

**CITY OF SANTA BARBARA  
CITY COUNCIL**

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



**James L. Armstrong**  
*City Administrator*

**Stephen P. Wiley**  
*City Attorney*

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

**MARCH 12, 2013  
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](http://www.citytv18.com) for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

## **ORDER OF BUSINESS**

12:30 p.m. - Finance Committee Meeting, David Gebhard Public Meeting Room,  
630 Garden Street

2:00 p.m. - City Council Meeting

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

**Subject: City Of Santa Barbara Insurance Programs (120.03)**

Recommendation: That the Finance Committee receive a report from staff regarding the City's insurance programs covering City operations and facilities.

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

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**CEREMONIAL ITEMS**

- 1. Subject: Proclamation Declaring March 12, 2013, As Arbor Day (120.04)**

**CHANGES TO THE AGENDA**

**PUBLIC COMMENT**

## CONSENT CALENDAR

**2. Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of February 26, 2013.

**3. Subject: Municipal Code Amendments For Implementation Of The Nonresidential Growth Management Program (610.04)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adding Chapter 28.85 to the Santa Barbara Municipal Code, Deleting Sections 28.87.300 and 28.87.350, and Amending Sections 28.95.010 Through 28.95.070 to Implement the City's 2011 General Plan Nonresidential Growth Management Program.

**4. Subject: Fiscal Year 2013 Interim Financial Statements For The Seven Months Ended January 31, 2013 (250.02)**

Recommendation: That Council accept the Fiscal Year 2013 Interim Financial Statements for the Seven Months Ended January 31, 2013.

**5. Subject: Records Destruction For Parks And Recreation 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 Parks and Recreation Department in the Administration, Parks, and Recreation Divisions.

**6. Subject: Lease Agreement With U.S. Department of Transportation, Federal Aviation Administration (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 Twenty-Year Lease Agreement with the U.S. Department of Transportation, Federal Aviation Administration, with No Monetary Consideration, for Approximately 2.5 Acres of Land at 10 Edward Burns Place, at the Santa Barbara Municipal Airport, Effective October 1, 2013.

## CONSENT CALENDAR (CONT'D)

**7. Subject: Contract For Design Of Wellhead For New Corporation Yard Well (540.01)**

Recommendation: That Council authorize the Public Works Director to execute a Professional Services contract with Carollo Engineers in the amount of \$80,000 for design services for the Corporation Yard Wellhead Project, and authorize the Public Works Director to approve expenditures of up to \$8,000 for extra services of Carollo Engineers that may result from necessary changes in the scope of work.

**8. Subject: Increase In Construction Change Order Authority For The Intersection Improvement Project At Anacapa And Carrillo Streets (530.04)**

Recommendation: That Council:

- A. Increase appropriations by \$45,000 in the Streets Fund from reserves to the Intersection Improvement Project at Anacapa and Carrillo Streets; and
- B. Authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra work for the Intersection Improvement Project at Anacapa and Carrillo Streets, Contract No. 23,907, in the amount of \$75,000 for a total project expenditure authority of \$442,895.

**9. Subject: Emergency Purchase Order For El Estero Wastewater Treatment Plant Equipment Repair (540.13)**

Recommendation: That Council approve an after-the-fact Emergency Purchase Order to Wick Boiler Service for emergency repairs made to the El Estero Wastewater Treatment Plant's Digester Heat Exchanger units, in an amount of \$49,950.

**10. Subject: Contract For Construction For The Bridge Preventive Maintenance Program Project, Bid No. 3635 (530.04)**

Recommendation: That Council:

- A. Accept a grant from the Federal Highway Administration for an amount not to exceed \$313,248 for construction of the Bridge Preventive Maintenance Program Project;
- B. Authorize the increase of estimated revenues and appropriations in the Fiscal Year 2013 Streets Grant Fund by \$257,237 for the Bridge Preventive Maintenance Program Project;

(Cont'd)

## CONSENT CALENDAR (CONT'D)

### 10. (Cont'd)

- C. Award a contract to Granite Construction Company in their low bid amount of \$198,608 for construction of the Bridge Preventive Maintenance Program, Bid No. 3635; and
- D. Authorize the Public Works Director to execute the contract and approve expenditures up to \$19,861 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

## NOTICES

- 11. The City Clerk has on Thursday, March 7, 2013, 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.
- 12. A City Council site visit is scheduled for Monday, March 18, 2013, at 1:30 p.m. to the property located at 1911 Chino Street, which is the subject of an appeal hearing set for March 19, 2013, at 6:00 p.m.

**This concludes the Consent Calendar.**

## REPORT FROM THE FINANCE COMMITTEE

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

### FINANCE DEPARTMENT

#### **13. Subject: Professional Services Agreements - Financial Advisory Services And Bond Counsel And Disclosure Services (240.03)**

Recommendation: That Council:

- A. Authorize the City Attorney to execute an agreement with Orrick, Herrington & Sutcliff, LLP, for Bond and Disclosure Counsel services in an amount not to exceed \$267,750 for the potential sale of Certificates of Participation (COPs) by the Water Fund, Wastewater Fund and Waterfront Fund to refinance existing debt and finance new capital projects, with the cost of the services payable from COP proceeds at such time as the COPs are issued; and
- B. Authorize the Finance Director to execute, subject to City Attorney review as to form, an agreement with KNN Public Finance for financial advisory services in an amount not to exceed \$75,000 for the initial sale of COPs and \$60,000 for each additional COP transaction, for a maximum not to exceed \$195,000, payable from COP proceeds if, and at such time as, the COPs are issued.

## PUBLIC WORKS DEPARTMENT

### **14. Subject: Multi-Year Rate And Revenue Study And Revisions To Water Rates (540.01)**

Recommendation: That Council:

- A. Hear a presentation on the Multi-Year Rate and Revenue Plan, proposed modifications to water rate structure for the Water Fund, and proposed changes to capacity fees for new customers;
- B. Adopt the Multi-Year Rate and Revenue Plan for the Water Fund; and
- C. Authorize staff to send notices to customers informing them of changes to the water rate structure and proposed adjustment to water rates and wastewater rates.

### **15. Subject: Contract For Design Services For The Temporary Relocation Of The 9-1-1 Call Center (520.01)**

Recommendation: That Council:

- A. Approve a transfer of \$277,942 from the General Fund to the Capital Outlay Fund for design costs related to the Temporary Relocation of the 9-1-1 Call Center Project to be funded from an increase in estimated property tax revenues received in connection with the dissolution of the City's Redevelopment Agency;
- B. Increase appropriations and estimated revenues for the 9-1-1 Call Center Project by \$277,942 in the Capital Outlay Fund, funded from a transfer from the General Fund; and
- C. Authorize the Public Works Director to execute a City Professional Services contract with Leach Mounce Architects in the amount of \$122,675 for design services for Tenant Improvements to the Granada Garage Office Building for the Temporary Relocation of the 9-1-1 Call Center Project, and authorize the Public Works Director to approve expenditures of up to \$12,267 for extra services that may result from necessary changes in the scope of work.

## **COUNCIL AND STAFF COMMUNICATIONS**

## **COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

## CLOSED SESSIONS

### 16. **Subject: Conference With Real Property Negotiators Regarding Acquisition Of Properties For The Mason And Cota Streets Bridge Replacements (330.03)**

Recommendation: That Council hold a closed session pursuant to the authority of Government Code §54956.8 to provide direction to the Public Works Director and to the City Attorney regarding the possible City purchase of the following real properties affected by the Mason Street and Cota Street Bridge Replacement Projects:

Property: 15 W. Mason Street (APN 033-075-006)  
City Negotiators: Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

Negotiating Party: David Nordahl, Trustee; Brent & Julia Reichard, Trustees; Bruce & Peggie Reichard, Trustees; and Janet Nancarrow, Trustee.

Under Negotiation: Price and terms of payment.

Property: 20 W. Mason Street (APN 033-074-005)  
City Negotiators: Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

Negotiating Party: Marian Walters, Trustee, and Grant Walters, Trustee.

Under Negotiation: Price and terms of payment.

Property: A property primarily located in the Mission Creek floodway in the 100 Block of Kimberly Avenue (APN 033-074-019)

City Negotiators: Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

Negotiating Party: Alex Funke and Erick Funke.

Under Negotiation: Price and terms of payment.

Property: 536 Bath Street / 233 W. Cota Street (APN 037-161-001)

City Negotiators: Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

Negotiating Party: Lorenzo & Angelina Martel, Trustees, and Oglia Martel.

Under Negotiation: Price and terms of payment. (Cont'd)

## CLOSED SESSIONS (CONT'D)

### 16. (Cont'd)

Property: 221 - 223 W. Cota Street (APN 037-161-001)  
City Negotiators: Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.  
Negotiating Party: Edward & Renee Grubb.  
Under Negotiation: Price and terms of payment.

Property: 230 W. Cota Street (APN 037-121-018)  
City Negotiators: Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.  
Negotiating Party: Marsha Kvocka for Maria Trinidad Vega, Trustee of the Vega Family Trust.  
Under Negotiation: Price and terms of payment.

Scheduling: Duration, 40 minutes; anytime  
Report: None anticipated

### 17. **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 Fire Management Association and the Police Officers' Association, and regarding discussions with certain unrepresented managers about salaries and fringe benefits.

Scheduling: Duration, 30 minutes; anytime  
Report: None anticipated

### 18. **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

## **CLOSED SESSIONS (CONT'D)**

### **19. 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 *On Patrol with SBPD, Inc., vs. City of Santa Barbara, City of Santa Barbara vs. On Patrol with SBPD, Inc., Ira Distenfield, Linda Distenfield, et al.*, SBSC Case No. 1385228.

Scheduling: Duration, 20 minutes; anytime

Report: None anticipated

### **20. Subject: Conference With Legal Counsel - Potential Litigation (160.03)**

Recommendation: That Council hold a closed session to consider the possible initiation of litigation pursuant to subsection (c) of Section 54956.9 of the Government Code and take appropriate action as needed (one potential case).

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

## **ADJOURNMENT**

To Monday, March 18, 2013, at 1:30 p.m. at 1911 Chino Street. (See Agenda Item No. 12)

CITY OF SANTA BARBARA

**FINANCE COMMITTEE**

MEETING AGENDA

DATE: March 12, 2013

Dale Francisco, Chair

TIME: 12:30 P.M.

Bendy White

PLACE: David Gebhard Public Meeting Room  
630 Garden Street

Cathy Murillo

James L. Armstrong  
City Administrator

Robert Samario  
Finance Director

**ITEM TO BE CONSIDERED:**

**Subject: City Of Santa Barbara Insurance Programs**

Recommendation: That the Finance Committee receive a report from staff regarding the City's insurance programs covering City operations and facilities.



# CITY OF SANTA BARBARA

## FINANCE COMMITTEE AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Finance Committee Members

**FROM:** Risk Management Division, Finance Department

**SUBJECT:** City Of Santa Barbara Insurance Programs

### **RECOMMENDATION:**

That the Finance Committee receive a report from staff regarding the City's insurance programs covering City operations and facilities.

### **DISCUSSION:**

Council established the "Workers' Compensation Self-Insurance Trust Fund" in November 1974. Council amended and revised this program over the ensuing years into its current form known as the Self-Insurance Trust Fund, which is administered by the Risk Management Division of the Finance Department.

The Self-Insurance Trust Fund provides a funding source that covers a variety of exposures to loss or damage. The types of coverage include workers' compensation; general liability; automobile liability; property, including earthquake and boiler and machinery; airport liability; marine liability; employee dishonesty (crime); notary bonds; and volunteer medical insurance. This report provides a brief discussion about each type of coverage provided, the dollar value of coverage limits, any associated deductible, otherwise known as the Self-Insured Retention (SIR), and the premium costs for each type of coverage for Fiscal Year 2013.

### **Workers' Compensation**

California law requires that all employers provide workers' compensation coverage for their employees. Council authorized the creation of the self insured workers' compensation program in November 1974. The City obtained approval from the Department of Industrial Relations to implement a self insured workers' compensation program in 1978. The City purchases excess insurance to cover any workers' compensation loss that exceeds the designated SIR. The SIR value has varied from year to year since the inception of the program.

The City purchased excess workers' compensation insurance through the California State Association of Counties Excess Insurance Authority (CSAC-EIA) for Fiscal Year 2013 with a \$750,000 SIR. The premium for this excess insurance equals \$178,968. The premium paid in Fiscal Year 2013 increased by 9% from Fiscal Year 2012 (\$164,917).

### **General and Automobile Liability**

Council authorized the creation of a self insured general and automobile liability program in December 1976. This action combined the existing self insured workers' compensation program with the newly created self insured liability program. The resolution establishing the Self Insurance Trust Fund requires staff to review and adjust the limits of insurance and any associated deductible or SIR on an annual basis.

The City is a founding member of a joint powers authority risk sharing pool. The Authority for California Cities Excess Liability (ACCEL) is a group of medium-size California cities that share the combined risk of losses in excess of SIR amounts. Member cities first joined together in 1986 when the commercial marketplace was unable to offer cities sufficient insurance coverage. ACCEL pools General Liability, Automobile Liability, and Public Officials Errors and Omissions losses. Member cities share risk in excess of \$1,000,000. ACCEL covers almost every catastrophic loss incurred by its members, thereby eliminating the need for commercial excess insurance protection.

Each ACCEL member city has a representative on the Board of Directors. The Board and its committees are responsible for deciding the risks the Authority will underwrite, monitoring the costs of large claims, and arranging financial programs. Underwriting decisions determine the eligibility of cities for membership and identify specific risks that will not be pooled.

ACCEL provides pooled coverage for losses ranging from \$1,000,000 to \$5,000,000. For Fiscal Year 2013, eight ACCEL members (including the City of Santa Barbara) participate in a joint purchase of excess liability insurance coverage for losses ranging from \$5,000,000 to \$50,000,000; three smaller member agencies purchase limits up to \$35,000,000. Four ACCEL members purchase additional excess liability insurance coverage ranging from \$50,000,000 to \$150,000,000. The City does not purchase excess liability coverage above the \$50,000,000 limits.

The City's Fiscal Year 2013 premium for the pooled losses (\$1 Million - \$5 Million) is \$470,745. The Fiscal Year 2013 premium for the excess coverage (\$5 Million - \$50 Million) is \$191,893. Each city also pays a pro-rata share of the administrative costs for the JPA pool administrator. The administrative fee paid in Fiscal Year 2013 is \$34,291. The total amount paid for excess liability coverage in Fiscal Year 2013 is \$696,929, which represents a 1% decrease from the prior year (\$706,426).

The limits of coverage provided by ACCEL have increased since the inception of the pool in 1986. The chart below lists the coverage limits under the ACCEL program for each fiscal year.

Fiscal Year	Self Insured Retention	Pooled Layer	Coverage Limits
FY87 – FY90	\$ 1,000,000	\$9,000,000	\$ 10,000,000
FY91 – FY95	\$ 1,000,000	\$9,000,000	\$ 20,000,000
FY95	\$ 1,000,000	\$4,000,000	\$ 15,000,000
FY96	\$ 1,000,000	\$4,000,000	\$ 20,000,000
FY97	\$ 1,000,000	\$3,000,000	\$ 20,000,000
FY98 - FY99	\$ 1,000,000	\$ -	\$ 20,000,000
FY00 – FY03	\$ 500,000	\$ -	\$ 20,000,000
FY04	\$ 1,000,000	\$2,000,000	\$ 23,000,000
FY05 - FY06	\$ 1,000,000	\$4,000,000	\$ 25,000,000
FY07	\$ 1,000,000	\$4,000,000	\$ 35,000,000
FY08 - FY13	\$ 1,000,000	\$4,000,000	\$ 50,000,000

### **Property, Boiler and Machinery, Earthquake Insurance**

The City purchases an “all risk” insurance policy for property damage through a joint purchase plan called Public Entity Property Insurance Program (PEPIP). Numerous public agencies throughout the western United States purchase property insurance as part of PEPIP. This joint purchase program allows the participants to negotiate better terms of coverage and price than they could obtain alone.

PEPIP provides coverage for property damage to owned buildings; extends coverage for damage to boilers and machinery; and includes designated limits of \$50,000,000 for earthquake coverage for City owned facilities. The PEPIP policy provides property coverage for City facilities with total insured values (TIV) of \$464,580,827. The policy includes a deductible amount of \$50,000 per occurrence (except Stearns Wharf which is \$250,000) and a maximum loss limit of \$1,000,000,000. The Earthquake portion of the policy includes TIV of \$455,828,042. The earthquake portion of the policy includes a deductible of a minimum of \$100,000 or 10% of the loss and a maximum loss limit of \$50,000,000.

The property insurance policy provides coverage for items beyond the building structures, such as business interruption expense; money and securities; unscheduled fine arts; boilers and machinery; the City’s fleet of vehicles and vessels; and cyber liability.

The inclusion of Boiler and Machinery coverage in this policy eliminates the need for the City to purchase separate coverage for this peril. The City owns and operates a variety of commercial machines. In Fiscal Year 2013, the City's premium is \$5,520 for Boiler & Machinery, \$505,228 for all-risk property coverage, and \$667,445 for earthquake coverage for a total of \$1,178,193. This is a 4% decrease from last year's premium of \$1,225,823.

**Airport & Aviation:**

The ACCEL risk sharing pool does not cover any losses arising from the ownership or operations of an airport. The City purchases a separate liability policy that provides Bodily Injury and Property Damage Liability. The policy includes a \$0 deductible, with coverage limits of \$50,000,000 per occurrence. The annual premium for this policy equals \$20,275. The premium paid in Fiscal Year 2013 remained unchanged from the prior year.

**Marine Coverage:**

The ACCEL risk sharing pool does not cover any losses arising from the ownership or operations of boats or other marine vessels. The City purchases two separate liability policies that provide Bodily Injury and Property Damage Liability to cover the 14 Vessels owned by the Waterfront and Water Resources. The primary insurance policy includes a \$1,000 deductible with coverage limits of \$1,000,000. The annual premium for the primary policy equals \$5,336. The excess policy includes a \$1,000,000 deductible, with coverage limits of \$5,000,000. The annual premium for the excess Marine coverage equals \$11,700. The average cost for the excess coverage equals \$1,231 per vessel. The total premium paid in Fiscal Year 2013 (\$17,236) increased 5% from the prior year (\$16,424).

**Employee Dishonesty (Crime):**

The Employee Dishonesty or Crime policy provides coverage for employee theft; forgery or alteration; theft of money and securities; robbery; computer fraud; funds transfer fraud; and money orders and counterfeit money. The policy also provides the mandatory coverage for specific officials as required by California law. The annual premium for this coverage equals \$8,098 for Fiscal Year 2013. The total premium paid in Fiscal Year 2013 increased 24% from the prior year (\$6,511).

**PREPARED BY:** Mark W. Howard, Risk Manager

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office



## PROCLAMATION

**Arbor Day**  
**March 12, 2013**

*WHEREAS, Arbor Day Observances are held in California and in the City of Santa Barbara throughout the month of March; and*

*WHEREAS, the City of Santa Barbara has been designated a "Tree City USA" for 33 years by the National Arbor Day Foundation; and*

*WHEREAS, the City of Santa Barbara is proud of its more than 100 years of horticultural heritage and the health and diversity of its urban forest; and*

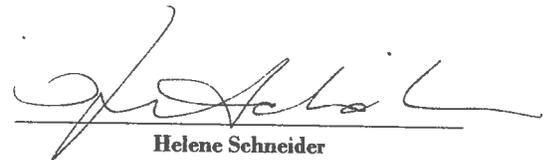
*WHEREAS, the City of Santa Barbara maintains over 40,000 open space, park, and street trees and recognizes the importance of professional tree care and annual tree planting programs to sustain a livable community; and*

*WHEREAS, Santa Barbara Beautiful contributes to the health of the City's urban forest through support for the street tree planting program; and*

*WHEREAS, the City of Santa Barbara and Santa Barbara Beautiful collaborate with local elementary schools to plant trees in observance of Arbor Day; and*

*NOW, THEREFORE, I, HELENE SCHNEIDER, by virtue of the authority invested in me as Mayor of the City of Santa Barbara, California, do hereby acknowledge and proclaim March 12, 2013, as ARBOR DAY in the City of Santa Barbara and recognize the value that trees provide in enhancing the quality of our lives.*

*IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Santa Barbara, California, to be affixed this 12<sup>th</sup> day of March, 2013.*



\_\_\_\_\_  
Helene Schneider  
Mayor



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

## REGULAR MEETING February 26, 2013 COUNCIL CHAMBER, 735 ANACAPA STREET

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### CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:02 p.m. (The Finance Committee met at 12:30 p.m. The Ordinance Committee, which ordinarily meets at 12:30 p.m., did not meet on this date.)

