A G E N D A

CITY OF SEASIDE CITY COUNCIL	REGULAR MEETING COUNCIL CHAMBER 440 Harcourt Avenue Thursday, July 19, 2018 7:00 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. **CALL TO ORDER**

2. **ROLL CALL – ESTABLISHMENT OF QUORUM**

Ralph Rubio	Mayor
Dennis Alexander	Council Member
Jason Campbell	Council Member
David R. Pacheco	Council Member
Kayla Jones	Council Member

3. **INVOCATION AND PLEDGE OF ALLEGIANCE**

4. **REVIEW OF AGENDA**
If there are any items that arose after the 72-hour posting deadline, this is the point in the meeting where a vote may be taken to add the item to the agenda. (A 2/3-majority vote is required).

5. **PUBLIC COMMENT**
Members of the public wishing to address the City Council on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three minutes. Public Comments on specific agenda items are heard under that item. For the public record, please state your name.

6. **PUBLIC AGENCY COMMUNICATIONS**
This is a time specifically set aside for representatives of public agencies to make brief comments of general interest to the City Council and the community.

7. **PRESENTATIONS**

A. RECEIVE A PRESENTATION ON THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT PROJECTS

PURPOSE & RECOMMENDATION: Receive a presentation from Monterey Peninsula Water Management District (MPWMD) on Aquifer Storage and Recovery (ASR) Project and Pure Water Monterey (PWM) Injection Wells Facilities Project construction activities.

B. RECEIVE PRESENTATION REGARDING CHANGES IN ACCEPTED RECYLABLE MATERIALS

PURPOSE & RECOMMENDATION: Receive presntation from Monterey Regional Waste Management District regarding changes to the accepted recyclable materials.

8. CONSENT CALENDAR

The Consent Calendar includes routine items that can be approved with a single motion and vote. A member of the City Council or a member of the public may request that any time be pulled from the Consent Calendar for separate consideration.

A. APPROVE MINUTES OF JUNE 27, JUNE 28, JULY 10, AND JULY 19, 2018

RECOMMENDATION: It is recommended that the minutes be reviewed and approved.

B. APPROVE AND FILE CITY CHECKS

PURPOSE & RECOMMENDATION: It is requested that the City Council approve and file the accounts payable and wired payments made during the period of June 23, 2018 through July 6, 2018. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of July 5, 2018 is requested. Total Accounts Payable and Payroll for the above referenced period is $1,333,092.00.

C. APPROVE APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES

PURPOSE & RECOMMENDATION: That the City Council approve appointments to the Parks and Recreation Commision, The Neighborhood Improvement Program and the Art and History Commission.

D. ADOPT A RESOLUTION ADDING THE CLASSIFICATION OF COMMUNITY SERVICE OFFICER / POLICE DETENTION OFFICER TO THE CLASSIFICATION PLAN

PURPOSE & RECOMMENDATION: It is proposed and recommended that the City Council approve a resolution adding the classification of Community Service / Police Detention Officer to the Classification Plan and establish the salary for the position.

9. BUSINESS ITEMS

A. ADOPT A RESOLUTION APPROVING STREET REPAIRPROJECT LIST FOR MEASURE X FUNDED PROJECTS

PURPOSE & RECOMMENDATION: The purpose of this item is to adopt a list of street repair projects to be funded by Measure X.

B. ADOPT A RESOLUTION APPROVING REVISED STREET REPAIR PROJECT LIST FOR SB1 FUNDED PROJECTS

PURPOSE & RECOMMENDATION: The purpose of this item is to have the City Council consider approval of a resolution authorizing staff to submit a revised SB 1 Project List to the California Transportation Commission.

C. ADOPT A RESOLUTION ADOPTING THE CITY OF SEASIDE DEBT POLICY

PURPOSE & RECOMMENDATION: It is recommended that the City Council review and consider the proposed City of Seaside Debt Policy. It is further recommended that the City Council approve the attached resolution adopting the Proposed Debt Policy.

D. DISCUSS AND PROVIDE DIRECTION ON THE CITY HALL SOLAR PROJECT

PURPOSE & RECOMMENDATION: City Council consideration of solar project sizing and funding. Provide direction to staff to seek funding and move forward with a solar project.

10. MAYOR, CITY COUNCIL, CITY MANAGER AND CITY ATTORNEY COMMENTS AND REPORTS ON COMMITTEE ASSIGNMENTS

This is a time specifically set aside for members of the City Council, the City Manager and City Attorney to make brief comments of general interest to the community, make requests that items be added to future City Council meeting agendas as necessary and report on committee assignments.

11. ADJOURNMENT

Next Regularly Scheduled Meeting:
August 2, 2018
7:00 PM

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, they are asked to contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. The City Council chamber is equipped with a portable microphone and assisted listening devices are available at all meetings. City Council Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Meetings are also available through live streaming at: http://cvp.telvue.com/player?id=T01629&video=52314&noplaylistskin=1&width=400&height=300
Videos of past meetings are available on demand through the City's website: http://www.ci.seaside.ca.us

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.A.

TO: City Council

FROM: Craig Malin, City Manager

BY: Rick Riedl, City Engineer

DATE: July 19, 2018

SUBJECT: **RECEIVE A PRESENTATION ON THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT PROJECTS**

PURPOSE & RECOMMENDATION

Receive a presentation from Monterey Peninsula Water Management District (MPWMD) on Aquifer Storage and Recovery (ASR) Project and Pure Water Monterey (PWM) Injection Wells Facilities Project construction activities.

BACKGROUND

MPWMD's ASR Project stores excess winter flow from the Carmel River in the Seaside Groundwater Basin for recovery during the dry season. ASR has multiple benefits including aquifer recharge and reducing seawater intrusion in the Seaside Groundwater Basin. The ASR program is estimated to produce replacement water supply annually averaging 1,900 acre-feet per year (af/y), or 619 million gallons per year (MG/y), over the long-term after full build-out of all associated facilities.

MPWMD is in the process of finishing the full-scale ASR Project. Construction is estimated to begin in August or September. Construction of this component must be complete by November 30 to allow Carmel River water to be stored beginning December 1.

Monterey One Water (M1W) in partnership with MPWMD is constructing the PWM Project that will provide up to 3,500 af/y, or 1.14 billion gallons per year, of replacement water supply in addition to providing up to 1,000 af, or 326 MG, of drought reserve. The PWM Project is in the process of constructing Injection Well Facilities on the former Fort Ord. Construction is expected to be completed in 2019.

MPWMD staff will provide a presentation on the ASR and PWM Projects construction activities. It is recommended that the City Council receive the presentation.

FISCAL IMPACT

There is no fiscal impact for receiving the presentation

ATTACHMENTS

None

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Materials Recovery Facility

RECYCLING ACCEPTANCE LIST

Changes implemented in 2018 by countries and companies within the global recycling economy have impacted the materials that MRWMD is able to accept, process and market. Please include only the following recyclable materials in your local curbside and commercial recycling collection bins.

Metal

- Aerosol cans (empty, non-toxic)
- Aluminum foil, foil trays and pans
- Beverage containers and lids
- Coat hangers (bundled)
- Food containers and lids
- Pet food cans and lids
- Scrap metal:
  - Screws and nails
  - Keys
  - Paint cans (empty, no wet paint)
  - Pots and pans
  - Utensils
  - Nuts, bolts, screws, nails

Plastic

- Plastic containers #1-5
- Beverage bottles #1-5
- Rigid Plastic Items larger than 12 inches:
  - Baskets
  - Buckets
  - Coat hangers
  - Coolers and ice chests (Rigid, not foam)
  - Crates
  - #2 Flower pots (no dirt)

Glass

- Beverage/Alcohol bottles
- Food jars

(Empty. Clean. Lids can be left on.)

Paper

- Cardboard - unwaxed
- Newspaper
- Mixed Paper items:
  - Colored paper
  - Coupons
  - Egg cartons
  - Envelopes
  - Cereal boxes
  - Frozen food boxes
  - Gift wrap and tissue paper
  - Juice and milk cartons
  - Junk mail
  - Magazines and catalogs
  - Pizza boxes (clean)
  - Telephone books
  - White paper
  - Books (hard and soft cover)
  - Shredded paper
    (tie in paper or clear plastic bag)

For More Info. Contact MRWMD Staff at 831-384-5313 | Turning Waste Into Resources

DRAFT MINUTES

CITY OF SEASIDE
CITY COUNCIL

SPECIAL MEETING
COUNCIL CHAMBER
Thursday, June 28, 2018
5:30 PM

1. **CALL TO ORDER**
Mayor Rubio called the meeting to order at 5:30 PM

2. **ROLL CALL – ESTABLISHMENT OF QUORUM**
PRESENT: Alexander, Campbell, Pacheco, Rubio
ABSENT: Jones

3. **PUBLIC COMMENT**
Mayor Rubio invited comments from the public speak.

Resident - is requesting transparency there has been meetings, special meetings and they all seemed to be closed door. Concerned for litigations against city. Requested a couple of public records. Parking is another issue, there is no enforcement. Fireworks on 4th of July why are we paying for them? Thought developer of golf course would be paying for them.

City Manager Malin responded to the fireworks issue stating that he does not recall ever saying that the golf course developer would be paying for the fireworks. It has been an idea of the City having a family oriented event.

LisAnne Sawhney - also though golf course developer would be paying for fireworks. There is a lot of information that is not being put on the website, we are having closed sessions, we are doing only 24 hour notice there are a lot of things going on that are making people in the community uncomfortable. Concerned about the 4 potential lawsuits. Also concerned about the 4 million dollar bond conversion dealing with the golf course and the watering; Successor Agency passing on the 4 million dollars to Parking Authority, what is the interest rate? Concerned that fire trucks cannot get through Yosemite, we should look into one way streets. Enforce parking.

4. **BUSINESS ITEMS**

A. **ADOPT A RESOLUTION AFFIRMING THE CITY'S OBLIGATION FOR A 35 ACRE COMMUNITY PARK IN POLYGON 18 AS NOTED ON BASE REUSE PLAN FIGURE 4.3-2**

City Manager Craig Malin presented the item and went over a brief presentation. He explained the Nurses Barracks and gave background on this project. Mr. Malin pointed out that the city received a letter from Ms. Erickson who is representing Keep Fort Ord Wild in the letter they referenced three concerns; 1. make affordability enforceable, 3. work within the existing foot print of the nurses barracks both horizontal and vertical. Proposal is to work within that area, there will be no cutting of trees, no reshaping the landscape, there is the idea of having a picnic table or a playground within the just under 5 acre parcel. The transformation of blighted property into affordable housing is consistent with the public interest and goals of the City Council doing so with any environmental degradation and tree preservation built in to the project; 2. discusses parcels land that surrounds polygon 18 roughly 40 acres of land Keep Fort Ord Wild are asking that the remaining 35 acres of land be a community park. We advised Ms. Erickson that we would place a resolution on the July 5th agenda to reaffirm the City's commitment to the 35 acres surrounding the just under 5 acre parcel to be a community park. The City attorney went over these 3 points and stated that we would put this on the resolution affirming the community park on the 5th meeting and there was follow-up with an email to Ms. Erickson. We received a letter threatening with litigation on the three topics. Since that letter Mr. Glover has given the City a letter withdrawing his approval of the Purchase and Sale Agreement and it is prudent for the City to withdraw the Purchase and Sale Agreement and the Notice of exemption related to the potential future project. This item on the agenda is keeping the City's word that we would put this on the agenda on July 5th and rather than wait we are doing it today with this resolution. Mr. Malin answered questions from the Council.

Mayor Pro Tem Alexander asked if we were prepared to agree with the three points from the letter why are we here tonight. Mr. Malin explained the situation and how the City wants to keep our word on the resolution affirming the City's obligation for a 35 acre community park. Councilmember Campbell mentioned that there might be a little bit of confusion, there is a parcel and there is a polygon. Mr. Malin responded there is polygon 18, 40 acres in total and the parcel in concept, the parcel in concept because it has not been subdivided. Since the City does not own it yet it has not subdivided it. He mentioned that the City asked FORA if they can separate the parcel and we hope to get the land in February or March of next year and hope to be in a position were turning blight into affordable workforce housing is something everyone can say was a good idea.

Mayor Rubio invited comments from the public.

Felix Bachofner spoke in support of the City validating the fact that we are supposed to create a 35 acre park on polygon 18 always in support of public parks. Issue with not having a picture of the entire polygon. Issue number two is sends a bad precedence having a special meeting, special meetings cost the City money and you are not following the City Attorneys advice. You could have had the same exact meeting on July 5th in the future consider pushing back by not having a special meeting and do so at a regular meeting and not be scared of litigation.

Resident - 35 acre park is no longer going to happen? If it is, is there money identified to develop it, to maintain it, to run it and if we have a commitment to build a 35 acre park does it seem fair to spent 500 million dollars which is almost a 6th of our budget on one park, some fiscal responsibility. Identify how big polygon 18 is.

Resident - It would be nice to have the general plan up in the Chambers. Polygon 18 is a lot bigger maybe there is just confusion about it? Not against parks. Why are we negotiating with developers before we own property? Are we just working with specific developers?

