



AGENDA

WEDNESDAY, February 17, 2016

5:30 P.M. Closed Session

6:30 P.M. Open Session

**REGULAR MEETING
CITY COUNCIL, AIRPORT COMMISSION,
MARINA ABRAMS B NON-PROFIT CORPORATION, PRESTON PARK SUSTAINABLE
COMMUNITY NON-PROFIT CORPORATION AND SUCCESSOR AGENCY OF THE
FORMER MARINA REDEVELOPMENT AGENCY**

Council Chambers
211 Hillcrest Avenue
Marina, California

VISION STATEMENT

Marina will grow and mature from a small town bedroom community to a small city which is diversified, vibrant and through positive relationships with regional agencies, self-sufficient. The City will develop in a way that insulates it from the negative impacts of urban sprawl to become a desirable residential and business community in a natural setting. **(Resolution No. 2006-112 - May 2, 2006)**

MISSION STATEMENT

The City Council will provide the leadership in protecting Marina's natural setting while developing the City in a way that provides a balance of housing, jobs and business opportunities that will result in a community characterized by a desirable quality of life, including recreation and cultural opportunities, a safe environment and an economic viability that supports a high level of municipal services and infrastructure. **(Resolution No. 2006-112 - May 2, 2006)**

1. CALL TO ORDER 
2. ROLL CALL & ESTABLISHMENT OF QUORUM: (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Successor Agency of the Former Redevelopment Agency Members)

Nancy Amadeo, David W. Brown, Gail Morton, Mayor Pro-Tem/Vice Chair Frank O'Connell, Mayor/Chair Bruce C. Delgado

3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency Members) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*
 - a. Real Property Negotiations
(1)Property: 2660 5th Avenue, Marina, CA 93933
Negotiating Party: David Moon, Keith Van Der Maaten
Property Negotiator: City Manager
Terms: All terms and conditions

6:30 PM - RECONVENE OPEN SESSION AND REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION

4. **MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE** (Please stand)
5. **SPECIAL PRESENTATIONS:**
 - a. **Recreation Announcements**
6. **SPECIAL ANNOUNCEMENTS AND COMMUNICATIONS FROM THE FLOOR:** *Any member of the Public or the City Council may make an announcement of special events or meetings of interest as information to Council and Public. Any member of the public may comment on any matter within the City Council's jurisdiction which is not on the agenda. Please state your name for the record. Action will not be taken on an item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on a future agenda. City Council members or City staff may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of four (4) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the City Council*
7. **CONSENT AGENDA FOR THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY:** *Background information has been provided to the Successor Agency of the former Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda for Successor Agency to the former Marina Redevelopment Agency and placed at the end of Other Action Items Successor Agency to the former Marina Redevelopment Agency.*
8. **CONSENT AGENDA:** *Background information has been provided to the City Council, Airport Commission, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda and placed at the end of Other Action Items.*
 - a. **ACCOUNTS PAYABLE:**
 - (1) Accounts Payable Check Numbers 77892 - 78022, totaling \$269,053.06
Wire transfers totaling: \$165,339.03
 - b. **MINUTES:** None
 - c. **CLAIMS AGAINST THE CITY:** None
 - d. **AWARD OF BID:** None
 - e. **CALL FOR BIDS:** None

f. **ADOPTION OF RESOLUTIONS:**

- (1) City Council consider adopting Resolution No. 2016-, Receiving and filing City of Marina Auditor Governance letter (SAS 114), City Auditor Management letter of comments (SAS 112) for Fiscal Year ended June 30, 2015 stating the importance of the Accounting Services Manager position over internal controls.
- (2) City Council consider adopting Resolution No. 2016-, ordering the Acting City Engineer to prepare and to file a report related to maintenance of the Cypress Cove II Landscape Maintenance Assessment District for Fiscal Year 2016-2017.
- (3) City Council consider adopting Resolution No. 2016-, ordering the Acting City Engineer to prepare and to file a report related to maintenance of the Monterey Bay Estates Lighting and Landscape Maintenance Assessment District for Fiscal Year 2016-2017
- (4) City Council consider adopting Resolution No. 2016-, ordering the Acting City Engineer to prepare and to file a report related to maintenance of the Seabreeze Landscape Maintenance Assessment District for Fiscal Year 2016-2017
- (5) City Council consider adopting Resolution No. 2016-, Receiving and filing Side letter of Agreement to Memorandum of Understanding between the City of Marina and Marina Employees Association

g. **APPROVAL OF AGREEMENTS:**

- (1) City Council consider adopting Resolution No. 2016-, Approving Amendment No. 2 amending services and extending the agreement between City of Marina and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services, authorizing subsequent minor changes if necessary with City Attorney approval, authorizing City Manager to execute agreement on behalf of City subject to final review and approval by the City Attorney, and authorize the Finance Director to make the necessary accounting and budgetary entries.
- (2) City Council consider adopting Resolution No. 2016-, Awarding construction contract to Golden Bay Fence Plus Iron Works, Inc., of Stockton, California, in the amount of \$978,824 in accordance with Federal Aviation Administration (FAA) Grant; adopting Resolution No. 2016-, Approving a professional services agreement between City of Marina and Tartaglia Engineering, of Atascadero, California, in the amount of \$245,000 for preliminary engineering, engineering design, construction management and construction inspection and materials testing services; authorizing Finance Director to make necessary accounting and budgetary entries and authorizing City Manager to execute construction contract documents, professional services agreement amendment and any further required grant application documents on behalf of the City subject to final review and approval by City Attorney.
- (3) Adopting Resolution No. 2016-__, approving Amendment No. 3 to the Agreement between City of Marina and New Image Landscape Company of Fremont, California, to extend the contract agreement to the end of Fiscal Year 16/17 and increase the compensation payable to the Contractor by \$660, and; authorize the City Manager to execute Amendment No. 3 on behalf of the City subject to final review and approval by City Attorney

- h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None
 - i. MAPS: None
 - j. REPORTS: (RECEIVE AND FILE): None
 - k. FUNDING & BUDGET MATTERS: None
 - l. APPROVE ORDINANCES (WAIVE SECOND READING): None
 - m. APPROVE APPOINTMENTS: None
9. PUBLIC HEARINGS: None
10. OTHER ACTIONS ITEMS OF THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Action listed for each Agenda item is that which is requested by staff. The Successor Agency may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*
11. OTHER ACTION ITEMS: *Action listed for each Agenda item is that which is requested by staff. The City Council may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*
Note: No additional major projects or programs should be undertaken without review of the impacts on existing priorities (Resolution No. 2006-79 – April 4, 2006).
- a. City Council consider adopting Resolution No. 2016-, issuing a notice of compliance by Cypress Marina Heights, LP related to the Development Agreement for the Marina Heights Project. Consider adopting Resolution No. 2016-, approving designating Wathen Castanos Homes as a Pre-Approved Homebuilder pursuant to the Marina Heights Option Agreement.
 - b. Adopting Resolution No. 2016- receiving the Fiscal Year 2015-16 Mid-Year Fiscal Report; Authorizing the City Manager to execute amendments to the financial system project in accordance with the above; Authorizing Finance Director to make appropriate accounting and budgetary entries, and Provide staff with any further direction in the matter
 - c. City Council consider adopting Resolution No. 2016-, changing the term for election of the Mayor to four (4) years commencing with the 2018 election results; placing this matter on the 2016 election ballot; or a separate or different process for selection of the Mayor; and request that the City staff and or the City Attorney provide the City Council with the information and time schedule to complete this process. *Continued from February 2, 2016 meeting.*
12. COUNCIL & STAFF INFORMATIONAL REPORTS:
- a. Monterey County Mayor’s Association [Mayor Bruce Delgado]
 - b. Council and staff opportunity to ask a question for clarification or make a brief report on his or her own activities as permitted by Government Code Section 54954.2.

13. ADJOURNMENT:

CERTIFICATION

I, Carolina Rivera, Administrative Assistant II, of the City of Marina, do hereby certify that a copy of the foregoing agenda was posted at City Hall and Council Chambers Bulletin Board at 211 Hillcrest Avenue, Monterey County Library Marina Branch at 190 Seaside Circle, City Bulletin Board at the corner of Reservation Road and Del Monte Boulevard on or before 6:00 p.m., Friday, February 12, 2016.



CAROLINA RIVERA, ADMINISTRATIVE ASSISTANT

City Council, Airport Commission and Redevelopment Agency meetings are recorded on tape and available for public review and listening at the Office of the City Clerk, and kept for a period of 90 days after the formal approval of MINUTES.

City Council meetings may be viewed live on the meeting night and at 12:30 p.m. and 3:00 p.m. on Cable Channel 25 on the Sunday following the Regular City Council meeting date. In addition, Council meetings can be viewed at 6:30 p.m. every Monday, Tuesday and Wednesday. For more information about viewing the Council Meetings on Channel 25, you may contact Access Monterey Peninsula directly at 831-333-1267.

Agenda items and staff reports are public record and are available for public review on the City's website (www.ci.marina.ca.us), at the Monterey County Marina Library Branch at 190 Seaside Circle and at the Office of the City Clerk at 211 Hillcrest Avenue, Marina between the hours of 10:00 a.m. 5:00 p.m., on the Monday preceding the meeting.

Supplemental materials received after the close of the final agenda and through noon on the day of the scheduled meeting will be available for public review at the City Clerk's Office during regular office hours and in a 'Supplemental Binder' at the meeting.

Members of the public may receive the City Council, Airport Commission and Successor Agency of the Former Redevelopment Agency Agenda at a cost of \$55 per year or by providing a self-addressed, stamped envelope to the City Clerk. The Agenda is also available at no cost via email by notifying the City Clerk at marina@ci.marina.ca.us.

*ALL MEETINGS ARE OPEN TO THE PUBLIC. THE CITY OF MARINA DOES NOT DISCRIMINATE AGAINST PERSONS WITH DISABILITIES. Council Chambers are wheelchair accessible. meetings are broadcast on cable channel 25 and recordings of meetings can be provided upon request. to request assistive listening devices, sign language interpreters, readers, large print agendas or other accommodations, please call (831) 884-1278 or e-mail: marina@ci.marina.ca.us. requests must be made at least **48 hours** in advance of the meeting.*

Upcoming 2016 Meetings of the City Council, Airport
Commission, Marina Abrams B Non-Profit Corporation,
and Successor Agency of the Former Redevelopment Agency
Regular Meetings: 5:30 p.m. Closed Session;
6:30 p.m. Regular Open Sessions

Tuesday, March 1, 2016
Tuesday, March 15, 2016

*****Wednesday, August 3, 2016**
Tuesday, August 16, 2016

Tuesday, April 5, 2016
Tuesday, April 19, 2016

****Wednesday, September 7, 2016**
Tuesday, September 20, 2016

Tuesday, May 3, 2016
Tuesday, May 17, 2016

Tuesday, October 4, 2016
Tuesday, October 18, 2016

Tuesday, June 7, 2016
Tuesday, June 21, 2016

Tuesday, November 1, 2016
Tuesday, November 15, 2016

****Wednesday, July 6, 2016**
Tuesday, July 19, 2016

Tuesday, December 6, 2016
Tuesday, December 20, 2016

**** Regular Meeting rescheduled due to Monday Holiday**
*****Regular Meeting rescheduled due to National Night Out Event**

NOTE: Regular Meeting dates may be rescheduled by City Council only.

Special City Council Meetings:

Friday, February 19, 2016, 6:00 pm Budget Retreat

Saturday, February 20, 2016, 9:00 am – 12:00 pm Budget Retreat

CITY HALL HOLIDAYS
(City Hall Closed)

Memorial Day..... Monday, May 30, 2016
Independence Day (City Offices Closed).....Monday, July 4, 2016
Labor Day Monday, September 5, 2016
Veterans Day Friday, November 11, 2016
Thanksgiving Day..... Thursday, November 24, 2016
Thanksgiving Break..... Friday, November 25, 2016
Winter Break..... Friday, December 23, 2016 – Monday, January 2, 2017

2016 COMMISSION DATES

Upcoming 2016 Meetings of Design Review Board
3rd Wednesday of every month. Meetings are held at the Council Chambers at 6:30 P.M
** = Change in location due to conflict with Council meeting

March 16, 2016
April 20, 2016
May 18, 2016
June 15, 2016

July 20, 2016
August 17, 2016
September 21, 2016
October 19, 2016

November 16, 2016
December 21, 2016

Upcoming 2016 Meetings of Economic Development Commission

1st Thursday of every month. Meetings are held at the Council Chambers at 6:30 P.M.

February 4, 2016	June 2, 2016	October 6, 2016
March 3, 2016	July 7, 2016	November 3, 2016
April 7, 2016	August 4, 2016	December 1, 2016
May 5, 2016	September 1, 2016	

Upcoming 2016 Meetings of Planning Commission
2nd and 4th Thursday of every month. Meetings are held at the Council Chambers at 6:30 P.M.

January 14, 2016	May 12, 2016	September 8, 2016
January 28, 2016	May 26, 2016	September 22, 2016
February 11, 2016	June 9, 2016	October 13, 2016
February 25, 2016	June 23, 2016	October 27, 2016
March 10, 2016	July 14, 2016	November 10, 2016
March 24, 2016	July 28, 2016	November 24, 2016 (Cancelled)
April 14, 2016	August 11, 2016	December 8, 2016
April 28, 2016	August 25, 2016	December 22, 2016 (Cancelled)

Upcoming 2016 Meetings of Public Works Commission
3rd Thursday of every month. Meetings are held at the Council Chambers at 6:30 P.M.

January 21, 2016	May 19, 2016	September 15, 2016
February 18, 2016	June 16, 2016	October 20, 2016
March 17, 2016	July 21, 2016	November 17, 2016
April 21, 2016	August 18, 2016	December 15, 2016

Upcoming 2016 Meetings of Recreation & Cultural Services Commission

1st Wednesday of every quarter month. Meetings are held at the Council Chambers at 6:30 P.M.

March 2, 2016	June 1, 2016	September 7, 2016	December 7, 2016
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AP Check Register 02-05-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 02/05/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA						
Check	02/05/2016	77892	Accounts Payable	Ace Hardware		29.08
Check	02/05/2016	77893	Accounts Payable	Ace Hardware		76.65
Check	02/05/2016	77894	Accounts Payable	Anita Kerezski		1,750.00
Check	02/05/2016	77895	Accounts Payable	Aramark Uniform Service		157.20
Check	02/05/2016	77896	Accounts Payable	AT & T		165.95
Check	02/05/2016	77897	Accounts Payable	Bound Tree Medical		1,029.13
Check	02/05/2016	77898	Accounts Payable	California Department of Justice		32.00
Check	02/05/2016	77899	Accounts Payable	California Reserve Peace Officers		90.00
Check	02/05/2016	77900	Accounts Payable	Chevron		526.87
Check	02/05/2016	77901	Accounts Payable	City Of Seaside		7,000.00
Check	02/05/2016	77902	Accounts Payable	Commercial Truck Company		401.09
Check	02/05/2016	77903	Accounts Payable	CSG Consultants		7,032.50
Check	02/05/2016	77904	Accounts Payable	DocuTec		270.00
Check	02/05/2016	77905	Accounts Payable	George Duffey		244.64
Check	02/05/2016	77906	Accounts Payable	Emergency Vehicle Specialists		75.00
Check	02/05/2016	77907	Accounts Payable	Farmer Brothers Co.		226.23
Check	02/05/2016	77908	Accounts Payable	Gavilan Pest Control		75.00
Check	02/05/2016	77909	Accounts Payable	Government Finance Officers Association		225.00
Check	02/05/2016	77910	Accounts Payable	Industrial Scientific		635.92
Check	02/05/2016	77911	Accounts Payable	Jane's Repair Service		554.63
Check	02/05/2016	77912	Accounts Payable	Kamer Evaluations/Psychological Services Inc.		375.00
Check	02/05/2016	77913	Accounts Payable	Kurt Fouts		1,600.00
Check	02/05/2016	77914	Accounts Payable	L. N. Curtis & Sons		300.13
Check	02/05/2016	77915	Accounts Payable	Managerplus		468.00
Check	02/05/2016	77916	Accounts Payable	John Martin		621.26
Check	02/05/2016	77917	Accounts Payable	Thomas Melendy		579.42
Check	02/05/2016	77918	Accounts Payable	Monterey Auto Supply		378.00
Check	02/05/2016	77919	Accounts Payable	Monterey County Herald		163.03
Check	02/05/2016	77920	Accounts Payable	Monterey County Information Technology		1,045.75
Check	02/05/2016	77921	Accounts Payable	Monterey County Sheriffs Department		17,909.21
Check	02/05/2016	77922	Accounts Payable	Monterey County Treasurer		137.50
Check	02/05/2016	77923	Accounts Payable	Monterey Tire Service		550.95
Check	02/05/2016	77924	Accounts Payable	Natividad Medical Center		31.00

LIVE* Marina, CA *LIVE
AP Check Register 02-05-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/05/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	02/05/2016	77925	Accounts Payable	Office Depot		76.58
Check	02/05/2016	77926	Accounts Payable	Office Depot		695.20
Check	02/05/2016	77927	Accounts Payable	Pacific Gas & Electric		7,079.34
Check	02/05/2016	77928	Accounts Payable	Peninsula Messenger LLC		280.00
Check	02/05/2016	77929	Accounts Payable	Potter's Electronics		1,366.50
Check	02/05/2016	77930	Accounts Payable	Quill Corporation		282.38
Check	02/05/2016	77931	Accounts Payable	Rincon Consultants, Inc.		2,098.75
Check	02/05/2016	77932	Accounts Payable	Andrew Robbins		500.00
Check	02/05/2016	77933	Accounts Payable	Robert R. Wellington		30.00
Check	02/05/2016	77934	Accounts Payable	S.B.R.P.S.T.C.		140.00
Check	02/05/2016	77935	Accounts Payable	Sierra Springs & Alhambra		38.11
Check	02/05/2016	77936	Accounts Payable	Toshiba Financial Services		496.56
Check	02/05/2016	77937	Accounts Payable	Universal Staffing		1,096.00
Check	02/05/2016	77938	Accounts Payable	Verizon Wireless		780.52
Check	02/05/2016	77939	Accounts Payable	Rabobank Visa Card Member Service		394.98
Check	02/05/2016	77940	Accounts Payable	Rabobank Visa Card Member Service		347.35
Check	02/05/2016	77941	Accounts Payable	Rabobank Visa Card Member Service		153.05
Check	02/05/2016	77942	Accounts Payable	Rabobank Visa Card Member Service		86.19
Check	02/05/2016	77943	Accounts Payable	Rabobank Visa Card Member Service		76.08
Check	02/05/2016	77944	Accounts Payable	Rabobank Visa Card Member Service		45.88
Check	02/05/2016	77945	Accounts Payable	Rabobank Visa Card Member Service		1,726.92
Check	02/05/2016	77946	Accounts Payable	Vision Service Plan		128.66
Check	02/05/2016	77947	Accounts Payable	W.W. Grainger, Inc.		18,894.15
Check	02/05/2016	77948	Accounts Payable	Westamerica Bank		5,394.13
Check	02/05/2016	77949	Accounts Payable	Western Systems		133.89
Check	02/05/2016	77950	Accounts Payable	Zoom Imaging Solutions		7,303.56
Check	02/05/2016	77951	Accounts Payable	AFLAC - Attn.:Remittance Process		523.08
Check	02/05/2016	77952	Accounts Payable	Discovery Benefits, Inc.		200.00
Check	02/05/2016	77953	Accounts Payable	Franchise Tax Board - State of CA		21,077.11
Check	02/05/2016	77954	Accounts Payable	ICMA Retirement Trust		430.00
Check	02/05/2016	77955	Accounts Payable	Marina Employees Association		750.00
Check	02/05/2016	77956	Accounts Payable	Marina Police Association-MPOA		600.00
Check	02/05/2016	77957	Accounts Payable	Marina Professional Fire Fighters Association		300.00
Check	02/05/2016	77958	Accounts Payable	Marina Public Safety Management Association		2,900.00
Check	02/05/2016	77958	Accounts Payable	Nationwide Retirement		

LIVE Marina, CA *LIVE*

AP Check Register 02-05-16

Bank Account: 024 - Accounts Payable ZBA
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Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	02/05/2016	77959	Accounts Payable	Police Officers Association - POA		3,300.00
Check	02/05/2016	77960	Accounts Payable	Pre-Paid Legal Services		26.90
024 Accounts Payable ZBA Totals:						\$124,508.01

Checks: 69 \$124,508.01

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

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 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA						
Check	02/12/2016	77961	Accounts Payable	Ace Hardware		5.15
	Invoice		Date	Description		Amount
	05/7561	02/03/2016		Fasteners		5.15
Check	02/12/2016	77962	Accounts Payable	Ace Hardware		198.00
	Invoice		Date	Description		Amount
	05/7512	02/01/2016		Bldg Maint & Repair		97.75
	05/7480	01/28/2016		Bldg Maint & Repair		9.77
	06/7528	02/02/2016		Bldg Maint & Repair		16.26
	05/7538	02/02/2016		Streets Maint & Repair		17.81
	05/7508	02/01/2016		Bldg Maint & Repair		10.85
	05/7560	02/03/2016		Bldg Maint & Repair		45.56
Check	02/12/2016	77963	Accounts Payable	All Around Auto Body Inc.		1,875.63
	Invoice		Date	Description		Amount
	9838	01/28/2016		Veh - Maint & Repair		781.87
	9842	01/28/2016		Veh - Maint & Repair		1,093.76
Check	02/12/2016	77964	Accounts Payable	ARC		462.63
	Invoice		Date	Description		Amount
	1379455	02/05/2016		copies Marina Heights Community Design Guidelines		462.63
Check	02/12/2016	77965	Accounts Payable	AT & T		119.76
	Invoice		Date	Description		Amount
	01-27-16	01/27/2016		AT&T U-verse Internet 12/28/15-1/27/16		119.76
Check	02/12/2016	77966	Accounts Payable	AT & T		2,407.65
	Invoice		Date	Description		Amount
	000007610180	01/28/2016		CALNET3-9391023455 (384-4262)		46.38
	000007610189	01/28/2016		CALNET3-9391023462 (384-7547)		22.35
	000007610163	01/28/2016		CALNET3-9391023438 (384-0473)		72.15
	000007610172	01/28/2016		CALNET3-9391023447 (384-2901)		27.72
	000007610181	01/28/2016		CALNET3-9391023456 (384-4718)		19.81
	000007610190	01/28/2016		CALNET3-9391023463 (384-7854)		19.81
	000007610164	01/28/2016		CALNET3-9391023439 (384-0552)		19.81