### PLEDGE OF ALLEGIANCE

Mayor Schneider.

### ROLL CALL

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

Councilmembers absent: Cathy Murillo.

Staff present: Acting City Administrator Paul A. Casey, City Attorney Stephen P. Wiley, Deputy City Clerk Susan Tschech.

### CEREMONIAL ITEMS

1. Subject: Letter Of Recognition For Architectural Foundation Of Santa Barbara's 30th Anniversary (120.08)

Action: Proclamation presented to Architectural Foundation President Greg Rech.

## CHANGES TO THE AGENDA

### Item Removed from Agenda

Acting City Administrator Casey stated that the following item was being removed from the Agenda and will be resubmitted at a later date:

**8. Subject: Increase In Construction Change Order Authority For The Intersection Improvement Project At Anacapa And Carrillo Streets (530.04)**

Recommendation: That Council:

- A. Reprogram \$20,000 of existing appropriations in the Streets Fund from the Citywide Sign Inventory Project to the Intersection Improvement Project at Anacapa and Carrillo Streets; and
- B. Authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra work for the Intersection Improvement Project at Anacapa and Carrillo Streets, Contract No. 23,907, in the amount of \$50,000, for a total project expenditure authority of \$417,895.

## PUBLIC COMMENT

Speakers: Kenneth Loch, Ben Shalant, Robert Burke, Rasta Mom, Jose Gonzalez.

## CONSENT CALENDAR (Item Nos. 2 – 7 and 9 – 11)

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

Motion:

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

Vote:

Unanimous roll call vote (Absent: Councilmember Murillo).

**2. Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meetings of February 5 and 12, 2013, and the special meeting of February 6, 2013.

Action: Approved the recommendation.

**3. Subject: Contract For Design Of Tertiary Filtration Plant Replacement Project (540.13)**

Recommendation: That Council authorize the Public Works Director, subject to approval as to form by the City Attorney, to execute a City Professional Services contract with CDM Smith, Inc., in the amount of \$742,406 for final design services for the Tertiary Filtration Plant Replacement Project, and authorize the Public Works Director to approve expenditures of up to \$74,240 for extra services of CDM Smith, Inc., that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Contract No. 24,372 (February 26, 2013, report from the Public Works Director).

**4. Subject: Gift Of \$5,000 To The Santa Barbara Police Department's Explorer Program/Acceptance Of Learning For Life Annual Fees (520.04)**

Recommendation: That Council:

- A. Accept a gift of \$5,000 from SG Acquisitions, LLC, for the Police Department's Explorer Program;
- B. Increase appropriations and estimated revenues for \$5,000 in the Miscellaneous Grants Fund for Fiscal Year 2013 for the Explorer Program;
- C. Accept \$300 from the Explorers for the Learning for Life annual fees; and
- D. Increase appropriations and estimated revenues by \$300 in the General Fund Police Department budget for the Community and Media Relations/PIO Program for annual Learning for Life fees.

Action: Approved the recommendations (February 26, 2013, report from the Chief of Police).

**5. Subject: Grant From California Department Of Boating And Waterways For Maintenance Of A Pumpout Facility (570.03)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Requesting a Grant in the Amount of \$21,000 from the California Department of Boating and Waterways for Maintenance of a Pumpout Facility at Santa Barbara Harbor, Located in Santa Barbara, California.

Action: Approved the recommendation; Resolution No. 13-007; Agreement No. 24,373 (February 26, 2013, report from the Waterfront Director; proposed resolution).

**6. Subject: Integrated Regional Water Management Plan Round II Grant Application For Recycled Water Plant Replacement (540.08)**

Recommendation: That Council authorize the Public Works Director to execute, subject to approval as to form by the City Attorney, an Agreement with the Cachuma Resource Conservation District and project proponents to manage the activities related to the development and submittal of an Integrated Regional Water Management Plan Grant Application, with the City's share of costs not to exceed \$55,012.

Action: Approved the recommendation; Agreement No. 24,374 (February 26, 2013, report from the Public Works Director).

**7. Subject: Wetland Mitigation Monitoring Year 7 Contract (560.04)**

Recommendation: That Council approve and authorize the Airport Director to execute, subject to approval as to form by the City Attorney, a Contract with URS Corporation for post-construction biological monitoring associated with the Airfield Safety Projects and other small projects at the Santa Barbara Airport in an amount not to exceed \$63,780, and authorize the Airport Director to approve expenditures up to \$6,378 for extra services that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Contract No. 24,375 (February 26, 2013, report from the Airport Director).

**9. Subject: Loan Subordination Requests For Habitat For Humanity Affordable Housing Project Located At 822-824 East Canon Perdido Street (660.04)**

Recommendation: That Council approve a request from Habitat for Humanity of Southern Santa Barbara County (Habitat) to subordinate two City loans to allow Habitat to obtain additional bridge financing from the Housing Trust Fund of Santa Barbara County in an amount not to exceed \$750,000, and authorize the Community Development Director, subject to approval as to form by the City Attorney, to execute such agreements and related documents as necessary.

Action: Approved the recommendation; Agreement No. 24,376 (February 26, 2013, report from the Assistant City Administrator/Community Development Director).

**10. Subject: January 2013 Investment Report (260.02)**

Recommendation: That Council accept the January 2013 Investment Report.

Action: Approved the recommendation (February 26, 2013, report from the Finance Director).

NOTICES

11. The City Clerk has on Thursday, February 21, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concluded the Consent Calendar.

**REPORT FROM THE FINANCE COMMITTEE**

Finance Committee Chair Dale Francisco reported that the Committee met to hear a Staff presentation on the development of water rates. The Committee made recommendations regarding proposed rates and a ten-year rate revenue plan for Fiscal Year 2014-15, which will be forwarded to Council for its consideration in two weeks.

**CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

PUBLIC WORKS DEPARTMENT

**12. Subject: Capital Improvement Projects: Second Quarter Report For Fiscal Year 2013 (230.01)**

Recommendation: That Council receive a report on the City's Capital Improvement Projects for the Second Quarter of Fiscal Year 2013.

Documents:

- February 26, 2013, report from the Public Works Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

Staff: Principal Engineer Joshua Haggmark, Principal Engineer John Ewasiuk, City Attorney Stephen Wiley.

By consensus, the Council received the report, and their questions were answered.

## **COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

### Information:

- Councilmember Hotchkiss reported on his attendance at: 1) the most recent Collaborative Court graduation ceremony; 2) a meeting of the Milpas Action Task Force, at which greater cooperation between the participants was shown and an expansion of the Good Neighbor Policy was discussed; and 3) a meeting of the Airport Commission, where a mid-year review included positive projections for air travel and other Airport revenues, and the March 20 ceremony for the Airline Terminal project completion was announced.
- Councilmember White advised that the Neighborhood Advisory Council is struggling with its mission and suggested that the City Council may wish to take up this issue. He also commented that the “Coffee with a Cop” event is an excellent opportunity to interact with the police.
- Councilmember Rowse also commented upon “Coffee with a Cop,” and he reported on a meeting held between Waterfront Department staff and slip holders to discuss the issue of vehicles abandoned in the Harbor main parking lot.
- Mayor Schneider mentioned that the Santa Barbara County Association of Governments had acted to reallocate certain funding which will redirect \$160,000 to the overlay of City streets.
- Councilmember House spoke about a project to improve directional signage for tourists.

## **RECESS**

Mayor Schneider recessed the meeting at 3:04 p.m. in order for the Council to reconvene in closed session for Item No. 13. She stated that no reportable action is anticipated.

## **CLOSED SESSIONS**

### **13. 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. Pending litigation considered is: Jose Monclus v. City of Santa Barbara, WCAB case number unassigned.

Scheduling: Duration, 10 minutes; anytime

Report: None anticipated

### Documents:

February 26, 2013, report from the Finance Director.

### Time:

3:10 p.m. – 3:15 p.m. Councilmember Murillo was absent.

(Cont'd)

**13. (Cont'd)**

No report made.

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 3:10 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

\_\_\_\_\_  
HELENE SCHNEIDER  
MAYOR

ATTEST:

\_\_\_\_\_  
SUSAN TSCHECH, CMC  
DEPUTY CITY CLERK

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ADDING CHAPTER 28.85 TO THE SANTA BARBARA MUNICIPAL CODE, DELETING SECTIONS 28.87.300 AND 28.87.350, AND AMENDING SECTIONS 28.95.010 THROUGH 28.95.070 TO IMPLEMENT THE CITY'S 2011 GENERAL PLAN NONRESIDENTIAL GROWTH MANAGEMENT PROGRAM.

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

**SECTION 1.** Title 28 of the Santa Barbara Municipal Code is hereby amended by adding Chapter 28.85 to read as follows:

**Chapter 28.85  
Nonresidential Growth Management Program.**

**Section 28.85.010 Nonresidential Development Limitation.**

No application for a land use permit for a nonresidential construction project, as defined in Section 28.85.020 of this Chapter, will be accepted or approved on or after December 6, 1989 unless all of the new nonresidential floor area within the project is allocated from one or more of the categories specified in this Section and the project is consistent with the City's Traffic Management Strategy (as approved by City Resolution No. 13-010 dated as of March 12, 2013 and as filed with the City Clerk) as implemented in Section 28.85.050.

**A. DEVELOPMENT LIMIT.** From the effective date of this ordinance until December 31, 2033, the amount of new nonresidential floor area available for nonresidential construction projects shall be restricted to no more than one million three hundred fifty thousand (1,350,000) square feet. This allowable floor area shall be allocated from the following categories, as defined in Section 28.85.020 of this Chapter:

<u>Category</u>	<u>Square Footage</u>
Community Benefit	600,000 s.f.
Small Addition Floor Area	400,000 s.f.
Vacant Property	350,000 s.f.

Except as otherwise provided in this Section and as allocated on an annual basis by a resolution of the Planning Commission, Small Additions shall be limited to no more than twenty thousand (20,000) square feet of nonresidential floor area during each calendar year from the effective date of this ordinance through December 31, 2033. Any unused, expired, or withdrawn development square footage remaining from each annual allotment from the Small Additions category may be rolled over to the following year's Small Additions allotment or allocated to another category by a resolution of the Planning Commission. Procedures for allocating square footage under these categories shall be established by resolution of City Council.

**B. NONRESIDENTIAL FLOOR AREA EXCLUDED FROM THE DEVELOPMENT LIMIT.** Nonresidential floor area may be constructed or converted from residential floor area without requiring an allocation from the allowable square footage specified in Subsection A of this Section so long as the nonresidential floor area falls within the following categories, as defined in Section 28.85.020 of this Chapter:

1. City Government Buildings.
2. Government Displacement Floor Area.
3. Hotel Room for Room Replacement.
4. Minor Addition Floor Area.
5. Prior-Pending Projects.
6. Prior-Approved Projects.
7. Prior-Approved Specific Plan Project.
8. Transfers of Existing Development Rights, as defined in Section 28.95.020 of this Code.

**Section 28.85.020 Definitions.**

The following words and phrases shall have the meaning indicated, unless the context or usage clearly requires a different meaning:

**A. COMMUNITY BENEFIT PROJECT.** A project which has been designated by the City Council as satisfying one or more of the following categories is a Community Benefit Project:

1. Community Priority Project. A Community Priority Project is a project that has a broad public benefit, is not principally operated for private profit, and is necessary to meet a present or projected need directly related to public health, safety or general welfare (e.g., museums, childcare facilities, health clinics).

2. Economic Development Project. An Economic Development Project is a project that is consistent with the City Charter, General Plan and this Title, will enhance the standard of living for City and South Coast residents and will strengthen the local or regional economy by either creating new permanent employment opportunities or enhancing the City's revenue base. An Economic Development Project should also accomplish one or more of the following:

- a. Support diversity and balance in the local or regional economy by establishing or expanding businesses or industries in sectors which currently do not exist on the South Coast or are present only in a limited manner; or
- b. Provide new recreational, educational, or cultural opportunities for City residents and visitors; or
- c. Provide products or services which are currently not available or are in limited supply either locally or regionally; or
- d. Support a small and local business in the Santa Barbara community which is being started, maintained, relocated, redeveloped or expanded.

For purposes of this Section, "standard of living" is defined as wages, employment, environment, resources, public safety, housing, schools, parks and recreation, social and human services, and cultural arts.

3. Planned Development - New Automobile Sales Project. A Planned Development - New Automobile Sales Project is a project within a Planned Development zone that proposes a project involving new automobile sales, rental and leasing as allowed in Chapter 28.39 of this Code.

**B. DEVELOPMENT AREA.** A Development Area is a portion of the City that the City of Santa Barbara Traffic Model (as approved by the City Council by Resolution No. 13-010 dated as of March 12, 2013 and as filed with the City Clerk) has shown to have distinct traffic generation patterns, as identified on the Development Area Map. The City of Santa Barbara Development Areas are shown on the map labeled "Growth Management Program Development Areas" (dated as of March 12, 2013 which map is attached hereto as Exhibit \_\_\_ and as filed with the City Clerk). All notations, references and other information shown on said map are incorporated by reference herein and made a part hereof.

**C. EXISTING NONRESIDENTIAL FLOOR AREA.** Existing Nonresidential Floor Area is nonresidential floor area that existed on a lot as of October 1, 1988 or nonresidential floor

area that was approved and constructed or converted from residential floor area after October 1, 1988 in compliance with, or exempt from, a City development plan or nonresidential growth management program ordinance.

**D. FLOOR AREA.** Floor Area is the area included within the surrounding exterior walls of a building, or a portion thereof, excluding the area occupied by the exterior walls, vent shafts and courts, stairway landings, or areas or structures used exclusively for parking. Enclosed spaces that contain building "infrastructure" (e.g., mechanical equipment enclosures, trash and recycling enclosures, air conditioners, forced air units, electric vaults, water heaters and softeners, cellular telephone equipment, and other similar uses) shall not count toward the calculation of floor area if such areas are designed in the minimum size necessary to screen or enclose such equipment and the space cannot be converted to storage or another non-infrastructure use. The area occupied by an elevator shaft or stairs shall only be counted in the calculation of floor area on one floor. A building, or a portion thereof, occupied exclusively by public utility equipment constitutes floor area for purposes of development plan review, but shall not count toward the calculation of floor area for purposes of the development limit specified in Subsection 28.85.010.A. Any floor area which was constructed, approved, demolished or converted in violation of any provision of this Municipal Code, shall not give rise to any right to rebuild or transfer floor area.

**E. GOVERNMENT BUILDING.** A government building is a building owned or leased by the city of Santa Barbara, excluding buildings or portions of buildings that are leased to private entities conducting non-governmental activities (e.g., the private leaseholds at the Harbor or Airport.)

**F. GOVERNMENT DISPLACEMENT FLOOR AREA.** Government Displacement Floor Area is nonresidential floor area that is constructed or converted from residential floor area to replace nonresidential floor area that was acquired, removed or damaged by direct condemnation or negotiated acquisition by a governmental entity (federal, state or local), provided the nonresidential floor area of the project constructed to replace a building acquired or removed by the government does not exceed the nonresidential floor area of the building so acquired or removed, unless the additional nonresidential floor area is allocated from another available category.

**G. HOTEL ROOM FOR ROOM REPLACEMENT.** A hotel room for room

replacement is a project which consists of the replacement of existing hotel rooms at the same location, or transferred from another location as part of an approved Transfer of Existing Development Rights pursuant to Chapter 28.95 of this Code, on a room for room basis. A hotel room for room replacement does not include nonresidential floor area outside the hotel rooms.

**H. LAND USE PERMIT.** A land use permit is a governmental decision concerning a permit, license, certificate, or other entitlement for use of land, including a conditional use permit, variance, modification, development plan, specific plan, general plan amendment, coastal development permit, conversion permit, subdivision map (except those creating new single family lots), building permit, grading permit, demolition permit, water service connection or any similar approval or use.

**I. MINOR ADDITION FLOOR AREA.** Minor Addition Floor Area is the first 1,000 square feet of new nonresidential floor area, over the amount of nonresidential floor area that existed on the lot as of December 6, 1989. Procedures for allocating and accounting for Minor Addition Floor Area shall be established by resolution of the City Council.

**J. NONRESIDENTIAL CONSTRUCTION PROJECT.** A nonresidential construction project is a project, or portion thereof, which consists of the construction of new nonresidential floor area or the conversion of existing residential floor area to nonresidential use. The repair, replacement, or reconstruction of Existing Nonresidential Floor Area (including existing development rights that are transferred from another site) is not considered new nonresidential floor area for the purpose of the nonresidential development limitation specified in Subsection 28.85.010.A. A nonresidential construction project may occur in the following forms:

1. The addition of new nonresidential floor area to an existing structure; or
2. The construction of new nonresidential floor area in a free standing structure on real property containing another structure; or
3. The construction of new nonresidential floor area as a portion of a mixed use building; or
4. The conversion of residential floor area to nonresidential floor area.
5. A new building on vacant real property that contains nonresidential floor area.

**K. NONRESIDENTIAL FLOOR AREA RATIO.** The Nonresidential Floor Area Ratio of a lot is a ratio of the nonresidential floor area on the lot to the net lot area of the lot.

**L. PRIOR-APPROVED PROJECTS.** A Prior-Approved Project is a project for which a land use permit (other than an application for Specific Plan approval) was approved on or before April 11, 2013 and where the approval remains valid.

**M. PRIOR-APPROVED SPECIFIC PLAN PROJECT.** A Prior-Approved Specific Plan Project is a project that implements a specific plan that was approved prior to April 16, 1986, the specific plan required the construction of substantial circulation system improvements, and the required circulation system improvements were either:

1. Installed prior to April 11, 2013; or

2. Constructed after April 11, 2013 pursuant to an Owner Participation Agreement and installed prior to the approval of any development plan(s) related to the approved specific plan.

**N. PRIOR-PENDING PROJECT.** A Prior-Pending Project is a nonresidential construction project for which an application for a land use permit was deemed complete by the City before April 11, 2013 and the application: i. has not been denied by the City; ii. has not been withdrawn by the applicant; and iii. has not yet received City approval.

**O. SMALL ADDITION FLOOR AREA.** Small Addition Floor Area is the 2,000 square feet of new nonresidential floor area over the amount of nonresidential floor area that existed on the lot on December 6, 1989 and any floor area that has been constructed or approved as Minor Addition Floor Area pursuant to this Chapter or any preceding development plan ordinance since December 6, 1989. Procedures for allocating Small Addition Floor Area shall be established by resolution of the City Council.

**P. VACANT PROPERTY.** A Vacant Property is a lot of land that was not developed with a permanent building containing floor area as of October 1, 1988 and has not since been developed with any permanent building containing floor area. A vacant property may be allocated new nonresidential floor area from the Vacant Property category up to a maximum nonresidential floor area ratio of .25. Any nonresidential development proposed for the lot over the .25 floor area ratio must be allocated from another development category available for allocation on the lot.

### **Section 28.85.030 Development Plan Review Procedures.**

**A. DEVELOPMENT PLAN APPLICATION SUBMISSION.** Before any project requiring approval of a development plan pursuant to this Chapter is hereafter permitted in any zone, including zones at the Santa Barbara Municipal Airport, a complete development

plan application for the proposed development shall be submitted to the Community Development Department for review and consideration in accordance with the provisions of this Chapter.