Mr. Malin answered questions. He apologized for not having polygon 18 as part of the presentation. The question about the 35 acre park that is what the resolution says affirming the city's obligation of the 35 acre community park. If the Council approves the resolution;

there is a wide range of types of parks expects this one to be passive/natural park. The question about why this developer, that blighted building has been there since 1994 in its present state of being unused, it's been there a long time and a local, respected developer suggested that he could turn that blighted structure into workforce and affordable housing without any environmental degradation, without any tree removal and we did not have a lot of people who wanted to do this, he was the person who said he could do it and the City Council considered that. Doing to move a blighted building along and affordable housing along. The question about why today? the city filed a notice of exemption for this 4.5 acre, when it filed it that had a date and that is 30 days from which someone could challenge that and we are in that 30 day period, July 5th was outside those 30 day period and we operate in public view at public meetings and we thought we have addressed all three concerns and we got a letter stating that they intended to file litigation; we placed on the agenda so that if the Council takes action tonight and they sue us tomorrow there is some explaining that they have to do we are trying to limit city liability for a project that was seeking to turn blighted structures into affordable housing.

Council member Campbell pointed out that there are some typos on the resolution. Believes that what happened was that there is a larger polygon and a smaller parcel, the smaller parcel is 40 acres little less than 5 acres is the 35, the resolution refers to Base Reuse Plan figure 4.3-2 and the Base Reuse Plan shows the polygon 18 has a 50 acre community park not a 35 acre community park it does not affect the 5 acres of the 40 acre parcel it just refers properly to the Base Reuse Plan as far as typos go we can just make changes to the resolution. Mr. Malin stated that this was drafted using the language of the request from Keep Fort Ord Wild. Mayor Rubio mentioned that we are specifically addressing the issue of Keep Fort Ord Wild and wanted clarification on whether it is 35 acres or something else. Mr. Malin said that they identified in their letter a 40 acre parcel in the exhibit to the letter they identified polygon 18.

Council member Pacheco mentioned that Mr. Glover located the property and he deserves credit for turning a blighted area into affordable housing. The night of the discussion there was a large amount of people in support of the project. We did not receive any letters or notices opposing the project other than an outside organization its disappointing that sometimes we can't control our own destiny even though we are trying to do the right thing; affordable housing is definitely a need and a longtime resident was going to help in that mission it’s unfortunate that a good thing has turned into a challenging process. Mayor Pro Tem Alexander spoke about the park issue in relation to other parks and mentioned that there is some concern on the equality of effort of budgeting to all the parks but the goal for this park is going to be more of a wild therefore it would take less effort of our staff and budget to do so because it would be more of a hiking park and because of that that's why more effort is going to be put into a place such as Cutino Park.

On motion by Mayor Pro Tem Dennis Alexander and seconded by Council Member Dave Pacheco and passed by the following roll call vote the City Council adopted resolution affirming the City's obligation for a 35 acre community park in polygon 18 as noted on Base Reuse Plan figure 4.3-2

RESULT:	**Approved**
AYES:	Dennis Alexander, Jason Campbell, Dave Pacheco
NOES:	Ralph Rubio
ABSENT:	Kayla Jones

Council member Campbell requested typos to be fixed on the resolution.

Mayor Rubio stated that he was not at the last meeting when this was brought up, about this issue, about the park and the resolution otherwise he would have had some things to say about the self determination of the city; we are currently updating our general plan and as soon as that is done we are going to update our zoning codes, we are being blackmailed into doing this, I don't like it, that we can be used like this it goes against everything I believe in; this city should be able to determine its own destiny.

B. <u>CONSIDER RESOLUTION 18- 69 TO RESCIND THE PURCHASE AND SALE AGREEMENT (PSA) BETWEEN THE CITY OF SEASIDE AND ALFRED P GLOVER, DBA AS GLOVER ENTERPRISES, A SOLE PROPRIETORSHIP TO PURCHASE APPROXIMATELY FIVE (5) ACRES OF LAND AND TWO STRUCTURES IN THE FORMER FORT ORD COMMONLY KNOWN AS THE MEDICAL OFFICERS BARRACKS FOR A TOTAL PURCHASE PRICE OF $750,000 AND RESCIND THE CALIFORNIA ENVIRONMENTAL QUALITY ACT NOTICE OF EXEMPTION</u>

Mr. Malin read Mr. Glover's letter.

Mayor Rubio invited comments from the public.

Resident had questions, mentioned that we gave exclusive bargaining rights or negotiating rights for a project he identified and asked if we ever had a RFP, did we get other bids? Mr. Glover has decided to pull out but remains excusive developer for the future why do we hold up to that? Please clarify.

Felix Bachofner spoke about this being put on hold but understands the need to protect against potential litigation; a good idea is to put this out for RFP to see if anybody else is interested in it at a higher price.

LisAnne Sahwney spoke on her take of the parcel looking at something from FORA it looks like a much larger area. Encourages Council to look into RFP's and bring in some architects. Is also concern with the idea of doing an exclusive agreement.

Mayor Rubio clarified that this was a competing proposal at the time. There was other interest, but this is with the proposal they chose.

Council member Campbell mentioned that he hopes the developer would re-engage.

On motion by Council Member Jason Campbell and seconded by Council Member Dave Pacheco and passed by the following roll call vote the City Council approved resolution 18-69 rescinding the purchase and sale agreement between the City of Seaside and Alfred P. Glover.

RESULT:	**Approved**
AYES:	Dennis Alexander, Jason Campbell, Dave Pacheco
NOES:	Ralph Rubio
ABSENT:	Kayla Jones

5. ADJOURNMENT

On motion, the meeting was adjourned at 6:30 PM

Respectfully submitted,

______________________________	______________________________
Lesley Milton-Rerig, City Clerk	**Ralph Rubio, Mayor**

DRAFT MINUTES

CITY OF SEASIDE | REGULAR MEETING
CITY COUNCIL | COUNCIL CHAMBER
Thursday, July 5, 2018
7:00 PM

1. **CALL TO ORDER**
Mayor Rubio Called the meeting to order at 7:00 PM.

2. **ROLL CALL – ESTABLISHMENT OF QUORUM**
PRESENT: Alexander, Campbell, Jones, Pacheco, Rubio
ABSENT: None

3. **INVOCATION AND PLEDGE OF ALLEGIANCE**
Pastor Dunham provided the invocation and Council Member led the Pledge of Allegiance.

4. **REVIEW OF AGENDA**
No changes were requested.

5. **PUBLIC COMMENT**
Mayor Rubio invited comments from the public.

- Peter Keiser requested that tax payer money is not spent on fireworks displays, celebrations or solar panels and spoke against legalized gambling and abortion clinics. He stated he does not believe in global warming, climate change, or amnesty.
- Helen Rucker expressed concern regarding the lawsuit filed against the Glover project citing it will help add affordable housing to the community and repurpose a blighted building. She spoke against those that filed the lawsuit and encouraged Seaside residents to protest loudly.
- Carlos Ramos agreed with Ms. Rucker and spoke to the promises made with the closure of the base regarding education, economic recovery and environment. He spoke in support of the economic vitality that Mr. Glover has brought to the existing community.
- Alana Miles spoke on behalf of Mr. Glover's project. She believed the project will help alleviate the affordable housing shortage and encouraged the Council to do whatever they can to support the project.
- LisAnne Sawhney congratulated the Council on the Fourth of July event and spoke in great support for investing in the drone enforcement. She acknowledged the need for affordable housing, but urged the Council to be cautious to negotiate deals when the City does not own the land. She encouraged using the RFP Process. She also requested that the City address the issue of congestion on Yosemite that is impacting the public safety path of travel.
- Ruthie Watts stood in support of Mr. Glover and in support of Seaside developing similar to other cities. She urged the Council to let him build his project.
- A citizen spoke to the positive development position of Seaside and the greatest project is to redevelop existing army bases housing into affordable housing and he wants to assist.
- Mitt Shawnee expressed gratitude for City enforcement efforts that have made the holiday dynamically different than previous years. He requested the Council consider adding resources to the Police Department to ensure they have the resources they need.

- Ian Oglesby also gave praise to the city for the Fourth of July celebration. As money is spent for the benefit of the community he also encouraged look for ways to increase revenue comparably.
- Kay Cline stated that Sustainable Seaside respects Mr. Glover and likes a successful local developer bring a smart proposal of reuse and 20% affordable housing. They are not opposing the project, but are concerned about compliance with regulations. Smart development is best and as development moves forward, she urged respectful dialogue. We are a regional community.
- Johnny Subia congratulated the City on the holiday event and questioned potential changes if the event were to be held again including parking, admission fees and alcohol. He spoke to the great facilitation, family nature and security of the event.
- Kathy Rivera commented on the event agreeing to a sense of safety and a great family environment and there are a list of great things happening in Seaside currently including the WBUV improvement completion, a new farmer's market, opening a City staff office downtown, Robert's lake ribbon cutting, plans for the safe walkable/bikeable Seaside partnering with Monterey County and Marina, the project by Mr. Glover a great example of removal of blight and adding affordable housing. She stated she is happier than ever being a Seaside resident.

Mayor Rubio echoed the comments of the Fourth of July celebration and that all peninsula residents were able to appreciate the hospitality of Seaside. He thanked the public safety members for working to take illegal fireworks off our streets and that complete compliance will take time. He reported that the City is still in an agreement with Mr. Glover but more work needs to be done before it can move forward and that Mr. Glover asked to rescind the project until that work can be completed.

6. PUBLIC AGENCY COMMUNICATIONS

- Police Chief Pridgen provided the preliminary after action report for the 4th of July holiday. He spoke to the enforcement through use of drones, that the Police Department received 167 illegal firework related calls, and issued 22 administrative citations with potentially more to be issued. 37 illegal fireworks were seized as evidence over the course of the night.
- Recreation Superintendent Meewis spoke to the estimated attendance of 25,000 at the event and acknowledge there are some challenges that will be addressed next time, should the Council chose to hold the event gain. He thanked staff throughout City departments for their hard work and effort for this community event. Mr. Meewis also invited the Council and the public to the ribbon cutting ceremony of the Robert’s Lake eco recreation station on July 12th at 10 am.
- Fire Division Chief Liest reported that 2018 was the most un-eventful Fourth of July in many years citing only two small trash fires, caused by improperly discarded safe and sane fireworks.
- Economic Development Director Stearns introduced a new activity round table discussion called Seaside Chats which will be held Monday nights from 6 - 7 pm at the Seaside Creates staring on July 23rd. Topics will vary and they are open to the public.

7. PRESENTATIONS

A. PROCLAIM JULY 2018 AS PARKS AND RECREATION MONTH IN THE CITY OF SEASIDE

Mayor Rubio presented Seaside Parks and Recreation Commissioners Maxwell and White with the proclamation declaring July 2018 as Parks and Recreation month in the City of Seaside. Chair Maxwell invited the public to the ground breaking ceremony for the Robert's Lake eco recreation station.

8. CONSENT CALENDAR

Every item was pulled from the consent agenda.

A. APPROVAL OF MINUTES FROM JUNE 21, 2018

Mayor Rubio invited comments from the public and had no requests to speak.

On motion by Council Member Jason Campbell and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approved the item as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

B. APPROVE AND FILE CITY CHECKS

Mayor Rubio invited comments from the public.

- LisAnne Sawhney questioned the traffic signal maintenance and video detection equipment expenditures and requested details of then expenditures for Verde Design approved and what was the payment was for.

City Engineer Riedl responded indicating the equipment was installed on Broadway and Fremont and Broadway and Alhambra and is a fully reimbursable expense from the State of California. He also answered that The Verde Design contract was approved by the City Council through a competitive bid process in 2017.

On motion by Council Member Jason Campbell and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approved the item as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

C. RESOLUTION TO MODIFY THE POSITION CONTROL LIST TO ADD ONE ADDITIONAL DEPUTY POLICE CHIEF, DELETE TWO POLICE COMMANDERS AND ADD ONE POLICE OFFICER DEDICATED TO TRAFFIC OPERATIONS.

On question, Chief Pridgen explained that this item is reclassifying the Commander positions into two Deputy Chief positions and the unfilled third Commander position will be converted to a Traffic Sergeant. There were no comments from the public.

On motion by Mayor Pro Tem Dennis Alexander and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approved the item as presented and adopted Resolution 18-62

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

D. RENEWAL OF THE ANNUAL BINGO LICENSES FOR V.F.W. POST 8679 AND MONTEREY PENINSULA AVENUE OF THE FLAGS

Mayor Rubio invited comments from the public.

- Mitt Sawhney spoke against additional gambling in the City of Seaside.

On motion by Council Member Jason Campbell and seconded by Mayor Pro Tem Dennis Alexander and passed by the following vote the City Council Approved the item as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

E. <u>APPOINTMENT OF CALIFORNIA JOINT POWERS INSURANCE AUTHORITY DIRECTOR AND ALTERNATE(S)</u>

Mayor Rubio invited comments from the public.

- LisAnne Sawhney questioned the term of appointments and if community members can be appointed.

Human Resources Director Greathouse indicated that appointments are for one year and it is not a community participation committee. According to the JPA, it must be one council person and a member of staff.