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
000007608847	01/27/2016			CALNET3-9391023477 (582-9803)		19.24
000007608841	01/27/2016			CALNET3-9391023471 (582-0100)		42.13
000007610167	01/28/2016			CALNET3-9391023442 (384-1702)		19.25
000007610176	01/28/2016			CALNET3-9391023451 (384-3715)		41.43
000007610185	01/28/2016			CALNET3-9391023460 (384-6009)		39.47
000007610194	01/28/2016			CALNET3-9391023467 (384-8760)		17.93
000007610173	01/28/2016			CALNET3-9391023448 (384-2934)		19.25
000007608849	01/27/2016			CALNET3-9391023481 (863-9953)		20.18
000007610182	01/28/2016			CALNET3-9391023457 (384-5140)		19.92
000007610191	01/28/2016			CALNET3-9391023464 (384-8308)		163.29
000007610165	01/28/2016			CALNET3-9391023440 (384-0860)		19.81
000007610174	01/28/2016			CALNET3-9391023449 (384-2967)		21.32
000007610183	01/28/2016			CALNET3-9391023458 (384-5222)		42.57
000007610192	01/28/2016			CALNET3-9391023465 (384-8415)		147.16
000007610166	01/28/2016			CALNET3-9391023441 (384-0888)		56.80
000007610175	01/28/2016			CALNET3-9391023450 (384-3539)		37.78
000007610184	01/28/2016			CALNET3-9391023459 (384-5225)		133.13
000007610193	01/28/2016			CALNET3-9391023466 (384-8477)		37.75
000007610170	01/28/2016			CALNET3-9391023445 (384-2528)		22.46
000007610179	01/28/2016			CALNET3-9391023454 (384-4226)		20.76
000007610188	01/28/2016			CALNET3-9391023461 (384-7238)		19.81
000007610162	01/28/2016			CALNET3-9391023437 (384-0425)		18.00
000007610171	01/28/2016			CALNET3-9391023446 (384-2721)		841.05
000007608842	01/27/2016			CALNET3-9391023472 (582-0102)		67.76
000007608843	01/27/2016			CALNET3-9391023473 (582-2398)		19.24
000007608844	01/27/2016			CALNET3-9391023474 (582-2589)		57.74
000007608845	01/27/2016			CALNET3-9391023475 (582-9032)		19.80
000007610168	01/28/2016			CALNET3-9391023443 (384-2081)		36.63
000007610177	01/28/2016			CALNET3-9391023452 (384-3717)		21.68
000007610195	01/28/2016			CALNET3-9391023468 (384-9148)		19.87
000007610169	01/28/2016			CALNET3-9391023444 (384-2083)		36.63
000007610178	01/28/2016			CALNET3-9391023453 (384-3787)		22.24
000007610196	01/28/2016			CALNET3-9391023469 (384-9337)		19.81
000007610197	01/28/2016			CALNET3-9391023470 (384-9682)		17.93
000007608846	01/27/2016			CALNET3-9391023476 (582-9611)		19.80

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	02/12/2016	77967	Accounts Payable	Michael Ball		160.20
	Invoice		Date	Description		Amount
	01-24-16	01/24/2016		M.Ball-Tuition Reimbursement Spring 2016		160.20
Check	02/12/2016	77968	Accounts Payable	California Department of Justice		98.00
	Invoice		Date	Description		Amount
	145387	02/03/2016		DOJ Live Scan - January 2016		98.00
Check	02/12/2016	77969	Accounts Payable	Cintas Corporation		58.04
	Invoice		Date	Description		Amount
	630824168	02/08/2016		Mat Service Police/Fire - 2/8/16		58.04
Check	02/12/2016	77970	Accounts Payable	City Of Monterey		354.35
	Invoice		Date	Description		Amount
	68056	11/24/2015		PRVNT Quarterly Billing - Apr-Jun 2015		354.35
Check	02/12/2016	77971	Accounts Payable	Code Publishing Inc.		229.50
	Invoice		Date	Description		Amount
	52028	01/26/2016		Code Publishing - Online MMC Update		229.50
Check	02/12/2016	77972	Accounts Payable	Collins Electric Co.		428.00
	Invoice		Date	Description		Amount
	89994	01/28/2016		Locke - Paddon CFD - Reset timer on the pole on Del Monte Ave		278.00
	89956	01/22/2016		Installed clear E-7 medium High pressure lamp		150.00
Check	02/12/2016	77973	Accounts Payable	Consolidated Electrical Distributors, Inc.		143.54
	Invoice		Date	Description		Amount
	4914 - 546123	02/02/2016		Bldg Maint & Repiar		143.54
Check	02/12/2016	77974	Accounts Payable	Crye Precision LLC		193.90
	Invoice		Date	Description		Amount
	INV00095818	12/15/2015		SRU Combat Pants		193.90
Check	02/12/2016	77975	Accounts Payable	CSG Consultants		54,403.00
	Invoice		Date	Description		Amount
	031627	01/12/2016		Code Enforcement (1/28/15 - 12/25/15)		3,368.00
	031626	01/12/2016		Building Inspection (1/28/18 - 1/225/15)		3,180.00

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	B150827	01/04/2016		Plan Check Services (12/1/15 - 12/31/15)		525.00
	031767	01/14/2016		Permits/Dev (11/28/15 - 12/25/15)		4,967.50
	031723	01/14/2016		Staff Augmentation (11/28/15 - 12/25/15)		4,627.50
	031722	01/14/2016		RWQCB - Eng Svc (11/28/15 - 12/25/15)		1,942.50
	031721	01/14/2016		Eng Svc -TAMC (11/28/15 - 12/25/15)		105.00
	031720	01/14/2016		MCWD - Engineering (11/28/15 - 12/25/15)		840.00
	031719	01/14/2016		FEMA - 6300.190.08 (11/28/15 - 12/25/15)		262.50
	031716	01/14/2016		FAE - DU2 - 1C Dunes Phase 2 (11/28/15 - 12/25/15)		5,185.00
	031718	01/14/2016		FORA - Eng Svc (11/28/15 - 12/25/15)		210.00
	031709	01/14/2016		FAE- B1 Imjin Office Park (11/28/15 - 12/25/15)		1,770.00
	031713	01/14/2016		Marina Dev Projects (11/28/15 - 12/25/15)		577.50
	031712	01/14/2016		FAE-A1 AMCAL (11/28/15 - 12/25/15)		340.00
	031420	12/10/2015		CSG -FAE M5 Spring Hill Marriott (10/31/15 - 11/27/15)		170.00
	031703	01/14/2016		CIP - Admin Engineering (11/28/15 - 12/25/15)		315.00
	031701	01/14/2016		Cypress Cove LMD Eng Svc (11/28/15 - 12/25/15)		52.50
	031702	01/14/2016		CSG - Eng Svc - De Forest & Beach (T138) (11/28/15 - 12/25/15)		170.00
	031707	01/14/2016		Imjin Microsurfacing R46C (11/28/15-12/25/15)		3,022.50
	031705	01/14/2016		Reservation Rd- Seacrest to De Forest R74B (11/28/15-12/25-15)		2,622.50
	031715	01/14/2016		FAE S1 - 9th St. Improvement (11/28/15-12/25-15)		9,732.50
	031704	01/14/2016		Del Monte/Beach Signalization (11/28/15-12/25-15)		380.00
	031768	01/14/2016		Marina Dev Projects (11/28/15-12/25-15)		3,455.00
	031708	01/14/2016		CSG - M6 - Medical Ofc. Bldg (11/28/15-12/25-15)		340.00
	031706	01/14/2016		CG - T122A- Hwy 1 - SB/NB Ramps (11/28/15 - 12/25/15)		497.50
	031714	01/14/2016		CSG - V1- Veterans Adm Bldg (11/28/15 - 12/25/15)		5,745.00
Check	02/12/2016		77976 Accounts Payable	David Darcus		3,747.17
	Invoice	Date		Description		Amount
	01-04-16	01/04/2016		Asset Forfeiture Release-MG15-0532 1/4/16		3,747.17
Check	02/12/2016		77977 Accounts Payable	Discovery Benefits, Inc.		62.50
	Invoice	Date		Description		Amount
	0000618034-IN	01/31/2016		Discovery Benefit (01/2016)		62.50
Check	02/12/2016		77978 Accounts Payable	Dyna Systems		553.80
	Invoice	Date		Description		Amount
	20980856	01/20/2016		Street Maint		553.80

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	02/12/2016	77979	Accounts Payable	Everclear Hydro-Jetting		2,050.00
	Invoice			Description		Amount
	5837	12/29/2015		Hydro-jetted Storm drain		2,050.00
Check	02/12/2016	77980	Accounts Payable	First Alarm		169.55
	Invoice			Description		Amount
	896161	01/27/2016		Alarm System Service Call - City Hall		169.55
Check	02/12/2016	77981	Accounts Payable	George T. Powell		950.00
	Invoice			Description		Amount
	02012016	02/01/2016		Parking Lease-Fire/Police February 2016		950.00
Check	02/12/2016	77982	Accounts Payable	Government Financial Solutions		2,300.00
	Invoice			Description		Amount
	Jan 2016	02/03/2016		Financial Sys HR/PR Prof Svc (Jan 2016)		2,300.00
Check	02/12/2016	77983	Accounts Payable	Kelly-Moore Paint Co.,Inc		335.00
	Invoice			Description		Amount
	802- 00000516960	02/05/2016		Street Materials		335.00
Check	02/12/2016	77984	Accounts Payable	Keyper Systems		141.67
	Invoice			Description		Amount
	76220	02/08/2016		Key Pegs for New Vehicles		141.67
Check	02/12/2016	77985	Accounts Payable	Knox Company		5,162.95
	Invoice			Description		Amount
	INV00783522	01/29/2016		Knox box replacements		5,162.95
Check	02/12/2016	77986	Accounts Payable	Liebert Cassidy Whitmore		4,298.00
	Invoice			Description		Amount
	12-23-15	12/23/2015		LCW - Professional Services Other		895.50
	1415074	12/31/2015		LCW - Professional Services - Other		2,342.50
	1415075	12/31/2015		Professional Services - Labor Negotiations		1,060.00
Check	02/12/2016	77987	Accounts Payable	Marina Coast Water District		500.00
	Invoice			Description		Amount
	02-03-16	02/03/2016		Initial Plan Review		500.00

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16
 Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	02/12/2016	77988	Accounts Payable	Martin's Irrigation Supply		11.24
	Invoice			Description		Amount
	480842		01/27/2016	Compression Coupling		11.24
Check	02/12/2016	77989	Accounts Payable	MBay IT		6,627.31
	Invoice			Description		Amount
	1244		02/03/2016	IT Support Services - January 2016		6,627.31
Check	02/12/2016	77990	Accounts Payable	Monterey Auto Supply		35.34
	Invoice			Description		Amount
	401539		02/05/2016	Veh - Maint Parts & Supply		35.34
Check	02/12/2016	77991	Accounts Payable	Monterey County Herald		529.24
	Invoice			Description		Amount
	005655170		01/22/2016	Legal Advertising Marina Beach Townhomes		266.98
	0005648548		01/08/2016	Incorrect legal advertisement Marina Beach Townhomes		262.26
Check	02/12/2016	77992	Accounts Payable	Monterey County Petroleum		799.12
	Invoice			Description		Amount
	290594		02/02/2016	Used Oil		799.12
Check	02/12/2016	77993	Accounts Payable	Monterey County Regional Fire District		454.55
	Invoice			Description		Amount
	02-09-16		02/09/2016	Mobile Air Support Unit Maintenance 2015-2016		454.55
Check	02/12/2016	77994	Accounts Payable	Monterey Radiator		146.69
	Invoice			Description		Amount
	101106		01/28/2016	Veh - Maint & Repair		146.69
Check	02/12/2016	77995	Accounts Payable	Monterey Tire Service		269.19
	Invoice			Description		Amount
	1 - 69951		01/29/2016	Veh - Tire disposal fee		16.29
	1 - 69992		02/05/2016	Veh - Maint & Repair		252.90
Check	02/12/2016	77996	Accounts Payable	MP Express		133.17
	Invoice			Description		Amount
	44676		09/10/2015	Return Envelopes 9/10/16		133.17

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	02/12/2016	77987	Accounts Payable	MIRWPCA		657.70
	Invoice		Date	Description		Amount
	000344	013116	01/31/2016	13-000344 - 100 12th Street (1/01/16 - 2/29/16)		294.30
	000183	013116	01/31/2016	13-000183 - 4th Ave & DX Dr (1/01/16 - 1/31/16)		124.80
	000143	013116	01/31/2016	13-000143 - 3220 Imjin Rd (1/01/16 - 1/31/16)		15.30
	001627	013116	01/31/2016	12-001627 - 211 Hillcrest Ave (1/01/16 - 1/31/16)		83.20
	003245	013116	01/31/2016	12-003245 - 0 Cardoza Ave-Abdy Way (1/01/16 - 1/31/16)		20.80
	003451	013116	01/31/2016	12-003451 - 0 Seaside Ave & Reservation Rd (1/01/16 - 1/31/16)		20.80
	001708	013116	01/31/2016	12-001708 - 304 Hillcrest Ave (1/01/16 - 1/31/16)		20.80
	000192	013116	01/31/2016	12-000192 - 3200 Del Monte Blvd (1/01/16 - 1/31/16)		20.80
	004209	013116	01/31/2016	12-003949 - 209/213 Cypress Ave (1/16/16 - 2/29/16)		56.90
Check	02/12/2016	77988	Accounts Payable	Muniservices		100.00
	Invoice		Date	Description		Amount
	40586		01/31/2016	Business License Tax Admin		100.00
Check	02/12/2016	77989	Accounts Payable	My Jeep Chrysler Dodge		15.28
	Invoice		Date	Description		Amount
	178726	JER	02/03/2016	Veh - Maint & Repair		15.28
Check	02/12/2016	78000	Accounts Payable	New Image Landscape Co.		1,735.00
	Invoice		Date	Description		Amount
	113450		01/29/2016	Landscaping		1,735.00
Check	02/12/2016	78001	Accounts Payable	New World Systems Corp.		28,957.00
	Invoice		Date	Description		Amount
	046014		11/01/2015	NWS - License (Final installment)		28,957.00
Check	02/12/2016	78002	Accounts Payable	Office Depot		39.82
	Invoice		Date	Description		Amount
	1893668284		01/22/2016	Office Supplies		39.82
Check	02/12/2016	78003	Accounts Payable	Peninsula Messenger LLC		120.00
	Invoice		Date	Description		Amount
	195387		01/31/2016	Daily Deposit pick-up		120.00
Check	02/12/2016	78004	Accounts Payable	Progressive Business Publications		299.00

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice			Description		Amount
	12-30-15		12/30/2015	Publication Renewal		299.00
Check	02/12/2016	78005	Accounts Payable	Pure H2O		108.60
	Invoice			Description		Amount
	4372		02/01/2016	Water Cooler Service-Police/Fire February 2016		108.60
Check	02/12/2016	78006	Accounts Payable	Redshift		7.85
	Invoice			Description		Amount
	1716993-4		02/01/2016	DNS Hosting/Domain Redirecting		7.85
Check	02/12/2016	78007	Accounts Payable	Richard B. Standridge		4,275.00
	Invoice			Description		Amount
	16-03		02/05/2016	Services 01-25/02-04-16		4,275.00
Check	02/12/2016	78008	Accounts Payable	Rincon Consultants, Inc.		1,414.30
	Invoice			Description		Amount
	25343		01/31/2016	Marina Beech Townhomes Prof Svcs		1,414.30
Check	02/12/2016	78009	Accounts Payable	Salinas Valley Pro Squad		625.30
	Invoice			Description		Amount
	263019		12/03/2015	Rodriguez-LShirt & Misc. 12/3/16		157.09
	264708		01/26/2016	J.Cattaneo-Misc. 1/26/16		13.50
	263003		12/03/2015	E.Bachtel-LShirt/Misc. 12/3/15		149.39
	264330		01/12/2016	K.Dow-(1) Pant 1/12/16		65.42
	264262		01/11/2016	J.Flores-VIPS (1) Pant/Misc. 1/11/16		54.55
	264166		01/08/2016	Barnet Uniform		185.35
Check	02/12/2016	78010	Accounts Payable	Scott's PPE Recon, Inc.		311.25
	Invoice			Description		Amount
	31755		01/29/2016	Turnout Repair		311.25
Check	02/12/2016	78011	Accounts Payable	Siemens Industry, Inc.		1,527.79
	Invoice			Description		Amount
	5620007719		01/19/2016	Streets - Traffic Signal Maint		1,375.00
	5610012941		01/28/2016	Street Material & Supply		152.79

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	02/12/2016	78012	Accounts Payable	Sierra Springs & Alhambra		58.34
	Invoice			Description		Amount
	7266038-012916	01/29/2016		Water Cooler Rental and Replacement Water		58.34
Check	02/12/2016	78013	Accounts Payable	SpeakWrite		597.86
	Invoice			Description		Amount
	2455d7da	02/01/2016		Transcription Service - January 2016		597.86
Check	02/12/2016	78014	Accounts Payable	Techno Lock Keys Trading LLC		232.59
	Invoice			Description		Amount
	6437	02/05/2016		Rekey for trade in vehicle		200.00
	6446	02/08/2016		Keys		32.59
Check	02/12/2016	78015	Accounts Payable	Tyler Technologies, Inc.		4,270.60
	Invoice			Description		Amount
	047658	01/25/2016		Tyler Technologies - Travel (Hambright 12/19/15)		1,734.69
	047721	01/30/2016		Tyler Technologies - Travel (Schulte 1/16/16)		2,535.91
Check	02/12/2016	78016	Accounts Payable	Usbancorp - Equipment Finance Service		343.54
	Invoice			Description		Amount
	296815277	01/26/2016		Bizhub 951 Copier Lease		343.54
Check	02/12/2016	78017	Accounts Payable	Rabobank Visa Card Cardmember Service		802.47
	Invoice			Description		Amount
	01-27-16	01/27/2016		Visa-Filice 1/27/16		802.47
Check	02/12/2016	78018	Accounts Payable	Rabobank Visa Card Cardmember Service		5,223.82
	Invoice			Description		Amount
	01-27-16	01/27/2016		Visa January Statement		5,223.82
Check	02/12/2016	78019	Accounts Payable	Rabobank Visa Card Cardmember Service		994.66
	Invoice			Description		Amount
	01-27-16	01/27/2016		Visa-Rodriguez 1/27/16		994.66
Check	02/12/2016	78020	Accounts Payable	Wilco Supply		53.38
	Invoice			Description		Amount
	16B0211401	02/02/2016		Bldg Maint & Repair		53.38

LIVE* Marina, CA *LIVE
AP Check Register 02-12-16

Bank Account: 024 - Accounts Payable ZBA
 Batch Date: 02/12/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	02/12/2016	78021	Accounts Payable	Zoom Imaging Solutions		110.76
	Invoice		Date	Description		Amount
	1589593		01/25/2016	Meter Read-Operations 1/25/16		110.76
Check	02/12/2016	78022	Accounts Payable	Standard Insurance Company		1,249.30
	Invoice		Date	Description		Amount
	2016-00001131		02/01/2016	92 - Additional/Supplemental Life Ins* Feb 2016		430.90
	2016-00001132		02/01/2016	10 - Life Insurance Directors*		813.19
	2016-00001133		02/01/2016	Standard Life Insurance		5.21
024 Accounts Payable ZBA Totals:						\$144,545.05

Transactions: 62

Checks: 62 \$144,545.05

February 8, 2016

Item No. 8 f.(1)

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-
RECEIVING AND FILING CITY OF MARINA AUDITOR
GOVERNANCE LETTER (SAS 114), CITY AUDITOR MANAGEMENT
LETTER OF COMMENTS (SAS 112) FOR FISCAL YEAR ENDED JUNE
30, 2015 STATING THE IMPORTANCE OF THE ACCOUNTING
SERVICES MANAGER POSITION OVER INTERNAL CONTROLS**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016- receiving and filing City of Marina auditor governance letter (SAS 114), City auditor management letter of comments (SAS 112) for fiscal year ended June 30, 2015 stating the importance of the Accounting Services Manager Position over internal controls.

BACKGROUND:

After each fiscal year, independent auditors examine and test the underlying controls, fiscal records and financial transactions from which the City's and Agency's Annual Financial Reports are prepared, and issue their opinion on the basic financial statements contained in the reports. The City independent auditors, Mann Urrutia Nelson CPAs performed these tasks and issued an unqualified ("clean") opinion for the financial reports of fiscal year ended June 30, 2015.

Professional standards require that the auditors provide the City two (2) additional letters, specifically the "Governance Letter (SAS 114)" and "Management Letter of Comments (SAS 112)."

ANALYSIS:

The Governance Letter (SAS 114) includes discussion regarding the auditors' responsibility, City accounting practices, difficulties and/or disagreements encountered, corrected and/or uncorrected misstatements, management representation, management consultation with other independent accountants and other audit findings or issues ("**EXHIBIT A**"). Nothing adverse was noted in the letter.