**B. REVIEW BY PRE-APPLICATION REVIEW TEAM.** All nonresidential construction projects involving the construction, addition, or conversion of more than 3,000 square feet of nonresidential floor area and all transfers of existing development rights, regardless of size, shall be reviewed by the Pre-Application Review Team as provided in Section 27.07.070 of this Code.

**C. DEVELOPMENT PLAN APPROVAL REQUIREMENTS.** Except as otherwise specified in this Subsection C, all nonresidential construction projects and all Transfers of Existing Development Rights require approval of a Development Plan.

1. Design Review Approval. Any nonresidential construction project that involves the construction, addition, or conversion of more than one thousand (1,000) square feet of new nonresidential floor area and not more than three thousand (3,000) square feet of new nonresidential floor shall require approval of the design of a development plan from the Architectural Board of Review, or from the Historic Landmarks Commission if the property is located within El Pueblo Viejo Landmark District or another landmark district, or if the structure is a designated City Landmark.

2. Staff Hearing Officer Approval. Any nonresidential construction project that involves the construction, addition, or conversion of more than one thousand (1,000) square feet of new nonresidential floor area and not more than three thousand (3,000) square feet of new nonresidential floor area and which also requires approval of a City discretionary land use permit from the Staff Hearing Officer shall require approval of a development plan from the Staff Hearing Officer.

3. Planning Commission Approval. The following projects shall require approval of a development plan from the Planning Commission:

a. Any nonresidential construction project (including a public utility facility) that involves the construction, addition, or conversion of more than three thousand (3,000) square feet of new nonresidential floor area, or

b. Any transfer of existing development rights that involves the construction, addition, or conversion of more than one thousand (1,000) square feet of nonresidential floor area (as an aggregate total of all development categories) on the receiving site, or

c. Any nonresidential construction project that involves the construction, addition, or conversion of more than one

thousand (1,000) square feet of new nonresidential floor area and not more than three thousand (3,000) square feet of new nonresidential floor area and which requires approval of another land use permit from the Planning Commission shall require approval of a development plan from the Planning Commission.

d. Notwithstanding the review assignments specified in Paragraphs 1 and 2 above, any nonresidential construction project or transfer of existing development rights that requires the preparation of an Environmental Impact Report shall be reviewed by the Planning Commission.

4. Exceptions. Unless the project requires the preparation of an Environmental Impact Report, the following projects do not require the approval of a development plan:

a. A nonresidential construction project that involves the construction, addition, or conversion of not more than 1,000 square feet of nonresidential floor area (as an aggregate total of all development categories), or

b. A Transfer of Existing Development Rights that involves the construction, addition, or conversion of nonresidential floor area so long as the project will not result in more than 1,000 square feet of nonresidential floor area over the amount of nonresidential floor area that existed on the lot as of April 11, 2013. This exception is not available for a Transfer of Existing Development Rights that involves the transfer of a hotel room on a room-for-room basis.

**Section 28.85.040                      Standards for Review - Development Plans.**

The following findings shall be made prior to approving any development plan pursuant to this Chapter:

A. The proposed development complies with all provisions of this Title; and

B. The proposed development is consistent with the principles of sound community planning; and

C. The proposed development will not have a significant adverse impact upon the community's aesthetics or character in that the size, bulk or scale of the development will be compatible with the neighborhood based on the Project Compatibility Analysis criteria found in Sections 22.22.145 or 22.68.045 of this Code; and

D. The proposed development is consistent with the policies of the City of Santa Barbara Traffic Management Strategy (as approved by City Resolution No. 13-010 dated as of March 12, 2013) as expressed in the allocation allowances specified in

SBMC Section 28.85.050.

**Section 28.85.050 Traffic Management Strategy.**

In order to utilize the City's existing transportation capacity efficiently and to prioritize constrained transportation capacity for high priority land uses, the City has established a Traffic Management Strategy (as approved by City Resolution No. 13-010 dated as of March 12, 2013.) In furtherance of the Traffic Management Strategy and recognizing the differential rates of traffic generation observed in the City of Santa Barbara Traffic Model methodology (as used in connection with the preparation of the General Plan FEIR) between the different Development Areas, only certain categories of nonresidential development are available for allocation within the Development Areas identified in this Section.

**A. DOWNTOWN DEVELOPMENT AREA.** If all of the floor area for a project is proposed from a category or categories of development that are available for allocation within the development area in which the proposed project is located, the project's contribution to a potentially significant adverse cumulative traffic impact may be overridden by the Planning Commission. Within the Downtown Development Area, unless specifically authorized below, a project-specific potentially significant adverse traffic impact cannot be overridden by the Planning Commission. The following categories of nonresidential development are available for allocation to lots within the Downtown Development Area:

1. Prior-Approved Projects. Prior-Approved projects do not require further environmental review.
2. Prior-Pending Projects.
3. Prior-Approved Specific Plan Projects. A Prior-Approved Specific Plan Project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.
4. Minor Addition Floor Area. A project constructing, adding, or converting Minor Addition Floor Area that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.
5. Small Addition Floor Area.
6. Vacant Property. A Vacant Property Project that presents a project-specific potentially significant adverse traffic

impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

7. Community Priority Projects. A Community Priority Project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

8. Economic Development Projects.

9. Transfers of Existing Development Rights (TEDR), as defined in Section 28.95.020 of this Code, from any Development Area.

a. A Transfer of Existing Development Rights between lots within the same Development Area that will result in the construction, addition, or conversion of not more than 1,000 square feet of nonresidential floor area over the amount of nonresidential floor area that existed on the receiving lot as of the effective date of this ordinance and that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

b. All other Transfers of Existing Development Rights (including Hotel Room for Room Replacements) that result in a project-specific potentially significant adverse traffic impact cannot be overridden.

10. Hotel Room for Room Replacement. An on-site Hotel Room for Room Replacement that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

11. Demolition and Reconstruction of Existing Nonresidential Floor Area on the same lot. The Demolition and Reconstruction of Existing Nonresidential Floor Area on the same lot that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

12. City Government Buildings. A government building project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

13. Government Displacement Floor Area. A Government

Displacement Floor Area Project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

14. Public Utility Facilities. A Public Utility Facility that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

**B. UPPER STATE STREET, MESA, COAST VILLAGE ROAD, AND RIVIERA DEVELOPMENT AREAS (OUTLYING DEVELOPMENT AREAS).** If all of the floor area for a project is proposed from a category or categories of development that are available for allocation within the development area in which the proposed project is located, the project's contribution to a significant cumulative traffic impact may be overridden. Within the Outlying Development Areas, unless specifically authorized below, a project-specific potentially significant adverse traffic impact cannot be overridden by the Planning Commission. The following categories of nonresidential development are available for allocation to lots within the Outlying Development Areas:

1. Prior-Approved Projects. Prior-Approved Projects do not generally require further environmental review.

2. Prior-Pending Projects.

3. Prior-Approved Specific Plan Projects. A Prior-Approved Specific Plan Project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

4. Minor Addition Floor Area. A project constructing, adding, or converting Minor Addition Floor Area that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

5. Vacant Property. A Vacant Property Project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

6. Community Priority Projects. A Community Priority Project that presents a project-specific potentially significant

adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

7. Transfer of Existing Development Rights (including Hotel Room for Room Replacements), as defined in Section 28.95.020 of this Code, from and to lots within the same Development Area. No Receiving site located in an Outlying Development Area may receive a Transfer of Existing Development Rights from a sending site that is located in another Development Area.

a. A Transfer of Existing Development Rights between real properties within the same Development Area that will result in the construction, addition, or conversion of not more than 1,000 square feet of nonresidential floor area over the amount of nonresidential floor area that existed on the receiving lot as of April 11, 2013 and that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

b. All other Transfers of Existing Development Rights (including Hotel Room for Room Replacements) that result in a project-specific potentially significant adverse traffic impact cannot be overridden by the Planning Commission.

8. Demolition and Reconstruction of Existing Nonresidential Floor Area on the same parcel. The Demolition and Reconstruction of Existing Nonresidential Floor Area on the same lot that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

9. Government Buildings. A government building that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

10. Government Displacement Project. A Government Displacement Floor Area Project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

11. Hotel Room for Room Replacement. An on-site Hotel Room for Room Replacement that presents a project-specific potentially significant adverse traffic impact may be approved

by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

12. Public Utility Facilities. A Public Utility Facility that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

13. Planned Development – New Automobile Sales Project. A Planned Development-New Automobile Sales Project that presents a project-specific potentially significant adverse traffic impact may be approved by the Planning Commission following the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A.

**C. AIRPORT DEVELOPMENT AREA.** If all of the floor area for a project is proposed from a category or categories of development that are available for allocation within the development area in which the proposed project is located, the project's contribution to a significant cumulative adverse traffic impact may be overridden by the Planning Commission. Within the Airport Development Area, unless specifically stated below, a project-specific potentially significant adverse traffic impact may be overridden by the Planning Commission with the adoption of a Statement of Overriding Considerations in the manner authorized by C.E.Q.A. The following categories of nonresidential development are available for allocation to real properties within the Airport Development Area:

1. Prior-Approved Projects.
2. Prior-Pending Projects.
3. Prior-Approved Specific Plan Projects.
4. Minor Addition Floor Area.
5. Small Addition Floor Area.
6. Vacant Property.
7. Community Priority Projects.
8. Economic Development Projects.
9. Transfers of Existing Development Rights (including Hotel Room for Room Replacements), as defined in Section 28.95.020 of this Code, from and to lots within the Airport Development Area are available for allocation. No Receiving Site located in the Airport Development Area may receive a Transfer of Existing Development Rights (including Hotel Room for Room Replacements) from a Sending Site that is located in another Development Area.

10. Demolition and Reconstruction of Existing Nonresidential Floor Area on the same lot.

11. Government Buildings.
12. Government Displacement Projects.
13. Public Utility Facilities.

**Section 28.85.060                      Development Plan Notice and Hearing.**

If a nonresidential construction project or transfer of existing development rights requires the approval of a development plan by the Architectural Board of Review, Historic Landmarks Commission, Staff Hearing Officer, Planning Commission, or the City Council on appeal, the Architectural Board of Review, Historic Landmarks Commission, Staff Hearing Officer, Planning Commission, or City Council shall hold a public hearing prior to taking action on any development plan. Notice of the public hearing shall be given in accordance with Section 28.87.380.

**Section 28.85.070                      Appeals.**

A decision by the Architectural Board of Review, the Historic Landmarks Commission, or the Planning Commission under this Chapter may be appealed according to the provisions of Chapter 1.30. A decision by the Staff Hearing Officer under this Chapter may be appealed according to the provisions of Section 28.05.020 of this Code.

**Section 28.85.080                      Fees.**

Fees for filing applications and appeals in accordance with this Chapter shall be established by resolution of the City Council.

**Section 28.85.090                      Development Plan Time Limits.**

Subject to the adjustments for projects with multiple approvals specified in Section 28.87.370 of this Code, development plan approvals shall have the following time limits:

**A. TIME LIMIT.** A development plan approved pursuant to any provision of this Title shall expire four (4) years from the date of its approval, except as otherwise provided herein. No building or grading permit for any work authorized by a development plan shall be issued following expiration of that plan.

**B. CONDITIONS.** Any condition imposed on a development plan

may, in the discretion of the body approving the development plan, also constitute (i) a condition to the issuance of and continued validity of any building or grading permit issued to implement that development plan, (ii) a condition to the issuance of the certificate of occupancy with respect to any improvements authorized by the development plan and (iii) if recorded with the County Recorder, to the continued validity of the certificate of occupancy. Violation of any such condition shall be grounds for suspension or revocation of any building or grading permit or certificate of occupancy issued with respect to the development plan.

**C. EXTENSION OF TIME PERIOD.** Upon application of the developer filed prior to the expiration of the development plan, the time at which the development plan expires may be extended by the Community Development Director for one (1) year. An extension of the expiration date of a development plan shall be granted if it is found that there has been due diligence to implement and complete the proposed project as substantiated by competent evidence in the record.

**D. SUSPENSION OF TIME DURING MORATORIUM.** The period of time specified in Subsection A, including any extension thereof granted pursuant to Subsection C, shall not include any period of time during which a moratorium, imposed after approval of the development plan, is in existence, provided however, that the length of the moratorium does not exceed five (5) years. For purposes of this Subsection, a development moratorium shall include (i) a water or sewer moratorium, (ii) a water and sewer moratorium, and (iii) a building or grading permit moratorium, as well as other actions of public agencies which regulate land use, development, or the provision of services to the land other than the City, which thereafter prevents, prohibits, or delays the completion of the development. Once a moratorium is terminated, the development plan shall be valid for the same period of time as was left to run on the development plan at the time that the moratorium was imposed. However, if the remaining time is less than 120 days, the development plan shall be valid for 120 days following the termination of the moratorium.

**E. SUSPENSION OF TIME DURING LITIGATION.** The period of time specified in Subsection A, including any extension thereof granted pursuant to Subsection C, shall not include the period of time during which a lawsuit involving the approval of the development plan or related approvals is or was pending in a court of competent jurisdiction. After service of the initial petition or complaint in the lawsuit upon the City, the applicant may advise the City of the need for a litigation

tolling stay pursuant to the City's adopted procedures.

**F. DEVELOPMENT PLANS ALREADY APPROVED.**

1. Beginning Date – Development Plan Approvals. The adoption of this ordinance shall not alter the date of approval of a Development Plan approved prior to the adoption of this ordinance.

2. Specific Plan Development Plan Approvals. For the purposes of calculating the expiration date of a Specific Plan project Development Plan approved in accordance with Santa Barbara Municipal Code Chapter 29.30, Development Plan approvals shall be deemed to expire eight (8) years after the date of the final City action approving the project Development Plan and shall include any related project approvals or modifications granted by the City in connection therewith.

**G. DISPOSITION OF FLOOR AREA ALLOCATED TO EXPIRED PROJECTS.**

For projects with floor area allocated from the Small Addition category, the unused floor area shall be made available for allocation to Small Addition or Community Benefit Projects, as determined by Planning Commission Resolution, upon expiration of the development plan. For projects with floor area allocated from the Community Benefit and Vacant Property categories, the unused floor area shall revert to the category from which the floor area was allocated upon expiration of the development plan. Floor area that was excluded from the development limit specified in Section 28.85.010 under the Prior-Approved or Prior-Pending categories shall expire upon expiration of the project's Development Plan and shall not be available for another allocation.

**Section 28.85.100 Multiple Development Plans.**

When more than one valid approved development plan exists for a lot, upon issuance of a building or grading permit for any work authorized by one of the approved development plans, all other development plans approved for that lot are deemed abandoned by the property owner. No building or grading permit shall be issued for any work authorized by a development plan following abandonment of that plan. For projects with floor area allocated from the Small Addition category, any unused floor area shall be made available for allocation to the Small Addition category or the Community Benefit Project category upon abandonment of a development plan. For projects with floor area allocated from the Community Benefit and Vacant Property categories, any unused floor area shall revert to the category from which the floor area was allocated upon abandonment of a

development plan.

**SECTION 2.** Section 28.87.300 of Chapter 28.87 of Title 28 of the Santa Barbara Municipal Code is repealed in its entirety.

**SECTION 3.** Section 28.87.350 of Chapter 28.87 of Title 28 of the Santa Barbara Municipal Code is repealed in its entirety.

**SECTION 4.** Sections 28.95.010 through 28.95.070 of Chapter 28.95 of Title 28 of the Santa Barbara Municipal Code are hereby amended to read as follows:

**Section 28.95.010 Purposes.**

A. To ensure a strong economy by providing a voluntary mechanism which would allow the transfer of existing nonresidential development rights from certain properties to certain other properties within the City, thereby encouraging economic vitality.

B. To encourage new development, but not new floor area, in a manner consistent with the City Nonresidential Growth Management Program Ordinance (S.B.M.C. Chapter 28.85) and Traffic Management Strategy (as approved by City Resolution No. 13-010 and dated as of March 12, 2013.)

C. To promote the efficient use of under used space, and creative re-use of existing buildings.

D. To encourage uses compatible with surrounding areas.

E. To provide flexibility and opportunities for redirecting growth within the growth cap.

F. To encourage the development of a balanced community with economic diversity.

G. To stimulate revitalization of existing commercial areas of the City.

H. To accommodate large scale development that is consistent with the City Nonresidential Growth Management Program Ordinance (S.B.M.C. Chapter 28.85) and Traffic Management Strategy (as approved by City Resolution No. 13-010 and dated as of March 12, 2013.)

I. To encourage the construction of housing.

**28.95.020 Definitions.**

A. Existing Development Rights consist of the following:

1. Existing Floor Area. The amount of nonresidential floor area of existing structures on a sending site; and

2. Approved Floor Area. Nonresidential floor area which has received all discretionary approvals from the City prior to the date of application for a transfer, provided that none of those approvals has expired prior to the date of such application; and

3. Demolished Floor Area. Nonresidential floor area of a structure, demolished after October 1988 and not subsequently reconstructed, and

4. Converted Floor Area. Nonresidential floor area of a structure, which has been permanently converted from nonresidential use to a residential use after October 1988.

Existing Development Rights may be aggregated from the above four categories but not so as to increase floor area above the amount allowed by the City Nonresidential Growth Management Program Ordinance (S.B.M.C. Chapter 28.85).

A transfer of Existing Development Rights shall transfer to the receiving site only nonresidential floor area regulated by the City Nonresidential Growth Management Program Ordinance (S.B.M.C. Chapter 28.85), and shall not transfer any other right, permit or approval. A transfer of Existing Development Rights shall not transfer credit for resource use by existing development on the sending site to the receiving site for purposes including but not limited to environmental review, development fees, or conditions of approval. The traffic impacts of a proposed transfer of Existing Development Rights shall be analyzed using the approved "City of Santa Barbara Traffic Model" as such Model has most recently been approved by a resolution of the City Council. Existing Development Rights shall be measured in square feet of floor area, except that hotel and motel rooms may be measured by room when Existing Development Rights are developed as hotel or motel rooms on the receiving site. Hotel and motel rooms which are approved but not constructed at the time of transfer approval shall be measured only in square feet of floor area.

B. Floor Area. "Floor area" is defined in Section 28.85.020.

C. Hotel or Motel Room. A hotel or motel room includes only that floor area within the walls of rooms let for the exclusive use of individuals as a temporary abiding place, and does not include any other areas. No replacement room shall be designed for rental or rented as more than one separate accommodation.

D. Nonresidential Floor Area. Floor area is "nonresidential" if the Community Development Director determines that the floor area was used exclusively for nonresidential purposes in October, 1988; or that the floor area was vacant in October of

1988 and the last use of the floor area prior to the proposed transfer was nonresidential; or that the floor area was approved for nonresidential purposes as described in Paragraph A.2 above.

E. Receiving Site. A site to which Existing Development Rights are transferred.

F. Sending Site. A site from which Existing Development Rights are transferred.

G. Transfer of Existing Development Rights. The transfer of Existing Development Rights as defined in Subsection A above from a sending site to a receiving site. Existing Development Rights may be transferred by sale, exchange, gift or other approved legal means, but such transfer shall not be effective until the City has approved the transfer in accordance with the provisions of this Chapter and the City's Nonresidential Growth Management Program, as specified in S.B.M.C. Chapter 28.85, and the conditions of the transfer have been duly satisfied.

#### **Section 28.95.030                      Approval of Transfer of Existing Development Rights.**

A. Application Review. The application(s) and supporting documentation submitted by the applicant(s) shall be reviewed by the Community Development Department. If the application(s) for processing are determined to be complete by the Community Development Department, the applicant(s) shall proceed in accordance with the standard application process in place at the time of submittal.

