt Press Pump Installation (\$134,703) - The completed project consisted of installing two booster pumps and all of the appropriate piping for each of the two belt presses at El Estero Wastewater Treatment Plant in order to increase efficiencies of the sludge drying process.
- Carrillo Recreation Center Landscaping (\$132,556) - The completed project consisted of the installation of custom wood fencing, installation of site furnishings, planting, irrigation system, and landscape maintenance at the Carrillo Recreation Center.

In addition, 22 Capital Improvement Projects are currently under construction, with an approximate value of \$91,265,631 (Attachment 3). To view a list of all construction projects, visit the following website: www.santabarbaraca.gov/Engineering.

The following are highlights of construction projects in progress:

Creeks:

- Mission Creek Concrete Channel Fish Passage and Riparian Habitat Enhancement Phase 1 (\$1,066,265) – Construction continued during the months of October and November 2011. Over 90% of the low flow fish passage channel was completed before the Fish and Game permit restrictions halted the work for the winter season. Work on the entrance structure and the access ramp will continue in the summer of 2012. The work is scheduled to be completed in August 2012.

Redevelopment Agency:

- Structural Upgrades to Parking Structures 10, 2 and 9 (\$1,461,888) - Construction work resumed in the month of February and is scheduled to be completed in June 2012.
- Lower West Downtown Lighting Improvement Project (\$274,160) - Layout of the project, potholing and 50% of the directional drilling was carried out during November and December 2011. The construction is scheduled to be completed by April 2012.

Public Works Water:

- Ortega Groundwater Treatment Plant Rehabilitation (\$5,076,296) - The construction contract was awarded on August 23, 2011. The demolition of existing facilities started at the beginning of February 2012.

Waterfront:

- Launch Ramp Boating Trails (\$375,625) - The contract was awarded on December 6, 2011. Active construction is anticipated to start in March 2012.

DESIGN HIGHLIGHTS

In addition to the work in construction, there is a significant amount of work in the design phase. There are currently 32 projects under design, with an estimated total project cost of \$76,658,429 (see Attachment 3). To view a list of all design projects, visit the following website: www.santabarbaraca.gov/Engineering.

Work is scheduled to be funded over several years, as generally shown in the City's Six-Year Capital Improvement Program Report. The projects rely on guaranteed or anticipated funding and grants.

The following are design project highlights:

Public Works Streets/Bridges:

- Chapala/Yanonali Bridge (\$4,162,640) - A contract was initiated to access project noise and vibration impacts to endangered fish species within Mission Creek. The study concluded that the proposed pile driving impacts would exceed the defined underwater threshold limits to the endangered fish species within the lagoon. For this reason, an alternative construction technique was selected. This study should facilitate completion of the environmental process.
- Safe Routes To School Modoc and Portesuello Intersection Improvements (\$261,109) - The project received final approval at the Architectural Board of Review in January 2012, and remains on schedule for construction in summer 2012.
- Sycamore Creek Improvements - Channel and Punta Gorda Bridge (\$3,000,000) - Preliminary design for the Sycamore Creek channel widening and Punta Gorda bridge replacement project was completed and final design began in December 2011.
- Zone 5 Pavement Preparation and Slurry Seal (\$2,250,000) - The project is currently in the early design phase. As part of the City's ongoing pavement maintenance efforts, this project will maintain selected City streets within Zone 5, which generally encompasses the area north of Alameda Padre Serra. The design process will identify the street segments with the highest need for pavement maintenance and prioritize them based on available funding. Construction of this project is anticipated in summer 2012.

Public Works Wastewater:

- Wastewater Main Replacement Fiscal Year 2013 (\$900,000) - The City has engaged a consultant to simulate sewer flow conditions in a sample of problematic sewer mains in order to prioritize pipes for replacement or upsizing. Once the computer modeling has been completed, the City's Engineering staff will proceed with the design work.

SUMMARY:

Fiscal Year 2012 is scheduled to have 34 projects valued at approximately \$48 Million in completed construction.

