



AGENDA

Tuesday, June 7, 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

TELECONFERENCE LOCATIONS:¹

799 West Birch Court and Wailea Beach Marriott Resort/Spa
Louisville, Colorado 80027 3700 Wailea Alanui Drive
Wailea, HI 96753

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.*

¹ Note: Pursuant to Government Code Section 54953(b), this meeting will include teleconference participation by Council Member Gail Morton and Mayor Pro-Tem Frank O'Connell from the address above. This Notice and Agenda will be posted at the teleconference location

- a. Labor Negotiations
 - i. Marina Public Safety Manager’s Association
 - ii. Marina Professional Firefighters Association
 - iii. Department Directors
 - a. Community Development Director
 - b. Finance Director
 - c. Fire Chief
 - d. Police Chief
 - e. Recreation & Cultural Services Director

City Negotiators: Layne P. Long, City Manager and Employee Relations Officer

- b. Performance Evaluation, Unrepresented Employee – City Manager
- c. Real Property Negotiations
 - (1) Property: 3240 Imjin Road, Hangar 510
Negotiating Party: Rick Wilcoxsen, Driven Performance, LLC
Property Negotiator: City Manager
Terms: All terms and conditions
 - (2) Property: 761 Neeson Road, Hangar 524
Negotiating Party: Md7 on behalf of Sprint Spectrum Realty Company, LLC
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. **Junior Giants Diamond Level League Certificates**
 - b. **Recreation Announcements**
 - c. **Pacific Gas & Electric LED Presentation**
- 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.*

- a. Successor Agency Board consider adopting Resolution No. 2016- (SA/MRA), approving Renewal and Amendment No. 2 of agreement between Successor Agency of the former Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency services, and; authorizing Finance Director to make necessary accounting and budgetary entries, and; authorizing City Manager/Executive Director to execute Amendment on behalf of the Successor Agency subject to final review and approval by the City Attorney.

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 78747-78951, totaling \$919,602.06
Wire transfers for April 2016, Checking & Payroll totaling: \$494,176.12

b. **MINUTES:**

- (1) May 17, 2016, Regular City Council Meeting

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-, authorizing the submittal of application(s) to CalRecycle for all grants for the City of Marina for which the City of Marina is eligible; and authorizing the City Manager, or his/her designee is hereby authorized and empowered to execute in the name of the City of Marina all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project subject to final review and approval by the City Attorney.

g. **APPROVAL OF AGREEMENTS:**

- (1) City Council consider adopting Resolution No. 2016-, approving Renewal and Amendment No.2 of Agreement between City of Marina and Keyser Marston Associates (KMA) of San Francisco, California, for Development Services; authorizing Finance Director to make necessary accounting and budgetary entries, and; authorizing City Manager to execute Amendment on behalf of the City subject to final review and approval by the City Attorney.
- (2) City Council consider adopting Resolution No. 2016-, authorizing an application for State of California Affordable Housing and Sustainable Communities Program Funding for the Junsay Oaks Affordable Housing Project and Housing Related Infrastructure.

- h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None
- i. MAPS: None
- j. REPORTS: (RECEIVE AND FILE):
 - (1) City Council consider adopting Resolution No. 2016-, approving the 2015-2016 Economic Development Commission Annual Report and Goals.
- k. FUNDING & BUDGET MATTERS: None
- l. APPROVE ORDINANCES (WAIVE SECOND READING):
 - a. City Council consider adopting by title only Ordinance No. 2016-, amending Title 5 “Business Taxes, Licenses and Regulations”, deleting Chapter 5.36 “Massage Businesses”, and adding a new Chapter 5.36 “Massage Establishments”.
- 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-, placing a Charter amendment on the ballot for the November 8, 2016 General Municipal Election which will allow for a four-year term for the mayor.
- b. City Council consider adopting Resolution No. 2016-, approving agreement between City of Marina and The Lew Edwards Group for potential November 8, 2016 ballot measure(s) related to the Utility Users Tax and/or Business License Tax, authorize subsequent minor changes if necessary with City Attorney approval, and; authorize City Manager to execute agreement amendment on behalf of City, and; authorize the Finance Director to make the necessary accounting and budgetary entries.
- c. City Council consider adopting Resolution No. 2016-, approving agreement between City of Marina and Fairbank, Maslin, Maullin, Metz & Associates (FM3) for public opinion research services, authorize subsequent minor changes if necessary with City Attorney approval, and; authorize City Manager to execute agreement amendment on behalf of City, and; authorize the Finance Director to make the necessary accounting and budgetary entries.
- d. City Council receive Utility Users Tax and Business License Tax information and provide staff with any further direction in the matter.

- e. City Council consider adopting Resolution No. 2016-, consenting to the Partial Assignment and Assumption Agreement for the Marina Heights Development Agreement from Cypress Marina Heights, LLC to WC Marina, LLC and Partial Assignment and Assumption Agreement for the Marina Heights Option Agreement from Cypress Marina Heights LLC to WC Marina, LLC.; and consider adopting Successor Agency Resolution No. 2016- (SA-MRA), consenting to a Partial Assignment and Assumption Agreement of the Option Agreement for the Marina Heights Project from Cypress Marina Heights LLC to WC Marina, LLC.
- f. City Council hold discussion on 9th Street Design between 2ND Avenue and Imjin Road.
- g. City Council provide direction to staff on whether to consider revisions to the Resident Selection Policies in the Below Market Rate Housing Whether to explore accepting an in lieu fee in lieu of certain moderate income housing units at Marina Heights.

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, Anita Sharp, Deputy City Clerk, 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 6:45 p.m., Friday, June 3, 2016.

ANITA SHARP, DEPUTY CITY CLERK

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, Preston Park Sustainable Community Nonprofit 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, June 21, 2016

Tuesday, October 4, 2016

Tuesday, October 18, 2016

****Wednesday, July 6, 2016**

Tuesday, November 1, 2016

Tuesday, July 19, 2016

Tuesday, November 15, 2016

***** Wednesday, August 3, 2016**

Tuesday, December 6, 2016

Tuesday, August 16, 2016

Tuesday, December 20, 2016

****Wednesday, September 7, 2016**

Tuesday, September 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.

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
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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

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.

August 4, 2016
 September 1, 2016

October 6, 2016
 December 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.

June 9, 2016
 June 23, 2016
 July 14, 2016
 July 28, 2016
 August 11, 2016
 August 25, 2016

September 8, 2016
 September 22, 2016
 October 13, 2016
 October 27, 2016

November 10, 2016
 November 24, 2016 (Cancelled)
 December 8, 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.

June 16, 2102
 July 21, 2016

August 18, 2016
 September 15, 2016
 October 20, 2016

November 17, 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.

September 7, 2016

December 7, 2016

June 2, 2016

Item No. **7a**

Honorable Chair and Board
of the Successor Agency of the
Former Marina Redevelopment Agency

Successor Agency
Board Meeting
of June 7, 2016

CITY COUNCIL OF THE CITY OF MARINA ACTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY OF MARINA REDEVELOPMENT AGENCY BOARD CONSIDER ADOPTING RESOLUTION NO. 2016- (SA-MRA), APPROVING RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT BETWEEN SUCCESSOR AGENCY OF THE FORMER MARINA REDEVELOPMENT AGENCY AND KEYSER MARSTON ASSOCIATES, INC. (KMA) OF SAN FRANCISCO, CALIFORNIA, FOR SUCCESSOR AGENCY SERVICES, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER/EXECUTIVE DIRECTOR TO EXECUTE AGREEMENT ON BEHALF OF SUCCESSOR AGENCY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

REQUEST:

It is requested that the City Council of the City of Marina acting as the Governing Board of the Successor Agency of the Marina Redevelopment Agency Board consider:

1. Adopting Resolution No. 2016- (SA-MRA), approving Renewal and Amendment No. 2 of agreement between Successor Agency of the former Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency services, and;
2. Authorizing Finance Director to make necessary accounting and budgetary entries, and;
3. Authorizing City Manager/Executive Director to execute Amendment on behalf of the Successor Agency subject to final review and approval by the City Attorney.

BACKGROUND:

Keyser Marston Associates, Inc. (KMA) has been working with the City, former Redevelopment Agency and Successor Agency since 2005 providing general redevelopment, housing and financial advisory services. KMA has gained specialized knowledge and has developed and maintains financial models pertaining to Marina and the former Redevelopment Agency in regards to the services they have provided.

At a regular meeting of July 17, 2007, the City Council and Agency Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between City of Marina, Marina Redevelopment Agency (MRA) and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for general redevelopment, housing and financial advisory services. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year.

At a regular meeting of September 20, 2011, the City Council adopted Resolution No 2011-165, approving Agreement between City of Marina and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, establishing the FY 2011-12 Work Plan for general redevelopment, housing and financial advisory services; authorize Finance Director to make necessary accounting and budgetary entries and; authorizing City Manager to execute Agreement on behalf of the City subject to final review and approval by the City Attorney. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011.

At a regular meeting of January 10, 2012, the City Council adopted Resolution No. 2012-01 accepting designation and declaring intent to serve as successor agency for the Redevelopment Agency of City of Marina according to Section 34171(j) and Section 34173 of California Redevelopment Law; electing to retain housing assets and functions previously performed by Redevelopment Agency of City of Marina according to Section 34176 of California Redevelopment Law; directing City Manager, or designee, to file copy of that resolution with the Monterey County Auditor-Controller; authorizing City Manager, or designee, to execute all documents necessary and appropriate and to take such additional actions as necessary for City to transfer assets held in the name of the former Marina Redevelopment Agency to City, in its capacity as successor agency to former Marina Redevelopment Agency, pursuant to Sections 34175 and 34176 of California Redevelopment Law subject to final review and approval by Agency Counsel and City Attorney.

On June 27, 2012, as part of the FY 2012-13 state budget, the Legislature passed and Governor signed Assembly Bill (AB) 1484. As a budget “trailer bill” AB 1484 took effect immediately upon signing by the Governor and primarily modifies provisions enacted under ABx1 26 regarding the dissolution of redevelopment agencies, the winding down of these agencies functions and distribution of assets.

At a regular meeting of October 2, 2012, the Successor Agency Board adopted Resolution No. 2012-17 (SA-MRA), approving agreement between Successor Agency of the Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency administration, financial and land disposition and development services. The term of this one-year agreement was July 1, 2012 to June 30, 2013.

At a regular meeting of September 4, 2013, the City Council acting as the governing board of the Successor Agency adopted Resolution No. 2013-05 (SA-MRA), approving an Agreement between the Successor Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California for Successor Agency Services (hereinafter referred to as the “Agreement”). The term of this one-year agreement was July 1, 2013 to June 30, 2014. The Agreement was entered into on October 1, 2013, and is attached to Amendment No. 2 as **Exhibit A-1** and made a part thereof.

At a regular meeting of May 5, 2015, the City Council acting as the governing board of the Successor Agency adopted Resolution No. 2015-01 (SA-MRA), approving Renewal and Amendment No. 1 of agreement between Successor Agency of the former Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency Services. The term of this two-year amendment was July 1, 2014 to June 30, 2016.

At the special meeting of January 28, 2016, the Oversight Board adopted Resolution No. 2016-02 (OB) approving ROPS 16-17 of the Successor Agency. ROPS 16-17 demonstrates obligation payments for the period of July 1, 2016 through June 30, 2017.

Prior to February 1, 2017, the Oversight Board is expected to adopt a Resolution approving ROPS 17-18 of the Successor Agency. Following its adoption by the Oversight Board, ROPS 17-18 would demonstrate obligation payments for the period of July 1, 2017 through June 30, 2018.

ANALYSIS:

With the dissolution of Redevelopment Agencies in California, KMA provides essential advisory services for implementing, understanding and reporting of the fiscal obligations of the Successor Agency, performing required computations of enforceable obligation payments, performing required cash flow analyses and assisting staff in preparation of requisite submittals to the State Department of Finance.

As defined in Health and Safety Code 34167 (d), enforceable obligations include contracts for the continued administration or operations of the Successor Agency or necessary to maintain Successor Agency properties and to preserve and protect Successor Agency assets. KMA services are contemplated for each ROPS period and have been or will be included as enforceable obligations.

The Successor Agency and KMA now wish to extend the term of the Agreement through June 30, 2018.

The proposed Amendment No. 2 for successor agency services has been prepared for consideration (“**EXHIBIT A**”). KMA has provided a FY 2016-17 and 2017-18 scope of work and proposed budget with fee schedule and are included in the Amendment (“**ATTACHMENT A-2**”, “**ATTACHMENT B-2**”).

Services will be provided and costs incurred on an “as-requested” basis. Billing for services is on a “time-and-materials basis”. For FY 2016-17 and 2017-18, the estimated not-to-exceed budget is \$24,000.00 including expenses.

FISCAL IMPACT:

Should the Successor Agency Board approve the request, the total estimated not-to-exceed budget for services to the Successor Agency in FY 2016-17 and 2017-18 is \$24,000.

For FY 2016-17 costs, funding will be contained in the FY 2016-17 Proposed Budget, Successor Agency Obligation Retirement Fund 758, ROPS #10 Financial, RE Advisory Svc, Account No. 758.000.000.00-6650.010 and Successor Agency Obligation Retirement Fund 758, #7 Dunes DDA 2nd Implementation (Non-Hsg), Account No. 758.000.000.00-6650-007.

For FY 2017-18 costs, funding will be contained in the FY 2016-17 Proposed Budget, Successor Agency Obligation Retirement Fund 758, ROPS #10 Financial, RE Advisory Svc, Account No. 758.000.000.00-6650.010 and Successor Agency Obligation Retirement Fund 758, #7 Dunes DDA 2nd Implementation (Non-Hsg), Account No. 758.000.000.00-6650-007.

Costs of invoices submitted by KMA will be based on actual services requested and will determine exact cost account distribution; however, costs are expected to be charged to FY 2016-17 Budget and FY 2016-17 Budget, Successor Agency Obligation Retirement Fund 758, ROPS #10 Financial, RE Advisory Svc, Account No. 758.000.000.00-6650.010 and Successor Agency Obligation Retirement Fund 758, #7 Dunes DDA 2nd Implementation (Non-Hsg), Account No. 758.000.000.00-6650-007.

CONCLUSION:

This request is submitted for City Council, acting as the Governing Board of the Successor Agency of the Marina Redevelopment Agency, consideration and possible action.

Respectfully submitted,

Jeff Crechriou
Airport Services Manager
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016- (SA-MRA)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA ACTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY OF THE FORMER MARINA REDEVELOPMENT AGENCY APPROVING RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT BETWEEN SUCCESSOR AGENCY OF THE FORMER MARINA REDEVELOPMENT AGENCY AND KEYSER MARSTON ASSOCIATES, INC. (KMA) OF SAN FRANCISCO, CALIFORNIA, FOR SUCCESSOR AGENCY SERVICES, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER/EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT ON BEHALF OF CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, Keyser Marston Associates, Inc. (KMA) has been working with the City, former Redevelopment Agency and Successor Agency since 2005 providing general redevelopment, housing and financial advisory services. KMA has gained specialized knowledge and has developed and maintains financial models pertaining to Marina and the former Redevelopment Agency in regards to the services they have provided, and;

WHEREAS, at a regular meeting of July 17, 2007, the City Council and former Agency Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between City of Marina, the former Marina Redevelopment Agency (MRA) and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for general redevelopment, housing and financial advisory services. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year, and;

WHEREAS, at a regular meeting of September 20, 2011, the City Council adopted Resolution No 2011-165, approving Agreement between City of Marina and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, establishing the FY 2011-12 Work Plan for general redevelopment, housing and financial advisory services. The term of this one-year agreement was July 1, 2011 to June 30, 2012, and;

WHEREAS, at a regular meeting of January 10, 2012, the City Council adopted Resolution No. 2012-01 accepting designation and declaring intent to serve as successor agency for the Redevelopment Agency of City of Marina according to Section 34171(j) and Section 34173 of California Redevelopment Law; electing to retain housing assets and functions previously performed by Redevelopment Agency of City of Marina according to Section 34176 of California Redevelopment Law; directing City Manager, or designee, to file copy of that resolution with the Monterey County Auditor-Controller; authorizing City Manager, or designee, to execute all documents necessary and appropriate and to take such additional actions as necessary for City to transfer assets held in the name of the former Marina Redevelopment Agency to City, in its capacity as successor agency to former Marina Redevelopment Agency, pursuant to Sections 34175 and 34176 of California Redevelopment Law subject to final review and approval by Agency Counsel and City Attorney, and;

WHEREAS, on June 27, 2012, as part of the FY 2012-13 state budget, the Legislature passed and Governor signed Assembly Bill (AB) 1484. As a budget “trailer bill” AB 1484 took effect immediately upon signing by the Governor and primarily modifies provisions enacted under ABx1 26 regarding the dissolution of redevelopment agencies, the winding down of these agencies functions and distribution of assets, and;

WHEREAS, at a regular meeting of October 2, 2012, the Successor Agency Board adopted Resolution No. 2012-17 (SA-MRA), approving agreement between Successor Agency of the former Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency administration, financial and land disposition and development services. The term of this one-year agreement was July 1, 2012 to June 30, 2013, and;

WHEREAS, at a regular meeting of September 4, 2013, the City Council acting as the governing board of the Successor Agency adopted Resolution No. 2013-05 (SA-MRA), approving an Agreement between the Successor Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency Services (hereinafter referred to as the “Agreement”). The term of this one-year agreement was July 1, 2013 to June 30, 2014. The Agreement was entered into on October 1, 2013, and is attached to Amendment No. 2 as **Exhibit A-1** and made a part thereof, and;

WHEREAS, at a regular meeting of May 5, 2015, the City Council acting as the governing board of the Successor Agency adopted Resolution No. 2015-01 (SA-MRA), approving Renewal and Amendment No. 1 of agreement between Successor Agency of the former Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency Services. The term of this two-year amendment was July 1, 2014 to June 30, 2016, and;

WHEREAS, with the dissolution of Redevelopment Agencies in California, KMA provides essential advisory services for implementing, understanding and reporting of the fiscal obligations of the Successor Agency, performing required computations of enforceable obligation payments, performing required cash flow analyses and assisting staff in preparation of requisite submittals to the State Department of Finance, and;

WHEREAS, as defined in Health and Safety Code 34167 (d), enforceable obligations include contracts for the continued administration or operations of the Successor Agency or necessary to maintain Successor Agency properties and to preserve and protect Successor Agency assets. KMA services are contemplated for each ROPS period and have been or will be included as enforceable obligations, and;

WHEREAS, the Successor Agency and KMA now wish to extend the term of the Agreement through June 30, 2018, and;

WHEREAS, the proposed Amendment No. 2 for successor agency services has been prepared for consideration (“**EXHIBIT A**”). KMA has provided a FY 2016-17 and 2017-18 scope of work and proposed budget with fee schedule and are included in the Amendment (“**ATTACHMENT A-2**”, “**ATTACHMENT B-2**”), and;

WHEREAS, services will be provided and costs incurred on an “as-requested” basis. Billing for services is on a “time-and-materials basis”, and;

WHEREAS, the total estimated not-to-exceed budget for services to the Successor Agency in FY 2016-17 and 2017-18 is \$24,000, and;

WHEREAS, For FY 2016-17 costs, funding will be contained in the FY 2016-17 Proposed Budget, Successor Agency Obligation Retirement Fund 758, ROPS #10 Financial, RE Advisory Svc, Account No. 758.000.000.00-6650.010 and Successor Agency Obligation Retirement Fund 758, #7 Dunes DDA 2nd Implementation (Non-Hsg), Account No. 758.000.000.00-6650-007, and;

WHEREAS, for FY 2017-18 costs, funding will be contained in the FY 2016-17 Proposed Budget, Successor Agency Obligation Retirement Fund 758, ROPS #10 Financial, RE Advisory Svc, Account No. 758.000.000.00-6650.010 and Successor Agency Obligation Retirement Fund 758, #7 Dunes DDA 2nd Implementation (Non-Hsg), Account No. 758.000.000.00-6650-007, and;

WHEREAS, costs of invoices submitted by KMA will be based on actual services requested and will determine exact cost account distribution; however, costs are expected to be charged to FY 2016-17 Budget and FY 2016-17 Budget, Successor Agency Obligation Retirement Fund 758, ROPS #10 Financial, RE Advisory Svc, Account No. 758.000.000.00-6650.010 and Successor Agency Obligation Retirement Fund 758, #7 Dunes DDA 2nd Implementation (Non-Hsg), Account No. 758.000.000.00-6650-007.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Marina, acting as the Governing Board of the Successor Agency of the former Marina Redevelopment Agency, does hereby:

1. Approve Amendment No. 2 of agreement between Successor Agency of the former Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency services, and;
2. Authorize Finance Director to make necessary accounting and budgetary entries, and;
3. Authorize City Manager/Executive Director to execute Amendment on behalf of the Successor Agency subject to final review and approval by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina acting as the governing board of the Successor Agency of the former Marina Redevelopment Agency at a regular meeting duly held on the 7th day of June, 2016, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Bruce C. Delgado, Chair

ATTEST:

Anita Sharp, Board Secretary

AMENDMENT NO. 2 OF AGREEMENT WITH KEYSER
MARSTON ASSOCIATES, INC. FOR
SUCCESSOR AGENCY SERVICES

This Amendment No. 2 ("Amendment No. 2") to the Agreement with Keyser Marston Associates, Inc. for Successor Agency Services is made and entered into by and between the Successor Agency of the former Redevelopment Agency of the City of Marina, hereinafter referred to as "Successor Agency," and Keyser Marston Associates, Inc., a California corporation, hereinafter referred to as the "Consultant" or "KMA" as of the ___ day of June, 2016. The Successor Agency and Consultant are sometimes referred to herein singularly as a Party or collectively as the Parties. Only the numbered paragraphs of said Agreement which is being amended or deleted are set forth in this Amendment.

Recitals

- A. KMA has been working with the City of Marina ("City") and former Redevelopment Agency of the City of Marina ("former Redevelopment Agency" or "MRA") since 2005 providing general redevelopment, housing, and financial advisory services. KMA has gained specialized knowledge and has developed and maintains financial models pertaining to the City in regards to the services they have provided since 2005.
- B. At a regular meeting of July 17, 2007, the City Council and former Redevelopment Agency Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between the City, the former Redevelopment Agency, and KMA for general redevelopment, housing, and financial advisory services. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011.
- C. At a regular meeting of September 20, 2011, the City Council adopted Resolution No. 2011-165, approving Agreement between City and KMA establishing the FY 2011-12 Work Plan for general redevelopment, housing, and financial advisory services. The term of this one-year agreement was July 1, 2011 to June 30, 2012.
- D. At the regular meeting of January 10, 2012, the City Council adopted Resolution No. 2012-01 accepting designation and declaring its intent to serve as successor agency for the former Redevelopment Agency according to Section 34171(j) and Section 34173 of California Redevelopment Law (CA Health & Safety Code); electing to retain housing assets and functions previously performed by former Redevelopment Agency according to Section 34176 of California Redevelopment Law; directing City Manager, or designee, to file a copy of that resolution with the Monterey County Auditor-Controller; authorizing City Manager, or designee, to execute all documents necessary and appropriate and to take such additional actions as necessary for City to transfer assets held in the name of the former Redevelopment Agency to City, in its capacity as successor agency to former Redevelopment Agency, pursuant to Sections 34175 and 34176 of California Redevelopment Law subject to final review and approval by the former Redevelopment Agency Legal Counsel and the City Attorney.
- E. At a regular meeting of October 2, 2012, the Successor Agency Board adopted Resolution No. 2012-17 (SA-MRA), approving agreement between Successor Agency

of the former Marina Redevelopment Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency administration, financial and land disposition and development services. The term of this one-year agreement was July 1, 2012 to June 30, 2013, and;

- F. At a regular meeting of September 4, 2013, the City Council acting as the governing board of the Successor Agency adopted Resolution No. 2013-05 (SA-MRA), approving an Agreement between the Successor Agency and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Successor Agency Services (hereinafter referred to as the "Agreement"). The term of this one-year agreement was July 1, 2013 to June 30, 2014. The Agreement was entered into on October 1, 2013, and is attached hereto as **Exhibit A-1** and made a part hereof.
- G. At a regular meeting of May 5, 2015, the City Council acting as the governing board of the Successor Agency adopted Resolution No. 2015-01 (SA-MRA), approving Amendment No. 1 to the Agreement renewing and extending the term for an additional two years through June 30, 2016.
- H. The Parties renewed the Agreement retroactive to July 1, 2014, and extended the term of the renewed Agreement through and including June 30, 2016 as amended by Amendment No. 1 to the Agreement.
- I. The Parties wish to further amend the renewed Agreement to provide for financial compensation to Consultant in order to continue services provided under the Agreement as amended by this Amendment No. 2 for FY 2016-17 and FY 2017-18.
- J. As defined in Health and Safety Code 34167 (d), enforceable obligations include contracts for the continued administration or operations of the Successor Agency or necessary to maintain Successor Agency properties and to preserve and protect Successor Agency assets. KMA services are contemplated for each ROPS period and have been or will be included as enforceable obligations.

Terms & Conditions

For valuable consideration, the sufficiency of which is hereby acknowledged, Successor Agency and Consultant agree that the Agreement is amended on the terms and conditions set forth herein which are incorporated into the Agreement.

1. Section 1. (a-2) Added. Consultant shall work in a cooperative manner with the Successor Agency to fully and adequately perform those services set forth in **Attachment "A-2"** attached hereto ("Scope of Work for Fiscal Year 2016-17 and 2017-18 Successor Agency Work Plan") and by this reference made a part hereof, and the proposed budget included in **Attachment "B-2"**, attached hereto and by this reference incorporated herein. With prior written notice to Consultant, the Successor Agency may elect to delete certain tasks of the Scope of Work at its sole discretion with a corresponding reduction in the proposed budget. The parties agree that any dispute concerning deletion of a task or a reduction in the proposed budget shall be resolved in accordance with Paragraph 19 of the Agreement "Dispute Resolution."
2. Section 2. (a-2) Added. The term of the Agreement is extended from July 1, 2016 until June 30, 2018 unless further extended by prior written amendment or terminated earlier as provided in the Agreement.
3. Section 3. (a-2) Added. For services to be provided under this Agreement during the

period of July 1, 2016 to June 30, 2018, the Successor Agency shall compensate Consultant in accordance with the Proposed Budget and in an amount estimated not to exceed Twenty Four Thousand Dollars (\$24,000.00) in accordance with the provisions of this Section and the Fee Schedule attached hereto as **Attachment “B-2.”**

4. Expressly as amended herein, all other provisions of the Agreement shall remain in full force and effect.
5. The persons executing this Amendment No. 2 on behalf of the Parties hereto warrant that (i) such Party is duly organized and existing; (ii) they are duly authorized to execute and deliver this Amendment No. 2 on behalf of said Party; (iii) by executing this Amendment No. 2 such party is formally bound to the provisions of this Amendment No. 1; and (iv) the entering into this Amendment No. 2 does not violate any provision of any other agreement to which said Party is bound.

IN WITNESS WHEREOF, City and Consultant by their duly authorized representatives have executed this Amendment on the date first set forth above.

MARINA SUCCESSOR AGENCY

CONSULTANT

By: _____
Name: Layne P. Long
Its: City Manager
Date: _____

By: _____
Name: _____
Its: _____
Date: _____

Attest Pursuant to Resolution No. 2016-____ (SA-MRA)

By: _____
Successor Agency Clerk

Approved as to form:

By: _____
City Attorney

ATTACHMENT A-2

Section 1 (a)

- SCOPE OF WORK -

FOR FISCAL YEAR 2016-17 and 2017-18

SUCCESSOR AGENCY ANNUAL WORK PLAN

Proposed Scope of Services/Assignments:

1. *Successor Agency Finance/Administration:* KMA will provide services on an “as requested basis” to the Successor Agency of the former Marina Redevelopment Agency. It is anticipated that services may include preparing cash flow projections; assisting staff to prepare requisite submittals to the State Department of Finance; estimating amounts due under the Dunes obligations for ROPS reporting purposes; calculating the Successor Agency’s tax increment obligations to Marina Community Partners pursuant to the executed DDA for the Dunes project; and assistance with estimates for budgeting purposes.

ATTACHMENT B-2

Proposed Budget

Consultant proposes to provide the services described in the SCOPE OF WORK on a time-and-materials basis for services rendered. All documents will be provided to the Successor Agency in a draft and final form with a reproducible original. For Fiscal Year 2016-17 and 2017-18, the estimated not-to-exceed budget is \$24,000.00 including expenses.

**MASTER CONTRACT HOURLY FEE SCHEDULE
KEYSER MARSTON ASSOCIATES, INC.
FY 2016-17, 2017-18**

A. Jerry Keyser*	\$280.00
Managing Principals*	\$280.00
Senior Principals*	\$270.00
Principals*	\$250.00
Managers*	\$225.00
Senior Associates	\$187.50
Associates	\$167.50
Senior Analysts	\$150.00
Analysts	\$130.00
Technical Staff	\$ 95.00
Administrative Staff	\$ 80.00

Directly related job expenses not included in the above rates are: auto mileage, air fares, hotels and motels, meals, car rentals, taxis, telephone calls, delivery, electronic data processing, graphics and printing. Directly related job expenses will be billed at 110% of cost. Monthly billings for staff time and expenses incurred during the period will be payable within thirty (30) days of invoice date.

* Rates for individuals in these categories will be increased by 50% for time spent in court testimony.

**MARINA SUCCESSOR AGENCY
AGREEMENT WITH KEYSER MARSTON ASSOCIATES
FOR SUCCESSOR AGENCY SERVICES**

THIS AGREEMENT is made and entered into on October 1, 2013, by and between the Successor Agency to the former Marina Redevelopment Agency, hereinafter referred to as "Successor Agency" and Keyser Marston Associates, Inc. a California corporation, hereinafter referred to as the "Consultant" or "KMA". Successor Agency, and Consultant are sometimes individually referred to as "party" and collectively as "parties" in this Agreement.

Recitals

- A. Consultant has been working with the City and Redevelopment Agency since 2005 providing general redevelopment, housing and financial advisory services. KMA has gained specialized knowledge and has developed and maintains fiscal models pertaining to Marina in regards to the services they have provided since 2005.

At a regular meeting of July 17, 2007, the City Council and Agency Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between City of Marina, Marina Redevelopment Agency (MRA) and Keyser Marston Associates (KMA) of San Francisco, California, for general redevelopment, housing and financial advisory services. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011. This multi-year agreement and any other previous agreements are now terminated in accordance with the expiration of the terms and replaced by this Agreement.

At a regular meeting of September 20, 2011, the City Council adopted Resolution No. 2011-165, approving Agreement between City of Marina and Keyser Marston Associates (KMA) of San Francisco, California, establishing the FY 2011-12 Work Plan for general redevelopment, housing and financial advisory services; authorizing the Finance Director to make necessary accounting and budgetary entries, and; authorizing the City Manager to execute the Agreement on behalf of the City subject to final review and approval by the City Attorney. The term of this one year agreement is July 1, 2011 to June 30, 2012.

At the regular meeting of January 10, 2012, the City Council adopted Resolution No. 2012-01 accepting designation and declaring intent to serve as successor agency for the Redevelopment Agency of City of Marina according to Section 34171(j) and Section 34173 of California Redevelopment Law; electing to retain housing assets and functions previously performed by Redevelopment Agency of City of Marina according to Section 34176 of California Redevelopment Law; directing City Manager, or designee, to file copy of that resolution with the Monterey County Auditor-Controller; authorizing City Manager, or designee, to execute all documents necessary and appropriate and to take such additional actions as necessary for City to transfer assets of Marina Redevelopment Agency to City, in its capacity as successor agency to Marina Redevelopment Agency, pursuant to Sections 34175 and 34176 of California Redevelopment Law subject to final review and approval by Agency Counsel and City Attorney.

At the special meeting of May 9, 2012, the Oversight Board adopted Resolution No. 2012-03 (OB) approving the Second Recognized Obligation Payment Schedule (ROPS) of the Successor Agency. The Second ROPS demonstrates obligation payments for the period of July 1, 2012 through December 31, 2012.

At the special meeting of August 29, 2012, the Oversight Board adopted Resolution No. 2012-07 (OB) approving the Third Recognized Obligation Payment Schedule (ROPS) of the

Successor Agency. The Third ROPS demonstrates obligation payments for the period of January 1, 2013 through June 30, 2013.

Combined, the Second ROPS and Third ROPS demonstrate obligations and payments for FY 2012-13.

As defined in Health and Safety Code 34167 (d), enforceable obligations include contracts for the continued administration or operations of the Successor Agency or necessary to maintain Successor Agency properties and to preserve and protect Successor Agency assets. KMA services contemplated for FY 2012-13 have been included as enforceable obligations on the Second and Third ROPS.

At the special meeting of February 27, 2013, the Oversight Board adopted Resolution No. 2013-05 (OB) approving the Recognized Obligation Payment Schedule (ROPS) 13-14a of the Successor Agency. The ROPS 13-14a demonstrates obligation payments for the period of July 1, 2013 through December 31, 2013.

Prior to October 1, 2013, the Oversight Board will adopt a Resolution approving the Recognized Obligation Payment Schedule (ROPS) 13-14b of the Successor Agency. The ROPS 13-14b demonstrates obligation payments for the period of January 1, 2014 through June 30, 2014.

Combined, ROPS 13-14a and ROPS 13-14b demonstrate obligations and payments for FY 2013-14.

As defined in Health and Safety Code 34167 (d), enforceable obligations include contracts for the continued administration or operations of the Successor Agency or necessary to maintain Successor Agency properties and to preserve and protect Successor Agency assets. KMA services contemplated for FY 2013-14 have been included as enforceable obligations on ROPS 13-14a and will be included on ROPS 13-14b.

B. Successor Agency desires to retain Consultant to:

Provide Successor Agency administration, financial and land disposition and development services as set forth in the Scope of Services section of this agreement, hereinafter referred to as the "Project." The services requested of the Consultant are specialized and Consultant is an expert in the field of financial, housing, airport, and general redevelopment, including California Redevelopment Dissolution.

C. Consultant represents and warrants that it has the professional qualifications, experience and personnel necessary to properly perform the services as set forth herein.

D. Successor Agency desires to retain Consultant to provide such professional services.

Terms and Conditions

For of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and in consideration of the mutual promises contained herein, the Successor Agency and Consultant agree to the following terms and conditions:

1. Scope of Work.

(a) Consultant is hereby hired and retained by the Successor Agency to work in a cooperative manner with the Successor Agency to fully and adequately perform those services set forth in Attachment "A" attached hereto ("Scope of Work for Fiscal Year 2013-14 Successor Agency Work Plan") and by this reference made a part hereof, and the proposed budget included therein. With prior written notice to Consultant, the Successor Agency may elect to delete certain tasks of the Scope of Work at its sole discretion with a corresponding reduction in the proposed budget. The parties agree that any dispute concerning deletion of a task or a reduction in the proposed budget shall be resolved in accordance with Paragraph 19 "Dispute Resolution."

(b) Consultant shall perform all such work with skill and diligence and pursuant to generally accepted standards of practice in effect at the time of performance. Consultant shall provide corrective services without charge to the Successor Agency for work which fails to meet these standards and which is reported to Consultant in writing within sixty days of discovery. Should Consultant fail or refuse to perform promptly its obligations under this Agreement, the Successor Agency may render or undertake the performance thereof and the Consultant shall be liable for any expenses thereby incurred.

(c) Consultant is responsible for making an independent evaluation and judgment of all relevant conditions affecting performance of the work, including without limitation site conditions, existing facilities, seismic, geologic, soils, hydrologic, geographic, climatic conditions, applicable federal, state and local laws and regulations and all other contingencies or considerations.

(d) The Successor Agency shall cooperate with Consultant and will furnish all information data, records and reports existing and available to the Successor Agency to enable Consultant to carry out work outlined in Attachment "A". Consultant shall be entitled to reasonably rely on information, data, records and reports furnished by the Successor Agency, however, the Successor Agency makes no warranty as to the accuracy or completeness of any such information, data, records or reports available to it and provided to Consultant which were furnished to the Successor Agency by a third party. Consultant shall have a duty to bring to the Successor Agency's attention any deficiency or error it may discover in any information provided to the Consultant by the Successor Agency or a third party.

2. Term of Agreement & Commencement of Work.

(a) Unless otherwise provided, the term of this Agreement shall begin on July 1, 2013 and shall expire on June 30, 2014, unless extended by amendment or terminated earlier as provided herein. The date of full execution is defined as the date when all of the following events have occurred:

(i) This Agreement has been approved by the Successor Agency's Board, officer or employee authorized to give such approval; and

(ii) The office of the City Attorney has indicated in writing its approval of this Agreement as to form; and

(iii) This Agreement has been signed on behalf of Consultant by the person or persons authorized to bind the Consultant hereto; and

(iv) This Agreement has been signed on behalf of the Successor Agency by the person designated to so sign by the Successor Agency's Council, Agency Board or by the officer or employee authorized to enter into this Contract and is attested to by the Marina Successor Agency Clerk.

(b) Consultant shall commence work on the Project on or by October 12, 2012. This Agreement may be extended upon written agreement of the parties. Consultant may be required to prepare a written schedule for the work to be performed, which schedule shall be approved by the

Successor Agency and made a part of Attachment A, and to perform the work in accordance with the approved schedule.

3. Compensation.

(a) The Successor Agency's liability for compensation to Consultant under this Agreement shall be on a time and materials basis and only to the extent of the present appropriations to fund this Agreement. For services to be provided under this Agreement during Fiscal Year 2013/2014 the Successor Agency shall compensate Consultant in an amount not to exceed Thirty Three Thousand Dollars (\$33,000.00) in accordance with the provisions of this Section and the Fee Schedule attached hereto as Attachment "B" and incorporated herein by this reference.

(b) Invoice(s) in a format and on a schedule acceptable to the City and Successor Agency shall be submitted to and be reviewed and verified by the Project Administrator (see Section 5(a)) and forwarded to the City's Finance Department for payment. Successor Agency shall notify Contractor of exceptions or disputed items and their dollar value within fifteen days of receipt. Payment of the undisputed amount of the invoice will typically be made approximately thirty days after the invoice is submitted to the Finance Department.

(c) Consultant will maintain clearly identifiable, complete and accurate records with respect to all costs incurred under this Agreement on an industry recognized accounting basis. Consultant shall make available to the representative of the Successor Agency all such books and records related to this Agreement, and the right to examine, copy and audit the same during regular business hours upon 24-hour's notice for a period of four years from the date of final payment under this Agreement.

(d) Consultant shall not receive any compensation for Extra Work without the prior written authorization of the Successor Agency. As used herein, "Extra Work" means any work that is determined by the Successor Agency to be necessary for the proper completion of the Project but which is not included within the Scope of Work (Attachment A) and which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Compensation for any authorized Extra Work shall be paid in accordance with the Hourly Fee Schedule (Attachment B).

(e) Expenses not otherwise addressed in the Scope of Services or the Fee Schedule incurred by Consultant in performing services under this Agreement shall be reviewed and approved in advance by the Project Administrator (Section 5(a)), be charged at cost and reimbursed to Consultant.

(f) There shall be no charge for transportation within Monterey, Santa Cruz and San Benito Counties required for the performance of the services under this Agreement; travel to other locations must be approved in writing and in advance by the Successor Agency, mileage will be charged at the then current standard rate for business travel as set by the U.S. Internal Revenue Service for such approved travel.

4. Termination or Suspension.

(a) This Agreement may be terminated in whole or in part in writing by the parties in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given (1) not less than ten days written notice of intent to terminate, and (2) provided an opportunity for consultation with the terminating party prior to termination.

(b) If termination for default is effected by the Successor Agency, an equitable adjustment in the price provided for in this Agreement shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due the Consultant at the time of termination may be adjusted to cover any additional costs to the Successor Agency because of the Consultant's default. If after the termination for failure of Consultant to fulfill its contractual obligations,

it is determined that the Consultant had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the Successor Agency.

(c) The Successor Agency may terminate or suspend this Agreement at any time for its convenience upon not less than thirty days prior written notice to Consultant. Not later than the effective date of such termination or suspension, Consultant shall discontinue all affected work and deliver all work product and other documents, whether completed or in progress, to the Successor Agency.

(d) If termination for default is effected by the Consultant or if termination for convenience is effected by the Successor Agency, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for termination shall provide for payment to the Consultant for services rendered and expenses incurred prior to the termination, in addition to termination settlement costs reasonably incurred by Consultant relating to written commitments that were executed prior to the termination.

5. Project Administrator, Project Manager & Key Personnel.

(a) The Successor Agency designate as their Project Administrator Mr. Jeff Crechriou who shall have the authority to act for the Successor Agency under this Agreement. The Project Administrator or his/her authorized representative shall represent the Successor Agency in all matters pertaining to the work to be performed pursuant to this Agreement.

(b) Consultant designates Ms. Debbie Kern as its Project Manager who shall coordinate all phases of the Project. The Project Manager shall be available to the Successor Agency at all reasonable times during the Agreement term.

(c) Consultant warrants that it will continuously furnish the necessary personnel to complete the Project on a timely basis as contemplated by this Agreement. Consultant, at the discretion of the Successor Agency, shall remove from the Project any of its personnel assigned to the performance of services upon written request of the Successor Agency. Consultant has represented to the Successor Agency that certain key personnel will perform and coordinate the work under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of the Successor Agency. In the event that the Successor Agency and/or Agency and Consultant cannot agree as to the substitution of key personnel, the Successor Agency shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows: Debbie Kern, Jerry Keyser, and David Doezema *AND Reed KAWAHARA*

6. Delegation of Work.

(a) If Consultant utilizes any subcontractors, subconsultants, persons, employees or firms having applicable expertise to assist Consultant in performing the services under this Agreement, Consultant shall obtain the Successor Agency's prior written approval to such employment. Consultant's contract with any subcontractor shall contain a provision making the subcontract subject to all provisions of this Agreement. Consultant will be fully responsible and liable for the administration, completion, presentation and quality of all work performed. If such persons are utilized, they shall be charged at cost. The Successor Agency reserves the right to employ other consultants in connection with this Project.

(b) If the work hereunder is performed by a design professional, design professional shall be directly involved with performing the work or shall work through his, her or its employees. The design professional's responsibilities under this Agreement shall not be delegated. The design professional shall be responsible to the Successor Agency for acts, errors or omissions of his, her or its subcontractor. Negligence of subcontractor or agents retained by the design professional is conclusively deemed to be the negligence of the design professional if not adequately corrected by the

design professional. Use of the term subcontractor in any other provision of this Agreement shall not be construed to imply authorization for a design professional to use subcontractor for performance of any professional service under this Agreement.

(c) The Successor Agency is an intended beneficiary of any work performed by a subcontractor for purposes of establishing a duty of care between the subcontractor and the Successor Agency.

7. **Skill of Employees.** Consultant shall ensure that any employees or agents providing services under this Agreement possess the requisite skill, training and experience to properly perform such services.

8. **Confidential and Proprietary Information.** In the course of performing services under this Agreement Consultant may obtain, receive, and review confidential or proprietary documents, information or materials that are and shall remain the exclusive property of the Successor Agency. Should Consultant undertake the work on behalf of other agencies, entities, firms or persons relating to the matters described in the Scope of Work, it is expressly agreed by Consultant that any such confidential or proprietary information or materials shall not be provided or disclosed in any manner to any of Consultant's other clients, or to any other third party, without the Successor Agency's prior express written consent.

9. **Ownership of Data.** Unless otherwise provided for herein, all documents, material, data, drawings, plans, specifications, computer data files, basis for design calculations, engineering notes, and reports originated and prepared by Consultant, or any subcontractor of any tier, under this Agreement with the exception of computer models previously developed by Consultant shall be and remain the property of the Successor Agency for its use in any manner they deem appropriate. Consultant agrees that all copyrights, which arise from creation of the work pursuant to this Agreement shall be vested in the Successor Agency and waives and relinquishes all claims to copyright or intellectual property rights in favor of the Successor Agency. Consultant shall provide two (2) sets of reproducible of the above-cited items, except for the computer data files, which shall consist of one (1) set. Consultant shall use all reasonable efforts to ensure that any electronic files provided to the Successor Agency will be compatible with the Successor Agency's computer hardware and software. Consultant makes no representation as to long-term compatibility, usability or readability of the format resulting from the use of software application packages, operating systems or computer hardware differing from those in use by the Successor Agency at the commencement of this Agreement. Consultant shall be permitted to maintain copies of all such data for its files. The Successor Agency acknowledge that their use of the work product is limited to the purposes contemplated by the Scope of Work and, should the Successor Agency use these products or data in connection with additions to the work required under this Agreement or for new work without consultation with and without additional compensation to Consultant. Consultant makes no representation as to the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Work and shall have no liability or responsibility whatsoever in connection with such use which shall be at the Successor Agency's sole risk. Any and all liability arising out of changes made by the Successor Agency to Consultant's deliverables is waived against Consultant unless the Successor Agency has given Consultant prior written notice of the changes and has received Consultant's written consent to such changes.

10. **Conflict of Interest.**

(a) Consultant covenants that neither it, nor any officer or principal of its firm has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the Successor Agency or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subconsultant without the express written consent of the City Manager and Executive Director. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the Successor

Agency in the performance of this Agreement. Consultant shall represent the interest of the Successor Agency in any discussion or negotiation with real estate brokers, sales persons, developers, property owners, retailers, and all other professionals in the real estate development field, and as such, may not accept compensation, commission or payment of any type from any such party or such party's agent.

(b) The Successor Agency understand and acknowledge that Consultant may be, as of the date of commencement of services under this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is unaware of any stated position of the Successor Agency relative to such projects. Any future position of the Successor Agency on such projects may result in a conflict of interest for purposes of this section.

(c) No official or employee of the Successor Agency who is authorized in such capacity on behalf of the Successor Agency to negotiate, make, accept, or approve, or take part in negotiating, making accepting or approving this Agreement, during the term of his or her tenure or service with the Successor Agency and for one year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof or obtain any present or anticipated material benefit arising therefrom.

11. Disclosure. Consultant may be subject to the appropriate disclosure requirements of the California Fair Political Practices Act, as determined by the City Manager and Executive Director.

12. Non-Discrimination.

(a) During the performance of this Agreement the Consultant shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, the Successor Agency. In performing this Agreement, Consultant shall not discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), medical condition (including cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Consultant shall give written notice of its obligations under this clause to labor organizations with which it has a collective bargaining or other agreement.

(b) Consultant shall include the nondiscrimination and compliance provisions of this Section in all subcontracts.