B. Transfer Approval. Existing Development Rights may be transferred from Sending Site(s) to Receiving Site(s) pursuant to the provisions of this Chapter and any guidelines adopted by a resolution of the City Council in order to effectuate the purposes of this Chapter.

After approval, any change in the project, at either the Sending Site(s) or Receiving Site(s) which is not determined by the Planning Commission and/or the Community Development Director to be in substantial conformity with the approved project, shall be a new project and require a new application, review, and approval and/or disapproval. No transfer or receipt of Existing Development Rights shall be valid or effective unless the transfer and receipt, and development plans for both the Sending Site(s) and Receiving Site(s), comply with all requirements of this Municipal Code and have been reviewed and approved by the City in accordance with the provisions of this Chapter and the City's Nonresidential Growth Management Program,

as specified in S.B.M.C. Chapter 28.85, and all applicable conditions to the transfer have been satisfied.

C. Community Priorities. Any Existing Development Rights approved as a community priority on a sending site may be transferred only if the new development on the receiving site is also approved as a community priority.

D. Multiple Sending and Receiving Sites. Existing Development Rights may be transferred from more than one sending site to a single receiving site. Existing Development Rights may be transferred from one sending site to more than one receiving site.

E. Compliance with Approved Traffic Management Strategy. Every transfer of Existing Development Rights must comply with the City's Council-approved Traffic Management Strategy as implemented in Section 28.85.050 of this Code. Any Existing Development Rights proposed for transfer must qualify for allocation at the Receiving Site.

**Section 28.95.040 Amount of Existing Development Rights That Can Be Transferred from a Sending Site to a Receiving Site.**

A. The total amount of Existing Development Rights that can be transferred to a receiving site is subject to the applicable zoning of that receiving site, provisions of the Municipal Code, and any and all other applicable City rules and regulations.

B. The total amount of Existing Development Rights that can be transferred from a sending site is equal to the difference between the eliminated floor area on the sending site and the floor area of all nonresidential structures constructed or proposed to be constructed on the sending site.

**Section 28.95.050 Development Plan Approval.**

The following Transfers of Existing Development Rights must receive Development Plan approval by the Planning Commission, or the City Council on appeal:

A. Any transfer of more than 1,000 square feet of Existing Development Rights from a sending site,

B. Any transfer that involves the transfer of a hotel room on a room-for-room basis, and

C. Any project that is constructing, adding, or converting more than 1,000 square feet of nonresidential floor area on a Receiving Site and which includes any amount of transferred Existing Development Rights. Once a Development Plan is

approved for a Sending Site, the Sending Site Development Plan approval may be used for subsequent transfers of Existing Development Rights from the Sending Site as long as the Community Development Director determines that the condition of the Sending Site following such subsequent transfers will substantially conform to the original Development Plan approval.

**Section 28.95.060 Review and Findings.**

The Planning Commission, or the City Council on appeal, shall review each application for a transfer of Existing Development Rights and shall not approve any such transfer unless it finds that:

A. The proposed development plans for both the Sending and Receiving Sites are consistent with the goals and objectives of the General Plan of the City of Santa Barbara and the Municipal Code; and

B. The proposed developments will not be detrimental to the site(s), neighborhood or surrounding areas; and

C. The floor area of proposed nonresidential development on the Receiving Site does not exceed the sum of the amount of Existing Development Rights transferred when added to the amount of Existing Development Rights on the Receiving Site, and does not exceed the maximum development allowed by the applicable zoning of the Receiving Site.

D. Each of the proposed nonresidential developments on the respective Sending Site(s) and Receiving Site(s) will meet all standards for review as set forth in Section 28.85.040 of the Municipal Code and all provisions of this Chapter, and will comply with any additional specific conditions for a transfer approval.

E. Development remaining, or to be built, on a Sending Site is appropriate in size, scale, use, and configuration for the neighborhood and is beneficial to the community.

**Section 28.95.070 Conditions of Approval.**

A. The Planning Commission, or the City Council on appeal, shall require conditions of Development Plan approval for plans submitted for Sending and Receiving Sites. Conditions may include, but are not limited to a development agreement, as defined in State law, executed by the City and the Sending Site owner or the Receiving Site owner, or both. The Planning Commission, or the City Council on appeal, may impose other conditions and restrictions upon the proposed Development Plans

and transfer approval consistent with the General Plan and may require security to assure performance of all conditions and restrictions.

B. The Planning Commission, or City Council on appeal, shall require as conditions of Development Plan approval for plans submitted for the Sending and Receiving Sites that:

1. Whenever a Sending Site owner is required by this Chapter to offer to dedicate the Sending Site to the City or other governmental entity approved by the City, and the floor area to be transferred will be eliminated by demolition, a Sending Site owner shall make such offer prior to issuance of a demolition permit for the Sending Site. If the City or other governmental entity approved by the City rejects said offer of dedication, the Planning Commission approval will be considered null and void; and

2. Any Existing Development Rights, measured in square feet of floor area, and/or number of hotel or motel rooms when appropriate, and whether such Existing Development Rights derive from existing, approved, demolished or converted floor area, shall be clearly and accurately designated on both the Sending and Receiving Site Development Plans; and

3. Prior to issuance of any necessary permit relating to any Existing Development Rights approved for transfer from a Sending Site, the option, deed, easement, covenant, or other legal instrument by which the existing development rights are being transferred, and proof of recordation of the Development Plan for both Sending and Receiving Sites shall be reviewed and approved by the Community Development Director.

4. Proof of the elimination of the transferred floor area from the Sending Site must be reviewed and approved by the Community Development Director prior to recordation of the approved instrument of transfer. The City shall be a party to the instrument of transfer in a manner acceptable to the City Attorney; and

5. Prior to the issuance of any building permit for the project proposed on the Receiving Site pursuant to this Chapter, proof of recordation of the transfer instrument, and proof of elimination of the Existing Development Rights on the Sending Site shall be accepted as satisfactory by the Community Development Director.

C. The Community Development Director, or the Director's designee, shall require the satisfaction of the following conditions prior to the issuance of any necessary permit relating to any transfer of existing development rights that did

not require the approval of the development plan pursuant to this Chapter or Chapter 28.85:

1. Whenever a Sending Site owner is required by this Chapter to offer to dedicate the Sending site to the City or other governmental entity approved by the City, and the floor area to be transferred will be eliminated by demolition, a Sending Site owner shall make such offer prior to issuance of a demolition permit for the Sending Site. If the City or other governmental entity approved by the City rejects said offer of dedication, the transfer will be considered null and void; and

2. Any Existing Development Rights, measured in square feet of floor area, and whether such Existing Development Rights derive from existing, approved, demolished or converted floor area, shall be clearly and accurately designated on both the Sending and Receiving Site Development Plans; and

3. The option, deed, easement, covenant, or other legal instrument by which the existing development rights are being transferred shall be reviewed and approved by the Community Development Director and the City Attorney as to form. The City shall be a party to the instrument of transfer; and

4. Proof of the elimination of the transferred floor area from the Sending Site must be reviewed and approved by the Community Development Director prior to recordation of the approved instrument of transfer; and

5. Proof of recordation of the transfer instrument, and proof of elimination of the Existing Development Rights on the Sending Site shall be accepted as satisfactory by the Community Development Director.

**SECTION 5.** The City Clerk is hereby authorized to amend various references to the prior Section 28.87.300 found throughout Titles 28 and 29 to reference the new Chapter 28.85 as approved by the City Attorney.



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Accounting Division, Finance Department

**SUBJECT:** Fiscal Year 2013 Interim Financial Statements For The Seven Months Ended January 31, 2013

### RECOMMENDATION:

That Council accept the Fiscal Year 2013 Interim Financial Statements for the Seven Months Ended January 31, 2013.

### DISCUSSION:

The interim financial statements for the seven months ended January 31, 2013 (58.3% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the General Fund, Enterprise Funds, Internal Service Funds, and select Special Revenue Funds.

**ATTACHMENT:** Interim Financial Statements for the Seven Months Ended January 31, 2013

**PREPARED BY:** Julie Nemes, Accounting Manager

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
<b>GENERAL FUND</b>					
Revenue	106,204,318	63,289,109	-	42,915,209	59.6%
Expenditures	106,541,376	61,357,707	1,527,974	43,655,695	59.0%
<i>Addition to / (use of) reserves</i>	<u>(337,058)</u>	<u>1,931,402</u>	<u>(1,527,974)</u>		
<b>WATER OPERATING FUND</b>					
Revenue	33,792,362	22,045,341	-	11,747,021	65.2%
Expenditures	35,143,747	17,780,246	2,713,840	14,649,661	58.3%
<i>Addition to / (use of) reserves</i>	<u>(1,351,385)</u>	<u>4,265,096</u>	<u>(2,713,840)</u>		
<b>WASTEWATER OPERATING FUND</b>					
Revenue	17,207,200	10,065,964	-	7,141,236	58.5%
Expenditures	17,369,170	8,477,820	1,356,936	7,534,415	56.6%
<i>Addition to / (use of) reserves</i>	<u>(161,970)</u>	<u>1,588,144</u>	<u>(1,356,936)</u>		
<b>DOWNTOWN PARKING</b>					
Revenue	6,795,891	4,468,666	-	2,327,225	65.8%
Expenditures	7,905,307	4,321,947	375,134	3,208,226	59.4%
<i>Addition to / (use of) reserves</i>	<u>(1,109,416)</u>	<u>146,720</u>	<u>(375,134)</u>		
<b>AIRPORT OPERATING FUND</b>					
Revenue	14,774,556	8,807,405	-	5,967,151	59.6%
Expenditures	16,334,202	8,588,823	562,852	7,182,526	56.0%
<i>Addition to / (use of) reserves</i>	<u>(1,559,646)</u>	<u>218,582</u>	<u>(562,852)</u>		
<b>GOLF COURSE FUND</b>					
Revenue	1,872,903	1,016,530	-	856,373	54.3%
Expenditures	1,923,510	1,203,130	10,224	710,156	63.1%
<i>Addition to / (use of) reserves</i>	<u>(50,607)</u>	<u>(186,600)</u>	<u>(10,224)</u>		
<b>INTRA-CITY SERVICE FUND</b>					
Revenue	5,930,750	3,257,632	-	2,673,118	54.9%
Expenditures	6,607,428	3,290,459	888,722	2,428,248	63.2%
<i>Addition to / (use of) reserves</i>	<u>(676,679)</u>	<u>(32,828)</u>	<u>(888,722)</u>		

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>FLEET REPLACEMENT FUND</b>					
Revenue	2,549,018	1,494,902	-	1,054,116	58.6%
Expenditures	2,596,624	563,090	1,470,783	562,750	78.3%
<i>Addition to / (use of) reserves</i>	(47,606)	931,812	(1,470,783)		
<b>FLEET MAINTENANCE FUND</b>					
Revenue	2,441,918	1,434,120	-	1,007,798	58.7%
Expenditures	2,521,089	1,403,276	200,267	917,546	63.6%
<i>Addition to / (use of) reserves</i>	(79,171)	30,844	(200,267)		
<b>SELF INSURANCE TRUST FUND</b>					
Revenue	6,101,986	3,673,723	-	2,428,263	60.2%
Expenditures	5,949,472	3,447,314	241,513	2,260,645	62.0%
<i>Addition to / (use of) reserves</i>	152,514	226,409	(241,513)		
<b>INFORMATION SYSTEMS ICS FUND</b>					
Revenue	2,358,079	1,376,683	-	981,396	58.4%
Expenditures	2,808,492	1,551,603	149,061	1,107,828	60.6%
<i>Addition to / (use of) reserves</i>	(450,413)	(174,920)	(149,061)		
<b>WATERFRONT FUND</b>					
Revenue	12,072,564	7,706,437	-	4,366,127	63.8%
Expenditures	13,162,748	7,556,369	539,569	5,066,810	61.5%
<i>Addition to / (use of) reserves</i>	(1,090,184)	150,068	(539,569)		
<b>TOTAL FOR ALL FUNDS</b>					
Revenue	212,101,545	128,636,513	-	83,465,032	60.6%
Expenditures	218,863,165	119,541,784	10,036,875	89,284,506	59.2%
<i>Addition to / (use of) reserves</i>	(6,761,621)	9,094,728	(10,036,875)		

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

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Budgeted and Actual Revenues**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

	Annual Budget	YTD Actual	Remaining Balance	Percent Received	Previous YTD
<b>TAXES</b>					
Sales and Use	19,933,931	11,423,589	8,510,342	57.3%	10,464,337
Property Taxes	24,626,561	13,910,255	10,716,306	56.5%	12,804,564
Utility Users Tax	7,015,200	4,029,915	2,985,285	57.4%	4,182,538
Transient Occupancy Tax	14,489,200	9,336,438	5,152,762	64.4%	8,663,137
Business License	2,220,780	1,580,585	640,195	71.2%	1,400,140
Real Property Transfer Tax	356,180	445,445	(89,265)	125.1%	220,586
<i>Total</i>	<u>68,641,852</u>	<u>40,726,227</u>	<u>27,915,625</u>	59.3%	<u>37,735,301</u>
<b>LICENSES &amp; PERMITS</b>					
Licenses & Permits	208,988	115,885	93,103	55.5%	127,882
<i>Total</i>	<u>208,988</u>	<u>115,885</u>	<u>93,103</u>	55.5%	<u>127,882</u>
<b>FINES &amp; FORFEITURES</b>					
Parking Violations	2,382,621	1,517,272	865,349	63.7%	1,395,297
Library Fines	120,331	75,690	44,641	62.9%	64,329
Municipal Court Fines	162,352	65,234	97,118	40.2%	66,154
Other Fines & Forfeitures	305,000	154,717	150,283	50.7%	127,915
<i>Total</i>	<u>2,970,304</u>	<u>1,812,913</u>	<u>1,157,391</u>	61.0%	<u>1,653,695</u>
<b>USE OF MONEY &amp; PROPERTY</b>					
Investment Income	729,077	479,498	249,579	65.8%	425,396
Rents & Concessions	453,827	235,201	218,626	51.8%	168,440
<i>Total</i>	<u>1,182,904</u>	<u>714,699</u>	<u>468,205</u>	60.4%	<u>593,836</u>
<b>INTERGOVERNMENTAL</b>					
Grants	509,610	614,456	(104,846)	120.6%	119,491
Vehicle License Fees	-	48,265	(48,265)	100.0%	-
Reimbursements	14,040	13,932	108	99.2%	1,323
<i>Total</i>	<u>523,650</u>	<u>676,653</u>	<u>(153,003)</u>	129.2%	<u>120,815</u>
<b>FEES &amp; SERVICE CHARGES</b>					
Finance	848,301	511,136	337,165	60.3%	486,850
Community Development	4,495,945	2,552,838	1,943,107	56.8%	2,464,935
Recreation	2,441,584	1,384,896	1,056,688	56.7%	1,271,550
Public Safety	555,980	320,047	235,933	57.6%	335,490
Public Works	5,407,003	3,174,846	2,232,157	58.7%	2,910,194
Library	673,140	621,452	51,688	92.3%	619,141
Reimbursements	4,271,753	2,527,204	1,744,549	59.2%	3,392,037
<i>Total</i>	<u>18,693,706</u>	<u>11,092,418</u>	<u>7,601,288</u>	59.3%	<u>11,480,197</u>
<b>OTHER REVENUES</b>					
Miscellaneous	1,622,136	1,736,651	(114,515)	107.1%	964,109
Franchise Fees	3,509,700	1,943,363	1,566,337	55.4%	2,090,541
Indirect Allocations	5,841,852	3,407,747	2,434,105	58.3%	3,565,227
Operating Transfers-In	3,009,226	1,062,551	1,946,675	35.3%	1,051,438
<i>Total</i>	<u>13,982,914</u>	<u>8,150,313</u>	<u>5,832,601</u>	58.3%	<u>7,671,315</u>
<b>TOTAL REVENUES</b>	<u>106,204,318</u>	<u>63,289,109</u>	<u>42,915,209</u>	59.6%	<u>59,383,041</u>