On motion by Council Member Jason Campbell and seconded by Kayla Jones and passed by the following vote the City Council approved the item as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

F. <u>RESOLUTION APPROVING CONTRACTS WITH RICHARDS WATSON GERSHON FOR BOND COUNSEL AND DISCLOSURE COUNSEL LEGAL SERVICES, C.M. DE CRINIS & CO., INC. FOR MUNICIPAL ADVISORY SERVICES, AND PIPER JAFFRAY & CO. FOR UNDERWRITING SERVICES FOR THE PROPOSED $10 MILLION FINANCING FOR STREET IMPROVEMENTS AND THE PROPOSED $5 MILLION FINANCING FOR CUTINO PARK IMPROVEMENTS</u>

Mayor Rubio invited comments from the public.

- Mitt Sawhney requested clarification on the cost breakdown.

City Manager Malin indicated this is for legal assistance to assist Seaside in acquiring $15million in bond funds to make investments in our community for street repair and the Cutino Park improvements. He indicated the letters of engagement have the itemized breakdown of costs.

On motion by Council Member Jason Campbell and seconded by Kayla Jones and passed by the following vote the City Council approved the item as presented and adopted resolution 18-63

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

G. <u>AUTHORIZE THE CITY MANAGER TO SIGN AN AGREEMENT BETWEEN COUNTY OF MONTEREY EMERGENCY MEDICAL SERVICES AGENCY, ESO SOLUTIONS AND THE CITY OF SEASIDE FOR ELECTRONIC EMERGENCY MEDICAL SERVICES DATA COLLECTION AND REPORTING TO THE STATE.</u>

Mayor Rubio invited comments from the public.

- Mitt Sawhney indicated the Board of Supervisors approved this action over a year ago so why did it take so long for the City to approve and is there any costs to the city.

City Manager Malin explained there are 24 signatories of which 22 are public bodies. It takes time to facilitate. He explained that there are 21 regional partners who have agreed this is beneficial for public safety.

On motion by Council Member Jason Campbell and seconded by Mayor Pro Tem Dennis Alexander and passed by the following vote the City Council approved the item as presented and adopted Resolution 18-64.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

H. APPROVAL TO TEMPORARILY MODIFY THE POSITION ALLOCATION LIST TO OVER-HIRE THE FIREFIGHTER CLASSIFICATION BY TWO DUE TO LONG TERM ABSENCES.

Mayor Rubio invited comments from the public.

- Mitt Sawhney said he whole heartedly supports the firefighters.

On motion by Council Member Jason Campbell and seconded by Kayla Jones and passed by the following vote the City Council approved the item as presented and adopted Resolution 18-65.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

I. APPROVE DESIGNATION OF VOTING DELEGATES FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE SEPTEMBER 12-14, 2018

There were no requests to speak on this item.

On motion by Council Member Jason Campbell and seconded by Kayla Jones and passed by the following vote the City Council approved the item as presented and adopted Resolution 18-66.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

J. LETTER TO GOVERNOR BROWN REGARDING CLIMATE ACTION

Council Member Jones spoke to being part of the National Young Elected Network for elected officials under the age of 30. This topic was being supported by the group to make recommendations to the Governor for action at the Global Action Summit. There were no questions from the Council or the public.

On motion by Council Member Kayla Jones and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approved the item as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

K. LETTER TO PRESIDENT TRUMP REGARDING REUNITING FAMILIES

Council Member Jones explained this was a letter to the Trump administration urging the administration from detaining and incarcerating immigrants at the border and to immediately reunite families. Mayor Rubio invited comments from the public and had no requests to speak.

On motion by Council Member Kayla Jones and seconded by Council Member Jason Campbell and passed by the following vote the City Council approved sending the letter to the Trump Administration as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

9. PUBLIC HEARING

A. ADOPTION OF AN ORDINANCE AND RESOLUTION FOR MAP AMENDMENTS TO THE SEASIDE MUNICIPAL CODE: SEASIDE ZONING MAP AND SEASIDE GENERAL PLAN: FIGURE LU-2, LAND USE POLICY MAP FOR 1624 DEL MONTE BOULEVARD, 1632 DEL MONTE BOULEVARD, AND 590 OLYMPIA AVENUE (APNs: 011-552-008, 011-552-009, 011-552-010, 011-552-011, 011-552-012), (SECOND READING- ROLL CALL VOTE)

City Manager Malin reported this is a second reading of a draft ordinance discussed in detail at the June 21, 2018 meting expanding the allowable uses at three parcels. Mayor Rubio invited comments from the public.

- Mitt Sawhney requested clarification that this is three buildings to get new use permits and if there is a plan to add more parcels to this land.

City Manager indicated that this ordinance only deals with these specific three parcels. Mayor Pro Tem Alexander briefly left the room.

On motion by Council Member Jason Campbell and seconded by Council Member Dave Pacheco and passed by the following roll call vote the City Council adopted Ordinance 1052 as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None
ABSENT: Alexander

B. ADOPTION OF TWO ORDINANCES AMENDING CHAPTER 17 (ZONING CODE) AND CHAPTER 3 (TRANSIENT OCCUPANCY TAX) OF THE SEASIDE MUNICIPAL CODE TO ADOPT SHORT-TERM RENTAL REGULATIONS WITHIN RESIDENTIAL DWELLINGS. (SECOND READING, ROLL CALL VOTE)

City Manager Malin reported this item is also a second reading for a draft ordinances that had substantial discussion at previous meetings and that there were no substantial changes made during the first reading. Mayor Pro Tem Alexander returned. There were no questions from Council. Mayor Rubio invited comments from the public.

- Jan Leisure from the Monterey County Vacation Rental Alliance thanked the Council for their deliberation on this item and for a solid ordinance. She said the Alliance can assist with ensuring the visitors know of the community amenities that are available.
- LisAnne Sawhney questioned when the ordinance would take effect and how can residents move forward to obtain a license.

City Manager Malin answered that, if approved, the ordinance will be effective August 5th.

Approved unanimously by roll call vote the City Council adopted Ordinance 1053 and 1054as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None
ABSENT: Alexander

C. ADOPTION OF AN ORDINANCE AMENDING SEASIDE MUNICIPAL CODE CHAPTER 2 ADDING 2.15 CITY COUNCIL LIAISONS AND AMENDING 2.24 UPDATING THE NAME OF THE NEIGHBORHOOD IMPROVEMENT PROGRAM COMMISSION (SECOND READING-ROLL CALL VOTE)

City Manager Malin explained this is a second reading of the draft ordinance. There were no questions by the Council or the public.

On motion by Council Member Pacheco and seconded by Council Member Jones and passed by the following vote the City Council approved the item as presented and adopted Ordinance 1055.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

10. BUSINESS ITEMS

A. RESOLUTION APPROVING THE DESIGN FOR THE IMPROVEMENTS TO CUTINO PARK

City Engineer Riedl presented the item detailing the public outreach conducted during the design process which resulted in the approved design. Plans have been reviewed by the Board of Architectural Review and the City Council in December 2017 approved moving forward with phase one. He detailed the overall conceptual plan and explained the elements of the different phases I through V. The staff recommendation was to approve the design and direct staff to move forward with the financing plan. Mr. Riedl answered questions from the Council.

Council Member Campbell questioned the plan for lighting to which Mr. Riedl responded that the intent is to add pathway lighting but use existing field lighting. Staff is considering upgrading the field lighting to LED with eco financing at no cost to the City but it is not guaranteed at this time. Mayor Rubio questioned the plan for preservation of the mural and what future plans are for public art. The mural will remain intact and other features will be added for increased safety for storage items.

Mayor Rubio invited comments from the public.

- Ruthie Watts asked if the store was a concern and expressed concern that some of the people hanging around the park at times can be rowdy.
- LisAnne Sawhney spoke to her continued concern and comments about only one park being improved for such a large amount of money and that she feels that the project is lacking a comprehensive design. She requested that the Council consider ensuring that the bond verbiage be open and not exclusive for Cutino park but for park improvements in general.
- Ian Oglesby requested the Council explain why they agreed to invest that level in one park. He spoke to the lack of fields in the city which require parents to take their kids to other jurisdictions and the benefits of a multi-use field; while the nature of what kids want to play changes the field can adapt. He believes this park will create synergies and expand recreational offerings that may

not have been possible at other areas. He questioned if a plaque explaining the significance of David Cutino could be considered at the entrance.

Mayor Rubio spoke to the strategic placement of the park and the volume of usage this park receives and will receive once complete in comparison to other parks. He spoke in support of honoring professional athletes from Seaside at the park. The Council spoke in support of the suggestion for a historic plaque about Mr. Cutino. Each Council Member advocated their support of the project.

Speaking on the second, Council Member Pacheco spoke in support of the approved $200,000 for city wide park improvements in the FY 18-19 budget and that he will continue to advocate to add park maintenance staff members.

On motion by Mayor Pro Tem Dennis Alexander and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approved Resolution 18-67 approving the design as presented.

RESULT: **Approved**
AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES: None

11. MAYOR, CITY COUNCIL, CITY MANAGER AND CITY ATTORNEY COMMENTS AND REPORTS ON COMMITTEE ASSIGNMENTS

Council Member Pacheco reminded the public that Sunday Blues in the Park kicks off this weekend. Council Member Jones requested on a near future agenda, but prior to the close of the election filing period to educate residents of the role of the elected official and about the election process to become an elected official. Mayor Pro Tem Alexander reminded the public of the Robert's Lake ribbon cutting and the community involvement that has gone into this park activation.

12. ADJOURNMENT

Having no further business, the meeting was adjourned at **9:15** PM.

Respectfully submitted,

______________________________	______________________________
Lesley Milton-Rerig, City Clerk	**Ralph Rubio, Mayor**

DRAFT MINUTES

CITY OF SEASIDE
CITY COUNCIL

SPECIAL MEETING
COUNCIL CHAMBER
Tuesday, July 10, 2018
4:00 PM

1. **CALL TO ORDER**
Mayor Rubio called the meeting to order at 4:00 p.m.

2. **ROLL CALL – ESTABLISHMENT OF QUORUM**
PRESENT: Alexander, Campbell, Jones, Pacheco, Rubio
ABSENT: None

3. **PUBLIC COMMENT**
There were no public comments.

4. **FIELD TRIP**

5. **STUDY SESSION**

A. **STUDY SESSION ON STREETS REPAIR PROJECTS TO BE FINANCED BY MEASURE X AND SB1**

City Engineer, Rick Riedl, presented item. Mr. Riedl gave a brief background on project and went over presentation. He mentioned that there are recommended projects in their agenda packets. He put together a tour map. Mr. Riedl went over some procedural requirements for the tour. After tour discussion will continue.

Council member Campbell asked about what Measure X is what Measure SB1 is and what is bonding. Mr. Riedl answered question.

Council member Pacheco asked if that money goes away we would only have $500,000. Mr. Riedl said it would be less than that. Mr. Riedl continued to answer questions from the Council.

Council adjourned to field trip at 4:15 PM.

The City Council reconvened the special meeting at 5:40 PM.

Mayor Rubio invited comments from the public.

Mitt Sawhney, Seaside resident, thanked staff for tour; mentioned that clearly our streets need a lot of repair; and if we have ever thought about putting in retaining walls every few blocks down the hill? Maybe prohibiting heavy vehicles on General Jim Moore? Something we can look at to maintain the streets.

Ian Oglesby, Seaside resident, make sure storm drains are taken care of; looks forward to discussion, when will be the next evaluation.

Mayor Rubio spoke on the tour and the map and mentioned that the only adjustments he would make are two; one is the section from San Pablo to Mescal down to Yosemite re-evaluate that and the intersection with Ord Road the square patch between the stop signs is really bad. Other than that this is a good program.

Council member Pacheco agreed that in general it is a good plan, understands that we have to protect the streets that are already ranked high before they get worst. Is it feasible for some of the money from CDBG be put into the area that don't have CDBG that way they can be taken care of, if they are not taken care of they will collapse, Fremont, Wheeler to Kimball.

Council member Jones, it was a great tour, what happens if we don't fix the residential streets do they just turn into dirt roads? Mr. Riedl answered her question. Do we have an obligation to fix those roads, what would be the next step? Mr. Riedl said that there is no obligation to fix any of the roads. Mr. Riedl answered further questions.

Mayor Rubio pointed out that it is up to the Council to set up the priorities; that they have set money aside in the reserves for capital improvements and it is up to the Council how they structure the capital improvement program which is in the purview of the City Council. Mr. Riedl mentioned that in the past there has been grant opportunities that we have applied for and we have been fortunate in getting a lot of the grants.

Council member Campbell, thanked staff for their hard work and excellent tour. Is concerned about the roads that are not being addressed; is hoping we can look for funding, CDBG funding, grants, we should discuss things like the franchise fees and the garbage trucks, how much damage is being done by garbage trucks. Asked if we can get more franchise fees from MST if they are causing damage? Mayor Rubio spoke in regards to that. Deputy City Manager Administrative Services, Daphne Hodgson spoke in regard to the franchise fees. Council member Campbell spoke on being compensated by other agencies if necessary. It looks like we are neglecting roads that are in terrible disrepair. Still wants to find money for Kimball, but recognizes that ADD improvements need to be considered and the storm water improvements. Would like staff to come back with a timeframe.

