



AGENDA

Wednesday, September 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

VISION STATEMENT

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

MISSION STATEMENT

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

1. CALL TO ORDER



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

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

3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency Members) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*

- a. Conference with Legal Counsel Existing Litigation - (Paragraph (1) of subdivision (d) of Section 54956.9) Name of case: Choates v. City of Marina (Superior Court, County of Monterey Case No.: M131188)
- b. Conference with Legal Counsel - Anticipated Litigation – Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of CA Govt. Code Section 54956.9 – One Case
- c. Real Property Negotiations
 - (1) Property: 3240 Imjin Road, Hangar 510
Negotiating Party: Rick Wilcoxson, Driven Performance, LLC
Property Negotiator: City Manager
Terms: All terms and conditions
- d. Labor Negotiations
 - i. Marina Professional Firefighters Association
 - ii. Marina Public Safety Managers 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

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. Introduction of Fred Aegerter, Community Development Director
 - b. Proclamations
 - i. National Recovery Month
 - c. Certificates of Appreciation
 - i. Marina Fire Department - Soberanes Fire Strike and Station Backup Team
 - d. Marina Coast Water District Groundwater Sustainability Agency Presentation
 - e. Recreational Announcements
- 6. **SPECIAL ANNOUNCEMENTS AND COMMUNICATIONS FROM THE FLOOR:** *Any member of the Public or the City Council may make an announcement of special events or meetings of interest as information to Council and Public. Any member of the public may comment on any matter within the City Council’s jurisdiction which is not on the agenda. Please state your name for the record. Action will not be taken on an item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on a future agenda. City Council members or City staff may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of four (4) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the City Council.*

7. CONSENT AGENDA FOR THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Background information has been provided to the Successor Agency of the former Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda for Successor Agency to the former Marina Redevelopment Agency and placed at the end of Other Action Items Successor Agency to the former Marina Redevelopment Agency.*

8. CONSENT AGENDA: *Background information has been provided to the City Council, Airport Commission, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda and placed at the end of Other Action Items.*
 - a. ACCOUNTS PAYABLE:
 - (1) Accounts Payable Check Numbers 79656-79823, totaling \$791,844.77
Wire transfers from Checking and Payroll (June & July 2016) totaling:
\$3,468,563.53

 - b. MINUTES:
 - (1) August 16, 2016, Regular City Council Meeting
 - (2) August 29, 2016, Special City Council Meeting
 - (3) August 31, 2016, Adjourned Special City Council Meeting

 - c. CLAIMS AGAINST THE CITY: None

 - d. AWARD OF BID:

 - e. CALL FOR BIDS: None

 - f. ADOPTION OF RESOLUTIONS:
 - (1) City Council consider adopting Resolution No. 2016-, authorizing the Mayor to execute Letter of Support for inclusion to the National Endowment Application for a Planning Grant under the Arts “Our Town” Category in the amount of \$50,000 for the Arts Village located in the City of Marina subject to final review by the City Attorney.
 - (2) City Council consider adopting Resolution No. 2016-, approving Marina City Council request to transfer the land use related plans and functions of the Former Marina Redevelopment Agency.
 - (3) City Council consider adopting Resolution No. 2016-, supporting Senate Bill 270 Plastic Bag Ban.

 - g. APPROVAL OF AGREEMENTS:
 - (1) City Council consider adopting Resolution No. 2016-, authorizing the City Manager to execute a side letter agreement between the City of Marina and the Marina Public Safety Management 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.

- (2) City Council consider adopting Resolution No. 2016-, authorizing the City Manager to execute a side letter agreement between the City of Marina and the Department Directors Informal 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.
- (3) City Council consider adopting Resolution No. 2016-, approving Amendment No. 1 to the Communications Site Lease Agreement between the City of Marina and Sprint Spectrum Realty Company, LLC, of Overland Park, Kansas, for a lease term extension; and authorizing Finance Director to make necessary accounting and budgetary entries; and authorizing City Manager to execute Amendment No. 1 and related documents on behalf of the City, subject to final review and approval by City Attorney.
- (4) City Council consider adopting Resolution No. 2016-, authorizing City Manager to execute a Side Letter Agreement between the City of Marina and the Marina Professional Firefighter Association; 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:

- (1) City Council consider adopting Resolution No. 2016-, accepting Capital Improvement Program Projects, and; authorizing filing of Notice of Completion with Monterey County Recorder's Office.

i. MAPS: None

j. REPORTS: (RECEIVE AND FILE):

k. FUNDING & BUDGET MATTERS: None

l. APPROVE ORDINANCES (WAIVE SECOND READING): None

m. APPROVE APPOINTMENTS: None

9. PUBLIC HEARINGS: None

10. OTHER ACTIONS ITEMS OF THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Action listed for each Agenda item is that which is requested by staff. The Successor Agency may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

11. OTHER ACTION ITEMS: *Action listed for each Agenda item is that which is requested by staff. The City Council may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

Note: No additional major projects or programs should be undertaken without review of the impacts on existing priorities (Resolution No. 2006-79 – April 4, 2006).

- a. City Council consider adopting Resolution No. 2016-, approving the First Amendment to Operating Covenant and Agreement with Monterey Peninsula Hotels, LLC; and authorize the City Manager to execute amendment on behalf of the city subject to final review and approval by the City Attorney.

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 6:30 p.m., Friday, September 2, 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, September 20, 2016

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

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

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

** Regular Meeting rescheduled due to Monday Holiday

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

CITY HALL HOLIDAYS
(City Hall Closed)

Labor Day -----Monday, September 5, 2016
Veterans Day -----Friday, November 11, 2016
Thanksgiving Day ----- Thursday, November 24, 2016
Thanksgiving Break -----Friday, November 25, 2016
Winter Break -----Friday, December 23, 2016 –Monday, January 2, 2017

2016 COMMISSION DATES

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

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.

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.

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.

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



Proclamation

National Recovery Month September 2016

WHEREAS, reducing the impact of substance abuse and mental illness in our communities is essential and National Recovery Month is a platform to celebrate people in all forms of recovery to achieve a healthy lifestyle, both physically and emotionally; and

WHEREAS, National Recovery Month promotes the benefits of treatment for substance use and mental disorders, celebrates people in recovery, applauds the contributions of treatment and service providers, and promotes the message that recovery is possible; and

WHEREAS, National Recovery Month spreads a positive message that behavioral health is essential to overall health, that prevention works, treatment is effective, and people can and do recover; and

WHEREAS, National Recovery Month highlights the need to educate our community about how substance use disorders affect children, families, and all community members and the need to eliminate discrimination and the negative public attitudes so that those in need access treatment and those in recovery re-establish their place in the community; and

WHEREAS, addiction can destroy lives and weaken families and the City of Marina applauds organizations throughout Monterey County, such as Community Human Services, that provide residents of all ages with the tools and support to overcome these challenges and create lasting change in their lives;

WHEREAS, to help more people achieve and sustain long-term recovery, the U.S. Department of Health and Human Services (HHS), the Substance Abuse and Mental Health Services Administration (SAMHSA), the White House Office of National Drug Control Policy (ONDCP), Sun Street Centers and the City of Marina invite all residents of Marina to participate in *National Recovery Month September 2016*; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Marina does hereby proclaim the month of September 2016 as National Recovery Month and encourage individuals, parents, student, schools, and organizations throughout the County to support use treatment, promote healthy lifestyles, and make mental health services a county-wide priority so that more people seek out treatment services to achieve and sustain long-term recovery.

*Passed and Adopted
September 7, 2016*

Bruce C. Delgado
Mayor

Frank O'Connell
Mayor Pro Tem

David W. Brown
Council Member

Nancy Amadeo
Council Member

Gail Morton
Council Member



LIVE Marina, CA *LIVE*

AP Check Register 08-19-16

Bank Account: 024 - Accounts Payable ZBA
Batch Date: 08/19/2016

Agenda item 8a
City Council Meeting of
September 7, 2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	08/19/2016	79656 Accounts Payable	Access Monterey Peninsula		24,954.46
	Invoice	Date	Description		Amount
	06-30-16	08/12/2016	4th Qtr PEG		24,954.46
Check	08/19/2016	79657 Accounts Payable	Andon Laundrymat Service		63.35
	Invoice	Date	Description		Amount
	Invoice7	08/01/2016	Laundry Service		63.35
Check	08/19/2016	79658 Accounts Payable	Applied Best Practices, LLC		1,477.50
	Invoice	Date	Description		Amount
	22469	03/03/2016	2015 GO Consulting Service		1,477.50
Check	08/19/2016	79659 Accounts Payable	Aramark Uniform Service		171.51
	Invoice	Date	Description		Amount
	757517071	08/08/2016	Uniform Service - Public Works Crew		45.66
	757517072	08/08/2016	Uniform Service - Public Works Crew		38.01
	757517073	08/08/2016	Uniform Service - Public Works Crew		43.44
	757517070	08/08/2016	Uniform Service - Public Works Crew		44.40
Check	08/19/2016	79660 Accounts Payable	Avaya, Inc.		322.97
	Invoice	Date	Description		Amount
	2733722398	08/04/2016	CW - Phone System		322.97
Check	08/19/2016	79661 Accounts Payable	Bogner Sheet Metal		1,828.57
	Invoice	Date	Description		Amount
	12179	08/11/2016	Maintenace Svc - Marina Library		1,828.57
Check	08/19/2016	79662 Accounts Payable	California Municipal Statistics, Inc.		400.00
	Invoice	Date	Description		Amount
	16031104	03/11/2016	2015 GO Consulting Services		400.00
Check	08/19/2016	79663 Accounts Payable	Carmel Fire Protection Associates		350.00
	Invoice	Date	Description		Amount
	116316	07/31/2016	Plan check & Insepection for Shops at the Dunes #B & D		350.00
Check	08/19/2016	79664 Accounts Payable	Dyna Systems		308.76

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AP Check Register 08-19-16

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Batch Date: 08/19/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	23050744		08/04/2016	Veh - Maint & Repair	308.76
Check	08/19/2016	79665 Accounts Payable	Emergency Vehicle Specialists		335.48
	Invoice		Date	Description	Amount
	5858		08/11/2016	Unit 889 Electrical problems	335.48
Check	08/19/2016	79666 Accounts Payable	First Alarm		437.76
	Invoice		Date	Description	Amount
	935719		06/15/2016	Fire & Burglar Alarm Svc - CDD (07/01/16 -09/30/16)	121.62
	948514		08/15/2016	Burglar/Fire Alarm Service-Police/Storage 9/1-11/30/16	142.98
	948395		08/15/2016	Burglar/Fire Alarm Service-Police/Fire 9/1-11/30/16	173.16
Check	08/19/2016	79667 Accounts Payable	Fort Ord Reuse Authority		5,219.06
	Invoice		Date	Description	Amount
	Jul 2016		08/10/2016	Las Animas 50% Shared Rent	2,665.78
	Aug 2016		08/10/2016	Las Animas 50% Shared Rent	2,553.28
Check	08/19/2016	79668 Accounts Payable	Graniterock/Pavex Construction		65.22
	Invoice		Date	Description	Amount
	977832		08/06/2016	48" Wood - Comm Center Playground Project	65.22
Check	08/19/2016	79669 Accounts Payable	Kimley-Horn & Associates		7,903.04
	Invoice		Date	Description	Amount
	8198786		07/31/2016	CCIP R78 - TIA Dunes Update (0701/16 - 07/31/16)	7,903.04
Check	08/19/2016	79670 Accounts Payable	Kompan, Inc.		83,634.50
	Invoice		Date	Description	Amount
	02-26-16		02/26/2016	Community Center Playground Equipment	83,634.50
Check	08/19/2016	79671 Accounts Payable	LC Action		6,082.50
	Invoice		Date	Description	Amount
	343111		06/29/2016	Glock replacements	6,082.50
Check	08/19/2016	79672 Accounts Payable	Marina Coast Water District		4,047.15
	Invoice		Date	Description	Amount
	000056084 080516		08/05/2016	000056 084 - Ctr Med3172 Cres- Shuler (07/09/16 - 08/05/16)	21.07

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Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		000056034 080516	08/05/2016	000056 034 - 3240 DeForest, Windy Hill Pk (07/09/16 - 08/05/16)	440.43
		000056035 080516	08/05/2016	000056 035 - Cardoza/Res,Tate Park (07/09/16 - 08/05/16)	1,756.62
		000056086 080516	08/05/2016	000056 086 - Center Median 3208 Crescent (07/09/16 - 08/05/16)	21.07
		000056032 080516	08/05/2016	000056 032 - Cresc & Costa Mont Bay Est (07/09/16 - 08/05/16)	55.55
		000056085 080516	08/05/2016	000056 085 - Center Median 3192 Crescent (07/09/16 - 08/05/16)	21.07
		000056008 080516	08/05/2016	000056 008 - Reservation Rd & Del Monte (07/09/16 - 08/05/16)	21.07
		000056030 080516	08/05/2016	000056 030 - Ctr Med. Reserv, Ramada Inn (07/09/16 - 08/05/16)	34.00
		000056014 080516	08/05/2016	000056 014 - Vince DiMaggio 3200 Del Mont (07/09/16 - 08/05/16)	1,136.95
		000056011 080516	08/05/2016	000056 011 - Tate Park 3254 Del Monte (07/09/16 - 08/05/16)	380.49
		000056015 080516	08/05/2016	000056 015 - Cypress Cove II (07/09/16 - 08/05/16)	137.76
		000056087 080516	08/05/2016	000056 087 - Center Median 3218 Crescent (07/09/16 - 08/05/16)	21.07
Check	08/19/2016	79673 Accounts Payable	Monterey Auto Supply		111.10
		Invoice	Date	Description	Amount
		437289	08/15/2016	Veh - Maint Parts & Supply	64.25
		437297	08/15/2016	Veh - Maint Parts & Supply	12.67
		436864	08/12/2016	Veh - Maint Parts & Supply	34.18
Check	08/19/2016	79674 Accounts Payable	Monterey County - Emergency Communications		417,853.18
		Invoice	Date	Description	Amount
		07-18-16	08/11/2016	FY15/16 911 Dispatch Services 7/18/16	417,853.18
Check	08/19/2016	79675 Accounts Payable	Monterey County Convention & Visitors Bureau		29,247.57
		Invoice	Date	Description	Amount
		May 2016	08/12/2016	May 2016 TID	13,847.13
		Jun 2016	08/12/2016	Jun 2016 TID	15,400.44
Check	08/19/2016	79676 Accounts Payable	Monterey County Treasurer		500.00
		Invoice	Date	Description	Amount
		08-02-16	08/02/2016	July Parking Collection 8/2/16	500.00
Check	08/19/2016	79677 Accounts Payable	Monterey Regional Waste Management District		814.85
		Invoice	Date	Description	Amount
		07-31-16	07/31/2016	Citywide -Dump Fees	814.85

AP Check Register 08-19-16

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Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	08/19/2016	79678 Accounts Payable	Monterey Tire Service		44.54
	Invoice	Date	Description		Amount
	1 - 73074	08/12/2016	City Wide - Tires		44.54
Check	08/19/2016	79679 Accounts Payable	MP Express		134.27
	Invoice	Date	Description		Amount
	47240	05/03/2016	Parking Cite Envelopes		134.27
Check	08/19/2016	79680 Accounts Payable	Muniservices		4,020.00
	Invoice	Date	Description		Amount
	42282	06/30/2016	Business License Tax Admin		4,020.00
Check	08/19/2016	79681 Accounts Payable	Natividad Medical Center		93.00
	Invoice	Date	Description		Amount
	08-09-16	08/09/2016	Blood Alcohol Testing 8/9/16		93.00
Check	08/19/2016	79682 Accounts Payable	Pacific Gas & Electric		5,318.88
	Invoice	Date	Description		Amount
	085-2.AUG16	08/11/2016	PG&E - 5434906085-2 FY16/17		91.96
	582-7.AUG16	08/10/2016	PG&E - 8161432582-7 FY 16/17		131.46
	347-0.AUG16	08/10/2016	PG&E - 6258961347-0 FY 16/17		458.63
	098-7.AUG16	08/10/2016	PG&E - 6800558098-7 FY 16/17		1,300.52
	415-6.AUG16	08/10/2016	PG&E - 5972827415-6 FY 16/17		48.48
	943-2.AUG16	08/10/2016	PG&E - 6150212943-2 FY 16/17		70.02
	720-0.AUG16	08/11/2016	PG&E - 0167505720-0 FY16/17		431.19
	608-2.AUG16	08/11/2016	PG&E - 7383993608-2 FY 16/17		282.89
	290-2.AUG16	08/11/2016	PG&E - 4300583290-2 FY 16/17		9.80
	311-8.AUG16	08/11/2016	PG&E - 6513132311-8 FY 16/17		9.85
	562-0.AUG16	08/11/2016	PG&E - 4758891562-0 FY 16/17		1,200.15
	288-5.AUG16	08/11/2016	PG&E - 7175660288-5 FY 16/17		323.90
	612-5.AUG16	08/10/2016	PG&E - 3220008612-5 FY 16/17		243.38
	694-1.AUG16	08/11/2016	PG&E - 7269284694-1 FY16/17		589.27
	202-3.AUG16	08/11/2016	PG&E - 6594070202-3 FY16/17		83.12
	767-2.AUG16	08/11/2016	PG&E - 2652040767-2 FY16/17		44.26
Check	08/19/2016	79683 Accounts Payable	Peninsula Messenger LLC		120.00

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AP Check Register 08-19-16

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Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		121274	07/31/2016	Daily Deposit pick-up	120.00
Check	08/19/2016	79684 Accounts Payable	Pinnacle Healthcare		590.00
		Invoice	Date	Description	Amount
		4737601-30	07/12/2016	Annual Physical	20.00
		4774391-30	07/27/2016	Pinnacle Healthcare - Pre Emp Px	217.00
		4644431-40	06/01/2016	FBI Physical 6/1/16	353.00
Check	08/19/2016	79685 Accounts Payable	Quill Corporation		465.90
		Invoice	Date	Description	Amount
		7784369	07/28/2016	Quill - Office Supplies 7/28/16	20.53
		7836510	07/29/2016	Quill - Office Supplies 7/29/16	216.82
		7842957	08/01/2016	Quill - Office Supplies 8/1/16	228.55
Check	08/19/2016	79686 Accounts Payable	Richard B. Standridge		3,000.00
		Invoice	Date	Description	Amount
		16-17	08/19/2016	Services Rendered 08/19-08/16/16	3,000.00
Check	08/19/2016	79687 Accounts Payable	Robert R. Wellington		155.00
		Invoice	Date	Description	Amount
		23617	08/01/2016	The Dunes - May 2016	27.00
		23653	08/04/2016	The Dunes - June 2016	128.00
Check	08/19/2016	79688 Accounts Payable	Salinas Valley Pro Squad		2,183.15
		Invoice	Date	Description	Amount
		269904	07/20/2016	Uniform items	49.87
		268445	06/01/2016	Uniforms - Filice	617.37
		268589	06/03/2016	Uniform - McMahon	407.91
		268806	06/10/2016	Balistic Vest	977.16
		268849	06/13/2016	Uniform - VIPS Rice	65.42
		269245	06/27/2016	Uniform - VIPS Moreno	65.42
Check	08/19/2016	79689 Accounts Payable	Shred-it USA		100.33
		Invoice	Date	Description	Amount
		9411799712	08/03/2016	Shredding Service 8/3/16	100.33

LIVE Marina, CA *LIVE*

AP Check Register 08-19-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/19/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	08/19/2016	79690 Accounts Payable	Sierra Springs & Alhambra		94.96
	Invoice	Date	Description		Amount
		9696351080616	08/06/2016	CDD - Sierra Spring - Water Svc - Corp Yard	94.96
Check	08/19/2016	79691 Accounts Payable	TechRx Technology Services		576.92
	Invoice	Date	Description		Amount
		6348	07/31/2016	Installation&Conifguration of lightbeam/Police/Airport 7/31/16	576.92
Check	08/19/2016	79692 Accounts Payable	Teri Black & Company		8,150.41
	Invoice	Date	Description		Amount
		16-0812-80	08/12/2016	Community Development Recruitment - Final - Jan-June 2016	8,150.41
Check	08/19/2016	79693 Accounts Payable	Toshiba Financial Services		372.59
	Invoice	Date	Description		Amount
		310067525	07/28/2016	Copier Maintenance/Patrol 7/28/16	372.59
Check	08/19/2016	79694 Accounts Payable	Tyler Technologies, Inc.		32.40
	Invoice	Date	Description		Amount
		050441	06/27/2016	Tyler Technologies - Travel (Doinidis 6/18/16)	32.40
Check	08/19/2016	79695 Accounts Payable	Rabobank Visa Card Cardmember Service		2,229.70
	Invoice	Date	Description		Amount
		07-27-16	07/27/2016	Visa - Comm Dev Dept (Stmt 07/27/16)	2,229.70
Check	08/19/2016	79696 Accounts Payable	Williams Roofing		110.02
	Invoice	Date	Description		Amount
		2016-437	08/15/2016	Refund - 3055 Otto Drive	110.02
Check	08/19/2016	79697 Accounts Payable	AFLAC - Attn.:Remittance Process		2,626.68
	Invoice	Date	Description		Amount
		08-12-16	08/12/2016	71 - AFLAC Cancer Post-Tax*	2,626.68
Check	08/19/2016	79698 Accounts Payable	Discovery Benefits, Inc.		184.04
	Invoice	Date	Description		Amount
		08-12-16	08/12/2016	94 - Medical Care FSA	121.54
		07-31-16	07/31/2016	Admin Fee (07/2016)	62.50
Check	08/19/2016	79699 Accounts Payable	ICMA Retirement Trust		7,092.00