13. Indemnification & Hold Harmless.

(a) Other than in the performance of professional services by a design professional, which shall be solely as addressed by subsection (b) below, and to the full extent permitted by law, Consultant shall indemnify, defend (with independent counsel reasonably acceptable to the Successor Agency) and hold harmless the Successor Agency, its Council, boards, commissions, employees, officials and agents ("Indemnified Parties" or in the singular "Indemnified Party") from and against all suits and causes of action, claims, losses, damages, penalties, fines and judgments, associated investigation and administrative expenses, and defense costs including but not limited to reasonable attorney's fees, court costs, expert witness fees and costs of alternate dispute resolution (collectively "Liabilities"), where same arise out of the negligence, recklessness, or willful misconduct in performance of this Agreement by Consultant, its officers, employees, agents and sub-consultants, excepting only and to the extent that resulting from the sole negligence, active negligence or willful misconduct of the Successor Agency, their employees, officials, or agents.

(b) To the fullest extent permitted by law (including without limitation California Civil Code Sections 2782.8), when the services to be provided under this Agreement are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, Consultant shall indemnify, protect, defend (with independent counsel reasonably acceptable to the Successor Agency) and hold harmless the Successor Agency and any Indemnified Party for all

Liabilities, regardless of nature or type that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, or the acts or omissions of an officer, employee, agent or subconsultant of the Consultant, excepting only and to the extent liability arising from the sole negligence, active negligence or willful misconduct of the Successor Agency.

(c) All obligations under this section are to be paid by Consultant as incurred by the Successor Agency. The provisions of this Section are not limited by the provisions of sections relating to insurance including provisions of any worker's compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to the Successor Agency, its employees and officials. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, sub tier contractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance or subject matter of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of the Successor Agency to monitor compliance with these requirements imposes no additional obligations on the Successor Agency and will in no way act as a waiver of any rights hereunder.

(d) If any action or proceeding is brought against any Indemnified Party by reason of any of the matters against which the Consultant has agreed to defend the Indemnified Party, as provided above, Consultant, upon notice from the Successor Agency, shall defend any Indemnified Party at Consultant's expense by counsel reasonably acceptable to the Successor Agency. An Indemnified Party need not have first paid for any of the matters to which it is entitled to indemnification in order to be so defended.

(e) This obligation to indemnify and defend the Successor Agency, as set forth herein, is binding on the successors, assigns, or heirs of Consultant and shall survive the termination of this Agreement or this Section.

14. Insurance.

(a) As a condition precedent to the effectiveness of this Agreement and without limiting Consultant's indemnification of the Successor Agency, Consultant agrees to obtain and maintain in full force and effect at its own expense the insurance policies set forth in Attachment "C" "Insurance" attached hereto and made a part hereof. Consultant shall furnish the Successor Agency with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf, along with copies of all required endorsements. All certificates and endorsements must be received and approved by the Successor Agency before any work commences. All insurance policies shall be subject to approval by the City Attorney as to form and content as to form and content. Specifically, such insurance shall: (1) protect the Successor Agency as an additional insured for commercial general and business auto liability; (2) provide the Successor Agency at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium; and (3) be primary with respect to the Successor Agency's insurance program. Consultant's insurance is not expected to respond to claims that may arise from the acts or omissions of the Successor Agency.

(b) Successor Agency reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required herein by giving Consultant ninety days advance written notice of such change. If such change should result in substantial additional cost of the Consultant, the Successor Agency agrees to negotiate additional compensation proportional to the increased benefit to the Successor Agency.

(c) All required insurance must be submitted and approved the City Attorney prior to the inception of any operations by Consultant.

(d) The required coverage and limits are subject to availability on the open market at reasonable cost as determined by the Successor Agency. Non availability or non affordability must be documented by a letter from Consultant's insurance broker or agency indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each. Within the foregoing constraints, Consultant's failure to procure or maintain required insurance during the entire term of this Agreement shall constitute a material breach of this Agreement under which the Successor Agency may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect the Successor Agency's interests and pay any and all premium in connection therewith and recover all monies so paid from Consultant.

(e) By signing this Agreement, Consultant hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provision of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Contract. Unless otherwise agreed, a waiver of subrogation in favor of the Successor Agency is required.

15. Independent Contractor. The parties agree that Consultant, its officers, employees and agents, if any, shall be independent contractors with regard to the providing of services under this Agreement, and that Consultant's employees or agents shall not be considered to be employees or agents of the Successor Agency for any purpose and will not be entitled to any of the benefits the Successor Agency provides for their employees. The Successor Agency shall make no deductions for payroll taxes or Social Security from amounts due Consultant for work or services provided under this Agreement.

16. Claims for Labor and Materials. Consultant shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Agreement, so as to prevent any lien or other claim under any provision of law from arising against any Successor Agency property (including reports, documents, and other tangible matter produced by the Consultant hereunder), against the Consultant's rights to payments hereunder, or against the Successor Agency, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

17. Discounts. Consultant agrees to offer the Successor Agency any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discounts to payment made under this Agreement which meet the discount terms.

18. Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

19. Dispute Resolution. If any dispute arises between the parties as to proper interpretation or application of this Agreement, the parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. If the dispute is not resolved by meeting and conferring, the matter shall be submitted for formal mediation to a mediator selected mutually by the parties. The expenses of such mediation shall be shared equally between the parties. If the dispute is not or cannot be resolved by mediation, the parties may mutually agree (but only as to those issues of the matter not resolved by mediation) to submit their dispute to arbitration. Before commencement of the arbitration, the parties may elect to have the arbitration proceed on an informal basis; however, if the parties are unable so to agree, then the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be binding, unless within thirty days after issuance of the arbitrator's written decision, any party files an action in court. Venue and jurisdiction for any such action between the parties shall lie in the Superior Court for the County of Monterey.

20. Compliance With Laws.

(a) Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California and City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be governed by, enforced and interpreted under the laws of the State of California. Consultant shall comply with new, amended or revised laws, regulations or procedures that apply to the performance of this Agreement.

(b) If the Project is a "public work," or prevailing wages are otherwise required, Consultant shall comply with all provision of California Labor Code section 1720 *et seq.*, as applicable, and laws dealing with prevailing wages, apprentices and hours of work.

(c) Consultant represents that it has obtained and presently holds all permits and licenses necessary for performance hereunder, including a Business License required by the City's Business License Ordinance. For the term covered by this Agreement, the Consultant shall maintain or obtain as necessary, such permits and licenses and shall not allow them to lapse, be revoked or suspended.

21. Assignment or Transfer. This Agreement or any interest herein may not be assigned, hypothecated or transferred, either directly or by operation of law, without the prior written consent of the Successor Agency. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

22. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, sent by facsimile ("fax") or certified mail, postage prepaid with return receipt requested, addressed as follows:

To Successor Agency: City Manager/Executive Director
Marina Successor Agency, City of Marina City Hall
211 Hillcrest Avenue
Marina, California 93933
Fax: (831) 384-9148

To Consultant: Ms. Debbie Kern
Keyser Marston Associates, Inc.
~~55 Pacific Avenue Mall~~ 160 PACIFIC AVENUE, SUITE 204
San Francisco, CA 94111
Fax (415) 397-5065

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three days after deposit in the custody of the U.S. Postal Service. A copy of any notice sent as provided herein shall also be delivered to the Project Administrator and Project Manager.

23. Amendments, Changes or Modifications. This Agreement is not subject to amendment, change or modification except by a writing signed by the authorized representatives of the Successor Agency and Consultant.

24. Force Majeure. Notwithstanding any other provisions hereof, neither Consultant nor the Successor Agency shall be held responsible or liable for failure to meet their respective obligations under this Agreement if such failure shall be due to causes beyond Consultant's or the Successor Agency's control. Such causes include but are not limited to: strike, fire, flood, civil disorder, act of God or of the public enemy, act of the federal government, or any unit of state or local government in either sovereign or contractual capacity, epidemic, quarantine restriction, or delay in transportation to the

extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

25. **Attorney's Fees.** In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

26. **Successors and Assigns.** All of the terms, conditions and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this paragraph is intended to affect the limitation on assignment

27. **Authority to Enter Agreement.** Consultant has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective party.

28. **Waiver.** A waiver of a default of any term of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

29. **Severability.** Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement will continue as modified.

30. **Construction, References, Captions.** Since the parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. The captions of the various sections are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content or intent of this Agreement.

31. **Advice of Counsel.** The parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and that the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the parties hereto. This Agreement shall not be construed in favor or against either party by reason of the extent to which each party participated in the drafting of this Agreement.

32. **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original.

33. **Time.** Time is of the essence in this contract.

34. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the matters as set forth in this Agreement, and no other agreement, statement or promise made by or to any party or by or to any employee, officer or agent of any party, which is not contained in this Agreement shall be binding or valid.

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

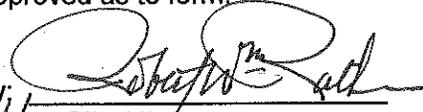
**"SUCCESSOR AGENCY"
MARINA SUCCESSOR AGENCY**

By: 
Layne P. Long
Its: City Manager/Executive Director
Date: 10/11/13

Attest: [Pursuant to Reso: 2013-05(SA-MRA)]

By: _____
Successor Agency Clerk

Approved as to form:

By: 
for the City Attorney

**"CONSULTANT"
KEYSER MARSTON ASSOCIATES, INC.**

By: 
Name: DEBBIEM. KERN
Its: VICE PRESIDENT
Date: 9/9/13

ATTACHMENT A

Section 1 (a)

- SCOPE OF WORK -

FOR FISCAL YEAR 2013-14

SUCCESSOR AGENCY ANNUAL WORK PLAN

Proposed Scope of Services/Assignments:

1. *Successor Agency Finance/Administration:* KMA will provide services on an "as requested basis" to the Successor Agency of the former Marina Redevelopment Agency. It is anticipated that services may include preparing cash flow projections; assisting staff prepare requisite submittals to the State Department of Finance; and calculating the Successor Agency's tax increment obligations to Marina Community Partners pursuant to the executed DDA for the Dunes.
2. *Real Property Management Plan.* KMA will provide assistance on an as needed basis.

ATTACHMENT B

**Section 3 (a)
- Fee Schedule -**

Consultant proposes to provide the services described in the SCOPE OF WORK on a time-and-materials basis for services rendered. In appreciation of our long-term relationship with Marina, we will provide a 10% discount to the following rates. The estimated not-to-exceed budget is \$30,000 including expenses. All documents will be provided to the Successor Agency in a draft and final form with a reproducible original.

ESTIMATED PROJECT BUDGET:

1. Successor Agency Finance Administration	\$ 20,000
2. Real Property Management Plan Assistance	\$ 10,000
3. Contingency (10%)	\$ 3,000
<hr/>	
Unadjusted Estimate Total	\$ 33,000
Adjusted Total with 10% Discount	\$ 30,000

**MASTER CONTRACT HOURLY FEE SCHEDULE
KEYSER MARSTON ASSOCIATES, INC.
2013/14**

A. Jerry Keyser*	\$280.00
Managing Principals*	\$280.00
Senior Principals*	\$270.00
Principals*	\$250.00
Managers*	\$225.00
Senior Associates	\$187.50
Associates	\$167.50
Senior Analysts	\$150.00
Analysts	\$130.00
Technical Staff	\$ 95.00
Administrative Staff	\$ 80.00

Directly related job expenses not included in the above rates are: auto mileage, air fares, hotels and motels, meals, car rentals, taxis, telephone calls, delivery, electronic data processing, graphics and printing. Directly related job expenses will be billed at 110% of cost. Monthly billings for staff time and expenses incurred during the period will be payable within thirty (30) days of invoice date.

* Rates for individuals in these categories will be increased by 50% for time spent in court testimony.

ATTACHMENT C

Insurance

Contractor agrees to provide insurance in accordance with the requirements set forth herein. If Contractor uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, Contractor agrees to amend, supplement or endorse the existing coverage to do so. Contractor shall furnish the Successor Agency with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the Successor Agency before any work commences. The Successor Agency reserves its right to require complete, certified copies of all required insurance policies at any time. The following coverage will be provided by Contractor and maintained on behalf of the Successor Agency and in accordance with the requirements set forth herein.

Commercial General Liability (primary). Commercial general liability insurance covering Contractor's operations (and products where applicable) is required whenever the Successor Agency is at risk of third party claims which may arise out of Contractor's work or presence on Successor Agency premises. Contractual liability coverage is a required inclusion in this insurance.

Primary insurance shall be provided on ISO-CGL form No. CG 00 01 11 85 or 88 or on an ISO or ACORD form providing coverage at least as broad as ISO form CG 00 01 10 01 and approved in advance by the Successor Agency Attorney. Total limits shall be no less than one million dollars (\$1,000,000) combined single limit per occurrence for all coverages. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate limit shall be two million dollars (\$2,000,000). Contractor must give written notice to the Successor Agency of any pending claim, action or lawsuit which has or may diminish the aggregate. If any such claim or lawsuit exists, Contractor shall be required, prior to commencing work under this Agreement, to restore the impaired aggregate or prove it has replacement insurance protection to the satisfaction of the Successor Agency Attorney.

Successor Agency Board and commissions, officers, employees, agents and volunteers shall be added as additional insureds using ISO additional insured endorsement form CG 20 10 11 85 or forms CG 20 10 10 01 and CG 20 37 10 01. Coverage shall apply on a primary, non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the Successor Agency or any agent of Successor Agency. Coverage is not expected to respond to the claims which may arise from the acts or omissions of the Successor Agency. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

Umbrella Liability Insurance. Umbrella liability insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum \$25,000.00 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage.

Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion and no contractor's limitation endorsement. Policies limits shall be not less than one million dollars (\$1,000,000) per occurrence and in the aggregate, above any limits required in the underlying policies shall have starting and ending dates concurrent with the underlying coverage.

Business Auto. Automobile liability insurance is required where vehicles are used in performing the work under this Agreement or where vehicles are driven off-road on Successor Agency and Successor Agency premises, it is not required for simple commuting unless Successor Agency is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

If automobile insurance is required for work under this Agreement, primary coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 including symbol 1 (Any Auto) or on an ISO or ACORD form providing coverage at least as broad as CA 00 01 10 01 approved by the Successor Agency Attorney. Coverage shall be endorsed to stated that the Successor Agency, its Board, commissions, officers, employees, agents and volunteers shall be added as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible. Limits shall be no less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage. Starting and ending dates shall be concurrent. If Contractor owns no autos, a non-owned auto endorsement to the commercial general liability policy described above is acceptable.

Workers' Compensation/Employers' Liability. Workers' Compensation and Employer's Liability insurance are not required for single-person contractors. However, under California law these coverages (or a copy of the State's Consent to Self-Insure) must be provided if Contractor has any employees at any time during the period of this Agreement. Policy(s) shall be written on a policy form providing workers' compensation statutory benefits as required by law. Employers' liability limits shall be no less than one million dollars (\$1,000,000) per accident or disease and shall be scheduled under any umbrella policy described above. Unless otherwise agreed, policy(s) shall be endorsed to waive any right of subrogation as respects the Successor Agency, its Boards, commissions, officers, employees, agents and volunteers.

Property Insurance. Property insurance, in a form and amount approved by the Successor Agency Attorney, is required for Contractors having exclusive use of premises or equipment owned or controlled by the Successor Agency and/or Successor Agency. Successor Agency and/or Successor Agency is to be named a Loss Payee As Its Interest May Appear in property insurance in which the Successor Agency and/or Successor Agency has an interest, e.g., as a lien holder. Fire damage legal liability is required for persons occupying a portion of Successor Agency and Successor Agency premises.

Errors and Omissions/Professional Liability. Errors and Omissions or professional liability coverage appropriate to Contractor's profession, in a form and amount approved by the Successor Agency Attorney, will be specified on a project-by-project basis if Contractor is working as a licensed professional. Contractor shall maintain such insurance for a period of five years following completion of the project. Such insurance shall be in an amount of not less than one million dollars (\$1,000,000) per claim and in annual aggregate. Design professionals shall maintain such insurance in place until the expiration of the warranty period of the Project.

Contractor, Successor Agency further agree as follows:

- a) This Attachment supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Attachment.
- b) Nothing contained in this Attachment is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Attachment are

intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

c) All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the Successor Agency or its operations limits the application of such insurance coverage.

d) Requirements of specific coverage features or limits contained in this Attachment are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

e) For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or toward performance of this Agreement.

f) All general or auto liability insurance coverage provided pursuant to this Agreement, or any other agreements pertaining to the performance of this Agreement, shall not prohibit Contractor, Contractor's employees, or agents from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against the Successor Agency.

g) Unless otherwise approved by Successor Agency, Contractor's insurance shall be written by insurers authorized and admitted to do business in the State of California with a minimum "Best's" Insurance Guide Rating of "A:VII." Self-insurance will not be considered to comply with these insurance specifications.

h) In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, Successor Agency has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Successor Agency will be promptly reimbursed by Contractor.

i) Contractor agrees to provide evidence of the insurance required herein, satisfactory to Successor Agency Attorney, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional endorsement to Contractor's general liability and umbrella liability policies using ISO form CG 20 10 11 85. Certificate(s) are to reflect that the insurer will provide at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium. Contractor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Contractor agrees to provide complete copies of policies to Successor Agency within ten days of Successor Agency's request for said copies.

j) Contractor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

k) Any actual or alleged failure on the part of the Successor Agency or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of Successor Agency or any additional insured, in this or any other regard.

l) Contractor agrees to require all subcontractors or other parties hired for this Project to provide workers' compensation insurance as required herein and general liability insurance naming as additional insureds all parties to this Agreement. Contractor agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Contractor agrees to require that no contract used by any subcontractor, or contracts Contractor enters into on behalf of Successor Agency, will reserve the right to charge back to Successor Agency the cost of insurance required by this Agreement. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor contracts with on behalf of Successor Agency, will be submitted to Successor Agency for review. Contractor acknowledges that such contracts or agreements may require modification if the insurance requirements do not reflect the requirements herein. Failure of Successor Agency to request copies of such agreements will not impose any liability on Successor Agency and/or Agency, its Council, boards and commissions, officers, employees, agents and volunteers.

m) If Contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its Managers, Affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

n) Contractor agrees to provide immediate notice to Successor Agency and Agency of any claim or loss against Contractor that includes Successor Agency and/or Agency as a defendant. Successor Agency and/or Agency assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the Successor Agency and/or Agency.

o) Coverage will not be limited to the specific location or individual entity designated as the address of the Project. Contractor agrees to have its coverage endorsed so that all coverage limits required pursuant to this requirement are available separately for each and every location at which Contractor conducts operations of any type on behalf of Successor Agency and/or Agency. Contractor warrants that these limits will not be reduced or exhausted except for losses attributable to those specific locations and not by losses attributable to any other operations of Contractor.

p) Contractor agrees not to attempt to avoid its defense and indemnity obligations to Successor Agency and Agency, its Council, boards and commissions, officers, employees, agents and volunteers by using as a defense Contractor's statutory immunity under workers' compensation or similar statutes.

r) Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between Contractor, Successor Agency and/or Agency or between Successor Agency and/or Agency and any other insured or Named Insured under the policy, or between Successor Agency and any party associated with Successor Agency and Agency or its employees.

s) Contractor shall maintain commercial general liability, and if necessary, commercial umbrella liability insurance, with a limit of not less than one million dollars (\$1,000,000) each occurrence for at least three years following substantial completion of the work.

LIVE Marina, CA *LIVE*

AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA
Batch Date: 05/20/2016

Agenda Item: 8a
City Council Meeting of
June 7, 2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	05/20/2016	78747 Accounts Payable	Abbott's Pro-Power		116.72
	Invoice	Date	Description		Amount
		92871	05/10/2016	Veh - Maint & Repair	116.72
Check	05/20/2016	78748 Accounts Payable	Ace Hardware		41.77
	Invoice	Date	Description		Amount
		058629	05/10/2016	Maint & Repair	7.05
		058662	05/12/2016	Maint & Repair - Community Center Playground	18.46
		058660	05/12/2016	Bldg Maint & Repair -Community Center Playground	16.26
Check	05/20/2016	78749 Accounts Payable	Altec		459.75
	Invoice	Date	Description		Amount
		48364	04/30/2016	AP Checks	459.75
Check	05/20/2016	78750 Accounts Payable	American Floors		3,242.26
	Invoice	Date	Description		Amount
		15004	05/10/2016	Installed carpet in Fire Dept dorm/area	3,242.26
Check	05/20/2016	78751 Accounts Payable	Andon Laundrymat Service		351.95
	Invoice	Date	Description		Amount
		4	05/04/2016	Laundry Service - towels and rags	109.45
		02A	01/05/2016	AC Laundry Service/Tag 8213 1/5/16	153.10
		02	05/04/2016	Laundry Service - Youth Basketball Jerseys	89.40
Check	05/20/2016	78752 Accounts Payable	Aramark Uniform Service		157.20
	Invoice	Date	Description		Amount
		757364869	05/09/2016	Uniform Service - Public Works Crew	42.23
		757364870	05/09/2016	Uniform Service - Public Works Crew	40.52
		757364871	05/09/2016	Uniform Service - Public Works Crew	36.15
		757364872	05/09/2016	Uniform Service - Public Works Crew	38.30
Check	05/20/2016	78753 Accounts Payable	ARC		158.28
	Invoice	Date	Description		Amount
		1447404	05/09/2016	State Hwy 1 - Plan copies	158.28
Check	05/20/2016	78754 Accounts Payable	Big Creek Lumber		468.92

LIVE Marina, CA *LIVE*

AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	565979		05/12/2016	Bldg - Maint & Repair - Community Center Playground	468.92
Check	05/20/2016	78755 Accounts Payable	Branch's Janitorial		2,059.47
	Invoice		Date	Description	Amount
	225730		04/24/2016	Janitorial Services - April, 206	2,059.47
Check	05/20/2016	78756 Accounts Payable	Capitol Barricade, Inc.		469.87
	Invoice		Date	Description	Amount
	100677		03/17/2016	Custom Signs	469.87
Check	05/20/2016	78757 Accounts Payable	Civicplus		2,461.45
	Invoice		Date	Description	Amount
	158186		04/01/2016	City Website Hosting Services	2,461.45
Check	05/20/2016	78758 Accounts Payable	Comcast		65.76
	Invoice		Date	Description	Amount
	04-14-16		04/14/2016	Teen Center Cable - Apri-May 2016	65.76
Check	05/20/2016	78759 Accounts Payable	Commercial Environment Landscape		2,500.00
	Invoice		Date	Description	Amount
	2796-0516		05/01/2016	Airport Landscape Services	2,500.00
Check	05/20/2016	78760 Accounts Payable	CSG Consultants		31,882.50
	Invoice		Date	Description	Amount
	6705		04/15/2016	Building Inspection (02/27/16 - 03/25/16)	12,290.00
	6787		04/15/2016	Permits/Dev (02/27/16 - 03/25/16)	16,165.00
	6753		04/15/2016	DU1C - PH2 Marina Dev Projects (02/27/16 - 03/25/16)	3,190.00
	6710		04/15/2016	Hardlid Inspection by Jim Diaz at VA Clinic	95.00
	6482		03/25/2016	Weld Inspection by Jim Diaz, Marina Landfill Truck Bldg	142.50
Check	05/20/2016	78761 Accounts Payable	EI Rancho Market		289.00
	Invoice		Date	Description	Amount
	662628		05/05/2016	Tamales & Rice - Youth Center	120.00
	662631		05/05/2016	Tamales & Rice - Teen Center	169.00
Check	05/20/2016	78762 Accounts Payable	Employment Development Department		1,465.00

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AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		L1941913024	04/27/2016	Employment Development Department (1st Quarter 2016)	1,465.00
Check	05/20/2016	78763 Accounts Payable	Epic Aviation		28,245.99
		Invoice	Date	Description	Amount
		6844065	04/12/2016	Airport - AVGAS Fuel Purchase	28,245.99
Check	05/20/2016	78764 Accounts Payable	Alfred Fasulo		2,062.50
		Invoice	Date	Description	Amount
		16-012	05/13/2016	Background for new Reserve Firefighter Carter Train	712.50
		16-010	05/01/2016	Background for new Reserve Firefighter Tyler Keisling	600.00
		16-013	05/13/2016	Background for new Reserve Firefighter Rhommel Lopez	750.00
Check	05/20/2016	78765 Accounts Payable	FedEx		33.59
		Invoice	Date	Description	Amount
		539328263	04/22/2016	Shipment to FAA	33.59
Check	05/20/2016	78766 Accounts Payable	First Alarm		570.00
		Invoice	Date	Description	Amount
		922005	05/05/2016	Service roll up door at Station 2 - entry & exit delay	35.00
		905857	03/10/2016	Installation of New Alarm Box - PG&E Power Outage	535.00
Check	05/20/2016	78767 Accounts Payable	Fort Ord Reuse Authority		10,500.00
		Invoice	Date	Description	Amount
		16-92	05/09/2016	15-16 Annual Premium - PLL Insurance	10,500.00
Check	05/20/2016	78768 Accounts Payable	Gavilan Pest Control		1,225.00
		Invoice	Date	Description	Amount
		0098114	04/30/2016	Airport Pest Control Services	1,150.00
		0098115	04/30/2016	Airport Pest Control Serv, B504	75.00
Check	05/20/2016	78769 Accounts Payable	Hardee Investigations		1,284.44
		Invoice	Date	Description	Amount
		Marina FD16-02	05/12/2016	Background for RFF Jesse Alvarenga	1,284.44
Check	05/20/2016	78770 Accounts Payable	Home Depot Credit Service		471.43
		Invoice	Date	Description	Amount

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AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	05-12-16		05/12/2016	Bldg Maint & Repair	471.43
Check	05/20/2016	78771 Accounts Payable	Integrity Printing		526.83
	Invoice		Date	Description	Amount
	34788		05/05/2016	Youth Summer Brochures	526.83
Check	05/20/2016	78772 Accounts Payable	Interstate Battery		97.71
	Invoice		Date	Description	Amount
	110053948		03/18/2016	Battery	97.71
Check	05/20/2016	78773 Accounts Payable	Kelly-Moore Paint Co.,Inc		7,549.44
	Invoice		Date	Description	Amount
	802-00000522492		03/14/2016	Powerlines - Streets Equipments	7,549.44
Check	05/20/2016	78774 Accounts Payable	LSA Associates, Inc.		8,595.21
	Invoice		Date	Description	Amount
	144928		04/20/2016	Airport Business Park Spec. Plan Consultants	8,595.21
Check	05/20/2016	78775 Accounts Payable	Mandell M. Counseling		234.00
	Invoice		Date	Description	Amount
	04-01-16		05/02/2016	Revenue Advise - April 2016	234.00
Check	05/20/2016	78776 Accounts Payable	Marina Coast Water District		980.70
	Invoice		Date	Description	Amount
	012016000 042916		04/29/2016	012016 000 - 199 Paddon PI Locke Paddon (04/01/16 - 04/29/16)	34.00
	000056083 042916		04/29/2016	000056 083 - 3240 Imjin Rd Hangar 510 (04/01/16 - 04/29/16)	129.21
	000056044 042916		04/29/2016	000056 044 - 781 Neeson Rd, Admin Office (04/01/16 - 04/29/16)	114.36
	000056049 042916		04/29/2016	000056 049 - Imjin Road University (04/01/16 - 04/29/16)	124.20
	000056051 042916		04/29/2016	000056 051 - 721 Neeson Rd Skydive (04/01/16 - 04/29/16)	147.24
	000057000 042916		04/29/2016	000057 000 - 3220 Imjin Road (04/01/16 - 04/29/16)	114.36
	000056041 042916		04/29/2016	000056 041 - 3260 Imjin Rd, Fire Station 2 (04/01/16 - 04/29/16)	200.00
	000056043 042916		04/29/2016	000056 043 (761 Imjin Rd, Hangar 524 (04/01/16 - 04/29/16)	117.33
Check	05/20/2016	78777 Accounts Payable	MBUAPCD		1,362.00
	Invoice		Date	Description	Amount
	GenPermit.033116		03/31/2016	Application for Permit to Operate Emergency Generator	1,362.00
Check	05/20/2016	78778 Accounts Payable	Monterey Bay Lovedpet		250.00

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AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		1134116	05/05/2016	Freezer Clean-Out AC 5/5/16	250.00
Check	05/20/2016	78779 Accounts Payable	Monterey County Herald		1,064.82
		Invoice	Date	Description	Amount
		0000964325	04/30/2016	Various Legal Notice Ads	1,064.82
Check	05/20/2016	78780 Accounts Payable	Monterey County Information Technology		205.75
		Invoice	Date	Description	Amount
		05-12-16 FD	05/09/2016	Network Users Access - March 2016	205.75
Check	05/20/2016	78781 Accounts Payable	Monterey Regional Waste Management District		71.80
		Invoice	Date	Description	Amount
		04-30-16	04/30/2016	Citywide -Dump Fees (04/01/16 - 04/29/16)	71.80
Check	05/20/2016	78782 Accounts Payable	New Image Landscape Co.		1,735.00
		Invoice	Date	Description	Amount
		114665	04/30/2016	Landscaping	1,735.00
Check	05/20/2016	78783 Accounts Payable	Nextel Communications		358.00
		Invoice	Date	Description	Amount
		866147022-164	04/22/2016	Recreation Cell Phones - March-April 2016	358.00
Check	05/20/2016	78784 Accounts Payable	Office Depot		587.74
		Invoice	Date	Description	Amount
		1933074360	05/03/2016	Office supplies and 5 office chairs	587.74
Check	05/20/2016	78785 Accounts Payable	Pacific Gas & Electric		4,739.17
		Invoice	Date	Description	Amount
		05102016	05/10/2016	PG&E south field office	15.45
		582-7.MAY16	05/10/2016	PG&E - 8161432582-7	135.80
		347-0.MAY16	05/10/2016	PG&E - 6258961347-0	204.55
		098-7.MAY16	05/10/2016	PG&E - 6800558098-7	1,071.24
		612-5.MAY16	05/10/2016	PG&E - 3220008612-5	198.52
		943-2.MAY16	05/10/2016	PG&E - 6150212943-2	68.90
		415-6.MAY16	05/10/2016	PG&E - 5972827415-6	42.52

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		311-8.MAY16	05/11/2016	PG&E - 6513132311-8	9.85
		608-2.MAY16	05/11/2016	PG&E - 7383993608-2	260.18
		290-2.MAY16	05/11/2016	PG&E - 4300583290-2	10.14
		720-0.MAY16	05/11/2016	PG&E - 0167505720-0	471.46
		085-2.MAY16	05/11/2016	PG&E - 5434906085-2	99.31
		202-3.MAY16	05/11/2016	PG&E - 6594070202-3	88.48
		288-5.MAY16	05/11/2016	PG&E - 7175660288-5	332.29
		562-0.MAY16	05/11/2016	PG&E - 4758891562-0	1,052.52
		694-1.MAY16	05/11/2016	PG&E - 7269284694-1	677.96
Check	05/20/2016	78786 Accounts Payable	Peninsula Business Interiors		1,013.58
		Invoice	Date	Description	Amount
		40935	04/21/2016	Teen Center Furniture	1,013.58
Check	05/20/2016	78787 Accounts Payable	Peninsula Messenger LLC		280.00
		Invoice	Date	Description	Amount
		12768	04/30/2016	Messenger Service 4/30/16	280.00
Check	05/20/2016	78788 Accounts Payable	Peninsula Welding & Medical Supply		68.53
		Invoice	Date	Description	Amount
		146936	05/04/2016	Oxygen refills	68.53
Check	05/20/2016	78789 Accounts Payable	Quill Corporation		47.77
		Invoice	Date	Description	Amount
		5433916	04/29/2016	Quill - Office Supplies/Records 4/29/16	47.77
Check	05/20/2016	78790 Accounts Payable	RDO Equipment Co.		146.11
		Invoice	Date	Description	Amount
		P13965	05/06/2016	Veh - Maint & Repair	146.11
Check	05/20/2016	78791 Accounts Payable	Redshift		7.85
		Invoice	Date	Description	Amount
		05-02-16	05/02/2016	DNS Domain Hosting/Redirecting - May 2016	7.85
Check	05/20/2016	78792 Accounts Payable	Richard B. Standridge		3,600.00
		Invoice	Date	Description	Amount
		16-10	05/13/2016	Services rendered 05-3/05-12-16	3,600.00

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AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/20/2016	78793 Accounts Payable	Ryan Ranch Printers		179.23
	Invoice	Date	Description		Amount
		17894	05/05/2016	Business Cards 5/5/16	179.23
Check	05/20/2016	78794 Accounts Payable	Salinas Valley Ford		217.42
	Invoice	Date	Description		Amount
		92271FOW	05/10/2016	Veh - Maint & Repair	138.59
		92392FOW	05/12/2016	Veh - Maint & Repair	78.83
Check	05/20/2016	78795 Accounts Payable	Salinas Valley Pro Squad		5.00
	Invoice	Date	Description		Amount
		266991	04/08/2016	Flashlight Repair 4/8/16	5.00
Check	05/20/2016	78796 Accounts Payable	Shred-it USA		100.33
	Invoice	Date	Description		Amount
		9410522714	05/04/2016	Shredding Service 5/2/16	100.33
Check	05/20/2016	78797 Accounts Payable	SpeakWrite		139.71
	Invoice	Date	Description		Amount
		9a6098d2	05/01/2016	Transcription Service-April 2016	139.71
Check	05/20/2016	78798 Accounts Payable	Suburban Propane		1.00
	Invoice	Date	Description		Amount
		924.APR16	04/14/2016	Airport Firestation - Prop. Tank Rental Fee	1.00
Check	05/20/2016	78799 Accounts Payable	Toshiba Financial Services		323.71
	Invoice	Date	Description		Amount
		304098361	05/04/2016	Toshiba Copier Monthly Fees	323.71
Check	05/20/2016	78800 Accounts Payable	Trucksis Enterprises		73.87
	Invoice	Date	Description		Amount
		8927	04/14/2016	MAP Banners	73.87
Check	05/20/2016	78801 Accounts Payable	United Parcel Service		13.81
	Invoice	Date	Description		Amount
		00008Y4481156	04/09/2016	Shipping charges to Compressed Air - Anaheim, CA	13.81
Check	05/20/2016	78802 Accounts Payable	United Site Services		182.07

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AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		114-3984472	04/30/2016	Toilet Rentals - Corner Beach Rd - De Forest	182.07
Check	05/20/2016	78803 Accounts Payable	Universal Staffing		684.75
		Invoice	Date	Description	Amount
		101200	05/10/2016	Carney/05-07-16	684.75
Check	05/20/2016	78804 Accounts Payable	Usbancorp - Equipment Finace Service		346.98
		Invoice	Date	Description	Amount
		303137954	04/22/2016	Copier Lease - BizHub951 - May 2016	346.98
Check	05/20/2016	78805 Accounts Payable	V&V Manufacturing		1,187.62
		Invoice	Date	Description	Amount
		42786	05/05/2016	(12) Uniform Badges for Fire Dept	1,187.62
Check	05/20/2016	78806 Accounts Payable	Valley Saw & Garden Equipment		665.69
		Invoice	Date	Description	Amount
		98941	05/06/2016	Veh - Maint & Repair	82.03
		98942	05/06/2016	Veh - Maint & Repair	21.72
		99227	05/10/2016	Veh - Maint & Repair	561.94
Check	05/20/2016	78807 Accounts Payable	Vapor Cleaners, Inc.		241.00
		Invoice	Date	Description	Amount
		271725	05/04/2016	Turnout Drycleaning	241.00
Check	05/20/2016	78808 Accounts Payable	Rabobank Visa Card Cardmember Service		3,725.59
		Invoice	Date	Description	Amount
		04-27-16	04/27/2016	Recreation VISA Charges - April 2016	3,725.59
Check	05/20/2016	78809 Accounts Payable	Western Systems		2,928.98
		Invoice	Date	Description	Amount
		0000029942	04/26/2016	Battery Cable Single String	2,928.98
Check	05/20/2016	78810 Accounts Payable	Zee Service Co.		208.12
		Invoice	Date	Description	Amount
		66606152	02/22/2016	Medical Supply	38.53
		66606154	02/22/2016	Medical Supply - Teen Center	47.14

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AP Check Register 05-20-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/20/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
		66606286	03/23/2016	Medical Supply - Corp Yard		122.45
024 Accounts Payable ZBA Totals:				Transactions: 64		<u>\$135,329.74</u>
Checks:		64		\$135,329.74		

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AP Check Register 05-27-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	05/27/2016	78811 Accounts Payable	A-1 Sweeping Service		630.00
	Invoice	Date	Description		Amount
	APR2016	05/02/2016	Airport_Contract Sweeping Service		630.00
Check	05/27/2016	78812 Accounts Payable	Ace Hardware		834.15
	Invoice	Date	Description		Amount
	058249	04/05/2016	Freezer Cord for Ball Park		18.46
	058427	04/20/2016	Mason Jars for Volunteer Program		28.22
	058533	04/30/2016	Pitch Hit & Run Competition Supplies		37.98
	C19481	11/19/2015	CREDIT MEMO - Duct Tape		(14.11)
	057863	03/02/2016	Propane Exchange		45.60
	057911	03/06/2016	Gorilla Tape		10.85
	058061	03/21/2016	Painting Supplies - Community Center		209.46
	058124	03/25/2016	Painting Supplies - Community Center		140.03
	058153	03/28/2016	Painting Supplies - Community Center		103.13
	058184	03/30/2016	Padlocks		36.91
	056658	11/05/2015	6 Folding Tables		217.62
Check	05/27/2016	78813 Accounts Payable	Ace Hardware		4.88
	Invoice	Date	Description		Amount
	058704	05/16/2016	Threadlocker Blue		4.88
Check	05/27/2016	78814 Accounts Payable	Ace Hardware		56.40
	Invoice	Date	Description		Amount
	058698	05/16/2016	Maint & Repair		37.41
	058746	05/20/2016	Maint & Repair		4.88
	058761	05/23/2016	Maint & Repair		14.11
Check	05/27/2016	78815 Accounts Payable	Advantage Gear		726.39
	Invoice	Date	Description		Amount
	114955	05/19/2016	Fire Dept Uniforms		726.39
Check	05/27/2016	78816 Accounts Payable	Alliant Insurance Services		2,500.00
	Invoice	Date	Description		Amount
	459252	04/27/2016	Alliant - Crime Insurance (2016/2017)		2,500.00

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2016	78817 Accounts Payable	American Supply Co.		584.89
	Invoice		Date	Description	Amount
		2725925	05/19/2016	Bldg - Clean Supplies	584.89
Check	05/27/2016	78818 Accounts Payable	Aramark Uniform Service		157.20
	Invoice		Date	Description	Amount
		757376603	05/16/2016	Uniform Service - Public Works Crew	42.23
		757376604	05/16/2016	Uniform Service - Public Works Crew	40.52
		757376605	05/16/2016	Uniform Service - Public Works Crew	36.15
		757376606	05/16/2016	Uniform Service - Public Works Crew	38.30
Check	05/27/2016	78819 Accounts Payable	ARC		1,267.12
	Invoice		Date	Description	Amount
		1453102	05/17/2016	Plan Copy for Del Monte/Beach Imp Project	299.10
		1454831	05/18/2016	Plan & Spec Copies - SR1 (TI22A)	263.09
		1455068	05/19/2016	Plans & Specs Copies - Del Monte/Beach (TI29)	704.93
Check	05/27/2016	78820 Accounts Payable	AT & T		125.72
	Invoice		Date	Description	Amount
		04-27-16	04/27/2016	AT & T U-verse/Phone System Backup 3/28-4/27/16	110.77
		05-01-16	05/01/2016	Airport - Police 5/1/16	14.95
Check	05/27/2016	78821 Accounts Payable	AT & T		574.40
	Invoice		Date	Description	Amount
		000008060711	05/13/2016	CALNET3-9391023436 (239-461-6578)	70.05
		000008060748	05/13/2016	Radio Repeater 5/13/16	165.95
		000008081900	05/15/2016	CALNET3-9391023486 (884-9153)	19.26
		000008081901	05/15/2016	CALNET3-9391023487 (884-9497)	19.26
		000008081894	05/15/2016	CALNET3-9391023479 (883-0919)	19.16
		000008081905	05/15/2016	CALNET3-9391023491 (884-9654)	78.26
		000008081928	05/15/2016	CALNET3-9391023435 (237-267-6922)	43.16
		000008081896	05/15/2016	CALNET3-9391023480 (883-9669)	66.38
		000008081904	05/15/2016	CALNET3-9391023490 (884-9568)	34.61
		000008081897	05/15/2016	CALNET3-9391023482 (884-0985)	19.26
		000008081898	05/15/2016	CALNET3-9391023483 (884-0986)	19.26

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Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		000008081899	05/15/2016	CALNET3-9391023485 (884-2573)	19.79
Check	05/27/2016	78822 Accounts Payable	Big Creek Lumber		392.21
	Invoice		Date	Description	Amount
		571725	05/23/2016	Lumber Material	392.21
Check	05/27/2016	78823 Accounts Payable	Bogner Sheet Metal		1,512.53
	Invoice		Date	Description	Amount
		11667	04/19/2016	Installed Burner Plate Assembly - Library	1,512.53
Check	05/27/2016	78824 Accounts Payable	Bound Tree Medical		1,374.81
	Invoice		Date	Description	Amount
		82149318	05/16/2016	Medical Supplies	1,374.81
Check	05/27/2016	78825 Accounts Payable	California Department of Justice		256.00
	Invoice		Date	Description	Amount
		162166	05/04/2016	Live Scan Billing - April 2016	256.00
Check	05/27/2016	78826 Accounts Payable	California Towing Inc.		200.00
	Invoice		Date	Description	Amount
		168148	05/01/2016	Towing Service Unit #897 5/1/16	100.00
		167852	04/09/2016	Towing Service Unit #899 4/9/16	100.00
Check	05/27/2016	78827 Accounts Payable	Central Valley Toxicology		125.00
	Invoice		Date	Description	Amount
		250411	04/14/2016	Drug Screens CVT 16-4593 4/14/16	125.00
Check	05/27/2016	78828 Accounts Payable	Cintas Corporation		58.04
	Invoice		Date	Description	Amount
		630117739	05/16/2016	Mat Service-Police/Fire 5/16/16	58.04
Check	05/27/2016	78829 Accounts Payable	Colantuono, Highsmith & Whatley		35.00
	Invoice		Date	Description	Amount
		30839	05/03/2016	Professional Services - CEMEX - April 2016	35.00
Check	05/27/2016	78830 Accounts Payable	Consolidated Electrical Distributors, Inc.		57.15
	Invoice		Date	Description	Amount

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		4914-549531	05/19/2016	Traffic Signal Materials	57.15
Check	05/27/2016	78831 Accounts Payable	CSG Consultants		2,691.06
		Invoice	Date	Description	Amount
		B160278	05/09/2016	Plan Check Services (04/01/16 - 04/30/16)	2,691.06
Check	05/27/2016	78832 Accounts Payable	Directv		5.00
		Invoice	Date	Description	Amount
		28387672945	04/26/2016	Airport_Pilot Lounge TV Service	5.00
Check	05/27/2016	78833 Accounts Payable	Donald Villarreal		37.00
		Invoice	Date	Description	Amount
		R16-051219	05/11/2016	Refund - Animal Impound 5/11/16	37.00
Check	05/27/2016	78834 Accounts Payable	Enterprise Rent-A-Car - EAN Services, LLC		283.93
		Invoice	Date	Description	Amount
		9356339	04/30/2016	Training/Rental Car Service 4/30/16	283.93
Check	05/27/2016	78835 Accounts Payable	Farmer Brothers Co.		165.89
		Invoice	Date	Description	Amount
		63866945	05/19/2016	Fire Dept Coffee	165.89
Check	05/27/2016	78836 Accounts Payable	Ferguson Enterprise, Inc. # 1423		158.79
		Invoice	Date	Description	Amount
		4756736	05/12/2016	Bldgb Maint & Repair	95.01
		4756895	05/12/2016	Bldg Maint & Repair	58.97
		4760235	05/16/2016	Bldg Maint & Repair	4.81
Check	05/27/2016	78837 Accounts Payable	First Alarm		669.30
		Invoice	Date	Description	Amount
		922008	05/05/2016	Storage-Service call/add new empl 5/5/16	35.00
		923533	05/16/2016	Alarm Services - VDP June-Aug 31, 2016	173.16
		925858	05/16/2016	Burglar/Fire Alarm Police/Fire 5/16/16	173.16
		926034	05/13/2016	PS Building Service Call-Police/Fire 5/13/16	50.00
		925975	05/16/2016	Storgage - Police 6/1 thru 8/31/16	142.98
		922395	05/10/2016	Airport_Fire Alarm System Montoring	95.00
Check	05/27/2016	78838 Accounts Payable	Fort Ord Reuse Authority		2,336.63

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		May 2016	05/19/2016	Las Animas 50% Shared Rent	2,336.63
Check	05/27/2016	78839 Accounts Payable	Gavilan Pest Control		1,600.00
		Invoice	Date	Description	Amount
		0098416	05/11/2016	Pest Control Svc - Various Locations	1,600.00
Check	05/27/2016	78840 Accounts Payable	George T. Powell		950.00
		Invoice	Date	Description	Amount
		05052016	05/01/2016	Parking Rental Fee-Police/Fire 5/1/16	950.00
Check	05/27/2016	78841 Accounts Payable	Goldfarb & Lipman		2,688.00
		Invoice	Date	Description	Amount
		118263	01/25/2016	Affordable Housing Legal Services	988.00
		119511	05/17/2016	RDA & Successor Agency Legal Services	1,206.00
		119512	05/17/2016	Redevelopment Legal Services_Marina Heights	494.00
Check	05/27/2016	78842 Accounts Payable	Granite Construction Co.		33,387.26
		Invoice	Date	Description	Amount
		962855	04/30/2016	Marina 2015 Roadway Overlay	28,899.76
		925230A	12/31/2015	2015 Roadway Transportation Enhancement Project	4,487.50
Check	05/27/2016	78843 Accounts Payable	Graniterock/Pavex Construction		331.28
		Invoice	Date	Description	Amount
		959492	05/07/2016	Street Materials	235.52
		961055	05/14/2016	Street Materials	95.76
Check	05/27/2016	78844 Accounts Payable	Green Line		1,270.00
		Invoice	Date	Description	Amount
		64559	05/17/2016	Grease Trap Cleaning - Teen Center	475.00
		64560	05/17/2016	Grease Trap Cleaning - Vince Di Maggio	475.00
		64558	05/17/2016	Grease Trap Cleaning - City Hall	320.00
Check	05/27/2016	78845 Accounts Payable	Hinderliter, Dellamas & Associates		9,100.00
		Invoice	Date	Description	Amount
		0024683-IN	11/30/2015	Economic Development Services	9,100.00