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>GENERAL GOVERNMENT</b>						
<u>Mayor &amp; City Council</u>						
MAYOR	737,693	417,738	1,098	318,857	56.8%	
<i>Total</i>	737,693	417,738	1,098	318,857	56.8%	399,596
<u>City Attorney</u>						
CITY ATTORNEY	2,011,215	1,191,579	8,325	811,311	59.7%	
<i>Total</i>	2,011,215	1,191,579	8,325	811,311	59.7%	1,121,035
<u>Administration</u>						
CITY ADMINISTRATOR	1,551,018	809,168	1,098	740,753	52.2%	
CITY TV	473,554	274,720	33,412	165,422	65.1%	
<i>Total</i>	2,024,572	1,083,887	34,510	906,175	55.2%	1,049,214
<u>Administrative Services</u>						
CITY CLERK	461,229	249,668	13,676	197,885	57.1%	
HUMAN RESOURCES	1,258,017	675,778	14,919	567,320	54.9%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	14,447	25	-	14,422	0.2%	
<i>Total</i>	1,733,693	925,471	28,595	779,627	55.0%	991,715
<u>Finance</u>						
ADMINISTRATION	241,585	185,307	1,835	54,442	77.5%	
TREASURY	530,592	291,924	14,600	224,067	57.8%	
CASHIERING & COLLECTION	438,330	252,428	-	185,902	57.6%	
LICENSES & PERMITS	446,773	250,975	-	195,798	56.2%	
BUDGET MANAGEMENT	434,881	250,510	1,400	182,971	57.9%	
ACCOUNTING	493,940	263,673	45,160	185,107	62.5%	
PAYROLL	286,604	163,920	-	122,684	57.2%	
ACCOUNTS PAYABLE	218,948	124,857	-	94,091	57.0%	
CITY BILLING & CUSTOMER SERVICE	647,851	361,717	-	286,134	55.8%	
PURCHASING	698,481	323,454	2,394	372,633	46.7%	
CENTRAL STORES	160,944	84,346	341	76,257	52.6%	
MAIL SERVICES	108,448	61,624	2,150	44,674	58.8%	
<i>Total</i>	4,707,377	2,614,737	67,881	2,024,759	57.0%	2,446,922
<b>TOTAL GENERAL GOVERNMENT</b>	<b>11,214,550</b>	<b>6,233,411</b>	<b>140,408</b>	<b>4,840,730</b>	<b>56.8%</b>	<b>6,008,482</b>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
CHIEF'S STAFF	994,588	600,381	254	393,954	60.4%	
SUPPORT SERVICES	626,474	358,644	830	267,000	57.4%	
RECORDS	1,173,614	659,188	8,696	505,729	56.9%	
COMMUNITY SVCS	994,713	666,041	3,535	325,137	67.3%	
PROPERTY ROOM	155,893	74,376	820	80,697	48.2%	
TRNG/RECRUITMENT	412,970	364,299	11,288	37,383	90.9%	
RANGE	1,157,431	692,295	29,056	436,080	62.3%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
BEAT COORDINATORS	825,860	480,762	-	345,098	58.2%	
INFORMATION TECHNOLOGY	1,320,105	802,823	24,223	493,059	62.7%	
INVESTIGATIVE DIVISION	4,697,571	2,582,088	3,143	2,112,340	55.0%	
CRIME LAB	132,701	76,036	-	56,665	57.3%	
PATROL DIVISION	15,258,604	8,756,008	120,124	6,382,472	58.2%	
TRAFFIC	1,373,035	778,521	1,570	592,944	56.8%	
SPECIAL EVENTS	786,140	713,517	-	72,623	90.8%	
TACTICAL PATROL FORCE	1,303,426	717,373	-	586,053	55.0%	
STREET SWEEPING ENFORCEMENT	306,625	132,401	-	174,224	43.2%	
NIGHT LIFE ENFORCEMENT	287,755	167,704	-	120,051	58.3%	
PARKING ENFORCEMENT	944,849	498,441	27,800	418,608	55.7%	
CCC	2,389,953	1,297,027	4	1,092,922	54.3%	
ANIMAL CONTROL	629,335	373,455	-	255,880	59.3%	
<i>Total</i>	<u>35,771,642</u>	<u>20,791,382</u>	<u>231,342</u>	<u>14,748,918</u>	58.8%	<u>19,657,099</u>
<u>Fire</u>						
ADMINISTRATION	773,141	485,983	2,969	284,189	63.2%	
EMERGENCY SERVICES AND PUBLIC ED	254,443	152,981	-	101,462	60.1%	
PREVENTION	1,141,192	592,301	-	548,891	51.9%	
WILDLAND FIRE MITIGATION PROGRAM	174,860	96,249	9,827	68,784	60.7%	
OPERATIONS	17,706,629	10,581,438	76,427	7,048,764	60.2%	
ARFF	1,740,953	1,020,193	-	720,760	58.6%	
<i>Total</i>	<u>21,791,218</u>	<u>12,929,146</u>	<u>89,223</u>	<u>8,772,849</u>	59.7%	<u>11,821,062</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>57,562,860</u>	<u>33,720,528</u>	<u>320,565</u>	<u>23,521,767</u>	59.1%	<u>31,478,160</u>
<b>PUBLIC WORKS</b>						
<u>Public Works</u>						
ADMINISTRATION	1,005,992	534,352	9,054	462,587	54.0%	
ENGINEERING SVCS	4,650,713	2,597,179	1,881	2,051,653	55.9%	
PUBLIC RT OF WAY MGMT	1,000,166	538,716	476	460,974	53.9%	
ENVIRONMENTAL PROGRAMS	557,906	190,737	245,684	121,486	78.2%	
<i>Total</i>	<u>7,214,777</u>	<u>3,860,984</u>	<u>257,095</u>	<u>3,096,699</u>	57.1%	<u>3,686,372</u>
<b>TOTAL PUBLIC WORKS</b>	<u>7,214,777</u>	<u>3,860,984</u>	<u>257,095</u>	<u>3,096,699</u>	57.1%	<u>3,686,372</u>
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
PRGM MGMT & BUS SVCS	413,527	237,593	357	175,577	57.5%	
FACILITIES	828,084	457,968	14,511	355,605	57.1%	
YOUTH ACTIVITIES	714,977	519,834	5,131	190,012	73.4%	
SR CITIZENS	723,198	413,829	286	309,084	57.3%	
AQUATICS	1,096,927	741,170	23,382	332,375	69.7%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
SPORTS	484,909	258,121	4,073	222,715	54.1%	
TENNIS	255,362	143,603	-	111,759	56.2%	
NEIGHBORHOOD & OUTREACH SERV	951,954	581,613	9,388	360,953	62.1%	
ADMINISTRATION	599,031	337,600	1,487	259,944	56.6%	
PROJECT MANAGEMENT TEAM	223,076	132,138	-	90,938	59.2%	
BUSINESS SERVICES	310,413	172,027	1,996	136,390	56.1%	
FACILITY & PROJECT MGT	973,211	604,770	213	368,228	62.2%	
GROUNDS MANAGEMENT	4,357,754	2,402,816	67,763	1,887,175	56.7%	
FORESTRY	1,182,017	628,230	95,210	458,577	61.2%	
BEACH MAINTENANCE	151,599	92,362	15,619	43,618	71.2%	
<i>Total</i>	<u>13,266,039</u>	<u>7,723,673</u>	<u>239,416</u>	<u>5,302,950</u>	60.0%	<u>7,290,285</u>
<u>Library</u>						
ADMINISTRATION	537,794	297,766	53,700	186,328	65.4%	
PUBLIC SERVICES	2,126,837	1,146,548	700	979,589	53.9%	
SUPPORT SERVICES	2,004,205	965,391	166,173	872,641	56.5%	
<i>Total</i>	<u>4,668,836</u>	<u>2,409,705</u>	<u>220,573</u>	<u>2,038,558</u>	56.3%	<u>2,147,553</u>
<b>TOTAL COMMUNITY SERVICES</b>	<u>17,934,875</u>	<u>10,133,378</u>	<u>459,990</u>	<u>7,341,507</u>	59.1%	<u>9,437,839</u>
<b>COMMUNITY DEVELOPMENT</b>						
<u>Community Development</u>						
ADMINISTRATION	577,992	337,110	7,230	233,652	59.6%	
ECON DEV	47,384	23,419	-	23,965	49.4%	
CITY ARTS ADVISORY PROGRAM	427,260	394,248	-	33,012	92.3%	
HUMAN SVCS	926,170	527,719	313,553	84,898	90.8%	
LR PLANNING/STUDIES	966,481	519,058	410	447,014	53.7%	
DEV & DESIGN REVIEW	1,251,412	667,675	11,552	572,185	54.3%	
ZONING	1,204,968	631,831	3,298	569,840	52.7%	
DESIGN REV & HIST PRESERVATN	1,083,146	591,659	5,125	486,362	55.1%	
BLDG PERMITS	1,097,900	628,783	463	468,654	57.3%	
RECORDS & ARCHIVES	543,242	285,052	7,797	250,393	53.9%	
PLAN CK & COUNTER SRV	1,308,665	656,551	489	651,624	50.2%	
<i>Total</i>	<u>9,434,620</u>	<u>5,263,151</u>	<u>349,916</u>	<u>3,821,553</u>	59.5%	<u>5,417,629</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>9,434,620</u>	<u>5,263,151</u>	<u>349,916</u>	<u>3,821,553</u>	59.5%	<u>5,417,629</u>
<b>NON-DEPARTMENTAL</b>						
<u>Non-Departmental</u>						
DUES, MEMBERSHIPS, & LICENSES	22,272	24,057	-	(1,785)	108.0%	
COMMUNITY PROMOTIONS	1,536,799	1,242,310	-	294,489	80.8%	
SPECIAL PROJECTS	381,073	234,751	-	146,322	61.6%	
TRANSFERS OUT	43,500	25,375	-	18,125	58.3%	

CITY OF SANTA BARBARA  
General Fund  
Interim Statement of Appropriations, Expenditures and Encumbrances  
For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)

	Annual Budget	YTD Actual	Encum- brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
<b>NON-DEPARTMENTAL</b>						
<u>Non-Departmental</u>						
DEBT SERVICE TRANSFERS	349,125	299,959	-	49,166	85.9%	
CAPITAL OUTLAY TRANSFER	548,234	319,803	-	228,431	58.3%	
APPROP. RESERVE	298,691	-	-	298,691	0.0%	
<i>Total</i>	3,179,694	2,146,255	-	1,033,439	67.5%	2,209,363
<b>TOTAL NON-DEPARTMENTAL</b>	3,179,694	2,146,255	-	1,033,439	67.5%	2,209,363
<b>TOTAL EXPENDITURES</b>	106,541,376	61,357,707	1,527,974	43,655,695	59.0%	58,237,844

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

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

**CITY OF SANTA BARBARA**  
**Special Revenue Funds**  
**Interim Statement of Revenues and Expenditures**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

	Annual Budget	YTD Actual	Encum- brances	Remaining Balance	Percent of Budget
<b>TRAFFIC SAFETY FUND</b>					
Revenue	506,204	326,124	-	180,080	64.4%
Expenditures	506,204	326,124	-	180,080	64.4%
<i>Revenue Less Expenditures</i>	-	-	-	-	
<b>CREEK RESTORATION/WATER QUALITY IMPRVMT</b>					
Revenue	3,002,872	1,956,664	-	1,046,208	65.2%
Expenditures	3,780,959	1,692,348	430,140	1,658,470	56.1%
<i>Revenue Less Expenditures</i>	(778,087)	264,316	(430,140)	(612,262)	
<b>SOLID WASTE PROGRAM</b>					
Revenue	18,509,144	10,804,240	-	7,704,904	58.4%
Expenditures	18,677,350	10,726,985	179,699	7,770,666	58.4%
<i>Revenue Less Expenditures</i>	(168,206)	77,255	(179,699)	(65,762)	
<b>COMM.DEVELOPMENT BLOCK GRANT</b>					
Revenue	2,132,621	752,173	-	1,380,448	35.3%
Expenditures	2,132,621	400,713	295,661	1,436,247	32.7%
<i>Revenue Less Expenditures</i>	-	351,461	(295,661)	(55,800)	
<b>COUNTY LIBRARY</b>					
Revenue	1,821,003	1,036,463	-	784,540	56.9%
Expenditures	2,024,098	1,106,881	74,058	843,158	58.3%
<i>Revenue Less Expenditures</i>	(203,095)	(70,418)	(74,058)	(58,618)	
<b>STREETS FUND</b>					
Revenue	9,983,673	6,601,847	-	3,381,826	66.1%
Expenditures	13,751,673	6,178,918	1,362,709	6,210,046	54.8%
<i>Revenue Less Expenditures</i>	(3,768,000)	422,929	(1,362,709)	(2,828,220)	
<b>MEASURE A</b>					
Revenue	3,021,238	1,890,265	-	1,130,973	62.6%
Expenditures	3,322,218	1,457,139	720,618	1,144,461	65.6%
<i>Revenue Less Expenditures</i>	(300,980)	433,126	(720,618)	(13,488)	

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**WATER OPERATING FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Water Sales - Metered	29,800,000	19,302,891	-	10,497,109	64.8%	18,442,039
Service Charges	537,000	404,553	-	132,447	75.3%	550,452
Cater JPA Treatment Charges	2,405,482	1,209,563	-	1,195,919	50.3%	1,157,140
Investment Income	500,000	358,152	-	141,848	71.6%	408,287
Rents & Concessions	-	13,342	-	(13,342)	100.0%	-
Reimbursements	519,880	707,837	-	(187,957)	136.2%	227,133
Miscellaneous	30,000	49,003	-	(19,003)	163.3%	52,567
Operating Transfers-In	-	-	-	-	100.0%	294,876
<b>TOTAL REVENUES</b>	<u>33,792,362</u>	<u>22,045,341</u>	<u>-</u>	<u>11,747,021</u>	<u>65.2%</u>	<u>21,132,494</u>
<b>EXPENSES</b>						
Salaries & Benefits	7,830,597	4,352,421	-	3,478,176	55.6%	4,138,243
Materials, Supplies & Services	9,187,970	4,078,441	1,965,659	3,143,870	65.8%	3,907,434
Special Projects	1,282,374	318,755	521,831	441,788	65.5%	219,906
Water Purchases	7,963,366	4,166,184	183,556	3,613,625	54.6%	4,198,745
Debt Service	4,989,408	2,805,959	-	2,183,449	56.2%	2,797,204
Capital Outlay Transfers	3,426,649	1,998,879	-	1,427,770	58.3%	6,582,576
Equipment	149,093	19,431	11,716	117,946	20.9%	51,612
Capitalized Fixed Assets	129,289	11,503	31,077	86,709	32.9%	8,190
Other	35,000	28,674	-	6,326	81.9%	26,190
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
<b>TOTAL EXPENSES</b>	<u>35,143,747</u>	<u>17,780,246</u>	<u>2,713,840</u>	<u>14,649,661</u>	<u>58.3%</u>	<u>21,930,101</u>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**WASTEWATER OPERATING FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Service Charges	16,337,000	9,584,982	-	6,752,018	58.7%	8,770,935
Fees	614,000	325,494	-	288,506	53.0%	384,397
Investment Income	206,200	101,144	-	105,056	49.1%	131,038
Public Works	25,000	25,750	-	(750)	103.0%	24,790
Miscellaneous	25,000	28,593	-	(3,593)	114.4%	19,967
Operating Transfers-In	-	-	-	-	100.0%	393,223
<b>TOTAL REVENUES</b>	<u>17,207,200</u>	<u>10,065,964</u>	<u>-</u>	<u>7,141,236</u>	<u>58.5%</u>	<u>9,724,351</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,423,604	3,048,039	-	2,375,565	56.2%	2,753,819
Materials, Supplies & Services	6,708,910	3,321,466	1,353,892	2,033,551	69.7%	3,289,425
Special Projects	326,300	4,020	-	322,281	1.2%	2,104
Debt Service	1,646,192	314,422	-	1,331,770	19.1%	324,512
Capital Outlay Transfers	3,000,121	1,750,071	-	1,250,050	58.3%	2,678,993
Equipment	83,044	32,993	44	50,007	39.8%	27,889
Capitalized Fixed Assets	26,000	5,809	3,000	17,191	33.9%	868
Other	5,000	1,000	-	4,000	20.0%	1,000
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
<b>TOTAL EXPENSES</b>	<u>17,369,170</u>	<u>8,477,820</u>	<u>1,356,936</u>	<u>7,534,415</u>	<u>56.6%</u>	<u>9,078,610</u>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**  
**DOWNTOWN PARKING**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Improvement Tax	840,000	659,707	-	180,293	78.5%	604,567
Parking Fees	5,757,166	3,695,301	-	2,061,865	64.2%	3,549,445
Investment Income	112,800	65,790	-	47,010	58.3%	68,957
Rents & Concessions	40,925	23,873	-	17,052	58.3%	40,925
Miscellaneous	1,500	(1,380)	-	2,880	-92.0%	55
Operating Transfers-In	43,500	25,375	-	18,125	58.3%	206,417
<b>TOTAL REVENUES</b>	<u>6,795,891</u>	<u>4,468,666</u>	<u>-</u>	<u>2,327,225</u>	<u>65.8%</u>	<u>4,470,366</u>
<b>EXPENSES</b>						
Salaries & Benefits	4,024,353	2,196,350	-	1,828,003	54.6%	2,136,344
Materials, Supplies & Services	1,915,082	997,000	146,067	772,016	59.7%	941,114
Special Projects	531,806	304,721	224,002	3,083	99.4%	385,140
Transfers-Out	297,121	173,321	-	123,800	58.3%	173,321
Capital Outlay Transfers	1,111,945	648,635	-	463,310	58.3%	608,574
Equipment	25,000	1,921	5,065	18,014	27.9%	2,367
<b>TOTAL EXPENSES</b>	<u>7,905,307</u>	<u>4,321,947</u>	<u>375,134</u>	<u>3,208,226</u>	<u>59.4%</u>	<u>4,246,860</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**  
**AIRPORT OPERATING FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Leases - Commercial / Industrial	4,345,075	2,603,594	-	1,741,481	59.9%	2,522,826
Leases - Terminal	5,043,600	2,863,153	-	2,180,447	56.8%	2,823,661
Leases - Non-Commerical Aviation	1,498,800	902,971	-	595,829	60.2%	838,172
Leases - Commerical Aviation	3,549,000	2,282,810	-	1,266,190	64.3%	1,641,241
Investment Income	171,700	74,341	-	97,359	43.3%	105,165
Miscellaneous	166,381	80,536	-	85,845	48.4%	230,863
Operating Transfers-In	-	-	-	-	100.0%	175,097
<b>TOTAL REVENUES</b>	<u>14,774,556</u>	<u>8,807,405</u>	<u>-</u>	<u>5,967,151</u>	59.6%	<u>8,337,024</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,101,719	2,818,195	-	2,283,524	55.2%	2,807,576
Materials, Supplies & Services	7,079,052	3,721,119	562,852	2,795,080	60.5%	3,517,172
Special Projects	736,200	337,429	-	398,771	45.8%	443,375
Transfers-Out	18,295	10,672	-	7,623	58.3%	25,790
Debt Service	1,780,853	571,869	-	1,208,984	32.1%	-
Capital Outlay Transfers	1,469,012	1,111,563	-	357,449	75.7%	935,006
Equipment	63,569	16,816	-	46,753	26.5%	55,492
Other	-	1,161	-	(1,161)	100.0%	-
Appropriated Reserve	85,502	-	-	85,502	0.0%	-
<b>TOTAL EXPENSES</b>	<u>16,334,202</u>	<u>8,588,823</u>	<u>562,852</u>	<u>7,182,526</u>	56.0%	<u>7,784,411</u>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**GOLF COURSE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Fees & Card Sales	1,559,903	841,450	-	718,453	53.9%	855,664
Investment Income	6,300	5,893	-	407	93.5%	5,824
Rents & Concessions	306,000	168,888	-	137,112	55.2%	166,328
Miscellaneous	700	300	-	400	42.8%	149
Operating Transfers-In	-	-	-	-	100.0%	60,447
<b>TOTAL REVENUES</b>	<u>1,872,903</u>	<u>1,016,530</u>	<u>-</u>	<u>856,373</u>	<u>54.3%</u>	<u>1,088,411</u>
<b>EXPENSES</b>						
Salaries & Benefits	989,689	592,584	-	397,105	59.9%	621,663
Materials, Supplies & Services	560,984	331,006	10,224	219,754	60.8%	283,803
Special Projects	300	-	-	300	0.0%	-
Debt Service	185,650	161,887	-	23,763	87.2%	159,507
Capital Outlay Transfers	158,373	92,384	-	65,989	58.3%	53,688
Equipment	27,500	24,422	-	3,078	88.8%	1,013
Other	1,014	847	-	167	83.5%	847
<b>TOTAL EXPENSES</b>	<u>1,923,510</u>	<u>1,203,130</u>	<u>10,224</u>	<u>710,156</u>	<u>63.1%</u>	<u>1,120,521</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**INTRA-CITY SERVICE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Service charges	99,584	58,091	-	41,493	58.3%	58,091
Work Orders - Bldg Maint.	3,085,446	1,806,989	-	1,278,457	58.6%	1,817,592
Grants	321,388	128,095	-	193,293	39.9%	363,000
Service Charges	2,057,130	1,199,993	-	857,137	58.3%	1,185,665
Miscellaneous	367,202	64,464	-	302,738	17.6%	3,441
Operating Transfers-In	-	-	-	-	100.0%	195,360
<b>TOTAL REVENUES</b>	<u>5,930,750</u>	<u>3,257,632</u>	<u>-</u>	<u>2,673,118</u>	54.9%	<u>3,623,148</u>
<b>EXPENSES</b>						
Salaries & Benefits	3,290,726	1,864,750	-	1,425,976	56.7%	1,691,112
Materials, Supplies & Services	1,158,398	650,287	150,945	357,166	69.2%	628,478
Special Projects	1,857,597	586,032	717,199	554,366	70.2%	876,496
Equipment	15,000	3,212	-	11,788	21.4%	1,105
Capitalized Fixed Assets	285,708	186,178	20,578	78,952	72.4%	437,362
<b>TOTAL EXPENSES</b>	<u>6,607,428</u>	<u>3,290,459</u>	<u>888,722</u>	<u>2,428,248</u>	63.2%	<u>3,634,553</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**FLEET REPLACEMENT FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Vehicle Rental Charges	2,146,217	1,251,960	-	894,257	58.3%	1,050,697
Investment Income	128,400	81,930	-	46,470	63.8%	78,451
Rents & Concessions	224,401	130,901	-	93,500	58.3%	130,901
Miscellaneous	50,000	30,111	-	19,889	60.2%	68,843
<b>TOTAL REVENUES</b>	<u>2,549,018</u>	<u>1,494,902</u>	<u>-</u>	<u>1,054,116</u>	<u>58.6%</u>	<u>1,328,890</u>
<b>EXPENSES</b>						
Salaries & Benefits	185,579	107,482	-	78,097	57.9%	92,181
Materials, Supplies & Services	3,059	1,672	-	1,387	54.7%	1,318
Special Projects	300,000	-	-	300,000	0.0%	-
Capitalized Fixed Assets	2,107,986	453,936	1,470,783	183,266	91.3%	261,061
<b>TOTAL EXPENSES</b>	<u>2,596,624</u>	<u>563,090</u>	<u>1,470,783</u>	<u>562,750</u>	<u>78.3%</u>	<u>354,560</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**FLEET MAINTENANCE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Vehicle Maintenance Charges	2,371,918	1,383,619	-	988,299	58.3%	1,383,618
Reimbursements	10,000	5,833	-	4,167	58.3%	-
Miscellaneous	60,000	44,668	-	15,332	74.4%	17,649
Operating Transfers-In	-	-	-	-	100.0%	57,636
<b>TOTAL REVENUES</b>	<u>2,441,918</u>	<u>1,434,120</u>	<u>-</u>	<u>1,007,798</u>	<u>58.7%</u>	<u>1,458,904</u>
<b>EXPENSES</b>						
Salaries & Benefits	1,220,922	708,863	-	512,059	58.1%	658,224
Materials, Supplies & Services	1,185,057	680,759	163,767	340,531	71.3%	538,947
Special Projects	105,110	13,464	36,499	55,146	47.5%	13,865
Equipment	10,000	190	-	9,810	1.9%	-
<b>TOTAL EXPENSES</b>	<u>2,521,089</u>	<u>1,403,276</u>	<u>200,267</u>	<u>917,546</u>	<u>63.6%</u>	<u>1,211,036</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**SELF INSURANCE TRUST FUND**