LIVE Marina, CA *LIVE*

AP Check Register 08-19-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/19/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	13 - ICMA 457 \$	7,092.00
Check	08/19/2016	79700 Accounts Payable	Marina Employees Association		140.00
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	24 - MEA Dues	140.00
Check	08/19/2016	79701 Accounts Payable	Marina Police Association-MPOA		260.00
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	23 - MPOA Dues	260.00
Check	08/19/2016	79702 Accounts Payable	Marina Professional Fire Fighters Association		200.00
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	35 - MPFFA Dues	200.00
Check	08/19/2016	79703 Accounts Payable	Marina Public Safety Management Association		100.00
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	19 - MPSMA Dues	100.00
Check	08/19/2016	79704 Accounts Payable	Nationwide Retirement		1,521.85
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	10 - Nationwide 457 %*	1,521.85
Check	08/19/2016	79705 Accounts Payable	Police Officers Association - POA		1,404.00
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	25 - POA Dues	1,404.00
Check	08/19/2016	79706 Accounts Payable	Pre-Paid Legal Services		26.90
	Invoice		Date	Description	Amount
	08-12-16		08/12/2016	14 - Prepaid Legal \$	26.90
Check	08/19/2016	79707 Accounts Payable	Premier Access Insurance		3,962.99
	Invoice		Date	Description	Amount
	08-01-16		08/01/2016	101 - Dental EE+1*	5,349.38
	08-01-16.		08/01/2016	Dental Claim (08-2016)	(1,386.39)

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AP Check Register 08-19-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/19/2016

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
024 Accounts Payable ZBA Totals:				Transactions: 52		\$631,439.06
		Checks:	52	\$631,439.06		

AP Check Register 08-26-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/26/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	08/26/2016	79708 Accounts Payable	Ace Hardware		43.91
	Invoice		Date	Description	Amount
		059750	08/15/2016	Razor and Goo Gel to clean window	9.21
		059716	08/10/2016	Hex Bushings & Nipple Galv for Engine 5413	13.01
		059711	08/10/2016	Nipple Galv & Elbow Glv for Engine 5413	21.69
Check	08/26/2016	79709 Accounts Payable	Ace Hardware		79.22
	Invoice		Date	Description	Amount
		059395	07/14/2016	supplies for youth center	33.62
		059570	07/30/2016	propane	45.60
Check	08/26/2016	79710 Accounts Payable	Ace Hardware		68.89
	Invoice		Date	Description	Amount
		059773	08/16/2016	Bldg Maint & Repair	1.08
		059772	08/16/2016	Bldg Maint & Repair	7.59
		059771	08/16/2016	Bldg Maint & Repair	35.26
		059778	08/17/2016	Bungee Cord - Unit 599	6.50
		059807	08/18/2016	Thermostat - TC	18.46
Check	08/26/2016	79711 Accounts Payable	Allstar Fire Equipment Inc.		158.30
	Invoice		Date	Description	Amount
		191794	07/29/2016	8 True North Hose Clamp Pouch	158.30
Check	08/26/2016	79712 Accounts Payable	American Supply Co.		918.32
	Invoice		Date	Description	Amount
		2736796	08/17/2016	Cleaning Supplies	918.32
Check	08/26/2016	79713 Accounts Payable	Carmel Fire Protection Associates		1,050.00
	Invoice		Date	Description	Amount
		116320	08/07/2016	Plan Check & Inspection for Toun Ray Restaurant, 330 Reservation	350.00
		116325	08/07/2016	Plan check and Inspection at Poke House, 266 Reservation	350.00
		116328	08/07/2016	Plan check and inspection for 612 Bayonet	350.00
Check	08/26/2016	79714 Accounts Payable	Coast Counties Glass, Inc		1,348.00
	Invoice		Date	Description	Amount

LIVE Marina, CA *LIVE*

AP Check Register 08-26-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/26/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		30231	02/09/2016	Airport_Replace Door at Firestation, B514	1,348.00
Check	08/26/2016	79715 Accounts Payable	Collins Electric Co.		195.00
	Invoice		Date	Description	Amount
		90826	08/02/2016	Locke Paddpn Outisde Pole	195.00
Check	08/26/2016	79716 Accounts Payable	Comcast		168.96
	Invoice		Date	Description	Amount
		08-14-16	08/14/2016	Teen Center cable & internet	168.96
Check	08/26/2016	79717 Accounts Payable	Commercial Truck Company		26.80
	Invoice		Date	Description	Amount
		1008935	08/15/2016	Veh - Maint & Repair - Unit 5431	26.80
Check	08/26/2016	79718 Accounts Payable	Emergency Vehicle Specialists		494.50
	Invoice		Date	Description	Amount
		5884	08/17/2016	Stico Stealth VHF Antenna	494.50
Check	08/26/2016	79719 Accounts Payable	Ewing		75.19
	Invoice		Date	Description	Amount
		1988970	08/10/2016	Rainbird QVC	75.19
Check	08/26/2016	79720 Accounts Payable	Farmer Brothers Co.		99.64
	Invoice		Date	Description	Amount
		64335131 SO	08/11/2016	City Hall Coffee Supplies	99.64
Check	08/26/2016	79721 Accounts Payable	Ferrara Fire Apparatus		105.91
	Invoice		Date	Description	Amount
		00000W78186	08/09/2016	Isolator	105.91
Check	08/26/2016	79722 Accounts Payable	First Alarm		268.32
	Invoice		Date	Description	Amount
		948462	08/15/2016	City Hall Alarm Monitoring - Sept-Nov 2016	89.97
		946139	08/15/2016	Vince DiMaggio Park Alarm Monitoring - Sept-Nov 2016	178.35
Check	08/26/2016	79723 Accounts Payable	Fox Welding Metal Fabricators		3,896.51
	Invoice		Date	Description	Amount

LIVE Marina, CA *LIVE*

AP Check Register 08-26-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/26/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		1713	04/26/2016	Fabricate & install aluminum box on fire engines	3,896.51
Check	08/26/2016	79724 Accounts Payable	Goodwin Consulting Group		2,487.50
		Invoice	Date	Description	Amount
		8593	08/19/2016	CFD Tax Admin	2,487.50
Check	08/26/2016	79725 Accounts Payable	Graniterock/Pavex Construction		55.52
		Invoice	Date	Description	Amount
		979236	08/13/2016	Community Center Plaground Project	55.52
Check	08/26/2016	79726 Accounts Payable	Hayon Inc,		100.00
		Invoice	Date	Description	Amount
		08222016	08/22/2016	Car wash July 2016	100.00
Check	08/26/2016	79727 Accounts Payable	Marina Coast Water District		1,608.23
		Invoice	Date	Description	Amount
		000056021 081216	08/12/2016	000056 021 - Ctr Med Res Rd - Post Office (07/16/16 - 08/12/16)	34.00
		000056020 081216	08/12/2016	000056 020 304 Hillcrest Ave, Teen Ctr (07/16/16 - 08/12/16)	77.81
		000056017 081216	08/12/2016	000056 017 - 208 A Palm Ave, Fire Station (07/16/16 - 08/12/16)	58.95
		000056022 081216	08/12/2016	000056 022 - Ctr Median & Row Del Monte (07/16/16 - 08/12/16)	41.86
		000056016 081216	08/12/2016	000056 016 - Ctr Med Reserv & Seac (07/16/16 - 08/12/16)	34.00
		000056001 081216	08/12/2016	000056 001 - 209-13 Cypress (07/16/16 - 08/12/16)	93.81
		000056024 081216	08/12/2016	000056 024 - Ctr Median Del Monte/Palm (07/16/16 - 08/12/16)	84.03
		000056018 081216	08/12/2016	000056 018 - 208 Palm Ave, Fire Station (07/16/16 - 08/12/16)	120.43
		000056019 081216	08/12/2016	000056 019 - 213 Hillcrest Ave, Comm Ctr (07/16/16 - 08/12/16)	794.47
		000056005 081216	08/12/2016	000056 005 - Calif and Patton (07/16/16 - 08/12/16)	81.41
		000056026 081216	08/12/2016	000056 026 - ROW Barrett Lane (07/16/16 - 08/12/16)	21.07
		000056027 081216	08/12/2016	000056 027 - Center Median & ROW Calif Ave (07/16/16 - 08/12/16)	39.24
		000056007 081216	08/12/2016	000056 007 California Ave Landscape (07/16/16 - 08/12/16)	81.41
		000056025 081216	08/12/2016	000056 025 - 327 Reindollar, LA Sports Comp (07/16/16 - 08/12/16)	45.74
Check	08/26/2016	79728 Accounts Payable	Marina Grocery Outlet		868.56
		Invoice	Date	Description	Amount
		08-02-16 tc	08/02/2016	Teen Center Purchases	7.98
		07-23-16 con	07/23/2016	Concessions	397.49
		07-23-16 tcb	07/23/2016	Teen Breakfast Club Purchases	37.73

LIVE Marina, CA *LIVE*

AP Check Register 08-26-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/26/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	07-28-16	tcb	07/28/2016	Teen Breakfast Club Purchases	19.96
	08-01-16	tcb	08/01/2016	Teen Breakfast Club Purchases	19.96
	08-02-16	tcb	08/02/2016	Teen Breakfast Club Purchases	6.68
	07-06-16	sc	07/06/2016	Senior Center Purchases	19.32
	07-07-16	sc	07/07/2016	Senior Center Purchases	105.63
	07-12-16	sc	07/12/2016	Senior Center Purchases	18.45
	07-13-16	sc	07/13/2016	Senior Center Purchases	34.15
	07-21-16	sc	07/21/2016	Senior Center Purchases	19.04
	07-23-16	sc	07/23/2016	Senior Center Purchases	24.15
	07-26-16	sc	07/26/2016	Senior Center Purchases	68.96
	07-28-16	sc	07/28/2016	Senior Center Purchases	89.06
Check	08/26/2016	79729 Accounts Payable	Monterey Chapter International Code Council		135.00
	Invoice		Date	Description	Amount
		3104129	07/28/2016	Annual Membership Dues - D Paolini	135.00
Check	08/26/2016	79730 Accounts Payable	Monterey Auto Supply		33.87
	Invoice		Date	Description	Amount
		437794	08/16/2016	Veh - Maint Parts & Supply	33.87
Check	08/26/2016	79731 Accounts Payable	Monterey Bay Systems		532.22
	Invoice		Date	Description	Amount
		281005	08/11/2016	City Hall Copier Maintenance Contract	532.22
Check	08/26/2016	79732 Accounts Payable	Monterey Tire Service		2,515.86
	Invoice		Date	Description	Amount
		1 - 72928	08/10/2016	City Wide - Tires	1,964.91
		1 - 73100	08/15/2016	Tires - Unit 889	550.95
Check	08/26/2016	79733 Accounts Payable	Mountain Mikes Pizza		422.08
	Invoice		Date	Description	Amount
		08-05-16	08/05/2016	Pizza for Teen Center	187.83
		08-06-16	08/06/2016	Pizza for Teen Center	95.00
		08-12-16	08/12/2016	Pizza for Teen Center	139.25
Check	08/26/2016	79734 Accounts Payable	Muniservices		2,870.00

LIVE Marina, CA *LIVE*

AP Check Register 08-26-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/26/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		42548	08/19/2016	Business License Tax Admin	2,870.00
Check	08/26/2016	79735 Accounts Payable	Newton Bros. Tire & Auto		70.00
		Invoice	Date	Description	Amount
		188212	08/11/2016	Tires	70.00
Check	08/26/2016	79736 Accounts Payable	Frank O'Connell		301.00
		Invoice	Date	Description	Amount
		08-16-16	08/16/2016	Candidate Filing Fee Refund	301.00
Check	08/26/2016	79737 Accounts Payable	Office Depot		50.64
		Invoice	Date	Description	Amount
		856603757-001	08/11/2016	Office Supplies	50.64
Check	08/26/2016	79738 Accounts Payable	Pacific Gas & Electric		490.26
		Invoice	Date	Description	Amount
		535-3.AUG16	08/14/2016	PG&E - 6161832535-3 FY16/17	179.64
		148-6.AUG16	08/15/2016	PG&E - 5593414148-6 FY16/17	210.37
		827-8.AUG16	08/14/2016	PG&E - 0423929827-8 FY16/17	100.25
Check	08/26/2016	79739 Accounts Payable	Pinnacle Healthcare		192.00
		Invoice	Date	Description	Amount
		4792401-30	08/03/2016	Pinnacle Healthcare - Pre Emp Px	192.00
Check	08/26/2016	79740 Accounts Payable	Rental Depot		441.45
		Invoice	Date	Description	Amount
		211558-1	08/18/2016	Box Scraper 60" - Comm Ctr Playground Proj	441.45
Check	08/26/2016	79741 Accounts Payable	Salinas Valley Ford		193.01
		Invoice	Date	Description	Amount
		96282FOW	08/12/2016	Seat Belt Asy - Unit 878	193.01
Check	08/26/2016	79742 Accounts Payable	Shell Fleet Plus - Processing Center		46.80
		Invoice	Date	Description	Amount
		0000000079239935	08/05/2016	Fuel - Sobrantes Fire	46.80
Check	08/26/2016	79743 Accounts Payable	TechRx Technology Services		576.92

AP Check Register 08-26-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 08/26/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	6346		07/31/2016	Installation and config of lightbeam at Airport Station	576.92
Check	08/26/2016	79744 Accounts Payable	Toshiba Financial Services		677.22
	Invoice		Date	Description	Amount
	310523667		08/04/2016	Toshiba Copier monthly fees	677.22
Check	08/26/2016	79745 Accounts Payable	Tri County Fire Protection		402.66
	Invoice		Date	Description	Amount
	HP 40391		08/12/2016	Bldg Maint & Repair - Fire Extinguisher Svc - 211 Hillcrest	174.55
	HP 40552		08/15/2016	Bldg Maint & Repair - Fire Extinguisher Svc - Com Ctr	228.11
Check	08/26/2016	79746 Accounts Payable	Tyler Technologies, Inc.		11,300.00
	Invoice		Date	Description	Amount
	050519		06/30/2016	Tyler Technologies - Services (Project Closure)	11,300.00
Check	08/26/2016	79747 Accounts Payable	United Parcel Service		5.55
	Invoice		Date	Description	Amount
	00008Y4481326		08/06/2016	UPS Shipping fees	5.55
Check	08/26/2016	79748 Accounts Payable	Verizon Wireless		448.58
	Invoice		Date	Description	Amount
	9770095097		08/10/2016	Monthly Verizon Bill-308174766	448.58
Check	08/26/2016	79749 Accounts Payable	Rabobank Visa Card Cardmember Service		850.49
	Invoice		Date	Description	Amount
	07-27-16 1		07/27/2016	VISA Recreation	850.49
Check	08/26/2016	79750 Accounts Payable	Zee Service Co.		47.93
	Invoice		Date	Description	Amount
	66606696		07/08/2016	medical supplies	47.93
024 Accounts Payable ZBA Totals:			Transactions: 43		\$36,720.82
	Checks:	43	\$36,720.82		

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	09/02/2016	79751 Accounts Payable	Ace Hardware		24.94
	Invoice	Date	Description		Amount
	059714	08/10/2016	Key double, cut nickel		6.50
	059839	08/22/2016	Masking tape, spray paint and car adapter		18.44
Check	09/02/2016	79752 Accounts Payable	Ace Hardware		27.11
	Invoice	Date	Description		Amount
	059752	08/15/2016	Tape, scissors, etc. 8/15/16		27.11
Check	09/02/2016	79753 Accounts Payable	Ace Hardware		147.62
	Invoice	Date	Description		Amount
	059805	08/18/2016	Valve Repair Slone		54.29
	059786	08/17/2016	Bldg Maint & Repair - Teen Center		31.48
	059877	08/24/2016	Msk Tape - PS Bkldg		43.41
	059899	08/25/2016	Bldg Mainr & Repair		3.25
	059908	08/25/2016	Bldg Maint & Repair- Teen Center		15.19
Check	09/02/2016	79754 Accounts Payable	Advantage GSE, Inc.		3,001.60
	Invoice	Date	Description		Amount
	1753	08/18/2016	Lektro Tug Purchase_Replacement Batteries, Straps, Keys		3,001.60
Check	09/02/2016	79755 Accounts Payable	Altius Medical		165.02
	Invoice	Date	Description		Amount
	6996	08/08/2016	Medical/Biohazard Waste Disposal - 8/8/16		165.02
Check	09/02/2016	79756 Accounts Payable	Aramark Uniform Service		171.51
	Invoice	Date	Description		Amount
	757540851	08/22/2016	Uniform Service - Public Works Crew		44.40
	757540852	08/22/2016	Uniform Service - Public Works Crew		45.66
	757540853	08/22/2016	Uniform Service - Public Works Crew		38.01
	757540854	08/22/2016	Uniform Service - Public Works Crew		43.44
Check	09/02/2016	79757 Accounts Payable	AT & T		150.22
	Invoice	Date	Description		Amount
	08-14-16	08/14/2016	Alarm, EOC & PEBST Equipment 8/14/16		150.22

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/02/2016	79758 Accounts Payable	AT & T		623.75
	Invoice		Date	Description	Amount
		000008454556	08/13/2016	CALNET3-9391023434 (243-343-4982)	165.95
		000008479954	08/15/2016	CALNET3-9391023435 (237-267-6922)	43.16
		000008454519	08/13/2016	CALNET3-9391023436 (239-461-6578)	70.05
		000008479919	08/15/2016	CALNET3-9391023478 (883-0141)	39.78
		000008479920	08/15/2016	CALNET3-9391023479 (883-0919)	20.37
		000008479922	08/15/2016	CALNET3-9391023480 (883-9669)	66.38
		000008479923	08/15/2016	CALNET3-9391023482 (884-0985)	20.21
		000008479924	08/15/2016	CALNET3-9391023483 (884-0986)	20.21
		000008479925	08/15/2016	CALNET3-9391023485 (884-2573)	21.02
		000008479926	08/15/2016	CALNET3-9391023486 (884-9153)	20.21
		000008479927	08/15/2016	CALNET3-9391023487 (884-9497)	20.21
		000008479930	08/15/2016	CALNET3-9391023490 (884-9568)	36.99
		000008479931	08/15/2016	CALNET3-9391023491 (884-9654)	79.21
Check	09/02/2016	79759 Accounts Payable	Octavio Barocio		270.90
	Invoice		Date	Description	Amount
		08-16-16	08/16/2016	Tuition Reimbursement-O.Barocio/Spring 8/16/16	270.90
Check	09/02/2016	79760 Accounts Payable	Blueglobes LLC		375.90
	Invoice		Date	Description	Amount
		OAR-23083	08/16/2016	Control Boards for Runway Lighting Control Unit	375.90
Check	09/02/2016	79761 Accounts Payable	Bound Tree Medical		4,799.48
	Invoice		Date	Description	Amount
		82234321	08/09/2016	Medical Supplies	4,620.70
		82246547	08/22/2016	Medical Supplies	178.78
Check	09/02/2016	79762 Accounts Payable	Branch's Janitorial		1,960.00
	Invoice		Date	Description	Amount
		225821	08/22/2016	Janitorial Service/August 2016	1,960.00
Check	09/02/2016	79763 Accounts Payable	Carmel Fire Protection Associates		700.00
	Invoice		Date	Description	Amount
		116336	08/14/2016	Plan check for Menchie's TI	350.00

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		116337	08/21/2016	Plan check & Inspection for Deli Delicious TI	350.00
Check	09/02/2016	79764 Accounts Payable	Chaz Design		360.10
		Invoice	Date	Description	Amount
		2370	08/25/2016	East Field Office Sign	360.10
Check	09/02/2016	79765 Accounts Payable	Chevron		408.80
		Invoice	Date	Description	Amount
		48229322	08/22/2016	Chevron Billing 7/22 thru 8/21/16	408.80
Check	09/02/2016	79766 Accounts Payable	Cintas Corporation		60.53
		Invoice	Date	Description	Amount
		630161862	08/22/2016	Mat Service-Police/Fire 8/22/16	60.53
Check	09/02/2016	79767 Accounts Payable	City Of Seaside		3,000.00
		Invoice	Date	Description	Amount
		201608229477	08/22/2016	FY16/17 PRVNT Annual Contribution 8/22/16	3,000.00
Check	09/02/2016	79768 Accounts Payable	Community Human Services		10,000.00
		Invoice	Date	Description	Amount
		08-22-16	08/22/2016	FY 2016-2017 Annual JPA Allocation	10,000.00
Check	09/02/2016	79769 Accounts Payable	Consolidated Electrical Distributors, Inc.		73.71
		Invoice	Date	Description	Amount
		4914-550698	08/23/2016	Bldg Maint & Repair - Teen Center	73.71
Check	09/02/2016	79770 Accounts Payable	Covanta Stanislaus		256.10
		Invoice	Date	Description	Amount
		062375STANI	07/12/2016	Evidence Disposal 7/12/16	256.10
Check	09/02/2016	79771 Accounts Payable	CSG Consultants		10,815.78
		Invoice	Date	Description	Amount
		B160539	08/01/2016	Plan Check Services (07/01/16 - 07/31/16)	10,815.78
Check	09/02/2016	79772 Accounts Payable	Cypress Coast Ford Lincoln		125.00
		Invoice	Date	Description	Amount
		317120	08/19/2016	VEh - Maint & Repair	125.00