Mayor Pro Tem Alexander also thanked staff for the tour. Stressed that the rating system is important for the public to know; learned a lot about the roads.

Council member Pacheco asked if a report can be brought back on Kimball to Wheeler.

Mayor Rubio would like staff to come back with an overlay of the bus routes and what kind of effect it has on the roads and some kind of a filter census track and residential streets and the rating on those streets and which ones might be eligible for block grant funding in the future so that we can start planning it out for year three.

6. <u>ADJOURNMENT</u>

On motion, the meeting was adjourned at 6:05 PM.

Respectfully submitted,

____
Lesley Milton-Rerig, City Clerk

____
Ralph Rubio, Mayor

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.B.

TO: City Council

FROM: Craig Malin, City Manager

BY: Daphne Hodgson, Deputy City Manager Administrative Services
Lori Merwin, Finance Assistant

DATE: July 19, 2018

SUBJECT: **APPROVE AND FILE CITY CHECKS**

PURPOSE & RECOMMENDATION

It is requested that the City Council approve and file the accounts payable and wired payments made during the period of June 23, 2018 through July 6, 2018. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of July 5, 2018 is requested. Total Accounts Payable and Payroll for the above referenced period is $1,333,092.00.

BACKGROUND

In accordance with Government Code Section 37208, at each City Council meeting the Council is provided a listing of the payroll and general checks issued since the last report so that it can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, the above referenced, and linked list of checks conforms to the approved budget and has been paid. These checks are submitted to the City Council for inspection and confirmation.

A description of the checks and wires exceeding $10,000 are as follows:

- $822,381.01 for Payroll and benefits.
- $23,180.46 to California-American Water for water consumption for miscellaneous City accounts for the period of 5/22/18 - 6/22/18.
- $25,773.12 to Community Human Services for reimbursement for asbestos and lead-based paint survey for 3 addresses on Sonoma Avenue.
- $11,557.67 to Home Depot Credit Services for purchases made from February - June 2018.

- $12,500.00 to Pyro Spectaculars North, Inc. for balance due from 4th of July fireworks (initial deposit was for $12,500.00)
- $12,016.74 to Richards Watson & Gershon for general legal services through May 31, 2018.
- $35,471.56 to Tracnet for Seaside Police department annual maintenance MSP for the period of 7/1/18 through 6/30/19.
- $60,505.22 to PNC Equipment Finance for vactor truck lease from 6/11/18 - 7/10/18.
- $15,716.95 to Community First National Bank for (21) sets of turnout gear for the Fire department.
- $64,711.30 to the Governor's Office of Emergency Services for course titled Hazardous Materials Spec, Modules F & G.
- $10,786.18 to Rincon Consultants, Inc. for Ft. Ord main gate specific plan services for 3/15/18 - 4/30/18.

The remaining checks, totaling $238,491.79 include payments to vendors for operating expenditures.

The Checks report is available on the City's website here:
http://www.ci.seaside.ca.us/194/Check-Draft-Register

FISCAL IMPACT

None associated with this action.

ATTACHMENTS

None

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.C.

TO: City Council

FROM: Craig Malin, City Manager

BY: Lesley Milton-Rerig, City Clerk

DATE: July 19, 2018

SUBJECT: **APPROVE APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES**

PURPOSE & RECOMMENDATION

That the City Council approve appointments to the Parks and Recreation Commision, The Neighborhood Improvement Program and the Art and History Commission.

BACKGROUND

The Commissions, Committees and Boards are City Council appointed advisory bodies that serve as an important link between the City Council and Community by providing direct involvement in policy-making and communication of vital information.

According to Seaside Municipal Code 2.14.040, the Mayor with advice and consent of the City Council, shall make appointments to Commissions, Committees and Boards. As directed by Council, the Mayor and a rotating Council Member meet with all applicants prior to appointment. The City Manager designates Department Heads or other staff members to act as staff liaison to committees including to regularly attend meetings of advisory bodies to provide technical support.

City staff has submitted multiple advertisements inviting applications for positions on all City of Seaside Boards and Commissions and has listed the Board and Commission openings on the City website and posted vacancies on all of the Public Notice boards. Vacancies have also been posted on City social media accounts. Communications were sent to all appliacnts on file for the last two years.

The Mayor and Mayor Pro Tem Alexander met with all applicants to discuss their applications on July 12, 2018 as shown on the attached schedule. Staff coordinated with each applicant regarding possible meeting times. As a result, the following appointments are recommended for the following vacancies and terms:

APPLICANT, COMMISSION, TERM, EXPIRATION
Michael Evans, Parks and Recreation Commission, 3 Years, July 1, 2021
Emerson Brown, Art and History Commission, 4 Years, July 1, 2022
Jeffrey Stark, Neighborhood Improvement Program, 3 Years, July 1, 2021
Pending, Community Development Advisory Committee, 2 Years, July 1, 2020

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENTS

1. Applications

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

City of Seaside
City Clerk's Office

Application for Appointment to a City Board/Commission/Committee

City Clerk's Office
MAR 12 2017
Received
City Clerk's Date Stamp

FORM IS FILLABLE ONLINE - IF FILLING BY HAND, PLEASE PRINT CLEARLY

To serve on: Parks And Recreation Commission — Board/Commission/Committee

Name: Michael Evans

Address: [redacted]

Occupation: Technician

Telephone: [redacted] Primary   Email: [redacted] Alternate

Background/Education/Experience/Special Skills : One of a multigenerational family born and raised in Seaside. First time homeowner and proud parent. Monterey Peninsula College automotive technology program. Hundreds of hours of community service in, and around the city. Head full of big ideas and hands that are not afraid to get dirty.

Are you willing to file Statements of Economic Interest (Form 700)? ☑ YES ☐ NO

Are you able to attend meetings during business hours? ☐ YES ☑ NO
(NOTE: Most Boards and Commissions meet **after 5:00 p.m.**)

Other information or comments : Since before I could remember I always wondered how our parks could be better. Now that I have an opportunity, I ready to commit to it.

I will accept the office in the event I am appointed.

[redacted]
Signature

11/19/2017
Date

Please return Application to: Seaside City Clerk, 440 Harcourt Avenue, Seaside, CA 93955

City Clerk Office Hours: 8:00 am to 5:00 pm Monday thru Friday
♦ Telephone (831) 899-6707 ♦ Fax (831) 899-6201

Print Form

Please continue to the next page

City of Seaside

City Clerk's Office

Application for Appointment to a City Board/Commission/Committee

City Clerk's Office
JUN 12 2018
Received

City Clerk's Date Stamp

FORM IS FILLABLE ONLINE - IF FILLING B HAND, PLEASE PRINT CLEARLY

To serve on: Art and History Commission — Board/Commission/Committee

Name: Emerson Brown

Address: [redacted]

Occupation: Media Relations Senior Manager   Employer: Monterey Bay Aquarium

Telephone: [redacted] (Primary) ______ (Alternate)

Email: [redacted]

Background/Education/Experience/Special Skills (attach additional pages if needed):

More than 20 years of experience promoting and advertising arts and entertainment; formal and informal art and art history education; art collector and patron; interest in classic and contemporary arts; strong writing and visualization skills

If appointed, you will be subject to all or some of the following compliance requirements:

- File a Statement of Economic Interests (Form 700) to comply with the Fair Political Practices Commission.
- Undergo Ethics Training to comply with Assembly Bill 1234.
- Subject to a criminal background investigation.
- Attend meetings during and/or off business hours (NOTE: Most Boards and Commissions meet after 5:00 p.m.)

Do you object with complying with such requirements? Yes ☐ No ☒

If yes, please explain: ______

Other private and non-profitaffiliations: Employer is a non-profit. Donor to KAZU 90.3 FM.

Other information and/or comments: ______

I will accept the office in the event I am appointed:

[redacted] (Signature)   June 12, 2018 (Date)

Please continue to the next page

City of Seaside
City Clerk's Office

Application for Appointment to a City Board/Commission/Committee

City Clerk's Office
JUN 01 2018
Received
City Clerk's Date Stamp

FORM IS FILLABLE ONLINE - IF FILLING B HAND, PLEASE PRINT CLEARLY

To serve on: Neighborhood Improvement program or Community Development Advisory Committee — Board/Commission/Committee

Name: Jeffrey T. Stark

Address: [redacted]

Occupation: Work/Life Consultant Employer: US Air Force

Telephone: [redacted] Primary [redacted] Work Alternate

Email: [redacted]

Background/Education/Experience/Special Skills (attach additional pages if needed):
Community Readiness Consultant on DLI/Employment Readiness Transition Assistance (Fmr) victims Advocate on Base and in monterey

If appointed, you will be subject to all or some of the following compliance requirements:

- File a Statement of Economic Interests (Form 700) to comply with the Fair Political Practices Commission.
- Undergo Ethics Training to comply with Assembly Bill 1234.
- Subject to a criminal background investigation.
- Attend meetings during and/or off business hours (NOTE: Most Boards and Commissions meet **after 5:00 p.m.**)

Do you object with complying with such requirements? Yes ☐ No ☑

If yes, please explain: ______

Other private and non-profitaffiliations: Volunteer at Pebble beach Concours d'Elegance 14years

Other information and/or comments: Hold AA in Social Services and AA in Education and Training management

I will accept the office in the event I am appointed:

[redacted]
Signature

28 MAY 2018
Date

Please continue to the next page
Page 1 of 2

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.D.

TO: City Council

FROM: Craig Malin, City Manager

BY: Abdul Pridgen, Police Chief
Roberta Greathouse, Human Resources Director

DATE: July 19, 2018

SUBJECT: **ADOPT A RESOLUTION ADDING THE CLASSIFICATION OF COMMUNITY SERVICE OFFICER / POLICE DETENTION OFFICER TO THE CLASSIFICATION PLAN**

PURPOSE & RECOMMENDATION

It is proposed and recommended that the City Council approve a resolution adding the classification of Community Service / Police Detention Officer to the Classification Plan and establish the salary for the position.

BACKGROUND

In the Fiscal Year 2018/2019 Budget, the City Council authorized the addition of a Community Service Officer / Police Detention Officer position to the Police Department. This position will perform a variety of non-enforcement duties including taking minor reports, performing detention officer tasks, and assisting with vehicle abatement. The salary for this position is proposed to be equivalent to the Police Detention Officer salary which is $31.31 per hour.

FISCAL IMPACT

There is no additional cost for this item as the addition of this classification was included in the Fiscal Year 2018/2019 budget.

ATTACHMENTS

1. Resolution
2. Job Description

Meeting Date: July 19, 2018

Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

RESOLUTION NO. 18-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE

MODIFYING THE CLASSIFICATION PLAN TO ADD THE CLASSIFICATION OF COMMUNITY SERVICE / POLICE DETENTION OFFICER

WHEREAS, the City's Classification Plan of positions may be amended on recommendation of the City Manager and approval by the City Council; and

WHEREAS, there is a need to add the position of Community Service / Police Detention Officer to the Classification Plan, create an appropriate position description, and establish the salary for the new classification;

WHEREAS, the new classification will be represented by the Seaside Police Officers' Association and provided with the benefits outlined in the Seaside POA MOU; and

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby approve adding the following position to the City's Classification Plan:

Position	Hourly Pay Rate
Community Service / Police Detention Officer	$31.31

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Seaside hereby approves adding this position to the classification plan and establishing the salary as outlined above.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on the 19th day of July by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

____
Ralph Rubio, Mayor
City of Seaside

ATTEST:

____
Lesley Milton-Rerig, City Clerk

July 2018
FLSA: NON-EXEMPT

COMMUNITY SERVICE / POLICE DETENTION OFFICER

DEFINITION

Under general supervision, performs a variety of field and office law enforcement duties including report writing, data entry, and customer service duties; booking, and caring for prisoners; issuing citations or verbal warnings; and other related work as required in support of the Police Department.

SUPERVISION RECEIVED AND EXERCISED

Receives direct supervision from the assigned supervisory staff. Exercises no supervision of staff.

CLASS CHARACTERISTICS

This is a non-sworn classification that performs a wide variety of tasks and activities that support the Police Department in all areas of the Police Department. Incumbents receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of the operating procedures and policies of the work unit.

EXAMPLES OF TYPICAL JOB FUNCTIONS (Illustrative Only)

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Assists Police Officers with non-enforcement duties and responds to calls and requests for services not requiring a Police Officer.
- Takes minor police reports over the counter and in the field.
- Searches, photographs, fingerprints, and books incoming prisoners of the same sex; establishes and updates booking records; inventories and takes custody of inmate property; monitors inmate health and safety; takes and places telephone calls relating to prisoners; preserves evidence; accepts bail and releases prisoners.
- Transports equipment and evidence.
- Performs intoxilyzer tests and records results.
- Enforces State and local parking ordinances and enforces the municipal code with no powers of arrest.
- Performs tasks associated with vehicle abatement duties including citing and towing vehicles.
- Directs and controls crowds and traffic at accidents or during special events.
- Provides testimony in court.
- Prepares a variety of written reports, compiles periodic reports, and collects and compiles statistical data.
- Operates a radio to maintain contact with officers in the field.
- Serves subpoenas.
- Assists with property disposal and return.
- Confirms outstanding warrants with other law enforcement agencies; operates telecommunications systems to input and request information; and operates a variety of office equipment.