	<b>** Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Insurance Premiums	2,598,025	1,515,514	-	1,082,511	58.3%	1,485,799
Workers' Compensation Premiums	2,600,000	1,516,667	-	1,083,333	58.3%	1,458,333
OSH Charges	187,961	-	-	187,961	0.0%	-
Investment Income	116,000	40,360	-	75,640	34.8%	71,069
Reimbursements	-	-	-	-	100.0%	967
Miscellaneous	-	1,181	-	(1,181)	100.0%	2,110
Accel - Return of Premium	600,000	600,000	-	-	100.0%	-
<b>TOTAL REVENUES</b>	<b>6,101,986</b>	<b>3,673,723</b>	<b>-</b>	<b>2,428,263</b>	<b>60.2%</b>	<b>3,018,279</b>
<b>EXPENSES</b>						
Salaries & Benefits	517,317	282,522	-	234,795	54.6%	247,268
Materials, Supplies & Services	5,076,048	2,957,121	241,513	1,877,414	63.0%	2,713,748
Special Projects	100	-	-	100	0.0%	-
Transfers-Out	356,007	207,671	-	148,336	58.3%	2,154,804
<b>TOTAL EXPENSES</b>	<b>5,949,472</b>	<b>3,447,314</b>	<b>241,513</b>	<b>2,260,645</b>	<b>62.0%</b>	<b>5,115,820</b>

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

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**INFORMATION SYSTEMS ICS FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Service charges	2,358,079	1,375,545	-	982,534	58.3%	1,333,729
Miscellaneous	-	1,138	-	(1,138)	100.0%	1,209
Operating Transfers-In	-	-	-	-	100.0%	11,515
<b>TOTAL REVENUES</b>	<u>2,358,079</u>	<u>1,376,683</u>	<u>-</u>	<u>981,396</u>	<u>58.4%</u>	<u>1,346,453</u>
<b>EXPENSES</b>						
Salaries & Benefits	1,672,999	923,852	-	749,147	55.2%	859,048
Materials, Supplies & Services	795,547	506,406	93,595	195,546	75.4%	400,279
Special Projects	14,500	3,319	3,389	7,792	46.3%	3,686
Transfers-Out	43,000	43,000	-	-	100.0%	-
Equipment	277,853	75,025	52,078	150,750	45.7%	68,647
Capitalized Fixed Assets	1,000	-	-	1,000	0.0%	-
Appropriated Reserve	3,593	-	-	3,593	0.0%	-
<b>TOTAL EXPENSES</b>	<u>2,808,492</u>	<u>1,551,603</u>	<u>149,061</u>	<u>1,107,828</u>	<u>60.6%</u>	<u>1,331,660</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Seven Months Ended January 31, 2013 (58.3% of Fiscal Year)**

**WATERFRONT FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Leases - Commercial	1,657,000	960,379	-	696,621	58.0%	898,212
Leases - Food Service	2,423,000	1,748,052	-	674,948	72.1%	1,536,278
Slip Rental Fees	4,041,464	2,375,248	-	1,666,216	58.8%	2,315,107
Visitors Fees	383,000	263,808	-	119,192	68.9%	250,319
Slip Transfer Fees	450,000	342,750	-	107,250	76.2%	360,650
Parking Revenue	1,886,360	1,279,957	-	606,403	67.9%	1,283,746
Wharf Parking	248,880	151,021	-	97,860	60.7%	146,224
Other Fees & Charges	235,008	142,633	-	92,375	60.7%	221,680
Investment Income	150,900	84,828	-	66,072	56.2%	88,414
Rents & Concessions	310,952	192,520	-	118,432	61.9%	201,619
Reimbursements	-	10,830	-	(10,830)	100.0%	-
Miscellaneous	286,000	154,410	-	131,590	54.0%	97,741
Operating Transfers-In	-	-	-	-	100.0%	264,531
<b>TOTAL REVENUES</b>	<u>12,072,564</u>	<u>7,706,437</u>	<u>-</u>	<u>4,366,127</u>	<u>63.8%</u>	<u>7,664,520</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,741,416	3,292,025	-	2,449,391	57.3%	3,173,560
Materials, Supplies & Services	3,621,195	1,989,655	537,952	1,093,588	69.8%	1,859,329
Special Projects	140,685	86,150	-	54,535	61.2%	45,022
Debt Service	1,849,105	1,226,865	-	622,240	66.3%	1,051,353
Capital Outlay Transfers	1,540,978	898,904	-	642,074	58.3%	545,115
Equipment	129,369	61,770	1,617	65,982	49.0%	53,289
Capitalized Fixed Assets	40,000	-	-	40,000	0.0%	-
Other	-	1,000	-	(1,000)	100.0%	2,540
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
<b>TOTAL EXPENSES</b>	<u>13,162,748</u>	<u>7,556,369</u>	<u>539,569</u>	<u>5,066,810</u>	<u>61.5%</u>	<u>6,730,208</u>

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



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013  
**TO:** Mayor and Councilmembers  
**FROM:** Administration Division, Parks and Recreation Department  
**SUBJECT:** Records Destruction For Parks And Recreation Department

### 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 Parks and Recreation Department in the Administration, Parks, and Recreation Divisions.

### DISCUSSION:

The City Council adopted Resolution No. 12-008 on February 14, 2012, approving the City of Santa Barbara, Records Management Policies and Procedures Manual. The Manual contains the records retention and disposition schedules for all City departments. The schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice.

Pursuant to the Manual, the Parks and Recreation Director submitted a request for records destruction to the City Clerk Services Manager to obtain written consent from the City Attorney. The City Clerk Services Manager agreed that the list of records proposed for destruction conformed to the retention and disposition schedules. The City Attorney has consented in writing to the destruction of the proposed records.

The Parks and Recreation Director requests the City Council to approve the destruction of the Parks and Recreation Department records in the Administration, Parks, and Recreation Divisions listed on Exhibit A of the proposed Resolution, without retaining a copy.

**SUSTAINABILITY IMPACT:**

Under the City's Sustainable Santa Barbara Program, one of the City's goals is to increase recycling efforts and divert waste from landfills. The Citywide Records Management Program outlines that records approved for destruction be recycled, reducing paper waste.

**PREPARED BY:** Karla M. Megill, Executive Assistant

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

**APPROVED BY:** City Administrator's Office

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA RELATING TO THE DESTRUCTION OF RECORDS HELD BY THE PARKS AND RECREATION DEPARTMENT IN THE ADMINISTRATION, PARKS, AND RECREATION DIVISIONS

WHEREAS, the City Council adopted Resolution No. 12-008 on February 14, 2012, approving the City of Santa Barbara Records Management Policies and Procedures Manual;

WHEREAS, the City of Santa Barbara Records Management Policies and Procedures Manual contains the records retention and disposition schedules for all City departments. The records retention and disposition schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice;

WHEREAS, Government Code Section 34090 provides that, with the approval of the City Council and the written consent of the City Attorney, the head of a City department may destroy certain city records, documents, instruments, books or papers under the Department Head's charge, without making a copy, if the records are no longer needed;

WHEREAS, the Parks and Recreation Director submitted a request for the destruction of records held by the Parks and Recreation Department to the City Clerk Services Manager to obtain written consent from the City Attorney. A list of the records, documents, instruments, books or papers proposed for destruction is attached hereto as Exhibit A and shall hereafter be referred to collectively as the "Records";

WHEREAS, the Records do not include any records affecting title to real property or liens upon real property, court records, records required to be kept by statute, records less than two years old, video or audio recordings that are evidence in any claim or pending litigation, or the minutes, ordinances or resolutions of the City Council or any City board or commission;

WHEREAS, the City Clerk Services Manager agrees that the proposed destruction conforms to the City's retention and disposition schedules;

WHEREAS, the City Attorney consents to the destruction of the Records; and

WHEREAS, the City Council of the City of Santa Barbara finds and determines that the Records are no longer required and may be destroyed.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA that the Parks and Recreation Director, or her designated representative, is authorized and directed to destroy the Records without retaining a copy.

## PARKS AND RECREATION DEPARTMENT

## ADMINISTRATION DIVISION

Records Series	Date(s)
Administrative Staff Meeting Agendas and Minutes	2010
Contracts and Agreements	2007
Correspondence	2009 – 2010
Memberships in Associations, Societies, and Committees	2006 - 2007
Special Events Files	2002 - 2008
Subject Files	2007

## PARKS DIVISION

Records Series	Date(s)
Park Ranger Incident Reports	Mar 2009 – Feb 2010
Correspondence	2009 –2010

## RECREATION DIVISION

Records Series	Date(s)
<i>Active Adults &amp; Classes</i>	
Contracts and Agreements	Jul 2007 – Jun 2008
Correspondence	Jul 2010 – Jun 2011
Recreation Program Files	
Accounting Records	Jul 2010 – Jun 2011
Registration	Jul 2007 – Jun 2008
Membership	2007
Facility Maintenance and Inspection	Jul 2005 – Jun 2006
Independent Contractor/Instructor Files	2007
<i>Aquatics and Sports Sections</i>	
Recreation Program Files	
Registration	2007
Field and Facility Rental and Reservation Files	2007
Sports League Files	2007
<i>Cultural Arts Sections</i>	
Arts & Crafts Show Files	2007-2010
Field and Facility Rental and Reservation Files	2007
<i>Facilities &amp; Events</i>	
Recreation Program Files	Jan – Dec 2007
Field and Facility Rental and Registration Files	Jan – Dec 2007

## RECREATION DIVISION (cont.)

Records Series	Date(s)
<i>Neighborhood &amp; Outreach Services</i>	
Routine Correspondence	1983 – 2001
Staff Working Papers	2005-2006, 2008-2010
<i>Tennis Section</i>	
Recreation Program Files	
Registration	Jul 2006 – Jun 2007
Independent Contractor/Instructor	Jul 2006 – Jun 2007
Membership	Jul 2006 – Jun 2007
Incident and Injury Reports, and Safety Information	Jul 2006 – Jun 2007
Field and Facility Rental and Reservation Files	Jul 2006 – Jun 2007
<i>Youth Activities</i>	
Recreation Program Files	
Registration	Jul 2007 – Jun 2008
Camp Registration Files	Sept 2009 – Aug 2010



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Business & Properties Division, Airport Department

**SUBJECT:** Lease Agreement With U.S. Department of Transportation, Federal Aviation Administration

### **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 Twenty Year Lease Agreement with the U.S. Department of Transportation, Federal Aviation Administration, with No Monetary Consideration, for Approximately 2.5 Acres of Land at 10 Edward Burns Place, at the Santa Barbara Municipal Airport, Effective October 1, 2013.

### **DISCUSSION:**

The subject Premises is located south of Hollister Avenue at 10 Edward Burns Place in an Airport Facilities (A-F) zone. The Federal Aviation Administration (FAA) has operated an Air Traffic Control Tower at this location since 1997. The use conforms to existing zoning.

The tower was constructed by the FAA using federal funding for design and construction. The FAA performs air traffic control and radar approach control services from the facility.

Under the Federal Grant Assurances, C. Sponsor Certification, Article 28, Land for Federal Facilities, it is stipulated that no monetary compensation is to be charged to the Federal Aviation Administration for the use of the land. However, the FAA does pay all costs of operation and maintenance of the facility, including reimbursement of any utilities provided directly by the Airport.

The proposed Lease Agreement has been negotiated based upon the criteria set forth in Resolution 93-127, and has been reviewed and determined to be exempt from environmental review. The Airport Commission recommends approval.

Council Agenda Report  
Lease Agreement With U.S. Department of Transportation, Federal Aviation  
Administration  
March 12, 2013  
Page 2

**PREPARED BY:** Rebecca Fribley, Sr. Property Management Specialist

**SUBMITTED BY:** Karen Ramsdell, Airport Director

**APPROVED BY:** City Administrator's Office

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING A TWENTY YEAR LEASE AGREEMENT WITH THE U.S. DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION, WITH NO MONETARY CONSIDERATION, FOR APPROXIMATELY 2.5 ACRES OF LAND AT 10 EDWARD BURNS PLACE, AT THE SANTA BARBARA MUNICIPAL AIRPORT, EFFECTIVE OCTOBER 1, 2013

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

SECTION 1. In accordance with the provisions of Section 521 of the Charter of the City of Santa Barbara, that certain lease between the City of Santa Barbara and the U.S. Department of Transportation, Federal Aviation Administration, which provides for operation of an Air Traffic Control Tower on 2.5 acres of land at 10 Edward Burns Place, at the Santa Barbara Municipal Airport, for a period of twenty years, beginning October 1, 2013 and ending September 30, 2033, is hereby approved.



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Design Of Wellhead For New Corporation Yard Well

### RECOMMENDATION:

That Council authorize the Public Works Director to execute a Professional Services contract with Carollo Engineers in the amount of \$80,000 for design services for the Corporation Yard Wellhead Project, and authorize the Public Works Director to approve expenditures of up to \$8,000 for extra services of Carollo Engineers that may result from necessary changes in the scope of work.

### DISCUSSION:

The City is in the process of replacing the existing Corporation Yard Well. The first phase, which will begin this month, involves abandoning the existing well and drilling the new well. The second phase will involve installing the wellhead on the new well. This contract is for the design of that wellhead.

### BACKGROUND

The City's groundwater supplies are an important part of the City's overall water supply. They help meet peak summer water demands and supplement depleted surface water supplies during droughts. Groundwater supplies also serve as an emergency water source in the event of a catastrophic interruption to the water supplies from the Santa Ynez River or the State Water Project.

In 2011, Council awarded a contract to rehabilitate the Ortega Groundwater Treatment Plant (OGTP), which included rehabilitation of three of the four downtown wells. The OGTP facility and wells are anticipated to be ready for operation in the summer of 2013. Rehabilitation of the Corporation Yard Well was originally included in the OGTP project scope. However, during the initial design phase, it was determined that the CYW was in the process of failing and a new well would need to be drilled. Work pertaining to the Corporation Yard Well was removed from the OGTP project scope.

Municipal well development has two distinct phases. The first phase involves drilling the well. The second phase involves installing the wellhead, which includes the associated piping, electrical systems, pump and motor.

In December 2012, Council awarded a contract to Layne Christensen (Layne) for construction services on the first phase, which includes drilling a replacement well and abandoning the existing well. This work is scheduled to begin in March and be completed in May 2013.

#### PROJECT DESCRIPTION

The Corporation Yard Wellhead (“CYW”) Project is the second and final phase necessary to put the well into production. Staff conducted a competitive request for proposals and recommends hiring Carollo Engineers (Carollo) to perform the necessary engineering design for the Project. Carollo was found to be best suited to perform the work and has successfully performed many other similar projects for the City.

Staff recommends that Council authorize the Public Works Director to execute a contract with Carollo in the amount of \$80,000 and authorize the Public Works Director to approve expenditures of up to \$8,000 for extra services, for a total of \$88,000. The scope of Carollo’s work includes preparing construction documents for the well pump, wellhead piping, electrical service, and instrumentation to monitor well production and direct flows to the OGTP for treatment before being put into the water distribution system. Carollo’s scope of work also includes providing assistance during the bidding phase. Staff will return to Council to award a construction contract for the CYW Project in fall 2013.

#### FUNDING

There are sufficient appropriated funds in the Water Fund to cover the cost of the CYW Project. The following summarizes the expenditures recommended in this report and all expenditures associated with the new Corporation Yard Well:

#### ESTIMATED TOTAL PROJECT COST

<b>Phase 1 – Well Drilling</b>	<b>\$1,442,830</b>
<b>Phase 2 – Wellhead</b>	
Design (by Contract)	\$ 88,000
Design (by City Staff)	\$ 30,000
<b>Subtotal</b>	<b>\$ 118,000</b>
Construction	\$ 200,000
Construction Management (by City Staff)	\$ 40,000
<b>Subtotal</b>	<b>\$ 240,000</b>
<b>TOTAL PROJECT COST</b>	<b>\$1,800,830</b>

This item was heard by the Water Commission at its regular meeting on February 11, 2013. The Water Commission voted 5-0-0 in favor of staff's recommendations.

**PREPARED BY:** Joshua Haggmark, Principal Civil Engineer/CW/mj

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Increase In Construction Change Order Authority For The Intersection Improvement Project At Anacapa And Carrillo Streets

**RECOMMENDATION:** That Council:

- A. Increase appropriations by \$45,000 in the Streets Fund from reserves to the Intersection Improvement Project at Anacapa and Carrillo Streets; and
- B. Authorize an increase in the Public Works Director's Change Order Authority to approve expenditures for extra work for the Intersection Improvement Project at Anacapa and Carrillo Streets, Contract No. 23,907 in the amount of \$75,000 for a total project expenditure authority of \$442,895.

**DISCUSSION:**

**BACKGROUND**

The purpose of the Intersection Improvement Project at Anacapa and Carrillo Streets (Project) is to improve safety by increasing signal visibility at this intersection, which has among the highest number of intersection collisions in the City. In 2008, the City contracted with Penfield & Smith Engineers (P&S) to evaluate existing intersection conditions and to develop recommendations for improving the Anacapa and Carrillo Streets Intersection.

After significant review by the Transportation and Circulation Committee, Historic Landmarks Commission, and City Council, Council approved the final P&S design concept on September 14, 2010.

On October 25, 2011, Council accepted Federal Highway Safety Improvement Program funding in the amount of \$400,000, increased the estimated revenues by \$400,000 in the Fiscal Year 2012 Streets Capital Fund, appropriated \$400,000, and awarded a contract with Lash Construction for \$319,895 for construction of the Project.

## CURRENT STATUS

On January 18, 2013, the City's fiber optic cable was severed during augering operations for a new traffic signal pole located at the southwest corner of the Anacapa and Carrillo Streets intersection. The fiber optic cable location was not constructed per the original plans, which resulted in it being mismarked in the field by City staff. City staff has determined that the contractor performed their obligation to notify Underground Service Alert and hand excavate within two feet of utility markings. Therefore, the cost to repair the fiber optic conduit and cables was approved as extra work.

This fiber network has multiple links; the link that was damaged is north of the Carrillo Street and Fire Station 1 link. The damaged link resulted in data outages at many of the City's facilities including the Police Department, Downtown Parking, and the Central Library. City staff immediately investigated the damage, notified users, and contacted a subcontractor specializing in fiber optic line repair. Due to the nature of the outage, City staff, the contractor, and the subcontractor worked for approximately 24 hours to repair the conduit, install new pull boxes, and splice new fiber cable. Since the repair was an emergency, City staff directed the work and tracked the contractor's time, material, and equipment for payment purposes. Full data service was restored on January 19, 2013.

Subsequent to the fiber optic line repair, City staff designed, and the contractor implemented a revised conduit layout and traffic signal foundation detail to sleeve the fiber optic conduit through the area. In addition, concrete work was completed to restore the pull box locations at Parking Lots 8 and 9. Construction is now back on track and is anticipated to be complete by the end of March 2013.

Public Works staff will be recording the changes to the conduit and fiber optic line system on available record drawings and the Information Systems Division will continue its efforts to map the entire fiber optic system in the City's Geographic Information System.