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/02/2016	79773 Accounts Payable	Dave's Repair Service		80.00
	Invoice	Date	Description		Amount
	24198	08/05/2016	Monthly Site Inspections		80.00
Check	09/02/2016	79774 Accounts Payable	Epic Aviation		15,325.10
	Invoice	Date	Description		Amount
	6893818	08/22/2016	Airport_Jet A Fuel Purchase		15,325.10
Check	09/02/2016	79775 Accounts Payable	Farmer Brothers Co.		64.25
	Invoice	Date	Description		Amount
	64335130	08/11/2016	(1) Box Decaf Coffee 8/11/16		64.25
Check	09/02/2016	79776 Accounts Payable	FedEx		212.66
	Invoice	Date	Description		Amount
	5-510-78706	08/12/2016	Shipment to FAA		36.80
	5-519-61505	08/19/2016	Postage/Shipping (3) Patrol 8/19/16		175.86
Check	09/02/2016	79777 Accounts Payable	Roberto Filice		266.00
	Invoice	Date	Description		Amount
	09-11-16	08/09/2016	Per Diem		266.00
Check	09/02/2016	79778 Accounts Payable	Firefighter Inspiration Readiness & Education		7,950.00
	Invoice	Date	Description		Amount
	Marina0816	08/29/2016	Team Building Workshop for Fire Dept		7,950.00
Check	09/02/2016	79779 Accounts Payable	Goldfarb & Lipman		4,606.60
	Invoice	Date	Description		Amount
	120448	08/16/2016	Marina Heights - July 2016		2,808.00
	120449	08/16/2016	The Dunes - July 2016		1,746.60
	120450	08/16/2016	Cypress Knolls - July 2016		52.00
Check	09/02/2016	79780 Accounts Payable	Home Depot Credit Service		87.34
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	12 inch Bag, 22 pc 1/2 Tool Bag & 10 pc Metric - Comm Ctr Playg		87.34
Check	09/02/2016	79781 Accounts Payable	Keyser Marston Associates		2,250.00

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	0029997		08/08/2016	Successor Agency Services	2,250.00
Check	09/02/2016	79782 Accounts Payable	L.N. Curtis & Sons		176.58
	Invoice		Date	Description	Amount
	INV45920		08/17/2016	Purification filter and moisture kit	176.58
Check	09/02/2016	79783 Accounts Payable	LSA Associates, Inc.		6,258.75
	Invoice		Date	Description	Amount
	147680		08/17/2016	Airport Business Park Specific Plan Consultants	6,258.75
Check	09/02/2016	79784 Accounts Payable	Marina Coast Water District		494.80
	Invoice		Date	Description	Amount
	000056061 081916		08/19/2016	000056 061 - Seaside and Reservation (07/23/16 - 08/19/16)	68.65
	000056040 081916		08/19/2016	000056 040 - Center Median Hilo Ave (07/23/16 - 08/19/16)	108.59
	000056006 081916		08/19/2016	000056 006 188 Seaside Cir (07/23/16 - 08/19/16)	36.62
	000056028 081916		08/19/2016	000056 028 - ROW Calif Ave and Jerry (07/23/16 - 08/19/16)	54.96
	000056042 081916		08/19/2016	000056 042 - 3040 Lake Dr, Animal Shelter (07/23/16 - 08/19/16)	102.37
	012016000 081916		08/19/2016	012016 000 - 199 Paddon Pl Locke Paddon (07/23/16 - 08/19/16)	116.21
	000056090 081916		08/19/2016	000056 090 Locke Paddon Park (08/16/16 - 08/19/16)	7.40
Check	09/02/2016	79785 Accounts Payable	Microsoft		1,677.74
	Invoice		Date	Description	Amount
	E07002LN8H		08/11/2016	Citywide Microsoft Office - August 2016	708.97
	E07002LNM8		08/11/2016	Citywide Microsoft Office - August 2016	13.50
	E07002OO4		08/11/2016	Citywide Microsoft Office - August 2016	955.27
Check	09/02/2016	79786 Accounts Payable	Monterey Auto Supply		120.93
	Invoice		Date	Description	Amount
	438964		08/22/2016	Veh - Maint Parts & Supply	55.89
	439641		08/25/2016	Veh - Maint Parts & Supply - Uniit 605	45.81
	439423		08/24/2016	Veh - Maint Parts & Supply	19.23
Check	09/02/2016	79787 Accounts Payable	Monterey Tire Service		177.27
	Invoice		Date	Description	Amount
	1 - 73211		08/22/2016	City Wide - Tires	177.27

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/02/2016	79788 Accounts Payable	MRWPCA		299.70
	Invoice		Date	Description	Amount
		13-000148_070116	07/31/2016	Sewer Service, B520	21.50
		13-000149-070116	07/31/2016	Sewer Service, B521	15.80
		13-000153_070116	07/31/2016	Sewer Service, B529	15.80
		13-000157_070116	07/31/2016	Sewer Service, B533	86.00
		13-000158_070116	07/31/2016	Sewer Service, B535	21.50
		13-000159_070116	07/31/2016	Sewer Service, B524	101.80
		13-000145_070116	07/31/2016	Sewer Service, B514	21.50
		13-000152_070116	07/31/2016	Sewer Service, B527	15.80
Check	09/02/2016	79789 Accounts Payable	Office Depot		153.65
	Invoice		Date	Description	Amount
		858015937001	08/16/2016	Computer Paper for Airport Fuel Farm	86.88
		858768487002	08/23/2016	Office Supplies	5.36
		858768487001	08/22/2016	Office Supplies	61.41
Check	09/02/2016	79790 Accounts Payable	Office Depot		407.88
	Invoice		Date	Description	Amount
		856483003001	08/11/2016	Copier Toner-Admin (4) 8/11/16	407.88
Check	09/02/2016	79791 Accounts Payable	Pacific Gas & Electric		15,105.19
	Invoice		Date	Description	Amount
		851-0.AUG16	08/16/2016	PG&E - 3440977851-0	186.92
		809-3.AUG16	08/10/2016	Utilities_B510	495.10
		272-1.AUG16	08/18/2016	PG&E - 2862559272-1	37.95
		172-2.AUG16	08/19/2016	PG&E - 5618207172-2	556.11
		362-9.AUG16	08/19/2016	PG&E - 5996678362-9	107.82
		483-6.AUG16	08/29/2016	PG&E - 3982644483-6	12,379.90
		380.3683-2.AUG16	08/18/2016	PG&E 6217294683-2	725.23
		533-8.AUG16	08/18/2016	PG&E - 2253666533-8	87.91
		795-7.AUG16	08/22/2016	PG&E - 4467294795-7	284.87
		08-10-16	08/10/2016	PG&E Service-South Field Office 7/11 thru 8/9/16	243.38
Check	09/02/2016	79792 Accounts Payable	Pinnacle Healthcare		37.00
	Invoice		Date	Description	Amount

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	.				
	4815151-40		08/12/2016	FBI Physical-BW 8/12/16	37.00
Check	09/02/2016	79793 Accounts Payable	Quill Corporation		175.96
	Invoice		Date	Description	Amount
	8333569		08/17/2016	Office Supplies - Records 8/17/16	21.14
	8366238		08/17/2016	Office Supplies - Records 8/17/16	28.52
	8050686		08/08/2016	Office Supplies - Records 8/8/16	11.94
	8039149		08/05/2016	Office Supplies - Records 8/5/16	105.36
	7997727		08/04/2016	Office Supplies - Records 8/4/16	9.00
Check	09/02/2016	79794 Accounts Payable	Ryan Ranch Printers		242.45
	Invoice		Date	Description	Amount
	18192		08/18/2016	Business Cards - Nancy Amadeo	59.74
	18155		08/08/2016	72 Hour Detention Forms 8/8/16	182.71
Check	09/02/2016	79795 Accounts Payable	San Jose BMW		2,367.79
	Invoice		Date	Description	Amount
	4254737		05/26/2016	Vehv- Maint & Reapair - Unit 2015 BMW	681.37
	4253101		04/28/2016	Veh - Maint & Repair - Unit 2015 BMW	354.00
	4252749		04/22/2016	Veh - Maint & Repair - Unit 2015 BMW	1,053.43
	4251938		04/07/2016	Veh - Maint & Repair - Unit 2015 BMW	278.99
Check	09/02/2016	79796 Accounts Payable	San Mateo County Sheriff's Office		75.00
	Invoice		Date	Description	Amount
	09-19-16		08/17/2016	Training/Cattaneo	25.00
	09-19-16 II		08/17/2016	Training/Solis	25.00
	09-19-16 III		08/17/2016	Training/Robbins	25.00
Check	09/02/2016	79797 Accounts Payable	Sherwin-Williams		405.04
	Invoice		Date	Description	Amount
	6649-9		08/03/2016	Paint & Misc. Supplies-Airport Building 8/3/16	405.04
Check	09/02/2016	79798 Accounts Payable	Shred-it USA		100.33
	Invoice		Date	Description	Amount
	9412004209		08/18/2016	Shredding Service/Records 8/17/16	100.33
Check	09/02/2016	79799 Accounts Payable	Siemens Industry, Inc.		230.00

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
		Invoice	Date	Description	Amount
		5610017796	08/22/2016	Traffic Signal Maint @ Reservation/Imjin Pkwy	230.00
Check	09/02/2016	79800 Accounts Payable	Sierra Springs & Alhambra		66.24
		Invoice	Date	Description	Amount
		7266038 081216	08/12/2016	City Hall Water Cooler Rental and Replacmeent Water	66.24
Check	09/02/2016	79801 Accounts Payable	Silke Communications		259.75
		Invoice	Date	Description	Amount
		51098	08/04/2016	Radio repair	102.40
		51878	08/04/2016	Radio Repair	157.35
Check	09/02/2016	79802 Accounts Payable	Taygeta Scientific, Inc.		2,800.30
		Invoice	Date	Description	Amount
		000228	08/17/2016	Cisco Router PD 8/17/16	2,800.30
Check	09/02/2016	79803 Accounts Payable	United Parcel Service		21.72
		Invoice	Date	Description	Amount
		00008Y4481346	08/20/2016	Shipping charges to Art Black	21.72
Check	09/02/2016	79804 Accounts Payable	United Site Services		206.52
		Invoice	Date	Description	Amount
		114 - 4326214	08/11/2016	Toilet Rentals - Various Locations	206.52
Check	09/02/2016	79805 Accounts Payable	Universal Staffing		825.00
		Invoice	Date	Description	Amount
		101693	08/23/2016	Carney/08-20-16	825.00
Check	09/02/2016	79806 Accounts Payable	Valley Saw & Garden Equipment		67.09
		Invoice	Date	Description	Amount
		108192	08/22/2016	Backplate	67.09
Check	09/02/2016	79807 Accounts Payable	Verizon Wireless		1,522.33
		Invoice	Date	Description	Amount
		001547000001	08/12/2016	Cell Phone & Equip. for Airport Services Mgr.	282.38
		9770514605	08/18/2016	Cell Phone Billing 7/19 thru 8/18/16	1,239.95
Check	09/02/2016	79808 Accounts Payable	Cardmember Service		2.00

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description	Amount
	07-27-16		07/27/2016	Airport Visa Card	2.00
Check	09/02/2016	79809 Accounts Payable		Rabobank Visa Card Cardmember Service	940.43
	Invoice		Date	Description	Amount
	08-25-16		08/25/2016	Visa-Nolan 8/25/16	940.43
Check	09/02/2016	79810 Accounts Payable		Rabobank Visa Card Cardmember Service	3,213.52
	Invoice		Date	Description	Amount
	08-25-16		08/25/2016	Visa-Dept. 7/28 thru 8/25/16	3,213.52
Check	09/02/2016	79811 Accounts Payable		Rabobank Visa Card Cardmember Service	2,931.41
	Invoice		Date	Description	Amount
	07-27-16 2		07/27/2016	Visa Recreation	2,931.41
Check	09/02/2016	79812 Accounts Payable		West-Lite Supply	257.27
	Invoice		Date	Description	Amount
	46917C		08/16/2016	Replacement Lamps for PAPI Runway Lights	257.27
Check	09/02/2016	79813 Accounts Payable		Mistie Wilson	201.82
	Invoice		Date	Description	Amount
	09-14-16		08/23/2016	Per Diem & Mileage	201.82
Check	09/02/2016	79814 Accounts Payable		Zoom Imaging Solutions	10.99
	Invoice		Date	Description	Amount
	1676138		08/22/2016	Shipping charges for toner cartridge replacement	10.99
Check	09/02/2016	79815 Accounts Payable		AFLAC - Attn.:Remittance Process	2,626.68
	Invoice		Date	Description	Amount
	08-26-16		08/26/2016	71 - AFLAC Cancer Post-Tax*	2,626.68
Check	09/02/2016	79816 Accounts Payable		Discovery Benefits, Inc.	121.54
	Invoice		Date	Description	Amount
	08-26-16		08/26/2016	94 - Medical Care FSA	121.54
Check	09/02/2016	79817 Accounts Payable		ICMA Retirement Trust	7,092.00
	Invoice		Date	Description	Amount

LIVE Marina, CA *LIVE*

AP Check Register 09-02-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/02/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	08-26-16		13 - ICMA 457 \$		7,092.00
Check	09/02/2016	79818 Accounts Payable	Marina Employees Association		140.00
	Invoice	Date	Description		Amount
	08-26-16		24 - MEA Dues		140.00
Check	09/02/2016	79819 Accounts Payable	Marina Police Association-MPOA		260.00
	Invoice	Date	Description		Amount
	08-26-16		23 - MPOA Dues		260.00
Check	09/02/2016	79820 Accounts Payable	Marina Professional Fire Fighters Association		200.00
	Invoice	Date	Description		Amount
	08-26-16		35 - MPFFA Dues		200.00
Check	09/02/2016	79821 Accounts Payable	Marina Public Safety Management Association		100.00
	Invoice	Date	Description		Amount
	08-26-16		19 - MPSMA Dues		100.00
Check	09/02/2016	79822 Accounts Payable	Nationwide Retirement		1,548.20
	Invoice	Date	Description		Amount
	08-26-16		10 - Nationwide 457 %*		1,548.20
Check	09/02/2016	79823 Accounts Payable	Police Officers Association - POA		1,404.00
	Invoice	Date	Description		Amount
	08-26-16		25 - POA Dues		1,404.00
024 Accounts Payable ZBA Totals:			Transactions: 73		\$123,684.89
	Checks:	73	\$123,684.89		

Monthly EFT/Wire Report-Checking Acct.

From Payment Date: 6/1/2016 - To Payment Date: 6/30/2016

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
032 - Checking Account									
<u>EFT</u>									
46	06/01/2016	Open			Accounts Payable	PERS Health Services Division	\$97,320.50		
47	06/01/2016	Open			Accounts Payable	PERS Health Services Division	\$2,297.52		
48	06/03/2016	Open			Accounts Payable	CalPERS - Retirement	\$70,618.08		
49	06/03/2016	Open			Accounts Payable	CalPERS - Retirement	\$940.28		
50	06/16/2016	Open			Accounts Payable	Dixieline Builders Fund Control, Inc. - Dunes	\$357,156.88		
51	06/16/2016	Open			Accounts Payable	Cinemark USA, Inc.	\$275,000.00		
52	06/16/2016	Open			Accounts Payable	MUFG Union Bank Of California	\$187,329.85		
53	06/16/2016	Open			Accounts Payable	Monterey County Tax Collector	\$22,794.46		
54	06/27/2016	Open			Accounts Payable	Berkadia	\$91,822.58		
55	06/17/2016	Open			Accounts Payable	CalPERS - Retirement	\$67,182.65		
56	06/17/2016	Open			Accounts Payable	CalPERS - Retirement	(\$572.09)		
57	06/29/2016	Open			Accounts Payable	PERS Health Services Division	\$96,797.40		
58	06/29/2016	Open			Accounts Payable	PERS Health Services Division	\$4,090.57		
59	06/30/2016	Open			Accounts Payable	CalPERS - Retirement	\$622.92		
60	06/30/2016	Open			Accounts Payable	CalPERS - Retirement	\$61,629.67		
61	06/30/2016	Open			Accounts Payable	CalPERS - Retirement	\$54.32		
Type EFT Totals:									
032 - Checking Account Totals									
							\$1,335,085.59		

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	16	\$1,335,085.59	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	16	\$1,335,085.59	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	16	\$1,335,085.59	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	16	\$1,335,085.59	\$0.00

Grand Totals:

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	16	\$1,335,085.59	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	16	\$1,335,085.59	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	16	\$1,335,085.59	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	16	\$1,335,085.59	\$0.00

Monthly EFT/Wire Report - Payroll Account

From Payment Date: 6/1/2016 - To Payment Date: 6/30/2016

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
028 - Payroll ZBA									
<u>EFT</u>									
1630	06/03/2016	Open			Accounts Payable	California State Disbursement Unit	\$1,491.78		
1631	06/03/2016	Open			Accounts Payable	EFTPS Electronic Federal Tax Payment System	\$62,854.59		
1632	06/03/2016	Open			Accounts Payable	Employment Development Department	\$16,720.46		
1633	06/03/2016	Open			Accounts Payable	Rebecca Minuth	\$527.52		
1635	06/10/2016	Open			Accounts Payable	ADP - San Francisco	\$19.80		
1771	06/17/2016	Open			Accounts Payable	California State Disbursement Unit	\$1,491.78		
1772	06/17/2016	Open			Accounts Payable	EFTPS Electronic Federal Tax Payment System	\$64,030.66		
1773	06/17/2016	Open			Accounts Payable	Employment Development Department	\$18,181.49		
1774	06/17/2016	Open			Accounts Payable	Rebecca Minuth	\$527.52		
1776	06/23/2016	Open			Accounts Payable	ADP - San Francisco	\$19.80		
Type EFT Totals:							\$165,865.40		
028 - Payroll ZBA Totals									

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	10	\$165,865.40	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	10	\$165,865.40	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	10	\$165,865.40	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	10	\$165,865.40	\$0.00

Grand Totals:

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	10	\$165,865.40	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	10	\$165,865.40	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	10	\$165,865.40	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	10	\$165,865.40	\$0.00



DRAFT

Agenda Item **8b(1)**
City Council Meeting of
September 7, 2016

MINUTES

Tuesday, August 16, 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

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 Pro-Tem/Vice Chair Frank O'Connell, Mayor/Chair Bruce C. Delgado
3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency Members) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*
 - a. Conference with Legal Counsel - Anticipated Litigation – Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of CA Govt. Code Section 54956.9 – One Case

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

City Attorney Rob Wellington reported out closed session: Council met at 5:30 as indicated with regard to the one item listed, conference with legal counsel-Anticipated litigation. Council received information, gave direction to the City Manager and attorneys, no reportable action was taken.

4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)

5. SPECIAL PRESENTATIONS:

- a. Recreation Quarterly Awards
 - i. NFL Punt-Pass-Kick
 - ii. Elks Hoopshoot City Winners
 - iii. Elks Hotshot City Winners
 - iv. MLB Pitch-Hit-Run City Winners
 - v. Nor-Cal State Track Meet Participants
- 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.*

- Paula Pelot – Announced Preston and Abrams Park Annual Neighborhood Wide Garage Sale on September 10, 2016 involving 16 blocks.
- Kathy Biala – Updated Council and the public on the August 10th California Coastal Commission meeting in Santa Cruz related to the Cemex Sand Mining, indicated that Cemex selling 50 pound bags for \$4.15 at the local Home Depot. Cemex is mining approximately 200,000 cubic yards of sand mind annually. Cemex is making \$50,000,000 annually selling Marina coastal sand. Commented on the erosion on Marina beaches.
- Kevin P. Saunders – Encouraged people to register to vote; made comments on the retirement of Police Chief Rodriguez; commented on the need for medical marijuana and the surrounding cities that currently have dispensaries. Commented on Cemex mining and the need for them to quit.
- Mike Owen – Marina In Motion will host a Mayoral Form on Saturday, September 17, 2016 from 1:00-3:00PM in the Marina Council Chambers, moderator will be Linda McIntyre from the Moss Landing Harbor District and will be broadcasted on Channel 25, written questions will be submitted from the audience.
- Nourdin Khayata – Provided Council and public with brief update on the Beach Road/Del Monte Traffic control. There are predominantly 2 phases. First stage is the biggest stage and the bulk of the work will be done. Del Monte will be narrowed down to one lane in each direction (north & south) and shutting half of the intersection off and no access onto Beach Road. Detours will be set up in place. Pedestrian crossing onto Beach will be allowed. Estimated start date will be August 29, 2016.
- Mayor Pro-Tem O'Connell – Announced Town Hall Meeting on August 30, 2016 at the Marina Library Community Room starting at 6:30 PM; On August 20th from 9:00am-1:00pm Cinemark will have free showings of DreamWorks Animated films and all snacks will be \$2.00.

- Council Member Amadeo – Marina Youth Arts held their semiannual Tea fundraiser and was quite successful, thanked all the gentleman servers who participated this round and those who participate regularly. Special thanks to our Fire Chief who had been out in the field for about 3 weeks at the Soberanes fire and served at out tea.
- Mayor Delgado – August 27th Reindollar Ave Tennis Court Clean-up; Saturday, September 3, 2016 from 11:00-12:00 is the Labor Day Parade and from 11:30-4:00 Labor Day Festival at Vince DiMaggio Park; Shout-out to all the volunteers helping with the Oak Woodland Restoration Project at the Marina Library. Commented on the newly poured pad and memorial tree for Ken Gray outside the Council Chambers. Community Center Playground coming along, volunteers needed for spreading of engineered fiber-fill in Mid-Sept.