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2016	78846 Accounts Payable	Home Depot Credit Service		188.19
	Invoice		Date	Description	Amount
	05-19-16		05/19/2016	Bldg Maint & Repair	132.52
	05-19-16A		05/19/2016	Bldg Maint & Repair	55.67
Check	05/27/2016	78847 Accounts Payable	Jan Roehl Consulting		573.75
	Invoice		Date	Description	Amount
	23		05/04/2016	Crime Analysis & grant services 5/4/16	573.75
Check	05/27/2016	78848 Accounts Payable	JPB Designs Inc.		481,828.41
	Invoice		Date	Description	Amount
	04-25-16		04/25/2016	Sports Complex Stablization	481,828.41
Check	05/27/2016	78849 Accounts Payable	Keyser Marston Associates		125.00
	Invoice		Date	Description	Amount
	0029696		05/12/2016	Successor Agency Services	125.00
Check	05/27/2016	78850 Accounts Payable	Kimley-Horn & Associates		13,155.00
	Invoice		Date	Description	Amount
	7756340		04/30/2016	Dunes Update (TIA)	13,155.00
Check	05/27/2016	78851 Accounts Payable	L.N. Curtis & Sons		1,825.27
	Invoice		Date	Description	Amount
	INV26632		05/16/2016	Wildland Tools - Hose clamps and Pick & shovel combination	1,825.27
Check	05/27/2016	78852 Accounts Payable	Language Line, LLC		24.31
	Invoice		Date	Description	Amount
	3812963		04/30/2016	Translation Service 4/30/16	24.31
Check	05/27/2016	78853 Accounts Payable	Law Enforcement Psychological Services, Inc		375.00
	Invoice		Date	Description	Amount
	1605592		05/10/2016	Law Enforcement Psych. Services	375.00
Check	05/27/2016	78854 Accounts Payable	League of California Cities		6,727.76
	Invoice		Date	Description	Amount
	158711		01/04/2016	Option # 2 Annual Membership	6,727.76

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2016	78855 Accounts Payable	League of California Cities-Monterey Bay Division		26.00
	Invoice	Date	Description		Amount
	8153	05/09/2016	Division Meeting - May 9, 2016		26.00
Check	05/27/2016	78856 Accounts Payable	Lehr Auto Electric		6,922.30
	Invoice	Date	Description		Amount
	01124130	05/16/2016	Tablets		6,922.30
Check	05/27/2016	78857 Accounts Payable	Mann, Urrutia, Nelson CPAS & Associates		6,000.00
	Invoice	Date	Description		Amount
	4459	12/31/2015	June 30, 2015 Audit		1,500.00
	6367	04/30/2016	2014 &2015 Abrams Audit		4,500.00
Check	05/27/2016	78858 Accounts Payable	Marina Coast Water District		3,748.03
	Invoice	Date	Description		Amount
	000056032 050616	05/06/2016	000056 032 - Crescent & Costa Mont Bay Est (04/09/16 - 05/06/16)		55.55
	000056011 050616	05/06/2016	000056 011 - Tate Park 3254 Del Monte (04/09/16 - 05/06/16)		306.15
	000056086 050616	05/06/2016	000056 086 - Center Median 3208 Crescent (04/09/16 - 05/06/16)		21.07
	000056087 050616	05/06/2016	000056 087 - Center Median 3218 Crescent (04/09/16 - 05/06/16)		21.07
	000056034 050616	05/06/2016	000056 034 - 3240 DeForest, Windy Hill Park (04/09/16 - 05/06/16)		366.09
	000056085 050616	05/06/2016	000056 085 - Center Median 3192 Crescent (04/09/16 - 05/06/16)		21.07
	000056035 050616	05/06/2016	000056 035 - Cardoza/Res,Tate Park (04/09/16 - 05/06/16)		213.18
	000056008 050616	05/06/2016	000056 008 - Reservation Rd and Del Monte (04/09/16 - 05/06/16)		21.07
	000056084 050616	05/06/2016	000056 084 - Ctr Med3172 Cres- Shuler (04/09/16 - 05/06/16)		21.07
	000056030 050616	05/06/2016	000056 030 - Ctr Med. Reserv, Ramada Inn (04/09/16 - 05/06/16)		34.00
	000056015 050616	05/06/2016	000056 015 - Cypress Cove II (04/09/16 - 05/06/16)		55.55
	000056014 050616	05/06/2016	000056 014 - Vince DiMaggio 3200 Del Monte (04/09/16 - 05/06/16)		1,073.23
	000056027 051316	05/13/2016	000056 027 - Center Median & ROW Calif Ave (04/23/16 - 05/13/16)		17.56
	000056026 051316	05/13/2016	000056 026 - ROW Barrett Lane (04/23/16 - 05/13/16)		21.07
	000056025 051316	05/13/2016	000056 025 - 327 Reindollar,LA Sports Comp (mm/dd/yy - mm/dd/yy)		45.74
	000056007 051316	05/13/2016	000056 007 California Ave Landscape (04/23/16 - 05/13/16)		81.41
	000056005 051316	05/13/2016	000056 005 - Calif and Patton (04/23/16 - 05/13/16)		81.41
	000056001 051316	05/13/2016	000056 001 - 209-13 Cypress (04/23/16 - 05/13/16)		96.43
	000056021 051316	05/13/2016	000056 021 - Ctr Med Res Rd by Post Office (04/23/16 - 05/13/16)		34.00

LIVE Marina, CA *LIVE*

AP Check Register 05-27-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		000056022 051316	05/13/2016	000056 022 - Ctr Median & Row Del Monte (04/23/16 - 05/13/16)	36.62
		000056018 051316	05/13/2016	000056 018 - 208 Palm Ave, Fire Station (04/23/16 - 05/13/16)	111.40
		000056020 051316	05/13/2016	000056 020 304 Hillcrest Ave, Teen Center (04/23/16 - 05/13/16)	80.43
		000056017 051316	05/13/2016	000056 017 - 208 A Palm Ave, Fire Station (04/23/16 - 05/13/16)	58.95
		000056016 051316	05/13/2016	000056 016 - Ctr Med Reserv & Seac (04/23/16 - 05/13/16)	34.00
		000056019 051316	05/13/2016	000056 019 - 213 Hillcrest Ave, Comm Ctr (04/23/16 - 05/13/16)	755.88
		000056024 051316	05/13/2016	000056 024 - Ctr Median Del Monte/Palm (04/23/16 - 05/13/16)	84.03
Check	05/27/2016	78859 Accounts Payable	Marina Collision Repair Inc.		3,580.00
		Invoice	Date	Description	Amount
		7253	05/17/2016	Veh - Maint & Repair	3,580.00
Check	05/27/2016	78860 Accounts Payable	Marina Pet Hospital		75.00
		Invoice	Date	Description	Amount
		05-06-16	05/06/2016	Euthanasia Case #16-00122 5/6/16	75.00
Check	05/27/2016	78861 Accounts Payable	Maynard Group Inc.		1,176.73
		Invoice	Date	Description	Amount
		P225847	02/18/2016	Telephone Maintenance 2/18/16	256.85
		P226171	03/01/2016	Platinum Service Maintenance Coverage 3/1/16	919.88
Check	05/27/2016	78862 Accounts Payable	MBay IT		8,350.00
		Invoice	Date	Description	Amount
		10001	05/11/2016	Marina Contract Overage - November 2014 to April 2016	8,350.00
Check	05/27/2016	78863 Accounts Payable	Michael Baker International, Inc.		22,415.57
		Invoice	Date	Description	Amount
		939423	04/15/2016	TI29 - Del Monte/Beach (04/01/16 - 04/30/16)	22,415.57
Check	05/27/2016	78864 Accounts Payable	Microsoft		1,733.50
		Invoice	Date	Description	Amount
		E0700287B1	05/11/2016	MS Office 365 - Citywide - May 2016	910.00
		E0700287SO	05/11/2016	MS Office 365 - Citywide - May 2016	810.00
		E0700288AN	05/11/2016	MS Office 365 Citywide - May 2016	13.50
Check	05/27/2016	78865 Accounts Payable	Mike's Appliances, Inc.		189.00
		Invoice	Date	Description	Amount

LIVE Marina, CA *LIVE*

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		312387	05/04/2016	Double Door Oven - Teen Center	189.00
Check	05/27/2016	78866 Accounts Payable	Monterey Auto Supply		644.07
		Invoice	Date	Description	Amount
		420044	05/13/2016	Veh - Maint Parts & Supply	86.15
		417784	05/02/2016	Veh - Maint Parts & Supply	(47.77)
		418560	05/05/2016	Veh - Maint Parts & Supply	50.43
		419952	05/13/2016	Veh - Maint Parts & Supply	62.46
		420410	05/16/2016	Veh - Maint Parts & Supply	94.56
		420342	05/16/2016	Veh - Maint Parts & Supply	59.44
		421403	05/20/2016	Veh - Maint Parts & Supply	144.11
		420520	05/16/2016	Veh - Maint Parts & Supply	231.47
		421111	05/19/2016	Veh - Maint Parts & Supply	67.98
		421684	05/23/2016	Veh - Maint Parts & Supply	(151.79)
		421680	05/23/2016	Veh - Maint Parts & Supply	22.72
		421701	05/23/2016	Veh - Maint Parts & Supply	18.81
		421703	05/23/2016	Veh - Maint Parts & Supply	5.50
Check	05/27/2016	78867 Accounts Payable	Monterey County Animal Services		155.00
		Invoice	Date	Description	Amount
		A133899	12/21/2015	Animal Disposal 12/21/15	155.00
Check	05/27/2016	78868 Accounts Payable	Monterey County Assessor		65.00
		Invoice	Date	Description	Amount
		50	05/18/2016	Custom Data Report- Parcels	65.00
Check	05/27/2016	78869 Accounts Payable	Monterey County Herald		165.39
		Invoice	Date	Description	Amount
		0005711807	04/16/2016	Legal Advertising for 206 Cypress Ave	165.39
Check	05/27/2016	78870 Accounts Payable	Monterey County Information Technology		1,025.67
		Invoice	Date	Description	Amount
		05-09-16	05/09/2016	IT/Phone/Radio Billing 5/9/16	1,025.67
Check	05/27/2016	78871 Accounts Payable	Monterey County Petroleum		726.37
		Invoice	Date	Description	Amount

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	290974D		02/18/2016	Diesel Fuel	669.97
	292368C		04/08/2016	Fuel	56.40
Check	05/27/2016	78872 Accounts Payable	Monterey County Treasurer		1,737.50
	Invoice		Date	Description	Amount
	5-10-16		05/10/2016	January Parking Collection 5/10/16	312.50
	5-12-16		05/12/2016	February Parking Collection 5/12/16	462.50
	05-19-16		05/19/2016	Parking Collection - April 2016	462.50
	05-17-16		05/17/2016	Parking Collection - March 2016	500.00
Check	05/27/2016	78873 Accounts Payable	Monterey Tire Service		269.19
	Invoice		Date	Description	Amount
	1 - 71559		05/12/2016	Veh - Maint & Repair	252.90
	1 - 71560		05/12/2016	Veh- Maint & Repair	16.29
Check	05/27/2016	78874 Accounts Payable	Muniservices		120.00
	Invoice		Date	Description	Amount
	41623		04/30/2016	Business License Tax Admin	120.00
Check	05/27/2016	78875 Accounts Payable	Office Depot		62.45
	Invoice		Date	Description	Amount
	836293714001		04/25/2016	Office Supplies	62.45
Check	05/27/2016	78876 Accounts Payable	Pacific Gas & Electric		16,080.90
	Invoice		Date	Description	Amount
	535-3.MAY16		05/13/2016	PG&E - 6161832535-3	323.68
	827-8.MAY16		05/13/2016	PG&E - 0423929827-8	99.73
	851-0.MAY16		05/16/2016	PG&E - 3440977851-0	213.44
	809-3.MAY16		05/10/2016	Airport_Uilities B510	358.33
	148-6.MAY16		05/18/2016	PG&E - 5593414148-6	141.14
	272-1.MAY16		05/18/2016	PG&E - 2862559272-1	39.34
	683-2.MAY16		05/18/2016	PG&E 6217294683-2	692.99
	533-6.MAY16		05/18/2016	PG&E - 2253666533-8	85.06
	483-6.MAY16		05/16/2016	PG&E - 3982644483-6	14,127.19
Check	05/27/2016	78877 Accounts Payable	Peninsula Fence Co.		134.70
	Invoice		Date	Description	Amount

LIVE Marina, CA *LIVE*

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Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	.				
	2578		05/19/2016	Bldg Maint & Repair	134.70
Check	05/27/2016	78878 Accounts Payable	Peninsula Welding & Medical Supply		210.65
	Invoice		Date	Description	Amount
	147088		05/13/2016	Visor for face shields	210.65
Check	05/27/2016	78879 Accounts Payable	Pinnacle Healthcare		1,457.00
	Invoice		Date	Description	Amount
	4566041-30		04/28/2016	Pinnacle Healthcare - Pre Emp Px	322.00
	4556821-30		04/25/2016	Pinnacle Healthcare - Pre Emp Px	317.00
	4581281-30		04/28/2016	Pinnacle Healthcare - Pre Emp Px	252.00
	4576971-30		05/03/2016	Pinnacle Healthcare - Pre Emp Px	566.00
Check	05/27/2016	78880 Accounts Payable	Proforce		7,197.20
	Invoice		Date	Description	Amount
	273635		05/12/2016	Tasers replacement	7,197.20
Check	05/27/2016	78881 Accounts Payable	Quill Corporation		192.17
	Invoice		Date	Description	Amount
	5852780		05/13/2016	Office Supplies-Records 5/13/16	136.80
	5827713		05/13/2016	Office Supplies - Records 5/13/16	55.37
Check	05/27/2016	78882 Accounts Payable	Ralph Anderson & Associates		5,875.00
	Invoice		Date	Description	Amount
	21030		05/03/2016	Public Works Director Recruitment	5,875.00
Check	05/27/2016	78883 Accounts Payable	Reserve Account - Pitney Bowes		1,500.00
	Invoice		Date	Description	Amount
	05-12-16		05/12/2016	Postage Refill	1,500.00
Check	05/27/2016	78884 Accounts Payable	Robert R. Wellington		11,751.00
	Invoice		Date	Description	Amount
	23461		05/10/2016	Retainer - March 2016	1,800.00
	23457		05/10/2016	AMCAL Matters - January 2016	36.00
	23458		05/10/2016	Choates Lawsuit - January 2016	333.00
	23459		05/10/2016	Code Enforcement Matters - January 2016	171.00

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AP Check Register 05-27-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 05/27/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	05-19-16		05/17/2016	Firefighter 1 Certification for RFF Jason Soboleski	40.00
Check	05/27/2016	78891 Accounts Payable	Teri Black & Company		15,218.46
	Invoice		Date	Description	Amount
	16-0425-27		04/25/2016	Community Development Director Recruitment	15,218.46
Check	05/27/2016	78892 Accounts Payable	Tyler Technologies, Inc.		3,888.23
	Invoice		Date	Description	Amount
	49656		04/29/2016	Tyler Technologies - Travel (Schulte 4-11-16)	2,375.23
	49736		04/30/2016	Tyler Technologies - Services (4-25-16)	980.00
	49550		06/15/2016	HR/Payroll Maintenance (7-1-16 to 2-28-17)	533.00
Check	05/27/2016	78893 Accounts Payable	United Parcel Service		20.08
	Invoice		Date	Description	Amount
	00008Y4481196		05/07/2016	Shipping charges to Compressed Air - Anaheim, CA	20.08
Check	05/27/2016	78894 Accounts Payable	Universal Staffing		1,662.00
	Invoice		Date	Description	Amount
	101232		05/17/2016	Carney/Evans 05-14-16	1,662.00
Check	05/27/2016	78895 Accounts Payable	Valley Saw & Garden Equipment		86.62
	Invoice		Date	Description	Amount
	100164		05/19/2016	Veh - Maint & Repair	86.62
Check	05/27/2016	78896 Accounts Payable	Verizon Wireless		548.38
	Invoice		Date	Description	Amount
	9765163612		05/10/2016	Monthly Verizon Bill-308174766	548.38
Check	05/27/2016	78897 Accounts Payable	Cardmember Service		285.59
	Invoice		Date	Description	Amount
	04-27-16		04/27/2016	Airport_Visa Card	285.59
Check	05/27/2016	78898 Accounts Payable	Ward Diesel Filter Systems		385.00
	Invoice		Date	Description	Amount
	2077		04/08/2016	Veh - Maint & Repair	385.00
Check	05/27/2016	78899 Accounts Payable	Western Pacific Signal		1,017.18

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Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	22117		05/17/2016	Traffic Signals - CW	1,017.18
Check	05/27/2016	78900 Accounts Payable	Western Systems		20,347.04
	Invoice		Date	Description	Amount
	0000030025		05/09/2016	UPS Module & Bypass Switch	4,503.01
	0000030024		05/09/2016	UPS Module, BYPASS Switch & Cables- Vairous Locations	5,670.51
	0000030026		05/09/2016	UPS Module, Battery Cable & Bypass Switch - Various Locations	4,503.01
	0000030023		05/09/2016	UPS Module, Battery Cable & Bypass Switch - Various Locations	5,670.51
Check	05/27/2016	78901 Accounts Payable	Zee Service Co.		116.85
	Invoice		Date	Description	Amount
	66605763		11/12/2015	First Aide Kit	96.02
	66605762		11/12/2015	Flushing Solution	20.83
Check	05/27/2016	78902 Accounts Payable	Zoom Imaging Solutions		104.30
	Invoice		Date	Description	Amount
	1633514		05/06/2016	Zoom Maintenance Contract	104.30
Check	05/27/2016	78903 Accounts Payable	AFLAC - Attn.:Remittance Process		2,593.71
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	71 - AFLAC Cancer Post-Tax*	2,593.71
Check	05/27/2016	78904 Accounts Payable	Discovery Benefits, Inc.		407.12
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	93 - Dependent Care FSA*	344.62
	04-30-2016		04/30/2016	Admin Fee (04/2016)	62.50
Check	05/27/2016	78905 Accounts Payable	Franchise Tax Board - State of CA		100.00
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	551 - Garnishment (FTB) \$	100.00
Check	05/27/2016	78906 Accounts Payable	ICMA Retirement Trust		7,123.47
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	12 - ICMA 457 %*	7,123.47
Check	05/27/2016	78907 Accounts Payable	Marina Employees Association		145.00

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Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	24 - MEA Dues	145.00
Check	05/27/2016	78908 Accounts Payable	Marina Police Association-MPOA		250.00
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	23 - MPOA Dues	250.00
Check	05/27/2016	78909 Accounts Payable	Marina Professional Fire Fighters Association		200.00
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	35 - MPFFA Dues	200.00
Check	05/27/2016	78910 Accounts Payable	Marina Public Safety Management Association		100.00
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	19 - MPSMA Dues	100.00
Check	05/27/2016	78911 Accounts Payable	Nationwide Retirement		1,557.49
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	10 - Nationwide 457 %*	1,557.49
Check	05/27/2016	78912 Accounts Payable	Police Officers Association - POA		1,350.00
	Invoice		Date	Description	Amount
	05-20-2016		05/20/2016	25 - POA Dues	1,350.00
024 Accounts Payable ZBA Totals:			Transactions: 102		\$734,524.06
	Checks:	102	\$734,524.06		

AP Check Register 06-03-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 06/03/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	06/03/2016	78913 Accounts Payable	Ace Hardware		29.94
	Invoice	Date	Description		Amount
	058758	05/22/2016	Fasteners and pad locks		29.94
Check	06/03/2016	78914 Accounts Payable	Ace Hardware		19.53
	Invoice	Date	Description		Amount
	058778	05/24/2016	Maint & Repair		19.53
Check	06/03/2016	78915 Accounts Payable	Aramark Uniform Service		157.20
	Invoice	Date	Description		Amount
	757388322	05/23/2016	Uniform Service - Public Works Crew		40.52
	757388323	05/23/2016	Uniform Service - Public Works Crew		36.15
	757388324	05/23/2016	Uniform Service - Public Works Crew		38.30
	757388321	05/23/2016	Uniform Service - Public Works Crew		42.23
Check	06/03/2016	78916 Accounts Payable	AT & T		212.14
	Invoice	Date	Description		Amount
	05-14-16	05/14/2016	AT&T Billing-Alarm/EOC & PEBST Equip 5/14/16		212.14
Check	06/03/2016	78917 Accounts Payable	AT & T		36.92
	Invoice	Date	Description		Amount
	000008081893	05/15/2016	AT&T-South Field Office 4/15-5/14/16		36.92
Check	06/03/2016	78918 Accounts Payable	Chaz Design		2,062.26
	Invoice	Date	Description		Amount
	2280	05/02/2016	Graphic Design Police Motorcycles		2,062.26
Check	06/03/2016	78919 Accounts Payable	Chevron		871.78
	Invoice	Date	Description		Amount
	47462388	05/22/2016	Chevron Billing 4/22-5/21/16		871.78
Check	06/03/2016	78920 Accounts Payable	Comcast		158.75
	Invoice	Date	Description		Amount
	05-14-16	05/14/2016	Teen Center Cable & Internet		158.75
Check	06/03/2016	78921 Accounts Payable	Dyna Systems		240.17

AP Check Register 06-03-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 06/03/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		23022046	05/11/2016	Veh - Maint & Repar	240.17
Check	06/03/2016	78922 Accounts Payable	FedEx		325.82
		Invoice	Date	Description	Amount
		5-424-25799	05/20/2016	Postage/Shipping 5/20/16	325.82
Check	06/03/2016	78923 Accounts Payable	First Alarm		89.97
		Invoice	Date	Description	Amount
		925926	05/16/2016	City Hall Alarm Monitoring	89.97
Check	06/03/2016	78924 Accounts Payable	Hinderliter, Dellamas & Associates		1,138.15
		Invoice	Date	Description	Amount
		0025512-IN	05/20/2016	Sales Tax 2nd Qtr & Audit	1,138.15
Check	06/03/2016	78925 Accounts Payable	Hydro Turf		2,166.99
		Invoice	Date	Description	Amount
		1661733	05/25/2016	Bldg Maint & Repair	2,166.99
Check	06/03/2016	78926 Accounts Payable	Janice Griffin		325.00
		Invoice	Date	Description	Amount
		05-05-16	05/05/2016	Cinco de Mayo Event	325.00
Check	06/03/2016	78927 Accounts Payable	Kelly-Moore Paint Co.,Inc		1,827.13
		Invoice	Date	Description	Amount
		802-00000533418	05/24/2016	Street Equipment & Supply	1,827.13
Check	06/03/2016	78928 Accounts Payable	Knox Company		861.40
		Invoice	Date	Description	Amount
		INV00810324	05/17/2016	Replacement Key Switch Locks	861.40
Check	06/03/2016	78929 Accounts Payable	Liebert Cassidy Whitmore		1,650.00
		Invoice	Date	Description	Amount
		1420553	04/30/2016	LCW - Professional Services	60.00
		1420554	04/30/2016	LCW - Professional Services	1,590.00
Check	06/03/2016	78930 Accounts Payable	Marina Backflow Co.		1,260.00

LIVE Marina, CA *LIVE*

AP Check Register 06-03-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 06/03/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount	
			Invoice	Date	Description	Amount
			4244	05/20/2016	Backflow Test - CW	1,260.00
Check	06/03/2016	78931 Accounts Payable	Monterey Auto Supply			319.08
			Invoice	Date	Description	Amount
			422083	05/25/2016	Veh - Maint Parts & Supply	109.66
			422128	05/25/2016	Veh - Maint Parts & Supply	62.61
			422127	05/25/2016	Veh - Maint Parts & Supply	146.81
Check	06/03/2016	78932 Accounts Payable	Monterey County Peace Officers Association			675.00
			Invoice	Date	Description	Amount
			2016033R	05/18/2016	Shooting Range Use 5/6, 5/15 & 5/17/16	675.00
Check	06/03/2016	78933 Accounts Payable	Mountain Mikes Pizza			835.67
			Invoice	Date	Description	Amount
			101033429	05/17/2016	Pizzas for Teen Center	369.19
			101066638	05/20/2016	Pizzas for Teen Center	116.84
			101071648	05/21/2016	Pizzas for Sports Event	262.72
			101071891	05/21/2016	Pizzas for Sports Event	86.92
Check	06/03/2016	78934 Accounts Payable	Opticsplanet			4,771.96
			Invoice	Date	Description	Amount
			7476288	05/23/2016	Rifle optics replacements	4,771.96
Check	06/03/2016	78935 Accounts Payable	Pacific Gas & Electric			727.95
			Invoice	Date	Description	Amount
			362-9.MAY16	05/19/2016	PG&E - 5996678362-9	2.16
			172-2.MAY16	05/19/2016	PG&E - 5618207172-2	472.26
			795-7.MAY16	05/20/2016	PG&E - 4467294795-7	253.53
Check	06/03/2016	78936 Accounts Payable	Peninsula Welding & Medical Supply			171.32
			Invoice	Date	Description	Amount
			147213	05/20/2016	Oxygen refills	171.32
Check	06/03/2016	78937 Accounts Payable	Pinnacle Healthcare			83.00
			Invoice	Date	Description	Amount

AP Check Register 06-03-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 06/03/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	4606311-30		05/03/2016	Pinnacle Healthcare - Pre Emp Px	48.00
	4582831-40		05/05/2016	Pinnacle Healthcare - Pre Emp Px	35.00
Check	06/03/2016	78938 Accounts Payable	Pitney Bowes		282.40
	Invoice	Date	Description		Amount
	1000493336		05/18/2016	Postage Meter Replacement Ink	282.40
Check	06/03/2016	78939 Accounts Payable	Potter's Electronics		3,828.10
	Invoice	Date	Description		Amount
	23228		05/25/2016	Misc Electronic Items for Youth Center	3,828.10
Check	06/03/2016	78940 Accounts Payable	Quill Corporation		1,919.11
	Invoice	Date	Description		Amount
	5852915		05/13/2016	Office Supplies-Records 5/13/16	166.14
	5861354		05/16/2016	Office Supplies - Records 5/16/16	9.77
	6115511		05/24/2016	Ink & Toner Replacement - Recreation Dept	1,743.20
Check	06/03/2016	78941 Accounts Payable	Richard B. Standridge		3,600.00
	Invoice	Date	Description		Amount
	16-11		05/27/2016	Service 05-17/05-26-16	3,600.00
Check	06/03/2016	78942 Accounts Payable	Ryan Ranch Printers		319.77
	Invoice	Date	Description		Amount
	17951		05/24/2016	Window Envelopes - Records 5/24/16	319.77
Check	06/03/2016	78943 Accounts Payable	Sierra Springs & Alhambra		64.00
	Invoice	Date	Description		Amount
	7266038-052016		05/20/2016	Water Cooler Rental & Replacment Water	64.00
Check	06/03/2016	78944 Accounts Payable	Thermo King of Salinas		784.04
	Invoice	Date	Description		Amount
	2043465		05/11/2016	Veh - Maint & Repair	784.04
Check	06/03/2016	78945 Accounts Payable	Tyler Technologies, Inc.		1,273.22
	Invoice	Date	Description		Amount
	049873		05/13/2016	Tyler Technologies - Travel (Schulte 4/30/16)	1,249.27
	2016-00002310		05/13/2016	Tyler Technologies - Travel (Schulte 4/30/16)	23.95

AP Check Register 06-03-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 06/03/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	06/03/2016	78946 Accounts Payable	Union Bank - Corporate Trust Division		845.00
	Invoice	Date	Description		Amount
		983896	05/19/2016	May 2016-Apr 2017/2015GO Bonds/Trustee Fee	845.00
Check	06/03/2016	78947 Accounts Payable	Universal Staffing		1,403.06
	Invoice	Date	Description		Amount
		101266	05/24/2016	Carney/Evans 05-21-16	1,403.06
Check	06/03/2016	78948 Accounts Payable	Valley Saw & Garden Equipment		212.14
	Invoice	Date	Description		Amount
		100686	05/24/2016	Veh - Maint & Repair (Weed Eater)	69.35
		100685	05/24/2016	Bldg Maint & Repair	142.79
Check	06/03/2016	78949 Accounts Payable	Rabobank Visa Cardmember Service		2,795.16
	Invoice	Date	Description		Amount
		05-26-16	05/26/2016	Visa Charges for Chief D. McCoun - 04/28/16 to 05/26/16	2,795.16
Check	06/03/2016	78950 Accounts Payable	Rabobank Visa Card Cardmember Service		2,173.39
	Invoice	Date	Description		Amount
		05-26-16	05/26/2016	VISA - May 2016	2,173.39
Check	06/03/2016	78951 Accounts Payable	Rabobank Visa Card Cardmember Service		9,231.74
	Invoice	Date	Description		Amount
		05-26-16	05/26/2016	Fire Dept Monthly Visa Purchases 04-28-16 to 05-26-16	9,231.74
024 Accounts Payable ZBA Totals:			Transactions: 39		\$49,748.26
Checks:		39	\$49,748.26		

Payment Register

From Payment Date: 4/1/2016 - To Payment Date: 4/30/2016

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
028 - Payroll ZBA									
<u>EFT</u>									
945	04/08/2016	Open			Accounts Payable	California State Disbursement Unit	\$1,491.78		
946	04/08/2016	Open			Accounts Payable	EFTPS Electronic Federal Tax Payment System	\$67,738.06		
947	04/08/2016	Open			Accounts Payable	Employment Development Department	\$18,745.01		
948	04/08/2016	Open			Accounts Payable	Rebecca Minuth	\$527.52		
1145	04/22/2016	Open			Accounts Payable	California State Disbursement Unit	\$1,491.78		
1146	04/22/2016	Open			Accounts Payable	EFTPS Electronic Federal Tax Payment System	\$66,329.37		
1147	04/22/2016	Open			Accounts Payable	Employment Development Department	\$17,708.01		
1148	04/22/2016	Open			Accounts Payable	Rebecca Minuth	\$527.52		
Type EFT Totals:									
028 - Payroll ZBA Totals								\$174,559.05	

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	8	\$174,559.05	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	8	\$174,559.05	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	8	\$174,559.05	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	8	\$174,559.05	\$0.00

Grand Totals:

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	8	\$174,559.05	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	8	\$174,559.05	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	8	\$174,559.05	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	8	\$174,559.05	\$0.00



DRAFT

Agenda Item **8b(1)**
City Council Meeting of
June 3, 2016

MINUTES

Tuesday, May 17, 2016

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

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)

MEMBERS PRESENT: Nancy Amadeo, David W. Brown, Gail Morton, Mayor/Chair Bruce C. Delgado

MEMBERS ABSENT: Mayor Pro-Tem/Vice Chair Frank O'Connell (excused)
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.*
4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)
5. SPECIAL PRESENTATIONS:
 - a Northern Salinas Valley Mosquito Abatement District Presentation
 - b 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.*

- Mike Owen – Commented on the affordable housing at the University Village Apartment, the long waiting list and MCWD increase in water billing for this area. Tenants unable to pay higher water bills.
- Carla – Commented on an incident that took place over the weekend involving a drone flying over her property. Asked what rights does a homeowner have against drones?
- Kevin P. Saunders – Commented on the 2007 Medical Marijuana ban in Marina. Spoke about the news article in the Herald paper on “Marina Divided”.
- Margaret Davis – Commented on the removal of the line of Cypress trees along Highway One between Imjin Parkway and Del Monte exit. Does the city know these trees were being removed?
- Nancy Amadeo – speaking as a member of the public. Commented on the theft of political signs. Asked the public to be courteous and not remove the signs. Reminded whomever is taking the signs that this is considered theft and can be prosecuted.
- Council Member Morton – Fort Ord Reuse Authority Regional Urban Design Guidelines final document is now on FORA’s website: www.fora.org. Public comment period is from May 16-30, 2016; FORA Transition Committee meeting on May 25, 2016 at 3:30 at the FORA offices, discussion on FORA’s sunset date of 2020. Public invited to attend. Thanked the Friends of the Fort Ord Warhorse and all who participated in the Fort Ord Warhorse Day Event at the Marina Equestrian Center Park, it was well attended.

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 78631-78746, totaling \$431,824.72

b. **MINUTES:**

- (1) May 3, 2016, Regular City Council Meeting.

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. 2016-66**, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for Cypress Cove II Landscape Maintenance Assessment District for FY 2016-17.
- (2) City Council consider adopting **Resolution No. 2016-67**, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for Seabreeze Landscape Maintenance Assessment District for FY 2016-17.
- (3) City Council consider adopting **Resolution No. 2016-68**, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for Monterey Bay Estates Landscape Maintenance Assessment District for FY 2016-17.
- (4) ~~City Council consider adopting Resolution No. 2016-, authorizing Police Department request to acquire excess federal property through the State of California Public Safety Procurement Program (CPSPP), which authorizes procurement of aircraft, watercraft, armored vehicles, firearms and firearms attachments, night vision goggles and scopes and other tactical equipment and non-tactical/non-combat equipment with the initial intent of acquiring an armored tactical vehicle for the sole use of the Regional Police Response Unit (SRU); and, authorize the Chief of Police to administer the State of California Public Safety Procurement Program (CPSPP) on behalf of the City.~~
- (5) City Council consider adopting **Resolution No. 2016-69**, approving estimated cost for service for calendar year 2016, Fourth of July activities and; setting cost recovery surcharge at seven (7) percent for calendar year 2016 pursuant to Marina Municipal Code Section 15.32.091.
- (6) City Council consider adopting **Resolution No. 2016-70**, accepting the construction contract documents and authorizing staff to proceed with the public bidding process, and; authorizing preparation and submission of a revised grant application to the Federal Aviation Administration (FAA) based on bids received, and; authorizing preparation and submission of a State of California (Caltrans) match grant based on a proportional amount of the federal grant application, and; authorizing the City Manager to execute the referenced grant applications for the 2016 designated project – Airport Beacon and Pavement Maintenance Management Plan (PMMP), at Marina Municipal Airport.
- (7) City Council consider adopting **Resolution No. 2016-71**, calling for a general municipal election in the City of Marina on Tuesday, November 8, 2016, for the election of certain city officers; requesting the County of Monterey agree to the consolidation of the election with the statewide general election and requesting the County Elections Department to render any and all services required to conduct the election; authorizing the Finance Director to appropriate funds and the City Manager to execute a service agreement for the provision of election services between the City of Marina and Monterey County Elections Department/Registrar of Voters subject to final review and approval by City Attorney.

g. APPROVAL OF AGREEMENTS:

- (1) City Council consider adopting **Resolution No. 2016-72**, authorizing the agreement between the City of Marina and Taygeta Network Security Inc. for cybersecurity professional services, authorizing the City Manager to execute the agreement on behalf of the 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. 2016-73**, authorizing the City Manager to execute a side letter agreement between the City of Marina and the Marina Management Employees Association, and; 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; authorizing Finance Director to make appropriate accounting and budgetary entries.

h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None

i. MAPS: None

j. REPORTS: (RECEIVE AND FILE):

- (1) City Council receive information on Regional Communications Grant Update.

k. FUNDING & BUDGET MATTERS: None

l. APPROVE ORDINANCES (WAIVE SECOND READING): None

m. APPROVE APPOINTMENTS: None

Agenda Item 8f(4) pulled by public. Item to be heard and voted on prior to the Public Hearing Items.

MORTON/DELGADO: TO APPROVE THE CONSENT AGENDA WITH AMENDED REPLACEMENT PAGE TO AGENDA ITEM 8b(1) AND MINUS 8f(4). 4-0-1(O'Connell)-0 Motion Passes

Agenda Item 8f(4)

8f(4) City Council consider adopting **Resolution No. 2016-74**, authorizing Police Department request to acquire excess federal property through the State of California Public Safety Procurement Program (CPSPP), which authorizes procurement of aircraft, watercraft, armored vehicles, firearms and firearms attachments, night vision goggles and scopes and other tactical equipment and non-tactical/non-combat equipment with the initial intent of acquiring an armored tactical vehicle for the sole use of the Regional Police Response Unit (SRU); and, authorize the Chief of Police to administer the State of California Public Safety Procurement Program (CPSPP) on behalf of the City

Police Chief Rodriguez gave a brief presentation outlining the purpose/reasoning for this item.

MORTON/AMADEO: TO APPROVE ADOPTING RESOLUTION NO. 2016-74 AUTHORIZING POLICE DEPARTMENT REQUEST TO ACQUIRE EXCESS FEDERAL PROPERTY THROUGH THE STATE OF CALIFORNIA PUBLIC SAFETY PROCUREMENT PROGRAM (CPSPP), WHICH AUTHORIZES PROCUREMENT OF AIRCRAFT, WATERCRAFT, ARMORED VEHICLES, FIREARMS AND FIREARMS ATTACHMENTS, NIGHT VISION GOGGLES AND SCOPES AND OTHER TACTICAL EQUIPMENT AND NON-TACTICAL/NON-COMBAT EQUIPMENT WITH THE INITIAL INTENT OF ACQUIRING AN ARMORED TACTICAL VEHICLE FOR THE SOLE USE OF THE REGIONAL POLICE RESPONSE UNIT (SRU); AND TO REQUIRE THAT EACH PROCUREMENT REQUEST MUST COME TO COUNCIL FOR PRIOR APPROVAL BEFORE THE REQUEST IS MADE AND BE APPROVED BY COUNCIL; THAT THIS WOULD ALSO BE CONDITIONED UPON THE SRU CONTROLLING BOARD MAKE THE DECISION TO RETURN THE PRIOR TACTICAL VEHICLE OR REMOVE THAT VEHICLE FROM SERVICE BY APPROPRIATE ACTION UPON THE ATTAINMENT OF THE NEW PIECE OF EQUIPMENT AND AUTHORIZE THE CHIEF OF POLICE TO ADMINISTER THE STATE OF CALIFORNIA PUBLIC SAFETY PROCUREMENT PROGRAM (CPSPP) ON BEHALF OF THE CITY. 4-0-1(O'Connell)-0 Motion Passes

Public Comments:

- Margaret Davis – Does this vehicle have offensive capabilities? Can we share a vehicle with another jurisdiction or partner with them such that our officers are trained to use this vehicle? How many such vehicles are considered necessary at any given scene? Was Marina's vehicle deployed the 27 times since 2010 or all together all the local SRU's were deployed that many times? Is there with this governing body discussion of issues of public perception and issues of legitimacy?
- Mike Owen – Opposes motion. Main purpose of the vehicle was never served. No one ever fire a shot at it. All item of possible procurement, if those item were not needed then why were they included in the staff report? Segment of population out there that look at this as "big toys for big boys". Image for the city is being energy efficient. Why don't these other cities become the lead agency on this instead of Marina?
- Joann – Commented on the news channel 8 that waited outside half the day on this subject. Noted at first was against this item but after hearing the presentation from the Police Chief and the questions asked by council has changed her mind and supports motion. Commented that she would like to see more bicycle officer on the streets as she observes many suspicious things taking place. Offered to hold fundraisers for the police department for bicycles. Wants Marina to be known as a peaceful city.
- Kevin P. Saunders – Opposes motion
- John Worthey – This issue of the armored vehicle hasn't been given a proper insight. Dangerous and evil world. Look at the investment that we've give our police force. Continual training, upgrade to equipment, ongoing resources and they deserve our very best. Bad guys are looking for every material, technological advantage in order to do the greatest amount of harm in the least amount of time. Support motion. Can we really place a value on lives?

9. **PUBLIC HEARINGS:**

- a. City Council open the public hearing and take any testimony from the public, and; consider introducing Ordinance No. 2016-, amending chapter 3.26 of the Marina Municipal Code regarding mitigation fees for new development within the City of Marina.

Presentation by Nourdin Khayata, CSG Consulting/Acting Engineer and Alex Zabyshny, Kimley-Horn Development Impact Fee Study (2016 Update) - Cypress Knolls

Development Impact Fees (2016 Update) = Purpose - Update 2011 Fee; Update Land Use Development Projects; Update Capital Improvement Projects = **Fee Programs** - Public Buildings; Public Safety; Transportation (Roadways and Intersections); Parks

Development Impact Fees (2016 Update) - Development Entitlements

Entitlements between 2011 and 2016 - Land Use Assumptions; Residential; Commercial/retail; Office; Industrial.

Development Impact Fees (2016 Update) – Development Agreements

Projects with Development Agreements are excluded – Dunes; Marina Heights; CSUMB; Cypress Knolls / two options presented (one with DA in place and one without DA)

Development Impact Fees (2016 Update) – Cypress Knolls

May 3, 2016 Council Meeting

Evaluate No Cypress Knolls; Increase in Impact Fees

Assumptions - No Cypress Knolls Development; No Land Use Replacing Cypress Knolls; New development in Cypress Knolls area will require a change in the DIF and they will pay the updated fees.

Land Use	Cypress Knolls DA	No Cypress Knolls DA
Residential		
Single Family Dwelling Units	\$ 18,474	\$ 21,189
Senior Homes	\$ 9,967	\$ 11,697
Assisted Living - Senior	\$ 6,062	\$ 7,041
Multi-Family Dwellings	\$ 15,199	\$ 17,647
Mobile Home Park	\$ 13,737	\$ 16,135
Campground/RV Park	\$ 11,720	\$ 14,049
Non-residential		
Office/Research	\$ 10,228	\$ 10,803
Retail/Service	\$ 16,634	\$ 17,340
Industrial	\$ 6,241	\$ 6,501
Hotel	\$ 7,334	\$ 7,647
Church	\$ 8,126	\$ 8,450
Day Care Center	\$ 65,636	\$ 68,072
Animal Hospital/Veterinary Clinic	\$ 42,186	\$ 43,905
Medical/Dental Office Building	\$ 32,437	\$ 33,820
Casino/Video Lottery	\$ *	\$ *
Casino	\$ *	\$ *
Notes: * Depends on gaming area and gross building space square footage. Must be calculated separately for Public Buildings, Public Safety, Parks, Roadways, and Intersections.		

Council questions: Why is Marina Station not included in the fee study map? What is the legal logic behind the status quo if we were not to change this to reflect the exclusion of Cypress Knolls? Why would we treat Cypress Knolls as if it had a DA if it doesn't? Is there any logic behind the status quo option of keeping Cypress Knolls in our development impact fee formula? If we were to stay with the status quo wouldn't we be potentially losing impact fees and the ability to fund our capital improvement program were Cypress Knolls to not happen or take longer than expected or not happen at all? Wouldn't we irreversibly lose the opportunity to collect the appropriate fees that we are due if Cypress Knolls were not to be developed? Should Cypress Knolls or Marina Station have a developer does the whole impact fee study have to be updated to include either one of those projects or any other new economic development project because they're not included in this?

Mayor opened public hearing for public comments:

- Mike Owen – when Marina Heights impact fee agreement expires in 2017 and the new impact fees are open for negotiation, that’s already going to be determined by this agreement you have before you right now? Isn’t Marina Heights significant large enough development to justify looking at making appropriate neutral income impact analysis of what the impact fees should be for Marina Heights? It’s the largest one. Noted that when Marina Heights impact fees were first going through planning commission and did some research on it and found that in the building department the basis for the codes were actually outdated by five years. How recent is the basis for these fees?

Morton/Delgado: that we amend chapter 3.26 in the Marina Municipal Code regarding mitigation fees for new development within the City of Marina, and specifically adopt at page 134 of the staff report the schedule of fees based on an accurate reflection of No Cypress Knolls DA.

Assistant City Attorney Rathie – pointed out that these fees with the “no Cypress Knolls DA” were not part of the original update for the fee in the notice that was made. So by adopting tonight we’re not following our own regulation, which is that they be made available to the public at least 10 days prior to a public meeting which was held on May 3rd and then subsequent to that there is a public hearing and an introduction of the ordinance with these new fees. We haven’t made these numbers available to public in that statutory period that is provided by our own code.

Council Member Morton – Because of the procedural defect I will withdraw my motion. When is the 10 days and do we set a special hearing, do we have to bring it at a routine meeting?

Assistant City Attorney Rathie – according to the provisions Chapter 3.26 we have to make them available, mail out to those who requested 14 days before the public meeting and the fee study has to be available to the public 10 days prior to the public meeting and has to be noticed in the paper.

AMADEO/DELGADO: TO BRING THIS BACK AND FOLLOW THE PROCESS THAT’S ESTABLISHED IN CHAPTER 3.26 AT THE FIRST AVAILABLE DATE. 4-0-1(O’Connell)-0 Motion Passes

- b. City Council opening a public hearing, and; consider introducing ordinance text amendment deleting Municipal Code, Title 5, Chapter 5.36 “Massage Businesses,” and adding a new Chapter 5.36 to redefine “Massage,” “Massage Practitioners,” “Massage Therapists,” “Massage Establishments,” and require licensing in compliance with the laws of the State of California.

Council Questions: So you took the state law and adopted the same language for our city ordinance, so our city ordinance mirrors the state law is to enable the police to enforce? Will you be notifying business in Marina that provide massage that this new ordinance has gone in to effect and letting them know what the ordinance is to ensure that they are compliant?

Mayor opened the public hearing for public comments:

- Mike Owen – reports talks about required licensing and compliance, is there any connections with item 11b?

MORTON/BROWN: APPROVE INTRODUCTION OF INTRODUCING ORDINANCE TEXT AMENDMENT DELETING MUNICIPAL CODE, TITLE 5, CHAPTER 5.36 “MASSAGE BUSINESSES,” AND ADDING A NEW CHAPTER 5.36 TO REDEFINE “MASSAGE,” “MASSAGE PRACTITIONERS,” “MASSAGE THERAPISTS,” “MASSAGE ESTABLISHMENTS,” AND REQUIRE LICENSING IN COMPLIANCE WITH THE LAWS OF THE STATE OF CALIFORNIA. 4-0-1(O’Connell)-0 Motion Passes

Roll Call Vote: Amadeo, Yes; Brown, Yes; Morton, Yes; Delgado, Yes

Public Comment on Motion:

- John Worthey – seems to be a change in wording by definition to hopefully start to eradicate those establishments that conduct nefarious businesses. Thinks a high license fee is good. All for anything that can increase the moral and spiritual character of the citizens of Marina. Believes conditions could be set regarding the type of business in the license so that medical establishments could be exempt or a zoning ordinance could be exempt. Surprise inspections should be considered in order to maintain a high level of standard in this community.

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).

- City Council receive Utility Users Tax (“UUT”) information and provide staff with any further direction in the matter.

City Manager Long provided council with an overview of the April 19th and May 3rd meetings; the purpose for a Utility Users Tax; the unmet needs, especially roads and information on Residential vs. Commercial Utility.

Estimated UUT per Household

Utility	Estimated Monthly Per Household	Estimated UUT 1% Household Per Month	Estimated UUT 3% Household Per Month	Estimated UUT 5% Household Per Month	% of Total
Telecom & TV	\$ 175	\$ 2	\$ 5	\$ 9	42%
Gas & Electricity	\$ 145	\$ 1	\$ 4	\$ 7	35%
Water	\$ 80	\$ 1	\$ 2	\$ 4	19%
Solid Waste	\$ 20	\$ 0	\$ 1	\$ 1	5%
Monthly Per Household (2.83 persons per household)	\$ 420	\$ 4	\$ 13	\$ 21	100%

Monterey County UUT

City	UUT
Seaside	6%
Sand City	5%
Pacific Grove	5%
Salinas	5%
Soledad.	5%
Gonzales	4%
Greenfield	3%
Monterey	2% & 5%
King City	2%

Consideration: Fair and equitable tax distribution; Residential at 3%; Commercial at 6%; Low-income exemption (for PG&E); 15 Year duration.