## **BUDGET/FINANCIAL INFORMATION:**

### FUNDING

The proposed increase in change order authority includes an approximate \$32,000 invoice from the fiber optic subcontractor, and \$23,000 in time and material work by the prime and subcontractor to repair the conduit and install the pull boxes, and for other site restorations and delay costs associated with the fiber optic line repair. The proposed increase also includes \$10,000 for other underground and traffic control extra work items and \$10,000 to cover any cost increases that may result from future unforeseen work. Staff has reviewed the subcontractor's invoice and verified all costs.

Staff recommends that the proposed increase in change order authority be funded from \$30,000 in existing appropriations in the Streets Capital Fund and \$45,000 from reserves. City Staff has contacted Caltrans and they have determined that the utility

repair cost is not grant eligible but a portion of the site restorations and delay costs may be reimbursable.

**CONSTRUCTION CONTRACT FUNDING SUMMARY**

	<b>Base Contract</b>	<b>Change Order</b>	<b>Total</b>
Initial Contract Amount	\$319,895	\$48,000	\$367,895
Proposed Increase		\$75,000	\$75,000
<b>Totals</b>	<b>\$319,895</b>	<b>\$123,000</b>	<b>\$442,895</b>

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

**ESTIMATED TOTAL PROJECT COST**

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

<b>Design</b>	Subtotal	<b>\$175,543</b>
Construction Contract		\$319,895
Construction Change Order Allowance		\$123,000
Construction Management/Inspection (by City Staff)		\$138,693
Design Support Services During Construction (by Contract)		\$8,625
Other Construction Costs – Material Testing and Archaeological Monitoring		\$15,690
<b>Construction</b>	Subtotal	<b>\$605,903</b>
	<b>Project Total</b>	<b>\$781,446</b>

**PREPARED BY:** Linda Sumansky, Principal Civil Engineer/AH/KY/mj

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator’s Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Emergency Purchase Order For El Estero Wastewater Treatment Plant Equipment Repair

### **RECOMMENDATION:**

That Council approve an after-the-fact Emergency Purchase Order to Wick Boiler Service for emergency repairs made to the El Estero Wastewater Treatment Plant's Digester Heat Exchanger units, in an amount of \$49,950.

### **DISCUSSION:**

The biological treatment process utilized by El Estero Wastewater Treatment Plant (El Estero) to remove organic material from wastewater results in the generation of a residual commonly referred to as biosolids. Biosolids are primarily comprised of the bodies of a single celled organisms resulting from the aerobic and anaerobic digestion of the suspended and dissolved material in the wastewater. Biosolids are processed in El Estero's anaerobic digesters (large sealed concrete tanks) which are heated to a temperature range similar to the temperature of the human body, and bacteria present in these digesters consume almost half of the organic material of the biosolids delivered there in a period of two weeks.

In mid-January 2013, El Estero staff determined that the digester facility's heat exchanger units were failing and required immediate emergency repair. Despite spot repair work that was performed on these units in 2012, additional failures continued to occur. Continued operation of the digester heat exchanger units was deemed unsafe unless immediate rehabilitation work was undertaken. An emergency Purchase Order, No.77966, was issued to Wick Boiler Service to replace all the tubes within the digester heat exchanger units' fire boxes and lower sludge tubes, and to perform de-scaling and related cleaning work in the interior of both heat exchanger units.

**BUDGET/FINANCIAL INFORMATION:**

The Wick Boiler Service emergency repair work was completed by late February 2013, at an overall cost of \$49,950. The Wastewater Fund capital budget includes appropriated funds for repair and improvements to existing facilities. This purchase order has been issued using these funds.

This matter was scheduled for review by the Board of Water Commissioners at the March 11, 2013, meeting.

**PREPARED BY:** Chris Toth, Wastewater System Manager/CJT/avb

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Construction For The Bridge Preventive Maintenance Program Project, Bid No. 3635

**RECOMMENDATION:** That Council:

- A. Accept a grant from the Federal Highway Administration for an amount not to exceed \$313,248 for construction of the Bridge Preventive Maintenance Program Project;
- B. Authorize the increase of estimated revenues and appropriations in the Fiscal Year 2013 Streets Grant Fund by \$257,237 for the Bridge Preventive Maintenance Program Project;
- C. Award a contract to Granite Construction Company in their low bid amount of \$198,608 for construction of the Bridge Preventive Maintenance Program, Bid No. 3635; and
- D. Authorize the Public Works Director to execute the contract and approve expenditures up to \$19,861 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

**DISCUSSION:**

**PROJECT DESCRIPTION**

The work is located at seven bridges throughout the City, including four bridges over Mission Creek (Carrillo Street, Arrellaga Street, Mission Street, and State Street), one bridge over the Laguna Channel (Yanonali Street), one bridge over Sycamore Creek (East Cabrillo Boulevard), and one bridge over Tecolotito Creek (Hollister Avenue).

The work consists of placing polyester concrete overlay, methacrylate resin treatment, and asphalt concrete; removing and replacing concrete; removing traffic stripes, pavement markings, and pavement markers; epoxy crack injecting; painting traffic stripes and pavement markings; installing pavement markers; and other incidental and appurtenant work necessary for the proper construction of the contemplated improvement, as indicated on the project plans.

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Contract For Construction For The Bridge Preventive Maintenance Program Project, Bid No. 3635

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### CONTRACT BIDS

A total of five bids were received for the subject work, ranging as follows:

	<b>BIDDER</b>	<b>BID AMOUNT</b>
1.	Granite Construction Company Watsonville, California	\$198,608.00
2.	Truesdell Corporation of California, Inc. Tempe, Arizona	\$224,224.00
3.	Beador Construction Company, Inc. Corona, California	\$228,300.00
4.	American Civil Constructors, Inc.	\$255,618.50
5.	Newton Construction and Management, Inc.	\$383,186.72

The low bid of \$198,608, submitted by Granite Construction Company (Granite), is an acceptable bid that is responsive to and meets the requirements of the bid specifications. Staff evaluated Granite's bid and found no mathematical error or apparent unbalanced quote. Furthermore, staff checked Granite's contractor license and found no default.

The change order funding recommendation of \$19,861, or ten percent, is typical for this type of work and size of project.

### COMMUNITY OUTREACH

Staff will be mailing written notices at a minimum of two weeks in advance of any construction activity to adjacent properties within 300 feet from the bridge. In addition, the contractor will deliver notices to each business and resident adjacent to the construction activity areas 72 hours prior to beginning work.

### FUNDING

This project is funded in part by the California Department of Transportation (Caltrans) Local Assistance Bridge Preventive Maintenance Program (BPMP), a subset of the Federal Highway Administration Highway Bridge Program. Under the BPMP, the federal share of project costs is 88.53 percent and the City's share is 11.47 percent.

The following summarizes the construction contract costs:

**CONSTRUCTION CONTRACT COSTS**

<b>Contractor</b>	<b>Basic Contract</b>	<b>Contract Change Order</b>	<b>Total</b>
Granite Construction Company	\$198,608	\$19,861	\$218,469
<b>TOTAL CONSTRUCTION CONTRACT COSTS</b>			<b>\$218,469</b>

The following summarizes all Project design and construction costs:

**PROJECT COSTS**

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

<b>Project Cost</b>	<b>Federal Share</b>	<b>City Share</b>	<b>Total</b>
Design Cost (Contract)	\$21,966	\$2,846	\$24,812
Other Design Cost- Environmental (Contract)	\$7,412	\$960	\$8,372
Project Management (City Staff)	\$21,084	\$40,954	\$62,038
<b>Subtotal</b>	<b>\$50,462</b>	<b>\$44,760</b>	<b>\$95,222</b>
Construction Contract Cost (Contract)	\$175,828	\$22,780	\$198,608
Construction Contract Change Order	\$17,583	\$2,278	\$19,861
Construction Management/Inspection Cost (City Staff)	\$41,667	\$5,398	\$47,065
<b>Subtotal</b>	<b>\$235,078</b>	<b>\$30,456</b>	<b>\$265,534</b>
Other Construction Cost- Engineering Support Services During Construction (Contract)	\$16,577	\$2,148	\$18,725
Other Construction Cost- Materials Testing (Contract)	\$5,582	\$723	\$6,305
<b>Subtotal</b>	<b>\$22,159</b>	<b>\$2,871</b>	<b>\$25,030</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$307,699</b>	<b>\$78,087</b>	<b>\$385,786</b>

Staff Project Management included consultant contract administration, grant funding administration, and coordination of Caltrans and inter-City department reviews. Contracts for engineering support services and materials testing have been previously authorized and are within the authority of the City Administrator.

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Contract For Construction For The Bridge Preventive Maintenance Program Project, Bid No. 3635

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The total project cost is \$385,786. The Bridge Preventive Maintenance Program has already received \$50,462 in grants from the federal bridge program for the design costs. The additional \$257,237 (\$235,078 Construction/Change Order/Management plus \$22,159 for Engineering Support Services/Materials testing) is for the federal share of the construction cost. There are sufficient appropriated funds in the Streets Fund to cover the City costs totaling \$78,087.

**PREPARED BY:** John Ewasiuk, Principal Civil Engineer/JLI/kts

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office



## CITY OF SANTA BARBARA CITY COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Finance Department  
Water Resources Division, Public Works Department  
City Attorney's Office

**SUBJECT:** Professional Services Agreements – Financial Advisory Services And  
Bond Counsel And Disclosure Services

**RECOMMENDATION:** That Council:

- A. Authorize the City Attorney to execute an agreement with Orrick, Herrington & Sutcliff, LLP, for Bond and Disclosure Counsel services in an amount not exceed \$267,750 for the potential sale of Certificates of Participation (COPs) by the Water Fund, Wastewater Fund and Waterfront Fund to refinance existing debt and finance new capital projects, with the cost of the services payable from COP proceeds at such time as the COPs are issued; and
- B. Authorize the Finance Director to execute, subject to City Attorney review as to form, an agreement with KNN Public Finance for financial advisory services in an amount not to exceed \$75,000 for the initial sale of COPs and \$60,000 for each additional COP transaction, for a maximum not to exceed \$195,000, payable from COP proceeds if, and at such time as, the COPs are issued.

### **DISCUSSION:**

Over the next year, City staff will be evaluating the feasibility of issuing certificates of participation (COPs) in the Water Fund, Wastewater Fund and Waterfront Fund. COPs are a type of debt similar to bonds, which, like bonds, are sold to finance capital projects or to refinance existing long-term indebtedness. In the case of the Water and Waterfront Funds, the purpose of such COPs would be to refinance existing long-term indebtedness primarily to capitalize on historically low interest rates. In the case of the Wastewater Fund, the purpose is twofold: first, to refinance existing debt; and second, to provide financing for a large capital improvement project at El Estero Treatment Plant.

The first potential COP City staff will be evaluating is for the Water Fund. Staff from the Public Works, City Attorney and Finance Departments have completed a preliminary analysis and it appears that the City could reduce its overall annual debt service costs. Additionally, the refinancing of existing debt will eliminate confusing and conflicting covenants among all outstanding debt, which will facilitate the sale of future debt.

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Professional Services Agreements – Financial Advisory Services And Bond Counsel And Disclosure Services

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The Water Fund currently has five outstanding debt obligations, which include the 2002 Refunding Certificates of Participation, the 1994 Refunding Revenue Bonds and three separate loans from the State Department of Water Resources (DWR) through its revolving loan program.

In total, the Water Fund has \$79.4 million in outstanding long-term debt. It is unlikely that the most recent loan of \$29 million from the DWR will be included in the refinancing and the 1994 bonds may be cash refinanced from existing reserves rather than new bonds. As such, a total of \$48.3 million in debt would likely be included within the potential debt refinancing.

Whether staff ultimately recommends moving forward with debt refinancing in the Water Fund is dependent on what savings in debt service costs will actually be realized. The calculation of savings is impacted by the interest rate on the refunding COPs and to what extent they may rise as we move closer to the actual sale; and the costs to sell the COPs (i.e., legal and financial advisory costs, rating agency and underwriting costs that might be paid). With the exception of rating agency costs, all costs are payable solely from bond proceeds, and only if the COPs are actually sold; therefore, only minimal costs will be incurred up front and there is no commitment to incur other costs until these factors have been appropriately analyzed and the COPs are actually sold.

Based on the work done to date, staff is at a point where bond/disclosure counsel and a financial advisor should be retained to assist City staff with the analysis, gathering of appropriate documentation and preparation of the necessary documents for a potential sale. A description of the firms, their respective scope of services and related fees are provided below.

### **Financial Advisory Services**

The City historically has used financial advisors with the issuance of long-term debt. For example, with the recent sale of Airport Certificates of Participation, the City used a financial advisor. For a number of years, the City has retained the services of KNN Public Finance for financial advisory services. KNN is a highly qualified firm with extensive knowledge of the City's operations and past bond sales. Staff believes this expertise and knowledge of the City is important to ensure any bond sale is based on a thorough understanding of the City's needs and the bond market.

In general, the role of a financial advisor is to serve as an independent advocate for the seller of bonds or other indebtedness and provide the seller with the information necessary to make intelligent, informed decisions. The sale of bonds is a highly specialized, complicated and nuanced transaction, requiring a level of expertise not generally held by municipal finance professionals within the City. Specifically, the financial advisor helps

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### Professional Services Agreements – Financial Advisory Services And Bond Counsel And Disclosure Services

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structure the financing to get the best rate for the City, reviews and give advice on the bond underwriter's proposals in a negotiated bond sale and reviews documents from bond counsel and disclosure counsel, and coordinates the bond issuance closing process. For a competitive sale of the bonds, the financial advisor structures the bond issue, conducts a public sale, identifies the winning bidder and coordinates the bond issuance closing process.

While staff is currently seeking financial advisory services in connection with the sale of refinanced Water COPs, the issuance of other COPs will be evaluated within the year. Therefore, the scope of services described below encompasses the full range of services that may be provided to the City.

The scope of KNN's service will include, but not be limited to, the following:

1. In conjunction with the Underwriter, as appropriate, City and the Rate Consultant develop a financing plan to meet the City's construction time line for new capital projects, capital plan, any additional covenants and projected cash flow needs.
2. Assist in the selection of other financing team members, such as underwriter, bond counsel, verification agent, trustee and Rate Consultant, as necessary.
3. Coordinate the efforts the underwriter, if any, city staff, bond and disclosure counsel, Rate Consultant, City Attorney, and City elected officials, with respect to the preparation and approval of the financing documents by the City Council.
4. In conjunction with the underwriter, if any, and bond counsel, recommend specific financial covenants, terms and provisions, including maturity schedules, timing of sale, call provisions and related matters.
5. Review and provide appropriate revisions and recommendations to legal documents, Rate Consultant report, the official statement and other documents.
6. Prepare and coordinate the appropriate presentation to the rating services and bond insurer.
7. Coordinate the sale and closing of the transactions.

KNN's fee for an initial bond sale is \$75,000. Their fees would be reduced to \$60,000 for any subsequent bond sale within 9 months of the closing of the first sale.

### **Bond and Disclosure Counsel Services**

Staff recommends retaining Orrick, Herrington & Sutcliff, LLP (OH&S) for both bond counsel and disclosure counsel. OH&S has assisted the City with a number of bond sales over the years. They have a strong knowledge of City operations and have tremendous experience in the area of bond sales and public finance.

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As Bond Counsel, OH&S will provide the legal opinion delivered with the bonds confirming that the bonds are valid and binding obligations of the City and, customarily, that interest on the bonds is exempt from federal and state income taxes. For each bond the City sells, OH&S will provide the following services:

1. Consultation with representatives of the City, the underwriter and/or the financial advisor, consultants and others concerning the financing, its timing, terms and structure. Such consultation will include considerations of the California law, federal tax law and municipal bond law as they affect the proposed financing.
2. Preparation of legal proceedings for the authorization, sale and issuance of the Certificates of Participation; preparation of the proceedings for the execution, delivery and sale of the COPs and advice to the City concerning the terms thereof; preparation of other proceedings (including closing papers) required in connection with the issuance of the COPs. All legal proceedings for action by the City necessary for the execution and delivery of the COPs will be prepared by Bond Counsel and will be subject to the approval of the City Attorney.
3. The rendering of a final legal opinion on the validity of the COPs and exclusion from gross income for federal tax purposes of interest payable on the COPs.

As Disclosure Counsel, OH&S will advise the City with respect to compliance with federal and state securities laws in the course of the debt issuance process. Specifically, OH&S will provide the following services:

1. With the assistance of the City Attorney's Office and staff of the City, prepare disclosure documents including the Official Statement which shall contain disclosures relating to the City, the underlying funds and the COPs.
2. Examine the proceedings, participate in any conference calls, and attend all due diligence meetings of the financing teams and the City Council relating to the drafting and approval of the Official Statement.
3. Issue a "10b-5 opinion" in the Firm's customary form addressed to the City.

Fees for both bond counsel and disclosure counsel services will not exceed \$85,000, for the Water refinance, \$85,000 for the Waterfront refinance and \$97,750 for the Wastewater issuance, which could include refinancing of the existing debt and issuance of new debt.

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**Finance Committee Review**

On March 5, 2013, the Finance Committee heard a report from staff on the proposed hiring of consultants to assist staff in the potential sale of bonds. The Finance Committee unanimously to recommend Council's approval of the proposed agreements.

**SUBMITTED BY:** Robert Samario, Finance Director  
Sarah J. Knecht, Assistant City Attorney

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

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

**SUBJECT:** Multi-Year Rate And Revenue Study And Revisions To Water Rates

**RECOMMENDATION:** That Council:

- A. Hear a presentation on the Multi-Year Rate and Revenue Plan, proposed modifications to water rate structure for the Water Fund, and proposed changes to capacity fees for new customers;
- B. Adopt the Multi-Year Rate and Revenue Plan for the Water Fund; and
- C. Authorize staff to send notices to customers informing them of changes to the water rate structure and proposed adjustment to water rates and wastewater rates.

### **DISCUSSION:**

#### WATER

The City manages the water supplies and utility that provides water to its customers. Revenue for the purchase of water supplies and management of the water utility is derived from rates and fees charged to water system customers or rate payers. On November 5, 1996, Proposition 218, a State ballot initiative known as the Right to Vote on Taxes Act, was approved by the voters. Among other things, the initiative requires water and wastewater rates to reflect the cost of providing service to different classes of customers. Over the past 17 years, numerous court decisions have defined how Proposition 218 governs the determination and implementation of fees and taxes, including water rates.

In June 2012, the City hired Raftelis, Inc., (Raftelis) through a competitive Request for Proposal process to perform a comprehensive study of the revenue needs and associated rates for the Water Fund. The City last completed such a comprehensive evaluation of the structure of its water rates and revenue requirements in July 1995. Raftelis' scope of work included evaluating the revenue needs of the Water Fund to meet financial obligations of operations, debt requirements, and capital needs, while also ensuring that the proposed rates comply with Proposition 218. Proposition 218 imposes procedural requirements (notice and majority protest) and substantive

limitations, which include the requirement that the rates may not exceed the estimated cost of providing the service and must be reasonable, fair, equitable and proportional.

Raftelis' draft Water Financial Plan & Rate Study Report is available for Council review in the Council reading file and available for public review in the City Clerk's office.

## RATE STUDY

The rate study is comprised of an evaluation of revenue requirements, a cost of service analysis, and a rate structure that results in a water rate schedule that meets the revenue needs and ensures that customers pay their proportionate share of costs.

### Revenues

Revenue must be sufficient to meet the needs of the water system including costs for water purchase and production including treatment, O&M expenses, capital improvement program expenditures, principal and interest payments on existing debt and other obligations. In order to meet the need, revenue must be increased in FY 2014 by 3%. Raftelis has developed a revenue plan through FY 2022, which shows the increased revenue need shown below:

2015	2016	2017	2018	2019	2000	2021	2022
3%	3.5%	3.5%	3.5%	3.5%	4%	4%	4%

### Cost of Service

Total revenue requirements, less revenue from other sources, such as payments made by other agencies that utilize the City's water treatment plant and interest earnings, are defined as the "cost of service". This cost is used as the basis to allocate costs to various customer classes taking into account not only average quantity of water use but also peak usage. The total FY 2014 cost of service to be recovered from rates is estimated at \$31.5 million, of which approximately \$25.3 million is operating costs and \$6.2 million is capital costs. These total costs are broken into cost components which are then allocated to customer classes.