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 79504-79655, totaling \$383,660.21
Wire transfers from Checking & Payroll for June 2016 totaling: \$1,500,950.99

b. MINUTES:

- (1) August 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: None

g. APPROVAL OF AGREEMENTS:

- (1) City Council consider adopting **Resolution No. 2016-123**, approving Amendment No. 1 to Franchise Agreement between City of Marina and GreenWaste Recovery, Inc. for Solid Waste, Recycling, and Organics Collection Service; and authorize the Mayor to execute it for and on behalf of the City.

(2) City Council consider adopting **Resolution No. 2016-124**, approving an Agreement between the City of Marina and Diablo Engineering Group of Oakland, California, for Preliminary Engineering Services for the 2nd Avenue Extension and Patton Parkway Connection, and; authorizing the City Manager to execute the Agreement on behalf of the City subject to final review and approval by the City Attorney.

~~(3) City Council consider adopting Resolution No. 2016 , approving reimbursement agreement between City of Marina and the Federal Bureau of Investigation for the Federal Bureau of Investigation to reimburse the City of Marina for the planning, engineering and legal services and for construction and furnishing Building 504 at the Marina Municipal Airport for the proposed use of said building by the Federal Bureau of Investigations, and; authorize Finance Director to make necessary accounting and budgetary entries, and; authorize City Manager to execute reimbursement agreement on behalf of City subject to final review by the City Attorney. ***Pulled by Councilmember Morton, becomes agenda item 11d***~~

h. ACCEPTANCE OF PUBLIC IMPROVEMENTS:

(1) City Council consider adopting **Resolution No. 2016-125**, accepting the Imjin Pkwy Bike Lane Project, and; authorizing filing of Notice of Completion with Monterey County Recorder’s Office.

(2) City Council consider adopting **Resolution No. 2016-126**, accepting the 2015 Transportation Enhancement Project, and; authorizing filing of Notice of Completion with Monterey County Recorder’s Office.

i. MAPS: None

j. REPORTS: (RECEIVE AND FILE): None

k. FUNDING & BUDGET MATTERS:

~~(1) City Council consider adopting Resolution No. 2016 , approving appropriation of Abrams B Bond proceeds for City Capital Improvement Program (CIP) projects, and; authorize Finance Director to make necessary budgetary and accounting entries subject to final review and approval by Bond Counsel. ***Pulled by Councilmember Morton, becomes agenda item 11e***~~

l. APPROVE ORDINANCES (WAIVE SECOND READING): None

m. APPROVE APPOINTMENTS:

~~(1) City Council consider appointment to Economic Development Commission: James Stahl. Seat Expiring February 2018. ***Pulled by member of the public, becomes agenda item 11c***~~

Paula Pelot requested to pull agenda item 8m(1) for discussion.

Mike Owen asked for more information on item 8g(3).

Council Member Morton requested to pull agenda items 8g(3) and 8k(1) for questions.

Mayor indicated that agenda item(s) 8m(1) will become 11c; agenda item 8g(3) will become 11d and agenda item 8k(1) will become 11e.

MORTON/AMADEO: TO APPROVE THE CONSENT AGENDA MINUS AGENDA ITEMS 8m(1), 8g(3) AND 8k(1). 5-0-0-0 Motion Passes

- 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. 2016-127**, approving an update to the Monterey County Multi-Jurisdictional Hazard Mitigation Plan, and; adopt the Monterey County Multi-Jurisdictional Hazard Mitigation Plan as an official plan of the City of Marina. ***Continued from August 3, 2016***

Council Questions on: Valuations of city properties; cost vulnerability; Lifeline Utilities-MCWD Desal Plant offline/defunct; any detriment to city by leaving MCWD Desal Plant on list;

MORTON/AMADEO: TO ADOPT RESOLUTION NO. 2016-127, APPROVING AN UPDATE TO THE MONTEREY COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN, AND; ADOPT THE MONTEREY COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN AS AN OFFICIAL PLAN OF THE CITY OF MARINA WITHOUT ANY MODIFICATION TO SUPPLEMENT. 4-1(Brown)-0-0 Motion Passes

Public Comments: None received

- b. City Council consider adopting Resolution No. 2016-128, delegating authority to the City Manager, or his designee, to “allow, compromise, or settle a claim” governed by the Tort Claims Act, California Government Code Sections 900 *et seq*, which do not exceed \$15,000.00; and, rescind Resolution No 2003-130, which allows the City Manager to settle claims not exceeding \$1,000.00.

Council Questions: does new proposal authorize the city manager to deny a claim; is there any limitation as to the number of claims per year that can be approved by the city manager per this resolution; Why are we going above the \$10,000.00 deductible; can these claims be put on consent agenda as they were in the past; what is current city manager limit; what is small claims limit; are claims under \$10,000 reviewed by MBASIA with an opinion upon which our city manager would be relying in accepting or rejecting a claim; limiting number of claims city manager can authorize per fiscal year;

Morton/O’Connell: that we authorize the city manager to “allow, compromise, or settle a claim” governed by the Tort Claims Act, California Government Code Sections 900 *et seq*, which do not exceed \$10,000, provided the claim has been submitted to our appropriate insurance agency for its procedural review; and rescind Resolution No. 2003-130 which allows the City Manager to settle claims not exceeding \$1,000.00; and that a list of the claims settled and amounts paid be included in the city council packages quarterly, not as just a sequential check but broken out and identified.

Substitute Motion

Brown/Amadeo: that we table this matter.

Modified Substitute Motion

BROWN/DELGADO: TO HAVE THE CITY GO BACK TO THE PROCEDURE WHERE WHEN STAFF RECOMMENDS THAT A CLAIM BE DENIED AND ITS' \$1,000 THAT IS BE PLACED ON THE CONSENT AGENDA AS PREVIOUSLY OCCURRED. 3-2(Amadeo/Morton)-0-0 Substitute Motion Passes

Public Comments:

- Paula Pelot – Asked what is the dimension of this problem? How many claims are we now receiving every year and how much money cumulative are they are to see how large a problem this really is or is not?
- Mike Owen – is Council member brown asking for it to stay at \$1,000? Why is the City Manager requesting that it go up to \$15,000?
- Kathy Biala – Commented on the Health industry looking at incidents and reports and sees the claim process could be a little like that. They tell us when something has gone awry in our current system. Evaluation on quarterly basis to see trends is ok. Your insurance company should be tracking this. Need to ask for trending reports on some kind of basis so we can see where the incidents/claims are coming from.

- c. City Council consider appointment to Economic Development Commission: James Stahl. Seat Expiring February 2018. *Pulled by member of the public, was agenda item 8m(1)*

Paula Pelot pulled this item due to concerns about the rating and scoring sheet being made public and the appointment process in whole. Questions on score sheet for EDC ask questions related to planning and zoning. Thinks more people would apply is rating/scoresheets were not publicized. Suggested appointment process and score sheets be looked at.

BROWN/AMADEO: TO APPROVE APPOINTMENT AS RECOMMENDED. 5-0-0-0 Motion Passes

- d. City Council consider adopting **Resolution No. 2016-129**, approving reimbursement agreement between City of Marina and the Federal Bureau of Investigation for the Federal Bureau of Investigation to reimburse the City of Marina for the planning, engineering and legal services and for construction and furnishing Building 504 at the Marina Municipal Airport for the proposed use of said building by the Federal Bureau of Investigations, and; authorize Finance Director to make necessary accounting and budgetary entries, and; authorize City Manager to execute reimbursement agreement on behalf of City subject to final review by the City Attorney. *Pulled by Councilmember Morton, was agenda item 8g(3)*

Council Questions: What will the FBI be doing/using this building for? Is there a downside to this agreement? It the \$90,000 adequate funding to make sure the city is reimbursed all our money? If we enter into lease negotiations and things do not work out will the city still get full reimbursement from the FBI?

DELGADO/BROWN: TO ADOPT RESOLUTION NO. 2016-129, APPROVING REIMBURSEMENT AGREEMENT BETWEEN CITY OF MARINA AND THE FEDERAL BUREAU OF INVESTIGATION FOR THE FEDERAL BUREAU OF INVESTIGATION TO REIMBURSE THE CITY OF MARINA FOR THE PLANNING, ENGINEERING AND LEGAL SERVICES AND FOR CONSTRUCTION AND FURNISHING BUILDING 504 AT THE MARINA MUNICIPAL AIRPORT FOR THE PROPOSED USE OF SAID BUILDING BY THE FEDERAL BUREAU OF INVESTIGATIONS, AND; AUTHORIZE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES, AND; AUTHORIZE CITY MANAGER TO EXECUTE REIMBURSEMENT AGREEMENT ON BEHALF OF CITY SUBJECT TO FINAL REVIEW BY THE CITY ATTORNEY. 5-0-0-0

Motion Passes

Public Comments: None received

- e. City Council consider adopting **Resolution No. 2016-130**, approving appropriation of Abrams B Bond proceeds for City Capital Improvement Program (CIP) projects, and; authorize Finance Director to make necessary budgetary and accounting entries subject to final review and approval by Bond Counsel. *Pulled by Councilmember Morton, was agenda item 8k(1)*

Council Questions: Why these particular projects?

DELGADO/AMADEO: TO ADOPT RESOLUTION NO. 2016-130, APPROVING APPROPRIATION OF ABRAMS B BOND PROCEEDS FOR CITY CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS, AND; AUTHORIZE FINANCE DIRECTOR TO MAKE NECESSARY BUDGETARY AND ACCOUNTING ENTRIES SUBJECT TO FINAL REVIEW AND APPROVAL BY BOND COUNSEL. 5-0-0-0 Motion Passes

Public Comments: None received

12. COUNCIL & STAFF INFORMATIONAL REPORTS:

- a. Monterey County Mayor’s Association [Mayor Bruce Delgado]

Mayor Delgado – Was unable to attend the last Mayor’s Association meeting, waiting for notes from meeting, will report out at next meeting.

- 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.

Council Member Brown attended an AMBAG meeting last Wednesday and disturbed by an item on the agenda dealing with AMBAG seeking approval of the board for staff recommendation for applying for a state or federal grant to fund an 18 units senior housing complex at a cost of \$10 million over the Junsay Oaks 46 affordable rental units, which cost \$20 million. I raised issues and was the lone descender of standing up for Marina’s interest. Feel’s Marina’s interests are ignored and downright disrespected. Concerns about why we are even in AMBAG and would like to ask that this be on a future agenda to discontinue the city’s participation in AMBAG.

City Manager Long:

- Hampton Inn had a plan that was approved and then corporate headquarters did not approve it because they wanted an indoor pool. The plan they had approved was for an outside pool. They

have resubmitted a plan for an indoor pool for approval in the near future and then we will hopefully see construction.

- Airport Development: talking with many people and hope to bring more leases to council soon.
- Looking to secure a date to bring the CIP back to council. Council gave direction to do so by September 30th

13. ADJOURNMENT: The meeting adjourned at 8:45 PM

Anita Sharp, Deputy City Clerk

ATTEST:

Bruce C. Delgado, Mayor



DRAFT

MINUTES

Agenda Item **8b(2)**
City Council Meeting of
September 7, 2016

Monday, August 29, 2016

6:00 P.M. Closed Session

6:30 P.M. Open Session

**SPECIAL MEETING
CITY COUNCIL, AIRPORT COMMISSION,
MARINA ABRAMS B 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 Redevelopment Agency Members)

MEMBERS PRESENT: Nancy Amadeo, David W. Brown, Gail Morton, Mayor Pro-Tem/Vice Chair Frank O'Connell, Mayor/Chair Bruce C. Delgado
3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency Members) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*
 - a. Conference with Legal Counsel - Anticipated Litigation – Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of CA Govt. Code Section 54956.9 – One Case

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

Assistant City Attorney Robert Rathie reported out closed session: Council will be continuing the closed session and the item relates to the matter that is listed on open session on the agenda which is possible amendment of the Operating Covenant & Agreement of the Monterey Peninsula Hotel Group. The facts that initiates this discussion in closed session under potential litigation is the fact that the hotel did not open on July 30th and the anticipation of potential litigation revolves around the interpretation, application of certain terms of the Operating Covenant & Agreement and the council will receive advise in closed session from legal counsel on the matter.

4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)

5. OTHER ACTIONS 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-, approving the First Amendment to Operating Covenant and Agreement with Monterey Peninsula Hotels, LLC; and authorize the City Manager to execute amendment subject to final review and approval by the City Attorney.

City Attorney Bob Rathie announced that this is a consideration of a proposed first amendment to the Operating Covenant and Agreement for the Monterey Peninsula Hotel Group. At this point there is no agreement that we could put before you to address the terms and conditions of what a potential amendment would be. That in fact is what we will be discussing and receiving advice on in closed session.

Public Comments:

- Paula Pelot – Heard the explanation about the closed session agenda but not understanding why the open session agenda does not have at least a pointer to what item(s) is/are being proposed to be amended. Public cannot come and comment on or inform themselves unless they know what it is the item is. Hope council is not giving back the “store” again. Did not agree with this agreement to begin with; hope you come to some kind of arrangement where those impact fees are paid to the city and not through the mechanism that was originally offered to them as an incentive. They have failed to comply with the conditions. There is no activity going on there.
- Mike Owen – The language talked about “unforeseen circumstances” as an excuse where they wouldn’t have to pay anything back as determined by the Council. If this is the issue and you do determine that there are unforeseen circumstances that gives the developer an excuse to keep the \$737,000 could you at least tell the public what those unforeseen circumstances were in your determination to not recoup the \$737,000. There seems to be some ambiguity or something that is not clear in the language where you can with certainty enforce this requirement for them to pay the money back. If that’s the case and they don’t have to pay it back. I hope in future language when you’re doing these contracts corrects this ambiguity and makes it clear that when they don’t perform they’re to pay the city back as in the agreement.
- Alex Vasquez – Asked for clarity in tonight’s meeting. Are you going to go back into closed session and then come up with something you’re going to present on the 31st? Why don’t we just come back to session tonight and get it over with rather than pushing it out to another evening?
- Margaret Davis – Agrees with Paula that City of Marina contract should be taken seriously. That the money that was extended to the hotel was not a joke and was a very unpopular move in many people’s eyes. We are now try to excuse them for that at the same time trying to raise taxes on our residents in a city that underperforms in every demographic in this county to put on heads fixing roads, taking care of the needs of the city and excuse the Marriott International Corporation that does not go well with the people of this town and hope this is not what council is considering.
- Kathy Biala – Never doubted the City Manager’s calculation that the city is in dire need of funding a myriad of project left unattended during the most recent eight (8) years. As part of the recovery initiative we made legal agreements to incentives and rekindle the development that would bring economic benefit in the long run to Marina. The decision was made in formal contract in which all parties had clear expectations. The amount of money in question is very substantial and the payment of or forfeiture of such an amount is significant to the City of Marina.

BROWN/DELGADO: TO GO BACK INTO CLOSED SESSION TODAY AND CONTINUE THIS MEETING TO WEDNESDAY, AUGUST 31, 2016 5:30 PM FOR CLOSED SESSION AND 6:30 PM FOR OPEN SESSION. 5-0-0-0 Motion Passes

Public Comments on Motion:

- Paula Pelot – Commented that she was looking for a “broad topic” and not the actual document. If you’re going to give notice for another closed session; are you going to say which of the 10 items in the current agreement are going to be negotiated?

6. ADJOURNMENT: The meeting adjourned back into Closed Session at 7:05 PM

Anita Sharp, Deputy City Clerk

ATTEST:

Bruce C. Delgado, Mayor



DRAFT

Agenda Item **8b(3)**
City Council Meeting of
September 7, 2016

MINUTES

Wednesday, August 31, 2016

5:30 P.M. Closed Session
6:30 P.M. Open Session

**CONTINUED SPECIAL MEETING
CITY COUNCIL, AIRPORT COMMISSION,
MARINA ABRAMS B 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 Redevelopment Agency Members)

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

3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency Members) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*
 - a. Conference with Legal Counsel - Anticipated Litigation – Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of CA Govt. Code Section 54956.9 – One Case (*Continued from August 29, 2016*)

City Attorney Bob Rathie announced the matter of the closed session has to do with the fact that the hotel, which is the subject of the Operating Covenant & Agreement which is on the open session for this evening was not completed in accordance with the time required in that document and the council will be consider terms and conditions of the operating covenant & agreement in context of anticipated litigation. ***We do not expect that there will be a need for open session following the closed session.***

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

City Attorney Bob Rathie reported out Closed Session: the council considered the information on the item listed on the agenda, potential litigation, Council received information from legal counsel and provided direction; and no reportable action was taken. We can entertain public comment on the item that is on the agenda even though we are not going to consider that item tonight.

4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)
5. OTHER ACTIONS 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-, approving the First Amendment to Operating Covenant and Agreement with Monterey Peninsula Hotels, LLC; and authorize the City Manager to execute amendment on behalf of the city subject to final review and approval by the City Attorney. ***Continued from August 29, 2016***

Per City Attorney’s comments prior to Closed Session, there would be no need for the Open Session item

6. ADJOURNMENT: The meeting adjourned at 6:33 PM

Anita Sharp, Deputy City Clerk

ATTEST:

Bruce C. Delgado, Mayor

Honorable Mayor and Members
of the Marina City Council

City Council Meeting of
September 7, 2016

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
AUTHORIZING THE MAYOR TO EXECUTE LETTER OF SUPPORT
FOR INCLUSION TO THE NATIONAL ENDOWMENT APPLICATION
FOR A PLANNING GRANT UNDER THE ARTS “OUR TOWN”
CATEGORY IN AMOUNT OF \$50,000 FOR THE ARTS VILLAGE
LOCATED IN THE CITY OF MARINA SUBJECT TO FINAL REVIEW
BY THE CITY ATTORNEY**

RECOMMENDATION:

It is recommended that the City Council:

1. Consider adopting Resolution No. 2016-, authorizing the Mayor to execute Letter of Support for inclusion to the National Endowment Application for a Planning Grant under the Arts “Our Town” Category in the amount of \$50,000 for the Arts Village located in the City of Marina subject to final review by the City Attorney.

BACKGROUND:

At its regular meeting of May 31, 2005, the City Council adopted Resolution No. 2005-130, approving the University Villages Specific Plan containing development principles and design guidelines for the redevelopment of 420 acres within south Marina bounded by 8th Street and 1st Street to the south, Highway 1 to the west and Imjin road to the North. The east boundary is California Avenue to the north and 2nd Avenue to the south. Within the 420 acres is the Arts Village, which is comprised of approximately 12 acres.

The City of Marina owns the Arts District property (APN 031-221-015-000). The building is approximately 60,000 sq. ft. A preliminary assessment of the structure was completed by the City’s Building Official and found the core structure to be in good condition; however, the interior, exterior and roof needs to be stabilized.

At the regular meeting of May 7, 2016, the Economic Development Commission adopted Resolution 2016-02, approving the EDC Annual Report Fiscal Year 2015-16, which identified participation in the development of the Dunes Artist Village (incorporating the Veterans Trail Project) as one of its six goals.

On August 25, 2016, Paulette Lynch, Executive Director of the Arts Council for Monterey County, reached out to the City of Marina’s Economic Development Coordinator with information on an upcoming grant opportunity from the National Endowment for the Arts (NEA).

On August 31, 2016, a special meeting ensued among Ms. Lynch, Ms. Alcantara, Chair of the Economic Development Commission and Ms. Lidyoff, City of Marina’s Economic Development Coordinator, to discuss the potential grant opportunity. The outcome of that meeting was to pursue a “Planning Grant” in the amount of \$50,000 to determine the feasibility of the project.

ANALYSIS:

The NEA requires partnerships between arts organization, government and private entities to achieve livable goals for communities. To be eligible, the lead applicant organization must meet the following elements:

1. “Legal Requirements” of the National Endowment for the Arts including nonprofit, tax-exempt status, at the time of application; and
2. Have submitted an acceptable Final Report package(s) by the due date(s) on all National Endowment for the Arts award(s) previously received.

Being that the Arts Council for Monterey County is a 501 (c) (3) it is eligible to be the lead Agency to submit the grant application to the NEA with City of Marina as a partner. Further, the NEA requires a Letter of Support by the local governmental entity, which is attached as (“EXHIBIT A”).

The “Our Town” match generally range from \$25,000 to \$200,000. A minimum cost share/match equal to the grant amount is required. That said, the City of Marina’s match of \$25,000 will be from in kind services (public engagement etc.); and, the cash match by the Arts Council for Monterey County will be funded by donations from both the Hewlett Foundation and Packard Foundation.

The objective of this planning grant, one of many future applications to be submitted to funders, is to provide the community and public officials with proper guidance on the future development of the Arts Village.

FISCAL IMPACT:

Should the Council approve this request, there is no fiscal impact.