The Management Letter of Comments (SAS 112) includes suggestions for improvements to the City's internal controls ("**EXHIBIT B**"). Specifically, the auditors states "Throughout our audit it was evident that staffing resources in the finance department are at a low level and could contribute to deficiencies in the internal control system over financial reporting, potentially affecting the City's ability to properly segregate duties such as bank reconciliations and transactions. A managerial/supervisory position would be optimal in improving the internal control environment." Further, the auditors commented on cash disbursements with inadequate authorization, delayed payroll review and inadequate information technology controls.

FISCAL IMPACT:

None

CONCLUSION:

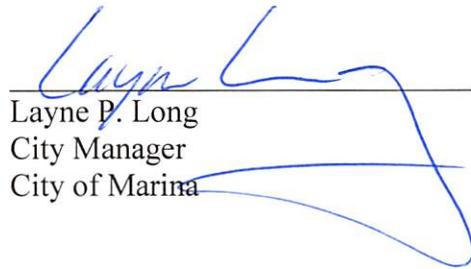
This request is submitted for City Council consideration and possible action.

Respectfully submitted,



Lauren Lai, CPA
Finance Director
City of Marina

REVIEWED/CONCUR:



Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA RECEIVING AND FILING THE CITY OF MARINA AUDITOR'S GOVERNANCE LETTER (SAS 114), CITY AUDITOR'S MANAGEMENT LETTER OF COMMENTS (SAS 112) FOR THE FISCAL YEAR ENDED JUNE 30, 2015 STATING THE IMPORTANCE OF THE ACCOUNTING SERVICES MANAGER POSITION OVER INTERNAL CONTROLS

WHEREAS, after each fiscal year independent auditors examine and test the underlying controls, fiscal records and financial transactions from which the City's and Agency's Annual Financial Reports are prepared, and issue their opinion on the basic financial statements contained in the reports, and;

WHEREAS, the City independent auditors, Mann Urrutia Nelson CPAs performed these tasks and issued an unqualified ("clean") opinion, and;

WHEREAS, professional standards require that the auditors provide the City two additional letters, specifically the "Governance Letter (SAS 114)" and "Management Letter of Comments (SAS 112)," and;

WHEREAS, the Governance Letter (SAS 114) ("**Exhibit A**") includes discussion regarding the auditors' responsibility, City accounting practices, difficulties and/or disagreements encountered, corrected and/or uncorrected misstatements, management representation, management consultation with other independent accountants and other audit findings or issues. Nothing adverse was noted in the letter, and;

WHEREAS, the Management Letter of Comments (SAS 112) ("**Exhibit B**") includes suggestions for improvements to the City's internal controls over stale-dated checks and information technology general controls, and;

WHEREAS, specifically, the auditors states "Throughout our audit it was evident that staffing resources in the finance department are at a low level and could contribute to deficiencies in the internal control system over financial reporting, potentially affecting the City's ability to properly segregate duties such as bank reconciliations and transactions. A managerial/supervisory position would be optimal in improving the internal control environment." Further, the auditors commented on cash disbursements with inadequate authorization, delayed payroll review and inadequate information technology controls.

NOW, THEREFORE IT BE RESOLVED, that the City Council of the City of Marina:

1. Receive and file City of Marina Auditor's Governance Letter (SAS 114), City Auditor's Management Letter of Comments (SAS 112) for the fiscal year ended June 30, 2015.

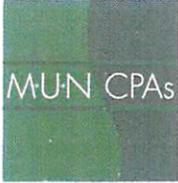
PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016, by the following vote:

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

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk



January 6, 2016

To the City Council
City of Marina, California

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Marina for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 15, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Marina are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by City of Marina during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the City's financial statements were:

Management's estimate of the depreciation allowance for uncollectible receivables and the liability for Other Post-Employment Benefits is based on the city's capitalization policy. Management's estimate for the allowance for uncollectible receivables is based on management's specific identification of loans with long-term deferrals and non-current payments. Management's estimate of the liability for Other-Post Employment Benefits is based on actuarially determined information. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 6, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to City of Marina's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as City of Marina's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis and Budgetary Schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Combining Financial Schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

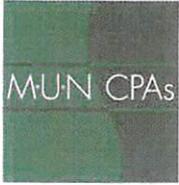
Restriction on Use

This information is intended solely for the use of City Council and management of City of Marina and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in blue ink that reads "Mann Urrutia Nelson CPAs".

Mann, Urrutia, Nelson CPAs & Associates, LLP



MANN • URRUTIA • NELSON CPAs & ASSOCIATES, LLP
GLENDALE • ROSEVILLE • SACRAMENTO • SOUTH LAKE TAHOE • KAUAI, HAWAII

Management Letter

January 6, 2015

To City Council
City of Marina, California

In planning and performing our audit of the financial statements of the City of Marina as of and for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Marina's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

However, during our audit we became aware of matters that present opportunities for strengthening internal controls and operating efficiencies. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated January 6, 2015 on the financial statements of the City of Marina.

We will review the status of these comments during our next audit engagement. We have already discussed the comment and suggestion with City personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,

A handwritten signature in blue ink that reads "Mann Urrutia Nelson CPAs".

Mann, Urrutia, Nelson CPAs and Associates LLP

**CITY OF MARINA
MANAGEMENT LETTER COMMENTS
AND RECOMMENDATIONS FOR STRENGTHENING INTERNAL CONTROLS
JUNE 30, 2015**

Throughout our audit it was evident that staffing resources in the finance department are at a low level and could contribute to deficiencies in the internal control system over financial reporting, potentially affecting the City's ability to properly segregate duties such as bank reconciliations and transactions. A managerial/supervisory position would be optimal in improving the internal control environment. The finance department is aware of the issues noted below; however, the lack of resources has prevented them from implementing such control recommendations.

Accounts Payable

During our testing cash disbursements, we noted two checks over \$5,000 that were missing the City Manager's signature. We recommend that the City adhere to the City's check policy that all checks over \$5,000 are signed by the City Manager.

Payroll

During our testing of payroll controls we noted that there is no written indication of payroll approve. We recommend that the Finance Director review the ADP Statistical Summary report and sign for approval closer to the payroll processing date.

Information Technology General Controls

The City should implement a formal IT strategic planning and risk management process to periodically monitor and assess potential vulnerabilities within the IT control environment. The City should engage individuals with requisite knowledge of IT risks and controls and should address the following risk areas, where applicable:

- Physical and logical access to programs and data
- User access rights for segregation of duties. User access reports should be reviewed monthly.
- Environmental controls for IT infrastructure (e.g. data centers, servers, firewalls, network)
- Business continuity, disaster recovery, and data backup
- Incident management
- Program change control
- Systems acquisition and development
- Documented IT policies including policy for data backup and disaster recovery

Through the evaluation of periodic monitoring and reporting of IT risks, management can make informed decisions to strengthen IT controls to mitigate threats and vulnerabilities to IT systems.

To strengthen the controls over perimeter and network security we recommend that City of Marina perform security checks. There are several subscription based services that will perform campaigns to test the security of the system. knowbe4.com is a website that is commonly used to test cyber security. Additionally, the City of Marina should consider having a full-time staff to support the IT workload.

February 8, 2016

Item No. 8 f.(2)

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
ORDERING THE ACTING CITY ENGINEER TO PREPARE AND TO
FILE A REPORT RELATED TO MAINTENANCE OF THE CYPRESS
COVE II LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR
FISCAL YEAR 2016-2017**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, ordering the Acting City Engineer to prepare and to file a report related to maintenance of the Cypress Cove II Landscape Maintenance Assessment District for Fiscal Year 2016-2017

BACKGROUND:

At the regular meeting of June 16, 1987, the City Council adopted Resolution 1987-23, ordering the formation of the Cypress Cove II Landscape Maintenance Assessment District pursuant to Streets and Highway Code §22594 and the Landscaping and Lighting Act of 1972 to maintain certain improvements required of new development as a condition of the subdivision approvals.

The Landscaping and Lighting Act of 1972 requires an annual update report to be prepared, which includes the costs to maintain the improvements of the Cypress Cove II Landscape Maintenance Assessment District and what the proposed assessments will be to provide for that maintenance.

This first step in the annual update process is for the City Council to initiate the process by adopting a resolution ordering the City Engineer to prepare and file an Engineer's Report for the District.

ANALYSIS:

Funds must be provided to enable the District to continue operation during the 2016-2017 Fiscal Year. The Cypress Cove II Landscape Maintenance Assessment District encompasses 110 lots, a percolation basin (Lot 112) and an emergency access road (Lot 111) as illustrated on Exhibit "A" Map.

At the request of the homeowners, staff has been meeting with a group of their representatives to discuss further beautification and improvements to the District. In Fiscal Year 15/16, tree maintenance occurred on Abdy Way and Beach Road. Further tree maintenance is proposed for Fiscal Year 16/17. Regular maintenance of the existing district will continue.

After initiation of the update process and preparation of the update report, the City Council will be requested to adopt a resolution of intention to set a Public Hearing. Lastly, a Public Hearing will be held at a subsequent City Council meeting where the Assessment District is approved and confirmed, resulting in the adoption of a resolution confirming the levy of assessment pursuant to the provisions of the Landscape and Lighting Act of 1972 of Part 2 of Division 15 of the Streets and Highways Code of the State of California.

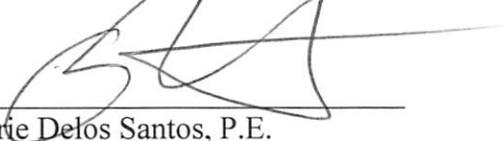
FISCAL IMPACT:

For Fiscal Year 2015-2016, a total budget of \$2,400 has been approved for the assessment engineering services needed for the Cypress Cove II Landscape Maintenance Assessment District.

CONCLUSION:

This request is submitted for City Council discussion and possible action.

Respectfully submitted,

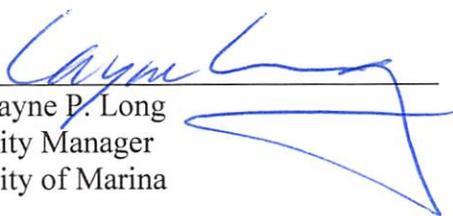


Edrie Delos Santos, P.E.
Senior Engineer, Engineering Division
Community Development Department
City of Marina

REVIEWED/CONCUR:

Nourdin Khayata, PE
Acting City Engineer
City of Marina

Thersea Szymanis, AICP CTP
Acting Director
Community Development Department
City of Marina



Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF CITY COUNCIL OF THE CITY OF MARINA
ORDERING THE ACTING CITY ENGINEER TO PREPARE AND TO FILE A
REPORT RELATED TO MAINTENANCE OF THE CYPRESS COVE II
LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR FISCAL
YEAR 2016-2017

WHEREAS, at the regular meeting of June 16, 1987, the City Council adopted Resolution 1987-23, ordering the formation of the Cypress Cove II Landscape Maintenance Assessment District pursuant to Streets and Highway Code §22594 and the Landscaping and Lighting Act of 1972 to maintain certain improvements required of new development as a condition of the subdivision approvals, and;

WHEREAS, the Landscaping and Lighting Act of 1972 requires an annual update report to be prepared which includes the costs to maintain the improvements of the Cypress Cove II Landscape Maintenance Assessment District and what the proposed assessments will be to provide for that maintenance, and;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina that the City Council does order the Acting City Engineer to prepare and to file a report related to maintenance of the Cypress Cove II Landscape Maintenance Assessment District for Fiscal Year 2016-2017 in accordance with the provisions of the Landscaping and Lighting Act of 1972 (Pursuant to §22622 of the California Streets and Highway Code).

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016, by the following vote:

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

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Acting Deputy City Clerk

Boundary and Landscaped Area Map



EXHIBIT A Cypress Cove II Landscape Maintenance District



Legend

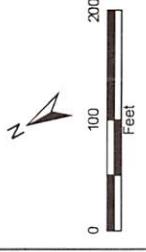
Cypress Cove II

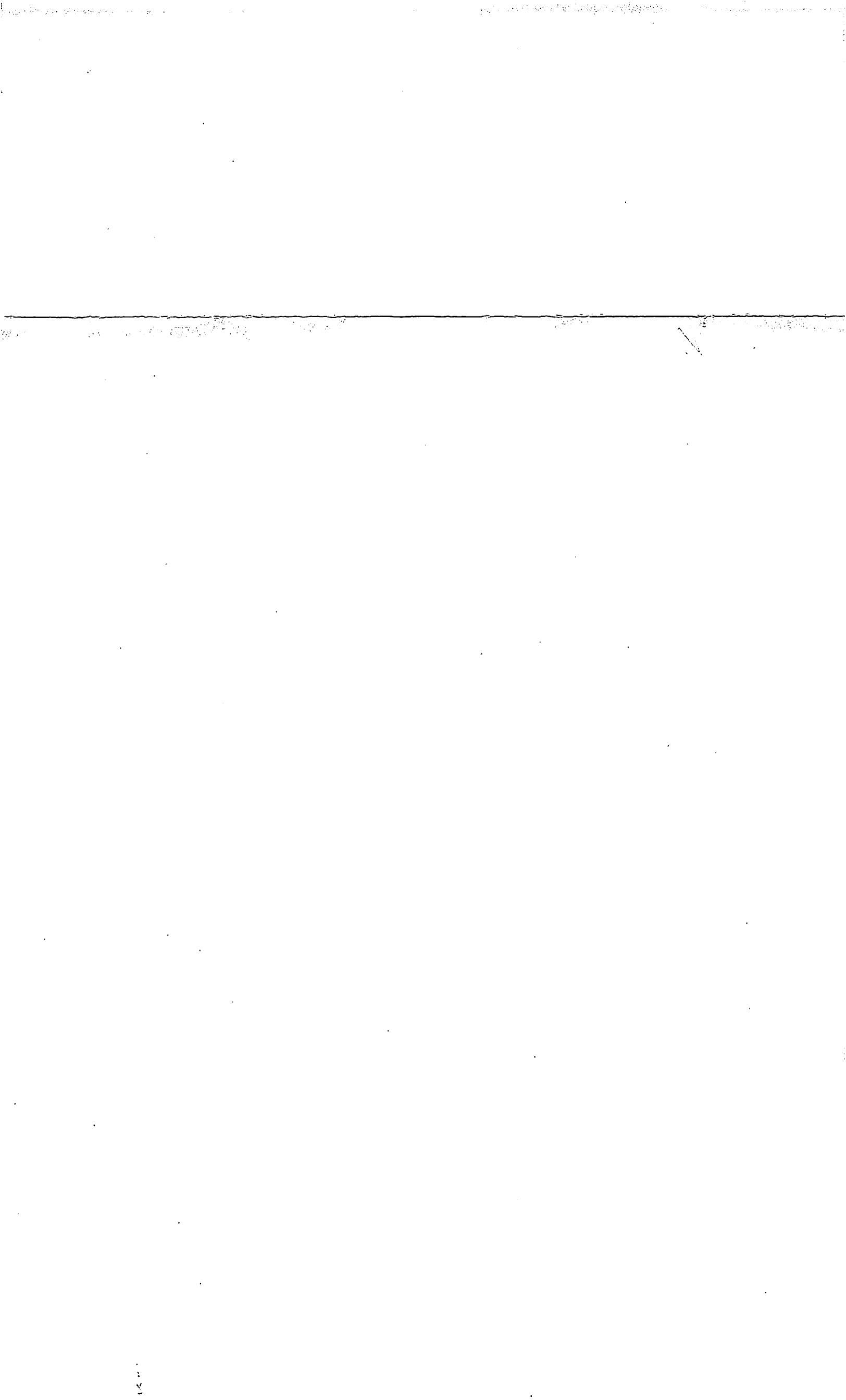
- Boundary
- Landscaped Area
2.00 Acres
- Parcels
- Percolation Lot
- Roads

Date: April 15th, 2009

Notes: The City of Marina assumes no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. The City of Marina and Monterey County GIS departments are not responsible for any errors or omissions. Parcel data is of mapping grade only and does not represent reliable locations or legal boundaries.

Sources: Monterey County GIS; City of Marina CDD
Map Projection: California State Plane Zone IV, NAD 83 (Feet)





February 8, 2016

Item No. 8 f.(3)

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
ORDERING THE ACTING CITY ENGINEER TO PREPARE AND TO
FILE A REPORT RELATED TO MAINTENANCE OF THE MONTEREY
BAY ESTATES LIGHTING AND LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT FOR FISCAL YEAR 2016-2017**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, ordering the Acting City Engineer to prepare and to file a report related to maintenance of the Monterey Bay Estates Lighting and Landscape Maintenance Assessment District for Fiscal Year 2016-2017

BACKGROUND:

At the regular meeting of October 3, 1989, the City Council adopted Resolution No. 1989-62, ordering the formation of the Monterey Bay Estates Lighting and Landscape Maintenance Assessment District pursuant to Streets and Highway Code §22594 and the Landscaping and Lighting Act of 1972 to maintain certain improvements required of new development as a condition of the subdivision approvals.

The Landscaping and Lighting Act of 1972 requires an annual update report to be prepared which includes the costs to maintain the improvements of the Districts and what the proposed assessments will be to provide for that maintenance.

This first step in the annual update process is for the City Council to initiate the process by adopting a resolution ordering the City Engineer to prepare and file an Engineer's Report for the District.

ANALYSIS:

Funds must be provided to enable the District to continue operation during the 2016-2017 Fiscal Year. The Monterey Bay Estates Lighting and Landscape Maintenance Assessment District encompasses 162 lots, a percolation lot parcel and a park parcel as illustrated on Exhibit "A" Map.

After the initiation of the update process and preparation of the update report, the City Council will be requested to adopt a resolution of intention to set a Public Hearing. Lastly, a Public Hearing will be held at a subsequent City Council meeting where the Assessment District is approved and confirmed, resulting in the adoption of a resolution confirming the levy of assessment pursuant to the provisions of the Landscape and Lighting Act of 1972 of Part 2 of Division 15 of the Streets and Highways Code of the State of California.

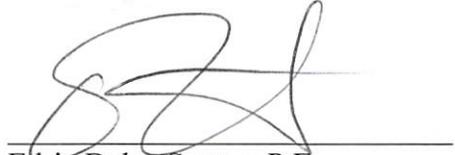
FISCAL IMPACT:

For Fiscal Year 2015-2016, a total budget of \$2,000 has been approved for the assessment engineering services needed for the Monterey Bay Estates Lighting and Landscape Maintenance Assessment District.

CONCLUSION:

This request is submitted for City Council's approval.

Respectfully submitted,

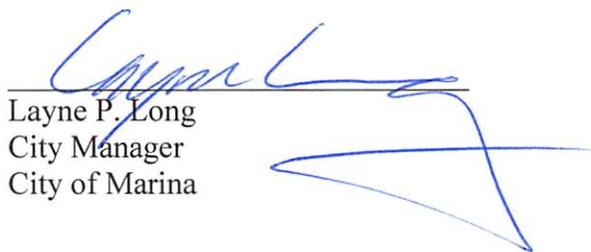


Edrie Delos Santos, P.E.
Senior Engineer, Engineering Division
Community Development Department
City of Marina

REVIEWED/CONCUR:

Nourdin Khayata, PE
Acting City Engineer
City of Marina

Thersea Szymanis, AICP CTP
Acting Director
Community Development Department
City of Marina



Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

**A RESOLUTION OF CITY COUNCIL OF THE CITY OF MARINA
ORDERING THE ACTING CITY ENGINEER TO PREPARE AND TO FILE A
REPORT RELATED TO MAINTENANCE OF THE MONTEREY BAY
ESTATES LIGHTING AND LANDSCAPE MAINTENANCE ASSESSMENT
DISTRICT FOR FISCAL YEAR 2016-2017**

WHEREAS, at the regular meeting of October 3, 1989, the City Council adopted Resolution No. 1989-62, ordering the formation of the Monterey Bay Estates Lighting and Landscape Maintenance Assessment District pursuant to Streets and Highway Code §22594 and the Landscaping and Lighting Act of 1972 to maintain certain improvements required of new development as a condition of the subdivision approvals, and;

WHEREAS, the Landscaping and Lighting Act of 1972 requires an annual update report to be prepared which includes the costs to maintain the improvements of the Monterey Bay Estates Lighting and Landscape Maintenance Assessment District and what the proposed assessments will be to provide for that maintenance, and;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina that the City Council does order the Acting City Engineer to prepare and to file a report related to maintenance of the Monterey Bay Estates Lighting and Landscape Maintenance Assessment District for Fiscal Year 2016-2017 in accordance with the provisions of the Landscaping and Lighting Act of 1972 (Pursuant to §22622 of the California Streets and Highway Code).

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016, by the following vote:

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

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Acting Deputy City Clerk

Boundary and Landscaped Area Map



EXHIBIT A Monterey Bay Estates Lighting and Landscape Maintenance District



Legend

- Monterey Bay Estates
- Boundary
- Landscaped Area
2.14 Acres
- Percolation Lot
- Roads
- Parcels

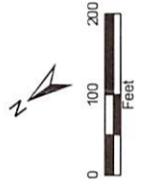
Maintained Street Lights

- Total 34 - 100W
- Total 7 - 200W

Date: April 15th, 2009

Notes: The City of Marina assumes no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. The City of Marina and Monterey County GIS not represent reliable locations or legal boundaries.