Council Questions: How do we guarantee to the public, if we put a sunset on it that we’re not going to turn around in 15 years and extend it? How do you plan for being conservative and explaining to the public why we’re not spending reserve monies? How do we balance this and try to sell this to the public. Are there any cities that simply have a business utility use tax structure, where the residents are not paying anything? In structuring, is it feasible to fashion this where we would shift the responsibility, that we put 1% perhaps on our residential and 9% or 10% on our commercial? How are the small “mom & pop” businesses impacted by this tax?

Morton/Amadeo: that we bring back additional information at our next meeting something that, what would we generate if we put 9% for example on commercial and a lesser percentage of 1% on our residential; and what is the impact on the small user and a case study on the residential.

4-0-1(O’Connell)-0 Motion Passes

Public Comments:

- Margaret Davis – Supports motion. Looking at the estimated UUT per household and even at 3% people coming up with an additional \$156 a year of utility tax is hard for a lot of people. Even if PG&E is excluded those who are receiving subsidies that’s \$108 per year, going to 1% seems more palatable. Would like to see how it would affect the businesses and be able to shift that there if the city is looking for target revenue.
- Mike Owen – Appreciates council’s efforts to gather more information and become more knowledgeable on what they’re doing. The University Village apartment renters will pay the same utility tax rate, especially water as the neighbors just across Second Avenue. This is a regressive tax, one that follows this proportionately on low-income individuals and takes a larger percentage of income from them than from upper income tax people. It’s not a luxury tax, it’s a tax on basic services we all need. The tax burden is not fair. Placing an even bigger burden on the back of those already staggering along just to make ends meet. These residents are the most vulnerable.

10:00PM

BROWN/MORTON: TO CONCLUDE THE CURRENT ITEM AND ADJOURN THE MEETING TO NEXT TUESDAY TO FINISH THE REST OF THE AGENDA. 4-0-1(O’Connell)-0 Motion Passes

Council Member Brown called to question. 2-1(Delgado)-1(O’Connell)-0

- ~~b. City Council receive Business License Tax information and provide staff with any further direction in the matter. *Continued to May 24, 2016*~~
- ~~c. City Council consider adopting **Resolution No. 2016-75**, amending the rate adjustment calculation of the Franchise Agreement with GreenWaste Recovery utilizing a sector specific uniform percentage adjustment in lieu of the multi index calculation. *Continued to May 24, 2016*~~
- ~~d. City Council hold discussion on 9th Street Design between 2ND Avenue and Imjin Road. *Continued to June 7, 2016*~~

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: Meeting adjourned at 10:17 pm to Special Meeting of Tuesday, May 24, 2016 at 5:30 PM

Anita Sharp, Deputy City Clerk

ATTEST:

Bruce C. Delgado, Mayor

May 26, 2016

Item No. **8f(1)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
AUTHORIZING THE CITY MANAGER TO SUBMIT APPLICATION(S)
FOR ALL CALRECYCLE GRANTS FOR WHICH THE CITY OF
MARINA IS ELIGIBLE AND TO EXECUTE ALL RELATED
DOCUMENTS ON BEHALF OF THE CITY**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, authorizing the submittal of application(s) to CalRecycle for all grants for the City of Marina for which the City of Marina is eligible; and
2. Authorizing the City Manager, or his/her designee is hereby authorized and empowered to execute in the name of the City of Marina all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project subject to final review and approval by the City Attorney.

BACKGROUND:

Public Resources Code section 48000 et seq. the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions; in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs.

The goal of CalRecycle's beverage container recycling program is to reach and maintain an 80 percent recycling rate for all California Refund Value (CRV) beverage containers - aluminum, glass, plastic and bi-metal. Projects implemented by cities and counties will assist in reaching and maintaining this goal.

CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment program

Pursuant to Section 14581(a)(3)(C) of the Public Resources Code (PRC), these funds **shall not be used for activities unrelated to beverage container recycling or litter reduction.**

ANALYSIS:

Incorporated cities and counties in California, as identified by the California Department of Finance, are eligible to receive funding under the CCPP, unless otherwise determined by CalRecycle.

Each city is eligible to receive a minimum of \$5,000, or an amount calculated by CalRecycle, on a per capita basis, whichever is greater. Each county is eligible to receive a minimum of \$10,000 or an amount calculated by CalRecycle, on a per capita basis, whichever is greater. The per capita amount is calculated, based upon the population as of January 1, 2014, in the incorporated areas of a city, city and county, or the unincorporated area of a county, as stated in the annual *Population and Housing Estimates for Cities, Counties and the State* Report submitted to the City/County Payment Program, FY 2014–15 2 governor by the California Department of Finance.

In order to expedite the application submittal process, it is requested that the City Manager or his designee be authorized to submit such applications on behalf of the City indefinitely or until rescinded by the Signature Authority or this Governing Body..

FISCAL IMPACT:

There is no fiscal impact to the General Fund. The proposed action would enable submitting the application of grant applications in a timely manner. Furthermore, if the pending application with CalRecycle is approved, it would generate approximately \$5,000 annually to be used for activities related to beverage container recycling or litter reduction.

CONCLUSION:

This request is submitted for City Council consideration and possible action

Respectfully submitted,

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
AUTHORIZING THE CITY MANAGER TO SUBMIT APPLICATION(S) FOR ALL
CALRECYCLE GRANTS FOR WHICH THE CITY OF MARINA IS ELIGIBLE AND TO
EXECUTE ALL RELATED DOCUMENTS ON BEHALF OF THE CITY

WHEREAS, pursuant to Public Resources Code section 48000 et seq. the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs; and

WHEREAS, CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment program.

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

1. Authorizing the submittal of application(s) to CalRecycle for all grants for the City of Marina for which the City of Marina is eligible; and
2. Authorizing the City Manager, or his/her designee is hereby authorized and empowered to execute in the name of the City of Marina all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project subject to final review and approval by the City Attorney.
3. That this authorization is effective until rescinded by the Signature Authority or this Governing Body.

PASSED AND ADOPTED by the City of Marina City Council at a regular meeting duly held on the 7th day of June 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

May 24, 2016

Item No. **8g(1)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-, APPROVING RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT BETWEEN CITY OF MARINA AND KEYSER MARSTON ASSOCIATES, INC. (KMA) OF SAN FRANCISCO, CALIFORNIA, FOR DEVELOPMENT SERVICES, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER TO EXECUTE AMENDMENT ON BEHALF OF 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 Renewal and Amendment No.2 of Agreement between City of Marina and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Development Services, and;
2. Authorizing Finance Director to make necessary accounting and budgetary entries, and;
3. Authorizing City Manager to execute Amendment on behalf of the City subject to final review and approval by the City Attorney.

BACKGROUND:

Keyser Marston Associates (KMA) has been working with the City and former Redevelopment Agency of the City of Marina (MRA) since 2005 providing general redevelopment, housing and financial advisory services. KMA has gained specialized knowledge and has developed and maintains fiscal models pertaining to the City in regards to the services provided.

At a regular meeting of July 17, 2007, the City Council and former MRA Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between City, MRA and KMA for general redevelopment, housing and financial advisory services. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year.

At a regular meeting of September 20, 2011, the City Council adopted Resolution No 2011-165, approving an Agreement between City and KMA, establishing the FY 2011-12 Work Plan for general redevelopment, housing and financial advisory services. The term of this one-year agreement was July 1, 2011 to June 30, 2012.

At a regular meeting of October 2, 2012, the City Council adopted Resolution No. 2012-148, approving Agreement between City and KMA, establishing the FY 2012-13 Work Plan for redevelopment, housing and financial advisory services. The term of this one-year agreement was July 1, 2012 to June 30, 2013.

At a regular meeting of September 4, 2013, the City Council adopted Resolution No. 2013-125, approving an Agreement between City and KMA for Development Services (Agreement). The term of this one-year agreement was July 1, 2013 to June 30, 2014. The Agreement was entered into on October 1, 2013, and is attached to the Amendment as **Exhibit A-1** and made a part thereof.

At a regular meeting of May 5, 2015, the City Council adopted Resolution No. 2015-50, approving Renewal and Amendment No. 1 of agreement between the City of Marina and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Development Services. The term of this two-year amendment was retroactive to July 1, 2014 and to extend the term of the renewed Agreement through and including June 30, 2016.

ANALYSIS:

The proposed consultant services are essential to the City for a clear and precise understanding of business terms, financial resources, policy alternatives and obligations related to real estate proposals, Preston Park negotiations, negotiations and implementation of Development Agreements and Below Market Rate (BMR) Housing Program.

KMA has gained specialized knowledge and has developed and maintains fiscal models pertaining to the City of Marina in regards to services provided since 2005. Therefore, the City desires to retain KMA for these services.

The proposed Amendment No. 2 for City of Marina development services has been prepared for consideration (“**EXHIBIT A**”). KMA has provided a FY 2016-17 and 2017-18 scope of work and proposed budget with fee schedule and are included in the Amendment (“**ATTACHMENT A-2**”, “**ATTACHMENT B-2**”).

Services will be provided and costs incurred on an “as requested” basis. Billing for services is on a “time-and-materials basis”.

FISCAL IMPACT:

Should the City Council approve this request, funding for FY 2016-17 and 2017-18 costs of services is expected to be from appropriations in the General Fund 100, Economic Development Department 440 Budget, General Fund 100, Conveyance (Preston Park) Department 195 Budget and/or appropriations for Exclusive Negotiating Agreements (ENA) , Development Disposition Agreement (DDA or DA) or Fee Agreements.

Funding for FY 2016-17 and 2017-18 costs of services is expected to be from appropriations in the future FY 2016-17 and 2017-18 adopted budgets in the various General Fund Division/Department budgets listed and/or future appropriations for Exclusive Negotiating Agreements (ENA), Development Disposition Agreement (DDA or DA) or Fee Agreements established in FY 2016-17 and 2017-18.

Staff will submit requests for service(s); receive an estimate of cost for the requested service(s) and verify sufficient appropriations and funds are available before authorizing work to proceed.

Costs of invoices submitted by KMA will be based on actual services requested and will determine exact cost account distribution.

CONCLUSION:

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

Respectfully submitted,

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT BETWEEN CITY OF MARINA AND KEYSER MARSTON ASSOCIATES, INC. (KMA) OF SAN FRANCISCO, CALIFORNIA, FOR DEVELOPMENT SERVICES, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER TO EXECUTE AMENDMENT ON BEHALF OF CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, Keyser Marston Associates, Inc. (KMA) has been working with the City and former Redevelopment Agency of the City of Marina (MRA) since 2005 providing general redevelopment, housing and financial advisory services. KMA has gained specialized knowledge and has developed and maintains fiscal models pertaining to Marina in regards to the services provided, and;

WHEREAS, at a regular meeting of July 17, 2007, the City Council and former MRA Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between City, MRA and KMA for general redevelopment, housing and financial advisory services. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year, and;

WHEREAS, at a regular meeting of September 20, 2011, the City Council adopted Resolution No 2011-165, approving an Agreement between City and KMA, establishing the FY 2011-12 Work Plan for general redevelopment, housing and financial advisory services. The term of this one-year agreement was July 1, 2011 to June 30, 2012, and;

WHEREAS, at a regular meeting of October 2, 2012, the City Council adopted Resolution No. 2012-148, approving Agreement between City and KMA, establishing the FY 2012-13 Work Plan for redevelopment, housing and financial advisory services. The term of this one-year agreement was July 1, 2012 to June 30, 2013, and;

WHEREAS, at a regular meeting of September 4, 2013, the City Council adopted Resolution No. 2013-125, approving an Agreement between City and KMA for Development Services (Agreement). The term of this one-year agreement was July 1, 2013 to June 30, 2014. The Agreement was entered into on October 1, 2013, and is attached to the Amendment as **Exhibit A-1** and made a part thereof, and;

WHEREAS, at a regular meeting of May 5, 2015, the City Council adopted Resolution No. 2015-50, approving Renewal and Amendment No. 1 of agreement between the City of Marina and KMA for Development Services. The term of this two-year amendment was retroactive to July 1, 2014 and to extend the term of the renewed Agreement through and including June 30, 2016, and;

WHEREAS, the proposed consultant services are essential to the City for a clear and precise understanding of business terms, financial resources, policy alternatives and obligations related to Below Market Rate (BMR) Housing Program, Strategic Development Projects and development proposals for Catalyst/Infill Projects, and;

WHEREAS, KMA is recognized as a leading firm of development services, general redevelopment/post redevelopment, housing and financial advisory services, and;

WHEREAS, the proposed Amendment No. 2 for City of Marina development services has been prepared for consideration (“**EXHIBIT A**”). KMA has provided a FY 2016-17 and 2017-18 scope of work and fee schedule and are included in the Amendment (“**ATTACHMENT A-2**”, “**ATTACHMENT B-2**”), and;

WHEREAS, services will be provided and costs incurred on an “as requested” basis. Billing for services is on a “time-and-materials basis”, and;

WHEREAS, funding for FY 2016-17 and 2017-18 costs of services is expected to be from appropriations in the General Fund 100, Economic Development Department 440 Budget, General Fund 100, Conveyance (Preston Park) Department 195 Budget and/or appropriations for Exclusive Negotiating Agreements (ENA) , Development Disposition Agreement (DDA or DA) or Fee Agreements, and;

WHEREAS, funding for FY 2016-17 and 2017-18 costs of services is expected to be from appropriations in the future FY 2016-17 and 2017-18 adopted budget in the various General Fund Division/Department budget listed and/or future appropriations for Exclusive Negotiating Agreements (ENA), Development Disposition Agreement (DDA or DA) or Fee Agreements established in FY 2016-17 and 2017-18, and;

WHEREAS, staff will submit requests for service(s); receive an estimate of cost for the requested service(s) and verify sufficient appropriations and funds are available before authorizing work to proceed, and;

WHEREAS, costs of invoices submitted by KMA will be based on actual services requested and will determine exact cost account distribution.

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

1. Approve Renewal and Amendment No. 2 of Agreement between City of Marina and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Development Services, and;
2. Authorize Finance Director to make necessary accounting and budgetary entries, and;
3. Authorize City Manager to execute Amendment 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 7th day of June 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

RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT
WITH KEYSER MARSTON ASSOCIATES, INC. FOR
DEVELOPMENT SERVICES

This Amendment No. 2 ("Amendment No. 2") to the Agreement with Keyser Marston Associates for Development Services is made and entered into by and between the City of Marina, a California charter city hereinafter referred to as "City," and Keyser Marston Associates, Inc., a California corporation hereinafter referred to as the "Consultant" or "KMA," as of the ___ day of June, 2016. The City and Consultant are sometimes referred to herein singularly as a Party or collectively as the Parties. Only the numbered paragraphs of said Agreement which are being amended are set forth in this Amendment.

Recitals

- A. Consultant has been working with the City and the former Redevelopment Agency of the City of Marina ("MRA") since 2005 providing general redevelopment, housing, and financial advisory services. KMA has gained specialized knowledge and has developed and maintains financial models pertaining to the City in regards to the services provided since 2005.
- B. At a regular meeting of July 17, 2007, the City Council and MRA Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between City, the MRA, and Consultant for general redevelopment, housing and financial advisory services. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011.
- C. At a regular meeting of September 20, 2011, the City Council adopted Resolution No. 2011-165, approving an Agreement between City and KMA establishing the FY 2011-12 Work Plan for general redevelopment, housing and financial advisory services. The term of this one-year agreement was July 1, 2011 to June 30, 2012.
- D. At a regular meeting on October 2, 2012, City Council adopted Resolution No. 2012-148, approving an Agreement between City and KMA establishing the FY 2012-13 Work Plan for redevelopment, housing and financial advisory services. The term of this one-year agreement was July 1, 2012 to June 30, 2013.
- E. At a regular meeting of September 4, 2013, City Council adopted Resolution No. 2013-125, approving an Agreement between City and KMA for Development Services (hereinafter referred to as the "Agreement"). The term of this one-year agreement was July 1, 2013 to June 30, 2014. The Agreement was entered into on October 1, 2013, and is attached hereto as **Exhibit A-1** and made a part hereof.
- F. At a regular meeting of May 5, 2015, the City Council adopted Resolution No. 2015-50, approving Renewal and Amendment No. 1 of agreement between the City of Marina and Keyser Marston Associates, Inc. (KMA) of San Francisco, California, for Development Services. The term of this two-year amendment was retroactive to July 1, 2014 and to extend the term of the renewed Agreement through and including June 30, 2016

- G. The Parties renewed the Agreement retroactive to July 1, 2014, and extended the term of the renewed Agreement through and including June 30, 2016 as amended by Amendment No. 1 to the Agreement.
- H. The Parties wish to further amend the renewed Agreement to provide for financial compensation to Consultant in order to continue services provided under the Agreement as amended by Amendment No. 2 for FY 2016/-17 and FY 2017-18.

Terms & Conditions

For valuable consideration, the sufficiency of which is hereby acknowledged, City and Consultant agree that the Agreement is renewed and amended on the terms and conditions set forth herein which are incorporated into the Agreement.

- 1. Section 1. (a-2) Added. Consultant shall fully and adequately perform, on an “as-requested basis”, services set forth in **Attachment “A-2”** attached hereto (“Scope of Work for Fiscal Year 2016-17 and 2017-18 - Annual Work Plan”) and by this reference made a part hereof. With prior written notice to the Consultant, the City may elect to authorize additional requests for services not included in Attachment A-2.
- 2. Section 2. (a-2) Added. The term of the Agreement is extended from July 1, 2016 until June 30, 2018 unless further extended by prior written amendment or terminated earlier as provided in the Agreement.
- 3. Section 3. (a-2) Added. For services to be provided under this Amendment during the period of July 1, 2016 to June 30, 2018, the City shall compensate Consultant for services rendered as-requested by the City in a writing signed by both Parties in accordance with the provisions of this Section and the Fee Schedule attached hereto as **Attachment “B-2.”**
- 4. Expressly as amended herein, all other provisions of the Agreement shall remain unmodified and in full force and effect.
- 5. The persons executing this Amendment No. 2 on behalf of the Parties hereto warrant that (i) such Party is duly organized and existing; (ii) they are duly authorized to execute and deliver this Amendment No. 1 on behalf of said Party; (iii) by executing this Amendment No. 1, such party is formally bound to the provisions of this Amendment No. 1; and (iv) the entering into this Amendment No. 2 does not violate any provision of any other agreement to which said Party is bound.

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

CITY OF MARINA

CONSULTANT

By: _____

By: _____

Name: Layne P. Long

Name: _____

Its: City Manager

Its: _____

Date: _____

Date: _____

Attest Pursuant to Resolution No. 2016-

By: _____

Anita Sharp, Acting Deputy City Clerk

Approved as to form:

By: _____

City Attorney

ATTACHMENT A-2

Section 1 (a)

- SCOPE OF WORK -

FOR FISCAL YEAR 2016-17 and 2017-18

ANNUAL WORK PLAN

Proposed Scope of Services/Assignments:

Keyser Marston Associates, Inc. (KMA) will provide services on an “as-requested” basis. It is anticipated that the types of services may include the following:

- Assisting City staff with implementing executed Disposition and Development Agreements (DDAs);
- Evaluating the market and/or financial feasibility of proposed real estate projects;
- Assisting City staff with soliciting and/or selecting development teams for future real estate projects;
- Assisting City staff with implementing the City’s Below Market Rate (BMR) Housing Program;
- Preparing Summary Reports in accordance with Section 33433 of the California Health and Safety Code for real estate transactions;
- Assisting City staff with the negotiation of business terms related to real estate transactions;
- Evaluating the fiscal and economic impacts of proposed real estate projects;
- Assisting City staff with evaluating potential financial tools for attracting and/or retaining key businesses; and
- Assisting City staff in managing the City’s real estate assets, including reviewing the values of assets and considering disposition/management alternatives.

ATTACHMENT B-2

Fee Schedule

Consultant proposes to provide the services described in the SCOPE OF WORK on a time-and-materials basis for services rendered. All documents will be provided to the Agency in a draft and final form with a reproducible original.

**MASTER CONTRACT HOURLY FEE SCHEDULE
KEYSER MARSTON ASSOCIATES, INC.
FY 2016-17, 2017-18**

A. Jerry Keyser*	\$280.00
Managing Principals*	\$280.00
Senior Principals*	\$270.00
Principals*	\$250.00
Managers*	\$225.00
Senior Associates	\$187.50
Associates	\$167.50
Senior Analysts	\$150.00
Analysts	\$130.00
Technical Staff	\$ 95.00
Administrative Staff	\$ 80.00

Directly related job expenses not included in the above rates are: auto mileage, air fares, hotels and motels, meals, car rentals, taxis, telephone calls, delivery, electronic data processing, graphics and printing. Directly related job expenses will be billed at 110% of cost. Monthly billings for staff time and expenses incurred during the period will be payable within thirty (30) days of invoice date.

* Rates for individuals in these categories will be increased by 50% for time spent in court testimony.

**CITY OF MARINA
AGREEMENT WITH KEYSER MARSTON ASSOCIATES
FOR DEVELOPMENT SERVICES**

THIS AGREEMENT is made and entered into on October 1, 2013, by and between the City of Marina, a California charter city, hereinafter referred to as the "City" and Keyser Marston Associates, Inc. a California corporation, hereinafter referred to as the "Consultant" or "KMA". City and Consultant are sometimes individually referred to as "party" and collectively as "parties" in this Agreement.

Recitals

- A. Consultant has been working with the City and Redevelopment Agency since 2005 providing general redevelopment, housing and financial advisory services. KMA has gained specialized knowledge and has developed and maintains fiscal models pertaining to Marina in regards to the services they have provided since 2005.

At a regular meeting of July 17, 2007, the City Council and Agency Board adopted Resolution No. 2007-163 and Resolution No. 2007-23 (MRA), authorizing execution of a multi-year agreement between City of Marina, Marina Redevelopment Agency (MRA) and Keyser Marston Associates (KMA) of San Francisco, California, for general redevelopment, housing and financial advisory services. The multi-year agreement required annual amendments to establish the scope of work and estimated budget for each fiscal year. This agreement was a multi-year agreement with a term of July 18, 2007, to June 30, 2011. This multi-year agreement and any other previous agreements are now terminated in accordance with the expiration of the terms and replaced by this Agreement.

At a regular meeting of September 20, 2011, the City Council adopted Resolution No. 2011-165, approving Agreement between City of Marina and Keyser Marston Associates (KMA) of San Francisco, California, establishing the FY 2011-12 Work Plan for general redevelopment, housing and financial advisory services; authorizing the Finance Director to make necessary accounting and budgetary entries, and; authorizing the City Manager to execute the Agreement on behalf of the City subject to final review and approval by the City Attorney. The term of this one year agreement was July 1, 2011 to June 30, 2012.

At a regular meeting on October 2, 2012, City Council adopted Resolution No. 2012-148, approving Agreement between City of Marina and Keyser Marston Associates (KMA) of San Francisco, California, establishing the FY 2012-13 Work Plan for redevelopment, housing and financial advisory services, authorizing the Finance Director to make necessary accounting and budgetary entries, and; authorizing the City Manager to execute the Agreement on behalf of the City subject to final review and approval by the City Attorney. The term of this one year agreement was July 1, 2012 to June 30, 2013.

- B. City desires to retain Consultant to:

Provide redevelopment, housing and financial advisory services as set forth in the Scope of Services section of this agreement, hereinafter referred to as the "Project." The services requested of the Consultant are specialized and Consultant is an expert in the field of financial, housing, airport, and general redevelopment.

- C. Consultant represents and warrants that it has the professional qualifications, experience and personnel necessary to properly perform the services as set forth herein.
- D. City desires to retain Consultant to provide such professional services.

Terms and Conditions

For of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and in consideration of the mutual promises contained herein, the City and Consultant agree to the following terms and conditions:

1. Scope of Work.

(a) Consultant is hereby hired and retained by the City to work in a cooperative manner with the City to fully and adequately perform, on an "as-requested basis", services set forth in Attachment "A" attached hereto ("Scope of Work for Fiscal Year 2013-14 Annual Work Plan") and by this reference made a part hereof. With prior written notice to the Consultant, the City may elect to authorize additional requests for services not included in Scope of Work..

(b) Consultant shall perform all such work with skill and diligence and pursuant to generally accepted standards of practice in effect at the time of performance. Consultant shall provide corrective services without charge to the City for work which fails to meet these standards and which is reported to Consultant in writing within sixty days of discovery. Should Consultant fail or refuse to perform promptly its obligations under this Agreement, the City may render or undertake the performance thereof and the Consultant shall be liable for any expenses thereby incurred.

(c) Consultant is responsible for making an independent evaluation and judgment of all relevant conditions affecting performance of the work, including without limitation site conditions, existing facilities, seismic, geologic, soils, hydrologic, geographic, climatic conditions, applicable federal, state and local laws and regulations and all other contingencies or considerations.

(d) The City shall cooperate with Consultant and will furnish all information data, records and reports existing and available to the City to enable Consultant to carry out work outlined in Attachment "A". Consultant shall be entitled to reasonably rely on information, data, records and reports furnished by the City, however, the City makes no warranty as to the accuracy or completeness of any such information, data, records or reports available to it and provided to Consultant which were furnished to the City by a third party. Consultant shall have a duty to bring to the City's attention any deficiency or error it may discover in any information provided to the Consultant by the City or a third party.

2. Term of Agreement & Commencement of Work.

(a) Unless otherwise provided, the term of this Agreement shall begin on July 1, 2013 and shall expire on June 30, 2014, unless extended by amendment or terminated earlier as provided herein. The date of full execution is defined as the date when all of the following events have occurred:

- (i) This Agreement has been approved by the City's Council, officer or employee authorized to give such approval; and
- (ii) The office of the City Attorney has indicated in writing its approval of this Agreement as to form; and
- (iii) This Agreement has been signed on behalf of Consultant by the person or persons authorized to bind the Consultant hereto; and

(iv) This Agreement has been signed on behalf of the City by the person designated to so sign by the City's Council or by the officer or employee authorized to enter into this Contract and is attested to by the Marina City Clerk.

(b) Consultant commenced work on the Project on July 1, 2013. This Agreement may be extended upon written agreement of the parties. Consultant may be required to prepare a written schedule for the work to be performed, which schedule shall be approved by the City and made a part of Attachment A, and to perform the work in accordance with the approved schedule.

3. Compensation.

(a) The City's liability for compensation to Consultant under this Agreement shall be on a time and materials basis and only to the extent of appropriations to fund this Agreement. For services to be provided under this Agreement during Fiscal Year 2013/2014 the City shall compensate Consultant for services rendered as-requested in a writing signed by both parties in accordance with the provisions of this Section and the Fee Schedule attached hereto as Attachment "B" and incorporated herein by this reference.

(b) Invoice(s) in a format and on a schedule acceptable to the City shall be submitted to and be reviewed and verified by the Project Administrator (see Section 5(a)) and forwarded to the City's Finance Department for payment. City shall notify Contractor of exceptions or disputed items and their dollar value within fifteen days of receipt. Payment of the undisputed amount of the invoice will typically be made approximately thirty days after the invoice is submitted to the Finance Department.

(c) Consultant will maintain clearly identifiable, complete and accurate records with respect to all costs incurred under this Agreement on an industry recognized accounting basis. Consultant shall make available to the representative of the City all such books and records related to this Agreement, and the right to examine, copy and audit the same during regular business hours upon 24-hour's notice for a period of four years from the date of final payment under this Agreement.

(d) Consultant shall not receive any compensation for Extra Work without the prior written authorization of the City. As used herein, "Extra Work" means any work that is determined by the City to be necessary for the proper completion of the Project but which is not included within the Scope of Work (Attachment A) and which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Compensation for any authorized Extra Work shall be paid in accordance with the Hourly Fee Schedule (Attachment B).

(e) Expenses not otherwise addressed in the Scope of Services or the Fee Schedule incurred by Consultant in performing services under this Agreement shall be reviewed and approved in advance by the Project Administrator (Section 5(a)), be charged at cost and reimbursed to Consultant.

(f) There shall be no charge for transportation within Monterey, Santa Cruz and San Benito Counties required for the performance of the services under this Agreement; travel to other locations must be approved in writing and in advance by the City, mileage will be charged at the then current standard rate for business travel as set by the U.S. Internal Revenue Service for such approved travel.

4. Termination or Suspension.

(a) This Agreement may be terminated in whole or in part in writing by the parties in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given (1) not less than ten days written notice of intent to terminate, and (2) provided an opportunity for consultation with the terminating party prior to termination.

(b) If termination for default is effected by the City, an equitable adjustment in the price provided for in this Agreement shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due the Consultant at the time of termination may be adjusted to cover any additional costs to the City because of the Consultant's default. If after the termination for failure of Consultant to fulfill its contractual obligations, it is determined that the Consultant had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the City.

(c) The City may terminate or suspend this Agreement at any time for its convenience upon not less than thirty days prior written notice to Consultant. Not later than the effective date of such termination or suspension, Consultant shall discontinue all affected work and deliver all work product and other documents, whether completed or in progress, to the City.

(d) If termination for default is effected by the Consultant or if termination for convenience is effected by the City, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for termination shall provide for payment to the Consultant for services rendered and expenses incurred prior to the termination, in addition to termination settlement costs reasonably incurred by Consultant relating to written commitments that were executed prior to the termination.

5. Project Administrator, Project Manager & Key Personnel.

(a) The City designate as their Project Administrator Christine di Iorio, Community Development Director who shall have the authority to act for the City under this Agreement. The Project Administrator or his/her authorized representative shall represent the City in all matters pertaining to the work to be performed pursuant to this Agreement.

(b) Consultant designates Ms. Debbie Kern as its Project Manager who shall coordinate all phases of the Project. The Project Manager shall be available to the City at all reasonable times during the Agreement term.

(c) Consultant warrants that it will continuously furnish the necessary personnel to complete the Project on a timely basis as contemplated by this Agreement. Consultant, at the discretion of the City, shall remove from the Project any of its personnel assigned to the performance of services upon written request of the City. Consultant has represented to the City that certain key personnel will perform and coordinate the work under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of the City. In the event that the City and Consultant cannot agree as to the substitution of key personnel, the City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows: Debbie Kern, Jerry Keyser and David Doezema. *X Reed Kawahara*

6. **Delegation of Work.**

(a) If Consultant utilizes any subcontractors, subconsultants, persons, employees or firms having applicable expertise to assist Consultant in performing the services under this Agreement, Consultant shall obtain the City's prior written approval to such employment. Consultant's contract with any subcontractor shall contain a provision making the subcontract subject to all provisions of this Agreement. Consultant will be fully responsible and liable for the administration, completion, presentation and quality of all work performed. If such persons are utilized, they shall be charged at cost. The City reserves the right to employ other consultants in connection with this Project.

(b) If the work hereunder is performed by a design professional, design professional shall be directly involved with performing the work or shall work through his, her or its employees. The design professional's responsibilities under this Agreement shall not be delegated. The design professional shall be responsible to the City for acts, errors or omissions of his, her or its subcontractor. Negligence of subcontractor or agents retained by the design professional is conclusively deemed to be the negligence of the design professional if not adequately corrected by the design professional. Use of the term subcontractor in any other provision of this Agreement shall not be construed to imply authorization for a design professional to use subcontractor for performance of any professional service under this Agreement.

(c) The City is an intended beneficiary of any work performed by a subcontractor for purposes of establishing a duty of care between the subcontractor and the City.

7. **Skill of Employees.** Consultant shall ensure that any employees or agents providing services under this Agreement possess the requisite skill, training and experience to properly perform such services.

8. **Confidential and Proprietary Information.** In the course of performing services under this Agreement Consultant may obtain, receive, and review confidential or proprietary documents, information or materials that are and shall remain the exclusive property of the City. Should Consultant undertake the work on behalf of other agencies, entities, firms or persons relating to the matters described in the Scope of Work, it is expressly agreed by Consultant that any such confidential or proprietary information or materials shall not be provided or disclosed in any manner to any of Consultant's other clients, or to any other third party, without the City's prior express written consent.

9. **Ownership of Data.** Unless otherwise provided for herein, all documents, material, data, drawings, plans, specifications, computer data files, basis for design calculations, engineering notes, and reports originated and prepared by Consultant, or any subcontractor of any tier, under this Agreement with the exception of computer models previously developed by Consultant shall be and remain the property of the City for its use in any manner they deem appropriate. Consultant agrees that all copyrights, which arise from creation of the work pursuant to this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City. Consultant shall provide two (2) sets of reproducible of the above-cited items, except for the computer data files, which shall consist of one (1) set. Consultant shall use all reasonable efforts to ensure that any electronic files provided to the City will be compatible with the City's computer hardware and software. Consultant makes no representation as to long-term compatibility, usability or readability of the format resulting from the use of software application packages, operating systems or computer hardware differing from those in use by the City at the commencement of this Agreement. Consultant shall be permitted to maintain copies of all such data for its files. The City acknowledge that their use of the work product is limited to the purposes contemplated by the Scope of Work and, should the City use these products or data in connection with additions to the work required under this Agreement or for new work without consultation with and without additional compensation to Consultant. Consultant makes no representation as to the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Work and shall have no liability or responsibility whatsoever in connection with such use which shall be at the City's sole risk. Any and all

liability arising out of changes made by the City to Consultant's deliverables is waived against Consultant unless the City has given Consultant prior written notice of the changes and has received Consultant's written consent to such changes.

10. Conflict of Interest.

(a) Consultant covenants that neither it, nor any officer or principal of its firm has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subconsultant without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Agreement. Consultant shall represent the interest of the City in any discussion or negotiation with real estate brokers, sales persons, developers, property owners, retailers, and all other professionals in the real estate development field, and as such, may not accept compensation, commission or payment of any type from any such party or such party's agent.

(b) The City understand and acknowledge that Consultant may be, as of the date of commencement of services under this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is unaware of any stated position of the City relative to such projects. Any future position of the City on such projects may result in a conflict of interest for purposes of this section.

(c) No official or employee of the City who is authorized in such capacity on behalf of the City to negotiate, make, accept, or approve, or take part in negotiating, making accepting or approving this Agreement, during the term of his or her tenure or service with the City and for one year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof or obtain any present or anticipated material benefit arising therefrom.

11. Disclosure. Consultant may be subject to the appropriate disclosure requirements of the California Fair Political Practices Act, as determined by the City Manager.

12. Non-Discrimination.

(a) During the performance of this Agreement the Consultant shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California and the City. In performing this Agreement, Consultant shall not discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), medical condition (including cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Consultant shall give written notice of its obligations under this clause to labor organizations with which it has a collective bargaining or other agreement.

(b) Consultant shall include the nondiscrimination and compliance provisions of this Section in all subcontracts.

13. Indemnification & Hold Harmless.

(a) Other than in the performance of professional services by a design professional, which shall be solely as addressed by subsection (b) below, and to the full extent permitted by law, Consultant shall indemnify, defend (with independent counsel reasonably acceptable to the City) and hold harmless the City, its Council, boards, commissions, employees, officials and agents ("Indemnified Parties" or in the singular "Indemnified Party") from and against all suits and causes of action, claims, losses, damages, penalties, fines and judgments, associated investigation and administrative expenses, and defense costs including but not limited to reasonable attorney's fees, court costs, expert witness fees and costs of alternate dispute resolution (collectively "Liabilities"), where same arise out of the negligence, recklessness, or willful misconduct in performance of this Agreement by Consultant, its officers, employees, agents and sub-consultants, excepting only and to the extent that resulting from the sole negligence, active negligence or willful misconduct of the City, its employees, officials, or agents.

(b) To the fullest extent permitted by law (including without limitation California Civil Code Sections 2782.8), when the services to be provided under this Agreement are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, Consultant shall indemnify, protect, defend (with independent counsel reasonably acceptable to the City) and hold harmless the City and any Indemnified Party for all Liabilities regardless of nature or type that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, or the acts or omissions of an officer, employee, agent or subconsultant of the Consultant, excepting only and to the extent liability arising from the sole negligence, active negligence or willful misconduct of the City.

(c) All obligations under this section are to be paid by Consultant as incurred by the City. The provisions of this Section are not limited by the provisions of sections relating to insurance including provisions of any worker's compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to the City, its employees and officials. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, sub tier contractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance or subject matter of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

(d) If any action or proceeding is brought against any Indemnified Party by reason of any of the matters against which the Consultant has agreed to defend the Indemnified Party, as provided above, Consultant, upon notice from the City, shall defend any Indemnified Party at Consultant's expense by counsel reasonably acceptable to the City. An Indemnified Party need not have first paid for any of the matters to which it is entitled to indemnification in order to be so defended.

(e) This obligation to indemnify and defend the City, as set forth herein, is binding on the successors, assigns, or heirs of Consultant and shall survive the termination of this Agreement or this Section.

14. Insurance.

(a) As a condition precedent to the effectiveness of this Agreement and without limiting Consultant's indemnification of the City, Consultant agrees to obtain and maintain in full force and effect at its own expense the insurance policies set forth in Attachment "C" "Insurance" attached hereto and made a part hereof. Consultant shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf, along with copies of all required endorsements. All certificates and endorsements must be received and approved

by the City before any work commences. All insurance policies shall be subject to approval by the City Attorney as to form and content as to form and content. Specifically, such insurance shall: (1) protect the City as an additional insured for commercial general and business auto liability; (2) provide the City at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium; and (3) be primary with respect to the City's insurance program. Consultant's insurance is not expected to respond to claims that may arise from the acts or omissions of the City.

(b) City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required herein by giving Consultant ninety days advance written notice of such change. If such change should result in substantial additional cost of the Consultant, the City agrees to negotiate additional compensation proportional to the increased benefit to the City.

(c) All required insurance must be submitted and approved the City Attorney prior to the inception of any operations by Consultant.

(d) The required coverage and limits are subject to availability on the open market at reasonable cost as determined by the City. Non availability or non affordability must be documented by a letter from Consultant's insurance broker or agency indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each. Within the foregoing constraints, Consultant's failure to procure or maintain required insurance during the entire term of this Agreement shall constitute a material breach of this Agreement under which the City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect the City's interests and pay any and all premium in connection therewith and recover all monies so paid from Consultant.

(e) By signing this Agreement, Consultant hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provision of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Contract. Unless otherwise agreed, a waiver of subrogation in favor of the City is required.

15. Independent Contractor. The parties agree that Consultant, its officers, employees and agents, if any, shall be independent contractors with regard to the providing of services under this Agreement, and that Consultant's employees or agents shall not be considered to be employees or agents of the City for any purpose and will not be entitled to any of the benefits the City provides for their employees. The City shall make no deductions for payroll taxes or Social Security from amounts due Consultant for work or services provided under this Agreement.

16. Claims for Labor and Materials. Consultant shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Agreement, so as to prevent any lien or other claim under any provision of law from arising against any City property (including reports, documents, and other tangible matter produced by the Consultant hereunder), against the Consultant's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

17. Discounts. Consultant agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discounts to payment made under this Agreement which meet the discount terms.

18. Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

19. **Dispute Resolution.** If any dispute arises between the parties as to proper interpretation or application of this Agreement, the parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. If the dispute is not resolved by meeting and conferring, the matter shall be submitted for formal mediation to a mediator selected mutually by the parties. The expenses of such mediation shall be shared equally between the parties. If the dispute is not or cannot be resolved by mediation, the parties may mutually agree (but only as to those issues of the matter not resolved by mediation) to submit their dispute to arbitration. Before commencement of the arbitration, the parties may elect to have the arbitration proceed on an informal basis; however, if the parties are unable so to agree, then the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be binding, unless within thirty days after issuance of the arbitrator's written decision, any party files an action in court. Venue and jurisdiction for any such action between the parties shall lie in the Superior Court for the County of Monterey.

20. **Compliance With Laws.**

(a) Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California and City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be governed by, enforced and interpreted under the laws of the State of California. Consultant shall comply with new, amended or revised laws, regulations or procedures that apply to the performance of this Agreement.

(b) If the Project is a "public work," or prevailing wages are otherwise required, Consultant shall comply with all provision of California Labor Code section 1720 *et seq.*, as applicable, and laws dealing with prevailing wages, apprentices and hours of work.

(c) Consultant represents that it has obtained and presently holds all permits and licenses necessary for performance hereunder, including a Business License required by the City's Business License Ordinance. For the term covered by this Agreement, the Consultant shall maintain or obtain as necessary, such permits and licenses and shall not allow them to lapse, be revoked or suspended.

21. **Assignment or Transfer.** This Agreement or any interest herein may not be assigned, hypothecated or transferred, either directly or by operation of law, without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

22. **Notices.** All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, sent by facsimile ("fax") or certified mail, postage prepaid with return receipt requested, addressed as follows:

To City: City Manager
 City of Marina City Hall
 211 Hillcrest Avenue
 Marina, California 93933
 Fax: (831) 384-9148

To Consultant: Ms. Debbie Kern
 Keyser Marston Associates, Inc.
 ~~55 Pacific Avenue Mall~~ 160 PACIFIC AVENUE, SUITE 204
 San Francisco, CA 94111
 Fax (415) 397-5065

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three days after deposit in the custody of the U.S. Postal Service. A copy of any notice sent as provided herein shall also be delivered to the Project Administrator and Project Manager.

23. **Amendments, Changes or Modifications.** This Agreement is not subject to amendment, change or modification except by a writing signed by the authorized representatives of the City and Consultant.

24. **Force Majeure.** Notwithstanding any other provisions hereof, neither Consultant nor the City shall be held responsible or liable for failure to meet their respective obligations under this Agreement if such failure shall be due to causes beyond Consultant's or the City's control. Such causes include but are not limited to: strike, fire, flood, civil disorder, act of God or of the public enemy, act of the federal government, or any unit of state or local government in either sovereign or contractual capacity, epidemic, quarantine restriction, or delay in transportation to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

25. **Attorney's Fees.** In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

26. **Successors and Assigns.** All of the terms, conditions and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this paragraph is intended to affect the limitation on assignment.

27. **Authority to Enter Agreement.** Consultant has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective party.

28. **Waiver.** A waiver of a default of any term of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

29. **Severability.** Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement will continue as modified.

30. **Construction, References, Captions.** Since the parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. The captions of the various sections are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content or intent of this Agreement.

31. **Advice of Counsel.** The parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and that the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the parties hereto. This Agreement shall not be construed in favor or against either party by reason of the extent to which each party participated in the drafting of this Agreement.

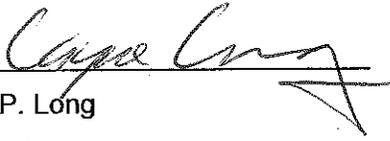
32. **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original.

33. **Time.** Time is of the essence in this contract.

34. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the matters as set forth in this Agreement, and no other agreement, statement or promise made by or to any party or by or to any employee, officer or agent of any party, which is not contained in this Agreement shall be binding or valid.

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

“CITY”
CITY OF MARINA

By: 
Layne P. Long
Its: City Manager _____
Date: 10/1/13

Attest: (Pursuant to Reso: 2013-125)

By: 
Acting Deputy City Clerk

Approved as to form:

By: 
for the City Attorney

“CONSULTANT”
KEYSER MARSTON ASSOCIATES, INC.

By: 
Name: DEBBIE M. KERN
Date: 9/9/13

ATTACHMENT A

Section 1 (a)

- SCOPE OF WORK -

FOR FISCAL YEAR 2013-14

ANNUAL WORK PLAN

Proposed Scope of Services/Assignments:

Keyser Marston Associates, Inc. (KMA) will provide services on an "as-requested" basis. It is anticipated that the types of services may include the following:

- Assisting City staff with implementing executed Disposition and Development Agreements (DDAs);
- Evaluating the market and/or financial feasibility of proposed real estate projects;
- Assisting City staff with soliciting and/or selecting development teams for future real estate projects;
- Assisting City staff with implementing the City's Below Market Rate (BMR) Housing Program;
- Preparing Summary Reports in accordance with Section 33433 of the California Health and Safety Code for real estate transactions;
- Assisting City staff with the negotiation of business terms related to real estate transactions;
- Evaluating the fiscal and economic impacts of proposed real estate projects;
- Assisting City staff with evaluating potential financial tools for attracting and/or retaining key businesses; and
- Assisting City staff in managing the City's real estate assets, including reviewing the values of assets and considering disposition/management alternatives.

ATTACHMENT B

**Section 3 (a)
- Fee Schedule -**

Consultant proposes to provide the services described in the SCOPE OF WORK on a time-and-materials basis for services rendered. In appreciation of our long-term relationship with Marina, we will provide a 10% discount to the following standard rate schedule. All documents will be provided to the Agency in a draft and final form with a reproducible original.

**MASTER CONTRACT HOURLY FEE SCHEDULE
KEYSER MARSTON ASSOCIATES, INC.
2013/14**

A. Jerry Keyser*	\$280.00
Managing Principals*	\$280.00
Senior Principals*	\$270.00
Principals*	\$250.00
Managers*	\$225.00
Senior Associates	\$187.50
Associates	\$167.50
Senior Analysts	\$150.00
Analysts	\$130.00
Technical Staff	\$ 95.00
Administrative Staff	\$ 80.00

Directly related job expenses not included in the above rates are: auto mileage, air fares, hotels and motels, meals, car rentals, taxis, telephone calls, delivery, electronic data processing, graphics and printing. Directly related job expenses will be billed at 110% of cost. Monthly billings for staff time and expenses incurred during the period will be payable within thirty (30) days of invoice date.

* Rates for individuals in these categories will be increased by 50% for time spent in court testimony.

Consultant proposes to provide the services described in the SCOPE OF WORK on a time-and-materials basis for services rendered in accordance with the following rates. All documents will be provided to the Agency in a draft and final form with a reproducible original.

ATTACHMENT C

Insurance

Contractor agrees to provide insurance in accordance with the requirements set forth herein. If Contractor uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, Contractor agrees to amend, supplement or endorse the existing coverage to do so. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the City before any work commences. The City reserves its right to require complete, certified copies of all required insurance policies at any time. The following coverage will be provided by Contractor and maintained on behalf of the City and in accordance with the requirements set forth herein.

Commercial General Liability (primary). Commercial general liability insurance covering Contractor's operations (and products where applicable) is required whenever the City is at risk of third party claims which may arise out of Contractor's work or presence on City premises. Contractual liability coverage is a required inclusion in this insurance.

Primary insurance shall be provided on ISO-CGL form No. CG 00 01 11 85 or 88 or on an ISO or ACORD form providing coverage at least as broad as ISO form CG 00 01 10 01 and approved in advance by the City Attorney. Total limits shall be no less than one million dollars (\$1,000,000) combined single limit per occurrence for all coverages. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate limit shall be two million dollars (\$2,000,000). Contractor must give written notice to the City of any pending claim, action or lawsuit which has or may diminish the aggregate. If any such claim or lawsuit exists, Contractor shall be required, prior to commencing work under this Agreement, to restore the impaired aggregate or prove it has replacement insurance protection to the satisfaction of the City Attorney.