CONCLUSION:

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

Respectfully submitted,

Marilyn Lidyoff
Economic Development Coordinator
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
AUTHORIZING THE MAYOR TO EXECUTE LETTER OF SUPPORT FOR
INCLUSION TO THE NATIONAL ENDOWMENT APPLICATION FOR A
PLANNING GRANT UNDER THE ARTS “OUR TOWN” CATEGORY IN
AMOUNT OF \$50,000 FOR THE ARTS VILLAGE LOCATED IN THE CITY OF
MARINA SUBJECT TO FINAL REVIEW BY THE CITY ATTORNEY

WHEREAS, at its regular meeting of May 31, 2005, the City Council adopted Resolution No. 2005-130, approving the University Villages Specific Plan containing development principles and design guidelines for the redevelopment of 420 acres within south Marina bounded by 8th Street and 1st Street to the south, Highway 1 to the west and Imjin road to the North. The east boundary is California Avenue to the north and 2nd Avenue to the south. Within the 420 acres is the Arts Village, which is comprised of approximately 12 acres, and;

WHEREAS, the City of Marina owns the Arts District property (APN 031-221-015-000). The building is comprised of approximately 60,000 sq. ft. A preliminary assessment of the structure was completed by the City’s Building Official and found the core structure to be in good condition; however, the interior, exterior and roof are in a dilapidated condition, and;

WHEREAS, at the regular meeting of May 7, 2016, the Economic Development Commission adopted Resolution 2016-02, approving the EDC Annual Report Fiscal Year 2015-16, which identified participation in the development of the Dunes Artist Village (incorporating the Veterans Trail Project) as one of its six goals, and;

WHEREAS, on August 25, 2016, Paulette Lynch, Executive Director of the Arts Council for Monterey County, reached out to the City of Marina’s Economic Development Coordinator with information on an upcoming grant opportunity from the National Endowment for the Arts (NEA), and;

WHEREAS, whereas, On August 31, 2016, a special meeting ensued among Ms. Lynch, Ms. Alcantara, Chair of the Economic Development Commission and Ms. Lidyoff, City of Marina’s Economic Development Coordinator, to discuss the potential grant opportunity. The outcome of that meeting was to pursue a “Planning Grant” in the amount of \$50,000 to determine the feasibility of the project, and;

WHEREAS, the NEA requires partnerships between arts organization, government and private entities to achieve livable goals for communities. To be eligible, the lead applicant organization must meet the following elements:

1. “Legal Requirements” of the National Endowment for the Arts including nonprofit, tax-exempt status, at the time of application; and
2. Have submitted an acceptable Final Report package(s) by the due date(s) on all National Endowment for the Arts award(s) previously received, and;.

WHEREAS, being that the Arts Council for Monterey County is a 501 (c) (3) it is eligible to be the lead Agency to submit the grant application to the NEA with City of Marina as a partner. Further, the NEA requires a Letter of Support by the local governmental entity, which is attached as (Exhibit “A”), and;

WHEREAS, the “Our Town” match generally range from \$25,000 to \$200,000. A minimum cost share/match equal to the grant amount is required. That said, the City of Marina’s match of \$25,000 will be from in kind services (public engagement etc.); and, the cash match by the Arts Council for Monterey County will be funded by donations from both the Hewlett Foundation and Packard Foundation, and;

WHEREAS, the objective of this planning grant, one of many future applications to be submitted to funders, is to provide the community and public officials with proper guidance on the future development of the Arts Village, and;

WHEREAS, should the Council approve this request, there is no fiscal impact.

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

Authorize the Mayor to execute Letter of Support for inclusion to the National Endowment Application for a Planning Grant under the Arts “Our Town” Category in the amount of \$50,000 for the Arts Village located in the City of Marina subject to final review by the City Attorney.

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



EXHIBIT A

CITY OF MARINA
211 Hillcrest Avenue
Marina, CA 93933
831-884-1278; FAX 831-384-9148
www.ci.marina.ca.us

September 7, 2016

National Endowment for the Arts (NEA)

To Whom It May Concern:

The City of Marina is pleased to present this Letter of Support for a grant request under the National Endowment Funding for the Arts "Our Town" Category in the amount of \$50,000 for the Planning Phase on the development of the new Arts Village located in the City of Marina, California.

The City of Marina has agreed to serve as a primary partner with the Arts Council for Monterey County as the lead applicant on this project. Our region has been granted an historic opportunity on the conveyance of certain property owned by former Fort Ord Military Base to the City of Marina. Under the University Villages Specific Plan, adopted by City Council on May 31, 2005, now known as The Dunes Specific Plan, certain property has been set aside to create an Arts Village that will enhance quality of life for our residents and visitors, increase creative and economic opportunities, and create a distinct sense of place that is welcoming and supportive for people from all cultural backgrounds. A combination of individual studio spaces, galleries or shops for artists, designers and high profile/interactive area/learning center type of facilities is envisioned at the Arts Village.

The Arts Council for Monterey County is the lead agency in our region for the development, support and promotion of art centers, arts organizations and art programs with nearly thirty-five years of award-winning expertise in program development, organizational development, community engagement and fundraising.

The City of Marina is one of the youngest and most diverse local governments in the state of California. The Arts Village along with a cultural center will ensure that our residents always view this diversity as a source of strength. The Arts Village will also help diversity sources of creative and economic opportunity that is much needed by our youth and families.

We believe you will find our goals aligned with that of "Our Town". Support from the NEA for this unique community project will help us to maximize community engagement from the project

onset and assist us to implement best practices for a successful launch that will benefit our resident for generations to come.

On behalf of the City of Marina, we understand the share/match financial component. That said, the City of Marina pledges \$25,000 match in the form of "in-kind" services; further, the Arts Council for Monterey County will provide a cash match of \$25,000 for a total match of \$50,000.

Thank you very much for making this opportunity available to small cities such as Marina. We look forward to your review.

Sincerely,

Bruce Delgado
Mayor, City of Marina

September 2, 2016

Item No: **8f(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016- ,
APPROVING MARINA CITY COUNCIL REQUEST TO TRANSFER THE
LAND USE RELATED PLANS AND FUNCTIONS OF THE FORMER
MARINA REDEVELOPMENT AGENCY**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016- , approving Marina City Council request to transfer the land use related plans and functions of the Former Marina Redevelopment Agency.

BACKGROUND:

The City of Marina formed the Marina Redevelopment Agency in order to utilize tools granted to redevelopment agencies under State law to revitalize blighted areas of the City. The City of Marina adopted three Redevelopment Plans, the Marina Redevelopment Project Plan (Project Area No. 1), the Marina Municipal Airport Redevelopment Plan (Project Area No. 2) and the Former Fort Ord Redevelopment Plan (Project Area No. 3).

In June 2011, the State of California passed legislation Assembly Bill X1 26 dissolving all redevelopment agencies in the State of California and designating that successor agencies would succeed to the obligations of the former redevelopment agencies for purposes of winding down the redevelopment agencies.

At the regular meeting of January 10, 2012, the City Council adopted Resolution No. 2012-01, accepting designation and declaring intent to serve as the Successor Agency to the former Marina Redevelopment Agency. The Marina Redevelopment Agency was dissolved on February 1, 2012 and the Successor Agency succeeded to the rights and obligations of the former Redevelopment Agency.

In June 2012 the State of California enacted further legislation related to the dissolution of redevelopment agencies Assembly Bill 1484 (AB 1484). AB 1484 included Health and Safety Code Section 34173(i) that states in part:

“At the request of the city, county, or city and county, notwithstanding Section 33205, all land use related plans and functions of the former redevelopment agency are hereby transferred to the city, county, or city and county that authorized the creation of the redevelopment agency...”

ANALYSIS:

The Redevelopment Plans adopted by the City of Marina generally rely upon the City’s General Plan, Specific Plans and Zoning Ordinance to govern the land uses within the redevelopment project areas. However, there are some provisions of the Plans that could be considered land use

provisions, including language that all land uses and improvements within the Project Areas require the approval of the Redevelopment Agency. This language was brought to the attention of the City by A.T. & T., which is renewing its lease for a wireless facility located within one of the Project Areas. In order to ensure that no approval from the Successor Agency or the Oversight Board to the Successor Agency is necessary for land uses and developments within the Project Areas, staff and City's redevelopment counsel, Goldfarb & Lipman, are recommending that the City request that all land use functions of the former Redevelopment Agency be transferred to the City.

The Dissolution Statutes make clear that the only action necessary for the land use functions to transfer to the City is for the City to request such a transfer. The effect of the transfer will be clarity with regards to the approval process for future developments, land uses and improvements within the Redevelopment Project Areas.

FISCAL IMPACT:

Should the City Council approve this request, the adoption of the attached resolution will not have any fiscal impact.

CONCLUSION:

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

Respectfully submitted,

Jeff Crechriou
Successor Agency Lead Staff &
Airport Services Manager
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
APPROVING MARINA CITY COUNCIL REQUEST TO TRANSFER THE LAND
USE RELATED PLANS AND FUNCTIONS OF THE FORMER MARINA
REDEVELOPMENT AGENCY

WHEREAS, the City of Marina (“City”) in accordance with State law formed the Marina Redevelopment Agency (“Former Agency”) which was authorized pursuant to adopted redevelopment plans to undertake certain activities within redevelopment project areas to revitalize blighted areas of the City of Marina; and

WHEREAS, in the summer of 2011, the California State Legislature enacted Assembly Bill XI 26, which dissolved redevelopment agencies in California and gave each city that had created a redevelopment agency the option to become the successor agency in charge of winding down the operations of the former redevelopment agency that the city had created; and

WHEREAS, at the regular meeting of January 10, 2012, the City Council adopted Resolution No. 2012-01, accepting designation and declaring intent to serve as the Successor Agency to the former Marina Redevelopment Agency, and on February 1, 2012, when the Former Agency was dissolved, the Successor Agency succeeded to the obligations and functions of the Former Agency; and

WHEREAS, on June 27, 2012, the State passed additional legislation Assembly Bill 1484 amending Section 34173 of the California Health and Safety Code; that legislation provides, in relevant part that: “At the request of the city, county, or city and county, notwithstanding Section 33205, all land use related plans and functions of the former redevelopment agency are hereby transferred to the city, county, or city and county that authorized the creation of a redevelopment agency...”; and

WHEREAS, the Successor Agency has three Redevelopment Project Areas governed by three Redevelopment Plans, the Marina Project Redevelopment Plan, the Marina Municipal Airport Redevelopment Plan and the Former Fort Ord Redevelopment Project; and

WHEREAS, transitioning the land use related plans and functions of the Former Agency to the City is critical to: 1) ensure continuity and certainty for the development community; 2) ensure that the City’s economic development goals are achieved; 3) maintain important land use protections in some of the City’s most vulnerable communities; and 4) retain local control over land use policy in the City.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Recitals set forth above are true and correct.

Section 2. Pursuant to the authority conferred upon the City by Section 34173(i) of the California Health and Safety Code, the City hereby requests that all unexpired land use related plans and functions of the Former Agency be, and are hereby, transferred to the City. For purposes of this ordinance, land use related plans and functions mean: (i) all provisions of the unexpired redevelopment plans that govern land use or development, including, but not limited to, provisions that establish allowable land uses, land use restrictions, controls, processes or procedures (including, but not limited to, requirements regarding findings or hearings), or other requirements for public, quasi-public, or private properties within a redevelopment project area; and (ii) all maps, design guidelines, development guidelines, or any other rules, regulations, or similar guidelines governing open space, streets, utilities, land use, or development adopted by the Former Agency pursuant to such unexpired redevelopment plans.

Section 3. The transfer of land use related plans and functions, as requested herein, does not create a new project area, add territory to, or expand or change the boundaries of a redevelopment project area, nor does it increase the amount of obligated property tax (formerly tax increment) necessary to fulfill any existing enforceable obligation beyond what was authorized as of June 27, 2011.

Section 4. The transfer of land use related plans and functions set forth herein shall constitute a change in the organization or reorganization of local governmental agencies for the purposes of the California Environmental Quality Act, and therefore, such request and the transfer shall be exempt from environmental review, pursuant to Section 15320 of Title 14 of the California Code of Regulations.

Section 5. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Resolution or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this Resolution shall be and remain in full force and effect.

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

September 2, 2016

Item No. **8f(3)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
SUPPORTING SENATE BILL 270 PLASTIC BAG BAN PROPOSITION**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, supporting Senate Bill 270 Plastic Bag Ban.

BACKGROUND:

In 2014 the California State Legislature adopted Senate Bill 270 banning plastic bags.

Prior to that, the City of Marina on August 19, 2014 adopted Ordinance No. 2014-05 which added Chapter 8.60 to the Municipal Code which bans thin-film single-use carryout bags and prohibits the free distribution of paper bags or reusable bags by certain types of retail establishments in the City. Retail establishments may make recycled paper bags or reusable bags available to customers only if the retail establishment charges a minimum charge of \$0.10 per such bag. (“**EXHIBIT A**”)

California Proposition 67, Plastic Bag Ban Veto Referendum goes before the voters on the November 8, 2016 ballot as a veto referendum. A “yes” vote is a vote in favor of upholding or ratifying the contested legislation banning plastic bags. A “no” vote is a vote in favor of overturning Senate Bill 270. (“**EXHIBIT B**”)

ANALYSIS:

This Resolution will establish formally that the City of Marina favors Proposition 67 – the Plastic Bag Ban Referendum.

FISCAL IMPACT:

None.

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
SUPPORTING SB270 PLASTIC BAG BAN PROPOSITION

WHEREAS, California's Plastic Bag Ban Referendum will appear as Proposition 67 on the November 2016 ballot, in which a "yes" vote will be in favor of upholding SB270, the plastic bag ban and a "no" will be in favor of overturning SB270; and

WHEREAS, California uses between 13 and 20 billion single-use plastic bags every year, with 950 million plastic bags ending up as litter in landfills and in our neighborhoods. Or as a danger to marine wildlife; and

WHEREAS, single-use plastic bags threaten California's ocean-dependent sectors, accounting for an estimated 39 percent of the oceans economy's GDP (\$17.6 billion), 75 percent of its employment (368,000), and 46 percent of its wages paid (\$8.7 billion); and

WHEREAS, passage of Proposition 67 would protect California's coast and help support the California economy: recreational equipment suppliers, restaurant suppliers, hotel supplies; and

WHEREAS, Proposition 67 would protect California's \$40 billion ocean-based economy, a failure to pass Proposition 67 would produce more pollution and cause losses to tourism by harming wildlife. Degrading habitats and trashing our coastlines; and

WHEREAS, plastic bags are a major source of litter and pollution in California, costing taxpayers an estimated \$34 million to \$107 million annually to manage plastic bag litter throughout the state, as well as cities and counties where costs are estimated at \$428 million to clean up litter and prevent aquatic pollution; and

WHEREAS, according to the California State Department of Recycling, only 5 percent of single-use plastic bags are recycled; and

WHEREAS, plastic bags are a nuisance to try to recycle, costing some cities as much as \$1 million each year due to plastic bag-related repairs in their recycling facilities; and

WHEREAS, plastic bags are non-biodegradable, clog drains, blow out of landfills, and end up as litter on streets, and in green spaces; and California requires suffocation warnings on plastic bags because they pose a threat of death to small children and babies; and

WHEREAS, there is evidence that plastic bag bans work; cities have reported a 95% reduction in use of plastic bags after bans take effect, as well as an 89% reduction in storm drain systems, a 60% reduction in creeks and rivers, and a 59% reduction in streets and neighborhoods; and

WHEREAS, 150 California cities and counties, including (your city name), already have banned single-use plastic grocery bags independent of the state law representing over one-third of the state's population; and

WHEREAS, Prop.67 would continue California's success in phasing out plastic bags, keeping in place a law passed by the legislature and signed by the Governor;

NOW, THEREFORE, BE IT RESOLVED, that the City of Marina formally favors Proposition 67-the Plastic Bag Ban Referendum.

BE IT FURTHER RESOLVED that we the City Council of the City of Marina does hereby:

1. authorize the listing of the City of Marina in favor to Proposition 67, the Plastic Bag Ban Referendum, and
2. Direct staff to send a copy of this resolution to our office at: katherine@saveourshores.org

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

ORDINANCE NO. 2014-05

AN ORDINANCE ADDING CHAPTER 8.60
RELATING TO SINGLE-USE CARRYOUT BAGS, RECYCLED PAPER BAGS,
AND REUSABLE BAGS BY RETAIL ESTABLISHMENTS TO
THE MUNICIPAL CODE

-oOo-

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

1. Chapter 8.60 added. Chapter 8.60, entitled "Use of Single-Use Carryout Bags, Recycled Paper Bags, and Reusable Bags by Retail Establishments," is hereby added to the Municipal Code to read in its entirety as set forth on the attached five (5) pages, marked Exhibit "1" and incorporated herein by this reference thereto.
2. Environmental. This ordinance is categorically exempt from to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15307 and 15308 – as an action taken by a regulatory agency for protection of natural resources and the environment.
3. Effective Date. This ordinance shall take effect and be in force thirty (30) days from and after its final passage.
4. Posting of Ordinance. Within fifteen (15) days after the passage of this ordinance, the City Clerk shall cause it to be posted in the three (3) public places designated by resolution of the City Council.
5. Severability. If any provision, section, paragraph, sentence, clause or phrase of this ordinance, or any part thereof, or the application thereof to any person or circumstance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, or any part thereof, or its application to other persons or circumstances. The City Council hereby declares that it would have passed and adopted each provision, section, paragraph, subparagraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, paragraphs, subparagraphs, sentences, clauses or phrases, or the application thereof to any person or circumstance, be declared invalid or unconstitutional.

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Marina duly held on August 6, 2014 and was passed and adopted at a regular meeting duly held on August 19, 2014, by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Brown, Delgado
NOES: COUNCIL MEMBERS: Morton, O'Connell
ABSENT: COUNCIL MEMBERS: None.
ABSTAIN: COUNCIL MEMBERS: None.



Bruce C. Delgado, Mayor

ATTEST:



Anita DeAmaral, Deputy City Clerk

CHAPTER 8.60

USE OF SINGLE-USE CARRYOUT BAGS, RECYCLED PAPER BAGS, AND REUSABLE BAGS BY RETAIL ESTABLISHMENTS

Sections:

8.60.010	Purpose and Findings
8.60.020	Applicability
8.60.030	Definitions
8.60.040	Regulations
8.60.050	Recordkeeping and Inspection
8.60.060	Enforcement

8.60.010 Purpose and findings.

- A. The purpose of this Chapter is to ban thin-film plastic single-use carryout bags and prohibit the free distribution of paper bags or reusable bags by certain types of retail establishments in the City in order to reduce litter and protect the natural resources and environment within the City.
- B. Pursuant to Article XI, section 7 of the California Constitution, the City may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety and welfare of its citizens.
- C. This ordinance protects and promotes the public health, safety and welfare by prohibiting the use of single-use carryout bags by consumers and promoting a shift to reusable bags and overall reduction of bag use at certain types of retail establishments.
- D. Single-use carryout bags contribute to environmental problems, including litter in storm drains, creeks, the Monterey Bay, and the ocean and environmental impacts caused by such litter.
- E. The City borders or is in close proximity to the Monterey Bay National Marine Sanctuary, a federal preserve that supports one of the most diverse and delicate ecosystems in the world. This sanctuary provides habitat for at least 33 mammals, 94 species of seabird, 345 species of fish, and contains the largest kelp forest in the nation. Bag litter that enter these and other coastal habitats can as a result of ingestion or entanglement adversely affect sensitive species that inhabit these coastal and marine environments, including leatherback sea turtles, seals, fish, sea otters, and bird species.
- F. Reducing the amount of single-use carryout bags in the City would result in an incremental reduction in the amount of litter that enters the storm drain system and local waterways, thereby improving water quality and natural resources within the City and surrounding areas outside of the City's jurisdictional boundaries.
- G. Prohibiting specified types of retail establishments from using thin-film plastic single-use carryout bags and requiring a charge for recycled paper bags and reusable bags will reduce litter and benefit the environment by encouraging customers to use reusable bags and to reduce overall bag use.

H. This Council does, accordingly, find and declare that it should restrict single-use carry out bags and require a charge for recycled paper bags and reusable bags.

8.60.020 Applicability.

This Chapter applies in the incorporated area of the City of Marina.

8.60.030 Definitions.

Unless otherwise expressly stated, whenever used in this Chapter, the following terms shall have the meanings set forth below:

- A. "Customer" means any person obtaining goods from a retail establishment.
- B. "Chapter" means Chapter 8.60 of the Marina Municipal Code.
- C. "City" means the City of Marina.
- D. "Effective Date" means the effective date of the ordinance enacting Chapter 8.60.
- E. "Garment Bag" means a travel bag made of pliable, durable material with or without a handle, designed to hang straight or fold double and used to carry suits, dresses, coats, or the like without crushing or wrinkling the same.
- F. "Mils" is the thickness of a material measured in increments of one-thousandth (1/1000) of an inch.
- G. "Nonprofit Charitable Reuser" means a charitable organization which is tax- exempt under Section 501(c)(3) of the Internal Revenue Code, or a distinct operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than fifty percent of its revenues from the handling and sale of those donated goods or materials. Nonprofit Charitable Reusers are not considered Retail Establishments for the purpose of this Ordinance.
- H. "Person" means any individual, sole proprietorship, firm, association, organization, partnership (whether limited or general), corporation, limited liability corporation, political subdivision, government agency, municipality, industry, public or private corporation, trust, joint venture, regulatory authority, or any other entity.
- I. "Prepared food" means foods or beverages which are prepared on the premises by cooking, chopping, slicing, mixing, freezing, or squeezing, and which require no further preparation to be consumed. "Prepared food" does not include any raw, uncooked meat product or fruits or vegetables which are chopped, squeezed, or mixed.
- J. "Public Eating Establishment" means a restaurant, take-out food establishment, or any other business that receives 90 percent or more of its revenue from the sale of prepared food, which is prepared on the premises, to be eaten on or off its premises. Public eating establishments are not considered Retail Establishments for the purpose of this Ordinance.