Sources: Monterey County GIS, City of Marina GDD
Map Projection: California State Plane Zone IV, NAD 83 (Feet)



February 8, 2016

Item No. 8 f.(4)

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
ORDERING THE ACTING CITY ENGINEER TO PREPARE AND TO
FILE A REPORT RELATED TO MAINTENANCE OF THE SEABREEZE
LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR FISCAL
YEAR 2016-2017**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, ordering the Acting City Engineer to prepare and to file a report related to maintenance of the Seabreeze Landscape Maintenance Assessment District for Fiscal Year 2016-2017

BACKGROUND:

At the regular meeting of June 4, 1996, the City Council adopted Resolution No. 1996-62, ordering the formation of the Seabreeze Landscape Maintenance Assessment District pursuant to Streets and Highway Code §22594 and the Landscaping and Lighting Act of 1972 to maintain certain improvements required of new development as a condition of the subdivision approvals.

The Landscaping and Lighting Act of 1972 requires an annual update report to be prepared which includes the costs to maintain the improvements of the Districts and what the proposed assessments will be to provide for that maintenance.

This first step in the annual update process is for the City Council to initiate the process by adopting a resolution ordering the City Engineer to prepare and file an Engineer's Report for the District.

ANALYSIS:

Funds must be provided to enable the District to continue operation during the 2016-2017 Fiscal Year. The Seabreeze Landscape Maintenance Assessment District encompasses 37 lots and a percolation lot (Lot 38) as illustrated on Exhibit "A" Map.

After the initiation of the update process and preparation of the update report, the City Council will be requested to adopt a resolution of intention to set a Public Hearing. Lastly, a Public Hearing will be held at a subsequent City Council meeting where the Assessment District is approved and confirmed, resulting in the adoption of a resolution confirming the levy of assessment pursuant to the provisions of the Landscape and Lighting Act of 1972 of Part 2 of Division 15 of the Streets and Highways Code of the State of California.

FISCAL IMPACT:

For Fiscal Year 2015-2016, a total budget of \$2,000 has been approved for the assessment engineering services needed for the Seabreeze Landscape Maintenance Assessment District.

CONCLUSION:

This request is submitted for City Council's approval.

Respectfully submitted,

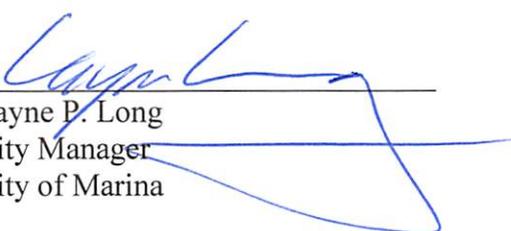


Edrie Delos Santos, P.E.
Senior Engineer, Engineering Division
Community Development Department
City of Marina

REVIEWED/CONCUR:

Nourdin Khayata, PE
Acting City Engineer
City of Marina

Thersea Szymanis, AICP CTP
Acting Director
Community Development Department
City of Marina



Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF CITY COUNCIL OF THE CITY OF MARINA
ORDERING THE ACTING CITY ENGINEER TO PREPARE AND TO FILE A
REPORT RELATED TO MAINTENANCE OF THE SEABREEZE
LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR FISCAL
YEAR 2016-2017

WHEREAS, at the regular meeting of June 4, 1996, the City Council adopted Resolution No. 1996-62, ordering the formation of the Seabreeze Landscape Maintenance Assessment District pursuant to Streets and Highway Code §22594 and the Landscaping and Lighting Act of 1972 to maintain certain improvements required of new development as a condition of the subdivision approvals, and;

WHEREAS, the Landscaping and Lighting Act of 1972 requires an annual update report to be prepared which includes the costs to maintain the improvements of the Seabreeze Landscape Maintenance Assessment District and what the proposed assessments will be to provide for that maintenance, and;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina that the City Council does order the Acting City Engineer to prepare and to file a report related to maintenance of the Seabreeze Landscape Maintenance Assessment District for Fiscal Year 2016-2017 in accordance with the provisions of the Landscaping and Lighting Act of 1972 (Pursuant to §22622 of the California Streets and Highway Code).

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Acting Deputy City Clerk

Boundary and Landscaped Area Map

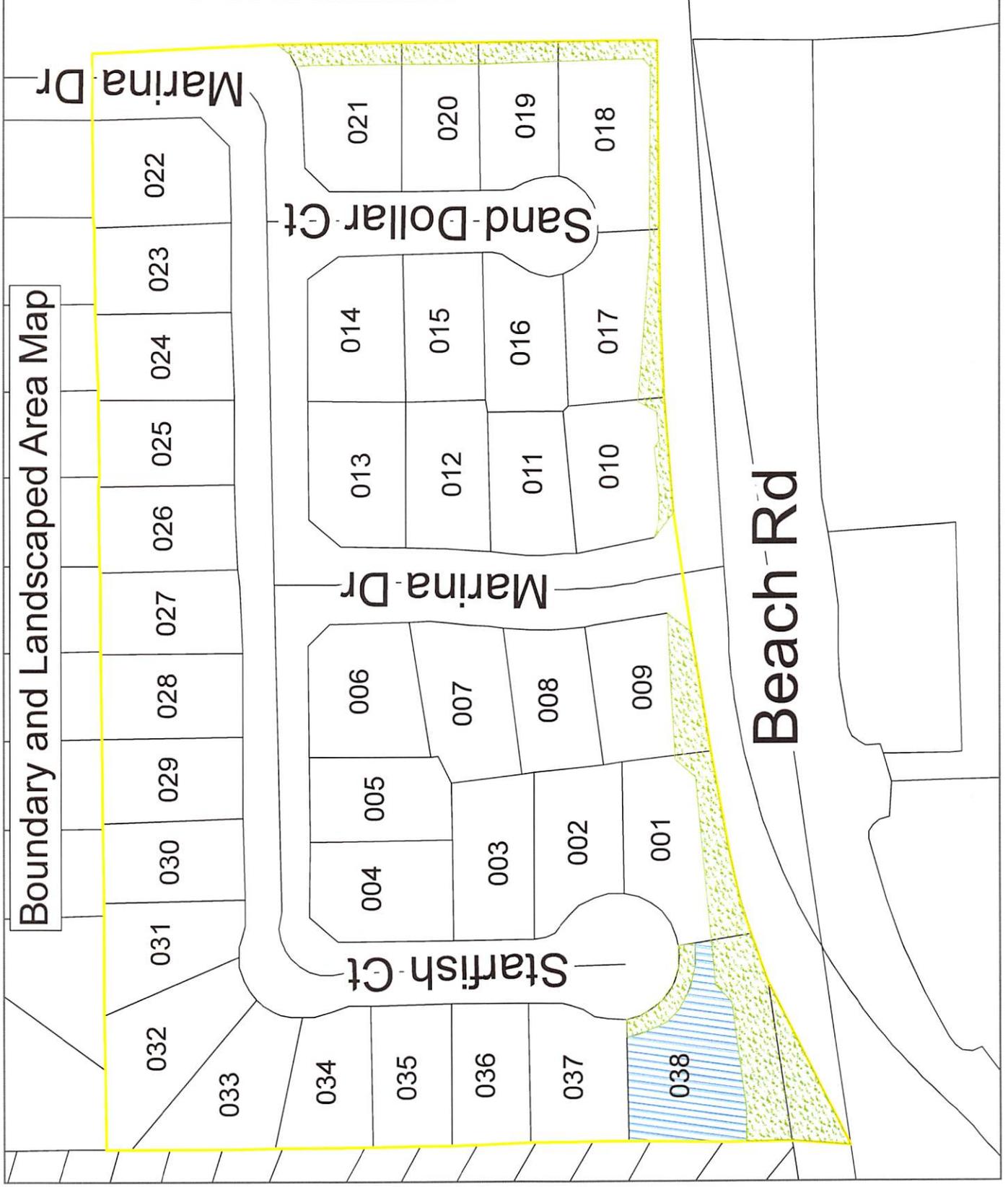


EXHIBIT A Seabreeze Landscape Maintenance District



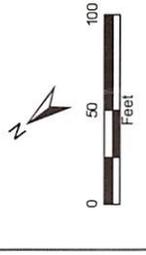
Legend

- Seabreeze** 
- Boundary** 
- Landscaped Area**  **20,470 SQ FT**
- Parcels** 
- Percolation Lot** 
- Roads** 

Date: April 15th, 2009

Notes: The City of Marina assumes no warranty or legal responsibility for the information contained on this map. Data and information represented on the map is subject to updates/modifications and may not be complete or appropriate for all purposes. The City of Marina and Monterey County GIS departments are not responsible for any errors or omissions. Parcel data is of mapping grade only and does not represent reliable locations or legal boundaries.

Sources: Monterey County GIS, City of Marina CDD
Map Projection: California State Plane Zone IV, NAD 83 (Feet)



February 12, 2016

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-
AUTHORIZING THE CITY MANAGER TO EXECUTE A SIDE LETTER
AGREEMENT BETWEEN THE CITY OF MARINA AND THE MARINA
EMPLOYEES ASSOCIATION AUTHORIZING ADJUSTMENTS TO CITY
COMPENSATION PLAN INCLUDING ADJUSTMENTS TO SALARY
AND HEALTH BENEFIT ALLOWANCE AND OTHER SPECIFIED
TERMS AND CONDITIONS OF EMPLOYMENT SPECIFIED IN THE
SIDE LETTER AND AUTHORIZING THE FINANCE DIRECTOR TO
MAKE APPROPRIATE BUDGET AND ACCOUNTING ENTRIES**

REQUEST:

It is recommended that the City Council consider:

1. Adopting Resolution No. 2016- authorizing the City Manager to execute a side letter agreement between the City of Marina and the Marina Employees Association, and;
2. Authorizing adjustments to City Compensation Plan including adjustments to the salary schedule, health benefit allowance and other specified terms and conditions of employment specified in the Side Letter, and;
3. Authorizing Finance Director to make appropriate accounting and budgetary entries.

BACKGROUND:

The City of Marina and the Marina Employees Association have met and conferred and have reached a tentative agreement to a Side Letter amending the current Memorandum of Understanding between the City of Marina and the Marina Employees Association.

The City of Marina and the Marina Employees Association are also working on compiling all previous Memorandum of Understandings, Side Letters and Addendums into a comprehensive Memorandum of Understanding. When compiled this comprehensive Memorandum of Understanding will be brought back to the City Council for approval.

ANALYSIS:

The attached Side Letter (Exhibit A) extends the current Memorandum of Understanding through June 30, 2017. The parties have agreed to the following terms and conditions of employment:

1. Term
 - a. Expires June 30, 2017
2. PERS Retirement (Employee PERS contribution)

- a. Bargaining unit "Classic employees" shall pay the remaining entire employee contribution towards PERS (3.5%). Effective in the pay period in which the "Classic employee" full employee PERS contribution is shifted to the employee, the employee shall receive a 3.5% salary increase.
3. Salary
 - a. 1% salary increase effective January 1, 2015
 - b. 2% salary increase effective July 1, 2016
 4. Medical
 - a. Effective January 1, 2016 (or whenever the 2016 medical premiums went into effect) the City shall pay additional medical health insurance premium per month as follows:

i. Employee only:	\$50
ii. Employee + 1:	\$100
iii. Employee + family:	\$130
 - b. Effective January 1, 2017 (or whenever the 2017 medical premiums go into effect) the City shall pay additional medical health insurance premium per month as follows:

i. Employee only:	\$50
ii. Employee + 1:	\$75
iii. Employee + family:	\$100
 5. All other terms and conditions of employment contained in the parties MOU, side letters and amendments shall remain in effect.

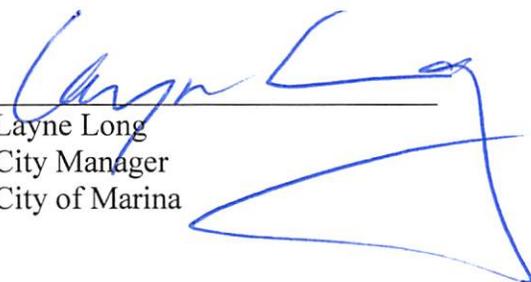
FISCAL IMPACT:

The estimated fiscal impact for the two year agreement is approximately \$185,000.

CONCLUSION:

This request is submitted for City Council approval.

Respectfully submitted,



Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING A SIDE LETTER AGREEMENT AMENDING THE EXISTING MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF MARINA AND THE MARINA EMPLOYEES ASSOCIATION (MEA) AND AUTHORIZE CITY MANAGER TO EXECUTE SIDE LETTER AGREEMENT ON BEHALF OF CITY.

WHEREAS, the existing Memorandum of Understanding between the City of Marina and the Marina Employees Association has expired, and;

WHEREAS, the City of Marina and the Marina Employees Association have met and conferred and have reached a tentative agreement to approve a Side Letter amending the existing Memorandum of Understanding, and;

WHEREAS, the Side Letter (Exhibit A) amends the Compensation Plan and provides for adjustments to the salary schedule, health benefit allowance and other terms and conditions of employment, and;

WHEREAS, the City of Marina and the Marina Employees Association will be compiling all previous Memorandums of Understanding, Side Letters and Addendums into a comprehensive Memorandum of Understanding and will be bringing this back to the City Council for approval, and;

WHEREAS, the term of the new Memorandum of Understanding will expire on June 30, 2017, and;

WHEREAS, all other terms and conditions of employment contained in the parties previous Memorandum of Understanding, Side Letters and Addendums shall remain in effect, and;

WHEREAS, the estimated cost of all salary and benefit adjustments in the Side Letter is approximately \$185,000 over the term of the agreement, and;

WHEREAS, the cost of the proposed salary and benefit adjustments can be funded from on-going revenues from the General Fund.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Marina do hereby:

1. Authorize the City Manager to execute a Side Letter agreement between the City of Marina and the Marina Employees Association, and;
2. Authorize adjustments to City Compensation Plan including adjustments to the salary schedule, health benefit allowance and other specified terms and conditions of employment specified in the Side Letter, and;
3. Authorize the Finance Director to make appropriate accounting and budgetary entries.

PASSED AND ADOPTED, by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February, 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

SIDE LETTER OF AGREEMENT TO MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MARINA AND
MARINA EMPLOYEES ASSOCIATION
February 17, 2016

This Side Letter of Agreement is entered into by and between the City of Marina and the Marina Employees Association effective February 17, 2016 and shall extend the current MOU through June 30, 2017. The parties agree to the following Terms and Conditions:

1. Term
 - a. Expires June 30, 2017

2. PERS Retirement (Employee PERS contribution)
 - a. Bargaining unit "Classic employees" shall pay the remaining entire employee contribution towards PERS (3.5%). Effective in the pay period in which the "Classic employee" full employee PERS contribution is shifted to the employee, the employee shall receive a 3.5% salary increase.

3. Salary
 - a. 1% salary increase effective January 1, 2015
 - b. 2% salary increase effective July 1, 2016

4. Medical
 - a. Effective January 1, 2016 (or whenever the 2016 medical premiums went into effect) the City shall pay additional medical health insurance premium per month as follows:

i. Employee only:	\$50
ii. Employee + 1:	\$100
iii. Employee + family:	\$130
 - b. Effective January 1, 2017 (or whenever the 2017 medical premiums go into effect) the City shall pay additional medical health insurance premium per month as follows:

i. Employee only:	\$50
ii. Employee + 1:	\$75
iii. Employee + family:	\$100

5. All other terms and conditions of employment contained in the parties MOU, side letters and amendments shall remain in effect.

CITY OF MARINA

MARINA EMPLOYEES ASSOCIATION

By: _____

By: _____

Date: _____

Date: _____

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-
APPROVING AMENDMENT NO. 2 AMENDING SERVICES AND
EXTENDING THE AGREEMENT BETWEEN CITY OF MARINA AND
MANN URRUTIA NELSON CPA OF SACRAMENTO, CALIFORNIA,
FOR INDEPENDENT AUDITOR SERVICES, AUTHORIZING
SUBSEQUENT MINOR CHANGES IF NECESSARY WITH CITY
ATTORNEY APPROVAL, AUTHORIZING CITY MANAGER TO
EXECUTE AGREEMENT ON BEHALF OF CITY SUBJECT TO FINAL
REVIEW AND APPROVAL BY THE CITY ATTORNEY, AND
AUTHORIZE THE FINANCE DIRECTOR TO MAKE THE NECESSARY
ACCOUNTING AND BUDGETARY ENTRIES**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016- approving amendment no. 2 amending services and extending agreement between the City of Marina and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services,
2. Authorize subsequent minor changes if necessary with City Attorney approval, and;
3. Authorize City Manager to execute agreement amendment on behalf of City subject to final review and approval by the City Attorney, and;
4. Authorize the Finance Director to make the necessary accounting and budgetary entries.

BACKGROUND:

On May 17, 2011, the City Council and Agency Board adopted Resolutions 2011-83 and 2011-14 MRA, respectively, approving agreement between the City of Marina, Marina Redevelopment Agency and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services. On October 15, 2013, the Council adopted Resolution 2013-145, amending the contract to extend services.

ANALYSIS:

Given the new financial, human resources and payroll systems implementation in 2015, it would be effective for the current auditors Mann Urrutia Nelson CPA firm ("MANN") to conduct the financial audits. They have an in-depth knowledge of the City's financial reporting and procedures, and would be most prepared to conduct this audit. Exhibit A of the agreement is amended to reflect MANN preparation of the financial statements. Exhibit B of the agreement is amended to reflect the additional service period and compensation. With the above, MANN audit service fees remain less than other costs proposals received in the 2011 bid process.

FISCAL IMPACT:

Should the City Council approve this request, the total fixed fee (including out-of-pocket expense) for performing the audit engagement are as follows:

	FY15/16	FY16/17	FY17/18	FY18/19
Audit of the Financial Statements for the City *	\$29,080	\$34,800	\$34,800	\$34,800
Single Audit	\$1,200	\$1,200	\$1,200	\$1,200
Audit of the Financial Statements of the Successor Agency to the Marina Redevelopment Agency	\$1,500	\$1,500	\$1,500	\$1,500
Audit of the Financial Statements for Abrams Park **	\$0	\$6,150	\$0	\$6,150
Audit of the Financial Statements for Preston Park **	N/A	\$6,150	N/A	\$6,150
Total All Inclusive Maximum Price	\$31,780	\$49,800	\$37,500	\$49,800

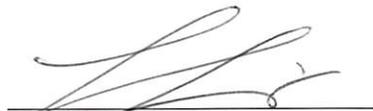
* It is understood that Mann, Urrutia, Nelson CPAs will prepare City financial statements including footnotes.

** It is understood that Mann, Urrutia, Nelson CPAs will prepare and issue special-purpose financial statements for Abrams park and Preston Park per the required 24-month audit cycles.

All other aspects of this Agreement will remain unchanged.

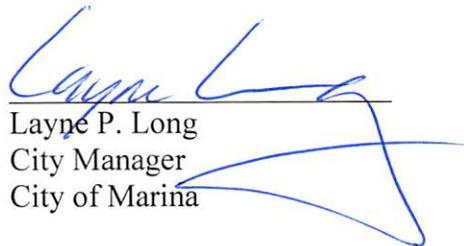
CONCLUSION:

This request is submitted for City Council consideration and possible action.



Lauren Lai, CPA
Finance Director
City of Marina

REVIEWED/CONCUR:



Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2013-145

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
APPROVING AMENDMENT NO. 1 EXTENDING THE AGREEMENT BETWEEN CITY OF
MARINA AND MANN URRUTIA NELSON CPA OF SACRAMENTO, CALIFORNIA, FOR
INDEPENDENT AUDITOR SERVICES, AUTHORIZING SUBSEQUENT MINOR
CHANGES IF NECESSARY WITH CITY ATTORNEY APPROVAL, AUTHORIZING CITY
MANAGER TO EXECUTE AGREEMENT ON BEHALF OF CITY SUBJECT TO FINAL
REVIEW AND APPROVAL BY THE CITY ATTORNEY AND AUTHORIZE THE
FINANCE DIRECTOR TO MAKE THE NECESSARY ACCOUNTING AND BUDGETARY
ENTRIES

WHEREAS, On May 17, 2011, the City Council and Agency Board adopted Resolutions 2011-83 and 2011-14 MRA, respectively, approving agreement between the City of Marina, Marina Redevelopment Agency and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services, and

WHEREAS, On October 15, 2013, the Council adopted Resolution 2013-145, amending the contract to extend services, and

WHEREAS, Given the new financial, human resources and payroll systems implementation in 2015, it would be effective for the current auditors Mann Urrutia Nelson CPA firm ("MANN") to conduct the financial audits, and

WHEREAS, Exhibit A of the agreement is amended to reflect MANN preparation of the financial statements, and

WHEREAS, Exhibit B of the agreement is amended to reflect the additional service period and compensation.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Marina do hereby:

1. Approve amendment no. 2 amending services and extending agreement between the City of Marina and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services (**EXHIBIT "A"**),
2. Authorize subsequent minor changes if necessary with City Attorney approval,
3. Authorize City Manager to execute agreement amendment on behalf of City subject to final review and approval by the City Attorney, and
4. Authorize the Finance Director to make the necessary accounting and budgetary entries.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

**AMENDMENT NO. 2
TO AGREEMENT FOR INDEPENDENT AUDIT SERVICES**

This Amendment no. 2 (“Amendment”) to the Agreement for Independent Audit Services (“Agreement”) by and between the City of Marina, a municipal corporation (“City”) and Mann, Urrutia, Nelson CPA., a professional corporation (“Auditors”) is made and entered into as of the ____ day of _____ 2016.

In consideration of the mutual promises contained herein, City and Auditors agree that the Terms and Conditions set forth herein are incorporated into the Agreement for Independent Audit Services between City and Auditors dated May 17, 2011, and later modified via Amendment No. 1. Only the provisions of the numbered sections of said Agreement which are being modified hereby are included in this Amendment, and all other terms and conditions of said Agreement shall remain unchanged.