City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insureds using ISO additional insured endorsement form CG 20 10 11 85 or forms CG 20 10 10 01 and CG 20 37 10 01. Coverage shall apply on a primary, non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the City or any agent of City. Coverage is not expected to respond to the claims which may arise from the acts or omissions of the City. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

Umbrella Liability Insurance. Umbrella liability insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum \$25,000.00 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage.

Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion and no contractor's limitation endorsement. Policies limits shall be not less than one million dollars (\$1,000,000) per occurrence and in the aggregate, above any limits required in the underlying policies shall have starting and ending dates concurrent with the underlying coverage.

Business Auto. Automobile liability insurance is required where vehicles are used in performing the work under this Agreement or where vehicles are driven off-road on City premises, it is not required for simple commuting unless City is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

If automobile insurance is required for work under this Agreement, primary coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 including symbol 1 (Any Auto) or on an ISO or ACORD form providing coverage at least as broad as CA 00 01 10 01 approved by the City Attorney. Coverage shall be endorsed to stated that the City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible. Limits shall be no less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage. Starting and ending dates shall be concurrent. If Contractor owns no autos, a non-owned auto endorsement to the commercial general liability policy described above is acceptable.

Workers' Compensation/Employers' Liability. Workers' Compensation and Employer's Liability insurance are not required for single-person contractors. However, under California law these coverages (or a copy of the State's Consent to Self-Insure) must be provided if Contractor has any employees at any time during the period of this Agreement. Policy(s) shall be written on a policy form providing workers' compensation statutory benefits as required by law. Employers' liability limits shall be no less than one million dollars (\$1,000,000) per accident or disease and shall be scheduled under any umbrella policy described above. Unless otherwise agreed, policy(s) shall be endorsed to waive any right of subrogation as respects the City, its Council, boards and commissions, officers, employees, agents and volunteers.

Property Insurance. Property insurance, in a form and amount approved by the City Attorney, is required for Contractors having exclusive use of premises or equipment owned or controlled by the City. City is to be named a Loss Payee As Its Interest May Appear in property insurance in which the City has an interest, e.g., as a lien holder. Fire damage legal liability is required for persons occupying a portion of City premises.

Errors and Omissions/Professional Liability. Errors and Omissions or professional liability coverage appropriate to Contractor's profession, in a form and amount approved by the City Attorney, will be specified on a project-by-project basis if Contractor is working as a licensed professional. Contractor shall maintain such insurance for a period of five years following completion of the project. Such insurance shall be in an amount of not less than one million dollars (\$1,000,000) per claim and in annual aggregate. Design professionals shall maintain such insurance in place until the expiration of the warranty period of the Project.

Contractor and City further agree as follows:

a) This Attachment supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Attachment.

b) Nothing contained in this Attachment is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Attachment are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

c) All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

d) Requirements of specific coverage features or limits contained in this Attachment are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

e) For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or toward performance of this Agreement.

f) All general or auto liability insurance coverage provided pursuant to this Agreement, or any other agreements pertaining to the performance of this Agreement, shall not prohibit Contractor, Contractor's employees, or agents from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against the City.

g) Unless otherwise approved by City, Contractor's insurance shall be written by insurers authorized and admitted to do business in the State of California with a minimum "Best's" Insurance Guide Rating of "A:VII." Self-insurance will not be considered to comply with these insurance specifications.

h) In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor.

i) Contractor agrees to provide evidence of the insurance required herein, satisfactory to City Attorney, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional endorsement to Contractor's general liability and umbrella liability policies using ISO form CG 20 10 11 85. Certificate(s) are to reflect that the insurer will provide at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium. Contractor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Contractor agrees to provide complete copies of policies to City within ten days of City's request for said copies.

j) Contractor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

k) Any actual or alleged failure on the part of the City or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of City or any additional insured, in this or any other regard.

l) Contractor agrees to require all subcontractors or other parties hired for this Project to provide workers' compensation insurance as required herein and general liability insurance naming as additional insureds all parties to this Agreement. Contractor agrees to obtain certificates evidencing

such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Contractor agrees to require that no contract used by any subcontractor, or contracts Contractor enters into on behalf of City, will reserve the right to charge back to City the cost of insurance required by this Agreement. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor contracts with on behalf of City, will be submitted to City for review. Contractor acknowledges that such contracts or agreements may require modification if the insurance requirements do not reflect the requirements herein. Failure of City to request copies of such agreements will not impose any liability on City, its Council, boards and commissions, officers, employees, agents and volunteers.

m) If Contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its Managers, Affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

n) Contractor agrees to provide immediate notice to City of any claim or loss against Contractor that includes City as a defendant. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the City.

o) Coverage will not be limited to the specific location or individual entity designated as the address of the Project. Contractor agrees to have its coverage endorsed so that all coverage limits required pursuant to this requirement are available separately for each and every location at which Contractor conducts operations of any type on behalf of City. Contractor warrants that these limits will not be reduced or exhausted except for losses attributable to those specific locations and not by losses attributable to any other operations of Contractor.

p) Contractor agrees not to attempt to avoid its defense and indemnity obligations to City, its Council, boards and commissions, officers, employees, agents and volunteers by using as a defense Contractor's statutory immunity under workers' compensation or similar statutes.

r) Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between Contractor and City or between City and any other insured or Named Insured under the policy, or between City and any party associated with City or its employees.

s) Contractor shall maintain commercial general liability, and if necessary, commercial umbrella liability insurance, with a limit of not less than one million dollars (\$1,000,000) each occurrence for at least three years following substantial completion of the work.

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-, APPROVE
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
("CITY") AUTHORIZING AN APPLICATION FOR STATE OF CALIFORNIA
AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM
FUNDING FOR THE JUNSAY OAKS AFFORDABLE HOUSING PROJECT
AND HOUSING RELATED INFRASTRUCTURE**

RECOMMENDATION:

It is recommended that the City Council consider:

1. Adopting Resolution No. 2016-, authorizing an application for State of California Affordable Housing and Sustainable Communities Program Funding for the Junsay Oaks Affordable Housing Project and Housing Related Infrastructure.

BACKGROUND:

The State of California, the Strategic Growth Council ("SGC") and the Department of Housing and Community Development ("HCD") issued a Notice of Funding Availability dated January 29, 2016 (the "AHSC NOFA"), under the Affordable Housing and Sustainable Communities ("AHSC") Program established under Division 44, Part 1 of the Public Resources Code, commencing with Section 75200. The AHSC program funds derived from the cap and trade program and are to be used for eligible affordable housing projects and housing related infrastructure that reduce greenhouse gases and vehicle miles traveled. Community Housing Improvement Systems and Planning Association Inc. ("CHISPA") submitted a concept proposal in response to the AHSC NOFA for the Junsay Oaks project, a 47 unit affordable housing project planned for the site located at Reservation Road and DeForest. The concept proposal is the first step in the very competitive application process. In order to increase the competitiveness of its application, CHISPA's concept proposal included the City and the Monterey Salinas Transit District ("MST") as co-applicants with a request for funding for the City's round-about planned a Reservation Road and DeForest Road and funding for MST to acquire a senior shuttle bus. CHISPA's concept proposal was approved to proceed to the next round in the application process which involves submission of a complete application. Full applications are due on June 20th. One of the requirements of the full application is that all co-applicants must submit a resolution approving the submission of the application.

CHISPA's full application requests a total of \$6,904,121 in AHSC funds. \$5,365,005 of the funds are being requested as a loan to CHISPA for the Junsay Oaks Affordable Housing Development ("AHSC Loan") and \$1,539,116 is requested for a grant for Housing Related Infrastructure, Sustainable Transportations Infrastructure, Transit Related Amenities and Program activities ("AHSC Grant"). Of the AHSC Grant, \$1,300,000 would be designated for the Reservation Road round-about. \$200,000 is being requested for the senior shuttle bus and related equipment to be purchased by MST. The remaining AHSC Grant funds are designated for bus passes for the residents of the Junsay Oaks Project.

Under the AHSC program regulations, all co-applicants are jointly and severally liable to the State for the full amount of the AHSC funding. However, the program regulations allow the co-applicants to enter into indemnification agreements indemnifying each other for liability related to particular portions of the funding award. As a condition to the City agreeing to be a co-applicant for the AHSC funds, CHISPA has agreed to enter into an indemnification agreement with the City whereby CHISPA will indemnify the City for any liability related to the AHSC Loan. The City will indemnify CHISPA for any liability associated with the City's portion of the AHSC Grant. If the application is successful the indemnification agreement will provide the City with protection in the event that CHISPA were to default on the loan.

FISCAL IMPACT:

If the AHSC funding application is successful, the City will receive funding for the Reservation Road Round-about at DeForest Road in the amount of \$1,300,000.

CONCLUSION:

This request is submitted for the City Council consideration and approval.

Respectfully submitted,

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA ("CITY")
AUTHORIZING AN APPLICATION FOR STATE OF CALIFORNIA AFFORDABLE
HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM FUNDING FOR THE
JUNSEY OAKS AFFORDABLE HOUSING PROJECT AND HOUSING RELATED
INFRASTRUCTURE

WHEREAS, the State of California, the Strategic Growth Council ("SGC") and the Department of Housing and Community Development ("HCD") issued a Notice of Funding Availability dated January 29, 2016 (the "AHSC NOFA"), under the Affordable Housing and Sustainable Communities ("AHSC") Program established under Division 44, Part 1 of the Public Resources Code, commencing with Section 75200;

WHEREAS, the Community Housing Improvement Systems and Planning Association Inc. ("CHISPA") invited the City of Marina and the Monterey-Salinas Transit District ("MST") to be co-applicants on this application to apply for AHSC Program Funds and submit the Application Package released by HCD for the AHSC Program;

WHEREAS, CHISPA's board of directors has authorized and directed its staff to apply and submit to the Department the AHSC Program Application as detailed in the AHSC NOFA dated January 29, 2016 for the 2015-16 Fiscal year in the total amount not to exceed \$6,904,121 of which \$5,365,005 is requested as a loan to CHISPA for the Junsey Oaks Affordable Housing Development ("AHSC Loan") and \$1,539,116 is requested for a grant for Housing Related Infrastructure, Sustainable Transportations Infrastructure, Transit Related Amenities and Program activities ("AHSC Grant") as defined in the AHSC Program Guidelines adopted by the SGC on December 17, 2015; and

WHEREAS, the City's portion of the \$1,539,116 AHSC Grant application package is a \$1,300,000 request for AHSC grant funds to fund construction of a round-about at the intersection of Reservation Road and DeForest Road ("Round-About"); and

WHEREAS, if awarded the AHSC Grant along with the AHSC Loan would awarded jointly and severally to the City, CHISPA and MST; and

WHEREAS, the SGC is authorized to approve funding allocations for the AHSC Program, subject to the terms of the NOFA, Program Guidelines, Application Package and the Standard Agreement and HCD is authorized to administer the approved funding allocations of the AHSC Program;

WHEREAS, the City deems it in the best interest of the City to submit the application for the AHSC Loan and the AHSC Grant as a co-applicant with MST and CHISPA on the condition that CHISPA indemnify the City for any liabilities that result from the AHSC Loan;

NOW, THEREFORE, BE IT RESOLVED:

1. That the City Council hereby authorizes the City Manager to apply as a co-applicant with CHISPA and MST for and submit the AHSC Program Application to HCD as detailed in the January 29, 2016 NOFA, for the 2015-16 Fiscal Year in a total amount not to exceed \$6,904,121, of which \$5,365,005 is requested as an Affordable Housing Development Loan (the "AHSC Loan") for the Junsey Oaks Affordable Housing Development and \$1,539,116 is requested as a grant for Sustainable Transportation Infrastructure ("STI"), Transit-Related Amenities ("TRA") or Program ("PGM") activities (the "AHSC Grant"), as defined in the AHSC Program Guidelines adopted on December 17, 2015 of which \$1,300,000 would be awarded to the City to pay for costs associated with the Round-About;

2. That if the application is approved, the City Manager is authorized and directed to enter into, execute and deliver a State of California Standard Agreement (the "Standard Agreement"), and any and all other documents required or deemed necessary or appropriate to secure AHSC Program funds from HCD, and all amendments thereto (collectively, the "AHSC Documents");
3. That the City Manager is authorized and directed to enter into an indemnification agreement by and between CHISPA and the City whereby CHISPA and the City mutually indemnify each other for any liabilities arising from each entities portion of the AHSC Loan or AHSC Grant, should the AHSC Loan and AHSC Grant be awarded.
4. That the City shall be subject to the terms and conditions specified in the Standard Agreement. Funds are to be used for allowable capital asset project expenditures to be identified in Exhibit A to the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement. The Corporation hereby agrees to use the funds for eligible capital assets in the manner presented in the application as approved by HCD and in accordance with the NOFA and Program Guidelines and Application Package.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2016, by the following votes:

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

Bruce Delgado Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

INDEMNIFICATION AGREEMENT

This Agreement (the "Agreement") is made as of _____ 2016, by and between the City of Marina, a municipal corporation ("City") and Community Housing Improvement Systems and Planning Association Inc., a California nonprofit public benefit corporation ("CHISPA") with reference to the following facts and purposes:

RECITALS

- A. The State of California, the Strategic Growth Council ("SGC") and the Department of Housing and Community Development ("HCD") issued a Notice of Funding Availability dated January 29, 2016 (the "AHSC NOFA"), under the Affordable Housing and Sustainable Communities ("AHSC") Program established under Division 44, Part 1 of the Public Resources Code, commencing with Section 75200.
- B. The Community Housing Improvement Systems and Planning Association Inc. ("CHISPA") invited the City of Marina and the Monterey-Salinas Transit District ("MST") to be co-applicants on this application to apply for AHSC Program Funds and submit the Application Package released by HCD for the AHSC Program.
- C. CHISPA's Application Package requests a total amount not to exceed \$6,904,121 of which \$5,365,005 is requested as a loan to CHISPA for the Junsay Oaks Affordable Housing Development ("AHSC Loan") and \$1,539,116 is requested for a grant for Housing Related Infrastructure, Sustainable Transportations Infrastructure, Transit Related Amenities and Program activities ("AHSC Grant") as defined in the AHSC Program Guidelines adopted by the SGC on December 17, 2015.
- D. The AHSC Grant is proposed to be divided between the City and the MST with MST receiving \$200,000 to purchase a senior shuttle bus and related bus equipment ("MST Grant") and the City receiving \$1,339,116 to fund construction of a round-about at the intersection of Reservation Road and DeForest Road ("City Grant").
- E. If the AHSC Loan and AHSC Grant are awarded, the City, CHISPA and MST will be required to enter into a Standard Agreement with HCD where each will be jointly and severally liable for the AHSC Loan and AHSC Grant.
- F. In order to induce the City to agree to be co-applicants for the AHSC Loan and AHSC Grant, CHISPA has agreed to indemnify it for any claims that may result related to the AHSC Loan in accordance with the provisions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Parties agree as follows:

AGREEMENT

1. Indemnification.

CHISPA is responsible for using the proceeds of the AHSC Loan to fund the development of the Junsay Oaks Affordable Housing Development. CHISPA shall indemnify, defend (with counsel approved by City) and hold the City and its officers, directors, employees, agents, consultants and contractors (“Indemnitees”) harmless from and against any and all Claims arising in connection with any breach of any term or condition of the AHSC Documents, including the Standard Agreement and any related documents by CHISPA or any affiliate of CHISPA or any contractor, subcontractor, agent or employee of CHISPA or any affiliate of CHSIPA, including without limitation, any claim arising as a result of CHISPA’s failure to complete construction of the Junsay Oaks Affordable Housing Development within the timeframe required by the AHSC Documents, provided, that CHISPA’s indemnification obligations under this Agreement shall not extend to claims resulting solely from the gross negligence or willful misconduct of Indemnitees. It is further agreed that City does not and shall not waive any rights against Developer that it may have by reason of this indemnity and hold harmless agreement because of City’s acceptance, or CHISPA’s deposit with City of any of the insurance policies.

2. City Indemnification.

The City is responsible for using proceeds of the City Grant to fund construction of the roundabout at the intersection of Reservation Road and DeForest Road (“Public Improvements”). The City shall indemnify, defend (with counsel approved by CHISPA) and hold CHISPA and its officers, directors, employees, agents, consultants and contractors harmless from and against all claims arising in connection with any breach of any term or condition of the AHSC Documents by City or any affiliate of City or any contractor, subcontractor, agent or employee of City or any affiliate of City, including without limitation, any claim arising out of City’s failure to complete construction of the Public Improvements within the timeframe required by the AHSC Documents.

3. General Provisions.

3.1 Headings. The title and headings of the various Sections of this Agreement are intended for means of reference and are not intended to place any construction on the provisions of this Agreement.

3.2 Invalidity. If any provision of this Agreement shall be invalid or unenforceable the remaining provisions shall not be affected thereby, and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

3.3 Entire Agreement. The terms of this Agreement are intended by the Parties as a final expression of their agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. No provision of this Agreement may be amended except by an agreement in writing signed by the Parties hereto or their respective successors in interest.

The Parties were represented by attorneys with regard to the drafting of this Agreement, and neither party shall be deemed to be the drafter of this Agreement.

3.4 Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the Parties hereto.

3.5 Governing Law. This Agreement shall be governed by the law of the State of California.

3.6 Execution. This Agreement may be executed in multiple counterpart originals.

3.7 Attorneys' Fees. In the event of a breach of this Agreement, the non-breaching party shall recover all attorneys' fees and litigation expenses incurred as a result of such breach and/or to enforce this Agreement, including without limitation costs of appeal.

IN WITNESS WHEREOF, the Parties have executed this Agreement on or as of the date first above written.

ATTEST: (Pursuant to Resolution No. 2016-___)

By: _____
City Clerk

Approved As To Form:

By: _____
City Attorney

CITY
CITY OF MARINA
a municipal corporation

By: _____
Layne Long, City Manager

COMMUNITY HOUSING IMPROVEMENT
SYSTEMS AND PLANNING ASSOCIATION,
a California nonprofit public benefit corporation

By: _____

May 17, 2016

Item No. **8j(1)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
REVIEWING AND ACCEPTING THE ECONOMIC DEVELOPMENT
COMMISSION FY 2015-16 ANNUAL REPORT**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, reviewing and accepting the Economic Development Commission FY 2015-16 Annual Report.

BACKGROUND:

In accordance with Chapter 2.12 of the Marina Municipal Code, each year it is the responsibility of the Economic Development Commission to provide the City Council with a report outlining Commission accomplishments from the previous fiscal year and goals for the coming fiscal year.

The Economic Development Commission is a five (5) member advisory board appointed by the City Council to identify opportunities for economic development, advise on matters relating to economic development and initiate programs that facilitate and promote economic development that supports the quality of life of Marina residents.

At the regular meeting of May 5, 2016, the Economic Development Commission adopted Resolution No. 2016-03 (EDC), approving submittal of the Economic Development Commission FY 2015-16 Annual Report to the City Council. However, on May 27, 2016, Dover Kohl & Partners informed the City Manager they would not be pursuing the project with the City of Marina. Downtown revitalization continues to be an EDC goal. Other options will be explored to continue completing this goal.

ANALYSIS:

The Economic Development Commission FY 2015-16 Annual Report is now being submitted to the City Council (“EXHIBIT A”).

FISCAL IMPACT:

None.

CONCLUSION:

This request is submitted for City Council review and acceptance.

Respectfully submitted,

Marilyn Lidyoff
Economic Development Coordinator
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-, REVIEWING
AND ACCEPTING THE ECONOMIC DEVELOPMENT COMMISSION FY 2015-16
ANNUAL REPORT

WHEREAS, Chapter 2.12 of the City of Marina Municipal Code requires each of the City's Commissions to prepare an annual report outlining Commission accomplishments from the previous fiscal year and goals for the coming fiscal year, and;

WHEREAS, the Economic Development Commission is a five (5) member advisory board appointed by the City Council to identify opportunities for economic development, advise on matters relating to economic development and initiate programs that facilitate and promote economic development that supports the quality of life of Marina residents, and;

WHEREAS, at the regular meeting of May 5, 2016, the Economic Development Commission adopted Resolution No. 2016-03 (EDC), approving submittal of the Economic Development Commission FY 2015-16 Annual Report to the City Council. However, on May 27, 2016, Dover Kohl & Partners informed the City Manager they would not be pursuing the project with the City of Marina. While downtown revitalization continues to be an EDC goal it will be placed on hold. Other options will be explored as funding becomes available, and;

WHEREAS, the Economic Development Commission FY 2015-16 Annual Report is now being submitted to the City Council ("EXHIBIT A"), which includes accomplishments covering 2015-16, along with goals for FY 2016-17, and;

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

1. Adopt Resolution No. 2016- reviewing and accepting the Economic Development Commission FY 2015-16 Annual Report.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June, by the following vote:

AYES, COUNCIL MEMBERS:

NOES, COUNCIL MEMBERS:

ABSTAIN, COUNCIL MEMBERS:

ABSENT, COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

Economic Development Commission

FY 2015-16 ANNUAL REPORT

**Summary of accomplishments for
FY 2015-16 and establishment
of Goals for FY 2016-17**

May 5, 2016



Mission Statement

To implement the role of the Economic Development Commission (EDC) in advising the City Council on specific economic development projects, the EDC has developed goals for the year related to projects such as the downtown revitalization, The Dunes, Arts Village, Veterans Trail, Lock-Paddon Park and the Marina Municipal Airport, among others.

Annual Report Background

Each year, City Commissions are required to submit annual reports to the City Council. The Economic Development Commission, in a collaborative effort with the Economic Development Coordinator has prepared the following report of the Commission's activity in FY 2015-16, as well as their proposed Goals for FY 2016-17.

The City of Marina's Municipal Code

On April 4, 2006, the City Council amended the Marina Municipal Code (M.M.C.) to delete Chapter 2.12 in its entirety and replaced it with a new Chapter 2.12, entitled "Commissions."

Section 2.12.020, "Duties and Powers of the Commissions," establishes specific duties and powers, as follows, to the Economic Development Commission: The Economic Development Commission shall be an advisory body to the City Council regarding economic development in the City; downtown revitalization; and ways to encourage business to locate and remain in Marina. (M.C. Sec. 212.020A)

Standard Meeting Time and Place

Monthly meeting to be held in the first Thursday every month
at 6:30 pm in the City Hall Council Chambers.

Commissioners

Tess Alcantara, Chair	February 2015 to February 2017
Steve Emerson, Vice Chair	February 2016 to February 2018
Ronald Lebda	February 2016 to February 2018
Herbert Cortez	July 2015 to February 2017

City Staff Liaison

Marilyn Lidyoff, Economic Development Coordinator

**ECONOMIC DEVELOPMENT COMMISSION (EDC)
ACCOMPLISHMENTS
FISCAL YEAR 2015-16**

Accomplishments:

- Reviewed and discussed quarterly sales tax reports and other reports provided by Hinderliter de Llamas and Associates.
- Reviewed continuing progress for The Dunes, Marina Heights and other strategic development projects.
- Received information on completion of Light and Motion, University Village, Rockrose Gardens, and Amcal Promontory (CSUMB) development projects.
- Received information from the Monterey Bay Economic Development Partnership regarding economic development goals for the region of the Monterey Bay. Among the objectives is to be the **go-to source** for tri-county data, advocate for creation and retention of new jobs and businesses, convene/support Tech MeetUps and AgTech MeetUps, and provide broadband education and advocacy.
- Continue site visitation program to assist in retaining and expanding existing Marina businesses.
- Received information on the creation and continued update of the Marina Dining Guide.
- Continue distribution of Marina Restaurant Guides to CSUMB, local hotels and to businesses that participated in a site visit from a member of the EDC and Economic Development Coordinator.
- Implemented activities identified at the 2014 Business Forum, which included the following: review municipal code/home-based businesses requirements and suggest less cumbersome method on obtaining a permit, begin to address way finding signs, review city's website and make suggestions to update the business guide and cultivate connections between employers and colleges.
- In connection with the continuation of the 2014 Business Forum, the following topics were placed on hold indefinitely. Those topics included "improve city image to be "Business Friendly," how to achieve city-wide marketing/branding efforts, and define "Who is Marina", and begin exploration of a new business park.
- On February 4, 2016, the EDC established and adopted economic development goals for FY 2016-17.
- At the regular meeting of May 5, 2016, the EDC adopted the FY 15-16 Annual Report to be submitted to City Council.
- The adopted goals are identified below.

ECONOMIC DEVELOPMENT COMMISSION GOALS

FISCAL YEAR 2016-17

1. Collaborate with Dover Kohl & Partners in the development of the downtown revitalization project plan and workshop. On May 27, 2016, Dover Kohl & Partners informed the City Manager they would not be pursuing the project with the City of Marina. Downtown revitalization continues to be an EDC goal. Other alternative options will be explored to continue completion of this goal.
2. Participate in the development of The Dunes Artist Village Concept specifically incorporating the Veterans Trail Project.
3. Develop an implementation plan for the City's signage, banner, marketing and branding programs, engaging collaboration with entities such as the Marina Chamber of Commerce in project implementation.
4. Continue business site visits to assess the needs of existing Marina based business owners, address needs if appropriate and practicable, and serve as a resource/liason between them and the City.
5. Continue to maintain and update information on city's website related to business resources and assistance that are available to the public.
6. Cultivate relationships with relevant economic group or clusters particularly the CSUMB Business College to attract new and desired entrepreneurs within the City.

Next Step: Identify areas of responsibility for each Commissioner and develop the corresponding action plans for each goal.

ORDINANCE NO. 2016-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MARINA TO DELETE MUNICIPAL CODE, TITLE 5, CHAPTER 5.36 (MASSAGE BUSINESSES) AND ADD A NEW CHAPTER 5.36 TO REDEFINE “MASSAGE, “MASSAGE PRACTITIONERS,” “MASSAGE THERAPISTS,” “MASSAGE ESTABLISHMENTS,” AND REQUIRE LICENSING IN COMPLIANCE WITH THE LAWS OF THE STATE OF CALIFORNIA

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THE CITY COUNCIL OF THE CITY OF MARINA DOES ORDAIN AS FOLLOWS:

WHEREAS, the California Legislature adopted SB 731, which added Business and Professions Code Sections 4600 *et seq.*, 37101, 1600, to create a voluntary certification program for the massage therapy profession in order to “enable consumers to easily identify credible certified massage therapists” who have received background checks, been trained at approved schools, passed an examination and received certification from the California Massage Therapy Council; and

WHEREAS, SB 731 provides that a city is limited in the manner in which it can regulate certified massage therapist and practitioners, and conversely, that it has greater latitude to regulate those persons who are not certified by the California Massage Therapy Council; and

WHEREAS, the proposed ordinance will enable the City to protect and promote the public health, safety and welfare by disallowing massage businesses which are not licensed and do not have certified massage therapists and practitioners:

NOW THEREFORE, the Marina City Council declares as follows:

1. Chapter 5.36 is Deleted and is Substituted with a New Chapter 5.36 to Read As Follows”

5.36.010 Purpose.

It is the purpose and intent of this chapter to provide for the orderly regulation of the business of massage in the city by establishing certain minimum standards for the conduct of this type of business to protect the public health, safety and welfare of the residents of the city.

5.36.020 Statutory authority.

The ordinance codified in this chapter is adopted pursuant to Sections 51030 through 51034 of the California Government Code; Business and Professions Code Sections 4600 *et seq.*, 37101, 1600; and, Section 7 of Article XI of the Constitution of the State of California and regulates the business and practice of massage to the extent authorized therein.

5.36.030 Definitions.

Whenever used in this chapter, the following words and phrases shall be defined as follows:

A. California Massage Therapy Council “CAMTC.”

“California Massage Therapy Council” or “CAMTC” shall mean the California Massage Therapy Council created under California Business and Professions Code Section 4602.

B. Certified Massage Practitioner.

“Certified Massage Practitioner” shall mean a person who is currently certified as a massage practitioner by the CAMTC pursuant to California Business and Professions Code Section 4604.2 and who administers massage for compensation.

C. Certified Massage Therapist.

“Certified Massage Therapist” shall mean a person who is currently certified as a massage therapist by the CAMTC pursuant to California Business and Professions Code Section 4604 and who administers massage for compensation.

D. Employee.

“Employee” shall mean any person, including the Certified Massage Therapist or Certified Massage Practitioner, who renders any service to the licensee, who receives compensation directly from the licensee, and who has a physical contact with the customers and clients.

E. Health Officer.

“Health officer” shall mean the Health Officer of the County of Monterey or his authorized representative.

F. Massage.

“Massage” shall mean the application of various techniques to the soft tissues of the human body as defined in California Business and Professions Code Section 4601. Application of massage techniques may include, but is not limited to, any method of pressure or friction, stroking, kneading, rubbing, tapping, stretching, pounding, vibrating, or stimulating the external surfaces of the body with hands or with any object or appliance

G. Massage establishment.

“Massage establishment” shall mean a place where certified massage therapists or certified massage practitioners practice massage as provided in California Business and Professions Code Section 4601(f).

H. “Licensee” shall mean any person operating or maintaining a massage establishment.

I. “Person” shall mean any individual, copartnership, firm, association, joint stock company, corporation or combination of individuals of whatever form or character.

5.36.040 Massage for compensation shall only be permitted in City by a certified massage therapist or certified massage practitioner.

Except as set forth in 5.36.043, it shall be unlawful for any person to provide massage in exchange for compensation in the City of Marina unless they are a certified massage therapist or certified massage practitioner.

5.36.040.5 Massage Establishment.

Except as set forth in 5.36.043, no person shall engage in, conduct or carry on, or permit to be engaged in, conducted or carried on, in or upon any premises in the City of Marina, the operation of a massage establishment without first having obtained a license therefor from the Chief of Police, or his or her designee, in accordance with the provisions of this Chapter. A massage establishment license does not authorize the licensee to provide massage therapy services, and it is unlawful to do so without a valid CAMTC certification.

5.36.041 Separate locations.

A separate license must be obtained for each branch location in which the operation of a massage establishment is to be carried on.

5.36.042 Display of License – Massage establishment.

Every massage establishment license issued pursuant to the provisions of this Chapter shall at all times be displayed in a conspicuous place within the massage establishment.

5.36.043 License Exceptions.

The license requirements of this Chapter shall not apply to the following persons while engaged in the performance of their duties:

- (a) Any individual licensed to practice the art of healing as defined under Business and Professions Code Section [500](#) et seq. while engaging in a practice within the scope of their license;
- (b) Any person licensed to practice barbering or cosmetology as defined in Business and Professions Code Section [7300](#) et seq. while engaging in a practice within the scope of their license;
- (c) Trainers of any amateur, semiprofessional or professional athlete or athletic teams while engaging in their training responsibilities for and with athletes;
- (d) Any employee of a California state-licensed hospital, nursing home, or other state-licensed physical or mental health facility while engaging in a practice within the scope of their employment;
- (e) Accredited high schools and colleges, and their coaches and trainers while acting within the scope of their employment;
- (f) Accredited colleges or universities that offer massage therapy programs whose instructors and students are acting within the scope of their employment or within the scope of their curriculum; and
- (g) Any other business or professions exempt by State law.

5.36.044 Nontransferability.

No license issued pursuant to the provisions of this Chapter is transferable to any other person or location.

5.36.050 License—Application—Contents.

A. Any person desiring to obtain a license to operate a massage establishment shall make an application to the chief of police or his designated representative. An annual nonrefundable fee established by resolution of the city council shall accompany the submission of each application to defray in part the cost of investigation, inspection and enforcement of this chapter.

B. Each applicant for a license to operate a massage establishment shall furnish the following information to the chief of police:

1. The full true name and any other names used by the applicant;
2. The present address and telephone number of the applicant;
3. The proposed name and address of the massage establishment;
4. Each residence and business address of applicant for the three years immediately preceding the date of the application, and the inclusive dates of applicant's use of each such address;

5. The form of business under which the applicant will be conducting the massage establishment, i.e., corporation, general or limited partnership, limited liability company, or other form. If the applicant is a corporation, the name of the corporation shall be set forth exactly as shown in its articles of incorporation, together with the names and residence addresses of each of its officers, directors, and each shareholder holding more than 10 percent of the stock of the corporation. If the applicant is a general or limited partnership, the application shall set forth the name and residence address of each of the partners, including limited partners. If one or more of the partners is a corporation, the provisions of this section pertaining to a corporate applicant shall apply. If the applicant is a limited liability company, the application shall set forth the name and residence address of each of the members. If one or more of the members is a partnership, limited liability company, or corporation, the provisions of this section pertaining to a partnership, limited liability company, or corporate applicant shall apply, as applicable.
6. The name and address of the owner of the real property upon, in, or from which the certified massage establishment is to be operated. In the event the applicant is not the legal owner of the property, the application shall be accompanied by a copy of any written lease between the applicant and the property owner authorizing use of the premises for a massage establishment, or, alternatively, if there is no written lease, then a written, notarized acknowledgment from the property owner that the property owner has been advised that a massage establishment will be operated by the applicant upon, in, or from the property owner's property.
7. A description of the proposed massage establishment, including the type of treatments to be administered.
8. The name of each employee who the massage establishment does or will employ or retain to perform massage therapy for compensation, whether on or off the massage establishment premises.
9. For each person who the massage establishment does or will employ or retain to perform massage therapy for compensation, whether on or off the massage establishment premises, a copy of that individual's current certification from the CAMTC as a certified massage practitioner or certified massage therapist, and a copy of his or her current CAMTC-issued identification card.
10. For each owner of the massage establishment who is a CAMTC-certified massage professional, a copy of his or her current certification from the California Massage Therapy Council as a certified massage practitioner or as a certified massage therapist and a copy of his or her current California Massage Therapy Council-issued identification card.
11. For each owner of the massage establishment who is not a CAMTC-certified massage professional, the following information:
 - (a) Whether any owner of the massage establishment has within the five years immediately preceding the date of application been convicted in any state of any misdemeanor or felony.
 - (b) Whether any owner of the massage establishment is currently required to register under the provisions of Section [290](#) of the California Penal Code.
 - (c) The business, occupation, and employment history of each owner of the massage establishment for five years preceding the date of application, and the inclusive dates of same.
 - (d) For any owner who is not a CAMTC-certified massage professional, one set of fingerprints of each owner of the massage establishment in a form satisfactory to the permit authority. The fingerprints shall be taken at a place designated by the permit authority, and any required fee for such fingerprinting shall be paid by the applicant.

12. Whether any license or permit has ever been issued to the applicant by any jurisdiction under the provisions of any ordinance or statute governing massage therapy, and as to any such license or permit, the name and address of the issuing authority, the effective dates of such license or permit, whether such license or permit was ever suspended, revoked, withdrawn, or denied; and copies of any documentary materials relating to such suspension, revocation, withdrawal, or denial.

13. Such other information as may be required by the permit authority to determine compliance with any other eligibility requirements for issuance of the permit as specified by federal, state, or local law.

5.36.060 Issuance or denial of license.

The chief of police or his or her designee shall, within thirty (30) days after receipt of an application complying with all the provisions of this Chapter, issue a license or deliver to the applicant, personally or by mail, written notice of denial of the license, setting forth the reason or reasons therefor, in accordance with the provisions of 5.36.070.

5.36.070 Grounds for denial of license.

The chief of police or his or her designee shall deny the license if he or she finds:

(a) The massage establishment, as proposed by the applicant, would not comply with the requirements of this code and/or with any applicable law, including but not limited to the City's building, fire, zoning, and health regulations.

(b) The applicant has knowingly made any false, misleading or fraudulent statement of material fact in the application for a massage establishment permit.

(c) Any owner of the massage establishment, within five years immediately preceding the date of filing of the application, has been convicted in a court of competent jurisdiction of any offense that relates directly to the operation of a massage establishment whether as a massage establishment owner or operator or as a person practicing massage for compensation, or as an employee of either; or has at any time been convicted in a court of competent jurisdiction of any misdemeanor or felony the commission of which occurred on the premises of a massage establishment.

(d) Any owner of the massage establishment is currently required to register under the provisions of Section [290](#) of the California Penal Code.

(e) Any owner of the massage establishment, within five years of the date of application, has been convicted in a court of competent jurisdiction of any violation of Sections [266](#), [266a](#), [266e](#), [266f](#), [266g](#), [266h](#), [266i](#), [266j](#), [315](#), [316](#), [318](#), [647](#)(b), or [653.22](#) of the California Penal Code, or any other crime involving theft, dishonesty, fraud or deceit; or conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is the equivalent of any of the aforesaid offenses. A violation of Health and Safety Code Section [11550](#) or any offense involving the illegal sale, distribution or possession of a controlled substance specified in Health and Safety Code Section [11054](#), [11055](#), [11056](#), [11057](#) or [11058](#); or any offense under a statute of any state or ordinance of any city or county, which is the equivalent of any of the aforementioned offenses, including Business and Professions Code Section [4609](#)(a).

(f) Any owner of the massage establishment has been subjected to a permanent injunction against the conducting or maintaining of a nuisance pursuant to Sections [11225](#) through [11235](#) of the California Penal Code, or any similar provision of law in a jurisdiction outside the State of California.

(g) Any owner of the massage establishment who is an individual has not attained the age of 18 years.

(h) Any owner of the massage establishment, within five years immediately preceding the date of filing of the application, has had a permit or license to practice massage for compensation or to own and/or operate a massage establishment revoked or denied in any jurisdiction.

If prosecution is pending against the applicant for conduct listed in this section, the chief of police may postpone decision on the application until the final resolution of the prosecution. As used in this subsection, "prosecution" means charges filed by the district attorney, administrative proceedings brought by a local government or agency, or a civil or administrative action maintained by any city, county, state, or government.

5.36.080 Operating requirements for massage establishments.

No person, association, partnership or corporation, shall engage in, conduct or carry on, or permit to be engaged in, conducted or carried on, the operation of a massage establishment unless each and all of the following requirements are met:

A. Massage operations shall be carried on, and the premises shall be open, only between the hours of ten a.m. and twelve a.m. (midnight).

B. A list of services available and the cost of such services shall be posted in an open and conspicuous public place on the premises. The services shall be described in readily understandable language. No person shall permit or offer to perform, any services other than those posted.

C. A minimum of one tub or shower and one toilet and washbasin shall be provided for the patrons in every massage establishment. Hot and cold running water under pressure shall be provided to all washbasins, bathtubs, showers and similar equipment. Each washbasin shall be provided with soap or detergent and sanitary towels placed in permanently installed dispensers. A trash receptacle shall be provided in every toilet room.

D. The massage establishment shall provide each client or patron thereof with a separate locker which shall have a locking device of a type approved by the chief of police or his designee and to which each client or patron shall be given a key and be allowed to store therein any valuables which the client or patron may bring to the massage establishment. There shall be no duplicate keys to such lockers; however, the owner, manager or the operator of the premises may retain within his or her sole management or control, a master key which allows access to such lockers. Said master key may be utilized for emergency purposes only when a locker or lockers contain valuables belonging to a client or patron of the massage establishment.

E. Clean and sanitary towels, sheets and linens shall be provided for each patron receiving massage services. No common use of towels or linens shall be permitted and reuse is prohibited unless they have been first laundered. Heavy white paper may be substituted for sheets; provided, that such paper is used once for each person then discarded into a sanitary receptacle.

F. Disinfecting agents and sterilizing equipment sufficient to assure the cleanliness and safe condition thereof shall be provided for any instruments used in performing any massage. Instruments shall be disinfected after use on each patron.

G. Pads used on massage tables shall be covered in a workmanlike manner with durable, washable plastic or other waterproof material.

K. No massage establishment granted a license under the provisions of this chapter shall place, publish or distribute or cause to be placed, published or distributed, any advertisement, picture or statement which is known or through the exercise of reasonable care should be known to be false, deceptive or misleading in order to induce any person to purchase or utilize any professional massage services.

L. No person shall sell, give, dispense, provide or keep, or cause to be sold, given, dispensed, provided or kept, any alcoholic beverage on the premises of any massage establishment.

M. No person shall enter, be or remain in, any part of a massage establishment while in the possession of or while consuming or using any alcoholic beverage or drugs, except pursuant to a prescription for such drugs. The owner, operator or manager shall not permit any such person to enter or remain upon such premises.

5.36.090 Operative date for massage business.

Any person, association, partnership or corporation engaging in, conducting, or carrying on the operation of, a massage establishment on the effective date of the ordinance codified in this chapter shall, except as otherwise specifically provided herein, comply with all of the provisions of this chapter within ninety days of the effective date of the ordinance codified in this chapter.

5.36.100 Name of business.

No person, association, partnership or corporation licensed to do business as herein provided shall operate under any name or conduct his business under any designation not specified in his license.

5.36.110 Change of business location.

A change of location of a licensed massage establishment shall be approved by the chief of police, provided all applicable provisions of this chapter are complied with and a nonrefundable change of location fee as established by resolution of the city council has been paid to the chief of police, and the county health department and the city building department have inspected the new location and have advised the chief of police that it complies with the requirements of this chapter.)

5.36.120 Sale or transfer of business.

Upon the sale or transfer of any interest in a massage establishment including, in the case of a corporate owner, the sale or transfer of stock to a person who would hold more than five percent of the stock of the corporation, any license heretofore issued for such establishment or business shall be null and void. A new application shall be made in accordance with and subject to all the provisions of Sections 5.36.050 by any person, firm or entity desiring to own or operate the massage establishment or off-premises massage business. The application shall be accompanied by payment of the respective annual nonrefundable fees specified in Section 5.36.050 in addition to the payment of a sale or transfer fee as specified by resolution of the city council. Any such sale or transfer of any interest in any existing massage establishment or any application for an extension or expansion of the building or other place of business of the massage establishment shall require inspection and shall require compliance with this Chapter.

5.36.130 Inspection.

The police department, building inspector, any other appropriate city official, and the county health department, shall make reasonable and periodic inspections of the records kept as required by this chapter, and of the foyer, hallways, restrooms and other areas used or intended for use in common by customers, rooms in which massages are given (whether occupied or unoccupied), and unoccupied rooms of each and every massage establishment in the city during hours of the business operation for the purpose of determining that there is compliance with the provisions of this chapter and the laws of the state.

5.36.140 Suspension or revocation of license.

The chief of police shall revoke a License issued pursuant to the provisions of this Article if:

- (a) The person(s) to whom the massage establishment permit has been issued, or any employee have violated any provision of this Chapter or any relevant California or Federal law.
- (b) The licensee or any employee has been convicted in a court of competent jurisdiction of having violated any of the following: California Penal Code Sections [266](#), [266a](#), [266e](#), [266f](#), [266g](#), [266h](#), [266i](#), [266j](#), [315](#), [316](#), [318](#), [647](#)(b), or [653.22](#), of the California Penal Code, or any other crime involving theft, dishonesty, fraud or deceit; or conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is the equivalent of any of the aforesaid offenses. A violation of Health and Safety Code Section [11550](#) or any offense involving the illegal sale, distribution or possession of a controlled substance specified in Health and Safety Code Section [11054](#), [11055](#), [11056](#), [11057](#) or [11058](#); or any offense under a statute of any state or ordinance of any city or county, which is the equivalent of any of the aforementioned offenses, including Business and Professions Code Section [4609](#)(a) or conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is the equivalent of any of the aforesaid offenses.
- (c) The licensee or any employee is required to register under Section [290](#) of the California Penal Code.
- (d) The licensee has been subject to a permanent injunction against the conducting or maintaining of a nuisance pursuant to this code, or Sections [11225](#) through [11235](#) of the California Penal Code, or any similar provision of law in any jurisdiction outside the State of California.
- (e) The licensee or any employee of the massage establishment has engaged in fraud or misrepresentation or has knowingly made a misstatement of material fact while working in or for the massage establishment.
- (f) The licensee has continued to operate the massage establishment after massage establishment permit has expired or been suspended.
- (g) Massage is or has been performed on the premises of the massage establishment, with or without the licensee's actual knowledge, by any person who is not a duly authorized CAMTC-certified massage professional.

Notice of revocation of the license shall be given in writing to the licensee by the chief of police. The licensee shall cease all operations under the permit within forty-eight (48) hours of delivery of said notice, unless a notice of appeal is filed pursuant to the provisions of 5-36-150.

5.36.150 Appeal.

An applicant or licensee may appeal any action or determination of the chief of police under the provisions of this Chapter by filing written notice thereof with the city clerk not later than forty-eight (48) hours after the delivery of any written notice given by the chief of police. The effect of revocation of a license shall be suspended by the filing of a notice of appeal until the determination of the appeal by the City Council. The City Council shall hold a public hearing on the appeal at its next regular meeting occurring more than seven (7) days after filing of the notice of appeal. Notice of said hearing shall be published once in the official newspaper and delivered in writing, personally or by mail, to the applicant or licensee not less than five (5) days prior to said hearing. At such hearing the applicant or licensee shall be required to show sufficient cause why the action or determination of the chief of police should not be upheld. The City Council shall, at said hearing, hear all other interested parties who desire to be heard. The determination of the City Council on the appeal shall be final and conclusive.

5.36.160 Mailed notice.

Any notice mailed pursuant to the provisions of this Article or of Article 4 of this Chapter shall be deemed delivered twenty-four (24) hours after its deposit in a post office or mailbox.”

2. Validity of Ordinance. If any part of this ordinance is held to be invalid, unlawful, or unconstitutional, it shall not affect the validity of any other part of the ordinance.
3. Effective Date. This ordinance shall take effect and be in force 30 days from and after its final passage.
4. Posting of Ordinance. Within 15 days after the passage of this ordinance, the City Clerk shall cause it to be posted in the three public places designated by resolution of the City Council.

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Marina duly held on the 17th day of May, 2016 and passed and adopted at a duly held meeting of the City Council of the City of Marina held on the 7th day of, June 2016 by the following vote:

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

Bruce C. Delgado, Mayor

ATTEST:

Anita Shepherd-Sharp, Deputy City Clerk

May 27, 2016

Item No. **11a**

To: Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

From: Deborah Mall, Assistant City Attorney

**CITY COUNCIL CONSIDER PLACING A CHARTER AMENDMENT ON
THE BALLOT FOR THE NOVEMBER 8, 2016 GENERAL MUNICIPAL
ELECTION, WHICH WILL ALLOW FOR A FOUR YEAR TERM FOR
THE MAYOR**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, to submit to the voters of the City at a General Municipal Election on November 8, 2016, a Charter Amendment to provide for the Mayor to serve a four-year term.

BACKGROUND:

Marina is a charter city and is governed by the terms of its Charter, which was approved by the voters on June 2, 1998. The charter is the “Constitution” for the City and provides legal guidelines for the form and function of its government. In a charter city, the charter may determine the procedures for selecting a mayor and such charter provisions override any conflict in general law. Marina has an elected Mayor, who serves a two year term. There is a procedure in the Government Code for establishing the office of Mayor with either a two or four year term. This matter was put on the ballot in 1977 and a two year term was chosen by the citizens of Marina. On February 2, 2016, the City Council directed staff to take steps to place a matter on the ballot to increase the term of the Mayor to four years, so that the Mayor could better serve the City, without directing time and resources to re-election, every two years.