- Provides research assistance to officers and other law enforcement personnel as requested.
- Prepares and receives non-injury collision reports that are reported at the Department.
- Participates in school education programs.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- Modern office practices and procedures, including filing and the use of standard office equipment.
- Business arithmetic and basic statistical techniques.
- Basic principles of record keeping and cash handling.
- Computer applications related to the work, including data entry, data tracking, word processing, and basic spreadsheet applications.
- English usage, grammar, spelling, vocabulary, and punctuation.
- Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and City staff.

Ability to:

- Learn the operation of computer-aided communications equipment, including multiple telephone lines and radio systems.
- Learn basic functions, principles, and practices of law enforcement agencies.
- Learn and interpret, apply, and explain applicable Federal, State, and local codes, regulations, policies, technical processes, and procedures.
- Learn techniques, methods, and processes of police record management and retrieval.
- Learn police terminology and law enforcement codes.
- Organize, research, and maintain technical and administrative files.
- Enter data into a computer system and prepare written materials with sufficient speed and accuracy to perform the work.
- Make accurate arithmetic and statistical calculations.
- File and maintain automated and hardcopy records with accuracy.
- Organize own work, set priorities, and meet critical deadlines.
- Operate modern office equipment including computer equipment and software programs.
- Use English effectively to communicate in person, over the telephone, and in writing.
- Work independently using initiative.
- Use tact, initiative, prudence, and independent judgment within general policy and legal guidelines in politically sensitive situations.
- Establish, maintain, and foster positive and effective working relationships with those contacted in the course of work.

Education and Experience:
Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

Equivalent to the completion of twelfth (12^{th}) grade and two (2) years of experience involving substantial public contact. Completion of related coursework in criminal justice and prior police related work experience are desirable.

Licenses and Certifications:

- Must possess a valid California Drivers' License by time of appointment.
- Successful completion of the Police Records Training within the first year of employment.
- Successful completion of the California Correctional Officer Academy within the first year of initial employment, supplemented by 24 hours of annual training approved by Standards and Training for Corrections.
- Successful completion of First Aid and CPR certification within six months of employment.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer; to visit various City sites, including traversing uneven terrain and climbing stairs; to attend meetings and to operate a motor vehicle; vision to read printed materials and a computer screen, and write citations; and hearing and speech to communicate in person, before groups, and over the telephone. This is partially a sedentary office and partially a field operations classification; frequent standing and walking between work areas is required. Finger dexterity is needed to access, enter, and retrieve data using a computer keyboard or calculator and to operate standard office equipment. Positions in this classification occasionally bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must possess the ability to lift, carry, push, and pull materials and objects weighing up to 40 pounds.

ENVIRONMENTAL ELEMENTS

Employees work partially in an office environment with moderate noise levels and controlled temperature conditions, and partially in the field and are occasionally exposed to loud noise levels, cold and hot temperatures, inclement weather conditions, road hazards, vibrations, and hazardous materials. Employees may interact with upset staff and/or members of the public in interpreting and enforcing departmental policies and procedures.

The principal duties of this class are performed in a police station and field environment with exposure to criminal offenders, mentally ill individuals, and persons potentially infected with communicable diseases.

WORKING CONDITIONS

Must be able to pass a law enforcement background investigation. Must be willing to work extended shifts or be called back in emergency situations and work with exposure to difficult circumstances.

CITY OF SEASIDE
STAFF REPORT

Item No.: 9.A.

TO: City Council

FROM: Craig Malin, City Manager

BY: Rick Riedl, City Engineer

DATE: July 19, 2018

SUBJECT: **ADOPT A RESOLUTION APPROVING STREET REPAIRPROJECT LIST FOR MEASURE X FUNDED PROJECTS**

PURPOSE & RECOMMENDATION

The purpose of this item is to adopt a list of street repair projects to be funded by Measure X.

BACKGROUND

Pavement networks are often the most valuable asset that an agency owns. This asset is not only expensive to replace, but is an essential component to the traveling public's safety. Agencies are constantly looking for the most cost-effective ways to perform street maintenance and to stretch available funding.

There is a renewed focus on roads in California as a whole and the demand for more accurate data on the conditions of road pavement is expected to grow. The last 12 months have seen remarkable changes in the funding picture with the recent passage of Measure X in Monterey County and the Road Maintenance and Rehabilitation Act (RMRA or SB1) in the state. These two funding sources are estimated to contribute about $1.5 million per year to the City. However, new revenues come with new accountability measures. Both Measure X and SB1 require jurisdictions to develop a Pavement Management Program (PMP). Therefore, an essential tool to remain eligible for grant funding is to update and implement our Pavement Management Program (PMP).

City retained Nichols Consulting Engineers (NCE) to update the PMP. NCE developed and implemented the City's initial PMP in 1999 and provided training services to city staff. NCE has extensive experience in implementing and updating PMPs for the Metropolitan Transportation Commission (MTC), cities, and TAMC to help maximize allocated funding.

The City Council held study sessions on the Pavement Management Program on April 19, 2018, June 7, 2019, and July 10, 2018 meetings. Based upon Council direction to focus on upgrading major streets, staff developed preferred scenarios identifying the City's ability to upgrade these roads using Measure X and SB1 funds. Figure 1 shows the proposed SB 1 and Measure X projects that could be funded within the next three years. Figure 2 shows the those streets projects to be completed in fiscal years ending 2019 & 2020 funded by Measure X. Exhibit A lists the proposed streets projects that could be completed by a $10 Million bond funded by Measure X.

It is recommended that the City Council approve a resolution adopting a list of street repair projects to be funded by Measure X attached as Exhibit A.

FISCAL IMPACT

The street projects are proposed to be financed using a $10 Million financing plan funded by Measure X revenues.

ATTACHMENTS

1. Draft Resolution
2. Exhibit A Measure X Project List
3. Figure 1- SB1 & Measure X Projects
4. Figure 2 - Measure X Projects

Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

RESOLUTION NO. 18 -___

A RESOLUTION OF THE CITY OF SEASIDE CITY COUNCIL

TO ADOPT A LIST OF STREET REPAIR PROJECTS TO BE FUNDED BY MEASURE X: THE TRANSPORTATION SAFETY AND INVENSTMENT PLAN

WHEREAS, the Policies and Project Descriptions for the Transportation Safety & Investment Plan promulgated by the Transportation Agency of Monterey County (the TAMC Measure X Master Plan) requires Measure X funding to be used exclusively for transportation improvements; and

WHEREAS, on June 15, 2017, the City of Seaside entered into the Measure X Funding Agreement between the Transportation Agency of Monterey County (TAMC) and the City of Seaside (the Measure X Funding Agreement); and

WHEREAS, the TAMC Measure X Master Plan anticipates accelerating the delivery of projects by issuing bonds; and

WHEREAS, eligible project costs for Measure X funding include all conceptual studies, project development costs, right-of-way acquisition, construction costs and any other costs needed to deliver the projects; and

WHEREAS, the Measure X Funding Agreement requires that all projects proposed to receive Measure X reimbursements must be developed under a Pavement Management Program; and

WHEREAS, the Measure X Two-Year Capital Improvement Program attached hereto as Exhibit A has been prepared in accordance with the TAMC Measure X Master Plan and the Measure X Funding Agreement.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Seaside hereby adopts Exhibit A, "Proposed Project List for Measure X," attached hereto.

PASSED AND ADOPTED at a regular meeting of the City Council duly held on the 19th day of July 2018 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

____
Ralph Rubio, Mayor

ATTEST:

____
Lesley Milton-Rerig, City Clerk

Exhibit A: Proposed Project Lists for Measure X

Location #	Street Name	Begin Location	End Location	Lanes	PCI	Treatment	Total Cost
1	BROADWAY AV	NOCHE BUENA ST	SOTO ST	4	47	2" RHMA OVERLAY	$ 943,748
2	BROADWAY AV	FREMONT BLVD	NOCHE BUENA ST	4	95	SURFACE SEAL	$ 155,662
3	BROADWAY AV	SOTO ST	GENERAL JIM MOORE	4	75	SURFACE SEAL	$ 150,149
4	DEL MONTE BLVD	AUTO CENTER PKWY	FREMONT BLVD	2	57	2" RHMA OVERLAY	$ 463,575
5	DEL MONTE BLVD	AUTO CENTER PKWY	FREMONT BLVD	2	61	2" RHMA OVERLAY	$ 464,880
6	DEL MONTE BLVD	ECHO AV	AUTO CENTER PKWY	4	43	RECONSTRUCTION (FULL DEPTH 6" HMA)	$ 1,100,769
7	FREMONT BL	CITY LIMIT (S)	HILBY AV	4	26	2" RHMA OVERLAY	$ 650,133
8	FREMONT BL	HILBY AV	SONOMA AV	4	57	2" RHMA OVERLAY	$ 697,713
9	FREMONT BL	SONOMA AV	BROADWAY AV	4	39	2" RHMA OVERLAY	$ 589,169
10	FREMONT BL	PLAYA AV	255 S/O MILITARY AV	2	60	2" RHMA OVERLAY	$ 231,000
11	HILBY AV	YOSEMITE ST	MESCAL ST	2	55	SURFACE SEAL	$ 35,784
12	LA SALLE AV	DEL MONTE BLVD	FREMONT BLVD	4	25	2" RHMA OVERLAY	$ 191,700
13	LA SALLE AV	FREMONT BLVD	NOCHE BUENA ST	2	57	2" RHMA OVERLAY	$ 324,000
14	LA SALLE AV	NOCHE BUENA ST	WARING ST	2	61	SURFACE SEAL	$ 32,976
15	LA SALLE AV	WARING ST	LUZERN ST	2	71	SURFACE SEAL	$ 31,320
16	MILITARY AV	CIRCLE AV	NOCHE BUENA ST	2	55	2" RHMA OVERLAY	$ 83,805
17	MILITARY AV	FREMONT BLVD	CIRCLE AV	2	38	RECONSTRUCTION (FULL DEPTH 6" HMA)	$ 268,928
18	MILITARY AV	NOCHE BUENA ST	CROSS ST	2	37	RECONSTRUCTION (FULL DEPTH 6" HMA)	$ 623,672
19	NOCHE BUENA ST	SONOMA AV	BROADWAY AV	2	65	2" RHMA OVERLAY	$ 277,020
20	NOCHE BUENA ST	LA SALLE AV	SEASIDE HIGH ENTRANCE	2	64	2" RHMA OVERLAY	$ 486,000
21	NOCHE BUENA ST	HILBY AV	SONOMA AV	2	49	RECONSTRUCTION (FULL DEPTH 6" HMA)	$ 779,100
22	NOCHE BUENA ST	BROADWAY AV	PHOENIX AV	2	77	SURFACE SEAL	$ 45,060
23	NOCHE BUENA ST	PHOENIX AV	LA SALLE AV	2	66	SURFACE SEAL	$ 45,216
24	PLAYA AVE	DEL MONTE BLVD	FREMONT BLVD	4	21	RECONSTRUCTION (FULL DEPTH 6" HMA)	$ 383,539
25	SAN PABLO AV	NOCHE BUENA ST	WARING ST	2	72	SURFACE SEAL	$ 29,340
26	SAN PABLO AV	WARING ST	MENDOCINO ST	2	78	SURFACE SEAL	$ 45,210
27	SAN PABLO AV	MENDOCINO ST	MESCAL ST/SAN PABLO AVE	2	79	SURFACE SEAL	$ 17,730
	10% Contigency						$ 914,720
	Subtotal						**$ 10,061,918**

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Figure 1: Measure X and SB1 Street Projects