- K. "Recycled Paper Bag" means a bag that contains no old growth fiber and a minimum of 40 percent post-consumer recycled content, is 100 percent recyclable, and has printed in a highly visible manner on the outside of the bag the words "Reusable" and "Recyclable", the name and location of the manufacturer, and the percentage of post-consumer recycled content.
- L. "Retail Establishment" means any commercial establishment that sells perishable or nonperishable goods including, but not limited to, clothing, food, and personal items directly to the customer and that is located within or doing business within the City. The term "Retail Establishment" includes farmers' markets. The term "Retail Establishment" does not include Public Eating Establishments, Nonprofit Charitable Reusers, and wholesale agricultural produce packing and shipping businesses.
- M. "Reusable Bag" means a bag with handles that is specifically designed and manufactured to be reused at least 125 times and that is either (1) made of cloth or other washable natural or synthetic fibers that can be cleaned and disinfected, or, (2) made from plastic film that is at least four (4.0) mils thick and capable of being cleaned and disinfected.
- N. "Single-use Carryout Bag" means a bag, other than a Reusable Bag or Recycled Paper Bag, provided at the check stand, cash register, point of sale, or other point of departure for the purpose of transporting food or merchandise out of the Retail Establishment. Single-use carryout bags do not include bags, a maximum of 11" x 17", without handles provided to the customer for the following purposes: (1) to transport produce, bulk food or meat from a product, bulk food or meat department within a store to the point of sale; (2) to transport produce, bulk food, or other items to the point of sale at a farmers' market; (3) to hold prescription medication dispensed from a pharmacy; (4) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a bag; or (5) a Garment Bag regardless of size.

8.60.040 Regulations.

- A. No Retail Establishment that sells perishable or nonperishable goods including, but not limited to, clothing, food, and personal items directly to the customer, shall provide a Single-use Carryout Bag to a customer at the check stand, cash register, point of sale or other point of departure for the purpose of transporting food or merchandise out of the establishment, except as provided in this Chapter.
- B. To allow Retail Establishments an opportunity to make necessary arrangements for compliance and to use remaining stocks of plastic Single-use Carryout Bags, Retail Establishments shall have six (6) months from the Effective Date to comply with the regulations of this Chapter. During this period, it shall be the policy of the City to encourage voluntary adherence to the requirements of this Chapter.
- C. Six (6) months from the Effective Date and thereafter, a Retail Establishment may make Recycled Paper Bags or Reusable Bags available to customers only if the Retail Establishment charges a minimum charge often cents (\$0.10) per such bag. Only Recycled Paper Bags and Reusable Bags as defined in this Chapter may be made available for purchase.

- D. No earlier than twelve (12) months from the Effective Date, the City Council may establish a higher minimum charge for a Recycled Paper Bag and Reusable Bag up to twenty-five cents (\$0.25) by amendment of this Chapter.
- E. Notwithstanding this Chapter, when a Recycled Paper Bag or a Reusable Bag is distributed to the customer, the amount of the sale of the Recycled Paper Bag or Reusable Bag shall be separately itemized on the sales receipt.
- F. These regulations do not apply to Public Eating Establishments as defined herein.
- G. Notwithstanding any other provision of this Chapter, a Retail Establishment may provide one or more Recycled Paper Bags or Reusable Bags at no cost to the following individuals: a customer participating in the California Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program) pursuant to Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division 106 of the California Health and Safety Code; a customer participating in the Supplemental Food Program pursuant to Chapter 10 (commencing with Section 15500) of Part 3 of Division 9 of the California Welfare and Institutions Code; and a customer participating in Cal Fresh pursuant to Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the California Welfare and Institutions Code.

8.60.050 Recordkeeping and Inspection.

All Retail Establishments shall keep complete and accurate records or documents of the purchase and sale of any Recycled Paper Bag by the Retail Establishment. Such records shall be kept for a minimum period of one year from the date of purchase and sale, and such records shall be available for inspection by the City at no cost to the City during regular business hours. Unless the City and Retail Establishment mutually agree upon an alternative location or method of review, the records or documents shall be available at the Retail Establishment address. The provision of false information, including but not limited to incomplete records or documents to the City, shall be a violation of this Chapter.

8.60.060 Enforcement.

- A. The City Manager shall be primarily responsible for implementation and enforcement of this Chapter. The City Manager is authorized to establish guidelines and procedures to implement this Chapter and to take such action as may be necessary, including inspection of Retail Establishments, to monitor compliance with this Chapter.
- B. In the event of a violation of this Chapter or any requirement imposed pursuant to this Chapter, the City may in its discretion, in addition to all other remedies, take such enforcement action as is authorized under the Marina Municipal Code and any other action authorized by law.



California
LEGISLATIVE INFORMATION

SB-270 Solid waste: single-use carryout bags. (2013-2014)

Senate Bill No. 270

CHAPTER 850

An act to add Chapter 5.3 (commencing with Section 42280) to Part 3 of Division 30 of the Public Resources Code, relating to solid waste, and making an appropriation therefor.

[Approved by Governor September 30, 2014. Filed with Secretary of State September 30, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

SB 270, Padilla. Solid waste: single-use carryout bags.

(1) Existing law, until 2020, requires an operator of a store, as defined, to establish an at-store recycling program that provides to customers the opportunity to return clean plastic carryout bags to that store.

This bill, as of July 1, 2015, would prohibit stores that have a specified amount of sales in dollars or retail floor space from providing a single-use carryout bag to a customer, with specified exceptions. The bill would also prohibit those stores from selling or distributing a recycled paper bag at the point of sale unless the store makes that bag available for purchase for not less than \$0.10. The bill would also allow those stores, on or after July 1, 2015, to distribute compostable bags at the point of sale only in jurisdictions that meet specified requirements and at a cost of not less than \$0.10. The bill would require these stores to meet other specified requirements on and after July 1, 2015, regarding providing reusable grocery bags to customers, including distributing those bags only at a cost of not less than \$0.10. The bill would require all moneys collected pursuant to these provisions to be retained by the store and be used only for specified purposes.

The bill, on and after July 1, 2016, would additionally impose these prohibitions and requirements on convenience food stores, foodmarts, and entities engaged in the sale of a limited line of goods, or goods intended to be consumed off premises, and that hold a specified license with regard to alcoholic beverages.

The bill would allow a retail establishment to voluntarily comply with these requirements, if the retail establishment provides the department with irrevocable written notice. The bill would require the department to post on its Internet Web site, organized by county, the name and physical location of each retail establishment that has elected to comply with these requirements.

The bill would require the operator of a store that has a specified amount of sales in dollars or retail floor space and a retail establishment that voluntarily complies with the requirements of this bill to comply with the existing at-store recycling program requirements.

The bill would require, on and after July 1, 2015, a reusable grocery bag sold by certain stores to a customer at the point of sale to be made by a certified reusable grocery bag producer and to meet specified requirements with regard to the bag's durability, material, labeling, heavy metal content, and, with regard to reusable grocery bags made from plastic film on and after January 1, 2016, recycled material content. The bill would impose these requirements as of July 1, 2016, on the stores that are otherwise subject to the bill's requirements.

The bill would prohibit a producer of reusable grocery bags made from plastic film from selling or distributing those bags on and after July 1, 2015, unless the producer is certified by a 3rd-party certification entity, as

specified. The bill would require a reusable grocery bag producer to provide proof of certification to the department. The bill would require the department to provide a system to receive proofs of certification online.

The department would be required to publish on its Internet Web site a list of reusable grocery bag producers that have submitted the required certification and their reusable grocery bags. The bill would require the department to establish an administrative certification fee schedule, which would require a reusable grocery bag producer providing proof to the department of certification or recertification to pay a fee. The bill would require that all moneys submitted to the department pursuant to these fee provisions be deposited into the Reusable Grocery Bag Fund, which would be established by the bill, and continuously appropriated for purposes of implementing these proof of certification and Internet Web site provisions, thereby making an appropriation. The bill would also require a reusable grocery bag producer to submit applicable certified test results to the department. The bill would authorize a person to object to a certification of a reusable grocery bag producer by filing an action for review of that certification in the superior court of a county that has jurisdiction over the reusable grocery bag producer. The bill would require the court to determine if the reusable grocery bag producer is in compliance with the provisions of the bill and, based on the court's determination, would require the court to direct the department to either remove or retain the reusable grocery bag producer on its published Internet Web site list.

The bill would allow a city, county, or city and county, or the state to impose civil penalties on a person or entity that knows or reasonably should have known it is in violation of the bill's requirements. The bill would require these civil penalties to be paid to the office of the city attorney, city prosecutor, district attorney, or Attorney General, whichever office brought the action, and would allow the penalties collected by the Attorney General to be expended by the Attorney General, upon appropriation by the Legislature, to enforce the bill's provisions.

The bill would declare that it occupies the whole field of the regulation of reusable grocery bags, single-use carryout bags, and recycled paper bags provided by a store and would prohibit a local public agency from enforcing or implementing an ordinance, resolution, regulation, or rule, or any amendment thereto, adopted on or after September 1, 2014, relating to those bags, against a store, except as provided.

(2) The California Integrated Waste Management Act of 1989 creates the Recycling Market Development Revolving Loan Subaccount in the Integrated Waste Management Account and continuously appropriates the funds deposited in the subaccount to the department for making loans for the purposes of the Recycling Market Development Revolving Loan Program. Existing law makes the provisions regarding the loan program, the creation of the subaccount, and expenditures from the subaccount inoperative on July 1, 2021, and repeals them as of January 1, 2022.

This bill would appropriate \$2,000,000 from the Recycling Market Development Revolving Loan Subaccount in the Integrated Waste Management Account to the department for the purposes of providing loans for the creation and retention of jobs and economic activity in California for the manufacture and recycling of plastic reusable grocery bags that use recycled content. The bill would require a recipient of a loan to agree, as a condition of receiving the loan, to take specified actions.

(3) The bill would require the department, no later than March 1, 2018, to provide a status report to the Legislature on the implementation of the bill's provisions.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 5.3 (commencing with Section 42280) is added to Part 3 of Division 30 of the Public Resources Code, to read:

CHAPTER 5.3. Single-Use Carryout Bags **Article 1. Definitions**

42280. (a) "Department" means the Department of Resources Recycling and Recovery.

(b) "Postconsumer recycled material" means a material that would otherwise be destined for solid waste disposal, having completed its intended end use and product life cycle. Postconsumer recycled material does not include materials and byproducts generated from, and commonly reused within, an original manufacturing and fabrication process.

(c) "Recycled paper bag" means a paper carryout bag provided by a store to a customer at the point of sale that meets all of the following requirements:

(1) (A) Except as provided in subparagraph (B), contains a minimum of 40 percent postconsumer recycled materials.

(B) An eight pound or smaller recycled paper bag shall contain a minimum of 20 percent postconsumer recycled material.

(2) Is accepted for recycling in curbside programs in a majority of households that have access to curbside recycling programs in the state.

(3) Has printed on the bag the name of the manufacturer, the country where the bag was manufactured, and the minimum percentage of postconsumer content.

(d) "Reusable grocery bag" means a bag that is provided by a store to a customer at the point of sale that meets the requirements of Section 42281.

(e) (1) "Reusable grocery bag producer" means a person or entity that does any of the following:

(A) Manufactures reusable grocery bags for sale or distribution to a store.

(B) Imports reusable grocery bags into this state, for sale or distribution to a store.

(C) Sells or distributes reusable bags to a store.

(2) "Reusable grocery bag producer" does not include a store, with regard to a reusable grocery bag for which there is a manufacturer or importer, as specified in subparagraph (A) or (B) of paragraph (1).

(f) (1) "Single-use carryout bag" means a bag made of plastic, paper, or other material that is provided by a store to a customer at the point of sale and that is not a recycled paper bag or a reusable grocery bag that meets the requirements of Section 42281.

(2) A single-use carryout bag does not include either of the following:

(A) A bag provided by a pharmacy pursuant to Chapter 9 (commencing with Section 4000) of Division 2 of the Business and Professions Code to a customer purchasing a prescription medication.

(B) A nonhandled bag used to protect a purchased item from damaging or contaminating other purchased items when placed in a recycled paper bag, a reusable grocery bag, or a compostable plastic bag.

(C) A bag provided to contain an unwrapped food item.

(D) A nonhandled bag that is designed to be placed over articles of clothing on a hanger.

(g) "Store" means a retail establishment that meets any of the following requirements:

(1) A full-line, self-service retail store with gross annual sales of two million dollars (\$2,000,000) or more that sells a line of dry groceries, canned goods, or nonfood items, and some perishable items.

(2) Has at least 10,000 square feet of retail space that generates sales or use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code) and has a pharmacy licensed pursuant to Chapter 9 (commencing with Section 4000) of Division 2 of the Business and Professions Code.

(3) Is a convenience food store, foodmart, or other entity that is engaged in the retail sale of a limited line of goods, generally including milk, bread, soda, and snack foods, and that holds a Type 20 or Type 21 license issued by the Department of Alcoholic Beverage Control.

(4) Is a convenience food store, foodmart, or other entity that is engaged in the retail sale of goods intended to be consumed off the premises, and that holds a Type 20 or Type 21 license issued by the Department of Alcoholic Beverage Control.

(5) Is not otherwise subject to paragraph (1), (2), (3), or (4), if the retail establishment voluntarily agrees to comply with the requirements imposed upon a store pursuant to this chapter, irrevocably notifies the department of its intent to comply with the requirements imposed upon a store pursuant to this chapter, and complies with the requirements established pursuant to Section 42284.

Article 2. Reusable Grocery Bags

42281. (a) On and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, may sell or distribute a reusable grocery bag to a customer at the point of sale only if the reusable bag is made by a producer certified pursuant to this article to meet all of the following requirements:

- (1) Has a handle and is designed for at least 125 uses, as provided in this article.
- (2) Has a volume capacity of at least 15 liters.
- (3) Is machine washable or made from a material that can be cleaned and disinfected.
- (4) Has printed on the bag, or on a tag attached to the bag that is not intended to be removed, and in a manner visible to the consumer, all of the following information:
 - (A) The name of the manufacturer.
 - (B) The country where the bag was manufactured.
 - (C) A statement that the bag is a reusable bag and designed for at least 125 uses.

(D) If the bag is eligible for recycling in the state, instructions to return the bag to the store for recycling or to another appropriate recycling location. If recyclable in the state, the bag shall include the chasing arrows recycling symbol or the term "recyclable," consistent with the Federal Trade Commission guidelines use of that term, as updated.

(5) Does not contain lead, cadmium, or any other toxic material that may pose a threat to public health. A reusable bag manufacturer may demonstrate compliance with this requirement by obtaining a no objection letter from the federal Food and Drug Administration. This requirement shall not affect any authority of the Department of Toxic Substances Control pursuant to Article 14 (commencing with Section 25251) of Chapter 6.5 of Division 20 of the Health and Safety Code and, notwithstanding subdivision (c) of Section 25257.1 of the Health and Safety Code, the reusable grocery bag shall not be considered as a product category already regulated or subject to regulation.

(6) Complies with Section 260.12 of Part 260 of Title 16 of the Code of Federal Regulations related to recyclable claims if the reusable grocery bag producer makes a claim that the reusable grocery bag is recyclable.

(b) (1) In addition to the requirements in subdivision (a), a reusable grocery bag made from plastic film shall meet all of the following requirements:

(A) On and after January 1, 2016, it shall be made from a minimum of 20 percent postconsumer recycled material.

(B) On and after January 1, 2020, it shall be made from a minimum of 40 percent postconsumer recycled material.

(C) It shall be recyclable in this state, and accepted for return at stores subject to the at-store recycling program (Chapter 5.1 (commencing with Section 42250)) for recycling.

(D) It shall have, in addition to the information required to be printed on the bag or on a tag, pursuant to paragraph (4) of subdivision (a), a statement that the bag is made partly or wholly from postconsumer recycled material and stating the postconsumer recycled material content percentage, as applicable.

(E) It shall be capable of carrying 22 pounds over a distance of 175 feet for a minimum of 125 uses and be at least 2.25 mils thick, measured according to the American Society of Testing and Materials (ASTM) Standard D6988-13.

(2) A reusable grocery bag made from plastic film that meets the specifications of the American Society of Testing and Materials (ASTM) International Standard Specification for Compostable Plastics D6400, as updated, is not required to meet the requirements of subparagraph (A) or (B) of paragraph (1), but shall be labeled in accordance with the applicable state law regarding compostable plastics.

(c) In addition to the requirements of subdivision (a), a reusable grocery bag that is not made of plastic film and that is made from any other natural or synthetic fabric, including, but not limited to, woven or nonwoven nylon, polypropylene, polyethylene-terephthalate, or Tyvek, shall satisfy all of the following:

- (1) It shall be sewn.

(2) It shall be capable of carrying 22 pounds over a distance of 175 feet for a minimum of 125 uses.

(3) It shall have a minimum fabric weight of at least 80 grams per square meter.

(d) On and after July 1, 2016, a store as defined in paragraph (3), (4), or (5) of subdivision (g) of Section 42280, shall comply with the requirements of this section.

42281.5. On and after July 1, 2015, a producer of reusable grocery bags made from plastic film shall not sell or distribute a reusable grocery bag in this state unless the producer is certified by a third-party certification entity pursuant to Section 42282. A producer shall provide proof of certification to the department demonstrating that the reusable grocery bags produced by the producer comply with the provisions of this article. The proof of certification shall include all of the following:

(a) Names, locations, and contact information of all sources of postconsumer recycled material and suppliers of postconsumer recycled material.

(b) Quantity and dates of postconsumer recycled material purchases by the reusable grocery bag producer.

(c) How the postconsumer recycled material is obtained.

(d) Information demonstrating that the postconsumer recycled material is cleaned using appropriate washing equipment.

42282. (a) Commencing on or before July 1, 2015, the department shall accept from a reusable grocery bag producer proof of certification conducted by a third-party certification entity, submitted under penalty of perjury, for each type of reusable grocery bag that is manufactured, imported, sold, or distributed in the state and provided to a store for sale or distribution, at the point of sale, that meets all the applicable requirements of this article. The proof of certification shall be accompanied by a certification fee, established pursuant to Section 42282.1.

(b) A reusable grocery bag producer shall resubmit to the department proof of certification as described in subdivision (a) on a biennial basis. A reusable grocery bag producer shall provide the department with an updated proof of certification conducted by a third-party certification entity if any modification that is not solely aesthetic is made to a previously certified reusable bag. Failure to comply with this subdivision shall result in removal of the relevant information posted on the department's Internet Web site pursuant to paragraphs (1) and (2) of subdivision (e) for each reusable bag that lacks an updated proof of certification conducted by a third-party certification entity.

(c) A third-party certification entity shall be an independent, accredited (ISO/IEC 17025) laboratory. A third-party certification entity shall certify that the producer's reusable grocery bags meet the requirements of Section 44281.

(d) The department shall provide a system to receive proofs of certification online.

(e) On and after July 1, 2015, the department shall publish a list on its Internet Web site that includes all of the following:

(1) The name, location, and appropriate contact information of certified reusable grocery bag producers.

(2) The reusable grocery bags of producers that have provided the required certification.

(f) A reusable grocery bag producer shall submit applicable certified test results to the department confirming that the reusable grocery bag meets the requirements of this article for each type of reusable grocery bag that is manufactured, imported, sold, or distributed in the state and provided to a store for sale or distribution.

(1) A person may object to the certification of a reusable grocery bag producer pursuant to this section by filing an action for review of that certification in the superior court of a county that has jurisdiction over the reusable grocery bag producer. The court shall determine if the reusable grocery bag producer is in compliance with the requirements of this article.

(2) A reusable grocery bag producer whose certification is being objected to pursuant to paragraph (1) shall be deemed in compliance with this article pending a determination by the court.

(3) Based on its determination, the court shall direct the department to remove the reusable grocery bag producer from, or retain the reusable grocery bag producer on, its list published pursuant to subdivision (e).

(4) If the court directs the department to remove a reusable grocery bag producer from its published list, the reusable grocery bag producer shall remain off of the published list for a period of one year from the date of the court's determination.

42282.1. (a) A reusable grocery bag producer shall submit the fee established pursuant to subdivision (b) to the department when providing proof of certification or recertification pursuant to Sections 42281.5 and 42282.

(b) The department shall establish an administrative certification fee schedule that will generate fee revenues sufficient to cover, but not exceed, the department's reasonable costs to implement this article. The department shall deposit all moneys submitted pursuant to this section into the Reusable Grocery Bag Fund, which is hereby established in the State Treasury. Notwithstanding Section 11340 of the Government Code, moneys in the fund are continuously appropriated, without regard to fiscal year, to the department for the purpose of implementing this article.

Article 3. Single-Use Carryout Bags

42283. (a) Except as provided in subdivision (e), on and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, shall not provide a single-use carryout bag to a customer at the point of sale.

(b) (1) On and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, shall not sell or distribute a reusable grocery bag at the point of sale except as provided in this subdivision.

(2) On and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, may make available for purchase at the point of sale a reusable grocery bag that meets the requirements of Section 42281.

(3) On and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, that makes reusable grocery bags available for purchase pursuant to paragraph (2) shall not sell the reusable grocery bag for less than ten cents (\$0.10) in order to ensure that the cost of providing a reusable grocery bag is not subsidized by a customer who does not require that bag.

(c) (1) On and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, shall not sell or distribute a recycled paper bag except as provided in this subdivision.

(2) A store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, may make available for purchase a recycled paper bag. On and after July 1, 2015, the store shall not sell a recycled paper bag for less than ten cents (\$0.10) in order to ensure that the cost of providing a recycled paper bag is not subsidized by a consumer who does not require that bag.

(d) Notwithstanding any other law, on and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, that makes reusable grocery bags or recycled paper bags available for purchase at the point of sale shall provide a reusable grocery bag or a recycled paper bag at no cost at the point of sale to a customer using a payment card or voucher issued by the California Special Supplemental Food Program for Women, Infants, and Children pursuant to Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division 106 of the Health and Safety Code or an electronic benefit transfer card issued pursuant to Section 10072 of the Welfare and Institutions Code.