The report indicates that the total cost of service for the residential class is 72%, the commercial class is 19%, and the irrigation, recycled and others customer classes comprise 9% of the total cost. Rates are designed to recover the revenue required from each customer class based upon the cost of service of that class.

### Rate Structure

Rates are designed to ensure that customers pay their proportionate share of costs based on the cost of service to supply water to that customer class. Additionally, the water supply costs associated with each of the City's five water sources differs. In order

to provide affordable water for basic health and safety and to sustain agricultural use, agricultural, parks and residential Tier 1 customers are allocated the least expensive sources of water. Remaining water supply sources are allocated to other customer classes so as to provide incentives for conservation.

Although there are many minor changes to the proposed water rates, the significant changes are summarized below:

- Residential water customers are currently allocated water in three rate blocks. As increased water use moves a customer from one rate block to the next, the amount charged for each unit of water increases. The lowest cost rate block is set to meet lifeline needs, the next block is designed to meet household needs where water is efficiently used, and the third and most costly block is considered to be discretionary. Because water efficient fixtures, appliances, and irrigation equipment and water wise gardens have reduced the amount of water necessary to meet household needs, the amount of water allocated to the second tier has been reduced slightly. Residential users of Block 2 water will pay the same rate as residential/commercial Block 1 Irrigation users. Thus, whether the residential user has a separate irrigation meter or not, the cost of service is the same and therefore the rate is the same.
- Instead of the current three blocks, irrigation users (split into residential/commercial, recreational/parks/schools and agriculture) will have two blocks. The first block is sized to provide adequate supply for irrigation (100% of base allotment based on acreage, weather and plant factor). The second block encompasses all irrigation water use above 100% of base allotment.
- Commercial/industrial rates will decrease slightly for Block 1 and increase slightly for Block 2 from current rates. Block 1 is allocated 100% of base allotment (average use during Jan-Jun). Block 1 and 2 rates are higher to accommodate the higher cost of service due to peaking.
- The difference in rates between Block 2 and Block 3 residential water rates, and Block 1 and Block 2 commercial and irrigation water rates is greater in an effort to send a stronger water conservation signal to very high water users.

Customers must be notified of any proposed changes to rates at least 45 days prior to the date of the public hearing for Council's determination to modify rates. Staff is preparing to distribute the Proposition 218 rate notices to customers with their April water bills. At this time, staff is seeking authorization to provide notice to customers of the proposed rate changes. A copy of a draft Proposition 218 rate notice is attached.

## WASTEWATER

Raftelis conducted a comprehensive evaluation of wastewater rates using a cost of service for the collection and treatment of various classes of wastewater. Raftelis' preliminary results indicate the need for further study.

Given the mandatory Proposition 218 noticing for any proposed rate changes, as well as a desire to conduct public outreach regarding wastewater rate modifications, staff is recommending that proposed revisions to the wastewater rate structure be deferred until further investigation is completed.

In order to meet Fiscal Year 2013-2014 Wastewater Fund operating and capital needs, staff is recommending a 4-percent across-the-board rate increase, consistent with the existing ten-year rate revenue plan. Staff will be returning to Council seeking authorization to amend the scope of Raftelis' contract to complete the additional wastewater rate analysis. Proposed changes to the wastewater rate structure will be addressed for Fiscal Year 2014-2015.

**BUDGET/FINANCIAL INFORMATION:**

New rates and rate increases are being recommended to meet the needs of the Water Fund. The multiyear rate plan has been developed to fund necessary capital improvements that are reasonably foreseeable. The wastewater rate increase will meet the immediate Fiscal Year 2013-2014 needs of the Wastewater Fund. Staff will return to Council next fiscal year to recommend a multi-year rate revenue plan for the Wastewater Fund for Fiscal Year 2014-2015.

**SUSTAINABILITY IMPACT:**

In addition to generating the revenues necessary for the operation and maintenance of the water utility, water rates are the most effective tool to encourage water conservation. Increasing the increment between Block 2 and Block 3 water rates will send a stronger conservation signal to high water using customers. Restructuring the irrigation rate classifications will encourage irrigation to be in accordance with actual plant water needs.

**ATTACHMENT:** Notice of Proposed Changes to City Utility Rates  
**PREPARED BY:** Rebecca Bjork, Water Resources Manager/KD/mh  
**SUBMITTED BY:** Christine F. Andersen, Public Works Director  
**APPROVED BY:** City Administrator's Office



## NOTICE OF PUBLIC HEARING PROPOSED CHANGES TO CITY OF SANTA BARBARA UTILITY RATES

**Date:** June 11, 2013, 2:00 p.m.

**Place:** City Council Chambers, City Hall, 735 Anacapa Street, Santa Barbara

### Water Rates (Applicable only to customers billed by the City for water service)

#### **CITY WATER RATES HAVE BEEN REVIEWED AND REVISED**

#### ***How were Water Rates Determined?***

The City completed a Rate Study to develop a multi-Year Financial Plan that ensures financial stability and sufficiency and to develop a water rate structure that:

- Promotes water conservation,
- Ensures revenue stability
- Is fair and equitable, and
- Is based on cost of service principles, as required by Proposition 218 (initiative that oversees utility rate regulations).

#### ***How will the proposed changes impact my water bill?***

The water rate impact for the average in-City single family residential customer (12 hcf (hundred cubic feet) and a 5/8" meter) will be minimal, only increasing from \$67.75 to \$67.81 under the proposed rate increases.

#### ***What are the Proposed Changes?***

Overall, water rate structure is proposed to remain largely the same, with changes in the unit costs outlined in Table 1 (see other side). Proposed fixed monthly meter charges are summarized in Table 2 (see other side).

Proposed changes include:

- Reduction in allocation of amount of water in Single Family Residential Tier 2 from 16 hcf to 14 hcf and reduction of Multi-Family Residential Tier 2 from 8 hcf to 4 hcf to reflect average need considering household size, water efficient plumbing fixtures, and increased water wise landscaping.
- All irrigation customers will have two tiers, rather than three. The first tier is sized to provide adequate supply for irrigation, in accordance with actual plant water needs.
- Slight reduction in the cost of Tier 1 commercial rates.
- The Tier 3 residential water rates, and Tier 2 commercial and irrigation water rates are higher to send a stronger water conservation signal to very high water users.

**[CHECK OUT RESIDENTIAL RATE CALCULATOR AT: WWW.SANTABARBARACA.GOV/WATER](http://WWW.SANTABARBARACA.GOV/WATER)**

### Wastewater Rates (Applicable only to customers billed by the City for sewer service)

The proposed wastewater rate increase is four percent (4%) of the City's current charges for all customer classes. Small variations above or below the 4% amount may occur due to rounding. The maximum monthly charge for a single family residential customer would increase from \$39.21 to \$40.78 under the proposed rates. Proposed wastewater rates are summarized in Table 3 (see other side). The proposed increase will fund increasing wastewater system costs resulting from inflation and the ongoing need for rehabilitation of the City's wastewater treatment plant and collection system.

**TABLE 1 – PROPOSED PER UNIT WATER RATE CHANGES**

Customer Class	Tiers	Proposed Rates	Current Rates
<b>Single Family Residential</b>	First 4 hcf	\$3.18	\$3.14
	Next 14 hcf	\$5.16	\$5.25
	All other hcf	\$6.62	\$5.53
<b>Multi-Family Residential</b>	First 4 hcf (per dwelling unit)	\$3.18	\$3.14
	Next 4 hcf (per dwelling unit)	\$5.16	\$5.25
	All other hcf	\$6.62	\$5.53
<b>Commercial / Industrial</b>	100% of base allotment	\$5.16	\$5.25
	All other hcf	\$5.91	\$5.53
<b>Irrigation – Residential &amp; Commercial</b>	100% of monthly budget	\$5.16	\$5.25
	All other hcf	\$6.62	\$5.53
<b>Irrigation - Recreation/Parks/Schools</b>	100% of monthly budget	\$2.70	\$2.47
	All other hcf	\$6.62	\$5.25/\$5.53
<b>Irrigation – Agriculture</b>	100% of monthly budget	\$1.51	\$1.45
	All other hcf	\$6.62	\$5.25/\$5.53
<b>Recycled Water</b>	All HCF	\$2.16	\$1.98
<b>Outside City Limits</b>	130% of corresponding in-City rates		

**TABLE 2 – PROPOSED MONTHLY METER CHARGES**

	5/8"	3/4"	1"	1½"	2"	3"	4"	6"	8"	10"
<b>Current:</b>	\$ 13.19	\$ 19.82	\$ 33.00	\$ 65.97	\$ 105.58	\$ 211.14	\$ 329.91	\$ 659.81	\$1,054.84	\$1,517.56
<b>Proposed:</b>	\$ 13.81	\$ 19.57	\$ 31.09	\$ 59.89	\$ 94.44	\$ 203.87	\$ 365.14	\$ 751.02	\$1,384.55	\$2,190.86

**TABLE 3 – PROPOSED WASTEWATER RATE CHANGES**

Customer Class	Tiers	Proposed Rates	Current Rates
<b>Single Family Residential</b>	Fixed Charge	\$14.88	\$14.31
	First 10 hcf	\$2.59	\$2.49
<b>Multi-Family Residential</b>	Fixed Charge (per dwelling unit)	\$14.88	\$14.31
	First 8 hcf (per dwelling unit)	\$2.59	\$2.49
<b>Commercial</b>	All hcf (Subject to minimum**)	\$2.93	\$2.82
<b>Industrial</b>	All hcf (Subject to minimum**)	\$3.55	\$3.41

\*\* Go to [www.santabarbaraca.gov/water](http://www.santabarbaraca.gov/water) to see all minimum charges



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Design Services For The Temporary Relocation Of The 9-1-1 Call Center

**RECOMMENDATION:** That Council:

- A. Approve a transfer of \$277,942 from the General Fund to the Capital Outlay Fund for design costs related to the Temporary Relocation of the 9-1-1 Call Center Project to be funded from an increase in estimated property tax revenues received in connection with the dissolution of the City's Redevelopment Agency;
- B. Increase appropriations and estimated revenues for the 9-1-1 Call Center Project by \$277,942 in the Capital Outlay Fund, funded from a transfer from the General Fund; and
- C. Authorize the Public Works Director to execute a City Professional Services contract with Leach Mounce Architects in the amount of \$122,675 for design services for Tenant Improvements to the Granada Garage Office Building for the Temporary Relocation of the 9-1-1 Call Center Project, and authorize the Public Works Director to approve expenditures of up to \$12,267 for extra services that may result from necessary changes in the scope of work.

**DISCUSSION:**

**BACKGROUND**

On June 28, 2011, Council received and accepted a report that outlined the recommendations of the Ad Hoc Council Subcommittee on the Police Station Building concerning the fate of the current Police Station. One of those recommendations included exploring options for moving the 9-1-1 Call Center to a better interim location until a long-term plan to address the Police Station building could be implemented. The recommendations resulted from a structural evaluation that raised concerns about the building's seismic performance during a major earthquake.

After a review of City owned facilities, the Granada Garage Office Building (Granada) was determined to be the best temporary location for the 9-1-1 Call Center. The Granada is one of the City's newest buildings, offering a backup generator, sufficient parking, and access to fiber optic communication, close proximity to the current Police Station, and newer building systems which can more easily be modified to meet the stringent demands of a 9-1-1 Call Center. In addition, the building's seismic performance is significantly more robust than the current 9-1-1 Call Center location. However, it must be noted that the move to the Granada is only temporary, since the building does not meet the most stringent seismic requirements set by the State for housing a 9-1-1 Call Center. It is anticipated that the 9-1-1 Call Center will remain in this temporary location until a long-term plan to address the Police Station can be implemented.

On October 25, 2011, Council approved a contract with Leach Mounce Architects (LMA) to complete a feasibility study and then a design for the relocation of the 9-1-1 Call Center to the Granada. However, on December 30, 2011, the project was placed on hold as a result of the California Supreme Court ruling regarding Redevelopment Agencies. When the work was stopped, LMA had just wrapped up the feasibility study and was preparing to start the design.

## PROJECT DESCRIPTION

This contract will restart the work with LMA, which will consist of starting and completing the design to move the 9-1-1 Call Center to the Granada. The work consists of making tenant improvements to the Granada's second floor to accommodate both Environmental Services, which is currently located in that area, and the 9-1-1 Call Center. Additionally, this would entail building an entirely new communication system to support the 9-1-1 operations. This aspect is among the most complicated, as the 9-1-1 Call Center relies on numerous forms of communication to manage emergency responses.

The 9-1-1 Call Center relocation design is a delicate and complex project that must be completed without disruption to service. Aside from the experienced team of outside consultants overseen by LMA, there will also be a diverse and experienced group of internal staff required to make this project a success. They will include Police Officers, 9-1-1 Dispatchers, Police IT, Electronic Maintenance, Downtown Parking, Environmental Services, and Engineering staff.

Based on the schedule for design, staff is planning to return to Council for approval of construction by January 2014.

## DESIGN PHASE CONSULTANT ENGINEERING SERVICES

Staff recommends that Council authorize the Public Works Director to execute a contract with LMA for the not-to-exceed amount of \$134,942 for design services. LMA was selected in 2011 with a competitive request for proposal process, for the

conceptual design of a new City police station. LMA has extensive design experience working on Police Stations, which has included the relocation of numerous 9-1-1 Call Centers.

## FUNDING

At this time, staff is looking for approval of funding for the design phase only, which is \$277,942. The total project cost is estimated to be \$2,554,565, which includes a 15 percent contingency to address unforeseen cost impacts on construction.

This is a high priority project for the City, and as a former Redevelopment Agency (RDA) project, staff supports using one time funds from the RDA dissolution process to support this project. Staff recommends funding the \$277,942 for the design phase out of the total \$2.2 million in one-time property tax funds that the City will receive, representing the City's share of reserves held by the former RDA that will be paid by the County by April 2013, and then distributed to the various taxing entities within the City.

At the time construction funds are required, the City, working with the Successor Agency to the RDA (Successor Agency), will pursue the possibility of using funds from remaining RDA Bond proceeds that may become available after the Successor Agency reaches 'Safe Harbor Status' as part of the RDA dissolution process. State law says that bond proceeds can be expended for the purposes for which the bonds were issued. This will require approval by the local Oversight Board and the State Department of Finance. If, for some reason, the use of bond proceeds is not approved by the Oversight Board and State for this project, staff would recommend using the remainder of the one-time funds on hand (approximately \$1.9 million after design costs), plus additional General Fund reserves, to cover the total construction costs estimated to be \$2,276,565.

The following summarizes all estimated total project costs:

### ESTIMATED TOTAL PROJECT COST

Design (by Contract)	\$134,942
Project Administration and Support (by City staff)	\$125,000
Miscellaneous Project Related Costs (Permits, etc.)	\$18,000
<b><i>Design Subtotal</i></b>	<b>\$277,942</b>
Estimated Construction Contract w/Change Order Allowance	\$1,687,622
Estimated Construction Management/Inspection/ and Design Support Services (by Contract and City Staff)	\$220,000
Estimated Other Construction related Costs (moving and temp. relocation expenses, etc.)	\$72,000

15 percent Construction Contingency	\$296,943
<b><i>Construction Subtotal</i></b>	<b>\$2,276,565</b>
<b>TOTAL PROJECT COST</b>	<b>\$2,554,507</b>

**SUSTAINABILITY IMPACT:**

The tenant improvements to the Granada will be consistent with green building standards and the City's policies for energy conservation, recycled materials, and waste prevention.

**PREPARED BY:** Joshua Haggmark, Principal Civil Engineer/mj

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Conference With Real Property Negotiators Regarding Acquisition Of Properties For The Mason And Cota Streets Bridge Replacements

### **RECOMMENDATION:**

That Council hold a closed session pursuant to the authority of Government Code §54956.8 to provide direction to the Public Works Director and to the City Attorney regarding the possible City purchase of the following real properties affected by the Mason Street and Cota Street Bridge Replacement Projects:

#### **Property: 15 W. Mason Street (APN 033-075-006)**

**City Negotiators:** Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

**Negotiating Party:** David Nordahl, Trustee; Brent & Julia Reichard, Trustees; Bruce & Peggie Reichard, Trustees; and Janet Nancarrow, Trustee.

**Under Negotiation:** Price and terms of payment.

#### **Property: 20 W. Mason Street (APN 033-074-005)**

**City Negotiators:** Christine F. Andersen, Public Works Director; Pat Kelly, Assistant Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

**Negotiating Party:** Marian Walters, Trustee and Grant Walters, Trustee.

**Under Negotiation:** Price and terms of payment.

**Property:** A property primarily located in the Mission Creek floodway in the 100  
Block of Kimberly Avenue (APN 033-074-019)

**City Negotiators:** Christine F. Andersen, Public Works Director; Pat Kelly, Assistant  
Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David  
Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

**Negotiating Party:** Alex Funke and Erik Funke.

**Under Negotiation:** Price and terms of payment.

**Property:** 536 Bath Street / 233 W. Cota Street (APN 037-161-001)

**City Negotiators:** Christine F. Andersen, Public Works Director; Pat Kelly, Assistant  
Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David  
Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

**Negotiating Party:** Lorenzo & Angelina Martel, Trustees and Ogla Martel.

**Under Negotiation:** Price and terms of payment.

**Property:** 221 – 223 W. Cota Street (APN 037-161-001)

**City Negotiators:** Christine F. Andersen, Public Works Director; Pat Kelly, Assistant  
Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David  
Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

**Negotiating Party:** Edward & Renee Grubb.

**Under Negotiation:** Price and terms of payment.

**Property:** 230 W. Cota Street (APN 037-121-018)

**City Negotiators:** Christine F. Andersen, Public Works Director; Pat Kelly, Assistant  
Public Works Director/City Engineer; John Ewasiuk, Principal Civil Engineer; David  
Thornburgh, Senior Real Property Agent; and Stephen P. Wiley, City Attorney.

**Negotiating Party:** Marsha Kvocka for Maria Trinidad Vega, Trustee of the Vega  
Family Trust.

**Under Negotiation:** Price and terms of payment.

Council Agenda Report  
Conference With Real Property Negotiators Regarding Acquisition Of Properties For The  
Mason And Cota Streets Bridge Replacements  
March 5, 2013  
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**SCHEDULING:** 40 minutes  
**REPORT:** None anticipated  
**PREPARED BY:** John Ewasiuk, Principal Civil Engineer/DT/mj  
**SUBMITTED BY:** Christine F. Andersen, Public Works Director  
**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**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 Fire Management Association and the Police Officers' Association, and regarding discussions with certain unrepresented managers about salaries and fringe benefits.

**SCHEDULING:** Duration, 30 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



Agenda Item No. 18

File Code No. 160.03

# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**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



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 12, 2013

**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 *On Patrol with SBPD, Inc., vs. City of Santa Barbara, City of Santa Barbara vs. On Patrol with SBPD, Inc., Ira Distenfield, Linda Distenfield, et al.*, SBSC Case No. 1385228.

**SCHEDULING:** Duration, 20 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:** March 12, 2013

**TO:** Mayor and Councilmembers

**FROM:** City Attorney's Office

**SUBJECT:** Conference With Legal Counsel – Potential Litigation

**RECOMMENDATION:**

That Council hold a closed session to consider the possible initiation of litigation pursuant to subsection (c) of Section 54956.9 of the Government Code and take appropriate action as needed. (one potential case)

**SCHEDULING:** Duration, 15 minutes; anytime

**REPORT:** None anticipated

**SUBMITTED BY:** Stephen P. Wiley, City Attorney

**APPROVED BY:** City Administrator's Office