Terms & Conditions

1. Exhibit A of the Agreement is hereby amended to include:
“10. Prepare City financial statements including footnotes.”
2. Exhibit B of the Agreement is hereby amended to include the additional service periods and compensation as follows:

EXHIBIT B-1 – Summary of the fixed fee (including out-of-pocket expense) for performing the audit engagement for the City of Marina:

FEES FOR SERVICES

	FY15/16	FY16/17	FY17/18	FY18/19
Audit of the Financial Statements for the City *	\$29,080	\$34,800	\$34,800	\$34,800
Single Audit	\$1,200	\$1,200	\$1,200	\$1,200
Audit of the Financial Statements of the Successor Agency to the Marina Redevelopment Agency	\$1,500	\$1,500	\$1,500	\$1,500
Audit of the Financial Statements for Abrams Park **	\$0	\$6,150	\$0	\$6,150
Audit of the Financial Statements for Preston Park **	N/A	\$6,150	N/A	\$6,150
Total All Inclusive Maximum Price	\$31,780	\$49,800	\$37,500	\$49,800

* It is understood that Mann, Urrutia, Nelson CPAs will prepare City financial statements.

** It is understood that Mann, Urrutia, Nelson CPAs will prepare and issue special-purpose financial statements for Abrams park and Preston Park per the required 24-month audit cycles.

All other aspects of this Agreement will remain unchanged.

IN WITNESS WHEREOF, Auditors and the City by their duly authorized representatives, have executed this Agreement on the date first set forth above at Marina, California.

CITY OF MARINA

MANN, URRITIA, NELSON, CPAS

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTEST: (Pursuant to Reso. 2016 - ____)

City Clerk

APPROVED AS TO FORM

City Attorney

RECEIVED

Risk Manager

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016- ,
AWARDING CONSTRUCTION CONTRACT TO GOLDEN BAY FENCE
PLUS IRON WORKS, INC., OF STOCKTON, CALIFORNIA, IN THE
AMOUNT OF \$978,824 IN ACCORDANCE WITH FEDERAL AVIATION
ADMINISTRATION (FAA) GRANT; ADOPTING RESOLUTION NO.
2016- , APPROVING A PROFESSIONAL SERVICES AGREEMENT
BETWEEN CITY OF MARINA AND TARTAGLIA ENGINEERING, OF
ATASCADERO, CALIFORNIA, IN THE AMOUNT OF \$245,000 FOR
PRELIMINARY ENGINEERING, ENGINEERING DESIGN,
CONSTRUCTION MANAGEMENT AND CONSTRUCTION
INSPECTION AND MATERIALS TESTING SERVICES;
AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY
ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING
CITY MANAGER TO EXECUTE CONSTRUCTION CONTRACT
DOCUMENTS, PROFESSIONAL SERVICES AGREEMENT
AMENDMENT AND ANY FURTHER REQUIRED GRANT
APPLICATION DOCUMENTS ON BEHALF OF THE CITY SUBJECT
TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016- , awarding construction contract to Golden Bay Fence Plus Iron Works, Inc., of Stockton, California, in amount of \$978,824 in accordance with the Federal Aviation Administration (FAA) grant, and;
2. Adopting Resolution No. 2016- , approving a professional services agreement between City of Marina and Tartaglia Engineering, of Atascadero, California, in amount of \$245,000 for preliminary engineering, surveying, engineering design, preparation of plans and specifications, bidding support, construction administration, inspection, construction surveying, and materials testing services, and;
4. Authorizing Finance Director to make necessary accounting and budgetary entries, and;
5. Authorizing City Manager to execute construction contract documents, professional services agreement and any further required grant application documents on behalf of the City, subject to final review and approval by City Attorney.

BACKGROUND:

At the regular meeting of February 3, 2015, the City Council adopted Resolution No. 2015-14, accepting and authorizing submission of the revised Ten (10) Year Capital Improvement Plan (CIP) for Caltrans Division of Aeronautics grant funded airport improvement projects, accepting and authorizing submission of the revised Five (5) Year Airport Capital Improvement Plan (ACIP) for Federal Aviation Administration (FAA) grant funded airport improvement projects, and authorizing submission of a grant application to FAA for the 2015 designated project – Fence Replacement, Phase 1, at Marina Municipal Airport, also known as Perimeter Security Upgrades.

The updated CIP and ACIP project lists represented to the City the priority of grants-eligible Airport Improvement Projects for 2016 through 2020; Fence Replacement, Phase 1, 2, and 3, were several of the projects described in each plan.

At the regular meeting of July 21, 2015, the City Council adopted Resolution No. 2015-90, accepting the construction contract documents, authorizing staff to proceed with the public bidding process, authorizing application for and acceptance of a revised federal grant based on bids received, authorizing application for and acceptance of a state match grant, and authorizing the City Manager to execute referenced grant applications for the 2015 designated project – Fence Replacement at Marina Municipal Airport.

At the regular meeting of September 1, 2015, the City Council adopted resolution No. 2015-105, receiving updated information regarding the 2015 designated Airport Improvement Program (AIP) project – Fence Replacement at the Marina Municipal Airport, and authorizing acceptance of a Federal Aviation Administration (FAA) grant in the amount of \$1,125,725, and authorizing staff to apply for and accept a State of California (Caltrans) match grant in the amount of up to \$56,286, and increasing appropriations in the FY 2015-16 Airport Enterprise Fund and Airport capital Project Fund budgets for the City participation in the amount of \$68,795, with a total City participation of up to \$125,081 in the event Caltrans does not fully participated and authorizing Finance Director to make necessary accounting and budgetary entries, and authorizing City Manager to execute the referenced grant application and grants.

Initially conceived as a three grant, three year construction effort, at the encouragement and support of the FAA, the entire fence replacement project was packaged with a base bid and one additive alternate bid schedule, intended to provide the greatest amount of flexibility in awarding the construction contract, based on available funds.

A total of three (3) bids were received from interested contractors. Through discussions with and concurrence from the FAA, staff recommends awarding the entire construction contract, being the base plus Additive Alternate Schedule A.

Bid Summary, Base Bid plus Additive Alternate A:

Fence Corp, Inc:	\$933,136.00
Golden Bay Fence Plus Iron Works, Inc:	\$978,824.00
Crusader Fence Co, Inc:	\$1,316,810.00
Engineer's Estimate:	\$679,475.00

During the course of review of bids received, and through consultation with and input from Counsel, it was determined that bids received reflect the current construction environment, with the additional cost over the engineers estimate related to challenges attributed to removal of existing fence and installation of new fence with concrete-encased fence post foundations all within the existing concrete aprons and that Fence Corp, Inc., did not meet the DBE participation requirement identified in the contract documents and, furthermore the firm failed to provide adequate, documented good faith effort in attempting to meet the goal.

The recommended contract, Base Bid plus additive Alternate Schedule A, will be between the City of Marina and Golden Bay Fence Plus Iron Works, Inc., of Stockton, California, in the amount of \$978,824.

ANALYSIS:

At three (3) feet high, the chain link perimeter fence at Marina Municipal Airport is substandard, presenting a possible security risk to facilities and aircraft at the airport. Replacing this fence with taller chain link fence with barb wire will help alleviate potential security problems.

Securing a federal grant and state matching grant presents a significant opportunity to address the potential perimeter security shortfall.

In support of a total project cost of \$1,250,806, the City has received a federal grant in the amount of \$1,125,725, representing a maximum of 90% of eligible charges, and the City has received a state match grant in the amount of \$56,286, representing a maximum of 5% of the federal grant amount.

Proposed improvements comply with the guidelines and requirements of the FAA Airport Improvement Program.

FISCAL IMPACT:

Should the City Council approve this request, the total project costs are anticipated to be \$1,243,824. Funding for the project includes a grant from the Federal Aviation Administration (FAA) in the amount of \$1,125,725, representing a maximum of 90% of eligible charges, to fund the airport perimeter fence replacement project, and a state match grant in the amount of \$56,286, representing a maximum of 5% of the federal grant amount and local matching funds from the Airport Enterprise Fund in the amount of \$68,795.

Further, Golden Bay Fence Plus Iron Works, would be awarded a construction contract in the amount of \$978,824, and Tartaglia Engineering would be awarded a professional services agreement in the amount of \$245,000.

The project funding sources and project costs are as follows:

Funding:

FAA Grant Funding (90% of eligible costs):	\$ 1,125,725
Caltrans Grant Match (5% of federal grant):	\$ 56,286
<u>City Airport Operating Fund (balance):</u>	<u>\$ 68,795</u>
Total Funding	\$ 1,250,806

Costs:

Golden Bay Fence Plus Iron Works:	\$ 978,824
Tartaglia Engineering:	\$ 245,000
<u>City Staff Administration:</u>	<u>\$ 20,000</u>
Total Project Cost:	\$ 1,243,824

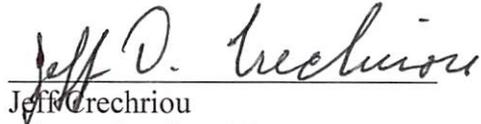
Funding exceeds costs by \$6,982, reflecting minor adjustments in both costs and secured funding while working through the process.

The adopted FY2015-16 Airport Capital Projects Fund 460, Fence Replacement Project #404, will be amended to increase revenue by \$270,806 and increase expenditures by \$263,824. The adopted FY 2015-16 Airport Operating Fund 555 budget would be amended to transfer \$68,795 to Airport CIP Fund 460, Fence Replacement Project #404. Actual revenues and expenditures will be recorded accordingly.

CONCLUSION:

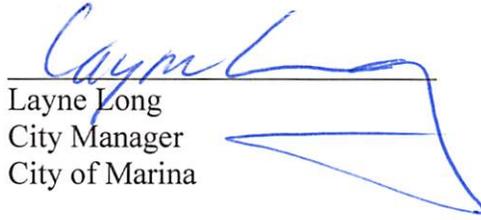
This request is submitted for City Council consideration and possible action.

Respectfully submitted,



Jeff Crechriou
Airport Services Manager
City of Marina

REVIEWED/CONCUR:



Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AWARDING CONSTRUCTION CONTRACT WITH GOLDEN BAY FENCE PLUS IRON WORKS, INC., OF STOCKTON, CALIFORNIA, IN THE AMOUNT OF \$978,824 IN ACCORDANCE WITH THE FEDERAL AVIATION ADMINISTRATION (FAA) GRANT, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER TO EXECUTE CONSTRUCTION CONTRACT DOCUMENTS, PROFESSIONAL SERVICES AGREEMENT AMENDMENT AND ANY FURTHER REQUIRED GRANT APPLICATION DOCUMENTS ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

WHEREAS, the existing airport perimeter fence does not meet current FAA requirements, and;

WHEREAS, at three (3) feet high, the chain link perimeter fence at Marina Municipal Airport is substandard, presenting a possible security risk to facilities and aircraft at the airport, and;

WHEREAS, replacing this fence with taller chain link fence with barb wire will help alleviate potential security problems, and;

WHEREAS, the City of Marina has received a grant offer from the Federal Aviation Administration (FAA), in the amount of \$1,125,725 to fund airport perimeter fence upgrades, and;

WHEREAS, the project was packaged with a base bid and one additive alternate bid schedule, intended to provide the greatest amount of flexibility in awarding the construction contract, based on available funds. A total of three bids were received from interested contractors. Through discussions with the FAA, staff recommends awarding the Base Bid plus Alternate Schedule A, and;

WHEREAS, the recommended contract, the base bid plus additive alternate schedule "A", will be between the City of Marina and Golden Bay Fence Plus Iron Works, Inc., of Stockton, California, in the amount of \$978,824, and;

WHEREAS, the total project costs are anticipated to be \$1,243,824. Funding for the project includes a grant from the Federal Aviation Administration (FAA) in the amount of \$1,125,725, representing a maximum of 90% of eligible charges, to fund the airport perimeter fence replacement project, and a state match grant in the amount of \$56,286, representing a maximum of 5% of the federal grant amount and local matching funds from the Airport Enterprise Fund in the amount of \$68,795.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Award construction contract with Golden Bay Fence Plus Iron Works, Inc., of Stockton, California, in the amount of \$978,824 in accordance with the Federal Aviation Administration (FAA) grant, and;
2. Authorize Finance Director to make necessary accounting and budgetary entries as necessary, and;
3. Authorize City Manager to execute construction contract documents, professional services agreement and any further grant application documents on behalf of the City, subject to final review and approval by City Attorney.

Resolution No. 2016-
Page Two

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016, by the following vote:

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

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING A PROFESSIONAL SERVICES AGREEMENT BETWEEN CITY OF MARINA AND TARTAGLIA ENGINEERING, OF ATASCADERO, CALIFORNIA, IN AMOUNT OF \$245,000 FOR PRELIMINARY ENGINEERING, ENGINEERING DESIGN, PREPARATION OF PLANS AND SPECIFICATIONS, CONSTRUCTION ADMINISTRATION, INSPECTION, SURVEYING, AND MATERIALS TESTING SERVICES, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER TO EXECUTE CONSTRUCTION CONTRACT DOCUMENTS, PROFESSIONAL SERVICES AGREEMENT AMENDMENT AND ANY FURTHER REQUIRED GRANT APPLICATION DOCUMENTS ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

WHEREAS, the City of Marina has received a grant offer from the Federal Aviation Administration (FAA), in the amount of \$1,125,725 to fund airport perimeter fence upgrades, and;

WHEREAS, Tartaglia Engineering will be awarded a contract in the amount of \$245,000 for preliminary engineering, engineering design, preparation of plans and specifications, construction administration, inspection, surveying and materials testing services Amendment #1 to its existing agreement, and;

WHEREAS, in 2011, the City concluded approving selection and ranking of professional engineering and consultant services for future capital improvement projects at the Marina Municipal Airport. Tartaglia Engineering was determined well qualified and ranked no. 1 for engineering firms, and;

WHEREAS, the total project costs are anticipated to be \$1,243,824. Funding for the project includes a grant from the Federal Aviation Administration (FAA) in the amount of \$1,125,725, representing a maximum of 90% of eligible charges, to fund the airport perimeter fence replacement project, and a state match grant in the amount of \$56,286, representing a maximum of 5% of the federal grant amount and local matching funds from the Airport Enterprise Fund in the amount of \$68,795.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve the professional services agreement with Tartaglia Engineering, of Atascadero, California, in the amount of \$245,000 for preliminary engineering, engineering design, preparation of plans and specifications, construction administration, inspection, surveying, and materials testing services, and;
2. Authorize Finance Director to make necessary accounting and budgetary entries as necessary, and;
3. Authorize City Manager to execute contract documents, agreement amendment and grant application documents on behalf of the City, subject to final review and approval by City Attorney.

Resolution No. 2016-
Page Two

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016, by the following vote:

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

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

February 8, 2016

Item No. 8 g.(3)

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2015-,
APPROVING AMENDMENT NO. 3 TO AGREEMENT BETWEEN CITY
OF MARINA AND NEW IMAGE LANDSCAPE COMPANY OF
FREMONT, CALIFORNIA, TO EXTEND THE CONTRACT
AGREEMENT TO THE END OF FISCAL YEAR 16/17 AND INCREASE
THE COMPENSATION TO THE CONTRACTOR BY \$660 AND
AUTHORIZE THE CITY MANAGER TO EXECUTE AMENDMENT NO.
3 ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND
APPROVAL BY THE CITY ATTORNEY**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-__, approving Amendment No. 3 to the Agreement between City of Marina and New Image Landscape Company of Fremont, California, to extend the contract agreement to the end of Fiscal Year 16/17 and increase the compensation payable to the Contractor by \$660, and;
2. Authorize the City Manager to execute Amendment No. 3 on behalf of the City subject to final review and approval by City Attorney.

BACKGROUND:

At the regular meeting of February 20, 2008, the City Council adopted Resolution No. 2008-28, awarding the bid for landscape maintenance services at Locke-Paddon Park and the Marina Library to Commercial Environment Landscape (CEL) of Gilroy, California.

On August 6, 2013, the City provided a 30-day Notice of Termination of the Agreement with CEL per section 7 of the Contract Agreement. Since that time, the Public Works Division has provided nominal maintenance services till the time when a new maintenance contract could be provided.

At the special meeting of June 15, 2010, the City Council adopted Resolution No. 2012-164, determine that New Image Landscaping with a bid of \$17,520, is the lowest responsive and responsible bidder for the contract for landscape maintenance services and on that basis awards the contract for those services to New Image Landscaping of Fremont, California for the Monterey Bay Estates, Seabreeze, Marina Woods, and Cypress Cove II Landscape and Lighting Maintenance Districts and the Locke Paddon Community Facilities District and authorizing City Manager to execute the Agreement on behalf of City subject to final review and approval by the City Attorney.

At the regular meeting of August 6, 2014, the City Council adopted Resolution No. 2014-90, approving Amendment No. 1 to the Agreement between City of Marina and New Image Landscape

Company of Fremont, California, to extend the amended contract two years and decrease the compensation payable to the Contractor by \$3,240.00.

At the regular meeting of October 21, 2014, the City Council adopted Resolution No. 2014-113, approving Amendment No. 2 to the Agreement between City of Marina and New Image Landscape Company of Fremont, California, to increase the compensation payable to the Contractor by \$6,540 for landscape maintenance of the Marina Branch Library.

ANALYSIS:

The scope of work for the landscape maintenance services includes three Landscape Maintenance Districts, one Community Facility District and the Marina Branch Library. The current amended contract expired on June 30, 2016.

To continue with the reduced costs of Monterey Bay Estates and the forecasted budget approved for Fiscal Year 2015/16, staff recommends extending the Agreement with New Image Landscape Company for one year in conformance with section A2.20 of the contract specifications, which reads as follows:

A2.20 Extension of Contract

This Agreement may be extended upon written agreement of both parties. Contractor requesting a price increase tied to the SF/Bay Area Consumer Price Index (CPI) may be required to prepare a written schedule for the price increase, which shall be approved by the City and made a part of A3 - Proposal Form.

The proposed Amendment No. 3 would extend the contract expiration to June 30, 2017 (“EXHIBIT A”). The contract costs will increase by the approved CPI as detailed below.

FISCAL IMPACT:

Should the City Council approve this request, the total compensation payable to New Image Landscape Company under the Agreement would be increased by \$660 to an annual total of \$21,480 (\$1,790 per month).

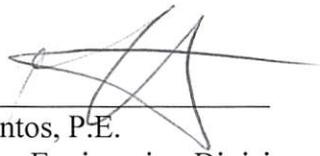
The increases to each individual account per month shall be as follows:

City of Marina - CPI Increase - 2016	Current	Amend. No. 3
1. Cypress Cove II LMD	\$ 430	\$ 445
2. Seabreeze LMD	\$ 175	\$ 180
3. Monterey Bay Estates LMD	\$ 380	\$ 390
4. Locke-Paddon CFD	\$ 205	\$ 210
5. Marina Branch Library	\$ 545	\$ 565
	\$ 1,735	\$ 1,790

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

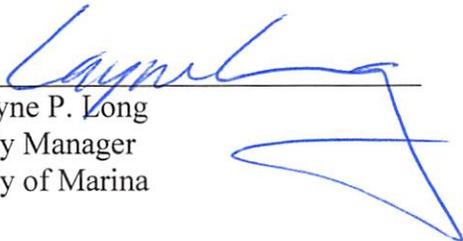


Edrie Delos Santos, P.E.
Senior Engineer, Engineering Division
Community Development Department
City of Marina

REVIEWED/CONCUR:

Nourdin Khayata, PE
Acting City Engineer
City of Marina

Theresa Szymanis, AICP CTP
Acting Director
Community Development Department
City of Marina



Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING AMENDMENT NO. 3 TO AGREEMENT BETWEEN THE CITY OF MARINA AND NEW IMAGE LANDSCAPE COMPANY OF GILROY, CALIFORNIA, TO EXTEND THE CONTRACT AGREEMENT TO THE END OF FISCAL YEAR 16/17 AND INCREASE THE COMPENSATION TO THE CONTRACTOR BY \$660 AND AUTHORIZE THE CITY MANAGER TO EXECUTE AMENDMENT NO. 3 ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, at the regular meeting of February 20, 2008, the City Council adopted Resolution No. 2008-28, awarding the bid for landscape maintenance services at Locke-Paddon Park and the Marina Library to Commercial Environment Landscape (CEL) of Gilroy, California, and;

WHEREAS, on August 6, 2013, the City provided a 30-day Notice of Termination of the Agreement with CEL per section 7 of the Contract Agreement. Since that time, the Public Works Division has provided nominal maintenance services till the time when a new maintenance contract could be provided, and;

WHEREAS, at the special meeting of June 15, 2010, the City Council adopted Resolution No. 2012-164, determine that New Image Landscaping with a bid of \$17,520, is the lowest responsive and responsible bidder for the contract for landscape maintenance services and on that basis awards the contract for those services to New Image Landscaping of Fremont, California for the Monterey Bay Estates, Seabreeze, Marina Woods, and Cypress Cove II Landscape and Lighting Maintenance Districts and the Locke Paddon Community Facilities District and authorizing City Manager to execute the Agreement on behalf of City subject to final review and approval by the City Attorney, and;

WHEREAS, at the regular meeting of August 6, 2014, the City Council adopted Resolution No. 2014-90, approving Amendment No. 1 to the Agreement between City of Marina and New Image Landscape Company of Fremont, California, to extend the amended contract two years and decrease the compensation payable to the Contractor by \$3,240.00, and;

WHEREAS, at the regular meeting of October 21, 2014, the City Council adopted Resolution No. 2014-113, approving Amendment No. 2 to the Agreement between City of Marina and New Image Landscape Company of Fremont, California, to increase the compensation payable to the Contractor by \$6,540 for landscape maintenance of the Marina Branch Library, and;

WHEREAS, the scope of work for the landscape maintenance services includes three Landscape Maintenance Districts, one Community Facility District and the Marina Branch Library. The current amended contract expired on June 30, 2016, and;

WHEREAS, to continue with the reduced costs of Monterey Bay Estates and the forecasted budget approved for Fiscal Year 2015/16, staff recommends extending the Agreement with New Image Landscape Company to the end of Fiscal Year 16/17 in conformance with section A2.20 of the contract specifications, and;

WHEREAS, should the City Council approve this request, the total compensation payable to New Image Landscape Company under the Agreement would be increased by \$660 to an annual total of \$21,480 (\$1,790 per month).