(e) On and after July 1, 2015, a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, may distribute a compostable bag at the point of sale, if the compostable bag is provided to the consumer at the cost specified pursuant to paragraph (2), the compostable bag, at a minimum, meets the American Society for Testing and Materials (ASTM) International Standard Specification for Compostable Plastics D6400, as updated, and in the jurisdiction where the compostable bag is sold and in the jurisdiction where the store is located, both of the following requirements are met:

(1) A majority of the residential households in the jurisdiction have access to curbside collection of foodwaste for composting.

(2) The governing authority for the jurisdiction has voted to allow stores in the jurisdiction to sell to consumers at the point of sale a compostable bag at a cost not less than the actual cost of the bag, which the Legislature hereby finds to be not less than ten cents (\$0.10) per bag.

(f) A store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280, shall not require a customer to use, purchase, or accept a single-use carryout bag, recycled paper bag, compostable bag, or reusable grocery bag as a condition of sale of any product.

42283.5. On and after July 1, 2016, a store, as defined in paragraph (3), (4), or (5) of subdivision (g) of Section 42280, shall comply with the same requirements of Section 42283 that are imposed upon a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280.

42283.6. (a) The operator of a store, as defined in paragraph (1) or (2) of subdivision (g) of Section 42280 that makes recycled paper or reusable grocery bags available at the point of sale, shall be subject to the provisions of the at-store recycling program (Chapter 5.1 (commencing with Section 42250)).

(b) A store that voluntarily agrees to comply with the provisions of this article pursuant to subdivision (g) of Section 42280, shall also comply with the provisions of the at-store recycling program (Chapter 5.1 (commencing with Section 42250)).

42283.7. All moneys collected pursuant to this article shall be retained by the store and may be used only for the following purposes:

(a) Costs associated with complying with the requirements of this article.

(b) Actual costs of providing recycled paper bags or reusable grocery bags.

(c) Costs associated with a store's educational materials or educational campaign encouraging the use of reusable grocery bags.

42284. (a) A retail establishment not specifically required to comply with the requirements of this chapter is encouraged to reduce its distribution of single-use plastic carryout bags.

(b) Pursuant to the provisions of subdivision (g) of Section 42280, any retail establishment that is not a "store," that provides the department with the irrevocable written notice as specified in subdivision (c), shall be regulated as a "store" for the purposes of this chapter.

(c) The irrevocable written notice shall be dated and signed by an authorized representative of the retail establishment, and shall include the name and physical address of all retail locations covered by the notice. The department shall acknowledge receipt of the notice in writing and shall specify the date the retail establishment will be regulated as a "store," which shall not be less than 30 days after the date of the department's acknowledgment. The department shall post on its Internet Web site, organized by county, the name and physical location or locations of each retail establishment that has elected to be regulated as a "store."

Article 4. Enforcement

42285. (a) A city, a county, a city and county, or the state may impose civil liability on a person or entity that knowingly violated this chapter, or reasonably should have known that it violated this chapter, in the amount of one thousand dollars (\$1,000) per day for the first violation of this chapter, two thousand dollars (\$2,000) per day for the second violation, and five thousand dollars (\$5,000) per day for the third and subsequent violations.

(b) Any civil penalties collected pursuant to subdivision (a) shall be paid to the office of the city attorney, city prosecutor, district attorney, or Attorney General, whichever office brought the action. The penalties collected pursuant to this section by the Attorney General may be expended by the Attorney General, upon appropriation by the Legislature, to enforce this chapter.

Article 5. Preemption

42287. (a) Except as provided in subdivision (c), this chapter is a matter of statewide interest and concern and is applicable uniformly throughout the state. Accordingly, this chapter occupies the whole field of regulation of reusable grocery bags, single-use carryout bags, and recycled paper bags, as defined in this chapter, provided by a store, as defined in this chapter.

(b) On and after January 1, 2015, a city, county, or other local public agency shall not enforce, or otherwise implement, an ordinance, resolution, regulation, or rule, or any amendment thereto, adopted on or after September 1, 2014, relating to reusable grocery bags, single-use carryout bags, or recycled paper bags, against a store, as defined in this chapter, unless expressly authorized by this chapter.

(c) (1) A city, county, or other local public agency that has adopted, before September 1, 2014, an ordinance, resolution, regulation, or rule relating to reusable grocery bags, single-use carryout bags, or recycled paper bags may continue to enforce and implement that ordinance, resolution, regulation, or rule that was in effect before that date. Any amendments to that ordinance, resolution, regulation, or rule on or after January 1, 2015, shall be subject to subdivision (b), except the city, county, or other local public agency may adopt or amend an ordinance, resolution, regulation, or rule to increase the amount that a store shall charge with regard to a recycled paper bag, compostable bag, or reusable grocery bag to no less than the amount specified in Section 42283.

(2) A city, county, or other local public agency not covered by paragraph (1) that, before September 1, 2014, has passed a first reading of an ordinance or resolution expressing the intent to restrict single-use carryout bags and, before January 1, 2015, adopts an ordinance to restrict single-use carryout bags, may continue to enforce and implement the ordinance that was in effect before January 1, 2015.

Article 6. Financial Provisions

42288. (a) Notwithstanding Section 42023.2, the sum of two million dollars (\$2,000,000) is hereby appropriated from the Recycling Market Development Revolving Loan Subaccount in the Integrated Waste Management Account to the department for the purposes of providing loans for the creation and retention of jobs and economic activity in this state for the manufacture and recycling of plastic reusable grocery bags that use recycled content, including postconsumer recycled material.

(b) The department may expend, if there are applicants eligible for funding from the Recycling Market Development Revolving Loan Subaccount, the funds appropriated pursuant to this section to provide loans for both of the following:

(1) Development and conversion of machinery and facilities for the manufacture of single-use plastic bags into machinery and facilities for the manufacturer of durable reusable grocery bags that, at a minimum, meet the requirements of Section 42281.

(2) Development of equipment for the manufacture of reusable grocery bags, that, at a minimum, meet the requirements of Section 42281.

(c) A recipient of a loan authorized by this section shall agree, as a condition of receiving the loan, to retain and retrain existing employees for the manufacturing of reusable grocery bags that, at a minimum, meet the requirements of Section 42281.

(d) Any moneys appropriated pursuant to this section not expended by the end of the 2015–16 fiscal year shall revert to the Recycling Market Development Revolving Loan Subaccount for expenditure pursuant to Article 3 (commencing with Section 42010) of Chapter 1.

(e) Applicants for funding under this section may also apply for funding or benefits from other economic development programs for which they may be eligible, including, but not limited to, both of the following:

(1) An income tax credit, as described in Sections 17059.2 and 23689 of the Revenue and Taxation Code.

(2) A tax exemption pursuant to Section 6377.1 of the Revenue and Taxation Code.

SEC. 2. No later than March 1, 2018, the department, as a part of its reporting requirement pursuant to Section 40507 of the Public Resources Code, shall provide a status report on the implementation of Chapter 5.3 (commencing with Section 42280) of Part 3 of Division 30 of the Public Resources Code.

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 7, 2016

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

REQUEST:

It is recommended that the City Council consider:

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

BACKGROUND:

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

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

ANALYSIS:

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

1. Term
 - a. Expires June 30, 2017

2. PERS Retirement (Employee PERS contribution)
 - a. Bargaining unit “Classic employees” shall pay the remaining entire employee contribution towards PERS (5.5%). Effective in the pay period in which the “Classic employee” full employee PERS contribution is shifted to the employee, the employee shall receive a 5.5% salary increase.

3. Salary
 - a. 1% salary increase effective January 1, 2015 (effective in pay period that includes January 1, 2015).
 - b. 2% salary increase effective July 1, 2016 (effective in pay period that includes July 1, 2016).

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

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

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

5. City and MPSMA agree to continue discussions to develop a new draft MOU prior to June 30, 2017. The MPSMA does not currently have a MOU in place, and utilizes the MMEA MOU.

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

FISCAL IMPACT:

The estimated fiscal impact for the two year agreement is approximately \$15,000.

CONCLUSION:

This request is submitted for City Council approval.

Respectfully submitted,

Layne Long
 City Manager
 City of Marina

RESOLUTION NO. 2016-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING A SIDE LETTER AGREEMENT AMENDING THE EXISTING MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF MARINA AND THE MARINA PUBLIC SAFETY MANAGEMENT ASSOCIATION AND AUTHORIZE CITY MANAGER TO EXECUTE SIDE LETTER AGREEMENT ON BEHALF OF CITY.

WHEREAS, the existing Memorandum of Understanding between the City of Marina and the Marina Public Safety Management Association has expired, and;

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

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

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

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

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

WHEREAS, the estimated cost of all salary and benefit adjustments in the Side Letter is approximately \$15,000 over the two year term of the agreement, and;

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

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

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

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

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ATTEST:

Anita Sharp, Deputy City Clerk

Bruce C. Delgado, Mayor

**SIDE LETTER OF AGREEMENT
BETWEEN THE CITY OF MARINA AND
MARINA PUBLIC SAFETY MANAGEMENT ASSOCIATION
September 7, 2016**

This Side Letter of Agreement is entered into by and between the City of Marina and the Marina Public Safety Management Association (MPSMA) effective September 7, 2016 and shall extend the currently utilized Marina Management Employees Association (MMEA) MOU through June 30, 2017. The parties agree to the following Terms and Conditions:

1. Term
 - a. Expires June 30, 2017

2. PERS Retirement (Employee PERS contribution)
 - a. Bargaining unit “Classic employees” shall pay the remaining entire employee contribution towards PERS (5.5%). Effective in the pay period in which the “Classic employee” full employee PERS contribution is shifted to the employee, the employee shall receive a 5.5% salary increase.

3. Salary
 - a. 1% salary increase effective January 1, 2015 (effective in pay period that includes January 1, 2015)
 - b. 2% salary increase effective July 1, 2016 (effective in pay period that includes July 1, 2016)

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

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

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

5. City and MPSMA agree to continue discussions to develop a new draft MOU prior to June 30, 2017. The MPSMA does not currently have a MOU in place, and utilizes the MMEA MOU.

6. All other terms and conditions of employment contained in the party’s previous MOU, side letters and amendments shall remain in effect.

CITY OF MARINA

MARINA PUBLIC SAFETY
MANAGEMENT ASSOCIATION

By: _____

By: _____

Date: _____

Date: _____

September 1, 2016

Item No. **8g(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 7, 2016

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

REQUEST:

It is recommended that the City Council consider:

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

BACKGROUND:

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

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

ANALYSIS:

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

1. Term
 - a. Expires June 30, 2017

2. PERS Retirement (Employee PERS contribution)
 - a. Bargaining unit “Classic employees” shall pay the remaining entire employee contribution towards PERS (non-sworn and sworn employees of 3.5% and 4.5% respectively). Effective in the pay period in which the “Classic employee” full employee PERS contribution is shifted to the employee, the employee shall receive a 3.5% and 4.5% salary increase for non-sworn and sworn employees respectively.

3. Salary
 - a. 1% salary increase effective January 1, 2015 (effective in pay period that includes January 1, 2015).
 - b. 2% salary increase effective July 1, 2016 (effective in pay period that includes July 1, 2016).

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

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

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

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

FISCAL IMPACT:

The estimated fiscal impact for the two year agreement is approximately \$35,000.

CONCLUSION:

This request is submitted for City Council approval.

Respectfully submitted,

Layne Long
 City Manager
 City of Marina

RESOLUTION NO. 2016-

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

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

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

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

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

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

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

WHEREAS, the estimated cost of all salary and benefit adjustments in the Side Letter is approximately \$35,000 over the two year term of the agreement, and;

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

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

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

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

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ATTEST:

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

**SIDE LETTER OF AGREEMENT TO MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MARINA AND THE DEPARTMENT DIRECTORS INFORMAL
EMPLOYEES ASSOCIATION**

September 7, 2016

This Side Letter of Agreement is entered into by and between the City of Marina and the Department Directors Informal Employees Association effective September 7, 2016 and shall extend the current MOU through June 30, 2017. The parties agree to the following Terms and Conditions:

1. Term
 - a. Expires June 30, 2017
2. PERS Retirement (Employee PERS contribution)
 - a. Bargaining unit "Classic employees" shall pay the remaining entire employee contribution towards PERS (non-sworn and sworn employees of 3.5% and 4.5%, respectively). Effective in the pay period in which the "Classic employee" full employee PERS contribution is shifted to the employee, the employee shall receive a 3.5% and 4.5% salary increase for non-sworn and sworn employees, respectively.
3. Salary
 - a. 1% salary increase effective January 1, 2015 (effective in pay period that includes January 1, 2015)
 - b. 2% salary increase effective July 1, 2016 (effective in pay period that includes July 1, 2016)
4. Medical
 - a. Effective January 1, 2016 (or whenever the 2016 medical premiums went into effect) the City shall pay additional medical health insurance premium per month as follows:

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

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

CITY OF MARINA

By: _____

By: _____

Date: _____

Date: _____

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016- ,
APPROVING AMENDMENT NO. 1 TO THE COMMUNICATIONS SITE
LEASE AGREEMENT BETWEEN CITY OF MARINA AND SPRINT
SPECTRUM REALTY COMPANY, LLC, OF OVERLAND PARK,
KANSAS, FOR A LEASE TERM EXTENSION, AUTHORIZING
FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND
BUDGETARY ENTRIES, AND AUTHROIZING CITY MANAGER TO
EXECUTE AMENDMENT NO. 1 AND RELATED DOCUMENTS ON
BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND
APPROVAL BY CITY ATTORNEY**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016- , approving Amendment No. 1 to the Communications Site Lease Agreement between the City of Marina and Sprint Spectrum Realty Company, LLC, of Overland Park, Kansas, for a lease term extension; and
2. Authorizing Finance Director to make necessary accounting and budgetary entries; and
3. Authorizing City Manager to execute Amendment No. 1 and related documents on behalf of the City, subject to final review and approval by City Attorney.

BACKGROUND:

At a regular meeting of March 20, 2001, the City Council adopted Resolution 2001-08, approving a Communications Site Lease Agreement (Lease) between Sprint Spectrum, L. P. (Sprint) DBA Tetra Tech Communications, LLC and City of Marina for use of a portion of Hangar Building 524 at the Marina Municipal Airport. The Lease provided for a base term of five years and two additional terms of five years each. The Lease was set to expire on June 27, 2016.

Since the fall of 2015, Sprint through various commercial property companies has communicated the desire to extend the lease for up to fifteen years. Staff began negotiations of new terms for an amendment to the 2001 Lease.

At the regular meeting of June 7, 2016, City Council in Closed Session received a staff report and proposed amendment for discussion and provided direction to staff to move forward with an amendment to the Lease.

ANALYSIS:

The Airport has been successful in accommodating four current Communications Site Leases which generate annual rent revenue of approximately \$130,000. To date, there has been no known conflict between the Communications Sites operations and Airport or Aviation operations.

Staff, City Attorney and Sprint Legal have prepared and reviewed Amendment No. 1 (“First Amendment”) to the 2001 Communications Site Lease Agreement (“**EXHIBIT A**”). The amendment provides for:

- Base Term of five years and two additional terms of five years each
- New Base Rent that is a six percent increase over the last month’s rent paid
- Rent will increase annually by three and one-half percent (3.5%)
- Lessor’s Relocation Right should the City deem it necessary to move the Cell Site from Hangar Building 524
- All other terms, conditions and agreements contained in the Lease remain in full force and effect.

FISCAL IMPACT:

Should the City Council approve this request, anticipated rent revenue to the airport over the full term of Amendment No. 1 is approximately \$741,000.

Communications Site rent revenue is recorded to FY16-17 Budget, Airport Operations Fund 555, Land Rents Antenna, Account No. 555.000.000.00-5450.100. The anticipated rent revenue for FY 2016-17 is \$38,400.

CONCLUSION:

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

Respectfully submitted,

Jeff Crechriou
Airport Services Manager
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING AMENDMENT NO. 1 TO THE COMMUNICATIONS SITE LEASE AGREEMENT BETWEEN CITY OF MARINA AND SPRINT SPECTRUM REALTY COMPANY, LLC, OF OVERLAND PARK, KANSAS, FOR A LEASE TERM EXTENSION, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES, AND AUTHROIZING CITY MANAGER TO EXECUTE AMENDMENT NO. 1 AND RELATED DOCUMENTS ON BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

WHEREAS, at a regular meeting of March 20, 2001, the City Council adopted Resolution 2001-08, approving a Communications Site Lease (Lease) between Sprint Spectrum, L. P. (Sprint) DBA Tetra Tech Communications, LLC and City of Marina for use of a portion of Hangar Building 524 at the Marina Municipal Airport. The Lease provided for a base term of five years and two additional terms of five years each. The Lease was set to expire on June 27, 2016; and

WHEREAS, since the fall of 2015, Sprint through various commercial property companies has communicated the desire to extend the lease for up to fifteen years. Staff began negotiations of new terms for an amendment to the 2001 Lease; and

WHEREAS, the Airport has been successful in accommodating four current Communications Site Leases which generate annual rent revenue of approximately \$130,000. To date, there has been no conflict between the Communications Sites operations and Airport or Aviation operations, and

WHEREAS, staff, City Attorney and Sprint Legal have prepared and reviewed Amendment No. 1 (“First Amendment”) to the 2001 Communications Site Lease Agreement (“**EXHIBIT A**”). The amendment provides for:

- Base Term of five years and two additional terms of five years each
- New Base Rent that is a six percent increase over the last month’s rent paid
- Rent will increase annually by three and one-half percent (3.5%)
- Lessor’s Relocation Right should the City deem it necessary to move the Cell Site from Hangar Building 524
- All other terms, conditions and agreements contained in the Lease remain in full force and effect; and

WHEREAS, anticipated rent revenue to the airport over the full term of Amendment No. 1 is approximately \$741,000. Communications Site rent revenue is recorded to FY16-17 Budget, Airport Operations Fund 555, Land Rents Antenna, Account No. 555.000.000.00-5450.100. The anticipated rent revenue for FY 2016-17 is \$38,400.

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

1. Approve Amendment No. 1 to the Communications Site Lease Agreement between the City of Marina and Sprint Spectrum Realty Company, LLC, of Overland Park, Kansas, for a lease term extension; and
2. Authorize Finance Director to make necessary accounting and budgetary entries; and
3. Authorize City Manager to execute Amendment No. 1 and related documents on behalf of the City, subject to final review and approval by 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 September 2016, by the following vote:

AYES, COUNCIL MEMBERS:

NOES, COUNCIL MEMBERS:

ABSENT, COUNCIL MEMBERS:

ABSTAIN, COUNCIL MEMBERS:

ATTEST:

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

EXHIBITA

**FIRST AMENDMENT
TO COMMUNICATIONS SITE LEASE AGREEMENT**

THIS FIRST AMENDMENT TO COMMUNICATIONS SITE LEASE AGREEMENT ("Amendment") is made effective as of _____, 201__ ("Effective Date"), by and between the CITY OF MARINA, a California municipal corporation ("Lessor") and SPRINT SPECTRUM REALTY COMPANY, LLC, (formerly organized as limited partnership) a Delaware limited liability company, ("Lessee") successor in interest to Sprint Spectrum L.P., a Delaware limited partnership.

BACKGROUND

Pursuant to a Communications Site Lease Agreement dated March 22, 2001 ("Lease"), attached hereto as Exhibit A-1, Lessor leased to Lessee a certain portion of real property commonly known as Hangar 524, Marina Municipal Airport, City of Marina, County of Monterey, State of California, as more particularly described in Exhibit B to the Lease ("Premises").

Lessor and Lessee desire to amend the Lease as set forth herein. Words and phrases having a defined meaning in the Lease have the same respective meanings when used herein unless otherwise expressly stated.

AGREEMENT

The parties agree as follows:

- 1. **Term.** Paragraph 4 of the Lease is amended by adding the following:

Notwithstanding anything set forth in Paragraph 4 to the contrary, the current term of the Lease will expire on June 27, 2016. Commencing on June 28, 2016, the term of the Lease ("New Initial Term") is sixty (60) months. The Lease will be automatically renewed for up to two (2) additional terms (each an "Additional Renewal Term") of sixty (60) months each. Each Additional Renewal Term will be deemed automatically exercised without any action by either party unless Lessee gives written notice of its decision not to exercise any options to Lessor before expiration of the then current term.

- 2. **Rent.** Paragraph 5 of the Lease is amended by adding the following:

Notwithstanding anything set forth in Paragraph 5 to the contrary, effective June 28, 2016, the Rent shall be paid in equal monthly installments of Three Thousand Two Hundred and No/100 Dollars (\$3,200.00), and shall continue during the term (until increased as set forth herein), partial months to be prorated, in advance. Thereafter, commencing on June 28, 2017, the Rent will be increased annually by three and one-half percent (3.5%) of the then current Rent.