- ATTACHMENTS:**
1. Completed Capital Improvement Projects for Second Quarter Fiscal Year 2012
 2. Completed Capital Improvement Projects for First and Second Quarter Fiscal Year 2012
 3. Capital Projects with Design and Construction in Progress

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

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

COMPLETED CAPITAL PROJECTS, SECOND QUARTER FISCAL YEAR 2012

Project Name	E. Cabrillo Blvd. Sidewalk Ph. 2	EI Estero Pump Replacement	Terminal Baggage Handling System	EI Estero Belt Press Pump Installation	Carrillo Recreation Center Landscaping	TOTALS
Design Costs	\$52,183	\$19,311	\$105,000	\$48,449	n/a	\$224,943
Construction Contract	\$269,536	\$222,785	\$810,508	\$65,650	\$93,804	\$1,462,283
Construction Change Order Costs	-\$3,961	\$6,058	\$23,069	\$4,048	\$4,584	\$33,798
Construction Management Costs	\$81,861	\$47,826	\$5,000	\$16,556	\$34,168	\$185,411
Total Project Costs	\$399,619	\$295,980	\$943,577	\$134,703	\$132,556	\$1,906,435

COMPLETED CAPITAL PROJECTS FIRST AND SECOND QUARTER FISCAL YEAR 2012

First Quarter Fiscal Year 2012	Total Project Costs
Modoc Road Pavement Preparation	\$97,647
El Cielito Pump Station Standby Generator	\$220,777
Jake Boysel Multipurpose Pathway	\$895,390
Westside Neighborhood Center Improvements	\$229,959
Total	\$1,443,773

Second Quarter Fiscal Year 2012	Total Project Costs
E. Cabrillo Blvd. Sidewalk Phase 2	\$399,619
El Estero Pump Replacement	\$295,980
Terminal Baggage Handling System	\$943,577
El Estero Belt Press Booster Pump Installation	\$134,703
Carrillo Recreation Center Landscaping	\$132,556
Total	\$1,906,435

Grand Total for Fiscal Year 2012 to date - \$3,350,208

CAPITAL PROJECTS WITH DESIGN AND CONSTRUCTION IN PROGRESS

PROJECT CATEGORY	DESIGN IN PROGRESS	
	No. of Projects	Total Value of Projects
Airport	6	\$6,939,000
Creeks	1	\$3,450,000
Library	1	\$2,609,251
Parks and Recreation	1	\$615,000
Public Works: Streets/Bridges	5	\$43,118,640
Public Works: Streets/Transportation	8	\$7,648,351
Public Works: Water/Wastewater	10	\$12,278,187
TOTAL	32	\$76,658,429

PROJECT CATEGORY	CONSTRUCTION IN PROGRESS	
	No. of Projects	Construction Contract Costs
Airport	1	\$36,817,374
Creeks	2	\$1,471,318
Public Works: Streets/Bridges	2	\$15,291,636
Public Works: Streets/Transportation	4	\$1,287,137
Public Works: Water/Wastewater	7	\$27,934,916
Redevelopment Agency	4	\$3,872,479
Waterfront	2	\$4,590,771
TOTAL	22	\$91,265,631



Agenda Item No. _____

File Code No. 520.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012

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, beginning on December 6, 2011, Police Chief Cam Sanchez will give an oral presentation to Council regarding the status of the Police Department and its operations. This presentation will be part of a series of updates and will occur on a periodic basis.

PREPARED BY: Chief Sanchez, Police Chief

SUBMITTED BY: Cam Sanchez, Chief of Police

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference With Legal Counsel – Pending Litigation

RECOMMENDATION:

That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is *Santa Barbara Channelkeeper v. City of Santa Barbara*, USDC Case No. CV-1103624 JHN (AGR_x)

SCHEDULING: Duration, 15 minutes; anytime
REPORT: None anticipated
SUBMITTED BY: Stephen P. Wiley, City Attorney
APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference With Legal Counsel – Pending Litigation

RECOMMENDATION:

That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is *Rolland Jacks, et al., v. City Of Santa Barbara SBSC Case No. 1383959*.

SCHEDULING: Duration, 15 minutes; anytime
REPORT: None anticipated
SUBMITTED BY: Stephen P. Wiley, City Attorney
APPROVED BY: City Administrator's Office



Agenda Item No. _____

File Code No. 440.05

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 28, 2012

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 Kristy Schmidt, Employee Relations Manager, regarding negotiations with the General bargaining unit, the Supervisory bargaining unit, and the Police Management bargaining unit and regarding discussions with confidential employees and unrepresented management about salaries and fringe benefits.

SCHEDULING: Duration, 45 minutes; anytime

REPORT: None anticipated

PREPARED BY: Kristy Schmidt, Employee Relations Manager

SUBMITTED BY: Marcelo López, Assistant City Administrator

APPROVED BY: City Administrator's Office