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve Amendment No. 3 to the Agreement between City of Marina and New Image Landscape Company of Fremont, California, to extend the contract agreement to the end of Fiscal Year 16/17 and increase the compensation payable to the Contractor by \$660, and;
2. Authorize the City Manager to execute Agreement Amendment No. 3 on behalf of the City subject to final review and approval by the City Attorney.

PASSED AND ADOPTED, by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Acting Deputy City Clerk

**AMENDMENT NO. 3
TO AGREEMENT FOR LANDSCAPE MAINTENANCE DISTRICTS
LANDSCAPE MAINTENANCE SERVICES PROJECT**

This Amendment No. 3 ("Amendment No. 3") to the Agreement for Landscape Maintenance Districts Landscape Maintenance Services Project by and between the City of Marina, a California charter city, hereinafter referred to as "City," and New Image Landscape Company, of Fremont, California, hereinafter referred to as "Contractor" is made and entered into as of the _____ day of _____ 2016.

In consideration of the mutual promises contained herein, City and Contractor agree that the Terms and Conditions set forth herein are incorporated into the Agreement for Landscape Maintenance Services between City and Contractor dated November 9, 2012 (the "Agreement") as amended on August 6, 2014 ("Amendment No. 1"), and as amended on November 21, 2014 ("Amendment No. 2). Only the provisions of the numbered sections of said Agreement which are being modified hereby are included in this Amendment No. 3, and all other terms and conditions of said Agreement shall remain unchanged.

1. The Third Section of the Agreement is replaced in its entirety to read as follows:

"THIRD: That said Contractor, from and after the date of Amendment No. 3, agrees to receive and accept the following price as full compensation for furnishing all materials and for doing all the work embraced and contemplated in this Agreement and as set forth below, also, for all loss or damage arising out of the nature of said work, or from the action of the elements or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until the acceptance thereof by the City of Marina and for all risk connected with the work, and for well and faithfully completing the work, and the whole thereof, in the manner and according to the said Plans and Specifications and the provisions of this Agreement, and the requirements of the Engineer under them, to wit: The price as set forth below for the work to be constructed and completed under this Agreement.

Twenty One Thousand Four Hundred Eighty Dollars per Year

(\$ 21,480.00)

Payable at the rate of

One Thousand Seven Hundred and Ninety Dollars per Month

(\$1,790.00)

Unless otherwise provided, the term of this Agreement shall begin on the date of its full execution and shall expire on June 30, 2017, unless extended by amendment or terminated earlier as provided in the City of Marina Specifications for the Landscape Maintenance Services.

All other aspects of the Agreement will remain unchanged.

EXHIBIT A

IN WITNESS WHEREOF, Contractor and the City by their duly authorized representatives, have executed this Amendment No. 3 on the date first set forth above at Marina, California.

CITY OF MARINA

CONTRACTOR

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

By: _____

City Clerk

Approved as to form:

By: _____

City Attorney

February 17, 2016

Item No. 11 a

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
ISSUING A NOTICE OF COMPLIANCE BY CYPRESS MARINA
HEIGHTS, LP RELATED TO THE DEVELOPMENT AGREEMENT FOR
THE MARINA HEIGHTS PROJECT**

**CITY COUNCIL ACTING BOTH ON BEHALF OF THE SUCCESSOR
AGENCY TO THE MARINA REDEVELOPMENT AGENCY AND THE
CITY CONSIDER APPROVING DESIGNATING WATHEN CASTANOS
HOMES AS A PRE-APPROVED HOMEBUILDER PURSUANT TO THE
MARINA HEIGHTS OPTION AGREEMENT**

REQUEST:

It is recommended that the City Council:

1. Consider adopting Resolution No. 2016-, issuing a notice of compliance by Cypress Marina Heights, LP related to the Development Agreement for the Marina Heights Project.
2. Consider adopting Resolution No. 2016-, approving designating Wathen Castanos Homes as a Pre-Approved Homebuilder pursuant to the Marina Heights Option Agreement.

BACKGROUND:

The City of Marina and the Redevelopment Agency of the City of Marina and Cypress Marina Heights, L.P. ("Developer") entered into an Option Agreement dated November 14, 2002. The Option Agreement provided Cypress Marina Heights with the option to acquire a 248-acre site comprised of a portion of the Abrams Park and Upper Patton Park sections of the former Fort Ord. The Option Agreement stipulated the terms and conditions for development of the property. At the time the Option Agreement was entered into the City of Marina and the Developer entered into an initial statutory development agreement pursuant to Government Code Section 65864. The initial statutory development agreement was replaced by the final development agreement approved by the City Council on March 3, 2004 ("Development Agreement"). At the regular meeting of March 3, 2004, the City Council approved the Final Environmental Impact Report, General Plan Amendments, Zoning Ordinance and Map Amendments, Tentative Map, and Final Development Agreement for the Marina Heights Project.

The former Redevelopment Agency transferred the Property to the Developer in accordance with the Option Agreement terms in 2006. Upon dissolution of the Marina Redevelopment Agency in accordance with State law, the Option Agreement transferred to the Successor Agency to the Marina Redevelopment Agency. The City Council acts as the governing board of the Successor Agency.

The Final Development Agreement establishes the development rights for the Marina Heights project. The Final Development Agreement and the Option Agreement also address project timing

and fees. The Final Development Agreement and the Option Agreement include a Schedule of Benchmarks setting out the expected time frames for development of the property. The original Schedule of Benchmarks was amended by the First Implementation Agreement that was approved by the City Council in October 2007.

As required by the Tentative Map Conditions of Approval, at the regular meeting of September 9, 2004, the Planning Commission approved the Marina Heights Community Design Guidelines. The Design Guidelines contain concepts and specifications for the design of the housing units for the Marina Heights Project.

The project, as originally contemplated was to be developed in four phases. The 1,050 residential units contemplated for the property were to be developed as follows: Phase 2 comprised of 299 units, Phase 3 comprised of 295 units, Phase 4 comprised of 288 units, and Phase 5 comprised of 168 units. Phase 1 consists of the construction of major roads and utilities to support the four residential phases.

At the regular meeting of March 21, 2006, the City Council adopted Resolution No. 2006-56, approving the Phase 1 Final Map and a Subdivision Improvement Agreement for the major roads and utilities for the Marina Heights Project. At the regular meeting of September 6, 2006, the City Council adopted Resolution No. 2006-228, approving the Phase 2 Final Map and a Subdivision Improvement Agreement for the first 299 residential units for the Marina Heights Project.

After responding to and the settlement of litigation that delayed the project for eighteen (18) months, Marina Heights began construction in 2006 on Phase 1 and Phase 2 subdivision improvements. Cypress Marina Heights entered into negotiations with various homebuilders to construct the homes, but as the economy slowed down and eventually collapsed, all negotiations ceased. Cypress Marina Heights stopped construction on the Phase 1 and Phase 2 subdivision improvements that were approximately 80% complete. Although Cypress Marina Heights continued to reach out to homebuilders, due to the continued weak housing market, none of these transactions closed and the Phase 1 and Phase 2 subdivision improvements remain uncompleted at this time. As part of Cypress Marina Heights efforts to find homebuilders for the project, an amendment to the Option Agreement was proposed in 2008 to expand the list of Pre-Approved Builders from the original list of 4 homebuilder to include an additional 10 homebuilders. The City Council approved the Amendment to the Option Agreement in 2008.

The Developer is now in the process of negotiating with homebuilders for the first phase of residential construction. As part of those negotiations, the homebuilders have requested that the City provide estoppel certificates stating that there are no defaults under the Option Agreement or the Development Agreement. Both agreements call for the City to grant requested estoppel certificates within a limited time period. The Development Agreement, in accordance with the Government Code, requires an annual review of the Developer's compliance with the Development Agreement. Section 4.5 of the Development Agreement states that as part of the annual review of the Developer's compliance with the Development Agreement the City shall make a finding regarding whether the Developer is in good faith compliance with the Agreement and issue either a notice of compliance or a notice of non-compliance.

The Developer is negotiating with homebuilders, some of whom are not on the list of Pre-Approved Builders. The Developer has requested that Wathen Castanos be added to the list of Pre-Approved Homebuilders.

ANALYSIS:

Development Agreement Compliance.

The Development Agreement grants to the Developer vested rights to develop the project as contemplated in the Specific Plan and other City approvals for the project for the term of the Development Agreement. The Development Agreement expires on November 30, 2018. The Government Code provisions granting cities authority to enter into development agreements requires that cities periodically but at least once every 12 months, review the development agreement, at which time the applicant is to demonstrate good faith compliance with the requirements of the development agreement. The Marina Heights Development Agreement includes language consistent with the statute requiring an annual review of the Developer's compliance with the terms of the Agreement. If the Developer is found to be in compliance the City is to issue a notice of compliance. The City and the Developer completed the annual review of the Developer's compliance with the Development Agreement in the early years of the Agreement. However, once project construction stopped, the annual reviews also ceased.

The essential elements of the Development Agreement are that the Developer is required to develop the project consistent with the City approvals granted at or prior to the approval of the Development Agreement, the City is prohibited from applying any statutes or ordinances adopted after the approval of the Development Agreement to the project except in limited circumstances and the Developer is required to pay certain impact fees to the City as set out in the Agreement.

The Development Agreement does include the Schedule of Benchmarks for the development of the Project, as amended by the Implementation Agreement. The Development Agreement, at Section 2.6 provides that the "Developer shall use all commercially reasonable efforts to develop and construct the Project within the time frames shown in the Benchmarks, a listing of which is attached as Exhibit D." Section 2.6 goes on to state that if the Developer fails to perform within the time period set forth in the Schedule of Benchmarks, the City can declare the Developer in default but Developer shall not be default for as long as the Developer makes all reasonable efforts to diligently, continuously and in good faith work toward such performance. Thus the Development Agreement does not require that the Developer complete the Project in accordance with the timing set out in the Schedule of Benchmarks but rather requires that the Developer use commercially reasonable efforts to construct the Project within the timeframes.

The Developer has made significant efforts toward development of the Project including undertaking significant site work, the expenditure of substantial sums of money and negotiations with homebuilders. These efforts were proceeding until the economy slowed down and eventually came to a standstill. Although construction on the Project has essentially stopped since the worldwide economic meltdown, the Developer has continued to make efforts to attract homebuilders to the Project. Based on these efforts it appears that the Developer has made commercially reasonable efforts to develop the Project.

The Development Agreement also sets out the processing and impact fees to be paid by the Developer to the City. The fees to be charged to the Developer for processing building permits are frozen by the Development Agreement. The Development Agreement also makes clear that the fees that are required to be paid are due at the time of a building permit application. To date, Marina Heights is in compliance with all the fee payments for project costs as required by the Option Agreement and the Final Development Agreement. It should be noted that Cypress Marina Heights has made advanced payments to the City in the amount of \$804,566 for grading permits, subdivision improvement plan checks and inspections, and project management and

administrative costs. These advance payments are to be credited against future building permit fees as building permits are issued.

Based on a review of the Development Agreement and the Developer's efforts to develop and construct the Project, the Developer seems to be in good faith compliance with the terms of the Development Agreement and the City, in accordance with the Development Agreement, should issue a Notice of Compliance.

Inclusion of Wathen Castanos as Pre-Approved Homebuilder.

The Option Agreement includes a list of Pre-Approved Homebuilders that Cypress Marina Heights can transfer portions of the project. Under the terms of the Option Agreement and the Development Agreement, Cypress Marina Heights does not have to obtain the City or the Successor Agency's consent to a transfer to a Pre-Approved Homebuilder. The current list of Pre-Approved Homebuilders consists of John Laing Homes, Standard Pacific Homes, William Lyon Homes, Monterey Development Group, Richmond American, Centex Homes, Pulte Homes, Taylor Morrison, Warmington Homes, Lennar Homes, Toll Brothers, DR Horton, the Ryland Group and Phil Rafton. This list was compiled by the Developer in late 2008 and some of the homebuilders on the list are no longer active in the area.

The Developer has requested that the City and the Successor Agency add Wathen Castanos Homes to the list of Pre-Approved Homebuilders. The Developer has submitted the information attached as **Exhibit A** to demonstrate Wathen Castanos' comparability to the Pre-Approved Homebuilders. Wathen Castanos is a Central Valley company that has been developing homes since the late eighties. They have developed over 5,000 homes. They appear to have experience comparable to the homebuilders on the Pre-Approved Homebuilder list.

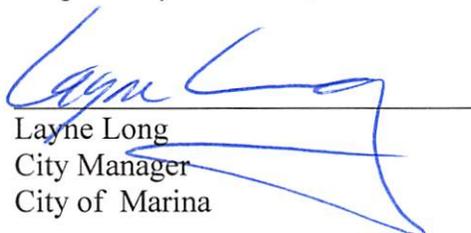
FISCAL IMPACT:

Development of the Project will increase the property tax available to the City thereby increasing general fund revenues. The Developer has advanced funds for some of the permit fees required to be paid as the homes develop. The City will be required to process approvals consistent with the Development Agreement and at least for the initial permits, the fees already paid will be credited to fees owed causing the City to expend funds for the processing without receiving funds in this fiscal year. Over time, if all of the homes are developed, the City will recover the costs associated with the permit processing, but there may be an initial cash shortfall as a result of the Developer's credit toward permit fees.

CONCLUSION:

The staff report is submitted for City Council review and possible direction.

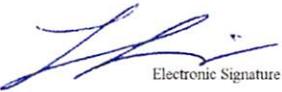
Respectfully submitted,


Layne Long
City Manager
City of Marina

SOURCE OF FUNDING:

None.

NOTED FOR FISCAL IMPACT:



Electronic Signature

Lauren Lai, CPA
Finance Director
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
ISSUING A NOTICE OF COMPLIANCE TO CYPRESS MARINA HEIGHTS, LP RELATED
TO THE DEVELOPMENT AGREEMENT REGARDING THE MARINA HEIGHTS
PROJECT

WHEREAS, The City of Marina and the Redevelopment Agency of the City of Marina and Cypress Marina Heights, L.P. entered into an Option Agreement dated November 14, 2002, and;

WHEREAS, At the regular meeting of March 4, 2004, the City Council adopted Ordinance No. 2004-06 adopting the Final Development Agreement for the Marina Heights Project, and;

WHEREAS, In accordance with the terms of the Final Development Agreement, the City is to conduct an annual review of the Developers good faith compliance with the Final Development Agreement; and

WHEREAS, the City has reviewed the Developer's actions and activities related to the development and construction of the Marina Heights Project and has determined that the Developer has demonstrated good faith compliance with the Final Development Agreement; and

WHEREAS, the staff report accompanying this resolution provides additional information on the Developer's good faith compliance with the Final Development Agreement;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina hereby:

1. Determines that Cypress Marina Heights, LP has demonstrated good faith compliance with the Final Development Agreement and the City Council directs the staff to issue a Notice of Compliance to the Developer as set forth in the Final Development Agreement

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the ____ day of _____ 2016, by the following vote:

AYES, COUNCIL MEMBERS:

NOES, COUNCIL MEMBERS:

ABSENT, COUNCIL MEMBERS:

ABSTAIN, COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, City Clerk

RESOLUTION NO 2016

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA ACTING ON
BEHALF OF THE CITY OF MARINA AND ON BEHALF OF THE SUCCESSOR AGENCY
TO THE MARINA REDEVELOPMENT AGENCY APPROVING DESIGNATING WATHEN
CASTANOS HOMES AS A PRE-APPROVED HOMEBUILDER FOR PURPOSES OF THE
OPTION AGREEMENT

WHEREAS, The City of Marina and the Redevelopment Agency of the City of Marina and Cypress Marina Heights, L.P. entered into an Option Agreement dated November 14, 2002, and;

WHEREAS, the Redevelopment Agency of the City of Marina was dissolved in accordance with State law effective February 1, 2012 and the Successor Agency succeeded to the former Redevelopment Agency's rights and obligations under the Option Agreement; and

WHEREAS, At the regular meeting of March 4, 2004, the City Council adopted Ordinance No. 2004-06 adopting the Final Development Agreement for the Marina Heights Project, and;

WHEREAS, the Option Agreement includes a list of homebuilders that are pre-approved transferees of the Developer's rights and obligations under the Option Agreement and the Final Development Agreement;; and

WHEREAS, Cypress Marina Heights has requested that Wathen Castanos Homes be added to the list of Pre-Approved Homebuilders; and

WHEREAS, the City and the Successor Agency have determined that Wathen Castanos is comparable to the Pre-Approved Homebuilders with respect to financial capability, experience, reputation, integrity, purchaser satisfaction and quality of design and construction.

NOW THEREFORE, BE IT RESOLVED BY THE City Council of the City of Marina acting on behalf of the City and the Successor Agency to the Marina Redevelopment Agency thereby

1. Determines that Wathen Castanos Homes is comparable to the Pre-Approved Homebuilders with respect to financial capability, experience, reputation, integrity, purchaser satisfaction and quality of design and construction.
2. Approves adding Wathen Castanos Homes to the list of Pre-Approved Homebuilders pursuant to the Option Agreement and Development Agreement.
- 3.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the ____ day of _____ 2016, by the following vote:

AYES, COUNCIL MEMBERS:

NOES, COUNCIL MEMBERS:

ABSENT, COUNCIL MEMBERS:

ABSTAIN, COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, City Clerk

January 29, 2016

City Manager
City of Marina As Successor Agency to the City's Redevelopment Agency
211 Hillcrest Ave.
Marina, CA 93933
Attn: Layne Long
Telephone: (831) 884-1224
Facsimile: (831) 384-9148

Re: Proposed Transfer to Homebuilder Not Listed on Exhibit I of Option Agreement

As you will recall, the November 2002 Option Agreement for the Marina Heights Project includes an Exhibit (Exhibit I) of Pre-Approved Builders for the Project. As noted in the Option Agreement, the City (as the Successor Agency) may approve additional home builders for the Project. I am writing you today to provide prior written notice of the proposed transfer to Wathen Castanos Homes and to request that Wathen Castanos Homes, which is not currently listed on Exhibit I, be approved as a home builder for the Project.

As discussed below, Wathen Castanos Homes is comparable to the Pre-Approved Builders with respect to financial capability, experience, reputation, integrity, purchaser satisfaction, and quality of design and construction.

Wathen Castanos Homes is a strong, regional builder and well-known in the industry. Wathen has proven itself as a profitable and prolific builder over several decades. In the past 30 years, Wathen has built 5,386 homes, and even continued building during the most recent economic recession. Recently, Wathen accomplished over 200 closings for \$45 million in 2012, 170 closings with \$51 million in revenue for 2013, and 260 closings for \$66 million in 2014. The company projected nearly 300 closings for \$60 million in closings for 2015.

Wathen Castanos Homes is working on projects along the Central Coast in San Luis Obispo, Arroyo Grande, Pismo Beach, and Paso Robles after it acquired Mangano Homes two years ago. Wathen also has strong roots in the Central Valley, including projects in Fresno, Clovis, Tulare, Hanford, and Visalia, described in more detail in the exhibits attached to this letter.

Wathen demonstrates the necessary experience, reputation, integrity, purchaser satisfaction, and quality of design and construction, as shown by numerous accolades. Successes include the 2011 & 2012 National Housing Quality Award and the 2011 National Energy Value Housing Award.

Based on the information above and pursuant to the Option Agreement, we request that the City provide us with written notice approving Wathen Castanos Homes as a home builder for the Project.

Sincerely,



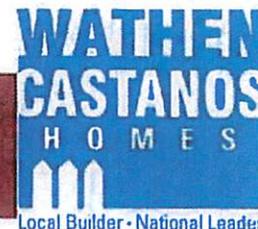
Charles R. Lande

EXECUTIVE MEMO

Wathen Castanos Homes' core strengths have revolved around being a tightly controlled and operated regional builder with strong branding, comprised of three generations of building quality. The Owners, Management Team and Trade Partners have remained consistent through good markets and tough times. They have weathered the storms of this industry building from as few as 173 homes to over 400 homes per year in the Central Valley of California.

Wathen Castanos Homes recently purchased Mangano Homes, another homebuilder that has the majority of their projects on the Central Coast, with a small presence in the Central Valley. This has enabled Wathen Castanos to create a Central Coast division and have an immediate pipeline of lots and relationships on the Central Coast. Mangano has had a successful history of acquiring, entitling and selling mapped or finished lots on the Central Coast and in the Central Valley. The owner of Mangano signed an ROFO for new projects and thereby created an opportunity for Wathen Castanos to expand its operations permanently on the Central Coast with the merging of two companies strengths: Wathen Castanos' production capabilities and homebuilding reputation, and Mangano's acquisition and entitlement of property on the Central Coast. This transaction was completed by the end of February 2014.

It is our desire to expand our funding for growth into existing markets and cities in the Central Valley, including Bakersfield to Fresno, and to capitalize on the properties that have come with the Mangano purchase in the Central Valley and on the Coast last year.