FISCAL IMPACT:

There will be no direct fiscal impact, since this measure will be put on the ballot and consolidated with the general November election. Some staff time may be saved in the future, if staff only has to provide orientation to a new mayor every four years, or whenever a new mayor is elected.

ANALYSIS:

The Charter was amended in 2000 to address various issues related to the election of office holders and related to office holder terms. The Charter, however, does not address the term of the Mayor. The City Code does not address the term of the Mayor. The term for the Mayor should be codified in a place where it is logical and readily available to the public. A Charter amendment will supersede any conflicting law and it would be logical and usual to include the term of the Mayor in the Charter, especially when similar issue are already addressed in the Charter. As such, a Charter amendment is proposed. The proposed form is found in the attached Resolution, which must be adopted to put a Charter Amendment on the ballot.

CONCLUSION:

If the City Council wishes to increase the term of the Mayor to a four year term, the attached Resolution should be approved, which will allow the matter to be put to a vote of the electors at the November Municipal election.

Respectfully submitted,

//ss//
Deborah Mall
Assistant City Attorney

**RESOLUTION ORDERING AN ELECTION FOR A MEASURE
WHICH IF APPROVED BY A MAJORITY OF THE ELECTORS IN
THE CITY OF MARINA WOULD AMEND THE CITY'S CHARTER,
REQUESTING COUNTY ELECTIONS TO CONDUCT THE ELECTION,
AND REQUESTING CONSOLIDATION OF THE ELECTION**

City of Marina

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and

WHEREAS, the resolution of the governing body of the city or district shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 8, 2016;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT THE governing body of the City of Marina hereby orders an election be called and consolidated with any and all elections also called to be held on November 8, 2016, insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the City of Marina, and the City of Marina requests the Board of Supervisors of the County of Monterey to order such consolidation under Elections Code Section 10400 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that pursuant to Elections Code Section 10002 said governing body hereby requests the Board of Supervisors to permit the Monterey County Elections Department to provide any and all services necessary for conducting a mail ballot election and agrees to pay for said services in full, and

BE IT FURTHER RESOLVED AND ORDERED that Monterey County Elections Department shall conduct the election for the following measure to be voted on at the November 8, 2016 election:

CITY OF MARINA CHARTER MEASURE ____

Shall Section 1.04 be added to the Charter to provide for the direct election of the mayor to serve a term of four years, commencing with the 2018 general municipal election?

YES _____

NO _____

BE IT FURTHER RESOLVED AND ORDERED THAT Monterey County Elections Department is requested to print the full measure text (**Exhibit A**) exactly as filed or indicated on the filed document in the Voter Guide for the November 8, 2016 election. Cost of printing and distribution of the measure text will be paid for by the City of Marina.

In addition, the full text will be available at the following web site address: www.ci.marina.ca.us.

BE IT FURTHER RESOLVED AND ORDERED THAT

1. Voter approval requirement is a majority. In the event a majority of the electors voting on the measure vote in favor, the Charter of the City of Marina shall be amended to read in accordance with the text corresponding to the Amendment as set forth in Exhibit A.

2. Arguments for and against the ballot measure may be filed consistent with Elections Code Section 9282, *et seq.* The last day for submission of direct arguments for or against the ballot measure shall be by 5:00 P.M. on August 19, 2016. Direct arguments shall not exceed three hundred words and shall be signed by not more than five persons.

3. Rebuttals to arguments for and against the ballot measure may be filed. The last day for submission of rebuttal arguments for or against the ballot measure shall be by 5:00 P.M. on August 29, 2016. Rebuttal arguments shall not exceed two hundred-fifty words and shall be signed by not more than five persons; those persons may be different persons than the persons who signed the direct arguments.

4. Pursuant to Election Code Section 9280, the City Council hereby directs the City Attorney to prepare by August 19, 2016, an impartial analysis of the ballot measure

5. The Mayor Pro Tem is hereby authorized to prepare written arguments in favor of the ballot measure, not to exceed three hundred words, on behalf of the City Council. At the Mayor Pro Tem's discretion, the argument may also be signed by members of the City Council or bona fide associations or by individual voters who are eligible to vote. In the event an argument is filed against the ballot measure, the Mayor Pro Tem is also authorized to prepare a rebuttal argument on behalf of the City Council, which may also be signed by members of the City Council or bona fide associations or by individual voters who are eligible to vote.

6. The Deputy City Clerk hereby is designated as the Elections Official and is directed to do all things required by law to effectuate the Regular Municipal Election and to present the charter amendment submitted herein to the electorate, including, but not limited to, required publications, postings, noticing and filings. Further, the Deputy City Clerk is hereby directed to forward a copy of this resolution to the City Attorney for preparation of impartial analyses of the charter amendment submitted. Pursuant to Election Code section 9285, when the Deputy City Clerk has selected the arguments for and against the ballot measure, which will be printed and distributed to voters, the Deputy City Clerk shall send copies of the arguments in favor of the ballot measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

7. The Deputy City Clerk is hereby directed to submit forthwith a certified copy of this resolution to the Board of Supervisors, to the Registrar of Voters and to the County Clerk of the County of Monterey. The Deputy City Clerk shall certify as to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

8. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Sections 15061(b)(3) and 15378(a), that this resolution is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project which has the potential for causing a significant effect on the environment. This action is further exempt under the definition of "Project" in Section 15378(b)(3) in that it concerns general policy and procedure making. The Council therefore directs that a Notice of Exemption be filed.

PASSED AND ADOPTED by the City Council of the City of Marina this 7th day of June 2016, by the following vote:

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

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

EXHIBIT "A" TO RESOLUTION NO. 2016-___

**PROPOSED AMENDMENT
TO THE CHARTER OF THE CITY OF MARINA**

The proposed amendment to the Charter, to be added to Article 6, is set forth below.

A. CITY OF MARINA CHARTER MEASURE __

Shall Section 1.04 be added to the Charter to provide for the direct election of the mayor to serve a term of four years, commencing with the 2018 general municipal election?

YES _____

NO _____

Section 1.04. Elected Mayor to Serve a Four Year Term. Commencing with the 2018 general municipal election, the directly elected Mayor shall serve a four-year term.

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2014-
APPROVING AGREEMENT BETWEEN CITY OF MARINA AND THE
LEW EDWARDS GROUP FOR POTENTIAL NOVEMBER 8, 2016
BALLOT MEASURE(S) RELATED TO THE UTILITY USERS TAX
AND/OR BUSINESS LICENSE TAX, AUTHORIZING SUBSEQUENT
MINOR CHANGES IF NECESSARY WITH CITY ATTORNEY
APPROVAL, AUTHORIZING CITY MANAGER TO EXECUTE
AGREEMENT ON BEHALF OF CITY 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 agreement between City of Marina and The Lew Edwards Group for potential November 8, 2016 ballot measure(s) related to the Utility Users Tax and/or Business License Tax,
2. Authorize subsequent minor changes if necessary with City Attorney approval, and;
3. Authorize City Manager to execute agreement amendment on behalf of City, and;
4. Authorize the Finance Director to make the necessary accounting and budgetary entries.

BACKGROUND:

The City Council is currently considering the possibility of increasing the business license tax and/or approving a utility users tax. Either of these actions will require voter approval and are likely to be of intense interest to the City's residents and businesses. California local governments commonly engage outside consultants to assist them in (i) developing ballot measures that will meet community needs, (ii) seeking community input into proposed measures, and (iii) responding to the community's need for factual, public information regarding proposed measures. To this end, in 2014, the City utilized the services of the Lew Edwards Group ("LEG").

ANALYSIS:

LEG is a California leader in assisting local agencies on various ballot measures. They offer nationally-recognized, award-winning informational communications approaches to public agency clients. The LEG is familiar with the unique characteristics of our community. As a part of the scope of services, LEG will provide ongoing consulting to City staff on the assessment of the viability of these potential measures, preparation of potential ballot measure language(s) and development of the educational messages that effectively inform and respond to questions from the public. In 2014, the City sent two informational mailers. Should the City Council move forward with the ballot measure(s), Staff recommends utilizing mailers as an effective communication vehicle. This professional agreement is provided as **EXHIBT A**.

FISCAL IMPACT:

Should the City Council approve this agreement, the City shall pay the Lew Edwards Group an amount not to exceed \$40,000 for the following: strategic services (\$25,000) and two informational direct mailing (\$15,000).

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. 2016-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
APPROVING AGREEMENT BETWEEN CITY OF MARINA AND THE LEW EDWARDS
GROUP FOR POTENTIAL NOVEMBER 8, 2016 BALLOT MEASURE(S) RELATED TO
THE UTILITY USERS TAX AND/OR BUSINESS LICENSE TAX

WHEREAS, During April and May 2016, the City of Marina City Council has been discussing potential revenue mechanisms, such as utility users tax and/or business license tax, to assist the long-term fiscal stability of the City and ensure all taxpayers are paying their fair share, and;

WHEREAS, the City desires to assess the viability of these potential measures, develop user-friendly balloting packages prior to the statutory August 12 2016 deadline, and provide factual, transparent public information to the community so Marina's constituents can make informed decisions, and;

WHEREAS, the Lew Edwards Group (LEG) is a past City of Marina consultant, having assisted the City with Measures E and F in 2014 and is a California leader in representing enacted revenue measures for local government, and;

WHEREAS, LEG offers nationally-recognized, award-winning informational communications approaches to the City of Marina in the past, and to its other public agency clients.

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

1. Approve agreement between the City of Marina and The Lew Edwards Group for informational communications outreach services (**EXHIBIT "A"**), and
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.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

**CITY OF MARINA
AGREEMENT FOR INFORMATIONAL COMMUNICATIONS OUTREACH
CONSULTING SERVICES**

This Agreement is made and entered into as of the 8TH day of June, 2016, by and between the City of Marina, a municipal corporation (“City”) and The Lew Edwards Group, a professional corporation (“Contractor”).

RECITALS

A. Contractor is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and

B. Contractor possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

C. City desires to retain Contractor to render professional services relative to potential City ballot measure(s) on the November 8, 2016 General Election as set forth in this Agreement.

AGREEMENT

1. Scope of Services (EXHIBIT A). Contractor shall perform assessment, preparation, advisory and informational outreach services set forth in EXHIBIT A and summarized in the Contractor’s proposal (Proposal) dated June 2, 2016 (EXHIBIT C). Should there be any inconsistency of terms between this Agreement and the Proposal, this Agreement shall control.

2. Time of Performance. The services of Contractor are to commence upon execution of this Agreement and shall be performed through October 31, 2016.

3. Compensation (EXHIBIT B). Compensation to be paid to Contractor shall be in accordance with the EXHIBIT B. In no event shall Contractor’s compensation exceed the amounts specified in the referenced document without prior written authorization from the City. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.

4. Method of Payment. Contractor’s bills shall include a description of the services performed and the period for which the services were performed. Payment of the undisputed amount of the invoice shall be paid to Contractor no later than 30 days after approval of the invoice by City staff, or within ten (10) days if invoice is for direct mail production.

5. Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, “Extra Work” means any work which is determined by City to be necessary, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without prior written authorization from City.

6. Termination. This Agreement may be terminated by City with or without cause upon fifteen days' prior written notice of termination. This Agreement may be terminated by either party in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. Upon termination by the City without cause, Contractor shall deliver all work product and other documents, whether completed in progress and be entitled to compensation for services performed up to the effective date of termination. If termination for cause is effected by the City an equitable adjustment in the price provided for in this Agreement shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due the Contractor at the time of termination may be adjusted to cover any additional costs to the City because of Contractor's default.

7. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Contractor, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except for working papers, notes, and internal documents and work drafts, shall become the property of the City, and the City shall have the sole right to use any materials paid for by the City in its discretion without further compensation to Contractor or to any other party. Contractor shall, at Contractor's expense, provide such reports, plans, studies, documents and other writings to City upon written request.

8. Contractor's Books and Records.

a. Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of five (5) years, or for any longer period required by law, from the date of the final period audited by Contractor.

b. Contractor shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Auditor or a designated representative of these officers, except for the items excluded in paragraph 7 above. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Contractor's address indicated for receipt of notices in this Agreement.

d. Where City has reason to believe that the records or documents addressed in this section may be lost or discarded due to dissolution, disbandment or termination of Contractor's business, City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Contractor, Contractor's representatives, or Contractor's successor-in-interest.

9. Independent Contractor. It is understood that Contractor, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Contractor shall obtain no rights to retirement

benefits which accrue to City's employees, and Contractor hereby expressly waives any claim it may have to any such rights.

10. Interest of Contractor. Contractor (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Contractor's services hereunder. Contractor further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Contractor is not a designated employee within the meaning of the Political Reform Act because Contractor:

a. will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and

b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(a)(2).)

11. Professional Ability of Contractor. City has relied upon the professional training and ability of Contractor to perform the services hereunder as a material inducement to enter into this Agreement. Contractor shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Contractor under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Contractor's field of expertise.

12. Compliance with Laws. Contractor shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

13. Licenses. Contractor represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which is legally required of Contractor to practice its profession. Contractor represents and warrants to City that Contractor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Contractor to practice its profession. Contractor agrees, before commencing any work pursuant to this Agreement, to apply for, pay the fee for, and obtain a City of Marina business license.

14. Insurance Requirements.

a. Contractor, at Contractor's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies, as applicable to the services performed under this agreement.

i. Workers' Compensation Coverage. Contractor shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Contractor shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies

must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Contractor for City.

ii. General Liability Coverage. Contractor shall maintain commercial general liability insurance in an amount not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

iii. Automobile Liability Coverage. Contractor shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.

iv. Professional Liability Coverage. Contractor shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which arises out of or is in any way connected with the performance of work under this Agreement by Contractor or any of the Contractor's employees, agents or subconsultants insofar as such loss, damage or injury results from Contractor's negligent, reckless or willful act or omission. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

b. Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following specific language:

i. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

iv. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

v. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the City.

c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Contractor shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

d. Certificates of Insurance. Contractor shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

15. Indemnification. Except as to the negligence, or willful misconduct of City, Contractor shall defend, indemnify and hold the City, its officers and employees, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorney's fees, which arises out of or is in any way connected with the performance of work under this Agreement by Contractor or any of the Contractor's employees, agents or subconsultants insofar as such loss, damage or injury results from Contractor's negligent, reckless or willful act or omission. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Contractor or of Contractor's employees, subconsultants or agents. This indemnification does not include claims that arise from any negligent, reckless, or willful act or omission of the City, its employees, or representatives. The City hereby indemnifies The Lew Edwards Group and its shareholders, principals and employees and holds them harmless from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the City's management, regardless of whether such person was acting in the City's interest.

16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: Layne Long
 City Manager
 City of Marina
 211 Hillcrest Avenue
 Marina, CA 93933

If to Contractor: Lloyd A. Edwards
 Secretary-Treasurer
 The Lew Edwards Group
 5454 Broadway
 Oakland, CA 94618

17. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Contractor. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

18. Amendments. This Agreement may be modified or amended only by a written document executed by both Contractor and City and approved as to form by the City Attorney.

19. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Contractor. Assignments of any or all rights, duties or obligations of the Contractor under this Agreement will be permitted only with the express consent of the City. Contractor shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the City. If City consents to such subcontract, Contractor shall be fully responsible to City for all acts or omissions of the subcontractor. The City shall be an intended beneficiary of any work performed by a subcontractor for purposes of establishing a duty of care between the subcontractor and the City, however, nothing in this Agreement shall create any other contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

20. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provisions under this Agreement.

21. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

22. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

23. Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

24. Prohibited Interests. Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

25. Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such nondiscrimination shall include, but not be limited to, all activities related to initial employment upgrading, demolition, transfer, recruitment or recruitment advertising, layoff or termination. Contractor shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

26. Attorney's Fees. In the event of any controversy, claim or dispute relating to this Agreement or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF MARINA

THE LEW EDWARDS GROUP

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTEST: (Pursuant to Reso. 2016-___)

City Clerk

APPROVED AS TO FORM:

City Attorney

REVIEWED

Risk Manager

EXHIBIT A
SCOPE OF SERVICES

The Lew Edwards Group will provide the following Scope of Work
effective June 8, 2016 through October 31, 2016:

- 1) Oversee and independently analyze opinion research design efforts;
- 2) Provide Strategic Recommendations on measure viabilities based on independent review of research;
- 3) Assist in the development of potential ballot questions;
- 4) Update/refine key messages and themes for City's public information programs;
- 5) Recommend methods to disseminate ballot measure information;
- 6) Conceive and/or produce up to two informational mailers;
- 7) Update/refine a PowerPoint presentation and other collateral informational materials as needed; and
- 8) Advise the City on media relations strategies and address Rapid Response needs as appropriate.

The parties expressly agree that legal services or advice is not within Consultant's scope of services. If producing direct mailings for the City through this Agreement, Consultant will facilitate timely delivery of mail products to the US Postal Service, but cannot assume responsibility for delivery once mailing products are within the control and possession of USPS.

EXHIBIT B
COMPENSATION AND PAYMENT SCHEDULE

City shall pay Consultant Not to Exceed Forty Thousand Dollars (\$40,000.00) for the following expenditures:

- Strategic services to be performed by The Lew Edwards Group: Twenty-Five Thousand Dollars (\$25,000); and
- Up to two informational direct mailings, at a cost Not to Exceed: Fifteen Thousand Dollars (\$15,000.00) inclusive of graphics, printing, bulk postage, and mailhouse fees. The parties may also opt to incur only the graphic expense and/or data portions of the mailings, which are estimated at Four Thousand Dollars (\$4,000).

Payments shall be made on the following schedule:

(a) Monthly payments of Five Thousand Dollars (\$5,000) per payment due and payable at close of business on the last business day of each month commencing June 30th, July 29th, August 31st, September 30th, and October 31, 2016 for professional consulting services; and

(b) Costs for graphics or other mailing production costs upon invoice by Consultant. All mailing costs will be due within ten (10) days of receipt of invoice. Production of the subsequent mailing will only be initiated upon full payment of the first.

Should City need to suspend or terminate its planning following analysis of its opinion research results, City's payment to Consultant shall be no more than Twelve Thousand, Five Hundred Dollars (\$12,500).



EXHIBIT C
PROPOSAL

June 2, 2016

**To: City Manager Layne Long
Finance Director Lauren Lai
City of Marina**

From: Catherine Lew -- President & CEO, The Lew Edwards Group

**Re: Ballot Measure Assessment, Preparation and Informational Outreach
Consulting Services**

VIA EMAIL TRANSMISSION

INTRODUCTION

The Lew Edwards Group (LEG) is delighted to submit this proposal to the City of Marina for Ballot Measure Assessment, Preparation and Informational Outreach Communications Services. The following are some of the many qualities that our team offers to the City of Marina:

- ✓ A proven track record of similar projects on California revenue measures of all types, enacting more than \$33 Billion with a 95% enactment rate;
- ✓ Experience in the greater Monterey County region, including a successful collaboration with the City of Marina in 2014 on Measures E and F;
- ✓ Nationally recognized, award-winning communications products; and
- ✓ A team and consensus-building management style, with continued enthusiastic and committed dedication to the City of Marina's needs.

RECOMMENDED SCOPE OF SERVICES

As in 2014 LEG will provide overall strategic direction and supportive project management for the City's assessment, ballot measure preparation and informational activities. Consistent with our previous collaboration, any activities conducted during the City's planning is factual – not partisan, and LEG looks forward to continuing to collaborate with your City Attorney. LEG will continue to develop meeting agendas, facilitate sessions, and coordinate the timely implementation of all tasks and assignments in the City's truncated project planning period where two potentially different measures are being considered in a more highly competitive environment by:

- 1) Coordinating effectively with City staff and other professionals assigned to this project.
- 2) Providing ongoing strategic advice and high level facilitation in a tight timeframe.
- 3) Conducting efforts in concert with the City Attorney and UUT Counsel.
- 4) Facilitating the development of effective, easy to understand Public Information materials.

Project Management

As the City is aware, LEG prides itself on a team building approach and will initiate our efforts through a Kick Off meeting and schedule subsequent, consistent planning sessions. With the input of all participants, LEG will develop meeting agendas, facilitate sessions, and coordinate the timely deployment of all tasks and assignments. LEG's planning efforts throughout the process are designed to use the City's time efficiently and well, while providing an effective Project Management structure to ensure that all timetables and benchmarks are met within the necessary timeframe.

STEP ONE: Assess Constituent Views through Public Opinion Research

As we have discussed, it is LEG's strong recommendation that the City implement a professionally conducted, statistically valid community survey as soon as possible to assess current community's perspectives on its services and long-term City funding needs, including the viability of the two potential measure/s being contemplated.

LEG will assist the City's assigned research professional in developing the questionnaire and will independently analyze the results following completion of interviews. LEG will provide Strategic Recommendations on the viability and structure of any contemplated measures.

STEP TWO: Ballot Measure Preparation/s

Should the City's constituents be interested in local revenue options, LEG will collaborate with the City Attorney, Special Counsel, and City staff on its ballot measure preparations and public staff reports.

STEP THREE: Implement Public Information Program

As in 2014, LEG will:

- Develop and refine messages for inclusion in existing City communications vehicles to deliver and saturate your budget/service message, including the City newsletter, guest columns, copy for links on the City website, and Power Point Presentations for informational Speakers' Bureau, Stakeholder, Key Influential and community presentations.
- Recommend methods to message-target existing networks and organizations throughout the City to share your informational message, and solicit and respond to questions from the public. LEG will assist in providing the leadership and implementation structure for effective deployment, including updating the appropriate city messengers on the right informational messages and developing collateral materials.

Press Coverage

LEG will review earned (non-paid) media press opportunities with City's staff. Balanced, comprehensive press coverage will build additional constituent engagement throughout the process, which is critical to engaging community stakeholders and informing your public about your needs.

Rapid Response

LEG will redirect message points and materials to assist in rapid response to media or citizen inquiries as necessary. Frequently, communities that pride themselves on having active stakeholder groups can, at times, be prone to being victims of inaccurate information. LEG experts will be available to craft appropriate rapid responses as necessary to help ensure accurate information is disseminated.

PROPOSED PROFESSIONAL FEES

In 2014 the City was provided with a discounted rate that is no longer available. LEG's fee of \$25,000 is the City's cost to retain our strategic expertise in the scope of services described above, and still represents a 15% discounted rate of current 2016 fees. Again, without exception, the Lew Edwards Group does not charge on an hourly or time and materials basis.

A Not-to-Exceed budget of \$15,000 for two informational mailings will be necessary as your potential 2016 audience is significantly larger than 2014's. To achieve cost efficiencies, jumbo card formats will continue to be utilized.

Summary of Costs

Professional Consultant Fees	\$25,000*
Two Mailings:	\$15,000
TOTAL:	NTE \$40,000

*Discounted rate.

APPENDIX

SIMILAR PROJECTS

Utility Users Tax (UUT) Measures

City of Bellflower (2 UUTs)	ENACTED
City of Canyon Lake	ENACTED
City of Cathedral City	ENACTED
City of Cloverdale	ENACTED
City of Cupertino	ENACTED
City of Desert Hot Springs	ENACTED
City of Dinuba	ENACTED
City of Elk Grove	ENACTED
City of Emeryville	ENACTED
City of Gardena	ENACTED
City of Grover Beach	ENACTED
City of Hercules (2 measures)	ENACTED
City of Hermosa Beach	ENACTED
City of Huntington Beach	ENACTED
City of Indio	ENACTED
City of Inglewood	ENACTED
City of La Habra	ENACTED
City of Lawndale	ENACTED
City of Newark	ENACTED
City of Norwalk	ENACTED
City of Paramount	ENACTED
City of Pasadena	ENACTED
City of Pinole	ENACTED
City of Redondo Beach	ENACTED
City of Santa Cruz	PROTECTED
City of Santa Fe Springs	ENACTED
City of Seaside	PROTECTED
City of Seal Beach	ENACTED
City of Santa Monica	ENACTED
City of South Pasadena	ENACTED
City of Stockton	ENACTED
City of Torrance	ENACTED
City of Vallejo	ENACTED

Business License Tax Measures

City of Artesia	ENACTED
City of Campbell	ENACTED
City of West Hollywood	ENACTED

Additional Regional Area Clients

Hartnell Community College District
City of Pacific Grove
Pajaro Valley Unified School District
Salinas Union High School District
City of Seaside
Spreckels Union School District
The Nature Conservancy
Monterey Peninsula College

ENACTED Bond Measure
Strategic Assessment Project
ENACTED Bond Measure
ENACTED Bond Measure
ENACTED Sales Tax Measure
ENACTED Bond Measure
Communications Outreach
Current Client

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-
APPROVING AGREEMENT BETWEEN CITY OF MARINA AND
FAIRBANK, MASLIN, MAULIN, METZ & ASSOCIATES (FM3) FOR
PUBLIC OPINION RESEARCH SERVICES, AUTHORIZING
SUBSEQUENT MINOR CHANGES IF NECESSARY WITH CITY
ATTORNEY APPROVAL, AUTHORIZING CITY MANAGER TO
EXECUTE AGREEMENT ON BEHALF OF CITY 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 agreement between City of Marina and Fairbank, Maslin, Maullin, Metz & Associates (FM3) for public opinion research 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, and;
4. Authorize the Finance Director to make the necessary accounting and budgetary entries.

BACKGROUND:

The City Council is currently considering the possibility of increasing the business license tax and/or approving a utility users tax. Either of these actions will require voter approval and are likely to be of intense interest to the City's residents and businesses. California local governments commonly engage outside consultants to assist them in (i) developing ballot measures that will meet community needs, (ii) seeking community input into proposed measures, and (iii) responding to the community's need for factual, public information regarding proposed measures. The City Council held multiple public meetings in April and May to start the discussion process and begin to get community input and feedback.

ANALYSIS:

In order to better gauge community interest and obtain community feedback, the City can hire a public opinion research firm to conduct a community research survey. Local governments often engage such a research program when developing ballot measures and potentially controversial programs or policies.

Fairbank, Maslin, Maullin, Metz & Associates (FM3) has conducted community research for over 160 California cities dealing with issues such as public safety, libraries, parks, infrastructure, health care, open space, social services, and transportation, and FM3 research has resulted in voter approval of local finance measures in 74 California cities since 2008 – including 15 in the recent November 2014 election.

FM3 is active in the Monterey Peninsula and its constituent communities, providing research for the Cities of Pacific Grove, Monterey, and Seaside, the Monterey Peninsula Community College District and the Monterey Peninsula Regional Park District.

The survey will be conducted using FM3 dual-mode telephone and internet data collection methodology. Utilizing this methodology will provide the City's public with the greatest number and variety of opportunities to participate in the survey, thereby significantly increasing the likelihood of ultimately completing interviews with the recommended number of participants. Based upon the final survey questions, the sample size and survey duration will range from 200 to 250 participants and 15-20 minutes, respectively. If approved by Council, the survey would be conducted within about a week and results will be summarized for the Council review at a public meeting in early July. This professional agreement is provided as **EXHIBT A**.

FISCAL IMPACT:

Should the City Council approve this agreement, the City shall pay Fairbank, Maslin, Maullin, Metz & Associates (FM3) an amount not to exceed \$24,750.

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. 2016-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
APPROVING AGREEMENT BETWEEN CITY OF MARINA AND FAIRBANK, MASLIN,
MAULIN, METZ & ASSOCIATES (FM3) FOR PUBLIC OPINION RESEARCH SERVICES

WHEREAS, the City Council is currently considering the possibility of increasing the business license tax and/or approving a utility users tax, and; either of these actions will require voter approval and are likely to be of intense interest to the City's residents and businesses, and;

WHEREAS, California local governments commonly engage outside consultants to assist them in (i) developing ballot measures that will meet community needs, (ii) seeking community input into proposed measures, and (iii) responding to the community's need for factual, public information regarding proposed measures, and;

WHEREAS, while the City Council held multiple public meetings in April and May to start the discussion process and begin to get community input and feedback, and;

WHEREAS, Fairbank, Maslin, Maullin, Metz & Associates (FM3) has conducted community research for over 160 California cities dealing with issues such as public safety, libraries, parks, infrastructure, health care, open space, social services, and transportation.

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

1. Approve agreement between the City of Marina and Fairbank, Maslin, Maullin, Metz & Associates (FM3) for public opinion research services (**EXHIBIT "A"**) in an amount not to exceed \$24,750, and
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.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ATTEST:

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

**CITY OF MARINA
AGREEMENT FOR PUBLIC OPINION RESEARCH
CONSULTING SERVICES**

This Agreement is made and entered into as of the 8TH day of June, 2016, by and between the City of Marina, a municipal corporation (“City”) and Fairbank, Maslin, Maullin, Metz & Associates (FM3), a professional corporation (“Contractor”).

RECITALS

- A. Contractor is specially trained, experienced and competent to perform the special services which will be required by this Agreement;
- B. Contractor possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.
- C. City desires to retain Contractor to render professional services of public opinion research as set forth in this Agreement.

AGREEMENT

- 1. Scope of Services. Contractor shall design and implement a statistically valid survey based upon a hybrid internet-telephone survey methodology and other additional services as summarized in the Contractor’s proposal dated June 2, 2016 (**EXHIBIT 1**).
- 2. Time of Performance. The services of Contractor are to commence upon execution of this Agreement and shall be performed through October 31, 2016.
- 3. Compensation. Compensation to be paid to Contractor shall not exceed \$24,750. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.
- 4. Method of Payment. Contractor’s bills shall include a description of the services performed and the period for which the services were performed. Payment of the undisputed amount of the invoice shall be paid to Contractor no later than 30 days after approval of the invoice by City staff, or within ten (10) days if invoice is for direct mail production.
- 5. Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, “Extra Work” means any work which is determined by City to be necessary, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without prior written authorization from City.
- 6. Termination. This Agreement may be terminated by City with or without cause upon fifteen days’ prior written notice of termination. This Agreement may be terminated by either party in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. Upon termination by the City without

cause, Contractor shall deliver all work product and other documents, whether completed in progress and be entitled to compensation for services performed up to the effective date of termination. If termination for cause is effected by the City an equitable adjustment in the price provided for in this Agreement shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due the Contractor at the time of termination may be adjusted to cover any additional costs to the City because of Contractor's default.

7. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Contractor, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except for working papers, notes, and internal documents and work drafts, shall become the property of the City, and the City shall have the sole right to use any materials paid for by the City in its discretion without further compensation to Contractor or to any other party. Contractor shall, at Contractor's expense, provide such reports, plans, studies, documents and other writings to City upon written request.

8. Contractor's Books and Records.

a. Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of five (5) years, or for any longer period required by law, from the date of the final period audited by Contractor.

b. Contractor shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Auditor or a designated representative of these officers, except for the items excluded in paragraph 7 above. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Contractor's address indicated for receipt of notices in this Agreement.

d. Where City has reason to believe that the records or documents addressed in this section may be lost or discarded due to dissolution, disbandment or termination of Contractor's business, City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Contractor, Contractor's representatives, or Contractor's successor-in-interest.

9. Independent Contractor. It is understood that Contractor, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Contractor shall obtain no rights to retirement benefits which accrue to City's employees, and Contractor hereby expressly waives any claim it may have to any such rights.

10. Interest of Contractor. Contractor (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered

by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Contractor's services hereunder. Contractor further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Contractor is not a designated employee within the meaning of the Political Reform Act because Contractor:

a. will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and

b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(a)(2).)

11. Professional Ability of Contractor. City has relied upon the professional training and ability of Contractor to perform the services hereunder as a material inducement to enter into this Agreement. Contractor shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Contractor under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Contractor's field of expertise.

12. Compliance with Laws. Contractor shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

13. Licenses. Contractor represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which is legally required of Contractor to practice its profession. Contractor represents and warrants to City that Contractor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Contractor to practice its profession. Contractor agrees, before commencing any work pursuant to this Agreement, to apply for, pay the fee for, and obtain a City of Marina business license.

14. Insurance Requirements.

a. Contractor, at Contractor's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies, as applicable to the services performed under this agreement.

i. Workers' Compensation Coverage. Contractor shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Contractor shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Contractor for City.

ii. General Liability Coverage. Contractor shall maintain commercial general liability insurance in an amount not less than one million dollars (\$1,000,000) per

occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

iii. Automobile Liability Coverage. Contractor shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.

iv. Professional Liability Coverage. Contractor shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which arises out of or is in any way connected with the performance of work under this Agreement by Contractor or any of the Contractor's employees, agents or subconsultants insofar as such loss, damage or injury results from Contractor's negligent, reckless or willful act or omission. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

b. Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following specific language:

i. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

iv. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

v. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the City.

c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Contractor shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

d. Certificates of Insurance. Contractor shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of

performance of this Agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

15. Indemnification. Except as to the negligence, or willful misconduct of City, Contractor shall defend, indemnify and hold the City, its officers and employees, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorney's fees, which arises out of or is in any way connected with the performance of work under this Agreement by Contractor or any of the Contractor's employees, agents or subconsultants insofar as such loss, damage or injury results from Contractor's negligent, reckless or willful act or omission. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Contractor or of Contractor's employees, subconsultants or agents. This indemnification does not include claims that arise from any negligent, reckless, or willful act or omission of the City, its employees, or representatives. The City hereby indemnifies Fairbank, Maslin, Maullin, Metz & Associates (FM3) and its shareholders, principals and employees and holds them harmless from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the City's management, regardless of whether such person was acting in the City's interest.

16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: Layne Long
 City Manager
 City of Marina
 211 Hillcrest Avenue
 Marina, CA 93933

If to Contractor: Fairbank, Maslin, Maullin, Metz & Associates
 1999 Harrison St., Suite 2020
 Oakland, CA 94612

17. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Contractor. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

18. Amendments. This Agreement may be modified or amended only by a written document executed by both Contractor and City and approved as to form by the City Attorney.

19. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Contractor. Assignments of any or all rights, duties or obligations of the Contractor under this Agreement will be permitted only with the express consent of the City. Contractor shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the City. If City consents to such subcontract,

Contractor shall be fully responsible to City for all acts or omissions of the subcontractor. The City shall be an intended beneficiary of any work performed by a subcontractor for purposes of establishing a duty of care between the subcontractor and the City, however, nothing in this Agreement shall create any other contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

20. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provisions under this Agreement.

21. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

22. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

23. Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

24. Prohibited Interests. Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

25. Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such nondiscrimination shall include, but not be limited to, all activities related to initial employment upgrading, demolition, transfer, recruitment or recruitment advertising, layoff or termination. Contractor shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

26. Attorney's Fees. In the event of any controversy, claim or dispute relating to this Agreement or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF MARINA

Fairbank, Maslin, Maullin, Metz & Assoc.

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTEST: (Pursuant to Reso. 2016-___)

City Clerk

APPROVED AS TO FORM:

City Attorney

REVIEWED

Risk Manager

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

**CITY COUNCIL CONSIDER RECEIVING UTILITY USERS TAX AND
BUSINESS LICENSE TAX INFORMATION AND PROVIDE STAFF
WITH ANY FURTHER DIRECTION IN THE MATTER**

REQUEST:

1. Request City Council to receive Utility Users Tax and Business License Tax information and provide staff with any further direction in the matter.

BACKGROUND:

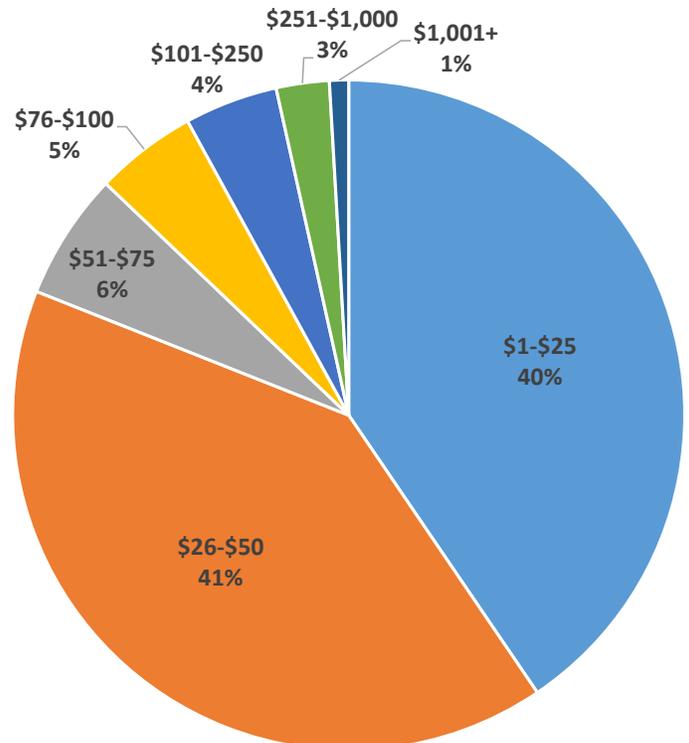
Utilities Users Tax (“UUT”) –

In April and May 2016, the City Council received information regarding the Utility Users Tax (“UUT”). Specifically, the information included the purpose of this discussion; UUT history in Marina; UUT in California & Monterey County; and Marina pavement maintenance needs. This chart shows the cities and their UUT rates within the County.

City	UUT
Seaside	6%
Sand City	5%
Pacific Grove	5%
Salinas	5%
Soledad.	5%
Gonzales	4%
Greenfield	3%
Monterey	2% & 5%
King City	2%

Business License Tax (“BLT”) –

In April and May 2016, the City Council received information regarding the City business license tax (“BLT”). Specifically, the Marina business license tax took effect in 1978 and remained unchanged for 38 years. The current business license tax rates were not index (i.e. to Consumer Price Index “CPI”) so the tax rates remained the same since 1978. At a summary level, the City annual BLT revenue is \$120,000 (tax approx. \$75k and processing fee approx. \$45k). This chart shows the current Marina BLT paid by businesses, with 40% paying \$1-\$25 per year and 41% paying \$26-\$50 per year.



ANALYSIS: This report and discussion are for conceptual purpose only as the City may engage outside consultants to assist with (i) developing ballot measures that will meet community needs, (ii) seeking community input into proposed measures, and (iii) responding to the community’s need for factual, public information regarding proposed measures.

Utilities Users Tax (“UUT”) – As it pertains to Utility Users Tax, the City Council requested additional information as to the estimated revenue at various tax rates and a draft ordinance. The Council provided specific tax rates to analyze, which are summarized below (for conceptual purpose only).

Residential %	Commerical %	Telecom & Video	Estimated Revenue
1%	8%	3%	\$ 1,059,000
1%	7%	3%	\$ 984,000
1%	6%	3%	\$ 908,000
2%	8%	3%	\$ 1,166,000
2%	7%	3%	\$ 1,091,000
3%	6%	3%	\$ 1,121,000

The UUT draft ordinance will include definitions, exemptions for low-income as provided by PG&E and Green Waste, a section for telecommunication and video users utility with a preliminary rate of 3%, and sections for electricity, gas, water & wastewater and solid waste utilities with the option for residential versus non-residential rates.

Business License Tax (“BLT”) – As it pertains to Business License Tax, the City enlisted the services of Hinderliter, de Llamas & Associates (“HDL”) for their professional experience with business license tax practices throughout California. HDL prepared the Marina Business License Tax Analysis and Ordinance Review Report, as provided in **EXHIBIT A**. This BLT Report (i) reviews the City’s BLT relative to the neighboring cities, (ii) reviews the City’s BLT current code language for potential modifications and (iii) lastly, provides options for potential changes to the tax structure, estimated revenues and possible impact on the Marina business community.

For conceptual purpose, Option 2 – Model 2 (p. 38) simplifies the classifications and illustrates a BLT based on gross receipts, which is thoughtful of impacts upon Marina’s businesses community. Also, The Council may consider expanding the tax base to include residential property rentals where total units are less than 10 and commercial property rentals. (Option 3, p. 40-41). Below are the Option 2 – Model 2 tables and the estimated tax on sample businesses:

Gross Receipts	Categories	Tax Rate
\$0 - \$40,000	General / Retail	\$40 Flat
Above \$40,000	General / Retail	0.001 X Gross Receipts
\$0 - \$80,000	Property Rentals	\$80 Flat
Above \$80,000	Property Rentals	0.002 X Gross Receipts
\$0 - \$60,000	Contractors	\$60 Flat
Above \$60,000	Contractors	0.0015 X Gross Receipts
\$0 - \$80,000	Professionals	\$80 Flat
Above \$80,000	Professionals	0.002 X Gross Receipts

Sample Business & Estimated Annual Gross Receipts	Tax Amount Opt 2: #2
Small Craft Business - \$25,000	\$40
Restaurant - \$100,000	\$100
Big Retailer - \$1,500,000	\$1,500
Hotel / Rental Property \$2,000,000 / 80 units	\$4,000
Doctors Office - \$250,000	\$500
Professional Firm - \$1,500,000	\$3,000
Small Contrator - \$50,000	\$75
Contracting Firm - \$500,000	\$750

Previously, the Council expressed concerns about the impact on small businesses, such as a hair stylist. In Option 2 – Model 2, the hair stylist would be in the “General/Retail” category at the lower tax rate. The “Professionals” category may be defined as “Finance and Professional: (i) Every attorney, accountant, architect, engineer, physician, dentist, or other person conducting a business that requires a state license that is typically attained following at least two years of post-high school specialized education and (ii) every financial institution, real estate broker, stock broker, insurance broker, or other person conducting a business, profession or occupation within the business fields of finance, insurance and real estate, as described in the North American Industrial Classification System.”

Business License Tax – Estimated Annual Revenues -- Based upon the Option 2 – Model 2, Option 3 expanded tax base of rental properties and estimated gross receipts per the HDL report, the estimated annual BLT revenue is \$620,000. With current annual BLT revenue at approximately \$75,000, this represents an approximate increase of \$540,000 per year.

Option 2 - Model 2 Variable Categories	
General / Retail	\$352,880
Residential Rental Units (over 10 units)	\$100,000
Professionals	\$72,000
Contractors	\$22,500
Estimated Annual Revenue	\$547,380
Option 3 - Expanded Tax Base	
Residential Rental (Single Family)	\$21,600
Residential Rental Units (under than 10 units)	\$28,000
Commerical Rental	\$24,000
Estimated Annual Revenue	\$73,600
Total Estimated Annual Revenue (Opt 2 & 3)	\$620,980

FISCAL IMPACT: No fiscal impact to receive this information.

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

City of Marina

Business Tax Analysis and Ordinance Review
Report Date: June 01, 2016

Prepared By:



Executive Summary

Background

For the purpose of procuring general fund revenues, the City of Marina requires that a business license be obtained by businesses operating within the City. The City has adopted and continues to enforce this through Title 5 of the City's Municipal Code. In an effort to identify methods of generating additional revenues and to garner efficiencies of process by modernizing the code, the City commissioned the HdL Companies to prepare this report that analyzes the relevant code sections and provides certain recommendations to address the City's stated goals.

Report Structure & Methodology

This report is divided into three complementary sections, each with its own unique approach and potential benefits. Section 1 provides complete details on the City of Marina and some of its surrounding and similar jurisdictions. Section 2 includes a review of the City's current code language related to business licensing and provides possible changes for the City's consideration. Section 3 provides multiple options for changing the City's current tax and fee structure and enumerates the potential new revenues to the City along with the impact on the business community.

Section 1 - Pages: 4 to 23

A thorough review of the City of Marina's current revenues, fee structures, and those of neighboring jurisdictions can be found within this section. In developing the analysis for section 1, HdL reviewed the data provided by the City and extrapolates detailed and summary level data including but not limited to:

- Year to year (YTY) revenue comparisons
- Percent change YTY for business license and sales tax
- Revenue contribution by business category
- Detailed fees charged for surrounding jurisdictions

Section 2 - Pages: 23 to 30

This section is devoted to the City's current code language and the potential modifications the City may wish to consider implementing. Each section of the City's current code sections (Title 5) related to business licensing was reviewed for modifications. The code sections addressed in section 2 were reviewed for multiple criteria, including:

- Potential conflicts with operational practices
- Areas to modernize code language
- Impact on staff efficiency
- Areas not in line with best practices of California Cities
- Potential loopholes or revenue leaks

Section 3 - Pages: 31 to 44

The three options covered under section 3 provide the City a look at potential changes to the tax structure and how those scenarios might impact the City and the business community. In developing the options, HdL considered, among other things the following key criteria:

- Increased revenues to the City

- Simplification of the tax structure
- Business friendly approach
- Increased efficiency for City staff

Section 1 - Summary & Findings

The data in section 1 shows the City of Marina has relatively flat revenues from business licenses since 2011. This is primarily due to the fixed fee nature of the current rate structure. By contrast, data from the chart on page 6 shows a steady increase of revenues derived from sales tax over the same period. This is a strong indication of the growth of business revenues within the City and that the City is not participating in that growth the way it would if the taxation structure was better aligned with gross receipts.

Section 1 also shows that the City is at the bottom in terms of business license revenues per capita compared with surrounding jurisdictions. The details on surrounding jurisdictions can help the City make informed decisions on taxation changes to ensure a potential modification still keep the City competitive and does not discourage flight to neighboring jurisdictions. This comparison shows that the City may benefit from a simplified code and has room to increase rates without becoming burdensome on the business community.

Section 2 - Summary & Findings

A review of the City’s current ordinance language found approximately 10 unique code sections that would benefit from modification or further review. The majority of the recommendations center on reducing the regulatory burden on the business license process and creating clarity and efficiency of the process. Each section under review has been listed in its entirety along with an overview of the section and the recommended changes. The table below indicates the key sections addressed in Section 2.

16.020 <i>License Collecting Supervision</i>	16.030 <i>Issuance of license—Contents</i>
16.050 <i>Error in terms voids license</i>	16.070 <i>Error in terms voids license</i>
16.080 <i>License nontransferable</i>	16.130 <i>Food-handling businesses.</i>
16.140 <i>Business requiring certificate of occupancy</i>	16.150 <i>Refunds</i>
16.170 <i>Appeal</i>	

Section 3 - Summary & Findings

Three different options were explored to reach the City’s goals of expanded revenues and simplified filing processes. Each of the three options for modifying the tax structure provide increased revenues to the City while striving to create an equitable outcome for the business community by not putting the burden of increased rates on any individual category.

Option 1 exhibited on page 33 takes the City’s existing code and rate structures and simply adds a percentage base increase to the existing fees. This option provides the simplest solution for increasing revenues but does not address continued growth or the complexity of the numerous categories and the

burden that places on City staff and the business community. As indicated on page 33, option 1 provides the following potential revenue impact.

	Number of Accts	Current Revenues	20% Increase	40 % Increase	60% Increase
TOTALS >	980	\$73,732.00	\$88,478.00	\$103,225.00	\$117,971.00

Option 2 has two models outlined on pages 34 - 39 which restructures the City’s current code and provides for a full gross receipts model rather than the current multi-class hybrid method. This would eliminate the burdensome categories and simplifies each rate.