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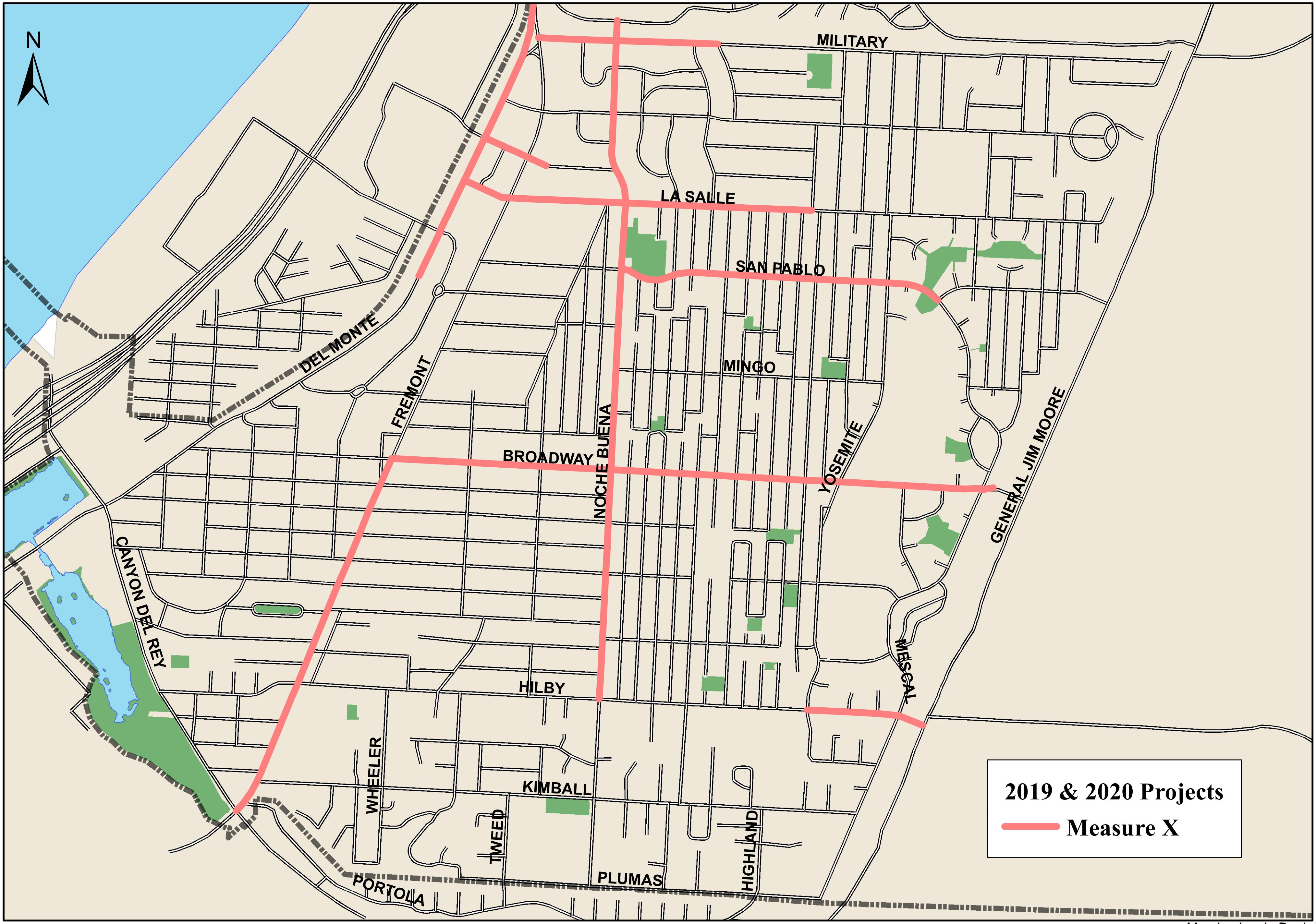
Map by Jessie Doyle

Figure 2: Measure X Street Projects



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Map by Jessie Doyle

CITY OF SEASIDE
STAFF REPORT

Item No.: 9.B.

TO: City Council

FROM: Craig Malin, City Manager

BY: Rick Riedl, City Engineer
Leslie Llantero, Assistant Engineer

DATE: July 19, 2018

SUBJECT: **ADOPT A RESOLUTION APPROVING REVISED STREET REPAIR PROJECT LIST FOR SB1 FUNDED PROJECTS**

PURPOSE & RECOMMENDATION

The purpose of this item is to have the City Council consider approval of a resolution authorizing staff to submit a revised SB 1 Project List to the California Transportation Commission.

BACKGROUND

California Senate Bill 1 (SB1), the Road Repair and Accountability Act (RMRA) of 2017, was signed into law on April 28, 2017. In September 2017, SB1 was amended by clean-up bill AB135. The Streets and Highways Code Section 2034(a)(1) now reads:

"Prior to receiving an apportionment of funds under the program pursuant to paragraph (2) of subdivision (h) of Section 2032 from the Controller in a fiscal year, an eligible city or county shall submit to the commission a list of projects proposed to be funded with these funds. All projects proposed to receive funding shall be adopted by resolution by the applicable city council or county board of supervisors at a regular public meeting. The list of projects proposed to be funded with these funds shall include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement. The project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities so long as the projects are consistent with subdivision (b) of Section 2030."

The State of California imposes per-gallon excise taxes on gasoline and diesel fuel, sales taxes on gasoline and diesel fuel and registration taxes on motor vehicles with allocations dedicated to transportation purposes and shared with local governments. These allocations are the familiar gasoline tax revenues that have been in place for decades and flow to the City from the State.

The Road Repair and Accountability Act of 2017 (SB1, Beall a.k.a. RMRA) includes an increase in local streets and roads revenue sharing allocations by increasing the excise tax on gasoline and diesel fuel, the sales tax on diesel fuel, in addition to increases in the current vehicle registration fee and a new vehicle registration tax on zero emission vehicles. The increases to sales and excise taxes are effective November 2017 with the additional vehicle registration fee effective January 2018, and the new vehicle registration fee on zero emission vehicles effective July 2020. The estimate for these new funds is $567,346 in FY 2018-19.

RMRA (SB1) eligible projects types include: Road Maintenance and Rehabilitation Projects; Safety Projects; Railroad Grade Separations; Complete Streets Components (including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project); Traffic Control Devices; Technologies and material recycling techniques that lower greenhouse gas emissions; ZEV fueling or charging and infrastructure-vehicles communications for transitional or fully autonomous vehicles.

The RMRA places accountability and compliance requirements on jurisdictions in order to exhibit effectiveness of the program. Requirements include annual submission of SB1 Project Lists and annual Maintenance of Effort Compliance Reporting.

The City Council held study sessions on the Pavement Management Program on April 19, 2018, June 7, 2019, and July 10, 2018. Based upon Council direction to focus on upgrading major streets, staff developed preferred scenarios identifying the City's ability to upgrade these roads using Measure X and SB1 funds. Figure 1 shows the proposed SB 1 and Measure X projects that could be funded within the next three years. Figure 2 shows the streets projects to be completed in this fiscal year funded by Measure X. Exhibit A lists the proposed streets projects to be completed with SB1 funding in this fiscal year.

It is recommended that the City Council adopt a resolution approving the attached SB1 Project List in order to update the project list with the California Transportation Commission for SB1 funding.

FISCAL IMPACT

The City of Seaside revenues generated from SB1 are budgeted to be $567,346 in Fiscal Year 2018-19. The proposed project list (Exhibit A to the resolution) will be funded from the budgeted SB1 revenues.

ATTACHMENTS

1. Draft Resolution
2. Exhibit A SB1 Project List
3. Figure 1 -SB1 & Measure X Projects

4. Figure 2 2019 SB1 Projects

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

RESOLUTION NO. 2018 -___

A RESOLUTION OF THE CITY OF SEASIDE CITY COUNCIL TO ADOPT A LIST OF PROJECTS FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT

WHEREAS, Senate Bill 1 (SB 1), also know as the Road Repair and Accountability Act of 2017 (RMRA) was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 was amended by Assembly Bill 135 and signed into law by the Governor in September 2017 in order to, among other things, clarify eligibility requirements; and

WHEREAS, RMRA requires that prior to receiving an apportionment of RMRA funds from the Controller in a fiscal year, a city or county must submit to the Commission a list of projects proposed to be funded with these funds; and

WHEREAS, RMRA requires that all projects proposed to receive funding must be included in a city budget that is adopted by the applicable city council at a regular public meeting; and

WHEREAS, the SB1 Project List attached hereto as Exhibit 'A' has been prepared in accordance with the RMRA Guidelines prepared by the California Transportation Commission (CTC); and

WHEREAS, RMRA requires the submittal of an SB1 Project List by July 31, 2018; and

WHEREAS, the SB1 Project List does not limit the flexibility of the City to fund projects in accordance with local needs and priorities so long as the projects are consistent with RMRA priorities; and

WHEREAS, the City must update the SB1 Project List annually in order to continue to receive funding from the state; and

WHEREAS, the SB1 Project List will be updated at least annually and presented to the City Council for approval prior to resubmittal to the CTC; and

WHEREAS, the City updated its Pavement Management Program to determine and prioritize the transportation project list to ensure investments are most cost-effectively applied to the transportation projects; and

WHEREAS, funding from RMRA for fiscal year 2018 - 2019 is estimated be $567,346. This amount is included in the 2018-2019 Adopted Budget.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Seaside is hereby adopting the project list attached hereto as Exhibit A to be funded in fiscal year 2018 – 2019 with Road Maintenance and Rehabilitation Account revenues.

PASSED AND ADOPTED at a regular meeting of the City Council duly held on the 19th day of July 2018 by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:

____
Ralph Rubio, Mayor
City of Seaside

ATTEST:

____
Lesley Milton, City Clerk

Exhibit A: Senate Bill (SB) 1 Proposed Project List for Fiscal Year 2018/2019

Title	Description	Location	Estimated Total Project Cost
Fremont Boulevard	Remove & Replace failed road sections	Broadway Avenue to North City Limit	$ 360,000
Wheeler Street	Remove & Replace failed road sections	Hilby Avenue to South Terminus	$ 207,346
Total Estimated Budget			$ 567,346

Figure 1: Measure X and SB1 Street Projects

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Map by Jessie Doyle

Figure 2: SB1 Street Projects

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Map by Jessie Doyle

CITY OF SEASIDE
STAFF REPORT

Item No.: 9.C.

TO: City Council

FROM: Craig Malin, City Manager

BY: Daphne Hodgson, Deputy City Manager Administrative Services

DATE: July 19, 2018

SUBJECT: **ADOPT A RESOLUTION ADOPTING THE CITY OF SEASIDE DEBT POLICY**

PURPOSE & RECOMMENDATION

It is recommended that the City Council review and consider the proposed City of Seaside Debt Policy. It is further recommended that the City Council approve the attached resolution adopting the Proposed Debt Policy.

BACKGROUND

SB 1029, that became effective January 1, 2017, amended the California Government Code to increase the information that municipal issuers of debt must provide to the California Debt and Investment Advisory Commission (CDIAC).SB 1029 amended the requirements for the Report of Proposed Debt Issuance. The Report must now include a certification by the City issuing debt that it has adopted a local debt policy. The Report must discuss the use of debt and that a proposed debt issuance is consistent with the local debt policy.

The law requires that a local debt policy include five elements:
(1) the purposes for which debt proceeds may be used;
(2) the types of debt that may be issued;
(3) the relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable;
(4) policy goals related to the issuer's planning goals and objectives; and
(5) the internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of a proposed debt issuance will be directed to the intended use.

The City is currently considering issuing debt for the Street Projects and the Cutino Park Project. A Report of Proposed Debt Issuance will be required for both of these issuances, therefore the City will need to have a debt policy in place that includes these five elements prior to issuance.

SB 1029 also amended the Government Code to add a new, annual report requirement for municipal issuers, to provide data to CDIAC regarding any issue of debt for which the issuer has filed a Report of Final Sale. Each annual report will cover a reporting period of July 1 through June 30, and must be submitted by January 31.

The annual report will require certain data to be provided to CDIAC concerning three main categories of information: (1) debt authorized during the applicable reporting period (whether issued or not), (2) debt outstanding during the reporting period, and (3) the use during the reporting period of proceeds of issued debt.

FISCAL IMPACT

There is no direct fiscal impact from the adoption of this policy.

ATTACHMENTS

1. Draft Resolution
2. Local Debt Policy.6-21-18

Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

RESOLUTION NO. 18-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE

ADOPTING A LOCAL DEBT POLICY

RECITALS:

WHEREAS, the City of Seaside (the "City") or its related entities (such as the City of Seaside Joint Powers Financing Authority, the Parking Authority of the City of Seaside, or the Successor Agency to the Redevelopment Agency of the City of Seaside) has issued bonds or other financing obligations (collectively, "Local Debt") subject to the filing of reports with the California Debt and Investment Advisory Commission ("CDIAC") pursuant to Section 8855 of the California Government Code ("Section 8855"); and

WHEREAS, Senate Bill No. 1029 ("SB 1029"), effective January 1, 2017, amended Section 8855 to augment the information that must be provided by municipal issuers of Local Debt to CDIAC; and

WHEREAS, prior to SB 1029, Section 8855 has required municipal issuers of Local Debt to file a Report of Proposed Debt Issuance at least 30 days prior to the sale of any Local Debt issue; and

WHEREAS, SB 1029 amends the requirements of the Report of Proposed Debt Issuance to require that this report include a certification by the municipal issuer that it has adopted local debt policies concerning the use of Local Debt and that the contemplated Local Debt issuance is consistent with those local debt policies; and

WHEREAS, the City or its related entities (such as the City of Seaside Joint Powers Financing Authority, the Parking Authority of the City of Seaside, or the Successor Agency to the Redevelopment Agency of the City of Seaside) may also, in the future, issue Local Debt for which a Report of Proposed Debt Issuance, including the aforementioned certification, will need to be filed with CDIAC; and

WHEREAS, to facilitate issuance of Local Debt in the future and the ability of the City and its related entities to make the requisite local debt policies certification required in connection therewith by subdivision (i) of Section 8855, as amended by SB 1029, the City desires to adopt the Local Debt Policy (the "Policy"), as set forth in Exhibit A hereto;

NOW, THEREFORE, the City Council of the City of Seaside does hereby resolve, determine and order as follows:

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Policy, as set forth in Exhibit A, is hereby approved and adopted and shall be made applicable to all Local Debt issued by or on behalf of the City and its related entities for which the governing body consists of the same individuals as the City Council of the City (including, but not limited to, the City of Seaside Joint Powers Financing Authority, the

Parking Authority of the City of Seaside, and the Successor Agency to the Redevelopment Agency of the City of Seaside).