COMPANY PROFILE

Wathen Castanos Homes, Inc. is a third generation, high performance, green home-builder that started operations in 1983 as Heritage Homes, Inc. In 1986 the company came under the ownership of three partners: Kevin Castanos, Richard Wathen and Robert Mazmanian. In 1994 the company adopted the name Wathen-Castanos. Under the name Wathen Castanos Hybrid Homes (adopted in 2009), the company focused on the importance of green homes as a core strategy and built over 4500 homes in our community. Successes included 2011 & 2012 National Housing Quality Award Winner and 2011 National Energy Value Housing Award Winner. Passing the baton to Josh Peterson, Peter Castanos and Freddie Logue ushered in a new era of continued excellence with the rebranding of Wathen Castanos Homes. Along with the acquisition of Mangano Homes, Wathen Castanos' team of 55+ employees stands poised to grow strong in Central California while holding firm to foundational values. As 2015 draws to a close, we are set to meet our goals of over nearly 300 homes built.

The geographic areas focused on are the greater Central Coast, Fresno, Clovis, Tulare, Hanford, Visalia, and Lemoore metropolitan markets. Wathen Castanos Homes builds single-family, detached homes ranging from 1356 to 2949 square feet, with a price range of \$199,900 to \$535,000. The target markets are first time buyers (young professionals), move-up (growing families) and move-down buyers (empty nesters and age restricted) in the greater Fresno, Clovis, Central Coast and South Bay California area. We are a community builder that focuses on a high perceived market value with a strong regional brand name. We have planned, developed and built out several communities, including our award-winning master planned community, Harlan Ranch, that was comprised of 400 acres and 1,800 units.

Wathen Castanos Homes has proven itself as a profitable builder accomplishing 216 closings for \$45.5 million in 2012, 173 closings with \$51 million in revenue for 2013, and 265 closings for \$66.7 million in 2014. We are projecting 290 closings for \$60.3 million in closings in 2015, and being in the top 4-5 builders in permits for the Central Valley.

OWNERS' BIOS

Josh Peterson, President (Fresno, CA)

Josh grew up in Visalia, CA and attended Golden West High School. After high school, Josh enlisted in the United States Marine Corps. Josh spent four years in the Marines serving as an Infantryman and received an honorable discharge as a corporal. After serving in the US Marine Corps, he attended California State University, Fresno, where he graduated cum laude with a BS in Business Management with an emphasis in accounting and a minor in finance. After graduating from college Josh went to work for KPMG in Sacramento CA. When Josh moved back to Fresno he went to work for Deloitte & Touche. After what seemed many years in public accounting Josh took a Controller position with Dunmore Homes in their Central Valley Division. In 2007, he joined Wathen-Castanos, Inc. as their CFO and in 2009 was promoted to Executive Vice President/CFO. In 2014 he was offered the opportunity to become part owner and president which he enthusiastically accepted.



Josh currently serves as Wathen Castanos Homes' Real Estate Broker/Officer as well as a general contractor. He manages all land acquisition, project feasibility, entitlements and political endeavors. In addition, Josh manages all lending relationships, cash flow and business forecasting. January 1, 2015 Josh officially became the president of Wathen Castanos Homes. In addition to his continued management of land acquisition, development and business planning, Josh also manages operational efficiency and effectiveness, policy, corporate relations and company benchmarking.

He is also the president of the Harlan Ranch Homeowners Association and volunteers as a board member of the Bud Rank Soccer Club.

Josh has been married to his wife Cory for over fifteen years and they have three beautiful children Dylan, Alexis, and Chase. He enjoys coaching for his children's sports and is an avid fitness buff and outdoorsman.

Peter Castanos, Vice President (Fresno, CA)

Peter was born and raised in Fresno, California and attended San Joaquin Memorial High School. After his graduation from high school, Peter worked for Mansionette Homes where his uncles, Jack Wathen and Ron Wathen, taught him how to build homes. Shortly after earning his bachelor's degree from the University of California at Berkeley, Peter joined Wathen Castanos Homes where he continued his career in real estate in the capacity of new home sales. After a number of years helping valley residents with their new home searches, Peter took on the role of managing the company's sales and marketing responsibilities.



Peter's role as vice president of sales and marketing provides him with diverse responsibilities. He manages the company's new home sales for communities in the Central Valley and Central Coast. His responsibilities include producing sales for the company, hiring and training the sales team, managing mortgage lenders and escrows, overseeing the execution of purchase contracts, overseeing the design staff, managing the marketing team, creating company branding, project logos, and advertising and web design. Additionally, Peter also contributes his time toward project research, product design, competitive analysis and the review of current market values.

Peter serves as the president of the Serra Meadows Home Owners Association in San Luis Obispo as well as secretary of the Avalon Quarter Home Owners Association in Visalia.

Peter and his soul mate Monique were married in 1999 and recently celebrated their fifteenth wedding anniversary. Although he enjoys healthy living including hiking the Sierra Mountains and developing new home communities, Peter most values time spent with his wife and children: Ave Maria, Tasia and Wyland.

EXECUTIVE BIOS

Freddie Logue, Owner/Vice President of Construction (Fresno, CA)

Freddie's roots start in the small town of Chowchilla up the road from Fresno and he grew up in Madera until his family moved to Clovis in his teens. He enjoyed attending Sierra High School up in the mountains and continued to do so after the move to Clovis. Always more of a hand-on person than a scholar, Freddie tried school for a bit and moved on to odd jobs until twenty-five years ago he landed a laborer job at Wathen Castanos (then Heritage Homes).



From a humble beginning as a laborer within three years Freddie moved into customer service for a couple years and then back to construction as an assistant superintendent. He faithfully assisted for many years until he was given his first project: Virginia Commons. After successfully superintending that project he went on to superintend a number of projects and eventually became construction manager. After the span of four years and changes in management due to retirement and promotion, Freddie became the new director of construction. In 2014 Freddie was offered the opportunity to become part owner and vice president of construction which he accepted.

As vice president of construction Freddie manages all construction operations, including quality assurance at all job sites. Additionally, he oversees all areas of customer service, ensuring that the best care is given to new owners of Wathen Castanos homes. He also oversees all purchasing and a number of miscellaneous duties that demand his attention in and outside of the main office.

A born and bred Central Valley man, Freddie takes full advantage of hobbies offered in the area. He is an avid fisherman and will happily share big fish tales with anyone who asks. He finds time to hike in the mountains, taking his dog along. At any one time he has many projects going, the biggest one currently is restoring an old cabin up in the mountains near Shaver.

Freddie is a loyal family man, married for twenty years to his wife Lisa. They have one daughter, Taylor, who is currently enrolled in her first year at Willow International.

Mike Nimon, Central Coast President (San Luis Obispo, CA)

Mike Nimon is President of Mangano Homes in San Luis Obispo, California. Michael has been involved in the residential construction industry for over 33 years and has built homes, condos and apartments with public and private production builders in Colorado, Nevada and California. He has been involved with all levels of construction from hands-on to upper management, and he has a BS Degree in Construction Management.



The Company focuses on corporate strategies and missions directives, high performance home building, and a quality branding focused on excellence in home deliveries to customers.

Wathen Castanos Homes is a two-time award winner of 2011/2012 National Housing Quality Award, 2011 Gold Winner of EVHA Production Homes category for a ZEH Home, and 2011 EVHA's Builder of the Year for Energy Efficiency, as well as ranked #2 Nationally from Eliant in Sales Referrals. The Company builds all of its Homes with Energy Star products, 30% above California's Title 24, Green Point Rated-Build it Green Certified, and to a national RESNET HERS Score of 48-53. Mike serves on Green Point Rated Oversight Committee, NAHB Builders 20 Club, and a IBACOS Builder Alliance Participant.

Mike and his wife, Kathy, have two children Sherilee and Brandon. Mike is active with family, many energy sub-committees across the nation, and also serves as chairman of his church council at Riverpark Bible church.

COMPANY PROFILE

Mission and Values

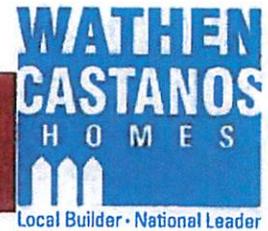
Our Mission

As a leading, quality homebuilder, Wathen Castanos seeks to meet high standards by treating customers with integrity, appreciation and respect. At the forefront of the industry we deliver what we promise, when we promise. As a company we are strongly committed to hiring excellent people and fostering an environment that demonstrates our appreciation for our quality employees and their families. Furthermore, we believe in sharing our profits and resources through giving back to our home communities to further fulfill our beliefs.

Our Values

The following Fundamental Values have been established to guide corporate decisions and behavior:

- Integrity
- Dedication to customer service
- Authorship in decisions
- Proactive mindset
- Teamwork and trust
- Continual improvement and follow-up processes



COMPANY PROFILE

PROJECTS BUILT BY WATHEN CASTANOS

Oak Run Visalia		Lots 60	2015—current
Serra Meadows	San Luis Obispo	Lots 176	2015—current
Fancher Creek Fresno	Phase 1 & 2	Lots 94	2014—current
292 North Visalia		Lots 24	2014—current
The Greens Lemoore		Lots 77	2014—current
Avalon Visalia		Lots 55	2014—current
Ashley Grove Visalia		Lots 48	2013—2015
Artisan		Lots 68	2013—2015
Legacy		Lots 9	2013—2015
Sagecrest Visalia		Lots 48	2013—2014
Sagecrest Lemoore		Lots 97	2013—2015
Sagecrest Hanford		Lots 38	2013—2015
Vintage - Paso Robles		Lots 60	2012 - 2014
Anniston Place - Lemoore		Lots 81	2012 - 2013
Copper Valley - Hanford		Lots 98	2012 - 2014
Forkner Crest - Fresno		Lots 36	2012 - 2013
Capri I, II, 52&HR		Lots 184	Built 2007—2011
Ivy Gate I, II, III		Lots 180	Built 2009
Foxton Chase		Lots 40	Built 2009-2010
Town & Country	1/2 at Harlan Ranch	Lots 447	Built 2002-2009
Skyview Crest	Viscaya & Dinuba	Lots 248	Built 2010-2012
European Collection		Lots 1249	Built 2001 - 2010
Buchanan Estates Cust.		Lots 660	Built 1997 - 2003
Sereno		Lots 132	Built 2001 - 2002
Fontana Delfino		Lots 109	Built 1996 - 1997
Wyndgate		Lots 18	Built 1994
Castlegate		Lots 66	Built 1995-1997
Harvest Park		Lots 117	Built 1994-1997
Northfield		Lots 5	Built 1996-1997
Quail Lake		Lots 73	Built 1997-1998
Virginia Commons		Lots 47	Built 1996-1998
Magnolia Court		Lots 58	Built 1995-1996
Glen Eagles		Lots 39	Built 1994-1996
Highlands I & II		Lots 136	Built 1993-1997
St. Michel		Lots 44	Built 1994
Breckenridge		Lots 68	Built 1992-1993
Chadsworth		Lots 56	Built 1992-1993
Montclair		Lots 188	Built 1991-1993
Villa Capri		Lots 153	Built 1990-1992
Landing & New Haven			Built 1985-1998
		Totals	5386

CLOSINGS BY YEAR:

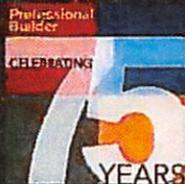
<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
107	150	202	388	410	343	353	269	184	188	194	177	206	173	265

Professional Builder®

Wathen Castanos: Two-Time NHQA Winner



The Wathen Castanos Hybrid Homes team with its trade partners. Executives in the front row are (l. to r.): Josh Peterson, CFO; Kevin J. Castanos, owner; Mike Nimon, president; Richard G. Wathen, owner; and Laura Mather, VP of marketing and communications.



October 2010

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WATHEN
CASTANOS
HYBRID HOMES

2011 National Housing Quality Awards

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Trends in Conservation Communities / 50

The team at Wathen Castanos Hybrid Homes, Inc., a 2011 NHO Award winner, at its Fresno-based headquarters

 **SGC HORIZON**
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A Long Lasting Builder Legacy

Wathen Castanos Hybrid Homes, Inc. continues to make a name for themselves as a green home builder with high-performance home values to last a lifetime.

By CARINA CALHOUN



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BUILDER AND DEVELOPER

The Management Resource for Professional Homebuilders Nationwide

Volume 24, Number 3



Issue No. 268



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GREEN ISSUE



Wathen Castanos Hybrid Homes Artisan at Harlan Ranch



TRI Pointe Homes



The B&D Interview with



*Richard Douglass,
Division President,
Ryland Homes,
Southern California*

Windows & Doors



*John Gumas
Shows Email
Marketing's
Potential*

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 17, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
RECEIVING FISCAL YEAR 2015-16 MID-YEAR FISCAL REPORT,
AUTHORIZING FINANCE DIRECTOR TO MAKE APPROPRIATE
ACCOUNTING AND BUDGETARY ENTRIES AND PROVIDE STAFF WITH
ANY FURTHER DIRECTION IN THE MATTER**

REQUEST:

It is requested the City Council consider:

1. Adopting Resolution No. 2016- receiving the Fiscal Year 2015-16 Mid-Year Fiscal Report;
2. Authorizing the City Manager to execute amendments to the financial system project in accordance with the above;
3. Authorizing Finance Director to make appropriate accounting and budgetary entries, and;
4. Provide staff with any further direction in the matter.

BACKGROUND:

The City adopted budget is an estimation of the City resources, revenues and expenditures for a fiscal year period, which is July 1st through June 30th. During the fiscal year, the City Council may authorize changes to the adopted budget. Furthermore, actual events may differ from the adopted budget estimates.

As such, after December 31st (six months of the fiscal year), a “mid-year” fiscal report is presented with updated financial estimations. Although the estimations are based upon thorough review of historical trends and third party expert data/advice, when available, these remain estimates and actual results may differ. This report reflects Council budget actions through February 2, 2016. This report focuses on the General Fund with other funds included to the extent budget adjustments are presented for Council consideration.

GENERAL FUND ANALYSIS:

The General Fund balance and revenues are higher in these estimates than the adopted FY15-16 budget. The structural budget remains in net positive position (see “on-going” column). Estimated fund balance remains strong at 36%.

FY15-16 ESTIMATED BUDGET

General Fund				
FY15-16 Budget	Total	On-Going	vs.	One-Time
Beginning Fund Balance	\$ 8,845,992			
Revenues	\$ 18,409,409	\$ 17,974,909		\$ 434,500
Less - Expenditures	\$ 19,295,322	\$ 17,427,888		\$ 1,867,434
Revenues Over/(Under) Expenditures	\$ (885,913)	\$ 547,021		\$ (1,432,934)
Ending Fund Balance	\$ 7,960,079		3.0%	

Estimated Combined Fund Balance

General Fund	\$ 7,960,079
Development Activity Fund 50	\$ (1,605,047)
General Fund, net of fund 50	\$ 6,355,032

36%

The table above summarizes the FY 2015-16 General Fund beginning fund balance of \$8.8 million, estimated revenues of \$18.4 million, estimated expenditures of \$19.3 million and estimated ending 6/30/16 fund balance of \$8 million. After the deduction of Development Activity Fund 50 negative balance of approximately \$1.6 million, the net General Fund available fund balance is approximately \$6.4 million.

Beginning General Fund Balance (7/1/2015) – The favorable beginning balance is a reflection of on-going fiscal stewardship, higher than expected revenues and continual cost management. FY2014-15 revenues were 6% (\$1M) higher than the final budget. The recovery economy yielded higher City tax revenues (+\$0.5M) and community development charges for services (+\$0.2M). FY2014-15 expenditures were 2.3% (\$0.4M) lower than the final budget.

Estimated Revenues – The estimated revenue of \$18.4 million includes stronger taxes of approximately \$0.7M for sales, TOT and property taxes. It excludes the delayed PW Corp Yard parcel sale. For further detail, see attachment.

FY15-16 Rollforward (Adopted to Estimated \$)

FY15/16 Gen Fund Budget	Revenues	On-Going	One-Time
Adopted	\$ 18,034,509	\$ 17,284,509	\$ 750,000
Mid-Year Updates	\$ 374,900	\$ 690,400	\$ (315,500)
Revised/Estimated Budget	\$ 18,409,409	\$ 17,974,909	\$ 434,500

Estimated Expenditures – The estimated expenditures of \$19.3 million includes higher one-time costs such as Preston Park acquisition & financing, Cinemark Agreement, emergency preparedness, vehicle acquisitions, and reimbursed grant costs. For further detail, see attachment.

FY15-16 Rollforward (Adopted to Estimated \$)

FY15/16 Gen Fund Budget	Expenditures	On-Going	One-Time
Adopted	\$ 17,773,588	\$ 17,039,588	\$ 734,000
Mid-Year Updates	\$ 1,521,734	\$ 388,300	\$ 1,133,434
Revised/Estimated Budget	\$ 19,295,322	\$ 17,427,888	\$ 1,867,434

As it pertains to the Marina Heights Development project, the Developer has advanced funds for some of the permit fees required to be paid as the homes develop. The City will be required to process approvals consistent with the Development Agreement and at least for the initial permits, the fees already paid will be credited to fees owed causing the City to expend funds for the processing without receiving funds in this fiscal year. Over time, if all of the homes are developed, the City will recover the costs associated with the permit processing, but there may be an initial cash shortfall as a result of the Developer’s credit toward permit fees. At the time of this staff report, approximately \$30k of engineering services is included but other costs cannot be determined at this time. We request the City Council authorize year-end budget and journal entries accordingly.

Estimated Ending General Fund Balance (6/30/2016) – The estimated ending General Fund balance is \$8 million. After the deduction of Development Activity Fund 50 negative balance of approximately \$1.6 million, the net General Fund available fund balance is approximately \$6.4 million (which the adopted budget assumed \$6.2 million).

OTHER FUND ANALYSIS – described to the extent budget adjustments are presented for Council consideration:

The mid-year budget amendments for other funds pertain to the Public Facility Impact Fee and City CIP Funds. For PFIF revenue is delayed for several projects, and City CIP revisions are for minor changes to the financial system project and funding a parks master plan for the Equestrian Center, Veteran’s Trail and Sports Complex. For further detail, see attachment.

In FY15/16 the City acquired Preston Park housing and completed two financing transactions. These transactions are very complex to record and as such, we request the City Council authorize year-end budget and journal entries accordingly.

FISCAL IMPACT:

Should the City Council accept this report and approve the budget amendments, the FY 2015-16 includes General Fund beginning fund balance of \$8.8 million, estimated revenues of \$18.4 million, estimated expenditures of \$19.3 million and estimated ending 6/30/16 fund balance of \$8. million. The estimated ending General Fund balance, net of Development Activity Fund 50, is approximately \$6.4 million.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,



Electronic Signature
Lauren Lai, CPA
Finance Director
City of Marina

REVIEWED/CONCUR:



Electronic Signature
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTOIN OF THE CITY COUNCIL OF THE CITY OF MARINA RECEIVING FISCAL YEAR 2015-16 MID-YEAR FISCAL REPORT, AUTHORIZING FINANCE DIRECTOR TO MAKE APPROPRIATE ACCOUNTING AND BUDGETARY ENTRIES AND PROVIDE STAFF WITH ANY FURTHER DIRECTION IN THE MATTER

WHEREAS, the Finance Director presented the FY2015-16 General Fund mid-year fiscal report, and;

WHEREAS, the FY2015-16 estimated revenues and expenditures were determined by the City Manager and Directors based upon historical information, third party resources,(if available), and anticipated activities for the remainder of the fiscal year, and;

WHEREAS, these are Staff's estimates during a dynamic economic climate and actual results will differ, and;

WHEREAS, this report focuses on the General Fund with other funds included to the extend budget adjustments are presented for Council consideration, and;

WHEREAS, after receipt of the FY2015-16 General Fund mid-year fiscal report (**EXHIBIT A**) and budget amendments (**ATTACHMENT 1 & 2**), the City Council wishes to authorize amendments accordingly .