This option represents the best solution for increasing revenues and addressing long term growth, however it also proves to be the most complex solution to implement as the entire code would likely require a rewrite. In addition to the expanded revenues, the gross receipts method provides a more equitable tax rate as all businesses pay a tax on the amount they earn, rather than a fixed amount regardless of gross receipts. Option 2 provides annual revenues in excess of \$400K depending on the final rates selected by the City.

	Current Revenues	New Revenues
TOTALS >	\$73,732.00	\$453,880.00

Option 3 found on pages 40 to 41 provides options for expanding the tax base to business types not currently taxed by the City. This includes the rental of non-residential property and residential property where unit counts are less than 10.

Business License Tax Analysis and Ordinance Review

Project Overview

The City of Marina has contracted with the HdL Companies to analyze the current ordinances and tax structures as they relate to business tax and make certain recommendations and changes to accomplish specific goals of the review.

HdL has compiled data from the City, State, County, and other 3rd party sources for use in the analysis and estimates contained within the report. As the data may have come from 3rd parties, the data cannot be certified by HdL and should be treated as estimates and not actual values.

Specific Goals

The City has identified the following key items that will be addressed in this report.

1. Review current ordinances for any items that require updating including business classifications, definitions, and overall modernization of current structure.
2. Review the fee structure and explore the impact of modifying the rates to increase revenues.

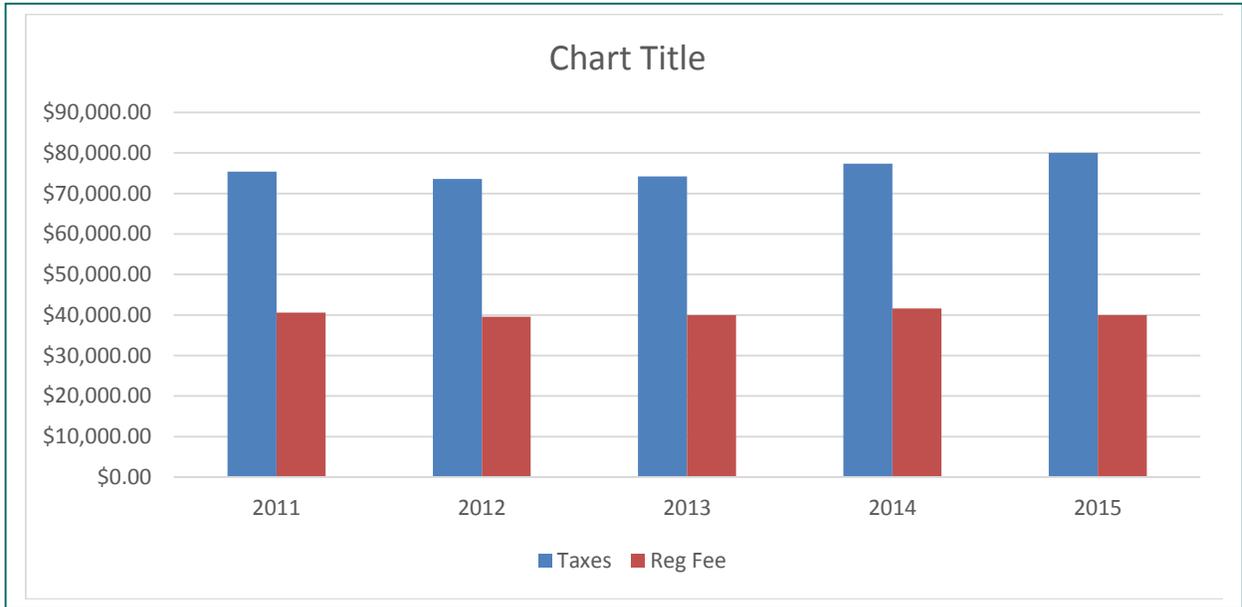
Report Sections

The report is divided into three sections designed to simplify the review process. The first section will provide background, data analysis, and other comparative information for reference and use in recommendations and impact sections. The second section will cover the review of the current ordinance and identify potential changes that may facilitate the City's stated goals as well as enhance operations for the City. The final section will cover proposed rate modifications and the potential impact of those changes. Additional items requested by the City, and information or recommendations not covered elsewhere in the report, can be found in the additional information section at the end of this report.

SECTION 1 – City of Marina & Comparative Jurisdictions

City of Marina Business Tax Analysis

The business tax has been authorized and is administered in accordance with Chapter 5 of the City of Marina Municipal code. The last time the ordinance was updated or modified was in or around 1978. The City currently issues approximately 1,000 business licenses annually and over the last five years generates on average \$75,000 in business license tax revenues per year.



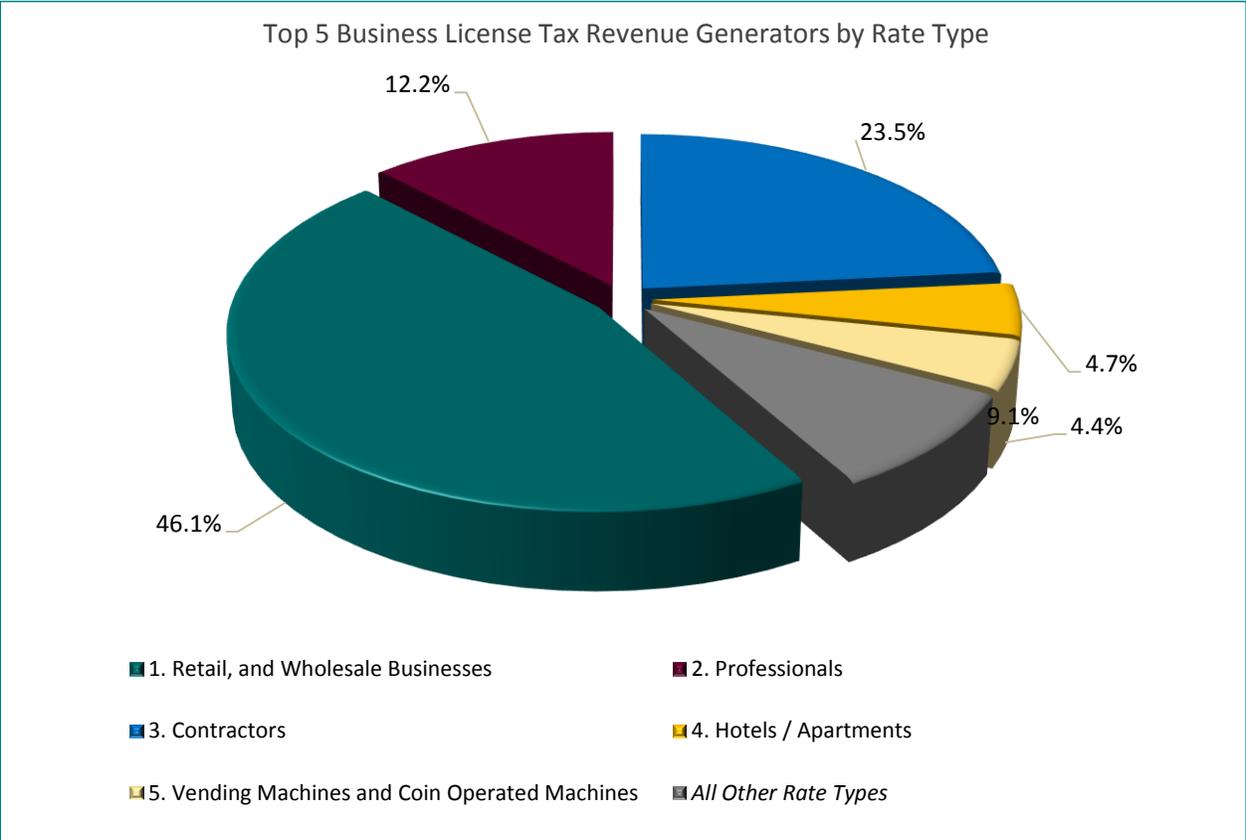
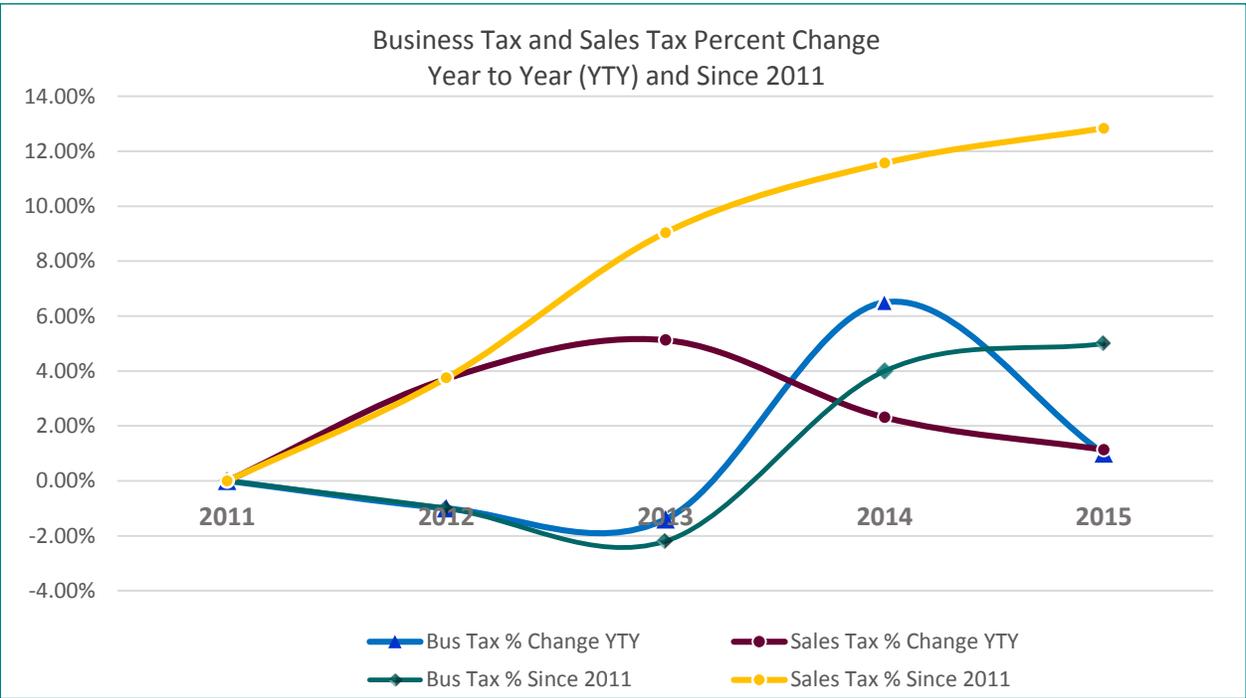


Table 1 – City of Marina: Business Tax Rate Schedule Summary (Active Licenses)

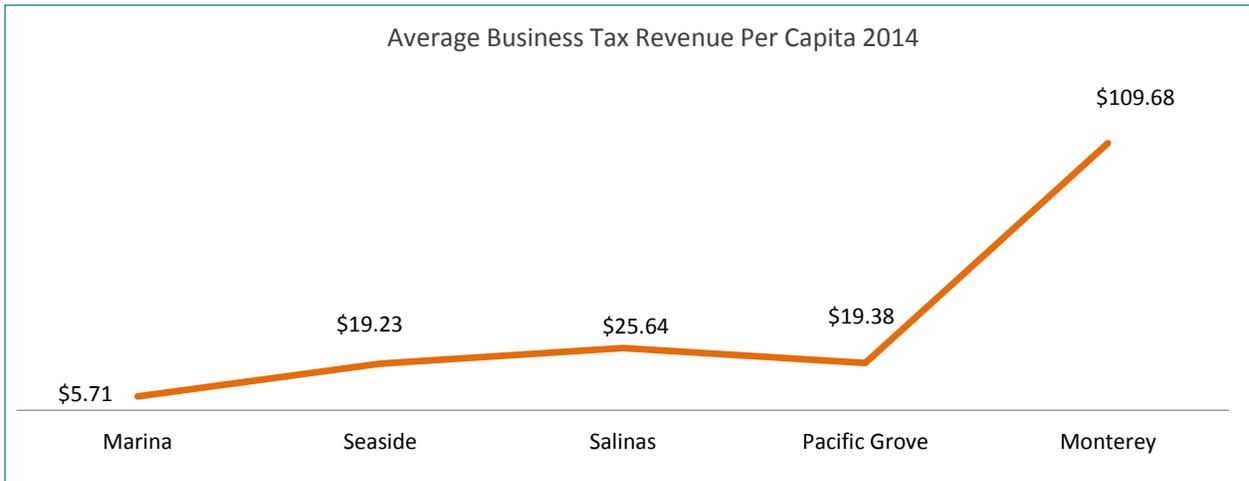
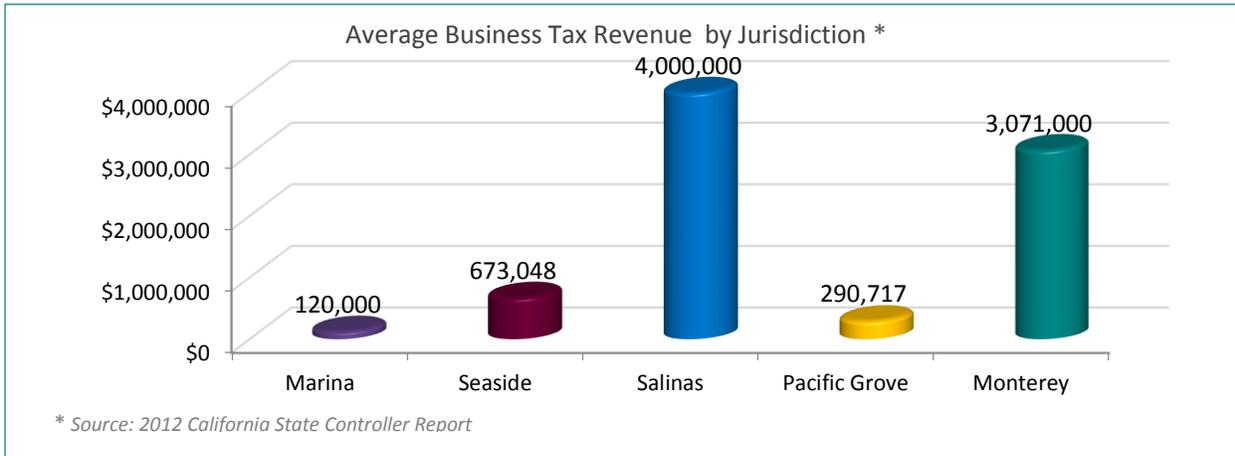
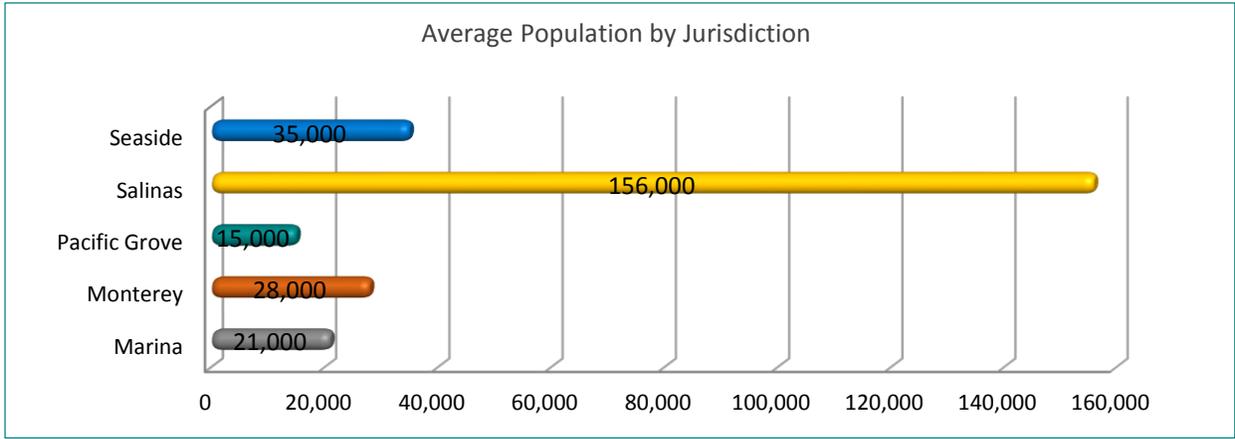
Classification	Rate Type	License Fee	Number of Accounts	Approximate Annual Revenue
Category 1 - Retail, Wholesale, Service	Gross	Scale Fee	384	\$38,063.00
Category 2 - Industrial, Manufacturing, Coms	Payroll	Scale Fee	11	\$2,436.00
Category 3 - Professionals	Choice	Emps (\$50) or Cat 1	139	\$8,600.00
Category 4 - Contractors	Flat	\$50 or \$25	342	\$0.00
Category 5 - Vehicles	Flat	\$25(inside) \$50(Outside)	43	\$1,914.00
Category 6 - Coin-op (Laundry)	Gross	1% of Gross(Min \$25)	4	\$403.00
Category 7 - Coin-Op (Others)	Flat	\$5 - \$25	6	\$4,466.00
Category 8 - Exhibitions	Daily	\$100 First Day (\$50 Add Days)	0	\$0.00
Category 9 - Soliciting, Peddling	Emps	\$100 Per Individual	4	\$354.00
Category 10 - Auctioneer	Daily	\$50 Per day \$300 Per Qtr	0	\$0.00
Category 11 - Bankruptcy Sales	Flat	\$100 Per Day	0	\$0.00
Category 12 - Advertising (Signs)	Variable	\$50 + (\$5 or \$10 per sign)	1	\$51.00
Category 13 - Leasing / Rentals	Variable	\$25 + (\$1 Per over 25)	63	\$2,926.00
Category 14 - Cardrooms	Variable	\$300 Per Year + (\$150 Per Table above 1)	2	\$2,402.00
Category 15 - Daily Fees	Daily	\$25 Per Day	0	\$0.00

Table 2 – City of Marina: Business Tax Selected Rate Type by License Count

Business Tax Category	Number of Active Licenses
1-Retail / Wholesale	384
2-Industrial / Manufacturing	11
3-Professional -Emps	41
3-Professional -Gross	98
4-Contractors A/B	148
Contractor - 4-Contractors Plumb / Elect	77
4-Contractors Special	103
4-Contractor Retail	4
5-Vehicle Business	43
6-Coin-Op Laundry	4
7-Coin-Op Misc	7
9- Soliciting	4
Card Room	2
Exempt	333

Similar and Surrounding Jurisdictions

Neighboring Jurisdictions Selected:



Comparison CITIES

- 1) **City of Monterey** (Pages 11- 14)
- 2) **Pacific Grove** (Page 15)
- 3) **City of Salinas** (Pages 20 -23)
- 4) **City of Seaside** (Pages 16-19)

Monterey, CA



Demographics:

- Population: 28,276 as of 2014
- County: Monterey County
- Incorporation: 1890
- Estimated median household income: \$61,671 as of 2013
- Land area: 8.44 square miles
- Population Density: 3,351 people per square mile

Rate structures and fees, renewal cycles: 19-7:

- ◆ **Annual License:** Business licenses follow an annual basis where the effective date of the license runs from July 1st through June 30th of each year. For licenses that are not based on gross receipts, their taxes are assessed on a prorated basis. If application is made in the quarter beginning July 1st, 100% of the tax is due; October 1st, 75% of the tax is due; January 1st, 50% of the tax is due; April 1st, 25% of the tax is due.

Rate structures and fees- Penalties 19-18:

Business licenses are considered to be delinquent if not paid for by August 15th. At such time a penalty of 20% of the overall license tax is added to said tax, and an additional 10% is accrued on the 15th of each month thereafter. Under no circumstance do penalties exceed 50% of the total amount of taxes owed.

Rate structures and fees- Tax Rates, Gross Receipts Based 19-27

Business Type Sec 19-27	Annual Gross Receipts	Associated Annual Tax
*Section 19-27 businesses defined below	\$12,500 or less	\$26.00
	\$12,500.01 to \$37,500	\$26 + \$6 for each \$2,500 in excess of \$12,500
	Greater than \$37,500	\$86 + \$3 for each \$2,500 in excess of \$37,500

* Ambulance service, Art galleries, Athletic events, Auto court, trailer court, Auto parts, Automobiles for hire, Barbershop, Beauty shop, Bicycles, sale, repair or rental, Boats, sale, repair or storage, Boats for hire (including tackle shop, snack bar or boat hoist), Bowling alleys, Catering service, Chimney cleaning, Child care nursery, Circuses, carnivals, fairs and other similar events or concessions therein, Cleaning or laundry trucks, Clothing sales, Dancing public hall, Dancing school, Delivery of gasoline, oil or other petroleum products, Drugstore, Farmers, Fish market, retail, Florist, Furniture, Furs, Garden service, Gift shop, Handicrafts and works of art, Hardware, Hospital, Hotel, Housecleaning, Household appliances and furnishings, Janitorial and cleaning services, Jewelry, Junk collectors, Junk dealers, Leather shop, Lumber yard, Merchant, general, Motel, Museum, Music store, Nursery school, Office equipment, Paint store, Parking lots, Pawnbroker, Peddlers, Pest control, Piano tuner, Planing mill, Pool room, Printing and graphic, Private instructor, Produce sales, Public garage, Racquetball facility, Rest Home, Rooming house

(over four guests), Sanitary supplies and service, Sanatorium, Sanatory or convalescent hospital, Scooter or motor bikes, sale, repair or rental, Secondhand dealer, Ship chandlery, Shoes, sale or repair, Signs, sale, Skiff rental, Solicitors, Sporting goods, Stationery store, Storage, Swimming pool maintenance, Telephone soliciting, Theaters, Tool sharpening, Trailer and camper sales, Tree maintenance, Trucking, Trucks and automobiles, rent or lease, Upholstery, Wholesale delivery (other than produce), Wholesale pickup, Window cleaning, Taxicabs.

Rate structures and fees- Tax Rates, Gross Receipts Based 19-28

Business Type Sec 19-28	Annual Gross Receipts	Associated Annual Tax
*Section 19-28 businesses defined below	\$25,000 or less	\$26.00
	Greater than \$25,000	\$26 + \$3 for each \$2,500 in excess of \$25,000

* Awning sales and repairs, Bakeries, Bath and massage, Batteries, sales and service, Blacksmith or iron works, Boardinghouse, Book store, Cabinetmaking, Candy store, Cigar store, Cleaning, dyeing and renovating, Dairy products, Dressmaking or alterations, Feed and fuel, Wholesale fish market, Gardening service, Glazier, Golf course, Grocer and meat market, Gymnasium, Ice manufacturer/ distributor, Fire extinguisher service, Laundry or launderette, Lockers for frozen food, Locksmith, Machine shop, Mail order, Newspaper distributing, Pet shop, Physical culture, Picture gallery, Produce, Recording services and repairs, Rental of equipment, Repair shop or repair service, Restaurant, Rug cleaning, Service station, Signs, Skating rink, Skateboard park, Snack bar, Statuary, Tailor, Tires retreading, Towel supply, Watchmaker, Wholesale, Wood yard.

Rate structures and fees- Tax Rates, Gross Receipts Based 19-29

Business Type Sec 19-29	Annual Gross Receipts	Associated Annual Tax
*Section 19-29 businesses defined below	\$12,500 or less	\$26.00
	Greater than \$12,500	\$26 + \$6 for each \$2,500 in excess of \$12,500

* Architect/Designer, Computer service, Consulting service, Auditor/ Accountant, Abstract company, Advertising, Appraiser, Architect, Assayer, Attorney at law, Bacteriologist, Brokers, Boarding kennels, Business college, Chemist or chemical laboratory, Chiropodist, Chiropractor, Clinic, Collection agency, Consultant, Dental laboratory, Dentist, Designer or illustrator, Dog and cat hospital, Electrologist, Employment agency, Engineer, Finance company, Fortunetelling, Funeral director, Geologist, Gunsmith, Hearing aid center, Income tax service, Insurance adjuster, Interior decorator, Land title company, Lapidary, Masseurs and masseuses, Oculist, Optician, Optometrist, Osteopath, Photographer, Physical therapist, Psychologist, Public relations service, Radio and TV stations, Research laboratories, Research service, School of cosmetology, Security patrol, Sign painter, Stenographer, Telephone answering service, Tours and related visitor services, Travel agency, Veterinary.

Rate structures and fees- Tax Rates, Gross Receipts Based 19-33 to 19-55

Business Type Sec 19-33	Annual Gross Receipts	Associated Annual Tax
Coin operated machines/ amusements	\$2,500 or less	\$50.00
Vending machines	Greater than \$2,500	\$50 + \$5 for each \$500 in excess of \$2,500

Business Type Sec 19-37	Annual Gross Receipts	Associated Annual Tax
Automobile sales	\$50,000 or less	\$51.00
	Greater than \$50,000	\$51 + \$.75 for each \$2,500 in excess of \$50,000

Business Type Sec 19-43	Annual Gross Receipts	Associated Annual Tax
Contractors	\$50,000 or less	\$51.00
	Greater than \$50,000	\$51 + \$3 for each \$2,500 in excess of \$50,000

Business Type Sec 19-46	Annual Gross Receipts	Associated Annual Tax
Gas and oil distributing plants	\$50,000 or less	\$41.00
	Greater than \$50,000	\$41 + \$2.40 for each \$2,500 in excess of \$50,000

Business Type Sec 19-48/ 19-54	Annual Gross Receipts	Associated Annual Tax
Manufacturing - Generally	\$25,000 or less	\$26.00
Public Utilities	\$25,000.01 to \$49,999.99	\$56.00
	\$50,000 to \$249,999.99	\$56.00 + \$30 for each \$25,000 in excess of \$50,000
	\$250,000 to \$499,999.99	\$296 + \$30 for each \$50,000 in excess of \$250,000
	\$500,000 or more	\$446 + \$25 for each \$50,000 in excess of \$500,000

Business Type Sec 19-55**Annual Gross Receipts****Associated Annual Tax**

Rental of Property (10 or more units)	\$12,500 or less	\$15.00
	Greater than \$12,500	\$15 + \$6 for each \$2,500 in excess of \$12,500

Rate structures and fees- Tax Rates, Flat Rates 19-34**Business Type Sec 19-34**

Auctioneers	\$200 for each auction + \$100 for each day such auction is conducted for longer than 3 days
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Pacific Grove, CA



Demographics:

- Population: 15,601 as of 2014
- County: Monterey County
- Incorporation: 1889
- Estimated median household income: \$69,395 as of 2013
- Land area: 2.87 square miles
- Population Density: 5,427 people per square mile

Rate structures and fees, renewal cycles: 7.04.190:

- ◆ **Annual License:** All annual licenses are due and payable in advance on the 1st day of July of each year.
- ◆ **Semiannual License:** Measured by gross receipts on the 1st day of January and 1st day of July each year.
- ◆ **Quarterly License:** Measured by gross receipts on the 1st day of January, April, July, and October of each year
- ◆ **Monthly License:** Measured by gross receipts on the 1st day of each and every month.

Rate structures and fees- Penalties 7.04.200:

Licenses are considered to be delinquent if not paid after the last day of the month in which it becomes due. After the license tax becomes delinquent, a penalty of 25% of the total tax owed is added in addition to said tax. An additional 25% is added on the 1st of each month thereafter, provided that under no circumstance will the penalties exceed 50% of the total license tax due.

Rate structures and fees- Miscellaneous fees:

Activity	Associated Fee
Administration Fee (Paid by June 1)	\$14
Administration Fee (Paid by August 1)	\$20
Administration Fee (Paid after August 1)	\$40
Planning Use Permit	\$54
Return Check Fee	\$17.50

Rate structures and fees- Tax Rates, Gross Receipts Based 7.04.220:

All businesses in the City of Pacific Grove pay a license tax according to the schedule below, based on gross receipts.

Business Type	Gross Receipts Rate
All Businesses	Tax amounts to Total Gross Receipts x .001 . The minimum tax to be paid is \$15.00 and maximum tax is \$3,000

Seaside, CA



Demographics:

- Population: 34,182 as of 2014
- County: Monterey County
- Incorporation: 1954
- Estimated median household income: \$53,873 as of 2013
- Land area: 8.83 square miles
- Population Density: 3,873 people per square mile

Rate structures and fees, renewal cycles: 5.04.190:

- ◆ **Annual License:** All annual licenses are issued for the period beginning July 1st through June 30th of each year and due by August 31st.

Rate structures and fees- Penalties 5.04.200:

If a license is not paid for when the tax becomes due, a penalty of 50% of said license tax is added in addition to the total fees due.

Rate structures and fees- Miscellaneous fees:

Activity	Associated Fee
License duplication fee	\$5.00
Surety bond for seasonal event lots (Christmas tree sales)	\$200.00
Fire inspection fee (applies to commercial based business)	\$219.00
Administration fee	\$13.00

Rate structures and fees- Tax Rates, Gross Receipts 5.04.210, 5.04.230:

Business Type Schedule A	Annual Gross Receipts	Associated Annual Tax
Wholesale or jobbing business	\$100,000 or less	\$37.50
Manufacturing	In excess of \$100,000	+ \$37.50 per \$100,000 gross receipts in excess of \$100,000
Public Utilities		

Business Type Schedule B	Annual Gross Receipts	Associated Annual Tax
Professional & non-professional services	\$25,000 or less	\$37.50
Hotel/ Motel	In excess of \$25,000	+ \$9.00 per \$5,000 gross receipts in excess of \$25,000

Business Type Schedule C	Annual Gross Receipts	Associated Annual Tax
Real Estate brokers	\$25,000 or less	\$45.00
	In excess of \$25,000	+ \$10.00 per \$5,000 gross receipts in excess of \$25,000

Business Type Schedule D	Annual Gross Receipts	Associated Annual Tax
Retail business	\$49,999.99 or less	\$37.50
Auction & closing out sales	\$50,000 or more	+ \$4.50 per \$5,000 gross receipts in excess of \$50,000
Firearm Sales		
Restaurants- limited & full service		

Business Type Schedule E	Annual Gross Receipts	Associated Annual Tax
Automobile, truck, trailer, vehicle sales	\$100,000 or less	\$75.00
Vehicle leasing	In excess of \$100,000	+ \$1.00 per \$5,000 gross receipts in excess of \$100,000

Business Type Schedule F	Annual Gross Receipts	Associated Annual Tax
Contractors	\$24,999.99 or less	\$18.75
	\$25,000 to \$49,999.99	\$37.50
	\$50,000 to \$74,999.99	\$56.25
	\$75,000 to \$100,000	\$75.00
	In excess of \$100,000	Follows the above scale in increments of \$18.75

Rate structures and fees- Tax Rates, Gross Receipts contd. 5.04.410:

Business Type Schedule G	Annual Gross Receipts	Associated Annual Tax
Vending Machines	\$1 to \$1,000	\$7.50
	\$1,001 to \$2,000	\$15.00
	\$2,001 to \$10,000	\$30.00
	\$10,001 to \$20,000	\$97.50
	\$20,001 to \$30,000	\$172.50
	\$30,001 to \$40,000	\$247.50
	\$40,001 to \$50,000	\$322.50
	\$50,001 to \$60,000	\$405.00
	\$60,001 to \$70,000	\$487.50
	\$70,001 to \$80,000	\$577.50
	\$80,001 to \$90,000	\$667.50
	\$90,001 to \$100,000	\$757.50

Rate structures and fees- Tax Rates, Other. 5.04.250, .260, .330 - .400:

Business Type	Associated Annual Tax
Ambulance Service	\$37.50 per vehicle
Automobile or trucks for hire or rent	\$37.50 per vehicle
BINGO	\$50.00
Christmas Tree lots	\$20.00 per day, maximum \$75.00 per month
Circuses and Carnivals	\$1,125.00 for first 3 days + \$75.00 per additional day(s)
Cleaning and/or laundry trucks	\$37.50 per vehicle
Dairy vehicle delivery	\$37.50 per vehicle
Dances	\$7.50 per dance, max \$37.50 per quarter
Delivery of gasoline, oil or petroleum	\$75.00 per vehicle
Non-appurtenant outdoor advertising	\$0.15 cents per square foot
Pawnshops/ Pawnbrokers	\$150.00
Peddlers, itinerant vendors, solicitors, etc.	\$20.00 per day, maximum \$75.00 per month
Pinball machines & jukeboxes	4% of gross receipts
Property management	\$7.50 per rental unit managed
Real property rental (excluding apartments)	\$7.50 per rental unit
Retail liquor & beverage stores	\$75.00
Wholesale delivery/ pickup	\$52.50 per vehicle

Salinas, CA



Demographics:

- Population: 156,677 as of 2014
- County: Monterey County
- Incorporation: 1874
- Estimated median household income: \$46,901 as of 2013
- Land area: 19.0 square miles
- Population Density: 8,244 people per square mile

Rate structures and fees, renewal cycles 19-20:

- ◆ **Annual License:** Proration applies for new businesses following the annual renewal cycle. All annual license taxes measured by gross receipts are due and payable in advance no later than February 1st of each year. All other annual license taxes are due by August 1st. Additionally, businesses following the annual license renewal periods may elect to pay the annual tax in two equal installments; one half of the total due on the renewal date and the remainder is paid on the 1st day of either January or July (whichever comes first).
- ◆ **Quarterly License:** Quarterly license taxes are due on the 1st day of January, April, July and October.
- ◆ **Daily License:** Daily license taxes are due in advance each day.

Rate structures and fees- Penalties 19-21:

10% of the license tax is added in addition to such tax on the last day of each month after the due date. The maximum amount of penalties a business can accrue is up to 50% of the total fees due.

Rate structures and fees- Miscellaneous Fees *Cities Master Fee Schedule:*

Activity	Associated Fee
Processing Fee	\$2.00
Duplicate License Fee	\$10.00
Garage Sale Permits	\$12.00
Business License Reports	\$45.00 per report
Business License Verification	\$14.00 per license
Returned Check Fee	\$30.00

Rate structures and fees- Tax Rates, Gross Receipts Based 19-23:

Business Type	Annual Gross Receipts	Associated Annual Tax
Retail Sales:	Less than \$25,000	\$25.00
General Business:	\$25,001 - \$50,000	\$50.00
All other businesses not classified below:	\$50,001 - \$100,000	\$100.00
	\$100,001 - \$200,000	\$150.00
	\$200,001 - \$300,000	\$200.00
	\$300,001 - \$400,000	\$300.00
	\$400,001 - \$500,000	\$400.00
	\$500,001 - \$600,000	\$500.00
	\$600,001 - \$700,000	\$600.00
	\$700,001 - \$800,000	\$700.00
	\$800,001 - \$900,000	\$800.00
	\$900,001 - \$1,000,000	\$900.00
	\$1,000,001 and greater	\$1,000 + \$100 for each \$100,000 of gross receipts over \$1,000,000

Rate structures and fees- Tax Rates, Vehicle Based 19-28:

Business Type	Base Tax
Taxicab service	\$100.00 per vehicle, per annum
Motor-driven vehicle for hire	
Freight transportation	
Delivery of goods by vehicle	
Ice cream trucks/ Vending from a vehicle	

Rate structures and fees- Flat Rate 19-32, 19-35:

Business Type	Base Tax
Amusement rides (except carnival or circus)	\$10.00 per day or \$50 per quarter
Billiards, bagatelle, pool table	\$50.00 per annum
Bowling alley	\$25.00 per annum
Carnival	\$150.00 per day
Circus	\$150.00 per day
Exhibitions, boxing, wrestling, public dancing, etc.	\$100.00 per event
Handyman	\$50.00 per annum
Lunch Wagon/Caterer	\$50.00 per annum
Pawnbroker	\$500.00 per annum
Penny arcade	\$300.00 per annum
Route salesman	\$50.00 per annum
Shoe shiner/ Bootblack	\$25.00 per annum
Soliciting, peddling, transient merchant/ business	\$50.00 per day or \$200.00 per quarter
Warehouse space	\$100.00 per annum

Rate structures and fees- Unit Based 19-29

For all motels, hotels, auto courts, motor courts, trailer parks, inns or convalescent homes:

Number of units	Associated Tax
1 to 15	\$100.00 per annum
16 to 25	\$150.00 per annum
26 to 70	\$250.00 per annum
Over 70 units	\$300.00 per annum

For all persons renting four or more residential units on one assessor's parcel:

Number of units	Associated Tax
4 or more	\$12.00 per unit

Rate structures and fees- Employees Based 19-25, 19-26, 19-27:

Business Type	Base Tax	Additional Tax per Employee
Wholesalers	\$100.00	+ \$10.00
Contractors (Annual)	\$100.00	+ \$10.00
Contractors (Quarterly)	\$50.00	+ \$10.00
Professions*	\$200.00 (per practicing partner)	+ \$10.00 (per regular employee)
Occupations & Services**	\$100.00 (Per practicing partner)	+ \$10.00 (per regular employees)
Newspaper, Radio, communications	\$200.00	+ \$10.00
Barbers, Beauty Shops, etc.	\$50.00	+ \$10.00
Manufacturers, processors, agriculture	\$200.00	+ \$10.00

* Professions is defined as: Accountant or auditor, Appraiser, Architect, Attorney, Auctioneer, Bacteriologist, Business school, Certified public accountant, Chemist, Chiropodist, Chiropractor, Civil, electrical, mining, chemical, structural, consulting or hydraulic engineer, Collection agency, Credit reporting bureau, Dentist and dental laboratories, Dermatologist, Detective agency and/or private patrol, Draftsman, Employment office, Entomologist, Feed, grain and fruit broker, Finance companies—savings and loan, Geologist, Landscape architect, Medical laboratory, Mercantile agency, Optician, Optometrist, Osteopath, Physician, Physiotherapist, Podiatrist, Real estate broker, Roentgenologist, Stock broker, Surgeon, Telephone answering service, Travel agency.

**Occupations & Services is defined as: Advertising agent, Artist, Assayer, Blue printer, Book agent, Broker or commission agent, Dancing school, Designer, illustrator or decorator, Drugless practitioner, Electrologist, Engraver, Gardener service, Herbist, Illustrator or show card writer, Insurance or claims adjuster, Interpreter, Janitor service, Lapidary, Locksmith, Masseur, Naturopath, News agency, Oculist, Outdoor advertiser, Pest control, Piano tuner, Public relations, Public stenographer, Sign painter, Surveyor, Taxidermist, Termite inspector, Trading stamps.

SECTION 2 – Ordinance Modification Options

Objective 1 – General Review

City business tax ordinances typically fall into either a regulatory or revenue generating category, meaning simply that the ordinance is either intended solely to raise revenues or to regulate the activities of businesses conducted within the jurisdiction. The City of Marina’s ordinance has a declaration of the purpose of revenue however, as discussed later in this document, can in many instances apply regulatory provisions.

During the review, HdL analyzed key sections of the ordinance and have identified the following areas that may require additional review or action. This preliminary review is based on existing code and rate structures, and should the City elect to make significant modifications, additional review may be required and ultimately the City may be better served with an entire rewrite.

The information and recommendations provided in this report are based on the experience of HdL providing business tax services to California jurisdictions and is not intended as legal advice.

5.16.020 Processing of application.

“Upon application being made as provided in Section 5.16.010, and when the applicant has tendered the license fee required, the finance officer shall process the application. If it is an application for a license for a new business or if the finance officer deems it necessary, the application shall be referred to other city departments, including the health officer, if health and sanitation may be affected, to determine whether the business and premises to be occupied meet the requirements of state law and city ordinances. (Ord. 2002-04 § 1, 2002: Ord. 77-11 § 13, 1978)”

Overview

This section establishes the process for new applicants and requires additional actions from the City for those businesses. This section can prove to be over burdensome as it relates to the regulatory actions, especially where it requires the City to confirm a business and the premises meet with state law, a process other City departments should not necessarily be expected to certify. This is underscored by the use of the word “shall” to make mandatory these actions.

Recommendation

The City should consider eliminating this section or rewriting the section to make the language less regulatory. If the purpose of the tax is to generate revenues, implementing these checks will likely put up road blocks to that process. In addition to preventing the collection of revenues, attempting to make mandatory checks of state laws can prove impossible for cities with minimal staffing levels.

5.16.030 Issuance of license—Contents.

“Upon receiving the approval of departments to which the application has been referred and, where necessary, the approval of the city manager, the finance officer shall prepare and issue the license showing upon the face of each license the following:

- A. *Name of business and location;*
- B. *Business license number;*
- C. *Type of business by code;*
- D. *Date of issuance;*
- E. *Date of expiration;*
- F. *Term of license;*
- G. *Business mailing address; and*
- H. *Account number. (Ord. 77-11 § 14, 1978)”*

Overview

This section establishes the process for issuing a license and what the license must say. It also underscores the approval process identified in [5.16.020](#) by requiring approvals from other departments and City staff.

Recommendation

The City should consider eliminating the approvals process, as with any regulatory provision that may interfere with the collection of revenues. Additionally, the city may wish to remove the list of fields required to be printed on a certificate, and replace with a more generic list.

5.16.050 Error in terms voids license.

“The payment of any license fee required by this article, its acceptance by the city, and the issuance of such license to any person shall not entitle the holder thereof to carry on any business called for by the license unless he has complied with all requirements of this article, or to carry on any business at any location contrary to the city’s building and zoning regulations. (Ord. 77-11 § 16, 1978)”

Overview

The language in this section is another function of regulation allowing the license to be voided should a business fail to comply with business licenses and other City regulations.

Recommendation

This language is effectively a trigger to give notice that a license does not validate an otherwise invalid business. The City should consider instead language that accomplishes this task with less regulatory implications. This could be handled with language such as:

“No license or payment of tax required by this article shall be construed as authorizing any person to conduct an illegal business or a legal business in an illegal manner. The business license issued pursuant to the provisions of this title constitutes a receipt for the license tax paid and shall have no other legal effect. A business license is a requirement, not a permit, to conduct, manage or carry on any business activity within the city.”

5.16.070 Duplicate license.

“The finance officer shall charge a fee of three dollars for each duplicate license issued to replace any license under the provisions of this article, which has been lost or destroyed, upon reasonable proof thereof. (Ord. 77-11 § 18, 1978)”

Overview

A duplicate license fee is established here that equals \$3.00.

Recommendation

The City should consider modifying the language to reference a master fee schedule, rather than a codified amount. This allows for adjustment of the true “costs reasonably borne” by the city over time.

5.16.080 License nontransferable.

“A. Each license granted or issued under any provision of this article shall authorize the licensee to transact or carry on the business therein named, at the place therein designated and at no other place, and the license shall not be assignable or transferable.

B. When a person, as defined in this article, transfers fifty percent or more of his interest, or more than fifty percent of the stock or assets of a business operated at a fixed place of business, regardless of whether the transfer is made under such circumstances that the real or ultimate ownership after the transfer is substantially similar to the ownership existing before the transfer, the transferee shall first report such change to the finance officer and pay a registration transfer fee in the amount of five dollars. For purposes of this subsection, stockholders, bondholders, partnerships or other persons holding an interest in a corporation or other entities herein defined to be a person are regarded as having the real or ultimate ownership of such corporation or other entity.

C. A change of location shall be allowed to the holder of the license upon the payment of the finance officer of the sum of three dollars within thirty days of such change taking place. If the licensee fails to apply for change of address within thirty days of such change taking place, his license shall terminate and expire at midnight of the thirtieth day. In the event of any such termination of the tax or fee paid by such licensee

and in any application for a new license, there shall be no proration of the required tax or fee. (Ord. 77-11 § 19, 1978)”

Overview

This section outlines the inability to transfer licenses and provides some processes for a business that changes locations or ownership to do a transfer after paying a fee. On its surface, this provision seems to at first say under no situation is a license valid for any other business or location, then provides for the payment of small fees to do so.

Recommendation

The City should consider modifying this section by removing subsections B & C. Businesses that change owners or move locations should be required to obtain a new license with all the steps necessary. This is especially true if the City does not change other regulatory requirements suggested in this review. In that case, a business that moves address would likely need to go through zoning or other approvals and a simple notification and fee payment would not meet those requirements. If the City elects to keep these sections intact, consideration of moving the fees to the master fee schedule or similar instrument would be recommended as stated in the review of 5.16.070

5.16.130 Food-handling businesses.

“Where a business is required by law to have a food handling permit, no license shall be issued until the Monterey County health department, the city building and safety department, and the fire department have inspected and approved the premises. (Ord. 77-11 § 25, 1978)”

Overview

This section requires food-handling businesses to obtain a variety of approvals prior to issuance of a license.

Recommendation

The City should consider removing this section entirely. Any requirements by the City or County are likely already codified in their respective ordinance sections along with the penalties for failing to comply. This section only puts an additional regulatory burden on the business and the City. Additionally, it requires City business license staff to know the regulations of county health codes, which creates its own unique challenges.

5.16.140 Business requiring certificate of occupancy.

“All commercial, industrial, and miscellaneous buildings constructed within the city which are to house a business requiring a city license must have a certificate of occupancy issued by the city building and safety department before a license to operate the business may be issued. Any existing buildings which are structurally altered to house a business requiring a city license must also have a certificate of occupancy issued by the city building and safety department before a license to operate said business may be issued. (Ord. 77-11 § 26, 1978)”

Overview

This section requires business located in “commercial” zones of the City to obtain a certificate of occupancy prior to issuance of a license.

Recommendation

The City should consider removing this section entirely. Any requirements by the City already codified in their respective ordinance sections along with the penalties for failing to comply. This section only puts an additional regulatory burden on the business and the City and hinders the process of revenue collection. Interdepartmental checks such as these can be done as a part of administrative processes, rather than codified as a requirement.

5.16.150 Refunds.

“The finance officer, with the approval of the city manager, may refund any license fee or penalty which he determines was erroneously collected, but no license shall be refunded if, prior to his application for a license, the applicant has engaged in the business for which the license is sought. (Ord. 77-11 § 27, 1978)”

Overview

This is the process that governs refunds to be issued when erroneously collected. This section however, does not address all cases in which a refund may occur nor does it address the process for requesting the refund. The last part of the section can also be problematic because it prohibits a refund on any existing business.

Recommendation

The City may consider modifying this section to cover refunds of overpayments and other circumstances in which a refund may be due. Further clarification of the process and implementation of a time limit may be of value as well. Examples of this language could be:

No refund of an overpayment of taxes imposed by this article shall be made except under the following procedure:

A. No claim for refund shall be accepted nor shall any refund be made by the finance officer unless he receives a complete and executed claim form with all required supporting documentation or records within one calendar year from the date the claimed overpayment was tendered to the department of finance administration. Claim forms shall be furnished to the business by the City.

B. There shall be no refund of taxes paid where a business vacates its premises or otherwise ceases business operations during the term of the business license period

C. The finance officer shall refund taxes paid when it has been determined by the finance officer that the tax was paid in error, computed incorrectly, overpaid, or collected illegally.