Section 3. The City Manager, the Finance Director, and all other officers of the City are hereby authorized and directed, jointly and severally, to do any and all things to effectuate the purposes of this Resolution and to implement the Policy, and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on the 19th day of July by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

____
Ralph Rubio, Mayor
City of Seaside

ATTEST:

____
Lesley Milton-Rerig, City Clerk

CITY OF SEASIDE
LOCAL DEBT POLICY

As of ____________, 20__
Resolution No. _________

A. PURPOSE

The purpose of this Local Debt Policy (this "Policy") is to establish guidelines and parameters for the effective governance, management and administration of debt and other financing obligations issued by the City and its related entities for which the governing body consists of the same individuals as the City Council of the City (such as the City of Seaside Joint Powers Financing Authority, the Parking Authority of the City of Seaside, or the Successor Agency to the Redevelopment Agency of the City of Seaside).

As used in this Policy, "City" shall mean the City and/or the City and its related entities, as the context may require. As used in this Policy, "debt" shall be interpreted broadly to mean bonds, notes, certificates of participation, financing leases, or other financing obligations, but the use of such term in this Policy shall be solely for convenience and shall not be interpreted to characterize any such obligation as an indebtedness or debt within the meaning of any constitutional debt limitation where the substance and terms of the obligation comport with exceptions thereto.

B. BACKGROUND

The City and its related entities are committed to fiscal sustainability by employing long-term financial planning efforts, maintaining appropriate reserves levels and employing prudent practices in governance, management, budget administration and financial reporting.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. A disciplined thoughtful approach to debt management includes policies that provide guidelines for the City and its related entities to manage their collective debt program in line with those resources. Therefore, the objective of this policy is to provide written guidelines and restrictions concerning the amount and type of debt and other financing obligations issued by the City and its related entities and the ongoing management of the debt portfolio.

This Policy is intended to improve the quality of decisions, assist with the determination of the structure of debt issuance, identify policy goals, and demonstrate a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a local debt policy signals to rating agencies and the capital markets that a government is well managed and should meet its obligations in a timely manner.

C. CONDITIONS AND PURPOSES OF DEBT ISSUANCE

1. Acceptable Conditions for the Use of Debt

The City believes that prudent amounts of debt can be an equitable and cost-effective means of financing major infrastructure and capital project needs of the City. Debt will be considered to finance such projects if:

a) The capital project has been, or will be, included in the City's capital improvement plan or has otherwise been coordinated with the City's planning goals and objectives.

b) The capital project can be financed with debt not exceeding the term specified in Section E.1. of this Policy, to assure that long-term debt is not issued to finance projects with a short useful life.

c) It is the most cost-effective funding means available to the City, taking into account cash flow needs and other funding alternatives.

d) It is fiscally prudent and meets the guidelines of this Policy. Any consideration of debt financing shall consider financial alternatives, including pay-as-you-go funding, proceeds derived from development or redevelopment of existing land and capital assets owned by the City, and use of existing or future cash reserves, or combinations thereof.

2. Acceptable Uses of Debt and Proceeds of Debt

The primary purpose of debt is to finance one of the following:

a) The City will consider financing for the acquisition, substantial refurbishment, replacement, or expansion of physical assets, including land improvements, for the following purposes:

i. Acquisition and or improvement of land, right-of-way or long-term easements.

ii. Acquisition of a capital asset with a useful life of 3 or more years.

iii. Construction or reconstruction of a facility.

iv. Although not the primary purpose of the financing effort, project reimbursables that include project planning design, engineering and other preconstruction efforts; project-associated furniture fixtures and equipment; capitalized interest, original issue discount, underwriter's discount, and other costs of issuance.

b) Refunding, refinancing, or restructuring debt (including without limitation the refinancing or advance funding of City pension obligations), subject to refunding objectives and parameters discussed in Section G.

c) In the event of temporary shortfalls in cash flow for City operation costs due to timing of receipt of revenues and the lack of cash on hand to cover the temporary deficit, the City may consider interim or cash flow financing, such as anticipation notes. In compliance with applicable state law, any such notes shall be payable either (i) not later than the last day of the fiscal year in which it is issued, or (ii) during the fiscal year succeeding the fiscal year in which issued, but in no event later than 15 months after the date of issue, and only if such note is payable only from revenue received or accrued during the fiscal year in which it was issued.

3. Prohibited Uses of Debt and Proceeds of Debt

Prohibited uses of debt include the following:

a) Financing of operating costs, except for anticipation notes satisfying the criteria set forth in Section C.2.c.

b) Debt issuance used to address budgetary deficits.

c) Debt issued for which the term of the debt exceeds the term specified in Section E.1. of this Policy.

4. Internal Control Procedures Concerning Use of Proceeds of Debt

One of the City's priorities in the management of debt is to assure that the proceeds of the debt will be directed to the intended use for which the debt has been issued. In furtherance of this priority, the following procedures shall apply:

a) The Finance Director shall retain, for the applicable period specified in Section H.4. of this Policy, a copy of each annual report filed with the California Debt and Investment Advisory Commission (CDIAC) pursuant to Section 8855(k) of the California Government Code concerning (1) debt authorized during the applicable reporting period (whether issued or not), (2) debt outstanding during the reporting period, and (3) the use during the reporting period of proceeds of issued debt.

b) In connection with the preparation of each annual report to be filed with CDIAC pursuant to Section 8855(k) of the California Government Code, the Finance Director or the designee of the Finance Director shall keep a record of the original intended use for which the debt has been issued, and indicate whether the proceeds spent during the applicable one-year reporting period for such annual report comport with the intended use (at the time of original issuance or as modified pursuant to the following sentence). If a change in intended use has been authorized subsequent to the original issuance of the debt, the Finance Director or the designee of the Finance Director shall indicate in the record when the change in use was authorized and whether the City Council, City Manager, or another City official has authorized the change in intended use. The Finance Director shall report apparent deviations from the intended use in debt proceeds to the City Manager for further discussion, and if the City Manager determines appropriate in consultation with legal counsel (which may be bond counsel, if applicable, or the City Attorney), to the City Council.

c) If the debt has been issued to finance a capital project and the project timeline or scope of project has changed in a way that all or a portion of the debt proceeds cannot be expended on the original project, the Finance Director shall consult with the City Manager and legal counsel (which may be bond counsel, if applicable, or the City Attorney) as to available alternatives for the expenditure of the remaining debt proceeds (including prepayment of the debt).

D. TYPE OF FINANCING INSTRUMENTS; AFFORDABILITY AND PLANNING POLICIES

The City recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, risks, and costs. All potential funding sources are reviewed by management within the context of this Policy and the overall portfolio to ensure that any financial product or structure is consistent with the City's objectives. Regardless of what financing structure(s) is utilized, due diligence review must be performed for each transaction, including the quantification of potential risks and benefits, and analysis of the impact on City creditworthiness and debt affordability and capacity.

Prior to the issuance of debt or other financing obligations to finance a project, the City will carefully consider the overall long-term affordability of the proposed debt issuance. The City shall not assume more debt or other financing obligations without conducting an objective analysis of the City's ability to assume and support additional debt service payments. The City will consider its long-term revenue and expenditure trends, the impact on operational flexibility and the overall debt burden on the taxpayers. The evaluation process shall include a review of generally accepted measures of affordability and will strive to achieve and or maintain debt levels consistent with its current operating and capital needs.

1. **General Fund-Supported Debt** – General Fund Supported Debt generally include Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs) which are lease obligations that are secured by an installment sale or by a lease-back arrangement between the City and another public entity. Typically, the City appropriates available General Fund moneys to pay the lease payments to the other public entity and, in turn, the public entity uses such lease payments received to pay debt service on the bonds or Certificates of Participation.

General Fund Supported Debt may also include bonds issued to refund obligations imposed by law, such as judgments (judgment obligation bonds (JOBs)) or unfunded accrued actuarial liabilities for pension plans (pension obligation bonds (POBs)).

These obligations do not constitute indebtedness under the state constitutional debt limitation and, therefore, are not subject to voter approval.

Payments to be made under valid leases are payable only in the year in which use and occupancy of the leased property is available, and lease payments may not be accelerated. Lease financing requires the fair market rental value of the leased property to be equal to or greater than the required debt service or lease payment schedule. The lessee (City) is obligated to include in its Annual Budget and appropriate the rental payments that are due and payable during each fiscal year the lessee has use of the leased property.

The City should strive to maintain its net General Fund-backed annual debt service at or less than 10% of available annually budgeted revenue. This ratio is defined as the City's annual debt service requirements on General Fund Supported Debt (including, but not limited to, COPs, LRBs, JOBs, and POBs) compared to total annual General Fund Revenues net of interfund transfers.

For purposes of calculating the ratio described in the preceding paragraph, any portion of annual debt service on General Fund Supported Debt that is paid from a dedicated stream of restricted revenues that has been directed toward the payment of annual debt service through a bond covenant or other similar legal obligation shall be excluded from the amount of "net General Fund-backed annual debt service" stated in the numerator of the ratio. Examples of such restricted revenues include, but are not limited to, a voter-approved sales tax restricted for transportation infrastructure or a voter-approved parcel tax for specific purposes.

2. **Revenue Bonds** – Long-term obligations payable solely from specific special fund sources, in general, are not subject to a debt limitation. Examples of such long-term obligations include those which are payable from a special fund consisting of restricted revenues or user fees (Enterprise Revenues) and revenues derived from the system of which the project being funded is a part.

   In determining the affordability of proposed revenue bonds, the City will perform an analysis comparing projected annual net revenues (exclusive of depreciation which is a non-cash related expense) to estimated annual debt service. The City should strive to maintain a coverage ratio of 110% (or such higher coverage ratio included in the City's existing financing documents), using historical and/or projected net revenues to cover annual debt service for bonds. To the extent necessary, the City shall undertake proceedings for a rate increase to cover both operations and debt service costs, and create debt service reserve funds to maintain the required coverage ratio.

3. **Special Districts Financing** – The City's special districts primarily consist of Community Facilities Districts (CFDs) and 1913/1915 Act Assessment Districts (Assessment Districts). The City will consider requests for special district formation and debt issuance when such requests address a public need or provide a public benefit. Each application will be considered on a case by case basis, and the Finance Department may not recommend a financing if it is determined that the financing could be detrimental to the debt position or the best interests of the City.

4. **General Obligation Bonds** – Notwithstanding their name, General Obligation Bonds are not general obligations of the City, but instead they are payable from and secured by a dedicated, voter-approved property tax override rate (*i.e.,* a property tax in excess of the 1% basic *ad valorem* property tax rate which has received the approving two-thirds vote of the City's electorate). While the dedicated revenue stream to repay the debt makes General Obligation Bonds an attractive option, additional considerations for this financing mechanism include the time and expense of an election, the possibility that the electorate will not approve the ballot measure, and the legal bonding capacity limit (for general law cities, 3.75% of the assessed value of all taxable property within the City as of the adoption date of this Policy).

5. **Tax Increment Financing** – Tax increment financing is a financing method whereby a portion of *ad valorem* property taxes (commonly called the "tax increment") that are allocated to an entity, such as a successor agency to redevelopment agency (Successor Agency), an enhanced infrastructure financing district (EIFD), or a community revitalization and investment authority (CRIA), and the entity is permitted to incur debt payable from the and secured by the tax increment revenues. While tax increment debt for redevelopment agencies and Successor Agencies is entitled to the benefits of Article XVI, Section 16, of the California Constitution, no similar provision exists for EIFDs and CRIAs at the time of adoption of this Policy. Therefore, when considering EIFD or CRIA financing, or other types of tax increment financing which may be permitted by law in the future, debt limit concerns should be analyzed with respect to the proposed structure and taken into account in determining the practical viability of the proposed financing.

6. **Conduit Debt** – Conduit financing provides for the issuance of securities by a government agency to finance a project of a third party, such as a non-profit organization or other private entity. The City may sponsor conduit financings for those activities that have a general public purpose and are consistent with the City's overall service and policy objectives. Unless a compelling public policy rationale exists, such conduit financings will not in any way pledge the City's faith and credit.

E. STRUCTURE OF DEBT

1. **Term of Debt** – In keeping with Internal Revenue Service regulations for tax-exempt financing obligations, the weighted average maturity of the debt should not exceed 120 percent of the weighted average economic life of the facilities or projects to be financed, unless specific circumstances exist that would mitigate the extension of time to repay the debt and it would not cause the City to violate any covenants to maintain the tax-exempt status of such debt, if applicable.

2. **Rapidity of Debt Payment**; **Level Payment** – To the extent practical, bonds will be amortized on a level repayment basis, and revenue bonds will be amortized on a level repayment basis considering the forecasted available pledged revenues to achieve the lowest rates possible. Bond repayments should not increase on an annual basis in excess of 2% without a dedicated and supporting revenue funding stream.