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina does hereby:

1. Accept the fiscal year 2015-16 mid-year fiscal report;
2. Authorize the City Manager to execute amendments to the financial system project in accordance with the above,
3. Authorize the finance director to make necessary accounting and budgetary entries; and
4. Direct the finance director to post the necessary year-end budget and journal entries to resolve the Preston Park acquisition and financing.
5. Direct the finance director to post the necessary year-end budget and journal entries to resolve the Marina Heights Development project costs paid by the General Fund.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of February, 2016, by the following vote:

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

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

EXHIBIT A
FY15/16 MID-YEAR REPORT

FY15-16 ADOPTED BUDGET

General Fund

FY15-16 Budget	Total	On-Going	vs.	One-Time
Beginning Fund Balance	\$ 7,562,025			
Revenues	\$ 18,034,509	\$ 17,284,509	\$	750,000
Less - Expenditures	\$ 17,773,588	\$ 17,039,588	\$	734,000
Revenues Over/(Under) Expenditures	\$ 260,921	\$ 244,921	\$	16,000
Ending Fund Balance	\$ 7,822,946		1.4%	

Estimated Combined Fund Balance

General Fund	\$ 7,822,946
Development Activity Fund 50	\$ (1,605,047)
General Fund, net of fund 50	\$ 6,217,898

36%

FY15-16 ESTIMATED BUDGET

General Fund

FY15-16 Budget	Total	On-Going	vs.	One-Time
Beginning Fund Balance	\$ 8,845,992			
Revenues	\$ 18,409,409	\$ 17,974,909	\$	434,500
Less - Expenditures	\$ 19,295,322	\$ 17,427,888	\$	1,867,434
Revenues Over/(Under) Expenditures	\$ (885,913)	\$ 547,021	\$	(1,432,934)
Ending Fund Balance	\$ 7,960,079		3.0%	

Estimated Combined Fund Balance

General Fund	\$ 7,960,079
Development Activity Fund 50	\$ (1,605,047)
General Fund, net of fund 50	\$ 6,355,032

36%

FY15-16 Rollforward (Adopted to Estimated \$)

FY15/16 Gen Fund Budget	Revenues	On-Going	One-Time
Adopted	\$ 18,034,509	\$ 17,284,509	\$ 750,000
Mid-Year Updates	\$ 374,900	\$ 690,400	\$ (315,500)
Revised/Estimated Budget	\$ 18,409,409	\$ 17,974,909	\$ 434,500

FY15/16 Gen Fund Budget	Expenditures	On-Going	One-Time
Adopted	\$ 17,773,588	\$ 17,039,588	\$ 734,000
Mid-Year Updates	\$ 1,521,734	\$ 388,300	\$ 1,133,434
Revised/Estimated Budget	\$ 19,295,322	\$ 17,427,888	\$ 1,867,434

ATTACHMENT #1 - GENERAL FUND

**City of Marina
Budget Adjustments - FY15/16**

#	Fund #	Fund Description	Mid-Yr Adj	Description	Revenues		Expenditures	
					On-Going	One-Time	On-Going	One-Time
1	11	11-122 GF Non-Dept	X	TOT - 5% Estimate growth over FY14/15 (FY14/15 actual \$2.4M @5%+ = \$2.51M vs FY15/16 adopted budget \$2.2M)	\$ 272,200			
2	11	11-122 GF Non-Dept	X	Sales Tax - Measure F 1% (revision per HDL) (May 2015 est. \$2.6M vs Feb 2016 est. \$2.8M)	\$ 246,200			
3	11	11-122 GF Non-Dept	X	Sales Tax - Bradley Burns 1% (revision per HDL) (May 2015 est. \$2.184M vs Feb 2016 est. \$2.218M)	\$ 34,000			
4	11	11-141 GF Police	X	Sales Tax - Public Safety (Recent trend \$80k, FY15/16 Budget \$60k)	\$ 20,000			
5	11	11-122 GF Non-Dept	X	Property Tax (Secured & Unsecured)- Pre County, total FY15/16 levied \$2M, prior County guidance was 4%+ or FY15/16 adopted budget \$1.9M)	\$ 100,000			
6	11	11-122 GF Non-Dept	X	Property Tax in Lieu of VLF)- Revised to reflect Final State Allocation \$2.67M	\$ 18,000			
7	11	11-122 GF Non-Dept	X	Land Sale PW Corp Yard - \$600K unlikely this FY	\$ (600,000)			
8	11	11-161 GF Plan		Reso 2015-96 (8/5/15) Prof Svc - Monterey Penn Water Supply Project			\$ 21,360	\$ 21,360
9	11	11-141 GF Police		Reso 2015-99 (8/18/15) OTS Grant	\$ 60,000	\$ 60,000		\$ 60,000
10	11	11-141 GF Police		Reso 2015-100 (8/18/15) Temp. Police Ofcr (2 months w/o POB or WC)			\$ 22,000	\$ 22,000
11	11	11-122 GF Non-Dept		Reso. 2015-115 (10/6/15) City telephone sys			\$ 9,500	\$ 9,500
12	11	11-141 GF Police		Reso. 2015-127 (11/3/15) AVOID 18 Grant (FY15/16 adopted budget \$16k, Feb 2016 YTD Actual \$23k)	\$ 7,000	\$ 7,000		\$ 7,000
13	11	11-122 GF Transfer		Reso. 2015-128 (11/3/15) IT Stabilization Proj			\$ 38,622	\$ 38,622
14	11	11-122 GF Non-Dept		Reso. 2015-132 (11/17/15) Sports Complex & Comm Center Project			\$ 100,000	\$ 100,000
15	11	11-212 GF PW		Reso. 2015-137 (12/5/15) El Nino Emergency Preparedness (\$75k material & \$25k services)			\$ 100,000	\$ 100,000
16	11	11-112 GF CM		Reso. 2016-11 (1/20/16) City Manager employment amendment (estimated 6 month fiscal impact)			\$ 23,000	\$ 23,000
17	11	11-161 GF Plan		Reso. 2016-08 (1/20/16) Prof Svc - Affordable Housing Update (Veronica Tam & Associates) Total Contract \$75,326, Adopted FY15/16 Budget \$37,900)			\$ 37,426	\$ 37,426

ATTACHMENT #1 - GENERAL FUND

**City of Marina
Budget Adjustments - FY15/16**

#	Fund #	Fund Description	Mid-Yr Adj	Description	Revenues		Expenditures		Revenues		Expenditures	
					On-Going	One-Time	On-Going	One-Time	On-Going	One-Time		
18	11	11-141 & 181 GF Police & Recr		Reso. 2016-03 & 04 (1/5 & 1/12/16) Various employee classification compensation adjustments, including Police Chief & Recr Director (estimated 6 month fiscal impact, per staff report)			\$ 75,000		\$ 75,000			
19	11	11-141 GF Police		Reso. 2016-02 (1/5/16) 911 Dispatch Proj Study - Shared Services			\$ 9,026			\$ 9,026		
20	11	11-126 GF Convey		Prof Svc - Preston Park Acquisition & Financing (FY15/16 adopted budget \$80k, Feb 2016 YTD actual \$260k, FY15/16 estimate \$260k)			\$ 180,000			\$ 180,000		
21	11	11-122 GF Non-Dept	X	Debt Service - Interest (Preston Park Financing)			\$ 40,000			\$ 40,000		
22	11	11-112 GF CM	X	Prof Svc - Labor Negotiations			\$ 30,000			\$ 30,000		
23	11	11-Citywide Dept	X	Labor Negotiation (est. fiscal impact)			\$ 235,000			\$ 185,000	\$ 50,000	
24	11	11-112 GF CM		Prof Svc - Recruitment (CDD, PW Director & Sr Planning Svc Migr)			\$ 75,000			\$ 75,000		
25	11	11-145 GF Fire	X	State Mutual Aid - increase revenue and apply to staffing (\$200k) & services/supplies (\$18k)	\$ 217,500	\$ 217,500			\$ 217,500	\$ 217,500		
26	11	11-181 GF Recr	X	Staffing due to new State Legislation AB1522 and employees on FMLA leave			\$ 21,000			\$ 21,000		
27	11	11-181 GF Recr	X	Recreation Equipment Emergency repair and replacement			\$ 7,000			\$ 7,000		
28	11	11-141 GF Police	X	Police investigation - services & supplies			\$ 11,000			\$ 11,000		
29	11	11-141 GF Police	X	Police - Body Cameras			\$ 20,000			\$ 20,000		
30	11	11-122 GF Non-Dept	X	Info. Technology Support Services			\$ 50,000		\$ 50,000	\$ 50,000		
31	11	11-131 GF Finance	X	Financial Audit Services			\$ 5,000		\$ 5,000	\$ 5,000		
32	11	11-131 GF Finance	X	Finance Temp Services			\$ 20,000			\$ 20,000		
33	11	11-122 GF Non-Dept	X	Carry-forward prior year budget - telephone system			\$ 25,000			\$ 25,000		
34	11	11-211 GF Engr	X	MH Eng			\$ 33,000			\$ 33,000		
35	11	11-212 GF Bdg & Gr		PW Flag			\$ 800		\$ 800	\$ 800		
36	11	11-212 GF Bdg & Gr		Bdg Maint - Teen			\$ 3,000		\$ 3,000	\$ 3,000		
37	11	11-212 GF Bdg & Gr		Bdg Maint - PS			\$ 5,000		\$ 5,000	\$ 5,000		
38	11	11-161 GF Plan		Pln Ofc eq			\$ 500		\$ 500	\$ 500		
39	11	11-211 GF Bdg Insp		Bdg - Perm S/W			\$ 20,000			\$ 20,000		
40	11	11-213 GF Veh	X	Vehicle Service (FY15/16 adopted budget \$70k, Feb 2016 YTD actual \$50k, FY15/16 estimate \$90k)			\$ 20,000			\$ 20,000		
Grand Total - changes from Adopted Budget					\$ 374,900	\$ 1,521,734	\$ 690,400	\$ (315,500)	\$ 388,300	\$ 1,133,434		

**City of Marina
Budget Adjustments - FY15/16**

ATTACHMENT #1 - GENERAL FUND

#	Fund Description	Mid-Yr Adj	Description	Revenues		Expenditures		Revenues		Expenditures	
				Revenues	Expenditures	On-Going	One-Time	On-Going	One-Time		
Adopted Budget:											
	Land Sales - PW Corp Yard							\$	600,000		
	Sales Tax - end Triple Flip							\$	150,000		
	HVAC										\$ 20,000
	Fee Study										\$ 40,000
	Housing Element										\$ 25,000
	Security Camera										\$ 15,000
	Recreation System										\$ 30,000
	PW Truck										\$ 35,000
	PD Vehicles										\$ 289,000
	Fire Lexipol System										\$ 5,000
	Cinemark Agreement										\$ 275,000
	Grand Total - Adopted Budget			\$ 18,034,509	\$ 17,773,588	\$ 17,284,509	\$ 750,000	\$ 17,039,588	\$ 734,000		
	Grand Total - Estimated Budget			\$ 18,409,409	\$ 19,295,322	\$ 17,974,909	\$ 434,500	\$ 17,427,888	\$ 1,867,434		

**City of Marina
Budget Adjustments - FY15/16**

ATTCHMENT #2 -- "OTHER FUNDS"

Fund #	Fund Descr	Mid-Yr Adj	Description	Revenues	Expenditures
25	25-282 Eques		Reso. 2015-83 (7/14/15) Tree Services		\$ 16,740
25	25-282 NPS Eques		Reso. 2015-132 (11/17/15) Sports Complex & Comm Center Project		\$ 75,850
29	29-PFIF Roadway		Reso. 2015-147 (12/15/15) Prof Svc - Traffic Impact Analysis, Dunes Project. Use PFIF Roadway funding		\$ 66,450
29	29-PFIF	X	Defer Estimated Revenues into FY16/17 (for Marina Heights, Hampton and CHISPA)	\$ (2,419,000)	
29	29 - PFIF Parks	X	Parks Master Plan - Equest Center, Veteran Trail and Sports Complex (transfer-out)		\$ 50,000
55	Airport Ops		Reso 2015-105 (9/1/15) Airport Fence		\$ 14,795
55	55 Airport Ops		Reso. 2015-140 (12/15/15) Airport Charges for Service - Summer Madness Special Event	\$ 20,000	
55	55-300 Airport Ops		Reso. 2015-149 (12/15/15) Prof Svc - Airport Rent Study		\$ 21,500
60	60-404 Airport CIP		Reso 2015-105 (9/1/15) Airport Fence	\$ 14,795	
62	62-xxx CCIP	X	Parks Master Plan - Equest Center, Veteran Trail and Sports Complex (transfer-out)	\$ 50,000	\$ 50,000
62	62-xxx CCIP	X	NWS Contract and Professional Services (Analytics Tools and implementation services)	\$ 32,000	
62	62-xxx CCIP		Reso. 2015-121 (10/20/15) HCD Catalyst Grant	\$ 500,000	\$ 500,000
62	62-xxx CCIP		Reso. 2015-128 (11/3/15) IT Stabilization Proj (transfer-in)	\$ 38,622	\$ 38,622
62	62-xxx CCIP		Reso. 2015-132 (11/17/15) Sports Complex & Comm Center Project (Grant \$456,550, Transfer In \$175,850, Total Estimate \$632,400)	\$ 632,400	\$ 632,400
62	62-xxx CCIP		Reso. 2015-147 (12/15/15) Prof Svc - Traffic Impact Analysis, Dunes Project. Use PFIF Roadway funding	\$ 66,450	\$ 66,450
62	62-xxx CCIP		T129 Roundabout - PG&E Cost Reimbursement	\$ 49,750	\$ 49,750

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of February 2, 2016

CITY COUNCIL CONSIDER ADOPTING A RESOLUTION 2016-, (1) CHANGING THE TERM FOR ELECTION OF THE MAYOR TO FOUR (4) YEARS COMMENCING WITH THE 2018 ELECTION RESULTS; (2) PLACING THIS MATTER ON THE 2016 ELECTION BALLOT; (3) OR A SEPARATE OR DIFFERENT PROCESS FOR SELECTION OF THE MAYOR; (4) AND REQUEST THAT THE CITY STAFF AND/OR THE CITY ATTORNEY PROVIDE THE CITY COUNCIL WITH THE INFORMATION AND TIME SCHEDULE TO COMPLETE THIS PROCESS. (O'Connell)

REQUEST:

1. City Council consider adopting a resolution changing the term for election of the mayor to four (4) years commencing with the 2018 election results;
2. placing this matter on the 2016 election ballot; or
3. a separate or different process for selection of the mayor; and
4. request that the city staff and/or the city attorney provide the city council with the information and time schedule to complete this process.

BACKGROUND:

On March 4, 2014 Councilmember O'Connell had the following placed on the City Council agenda as agenda item 11b.

"City Council to discuss and consider taking the action that is necessary to make the Mayoral position: (a) four (4) year term commencing with the expiration of the mayor's two (2) year term that shall commence with the results of the certified election results of 2014. or (b) an appointed position of a council member made by the city council on a yearly basis in January following each November election. The City Council to provide staff with further direction on this matter." [O'Connell] *Step One of Two Step Process*"

At the City council meeting of March 4, 2014, the following motion was made, seconded and passed:

"MORTON/BROWN: TO PROCEED TO THE SECOND STEP to have consideration on whether the term for election of the mayor should be changed or should there be a separate or different process for selection of the mayor. 3-2(Amadeo, Delgado)-0-0 Motion Passes

Mayor Pro-Tem O'Connell requested a friendly amendment to add: *"and request that that the city staff and/or the city attorney provide us what the necessary steps would be and time schedule we would need to do this if in fact we decide when it comes back we want to do it."*

Council Member Morton – Accepted friendly amendment

Council Member Brown – Second holds

Final Motion

MORTON/BROWN: TO PROCEED TO THE SECOND STEP TO HAVE CONSIDERATION ON WHETHER THE TERM FOR ELECTION OF THE MAYOR SHOULD BE CHANGED OR SHOULD THERE BE A SEPARATE OR DIFFERENT PROCESS FOR SELECTION OF THE MAYOR; AND REQUEST THAT THAT THE CITY STAFF AND/OR THE CITY ATTORNEY PROVIDE US WHAT THE NECESSARY STEPS WOULD BE AND TIME SCHEDULE WE WOULD NEED TO DO THIS IF IN FACT WE DECIDE WHEN IT COMES BACK WE WANT TO DO IT. 3-2(Amadeo/Delgado)-0-0 Motion Passes”

The matter was brought back to the City Council as the second step on March 18, 2014. Pursuant to the motion that was made and passed on March 4, 2014, the city attorney’s office submitted an opinion letter (“**EXHIBIT A**”) as to the process and alternative approaches available to the City Council. At the City council meeting of March 18, 2014, Councilmember O’Connell pulled the matter from consideration by the City Council.

ANALYSIS:

The elected position of mayor is the most influential, and thus the most important position in Marina city government. He/She serves at many city functions as the spokesperson for the city. (ex.: annual tree lighting ceremony, ribbon cutting ceremony at Dunes housing, ribbon cutting ceremony at the movie theater).

Presently each city council member has a four (4) year term, but the mayor has a two (2) year term. This means that if an individual desires to be re-elected as mayor in the City of Marina he/she basically is on the “campaign trail” after the first year of being in office. This lessens the time available to the mayor to address city matters. It also adds to his/her work load in that he/she is seeking campaign contributions, votes and support instead of being able to devote all of his/her time to city matters.

The luxury that the elected city council members have is not available to the mayor. Each council member does not have to even consider re-election until the beginning of the fourth year of the respective term. The mayor has a one year term of dedicated service to the city and another year of dedication with campaigning for re-election. The second year campaigning reduces the otherwise strong efforts that help the city.

Most importantly is the possibility that every two years a totally new city council majority could be elected. This could result in three individuals who are unfamiliar with the matters facing the city. It also places an additional burden on the city manager and city attorney to educate new members as to the issues and processes. A four year mayoral position eliminates the possibility of this happening in the city elections every two years.

RECOMMENDATION:

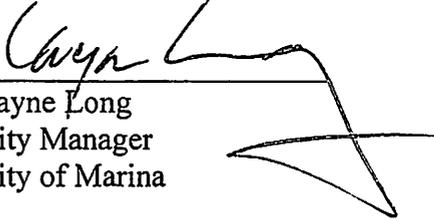
It is recommended that this City Council adopt a resolution placing this matter on the 2016 election ballot so that the Marina residents may decide whether or not the term of the mayor should be changed, or alternatively a different approach be enacted for the appointment/ election of the mayor.

FISCAL:

There will be an additional expense to the city for this matter to be placed on the election ballot. Since this is a general election there is no additional cost to the city that would have to be paid to the Monterey County Election Office.

Frank O'Connell

Marina City Councilmember

A handwritten signature in black ink, appearing to read "Layne Long". The signature is written in a cursive style with a large, sweeping flourish that extends to the right and then loops back down.

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING (1) CHANGING THE TERM FOR ELECTION OF THE MAYOR TO FOUR (4) YEARS COMMENCING WITH THE 2018 ELECTION RESULTS; (2) PLACING THIS MATTER ON THE 2016 ELECTION BALLOT; (3) OR A SEPARATE OR DIFFERENT PROCESS FOR SELECTION OF THE MAYOR; AND (4) REQUEST THAT THE CITY STAFF AND/OR THE CITY ATTORNEY PROVIDE THE CITY COUNCIL WITH THE INFORMATION AND TIME SCHEDULE TO COMPLETE THIS PROCESS.

WHEREAS, The elected position of Mayor is the most influential, and thus the most important position in Marina City Government, and;

WHEREAS, the Mayor serves at many city functions as the spokesperson for the city. (ex.: annual tree lighting ceremony, ribbon cutting ceremony at Dunes housing, ribbon cutting ceremony at the movie theater), and;

WHEREAS, presently each city council member has a four (4) year term, but the mayor has a two (2) year term, and;

WHEREAS, an election for the Mayoral position every two years potentially adds to the sitting Mayor's work load in that he/she is seeking campaign contributions, votes and support in addition to devoting his/her time to city matters, and;

WHEREAS, the possibility exists that every two years a totally new city council majority could be elected, and;

WHEREAS, the election of three individuals who are unfamiliar with the matters facing the city would place an additional burden on the city manager and city attorney to educate new members as to the issues and processes.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Adopting a resolution changing the term for election of the mayor to four (4) years commencing with the 2018 election results;
2. placing this matter on the 2016 election ballot; or
3. a separate or different process for selection of the mayor; and
4. request that the city staff and/or the city attorney provide the city council with the information and time schedule to complete this process.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 2nd day of February, 2016 by the following vote:

AYES, COUNCIL MEMBERS:

NOES, COUNCIL MEMBERS:

ABSTAIN, COUNCIL MEMBERS:

ABSENT, COUNCIL MEMBERS:

ATTEST:

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

March 12, 2014

Memo to: Mayor & Council Members

From: Rob Wellington, City Attorney

**Re: Agenda Item 11___; Step 2 - Discuss and Consider Taking
Action Relative to the Elected Mayor Position**

At its March 4, 2014, meeting, the City Council took Step One in the Two Step Process by setting for discussion at this meeting the possible options for replacing the current practice of the electorate selecting a mayor for a two year term. Setting aside for the moment the matter of where new, if any, such provisions might appear, there are several options available to the Council. A few of them are:

One. Submit to the electorate the question whether, or not, to repeal the current two-year elected mayor provision. It is the Marina electorate that must decide, as the electorate enacted this provision in 1978. (In 1982 the electorate rejected a proposal to eliminate the elected two-year provision.) If the electorate were to respond by now eliminating the provision, with there being nothing else before the electorate as an alternative, then the Council would be left with the general law mayoral (mayor and mayor pro tem) selection process (Government Code, Section 36801) . . . by the Council at the meeting where results of the general municipal election are declared. It is not express on the face of Section 36801 whether a mayor shall be elected for a one, two, or either one or two, year term. Many cities, general as well as charter, do select every year, not only in general election years.

Two. Submit to the electorate the question whether to amend the two-year, electorate-elected mayor to an elected four-year term. (As we understand, the possibility under discussion is a possible measure for the 2014 election with, if enacted, the successful mayoral candidate in 2016 then being the first to serve four years.) There are Government Code provisions (Sections 34900-34906) dealing with this matter. The measure would include statutory text for inclusion in the appropriate document if passed. Failure to pass would leave the two-year elected term in place.

Three. Submit a measure to the electorate in the form of three choices (“vote for only one”): (1) leave it at two year elected, (2) change to four year elected, or (3) change to the general law council selection process. If one of the three achieves a majority vote, it would be enacted. *However*, if none achieves a majority, all three fail. So, a sub-option here (avoiding the three-choice issue) might be submission of a first question asking whether or not to do away with the two-year elected term. If a majority say “Yes,” then a second measure on the ballot (four year or council selection, “vote for only one of these TWO”) would determine the replacement practice. Majority saying “No” on the first would moot the second.

A further question to discuss at some time, in our view, is where should such a city law be found. We suggest you consider the Charter. Many (we have not done a survey, but believe most) charter cities have chosen to provide for most everything pertaining to election of council members and mayors in their charters.¹ For example, Palo Alto and Chico (both provide for council selection of mayor and mayor pro tem) do so, as do San Luis Obispo, Monterey and Pacific Grove (all three provide for a two year elected mayor). Proposed charter amendments, of course, are submitted to the people², and if approved become part of the charter, a city’s “constitution,” the basic and fundamental piece of a charter city’s existence.

We look forward to your discussion on March 18th and will of course be available for questions and direction.

- R.R.W.

cc: City Manager

¹ California Constitution art XI, Section 5, provides that corporate powers are a municipal affair for charter cities that are to be “free from legislative interference with respect to matters of local or internal concern.” Formation and election of the governing body (city council, mayor) are of local concern, i.e. “municipal affairs,” and for charter cities to sort out and determine.

² There are distinct Government Code sections dealing with the process of adopting and amending charters.