5.16.170 Appeal.

“Any person aggrieved by any decision of the finance officer with respect to the issuance or refusal to issue such license may appeal to the city council by filing a notice of appeal with the city clerk. The city council shall thereupon fix a time and place for hearing by serving it personally or by depositing it in the United States mail at Marina, California, postage prepaid, addressed to such person at his last known address. The council shall have the authority to determine all questions raised on such appeal. No such determination shall conflict with any substantive provision of this article. (Ord. 77-11 § 30, 1978)”

Overview

This section creates a process for appeal by the taxpayer for any decision made by staff regarding business license. This appeal is directly to the council via a hearing and the council ultimately makes the decision regarding the outcome.

This is a common form of due process to protect a taxpayer who is aggrieved by the City, however appeals straight to council can be a burden for both the City and the taxpayer.

Recommendation

The City should consider adding an administrative hearing with the finance director and/or City manager prior to a final appeal with council. This provides benefits to the taxpayer as well as removes the burden on council from having to address every individual issue that may have been resolved by a lower level hearing first.

Code Review – Potential Additions / Misc. Items

Use of “Finance Officer”

The ordinance consistently uses the term “Finance Officer” as an established person in charge of the business licensing process. The City may wish to consider a more specific title such as “license collector” or other position title not associated with an existing City title or job description. This would allow for language that indicates the City Manager or Finance Director shall have the authority to appoint that position, rather than a codified limitation on who that can be.

Use of “Tax” vs “Fee”

The ordinance shifts between the usage of fee and tax throughout the code. In some cases, ordinance sections that create certain procedure become unclear as to whether they apply to fees or taxes. The City should consider reviewing the usage of the terms and decide whether they are intended to be the same or are meant to be different.

Current Rate Classifications

Due to City’s desire to modify the rates, as outlined in section 3, HdL did not conduct a complete analysis of the sections related to the tax rates and classifications. However many sections, such as the retail gross

receipts scale, are extremely unclear in the both written form and in practice as implemented by the City. Should the City not implement new rate structures, attention should still be paid to the existing code sections and could explore possible changes outside the scope of revenue enhancement.

SECTION 3 – Category & Fee Analysis

The City has requested that HdL conduct an analysis of the current fee structures as they relate to business license and explore options for modifying the rates and categories. In Section 1, HdL prepared summaries of each classification and to the extent data was available, provided a breakout of the number of businesses and their contribution to the total tax pool.

In this section HdL has provided options for modifying the rate scale and the classifications. Using the data compiled in section 1 of this report on current license revenues, models were developed to estimate potential fiscal impacts to the City as well as how those changes may have an effect on the business community.

License Classification and Rate Types

The City currently has a number of “classifications” that spans across multiple categories. This structure assigns a specific fee to each type of business, listing many different types of businesses and their corresponding fees. While numerous categories are outlined in the code, the basic fee structures are closely aligned. For the purpose of the analyzing and comparing the options in this section, HdL has compiled the various rate structures into a smaller grouping of categories. The two primary categories are indicated below;

Category 1 – Grouping by General Type of Business

Category 1 groups the businesses by similar type of activity. In consolidating the types of business, HdL is able to reduce the categories substantially down from the many categories in the existing scale. The table below reflects an example of how the categories could be consolidated, eliminating many unnecessary rate types. Total revenues and the breakout of fees have been estimated, while ignoring smaller categories not in use by the City.

Grouping	Total Revenue	Average Fee	Minimum	Maximum
Contractor	\$14,041.00	\$50.00	\$50.00	\$50.00
Retail / Misc	\$50,050.00	\$130.00	\$15.00	\$3,700.00
Professional	\$6,024.00	\$70.00	\$15.00	\$600.00
Residential Rental	\$2,926.00	\$80.36	\$25.00	\$135.00

Category 2– Grouping by Fee Amount

HdL has grouped the businesses categories by the fee charged for each type of business. The grouping amount below indicates the payment made, total and average revenues, and the number of businesses contributing to the group.

Category	Record Count	Average Paid	Revenue
\$1.00 - \$25.00	397	\$23.41	\$9,293.00
\$26.00 - \$50.00	397	\$43.34	\$17,207.00
\$51.00 - \$75.00	60	\$61.13	\$3,667.00
\$76.00 - \$100.00	48	\$88.04	\$4,226.00
\$101.00 - \$250.00	44	161.04	\$7,085.00
\$250.00 - \$1,000.00	25	\$541.40	\$13,535.00
\$1,001 and Over	9	\$2,079.89	\$18,719.00
TOTALS >	980	-	\$73,732.00

Option 1 – Existing Categories with Simple Increases

The City may elect to not modify the existing structure, but rather modify the fee amounts for each category. Keeping the current structure in place would eliminate the need to create different categories and allow for a much simpler implementation for the City and the business community.

The City could choose to adjust each category separately, increase the rates on a select group, or apply a standard rate increase across the board. An example of an across the board % increase is indicated in the following Option 1 table. **Option 1 – Table A**

■ Rate Classes Unchanged (with % Fee Increase)

Fee Amount Paid	Number of Accts	Current Revenues	20% Increase	40 % Increase	60% Increase
\$1.00 - \$25.00	397	\$9,293.00	\$11,152.00	\$13,010.00	\$14,869.00
\$26.00 - \$50.00	397	\$17,207.00	\$20,648.00	\$24,090.00	\$27,531.00
\$51.00 - \$75.00	60	\$3,667.00	\$4,400.00	\$5,134.00	\$5,867.00
\$76.00 - \$100.00	48	\$4,226.00	\$5,071.00	\$5,916.00	\$6,762.00
\$101.00 - \$250.00	44	\$7,085.00	\$8,502.00	\$9,919.00	\$11,336.00
\$250.00 - \$1,000.00	25	\$13,535.00	\$16,242.00	\$18,949.00	\$21,656.00
\$1,001 and Over	9	\$18,79.00	\$22,463.00	\$26,207.00	\$29,950.00
TOTALS >	980	\$73,732.00	\$88,478.00	\$103,225.00	\$117,971.00

Option 1 – Highlights and Impact Review

As indicated in the Table (A) above, a simple increase in each rate type amount could keep the existing structures in place while yielding higher revenues to the City. The City can replace any of the sample % increases with varying degrees of increase or could elect to only apply the increases to certain categories. For example, increasing the rates on manufacturing and residential property rental by 60%, while increasing others rates by 20% or not at all.

This option provides the City with the simplest method of increasing and the most accurate to forecast. Additionally, The City could add a standard CPI adjustment to those appropriate categories to ensure the rates stay current over the course of time.

Should the City wish to see specific calculations or examples of specific category rate increases, HdL will provide the calculations and attach as an addendum to this report.

Option 2 -Replace Multiple Categories with Single Gross Receipts Tax

Taxing gross receipts is a common model for California business license and the City of Marina currently uses gross receipts as a method of taxing multiple categories in the City. A variety of models are commonly used including a scale method or the use a standard rate multiplier to determine the tax amount owed. This model can be implemented as a standard rate applying to any business or one that can vary by business class. For example, many cities elect to charge \$1 per thousand dollars of gross receipts ($0.001 \times \text{Gross}$) for a retail business, while charging a rate of \$2 per thousand dollars of gross receipts ($0.002 \times \text{Gross}$) for service or professional businesses.

Because the rate method can result in \$0.00 returns or negligible amounts, most cities have a minimum tax or other method of ensuring a base fee. Another option is to create a base tax plus gross receipts rate. This allows for a minimum fee for businesses that generate gross receipts in excess of the base amount.

The “rate” method of taxing on gross receipts provides an even distribution of the effective tax rate because all businesses subjected to the tax will pay the same rate. This method also provides the simplest method of calculation due to every business using a single multiplier.

Option 2 – Background

Due to the lack of information available on current gross receipts for all Marina businesses, HdL is not able to accurately predict the impact of changing the structure to a single gross receipts model. HdL was able to use averages for those businesses that were subjected to gross receipts reporting; however, direct comparisons are not available on a City wide basis and certain information may overlap between categories. It is important to note that HdL has used multiple assumptions as outlined in the options below that should not be relied upon for actual budgeting and are meant to provide a picture of the possible impact.

Current Business Tax Data

The table below identifies the current average gross for those categories where data was available and provides for the effective tax rates paid on average by those classifications. For those businesses on a flat fee, the flat rate was reversed calculated to determine the effective tax rates on gross.

As an example, the current rate of \$50 for a contractor, a tax implemented at .001 (or \$1 per thousand dollars of gross), indicates the average contractor business is paying taxes on \$50,000 of gross receipts. In this case, any instance where the gross is above \$50K, those receipts go untaxed when considering a simple mill rate.

Current Business Tax Data

Category	Record Count	Min/Max Rate Paid	Average Paid	Effective Gross at .001 Tax Rate
Contractor	332	\$50- \$50	\$50.00	\$50,000.00
General / Retail	446	\$15 - \$3.7K	\$130.00	\$130,000.00
Professional	139	\$15 - \$600	\$70.00	\$70,000.00
Residential Rental	63	\$25 - \$135	\$80.36	\$80,000.00

Option 2 – Data Analysis & Variables

HdL has prepared key data elements for use in estimating the gross receipts tax on businesses where information was otherwise not available. The following information was used as a basis for the tax tables and models in subsequent options below.

Residential Rental Unit Estimates

Category	Total Rental Units	Avg Rent / Unit /Year	Total Gross Receipts
Hotels-Over	529	-TOT USED -	\$19,000,000.00
Apartments-Over	1997	\$15,600	\$31,153,200.00

Contractor Estimates

Category	Est Nbr of Accounts	Total Gross Receipts
Under \$40,000	200	\$5,400,000.00
\$40,000 and Over	132	\$7,000,000.00

Professional Estimates

Category	Est Nbr of Accounts	Total Gross Receipts
Under \$40,000	50	\$1,500,000.00
\$40,000 and Over	89	\$34,000,000.00

General / Retail Estimates

Basis	Est Average Gross*	Total Gross Receipts
Under \$40,000	197	\$3,800,000.00

\$40,000 and Over	249	345,000,000.00
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Combined Gross Estimates

Number of Records	Business Tax Total Taxable Gross	Business Tax Gross Receipts Range
447	\$10,700,000.00	Under \$40,000 of Gross Receipts
400	\$436,000,000.00	Over \$40,000 of Gross Receipts

Option 2 – Model 1: Gross Receipts Rate

Model 1 reflects the potential revenues for converting the whole City to a single rate type gross receipts model. This would eliminate the current structure of mixed gross, fixed fees and unit variables whereby each business would pay based on the gross receipts attributed within the City.

Potential Tax Structure

Gross Receipts	Tax Rate
\$0 - \$40,000	\$40 Flat Fee
Above \$40,000	\$1 per thousand dollars of Gross (0.001 x Gross)

Model 1 Estimates Table

The table below indicates the potential revenues from implementing a gross receipts tax with two options, \$1 / thousand, and \$0.50 / thousand. Information for the estimates comes from the data in the section above.

Gross Receipts	Number of Accts	Taxable Gross Receipts	Tax Amount (.001)	Tax Amount (.0005)
General / Retail				
\$0 to \$40,000 (Fixed)	197	Fixed	\$7,880.00	\$7,880.00
Above \$40,000	249	\$345M	\$345,000.00	\$172,500.00
Residential Rental Units				
\$0 to \$40,000 (Fixed)	-	Fixed	-	-
Above \$40,000	63	\$50M	\$50,000.00	\$25,000.00
Professionals				
\$0 to \$40,000 (Fixed)	50	Fixed	\$2,000.00	\$2,000.00
Above \$40,000	89	\$34M	\$34,000.00	\$17,000.00
Contractors				
\$0 to \$40,000 (Fixed)	200	Fixed	\$8,000.00	\$8,000.00
Above \$40,000	132	\$7M	\$7,000.00	\$3,500.00
TOTALS>			\$453,880.00	\$240,080.00

Model 1– Highlights and Impact Review

Model 1 shows the most potential for expanded revenue while keeping the tax structure simple. This model creates equity in the tax base by applying the same effective rate for all businesses across the board, rather than the current method in place now, that effectively leaves larger businesses paying much smaller effective rates.

Using option 2 (.0005 rate) as our baseline, we can see that revenues are increased substantially in a filing year, even more so when considering option 1. This is due to an increase in the base rate and a large number of accounts previously paying small flat fees now converted to gross.

With this in mind, much of the burden will shift from the small businesses to the larger businesses where gross receipts have largely gone untaxed. The revenue from the top 20 accounts would likely be more than double the City’s current annual revenue. With this in mind, the City may wish to consider a phased approach if a change in the tax was to be presented. This would allow small increases over time to prevent the “sticker shock” of a drastic one time change and allow businesses to build in the additional costs to their budgets over a multiple year period.

Option 2 – Model 2: Gross Receipts - Classification Based Rates

Model 2, as indicated below, would create varying rate multipliers for gross receipts depending on business classifications. The City could for example, choose to implement a rate for the retail/wholesale/Misc. business activities at a base rate of .0005. This recognizes higher costs of goods sold and lower profit margins for these types of business as well as their contribution to other City revenues such as sales tax. Conversely, the City could consider implementing a higher rate for professionals and property rental. This model affords the most flexibility for increasing revenues while accommodating certain business categories.

Tax Structure

Gross Receipts	Categories	Tax Rate
\$0 - \$40,000	General / Retail	\$40 Flat
Above \$40,000	General / Retail	0.001 X Gross
\$0 - \$80,000	Property Rentals	\$80 Flat
Above \$80,000	Property Rentals	0.002 X Gross
\$0 - \$60,000	Contractors	\$60 Flat
Above \$60,000	Contractors	0.0015 X Gross
\$0 - \$80,000	Professionals	\$80 Flat
Above \$80,000	Professionals	0.002 X Gross

Estimates Table

Using the varying structures above, the table below indicates potential revenues from one possible classification model based on the existing business data.

Gross Receipts	Number of Accts	Taxable Gross Receipts	Tax Rate	Tax Amount
General / Retail				
\$0 to \$40,000 (Fixed)	197	Fixed	\$40 /Flat	\$7,880.00
Above \$40,000	249	\$345M	.001	\$345,000.00
Residential Rental Units				
\$0 to \$80,000 (Fixed)	-	Fixed	\$80 /Flat	-
Above \$80,000	63	\$50M	.002	\$100,000.00
Professionals				
\$0 to \$80,000 (Fixed)	50	Fixed	\$80 /Flat	\$4,000.00
Above \$80,000	89	\$34M	.002	\$68,000.00
Contractors				
\$0 to \$60,000 (Fixed)	200	Fixed	\$60 Flat	\$12,000.00
Above \$60,000	132	\$7M	.0015	\$10,500.00
TOTALS>				\$547,380.00

Model 2– Highlights and Impact Review

This option has the benefit of spreading the burden of an increase across multiple business types. The City has the option of modifying the rates and reassigning business types to different categories. The model above includes basic rate increases for standard categories but can be further expanded or contracted to accommodate a different method of the City’s choosing.

The rate structure chosen in this model was based on a general business activity as well as City of Marina’s unique make up. Businesses in the retail sector for example, which may include many small businesses that may suffer at the hands of a large across the board increase, were left closer to the current rate of .0004. However, businesses such as rentals which are less mobile, had an increase to the .002 bracket.

Additional Models

The City has various options should it elect to move forward with a gross receipts based tax. For example, a model could be designed to keep certain fixed fee structures in place while moving certain categories over to a simplified gross receipts tax. In this method Rentals could be left under their current model while all other businesses are lumped in as gross receipts based model, or vice versa.

The City could also elect to implement a scale model using expanding ranges, implementing caps, or by additional rates and classifications.

Option 3 –Expanded Tax Base

The City has a number of items that are potentially untaxed based on the current code structure. Many of these items are not necessarily quantifiable based on the data available, however the following information can be used for the potential changes to the existing code or implemented in conjunction with the other options indicated above.

Expanded Tax Base – Residential Property Background

The City currently exempts residential property rentals where the total units are less than 10. Given the make-up of the City, this leaves many potential avenues for revenue unexplored. The City could consider lowering the unit exemption to less than 3 or 2, or remove the exemption entirely requiring even renters of single family homes to pay the tax.

Residential Property Analysis

It is estimated that the City currently has over 300 single family parcels and over 900 units on parcels containing between 2 and 9 units, which are currently untaxed. Conservatively estimating the actual number of rentals and rents being charged, the City could expect to receive as much as \$12,000 in new revenues under the smaller rate plan in Model 1 of Option 2 and as much as \$50,000 under the model 2 rate plan of the same section.

Residential Rental Unit Estimates

Category	Total Rental Units	Avg Rent / Unit /Year	Total Gross Receipts	Tax Rate	New Revenues
Single Family	300	\$36,000.00	\$10,800,000.00	0.002	\$21,600.00
Apts Under 10 Units	900	\$15,600	\$14,000,000.00	0.002	\$28,000.00

Expanded Tax Base – Commercial Property Background

Unlike the rental of residential property, the City currently does not tax the rental of commercial properties that are offered for rent. Adding this category to the City’s tax base would increase revenues by capturing existing businesses not subjected to the tax as it is today.

Commercial Property Analysis

The City currently has approximately 300 parcels of non-residential property which are currently untaxed. As with the residential property analysis, expanding the tax base to cover these additional activities would yield between \$6,000 and \$25,000 annually.

Commercial Rental Unit Estimates

	Est Sqft	Avg Rent / Sqft / Year	Total Gross Receipts	Tax Rate	New Revenues
Rentals	800,000	\$15.00-	\$12,000,000.00	0.002	\$24,000.00

City of Marina vs. Neighboring Jurisdictions

Rate Comparison Chart

Sample Business	Marina Current Rates	Seaside	Salinas	Monterey	Pacific Grove	MARINA Option 2: Model 1	MARINA Option 2: Model 2
Small Craft Business \$25,000	\$25.00	\$37.50	\$50.00	\$56.00	\$25.00	\$40.00	\$40.00
Restaurant – \$100,000 Gross	\$41.00	\$87.00	\$150.00	\$122.00	\$100.00	\$100.00	\$100.00
Big Retailer – \$1,500,000 Gross	\$135.00	\$1,350.00	\$1,500.00	\$1,800.00	\$1,500.00	\$1,500.00	\$1,500.00
Hotel / Rental Property \$2M Gross / 80 Units	\$42.71	\$3,700.00	\$300.00	\$2,400.00	\$2,000.00	\$2,000.00	\$4,000.00
Doctors Office- \$250,000 Gross	\$50.00	\$442.50	\$200.00*	\$600.00	\$250.00	\$250.00	\$500.00
Professional Firm- \$1,500,000 Gross	\$150.00*	\$2,692.50	\$600.00*	\$3,600.00	\$1,500.00	\$1,500.00	\$3,000.00
Small Contractor – \$50,000 Gross	\$50.00	\$56.25	\$100.00*	\$51.00	\$50.00	\$50.00	\$75.00
Contracting Firm– \$500,000 Gross	\$50.00	\$375.00	\$200.00*	\$591.00	\$500.00	\$500.00	\$750.00

Additional Information

Ordinance Review

HdL conducted a review of the ordinance sections related to business tax. The recommended changes indicated in section 2 are technical recommendations based on the information available and direction provided by the City. Should the City elect to move forward with specific changes, HdL recommends the office of the City Attorney or their designee review each proposed change and craft language that accomplishes the City's final objectives.

Voter & Additional Approvals

Some of the changes may or may not require voter or additional approval. The City should review each change and determine which changes can be made via powers granted to the collector or other City staff members and which changes will require additional processes.

General Regulatory Provisions

In general, HdL recommends that any City Ordinance for business license where the intent is to generate revenue be limited to the scope of generating revenue. Many of the City current ordinance provisions are designed to stop people for paying for or being issued a license. Many of these requirements can be burdensome on licensing staff and many times create review requirements that are outside the scope of their expertise.

The City would be better served and the intent of generating revenue preserved if the requirements for things like building and safety are kept with the sections and regulatory provisions that govern those items. HdL feels additional discussion of these items is warranted to review the implications of removing those sections and others potentially affected.

Additional Support

While HdL is not able to provide specific legal advice, HdL will work with the City's designee to assist in crafting the final changes as well as provide advice and additional analysis should the City elect to move forward with modification of its ordinances. Should the City wish to contract out legal services, HdL can provide references for firms that specialize in local government ordinances.

Comparative Jurisdictions

The analysis of surrounding jurisdictions was conducted to provide background of the overall structure and taxes imposed by neighboring cities. This information can be valuable and may be considered by the City when making its final determinations to ensure that changes made to the tax structure remain competitive with other cities.

Additional Cities

HdL selected cities from surrounding jurisdictions that were similar in size or tax structure. Should the City wish to expand the analysis to additional jurisdictions, HdL can provide further details as an addendum to this report.

Rate Structure Modification

The primary focus of the rate analysis and change review was the current fee structure. Options indicated in this report represent a few of the potential structures available for the City's consideration. Additionally, each proposed structure has the flexibility to be modified with rates that may be more in line with the City's ultimate goals. HdL will work with the City to craft any additional classifications or structures that the City feels may be worth considering.

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
CONSENTING TO A PARTIAL ASSIGNMENT AND ASSUMPTION
AGREEMENT FOR THE MARINA HEIGHTS DEVELOPMENT
AGREEMENT FROM CYPRESS MARINA HEIGHTS LLC TO WC
MARINA, LLC AND A PARTIAL ASSIGNMENT AND ASSUMPTION
AGREEMENT FOR THE MARINA HEIGHTS OPTION AGREEMENT
FROM CYPRESS MARINA HEIGHTS LLC TO WC MARINA, LLC**

**CITY COUNCIL ACTING AS THE GOVERNING BOARD OF THE
SUCCESSOR AGENCY TO THE MARINA REDEVELOPMENT
AGENCY CONSENTING TO A PARTIAL ASSIGNMENT AND
ASSUMPTION AGREEMENT FOR THE OPTION AGREEMENT FOR
THE MARINA HEIGHTS PROJECT FROM CYPRESS MARINA
HEIGHTS LLC TO WC MARINA, LLC**

REQUEST:

It is recommended that the City Council:

1. Consider adopting Resolution No. 2016-, consenting to the Partial Assignment and Assumption Agreement for the Marina Heights Development Agreement from Cypress Marina Heights, LLC to WC Marina, LLC and Partial Assignment and Assumption Agreement for the Marina Heights Option Agreement from Cypress Marina Heights LLC to WC Marina, LLC.
2. Consider adopting Successor Agency Resolution No. 2016- (SA-MRA), consenting to a Partial Assignment and Assumption Agreement of the Option Agreement for the Marina Heights Project from Cypress Marina Heights LLC to WC Marina, LLC.

BACKGROUND:

The City of Marina, 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 1050 residential units on the property, with development contemplated in phases. 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.

Development of the Project has been delayed as a result of a variety of factors, including litigation and the recession. The Developer is now in the process of negotiating with homebuilders for the transfer of portions of the property and the development of the planned homes. In order to facilitate the transfers to the homebuilders, the City and the Successor Agency, at a joint meeting on February 17, 2016, conducted a review of the Development Agreement and the Option Agreement. The review was to determine whether there were any defaults under either agreement and to authorize the issuance of estoppel certificates indicating that there are no defaults if the review found that there were no defaults. At the conclusion of the review of the Agreements, the Council determined that at that time there were no defaults under either Agreement and authorized the City Manager to execute the requested estoppel certificates.

Also at the February 17, 2016 meeting the Developer requested that the City and the Successor Agency approve adding Wathen Castanos to the Pre-Approved Builders list attached to the Option Agreement. The Council, acting both on behalf of the Successor Agency and behalf of the City approved the request to add Wathen Castanos to the Pre-Approved Builders list and authorized the City Manager to execute a Second Amendment to the Option Agreement to add Wathen Castanos to the list.

The Developer and Wathen Castanos have now requested that the City and the Successor Agency consent to Partial Assignment and Assumption Agreements assigning to WC Marina, LLC, a subsidiary of Wathen Castanos, the obligations under the Development Agreement and the Option Agreement that are relevant to the portion of the property being acquired by Wathen Castanos. As part of the Consent the City and the Successor Agency are being asked to sign, the City and the Successor Agency are acknowledging that the Option Agreement, the Development Agreement and the Schedule of Benchmarks do not require the developer to complete the construction of the improvements but only to make commercially reasonable efforts to complete construction of the improvements in accordance with the Schedule. Additionally, the City and the Successor Agency are being asked to acknowledge that the right to repurchase the property in the option agreement is not effective as to the property acquired by Wathen and that the City and the Successor Agency intend to consider amendments to the Option Agreement and Development Agreement to amend the Schedule of Benchmarks.

ANALYSIS:

The Development Agreement includes 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 Option Agreement contains similar language that the developer is to use commercially reasonable efforts to construct the improvements but does not actually require the developer to construct the improvements.

The Consents to the Assignment and Assumption Agreements also request that the Successor Agency acknowledge that the right of repurchase included in the Option Agreement is not applicable to the property transferred to Wathen Castanos. The Option Agreement included a right of repurchase that ran to the former Redevelopment Agency. Under the terms of the Option Agreement, the former Redevelopment Agency could exercise the right of repurchase if the Developer was in default. The former Redevelopment Agency was required to pay fair market value for the property acquired. The Redevelopment Dissolution Law prohibited redevelopment agencies, prior to dissolution, from undertaking certain activities, including the acquisition of property by any means. These prohibitions carry over to the Successor Agency. Based on this, the Successor Agency would not have the authority to acquire the property if the conditions for exercise of the option to acquire were met and also would not have a source of funds to use to acquire the property. Acknowledgement that the right of repurchase does not apply to the property acquired by Wathen Castanos does not compromise any right that the Successor Agency could actually exercise.

FISCAL IMPACT:

Development of the Project will increase the property tax available to the City thereby increasing general fund revenues.

CONCLUSION:

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

Respectfully submitted,

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
CONSENTING TO A PARTIAL ASSIGNMENT AND ASSUMPTION
AGREEMENT FOR THE MARINA HEIGHTS DEVELOPMENT
AGREEMENT FROM CYPRESS MARINA HEIGHTS LLC TO WC MARINA,
LLC AND A PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT
FOR THE MARINA HEIGHTS OPTION AGREEMENT FROM CYPRESS
MARINA HEIGHTS LLC TO WC MARINA, LLC

WHEREAS, The City of Marina (the “City”), 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, the City and the Successor Agency to the Redevelopment Agency of the City of Marina on February 17, 2016 pursuant to Resolution No. 2016- ____ approved adding Wathen Castanos as a Pre-Approved Builder to the list of Pre-Approved Builders attached to the Option Agreement; and

WHEREAS, Cypress Marina Heights, LLC is preparing to enter into a Partial Assignment and Assumption Agreement with WC Marina, LLC, a wholly owned subsidiary of Wathen Castanos, assigning to WC Marina, LLC the rights and obligations under the Final Development Agreement relevant to the portion of the project being transferred to WC Marina, LLC; and

WHEREAS, Cypress Marina Heights, LLC is preparing to enter into a Partial Assignment and Assumption Agreement with WC Marina, LLC assigning to WC Marina, LLC the rights and obligations under the Option Agreement relevant to the portion of the project being transferred to WC Marina, LLC; and

WHEREAS, Cypress Marina Heights, LLC and WC Marina, LLC have requested that the City consent to the Partial Assignment and Assumption of the Development Agreement; and

WHEREAS, Cypress Marina Heights, LLC and WC Marina LLC have requested that the City and the Successor Agency consent to the Partial Assignment and Assumption Agreement of the Option Agreement; and

WHEREAS, the staff report accompanying this resolution provides additional information on the assignments of rights and obligations to the WC Marina, LLC under the Development Agreement and the Option Agreement;

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

1. Consents to the Partial Assignment and Assumption Agreement between Cypress Marina Heights, LLC and WC Wathen, LLC of the Final Development Agreement substantially in the form on file with the City Clerk and authorizes the City Manager to sign the consent to the Partial Assignment and Assumption Agreement subject to any changes approved by the City Manager and the City Attorney.

2. Consents to the Partial Assignment and Assumption Agreement between Cypress Marina Heights, LLC and WC Wathen, LLC of the Option Agreement substantially in the form on file with the City Clerk and authorizes the City Manager to sign the consent to the Partial Assignment and Assumption Agreement subject to any changes approved by the City Manager and the City Attorney.
3. Authorizes the City Manager to take all actions necessary to implement the Partial Assignment and Assumption Agreements and to execute such documents as are necessary to implement the Partial Assignment and Assumption Agreements.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 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- (SA-MRA)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA ACTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE MARINA REDEVELOPMENT AGENCY CONSENTING TO A PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT FOR THE OPTION AGREEMENT FOR THE MARINA HEIGHTS PROJECT FROM CYPRESS MARINA HEIGHTS LLC TO WC MARINA, LLC

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, the City and the Successor Agency to the Redevelopment Agency of the City of Marina on February 17, 2016 pursuant to Resolution No. 2016- ___ approved adding Wathen Castanos as a Pre-Approved Builder to the list of Pre-Approved Builders attached to the Option Agreement; and

WHEREAS, Cypress Marina Heights, LLC is preparing to enter into a Partial Assignment and Assumption Agreement with WC Marina, LLC assigning to WC Marina, LLC the rights and obligations under the Option Agreement relevant to the portion of the project being transferred to WC Marina, LLC; and

WHEREAS, Cypress Marina Heights, LLC and WC Marina LLC have requested that the Successor Agency consent to the Partial Assignment and Assumption Agreement of the Option Agreement; and

WHEREAS, the staff report accompanying this resolution provides additional information on the assignments of rights and obligations to the WC Marina, LLC under the Option Agreement;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina acting as the Governing Board of the Successor Agency to the Redevelopment Agency of the City of Marina hereby:

1. Consents to the Partial Assignment and Assumption Agreement between Cypress Marina Heights, LLC and WC Wathen, LLC of the Option Agreement substantially in the form on file with the City Clerk and authorizes the City Manager, acting as the Executive Director of the Successor Agency to sign the consent to the Partial Assignment and Assumption Agreement subject to any changes approved by the City Manager and the City Attorney.
2. Authorizes the City Manager, acting as the Executive Director of the Successor Agency to take all actions necessary to implement the Partial Assignment and Assumption Agreements and to execute such documents as are necessary to implement the Partial Assignment and Assumption Agreements.

Resolution No. 2016-
Page Two

PASSED AND ADOPTED by the City Council of the City of Marina acting as the Governing Board of the Successor Agency to the Redevelopment Agency of the City of Marina at a regular meeting duly held on the 7th day of June 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

IMPLEMENTATION AGREEMENT
REGARDING
THAT CERTAIN
OPTION AGREEMENT BY AND AMONG
THE REDEVELOPMENT AGENCY OF THE CITY OF MARINA,
THE CITY OF MARINA AND
CYPRESS MARINA HEIGHTS, LP
AND DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF MARINA AND
CYPRESS MARINA HEIGHTS, LP

This Implementation Agreement dated 10/11, 2007 is entered into by and among the Redevelopment Agency of the City of Marina, a public body, corporate and politic (the "Agency"), the City of Marina, a municipal corporation (the "City") and Cypress Marina Heights, LP, a California limited partnership ("Developer") in order to set forth the parties' understanding with regards to the implementation of that certain Option Agreement by and among the parties dated November 14, 2002 and that certain Development Agreement by and between the City and the Developer dated March 20, 2004.

RECITALS

A. The parties entered into that certain Option Agreement dated November 14, 2002 ("Option Agreement") which provided the Developer with the option to acquire certain property (the "Property") located in the City of Marina on the Former Fort Ord Army base under certain terms and conditions.

B. The City and the Developer entered into that certain Development Agreement dated March 20, 2004 pursuant to Government Code Section 65864 ("Development Agreement").

C. Upon acquisition of the Property by the Developer, the Developer is obligated to construct on the Property a residential development in accordance with the terms and conditions of the Option Agreement.

D. The Developer has met the terms of the Option Agreement with regards to the exercise of the Option and has acquired the Property. Developer has commenced construction on the Property for the portion of the Property identified as Phase 1 in the Subdivision Map for the Property and to date has installed the backbone infrastructure necessary for Phase 1.

E. Developer intends to proceed with the required construction on the Property in accordance with the terms of the Option Agreement and is using commercially reasonable efforts to complete the construction on the Property. Developer has determined that the Schedule of Benchmarks, incorporated into the Option Agreement as

Exhibit D and as Exhibit D of the Development Agreement and updated as a result of unavoidable delays pursuant to that certain Letter Agreement dated April 27, 2006, is not a commercially reasonable development schedule and is proposing an alternative development schedule in accordance with this Implementation Agreement.

F. The Agency and the City have determined that the approval of the schedule of benchmarks attached to this Implementation Agreement represents a commercially reasonable schedule for the development of the Property and is in accordance with the provisions of the Options Agreement and the Development Agreement requiring the Developer develop the property in accordance with the Schedule using commercially reasonable efforts.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Agency, the City and the Developer agree as follows:

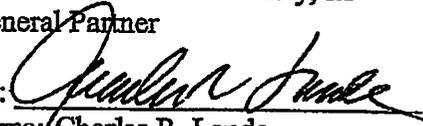
1. The Option Agreement is hereby revised to incorporate a new Exhibit D, Schedule of Benchmarks, in accordance with Exhibit A of this Implementation Agreement.
2. The Development Agreement is hereby revised to incorporate as new Exhibit D, Schedule of Benchmarks, in accordance with Exhibit A of this Implementation Agreement.
3. Effectiveness of Implementation Agreement. This Implementation Agreement is dated for convenience only and shall only become effective on the date which is the latest of (i) the date this Implementation Agreement is executed by the Developer, (ii) the date this Implementation Agreement is executed by the Agency and the City.
4. Counterparts. This Implementation Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.
5. No Other Changes, Consistency. Notwithstanding any changes and deletions contained herein, all other provisions of the Option Agreement and the Development Agreement remain the same. In the event of any conflict between the terms of the Option Agreement and this Implementation Agreement, the terms of this Implementation Agreement shall govern. In the event of any conflict between the terms of the Development Agreement and this Implementation Agreement, the terms of this Implementation Agreement shall govern.

IN WITNESS WHEREOF, authorized representatives of the Parties have duly executed this Implementation Agreement as of the day and year first above written.

DEVELOPER:

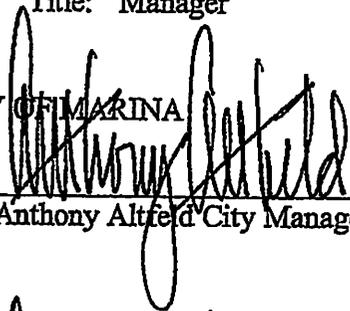
CYPRESS MARINA HEIGHTS, L.P.,
a California limited partnership

By: Chadmar/Watt Marina Partners LLC,
a California limited liability, its
General Partner

By: 
Name: Charles R. Lande
Title: Manager

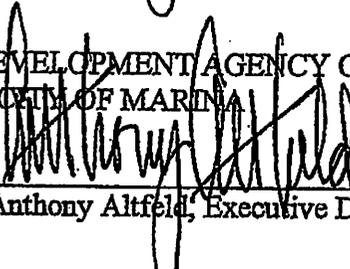
CITY:

CITY OF MARINA

By:  10-10-07
Anthony Altfeld, City Manager

AGENCY:

REDEVELOPMENT AGENCY OF
THE CITY OF MARINA

By:  10-10-07
Anthony Altfeld, Executive Director

APPROVED AS TO FORM:


Robert R. Wellington, City
Atty. & RDA Counsel

EXHIBIT A

Schedule of Benchmarks

- | | | |
|----|---|------------------|
| 1. | Receipt of Permits and Approvals and expiration of contest and appeal periods | Completed |
| 2. | Submission of Construction Plan Drawings for first phase of infrastructure | Completed |
| 3. | Submission of the financing plan for first phase of infrastructure | Completed |
| 4. | Close of Escrow | Completed |
| 5. | Development of Homes | |
| | 299 homes including
22 Workforce homes and
12 Moderate Income homes | January 31, 2011 |
| | 106 homes including
9 Bridge Homes | January 31, 2012 |
| | 106 homes including
9 Bridge Homes | January 31, 2013 |
| | 106 homes including
9 Bridge Homes | January 31, 2014 |
| | 106 homes including
9 Bridge Homes | January 31, 2015 |

106 homes including
9 Bridge Homes

January 31, 2016

106 homes including
9 Bridge Homes

January 31, 2017

106 homes including
9 Bridge Homes

January 31, 2018

28 homes including
9 Bridge Homes

January 31, 2019

June 7, 2016

Item No. **11f**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 3 , 2016

**DISCUSSION REGARDING DESIGN OF OPEN SPACE CORRIDOR
ALONG 9TH STREET BETWEEN SECOND AVENUE AND 5TH AVENUE.**

REQUEST:

It is requested that the City Council consider:

1. Providing direction to city staff regarding the design of the open space corridor along 9th street between 2nd avenue and 5th avenue.

BACKGROUND:

When the University Villages Specific Plan was adopted it envisioned a multi-modal transit corridor along 9th street extending from 1st avenue through 5th avenue, eventually connecting to Salinas. This corridor is approximately 42 feet wide.

When the city council shifted the multi-modal corridor from 9th street to Imjin Parkway, this opened up the approximately 42 foot wide right-of-way to an open space, multi-purpose trail for bicycles, pedestrians and equestrians. The University Villages Specific Plan calls for a conceptual multi-purpose trail along this location.

At a council meeting several months ago, a conceptual map showing possible locations for these trails and what they would look like was presented to the city council. Council gave direction to staff to coordinate with Marina Community Partners and and come back with a design for this corridor that included bike, pedestrian, and equestrian trails. Also of particular interest to the council were the curb crossings and direction was given to make sure they addressed safety considerations but also facilitated the easy crossing for the various, pedestrian, bike and equestrian users.

ANALYSIS:

Staff is working with Marina Community Partners on drawings with different design considerations. These are currently not completed but will be available at the City Council meeting.

FISCAL IMPACT:

None.

CONCLUSION:

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

Respectfully submitted,

Layne Long
City Manager
City of Marina

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of May 17, 2016

REQUEST FOR COUNCIL DIRECTION ON POTENTIAL REVISIONS TO ADMINISTRATIVE POLICIES AND PROCEDURES FOR BELOW MARKET RATE HOUSING AND WHETHER TO CONSIDER ACCEPTING AN IN LIEU PAYMENT FOR CERTAIN MODERATE INCOME HOUSING UNITS REQUIRED TO BE BUILT AS PART OF THE MARINA HEIGHTS DEVELOPMENT

RECOMMENDATION:

It is recommended that the City Council provide direction to staff on:

1. Whether to consider revisions to the Resident Selection Policies in the Below Market Rate Housing
2. Whether to explore accepting an in lieu fee in lieu of certain moderate income housing units at Marina Heights.

BACKGROUND:

At a regular meeting on October 6, 2006, the City Council approved Ordinance 2006-14 which added Chapter 17.45, Affordable Housing, to the Marina Municipal Code. This established the Below Market Rate (BMR) housing program, implementing a policy within the Housing Element of the General Plan adopted by Council in 2005. Section 17.45.110 states:

“This ordinance shall be administered in accordance with administrative policies and procedures adopted by the City Council and amended from time to time” refers to Administrative Policies and Procedures to implement the administration of the program. The administrative policies and procedures may address policies and procedures such as the process for random drawings and waiting lists to select renters and homebuyers, documentation of employment and residence eligibility, annual certification and monitoring, refinancing and resale procedures, and ongoing homeowner education requirements.”

In December 2007 the Council adopted Administrative Policies and Procedures applicable to the Below Market Rate Housing Program. These policies and procedures included a Resident Selection Plan that establishes preferences in 35% of all of the below market rate housing subject to the policy for

- People who work in Marina: defined as working 25 or more hours per week at a business or agency with a physical location within the city limits. (Sales people or consultants who do business in Marina, but whose employer does not have a physical location in Marina will not be considered as working in Marina.)
- Employees of public safety departments, including police, fire and public works employees of Monterey County government jurisdictions.

- Employees of public or private education facilities, including colleges and universities, located on the Monterey Peninsula.
- Employees of entities located on property known as “the former Fort Ord”
- Residents in Marina: defined as living at a specific address in the City of Marina for at least three (3) months prior to submitting a program application. Actual residency in Marina, not legal residency, is required. Those who simply have a post office box, park overnight or visit in the city are not considered residents.

These preferences were determined after careful consideration of both the policy goals of the City in promoting housing opportunities for a diverse segment of the population and State and Federal Fair Housing Laws that prohibit discrimination in housing to protected classes, including discrimination that results from neutral policies that have a discriminatory effect. In considering the preference priorities above, the Council considered the various policy goals, including creating a jobs/ housing balance in the community, reducing the environmental costs associated with commuting, the need for the City to have public safety personnel available in the event of a major disaster and the benefits to the community of having educators live in the community in which they work. The preference policies are only to apply to 35% of the below market rate units. Since the adoption of the BMR Administrative Policies and Procedures, few BMR units have been constructed as a result of the economic recession. The preferences listed above are applied at both Abrams B and Preston Park but the City does not maintain a wait list and so far has not fully implemented the preferences.

Now that development is restarting on several projects in the City that are slated to include below market rate housing, the Council may want to revisit the preferences in the BMR Policies and Procedures. Some of the same policy concerns that were addressed by the preferences set forth above in 2007 may still exist, but other may have changed.

In considering either reordering the priority for the preferences or changing any of the preferences, the Council needs to consider whether the implementation of any preference would result in a disparate impact on a protected class under Federal or State Fair Housing Laws. Both Federal and State Fair Housing Laws prohibit discrimination on the basis of race, color, national origin, religion, familial status and handicap. California laws also prohibit discrimination on the basis of source of income and marital status. Discrimination can be intentional or unintentional, and can come in many forms, e.g. zoning, steering, intimidation, and refusal to rent, sell, or lend. In addition, it is unlawful to make housing available on unlawfully discriminatory terms and conditions. Discriminatory intent is not necessary to show a violation of Fair Housing Laws and a seemingly neutral policy that impacts a protected group differently from others can be the basis for a Fair Housing Claim. If a disparate impact result from a governmental policy such as a preference for particular groups of people in the allocation of housing, the policy may not violate the Fair Housing Laws, if the government entity imposing the policy can show a legitimate governmental purpose for the policy and there is no less burdensome means of accomplishing that governmental purpose. Courts have considered whether certain preference policies, including preferences for local residents, violate Fair Housing Laws. A policy that favors residents of a particular community that results in a disparate impact generally has not withstood challenge if the sole justification for the policy is that the community wants to provide benefits to its own residents.

However, policies that express a legitimate public policy, such as ensuring that that public safety personnel are available in the event of a major disaster or a policy that reduces greenhouse gases by reducing commute times may further a legitimate governmental purpose. No courts to date have ruled on policies that provide preferences in order to further these types of governmental goals.

Many communities have adopted some form of local preferences and the preference policies in the BMR Administrative Policies and Procedures were adopted after looking at the policies that other jurisdictions had adopted. Many communities have or are considering adopting preferences for teachers or school employees in general in order to address the need for affordable housing in order to attract teachers to a community. The need for teacher housing has also been addressed by HUD which had at one time funded a program to provide down-payment assistance to teachers in certain communities. To date none of these teacher preference policies have been the subject of reported court cases. Other communities are also looking at preference policies that would grant some preference in affordable housing to city employees.

If the Council wants to consider revising the preferences in the BMR Administrative Policies and Procedures staff would recommend that the Council provide staff with direction to explore the feasibility of implementing the desired preferences, including analyzing the potential for any such policy to have a disparate impact on a protected class. Staff would then present recommendation to the Council based on the information available so that the Council can determine the best course of action in adopting revised preferences.

Marina Heights Moderate Income Units.

Cypress Marina Heights, the developer of Marina Heights, is moving forward with the commencement of construction of the residential units. Under the terms of the conditions of approval for the project, Cypress Marina Heights agreed to provide certain below market rate units. The below market rate units to be provided include 51 homes to be affordable to households at or below 120% of median income (“Moderate Income Homes”). In addition to the Moderate Income Homes, the developer is also required to provide homes that are affordable to households with incomes between 120% and 150% of median income and “Bridge Homes” designed to be affordable to households with incomes below 200% of median income.

The 51 Moderate Income Homes were required to meet both the City Housing Element policies with regards to affordable housing at the former Fort Ord as well as the Redevelopment Law requirements which require that a certain percentage of all housing units built in a redevelopment project area must be affordable to low and moderate income households. The majority of the units required by the Redevelopment Law are being met by the affordable units being provided at Abrams B and Preston Park, however, the 51 Moderate Income Homes required at Marina Heights are necessary to fully comply with both the Housing Element and the Redevelopment Law. Although the Redevelopment Agency was dissolved, the Redevelopment Plan remains in place and the provisions of the Redevelopment Law that require that a certain number of affordable housing units must be built in a project area remain in effect, although it is unclear how those provisions are expected to be implemented after dissolution of the redevelopment agency.

Cypress Marina Heights has indicated a willingness to consider payment of an in lieu fee to the City rather than constructing the Moderate Income Homes, depending upon what the fee would be. An in lieu fee could range anywhere from \$50,000 per unit to \$200,000 per unit or more depending upon the actual construction price of the affordable unit. Staff is requesting direction from the City Council on whether to enter into negotiations with Cypress Marina Heights on a potentially acceptable in lieu fee.

Payment of the in lieu fee rather than the construction of the Moderate Income Homes may provide the City with certain benefits. The 51 Moderate Income Homes, if constructed, will be subject to resale restrictions that will require that future sales of the homes be restricted to

moderate income households or that any proceeds of a sale to a household that is not a moderate income household be paid to the City. The resale restrictions may make sale of the homes more challenging, although the price differential on the homes from market rate homes may be sufficient for homeowners to be willing to buy the homes subject to the restrictions. The City will be required to administer the moderate income home sales including qualifying the initial homebuyers and then monitoring the homes over time. Affordable homeownership programs, in order to be successful, require a higher level of administrative attention than affordable rental programs. Currently, the City only has a couple of affordable homeownership units and the City does not have in place a system to provide the support necessary for the initial sale of the homes or the ongoing administration once the homes are sold. The agreement with the Marina Heights Developer does not include any fees to cover City costs associated with the administration of the sales of the homes, so if the Moderate Income Homes are built the City will be required to cover these costs from the general fund.

If a sufficient in lieu fee could be negotiated with the developer, it is possible that the City would have sufficient funds to provide a subsidy to an affordable rental development. The City funds could be used to leverage other State and federal funds, making such a development feasible. Whether the funds would be sufficient to ensure that the required affordable units are built is not currently known.

Staff is seeking direction from the Council on whether the Council wants to explore the in lieu fee option or continue to require that Cypress Marina Heights construct 51 Moderate Income Homes. If the Council wants to explore the in lieu fee option, Staff would proceed to negotiate the potential fee with the Developer and return to the Council with results of that negotiation.

FISCAL IMPACT:

There is no current fiscal impact, but construction of the Moderate Income Homes will result in the City incurring certain costs associated with the administration of the affordable homeownership program.

CONCLUSION:

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

Respectfully submitted,

Layne Long
City Manager
City of Marina