   Accelerated repayment schedules reduce debt burden faster and reduce total borrowing costs. The Finance Department will amortize debt through the most financially advantageous debt structure and to the extent possible, match the City's projected cash flow to the anticipated debt service payments. "Backloading" of debt service will be considered only when one or more of the following occur:

   a) Natural disasters or extraordinary or unanticipated external factors make payments on the debt in early years prohibitive.

   b) The benefits derived from the debt issuance can clearly be demonstrated to be greater in the future than in the present.

   c) Such structuring is beneficial to the City's aggregate overall debt payment schedule or achieves measurable interest savings.

   d) Such structuring will allow debt service to more closely match projected revenues, whether due to lower project revenues during the early years of the project's operation, inflation escalators in the enterprise user rates, or other quantifiable reasons.

3. **Serial Bonds, Term Bonds, and Capital Appreciation Bonds** – For each issuance, the City will select serial bonds or term bonds, or both. On the occasions where circumstances warrant, Capital Appreciation Bonds (CABs) may be used. The decision to use term, serial, or CAB bonds is driven based on market conditions.

4. **Reserve Funds** – To the extent a reserve fund provides an economic benefit that offsets the cost of funding the reserve fund, as determined by the Finance Director in consultation with the City's municipal advisor and, if applicable, the underwriter for the bonds, the City may fund a reserve fund for the proposed bonds, up to the maximum amount permitted by applicable law or regulation.

Typically, this amount is equal to the least of (i) maximum annual debt service on the bonds, (ii) 10% of the principal amount of the bonds (or 10% of the sale proceeds of the bonds, within the meaning of Section 148 of the federal Internal Revenue Code), or (iii) 125% of average annual debt service on the bonds.

F. USE OF ALTERNATIVE DEBT INSTRUMENTS

To maintain a predictable debt service burden, the City will give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt.

Alternative debt instruments and financing structures sometimes can provide a lower cost of borrowing in the short run, but may involve greater medium-term or long-term risk. Due diligence review must be performed for each transaction, including the quantification of potential risks and benefits, analysis of the impact on City creditworthiness and debt affordability and capacity, and an evaluation of the ability of the City to withstand the medium-term or long-term risk attendant to alternative debt instruments, including the feasibility of exit strategies.

1. Variable Rate Debt

Variable rate debt affords the City the potential to achieve a lower cost debt depending on market conditions. However, the City will seek to limit the use of variable-rate debt due to the potential risks of such instruments.

a) Purpose

The City may consider the use of variable rate debt for the purposes of:

i. Reducing the costs of debt issues.

ii. Increasing flexibility for accelerating principal repayment and amortization.

iii. Enhancing the management of assets and liabilities (matching short-term "priced debt" with the City's short-term investments).

b) Considerations and Limitations on Variable-Rate Debt

The City may consider the use of all alternative structures and modes of variable rate debt to the extent permissible under State law and will make determinations among different types of modes of variable rate debt based on cost, benefit, and risk factors. The Finance Director shall consider the following factors in considering whether to utilize variable rate debt:

i. The maximum amount of variable-rate debt should be limited to no more than 20% of the total debt portfolio.

ii. Any variable rate debt should be fully hedged by expected future capital fund reserves or unrestricted General Fund reserve levels, as applicable.

iii. Whether interest cost and market conditions (including the shape of the yield curves and relative value considerations) are unfavorable for issuing fixed rate debt.

iv. The likelihood of projected debt service savings when comparing the cost of fixed rate bonds.

v. Costs, implementation and administration are quantified and considered.

vi. Cost and availability of liquidity facilities (lines of credit necessary for variable rate debt obligations and commercial paper in the event that the bonds are not successfully remarketed) are quantified and considered.

vii. Whether the ability to convert debt to another mode (daily, monthly, fixed) or redeem at par at any time is permitted.

viii. Cost and availability of derivative products to hedge interest rate risk.

ix. The findings of a thorough risk management assessment.

c) Risk Management

Any issuance of variable rate debt shall require a rigorous risk assessment, including, but not limited to factors discussed in this section. Variable rate debt subjects the City to additional financial risks (relative to fixed rate bonds), including interest rate risk, tax risk, and certain risks related to providing liquidity for certain types of variable rate debt.

The City will properly manage the risks as follows:

i. ***Interest Rate Risk and Tax Risk*** – The risk that market interest rates increase on variable-rate debt because of market conditions, changes in taxation of municipal bond interest, or reductions in tax rates. Mitigation – Limit total variable rate exposure per the defined limits, match the variable rate liabilities with short term assets, and/or purchase appropriate derivative products to hedge against the risk (see also Section F.2 below).

ii. ***Liquidity/Remarketing Risk*** – The risk that holders of variable rate bonds exercise their "put" option, tender their bonds, and the bonds cannot be remarketed requiring the bond liquidity facility provider to repurchase the bonds. This will result in the City paying a higher rate of interest to the facility provider and the potential rapid amortization of the repurchased bonds. Mitigation - Limit total direct variable-rate exposure. Seek liquidity facilities which allow for longer (5-10 years) amortization of any draws on the facility. Endeavor to secure credit support facilities that result in bond ratings of the highest short-term ratings and long-term ratings not less than AA. If the City's bonds are downgraded below these levels (or such other rating levels as provided in the applicable financing documents) as a result of the facility provider's ratings, a replacement provider shall be sought.

iii. ***Liquidity/Rollover Risk*** – The risk that arises due to the shorter term of most liquidity provider agreements (1-5 years) relative to the longer-term amortization schedule of the City's variable-rate bonds. Liquidity and rollover risk includes the following risks: (1) the City may incur higher renewal fees when renewal agreements are negotiated, and (2) the liquidity bank market may constrict such that it is difficult to secure third party liquidity at any interest rate. Mitigation – Negotiate longer terms on provider contracts to minimize the number of rollovers.

2. Derivatives

The use of certain derivative products to hedge variable rate debt, such as interest rate swaps, may be considered to the extent the City has such debt outstanding or under consideration. The City will exercise extreme caution in the use of derivative instruments for hedging purposes, and will consider their utilization only when sufficient understanding of the products and sufficient expertise for their appropriate use has been developed. Only those derivatives governed by an ISDA Master Agreement provided by the International Swaps and Derivatives Association, Inc. will be considered. A comprehensive derivative policy will be adopted by the City prior to any utilization of such instruments.

G. REFUNDING GUIDELINES

The Finance Director shall monitor all outstanding City debt obligations for potential refinancing opportunities. The City will consider refinancing of outstanding debt to achieve annual savings or to refinance a bullet payment or spike in debt service. Except for instances in which a bullet payment or spike in debt service is being refinanced, absent a compelling reason or financial benefit to the City, any refinancing should not result in an increase to the weighted average life of the refinanced debt.

Except for instances in which a bullet payment or spike in debt service is being refinanced, the City will generally seek to achieve debt service savings which, on a net present value basis, are at least 3% of the debt being refinanced. The net present value assessment shall factor in all costs, including issuance, escrow, and foregone interest earnings of any contributed funds on hand. Any potential refinancing shall additionally consider whether an alternative refinancing opportunity with higher savings is reasonably expected in the future. Refundings which produce a net present value savings of less than 3% will be considered on a case-by-case basis. Notwithstanding the foregoing, a refunding of Successor Agency bonds shall be determined based on the requirements of Health and Safety Code Section 34177.5.

H. MARKET COMMUNICATION, ADMINISTRATION, AND REPORTING

1. **Rating Agency Relations and Annual or Ongoing Surveillance** – The Finance Director shall be responsible for maintaining the City's relationships with S&P Global Ratings, Fitch Ratings and Moody's Investor's Service. These agencies' rating criteria often change and the City cannot control the decisions made by any rating agency. However, for each debt issue that the City will seek a rating assignment, the City will strive to obtain and maintain the highest possible underlying, uninsured rating. In addition to general communication, the Finance Director shall:

   a) Ensure the rating agencies are provided updated financial statements of the City as they become publically available.

   b) Communicate with credit analysts at each agency at least once each year, or as may be requested by the agencies.

   c) Prior to each proposed new debt issuance, schedule meetings or conference calls with agency analysts and provide a thorough update on the City's financial position, including the impacts of the proposed debt issuance.

2. **Council Communication** – The Finance Director should report feedback from rating agencies, when and if available, regarding the City's financial strengths and weaknesses and areas of concern relating to weaknesses as they pertain to maintaining the City's existing credit ratings.

3. **Continuing Disclosure Compliance** – The City shall remain in compliance with Rule 15c2-12, promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, by filing (to the extent required by the applicable continuing disclosure undertaking) its annual financial statements and other financial and operating data for the benefit of its bondholders within 270 days of the close of the fiscal year, or by such other annual deadline required in any continuing disclosure agreement or certificate for any debt issue. The City shall maintain a log or file evidencing that all continuing disclosure filings have been made promptly.

4. **Debt Issue Record-Keeping** – A copy of all debt-related records shall be retained at the City's offices. At minimum, these records shall include all official statements, bond legal documents/transcripts, resolutions, trustee statements, leases, and title reports for each City financing (to the extent available).

Such records shall be retained while any bonds of an issue are outstanding and during the three-year period following the final maturity or redemption of the bond issue or, if later, while any bonds that refund bonds of that original issue are outstanding and for the three year period following the final maturity or redemption date of the latest refunding bond issue.

5. **Arbitrage Rebate** – The use of bond proceeds and their investments must be monitored to ensure compliance with all arbitrage rebate requirements of the Internal Revenue Code and related Internal Revenue Service regulations, in keeping with the covenants of the City and/or related entity in the tax certificate for any federally tax-exempt financing. The Finance Director shall ensure that all bond proceeds and investments are tracked in a manner which facilitates accurate calculation; and, if a rebate payment is due, such payment is made in a timely manner.

I. CREDIT RATINGS

The City will consider published ratings agency guidelines regarding best financial practices and guidelines for structuring its capital funding and debt strategies to maintain the highest possible credit ratings consistent with its current operating and capital needs.

J. SB 1029 COMPLIANCE

Senate Bill 1029, signed by Governor Brown on September 12, 2016 and enacted as Chapter 307, Statutes of 2016, requires issuers to adopt debt policies addressing each of the five items below:

1. *The purposes for which the debt proceeds may be used.*

   Section C.2 (Acceptable Uses of Debt and Proceeds of Debt) and Section C.3 (Prohibited Use of Debt and Proceeds of Debt) address the purposes for which debt proceeds may be used.

2. *The types of debt that may be issued.*

   Section D (Types of Financing Instruments; Affordable and Planning Policies), Section E (Structure of Debt) and Section F (Use of Alternative Debt Instruments) provide information regarding the types of debt that may be issued.

3. *The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.*

   Section C.1 (Acceptable Conditions for the Use of Debt) provides information regarding the relationship between the City's debt and Capital Improvement Program.

4. *Policy goals related to the issuer's planning goals and objectives.*

As described in Section B (Background), Section D (Types of Financing Instruments; Affordable and Planning Policies), and other sections, this Policy has been adopted to assist with the City's goal of maintaining fiscal sustainability and financial prudence.

5. *The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.*

Section 4 (Internal Control Procedures Concerning Use of Proceeds of Debt) provides information regarding the City's internal control procedures designed to ensure that the proceeds of its debt issues are spent as intended.

CITY OF SEASIDE
STAFF REPORT

Item No.: 9.D.

TO: City Council

FROM: Craig Malin, City Manager

BY: Daphne Hodgson, Deputy City Manager Administrative Services
Rick Riedl, City Engineer

DATE: July 19, 2018

SUBJECT: **DISCUSS AND PROVIDE DIRECTION ON THE CITY HALL SOLAR PROJECT**

PURPOSE & RECOMMENDATION

City Council consideration of solar project sizing and funding. Provide direction to staff to seek funding and move forward with a solar project.

BACKGROUND

In April 2016, the City Council approved lease purchase financing for several energy saving projects, including solar panels. Financing was obtained through PNC Bank. A number of projects - City Hall HVAC, Library Roof and HVAC, and Fire Department Generator and HVAC - have been completed with part of the financing.

$500,000 of financing is still available through our PNC Lease/Purchase Agreement. This funding was earmarked for a Solar Panel Project.

On July 5th, the City Council received a presentation on a Solar Project. A Solar Project with a $690,000 investment would generate approximately 60% of the current City Hall electrical energy demand and would generate an energy savings of approximately $630,000 over 25 years, see attached schedule. Additional energy savings projects would decrease electrical energy consumption and will provide additional savings over and above this $630,000 savings.

Staff is requesting direction from the City Council to proceed with a $690,000 Solar Project and to proceed with the lease/purchase financing. The balance of the project cost can be funded with Capital Reserves.

In addition, staff will move forward with other energy saving projects for City Hall, such as window replacement and LED lighting. We will return to the City Council with additional energy savings projects and funding options.

FISCAL IMPACT

The principal and interest payments to pay the Solar Project debt service are included in the 2018-2019 Adopted Budget.

ATTACHMENTS

1. 60% Solar Project.7-19-18

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

60% SOLAR SYSTEM

System Size	120 kWp
System Cost	$ 690,000
25 year Energy Costs - without the solar system	$2.15 million
25 year Energy Costs - with the solar system	$1.52 million
25 year Energy Savings	$ 630,000