Lessor initials: _____

Lessee initials: _____

New Term	6/28/2016 - 6/27/2017	\$3,200.00
	6/28/2017 - 6/27/2018	\$3,312.00
	6/28/2018 - 6/27/2019	\$3,427.92
	6/28/2019 - 6/27/2020	\$3,547.90
	6/28/2020 - 6/27/2021	\$3,672.07
1 st Addititonal Renewal Term	6/28/2021 - 6/27/2022	\$3,800.60
	6/28/2022 - 6/27/2023	\$3,933.62
	6/28/2023 - 6/27/2024	\$4,071.29
	6/28/2024 - 6/27/2025	\$4,213.79
	6/28/2025 - 6/27/2026	\$4,361.27
2 nd Addititonal Renewal Term	6/28/2026 - 6/27/2027	\$4,513.92
	6/28/2027 - 6/27/2028	\$4,671.90
	6/28/2028 - 6/27/2029	\$4,835.42
	6/28/2029 - 6/27/2030	\$5,004.66
	6/28/2030 - 6/27/2031	\$5,179.82

3. Lessor's Relocation Right.

A. If Lessor desires to redevelop Lessor's Property, then Lessor will have the one-time right to relocate the Lessee's Facilities or any part thereof, to an alternate ground location on Lessor's Property or to space within or on top of a building or other existing structure situated on Lessor's Property (the "Building"), provided, however, that any relocation will: (a) be at Lessee's sole cost and expense; (b) be performed exclusively by Lessee or Lessee's contractors; (c) not result in any interruption of the communications service provided from the Lessee's Facilities; (d) not impair or in any manner alter the quality of communications service provided from the Lessee's Facilities; and (e) be done in strict accordance with the terms and conditions contained in paragraphs B and C, below. Upon relocation of the Lessee's Facilities, the access and utility easements provided to Lessee will be relocated as required, in the sole discretion of Lessee and at Lessee's sole expense.

B. Lessor will exercise its relocation right under paragraph A above by delivering written notice to Lessee at least 9 months prior to the proposed redevelopment/relocation date (the "Notice") setting forth the approximate effective date of the relocation (the "Target Effective Date"). In the Notice, Lessor will propose an alternate site on Lessor's Property to which Lessee may relocate the Lessee's Facilities. Lessee will have 60 days from the date it receives the Notice to evaluate Lessor's proposed relocation site, during which period Lessee will have the right to conduct all tests as Lessee deems necessary or desirable to determine the technological feasibility of the proposed relocation site. If Lessee fails to approve of the proposed relocation site in writing within the 60-day period, then Lessee will be deemed to have disapproved of the proposed relocation site. If Lessee disapproves of the relocation site, then Lessor may thereafter propose another relocation site in the manner set forth above. If the second proposed relocation site is disapproved by Lessee, then Lessee may terminate this Lease by giving written notice thereof to Lessor within 30 days from the date of Lessee's disapproval of the second proposed relocation site. In the event Lessee gives such notice of termination, then the Lease shall

Lessor initials: _____

Lessee initials: _____

terminate sixty (60) days following the Target Effective Date, and on such date Lessee shall surrender the Premises and Lessor’s Property in the condition required by the Lease. Any relocation site that Lessor and Lessee agree upon in writing is referred to as the "Relocation Site". Provided Lessee does not terminate the Lease pursuant to the foregoing, the Lease shall remain in full force and effect, however, Lessee shall surrender the Premises on a date (the “Surrender Date”) determined by the Lessor (which shall be no earlier than the Target Effective Date). On the Surrender Date Lessee shall surrender the Premises and Lessor’s Property in the condition required by the Lease. Prior to the Surrender Date Lessee and Lessor shall execute a written amendment to the Lease concerning the location and dimensions of the Relocation Site to relocate or cause to be relocated, at Lessee's expense, the Lessee’s Facilities to the Relocation Site. In the event Lessee is unable to commence commercial operation at the Relocation Site by the Surrender Date, Lessee may install and operate, at Lessee’s expense, a temporary communications facility in a mutually agreeable location on the Property until such time as Lessee is operating at the Relocation Site.

C. Upon relocation of the Lessee’s Facilities or any part thereof, to the Relocation Site, all references to the Premises in the Lease will be deemed to be references to the Relocation Site. Lessor and Lessee agree that the Relocation Site (including the access and utility easements) will be surveyed by a licensed surveyor at Lessee's sole expense. The survey will then replace Exhibit B and will become a part of the Lease and will control as to the description of the Premises. An accurate copy of all documents describing the Relocation Site will, at Lessee's sole expense, be recorded in the official land title records of the county where the Relocation Site is located.

4. **Notices.** Paragraph 17(c) of the Lease is deleted in its entirety and replaced with the following:

"All notices, requests, demands or other communications with respect to the Lease, whether or not herein expressly provided for, must be in writing and will be deemed to have been delivered upon receipt or refusal to accept delivery after being either mailed by United States first-class certified or registered mail, postage prepaid, return receipt requested or deposited with an overnight courier service for next-day delivery to the parties at the following addresses (the addresses may be changed by either party by giving written notice).

Lessor: City of Marina
City Hall
211 Hillcrest Avenue
Marina, California 93933

Lessee: Sprint Spectrum Realty Company, LLC
Sprint Property Services
Site ID: MO45XC008
Mailstop KSOPHT0101-Z2650
6391 Sprint Parkway
Overland Park, KS 66251-2650

Lessor initials: _____

Lessee initials: _____

with a copy to:

Sprint Law Department
Attn: Real Estate Attorney
Site ID: MO45XC008
Mailstop KSOPHT0101-Z2020
6391 Sprint Parkway
Overland Park, KS 66251-2020"

5. **Memorandum of Amendment.** Lessor agrees to promptly execute and deliver to Lessee a recordable Memorandum of Amendment in the form of Attachment 1, attached.

6. **Reaffirmation; Intention to be Bound.** Except as provided in this Amendment, each and every term, condition and agreement contained in the Lease will remain in full force and effect. The parties reaffirm that the representations and warranties made by each of the parties in the Lease are true and accurate as of the Effective Date. The parties executing this Amendment, on behalf of themselves, their assigns and successors, acknowledge and reaffirm their intention to be bound by the terms and conditions of the Lease.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

Lessor initials: _____

Lessee initials: _____

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the Effective Date.

Lessor:

Lessee:

**City of Marina,
a California municipal corporation**

**Sprint Spectrum Realty Company, LLC,
a Delaware limited liability company**

By: _____
(please use blue ink)

By: _____

Name: _____
Title: _____
Date: _____

Name: Michael Mizzell
Title: Manager – Vendor Management
Date: _____

Lessor initials: _____

Lessee initials: _____

ATTACHMENT 1

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

Sprint Property Services
Mailstop KSOPHT0101-Z2650
6391 Sprint Parkway
Overland Park, Kansas 66251-2650

[space above this line for Recorder's use]

**MEMORANDUM OF FIRST AMENDMENT
TO COMMUNICATIONS SITE LEASE AGREEMENT**

This MEMORANDUM OF FIRST AMENDMENT TO COMMUNICATIONS SITE LEASE AGREEMENT ("Amended Memorandum"), by and between the CITY OF MARINA, a California municipal corporation ("Lessor") and SPRINT SPECTRUM REALTY COMPANY, LLC, a Delaware limited liability company, successor in interest to Sprint Spectrum L.P., a Delaware limited partnership ("Lessee"), evidences that the lease made and entered into by written Communications Site Lease Agreement between Lessor and Lessee or Lessee's affiliate, dated March 22, 2001 ("Lease"), has been amended by written agreement between the parties (the "Amendment"). The parties caused to be recorded a Memorandum of Agreement with the Office of Monterey County Recorder, California, as document number 2001044641 on June 4, 2001.

The terms and conditions of the Lease and Amendment are incorporated herein by reference.

The Amendment provides in part that Lessor leases to Lessee a certain portion of real property owned by Lessor, commonly known as Hangar 524, Marina Municipal Airport, City of Marina, County of Monterey, State of California, together with non-exclusive utility and access easements (the "Premises"). The real property which is the subject of the Lease is described in Exhibit A attached hereto. The Amendment grants Lessee the option to extend the Lease for two (2) additional sixty (60) month terms after the expiration of the new initial sixty (60) month term which will commence on June 28, 2016.

All notices to Lessee must be sent via U.S. Postal Service certified mail, return receipt requested with all postage prepaid to:

Sprint Spectrum Realty Company, LLC
Sprint Property Services
Site ID: MO45XC008
Mailstop KSOPHT0101-Z2650
6391 Sprint Parkway
Overland Park, KS 66251-2650

with a mandatory copy to:
Sprint Law Department
Attn: Real Estate Attorney
Site ID: MO45XC008
Mailstop KSOPHT0101-Z2020
6391 Sprint Parkway
Overland Park, KS 66251-2020

Lessor initials: _____

Lessee initials: _____

**EXHIBIT A
TO MEMORANDUM OF FIRST AMENDMENT
TO COMMUNICATIONS SITE LEASE AGREEMENT**

Description of Real Property

A portion of certain real property commonly known as Hangar 524, Marina Municipal Airport, City of Marina, County of Monterey, State of California, described as follows:

Parcel 1, as shown and designated on that certain map filed for record November 16, 1994 in Volume 19 of Surveys at page 20, filed in the office of the County Recorder.

Excepting therefrom those portions of land described as Sub Parcels A through J in Exhibit "A" of the "Quitclaim Deed for Surplus Airport Property" recorded September 6, 1995 in Reel 3272 of Official Records, at page 696.

Also excepting therefrom that portion lying within that certain map recorded June 17, 1996, in Volume 19 of "Cities and Towns", at page 22, in the office of the County Recorder, Monterey County, State of California.

Also excepting therefrom those portions of land described in the "Quitclaim Deed of Surplus Airport Property" recorded September 6, 1995 in Reel 3272 of Official Records, at page 696.

APNs: 031-111-012
031-111-013
031-111-026

Lessor initials: _____

Lessee initials: _____

ORIGINAL

COMMUNICATIONS SITE LEASE AGREEMENT

THIS COMMUNICATIONS SITE LEASE AGREEMENT ("Lease") dated as of Mar 22, 2001, is between SPRINT SPECTRUM L.P., a Delaware limited partnership ("Lessee") whose Northern California address is 4683 Chabot Drive, Suite 100, Pleasanton, California, 94588, and the CITY OF MARINA, a California Municipal Corporation ("Lessor") who address is 211 Hillcrest Avenue, Marina, California, 93933.

The parties hereto agree as follows:

1. Premises. Lessor owns the real property legally described in Exhibit "A" commonly known as Hangar 524, Marina Municipal Airport (Assessor's Parcel Number 031-111-026-000). Subject to the following terms and conditions, Lessor leases to Lessee that portion of Lessor's property ("Lessor's Property") depicted in Exhibit "B," including any applicable easements for access and utilities (the "Premises").

2. Use. The Premises may be used by Lessee for any lawful activity in connection with the provisions of mobile/wireless communications services, including without limitation, the transmission and the reception of radio communication signals on various frequencies and the construction, maintenance and operation of related communications facilities. Lessor agrees, at no expense to Lessor, to cooperate with Lessee, in making application for and obtaining all licenses, permits and any and all other necessary approvals that may be required for Lessee's intended use of the Premises.

3. Conditions Precedent. This Lease is conditioned upon Lessee, or Lessee's assigns, obtaining all governmental permits and approvals enabling Lessee, or its assigns, to construct and operate mobile/wireless communications facilities on the Premises.

4. Term. The term of this Lease ("Term") shall be five (5) years commencing with the issuance of a local building permit allowing Lessee to construct its mobile/wireless communications facilities on the Premises, or twelve (12) months from the date on which this Lease has been fully executed by the parties, whichever is earlier ("Commencement Date"). Lessee shall have the right to extend the Term of this Lease for two (2) additional terms ("Renewal Term") of five (5) years each. Each Renewal Term shall be on the same terms and conditions as set forth herein. This Lease shall automatically be extended for each successive five (5) year Renewal Term unless Lessee notifies Lessor in writing of Lessee's intention not to extend this Lease at least thirty (30) days prior to the expiration of the first five-year Term or any Renewal Term.

5. Rent.

(a) Upon the Commencement Date, Lessee shall pay Lessor, as rent, the sum of Two Thousand Two Hundred Dollars (\$2,200:00) ("Rent") per month. Rent shall be payable on the 1st day of each month, in advance, to Lessor's address specified in Paragraph 17, Miscellaneous.

If the Commencement Date is other than the first day of a calendar month, Lessee may pay on the first day of the Term the prorated Rent for the remainder of the calendar month in which the Term commences, and thereafter, Lessee shall pay a full month's Rent on the first day of each calendar month, except that payment shall be prorated for the final fractional month of this Lease, or if this Lease is terminated before the expiration of any month for which Rent should have been paid.

(b) During the Term or any Renewal Term, rent shall be increased every two (2) years on the Commencement Date by an amount equal to the percentage change in the CPI over the immediately preceding two (2) years. "CPI" shall mean the Bureau of Labor Statistics Consumer Price Index. All Urban Wage Earners, for the San Francisco-Oakland-San Jose Area (1982-84=100). If such CPI is discontinued or revised, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or revised.

(c) Lessee acknowledges that the late payment of rent will cause the Lessor to incur accounting and other processing costs not contemplated by this Lease, the exact amount of which is extremely difficult and impracticable to fix. Therefore, should any payments due under this Lease remain unpaid five (5) business days after written notice that it is overdue, a penalty of 10% shall be added to any payments past due and owing. Lessor and Lessee agree that this late charge represents a fair and reasonable estimate of costs that the Lessor will incur by reason of the late payment of rent by the Lessee. Acceptance of any such late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount, nor prevent the Lessor from exercising any of the other rights and remedies available to it by reason of such default. Interest on any unpaid rents, charges and any penalty shall accrue at the rate of 1.5% per month thereafter until paid.

6. Improvements; Access.

(a) Lessee shall have the right (but not the obligation) at any time following the full execution of this Lease and prior to the Commencement Date, to enter the Premises for the purpose of making necessary inspections and engineering surveys (and soil tests where applicable) and other reasonably necessary tests (collectively "Tests") to determine the

suitability of the Premises for Lessee's Facilities (as defined herein) and for the purpose of preparing for the construction of Lessee's Facilities. During any Tests or pre-construction work, Lessee will have insurance as set forth in Section 12, Indemnification and Insurance. Lessee will notify Lessor of any proposed Tests or pre-construction work and will coordinate the scheduling of same with Lessor. If Lessee determines that the Premises are unsuitable for Lessee's contemplated use, then Lessee will notify Lessor and this Lease will terminate.

(b) Lessee has the right to construct, maintain and operate on the Premises radio communications facilities, including but not limited to, radio frequency transmitting and receiving equipment, batteries, utility lines, transmission lines, radio frequency transmitting and receiving antennas and supporting structures and improvements ("Lessee's Facilities"). In connection therewith, Lessee has the right to do all work necessary to prepare, add, maintain and alter the Premises for Lessee's communications operations and to install utility lines and transmission lines connecting antennas to transmitters and receivers. All of Lessee's construction and installation work shall be performed at Lessee's sole cost and expense and in a good and workmanlike manner. Title to Lessee's Facilities and any equipment placed on the Premises by Lessee shall be held by Lessee. All of Lessee's Facilities shall remain the property of Lessee and are not fixtures. Lessee has the right to remove all of Lessee's Facilities at its sole expense on or before the expiration or termination of this Lease.

(c) Lessor shall provide access to Lessee, Lessee's employees, agents, contractors and subcontractors to the Premises twenty-four (24) hours a day, seven (7) days a week, at no charge to Lessee. Lessor represents and warrants that it has full rights of ingress to and egress from the Premises, and hereby grants such rights to Lessee to the extent required to construct, maintain, install and operate Lessee's Facilities on the Premises. Lessee's exercise of such rights shall not cause undue inconvenience to Lessor.

(d) Lessor shall maintain all access roadways from the nearest public roadway to the Premises in a manner sufficient to allow access. Lessor shall be responsible for maintaining and repairing such roadways, at its sole expense, except for any damage caused by Lessee's use of such roadways. If Lessee causes any such damage, it shall promptly repair same.

(e) In the event Lessee's personnel or equipment damages Lessor's roof, Lessee shall repair the damage at Lessee's expense.

(f) Lessor shall allow Lessee to have sub-metering equipment installed on Lessor's existing utility services at Lessee's cost.

(g) Lessee shall have the right to install utilities, at Lessee's expense, and to improve the present utilities on or near the Premises (including, but not limited to the

installation of emergency back-up power). Subject to Lessor's approval of the location, which approval shall not be unreasonably withheld, Lessee shall have the right to place utilities on (or to bring utilities across) Lessor's Property in order to service the Premises and Lessee's Facilities. Upon Lessee's request, Lessor shall execute recordable easement(s) evidencing this right.

(h) Lessee shall fully and promptly pay for all utilities furnished to the Premises for the use, operation and maintenance of Lessee's Facilities.

(i) Upon the expiration, cancellation or termination of this Lease, Lessee shall surrender the Premises to Lessor in good condition, less ordinary wear and tear.

7. Interference With Communications.

(a) Lessee's Facilities shall not disturb the communications configurations, equipment and frequency which exist on Lessor's Property, specifically those of Pacific Bell Mobile Services or Alpine PCS, on the Commencement Date ("Pre-Existing Communications"), and Lessee's Facilities shall comply with all non-interference rules of the Federal Communications Commission ("FCC"). Lessor shall not otherwise permit the use of any portion of Lessor's Property in a way which interferes with the communications operations of Lessee described in Paragraph 2, above. Such interference with Lessee's communications operations shall be deemed a material breach by Lessor, and Lessor shall have the responsibility to promptly terminate said interference. In the event any such interference does not cease promptly, the parties acknowledge that continuing interference will cause injury to Lessee, and therefore, Lessee shall have the right to bring action to enjoin such interference or to terminate the Lease immediately upon notice to Lessor. Notwithstanding the foregoing, Pre-Existing Communications operating in the same manner as on the Commencement Date shall not be deemed interference.

(b) Notwithstanding the foregoing, Lessee's facilities and communications equipment shall comply with all applicable regulations of the Federal Aviation Administration ("FAA") and shall at no time interfere with flight communication or official airport communications.

8. Taxes.

(a) Lessee shall pay personal property taxes assessed against Lessee's Facilities and Lessor shall pay when due, all real property taxes and all other taxes, fees and assessments attributable to the Premises and this Lease.

(b) This Lease may be deemed to have created a possessory interest on Lessee's behalf in these Premises, subject to property taxes pursuant to California Revenue and Taxation Code §107.5.

9. Termination. This Lease may be terminated without further liability on thirty (30) days' prior written notice as follows: (i) by either party upon a default of any covenant, condition or term hereof by the other party, which default is not cured within sixty (60) days of receipt of written notice of default; (ii) by Lessee for any reason or for no reason, provided Lessee delivers written notice of termination to Lessor prior to the Commencement Date; (iii) by Lessee if it does not obtain or maintain, licenses; permits or other approvals necessary to the construction or operation of Lessee's Facilities; or (iv) by Lessee if Lessee is unable to occupy or utilize the Premises due to ruling or directive of the FCC or other governmental or regulatory agency, including, but not limited to, a take back of channels or change in frequencies; or (v) by Lessee if Lessee determines that the Premises are not appropriate for its operations for economic, environmental or technological reasons, including without limitation, signal strength or interference.

10. Destruction of Premises. If Premises or Lessor's Property is destroyed or damaged so as in Lessee's judgment, to hinder its effective use of Lessor's property, Lessee may elect to terminate this Lease as of date of damage or destruction by so notifying Lessor no more than thirty (30) days following the date of damage or destruction. In such event, all rights and obligations of the parties which do not survive termination of this Lease shall cease as of the date of the damage or destruction.

11. Condemnation. If a condemning authority takes all of Lessor's Property, or a portion which in Lessee's opinion is sufficient to render the Premises unsuitable for Lessee's use, then this Lease shall terminate as of the date when possession is delivered to the condemning authority. In any condemnation proceeding each party shall be entitled to make, a claim against the condemning authority for just compensation (which for Lessee shall include, the value of Lessee's Facilities, moving expenses, prepaid rent, business dislocation expenses, bonus value of the lease and any other amounts recoverable under condemnation law). Sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the exercise of its power of eminent domain, shall be treated as a taking by a condemning authority.

12. Indemnification and Insurance.

(a) Lessee shall maintain the following insurance: (1) Commercial General Liability with limits of \$5,000,000 per occurrence, (2) Automobile Liability with a combined single limit of \$1,000,000 per accident, (3) Worker's Compensation as required by law, and (4) Employer's Liability with limits of \$1,000,000 per occurrence.

Lessee shall maintain standard form property insurance ("All Risk" coverage) equal to at least ninety (90%) percent of the replacement cost covering its property. Lessee shall name Lessor: City of Marina, its officers, officials, directors, employees and agents as additional insured with respect to the above Commercial General Liability insurance. Lessee shall have the right to self-insure with respect to any of the above insurance.

(b) Lessee's Indemnity. Lessee shall indemnify, defend and hold Lessor: City of Marina, its officers, officials, directors, employees and agents, successors and assigns harmless from and against any and all loss, cost, claim, liability, action, damage, injury to or death of any person (including reasonable attorney's fees) ("Claims"), occurring on the Premises and arising out of or connected with the negligence or willful misconduct of Lessee, its agents or contractors, except for Claims arising out of (i) the negligence or willful misconduct of Lessor, its agents or contractors, (ii) violation of law by Lessor, its agents or contractors, (iii) breach of any duty or obligation by Lessor under this Lease, or (iv) any condition relating to the Premises which Lessee has no obligation to repair or maintain. Notwithstanding the foregoing, it is specifically recognized that Lessor does not warrant that the roof, where the Premises or in part located, is of sufficient strength or safety for Lessee's activities and any injury or death resulting from Lessee's activities on such roof shall not be deemed to be excluded under (i), (ii), (iii) or (iv) herein.

(c) Lessor's Indemnity. Lessor shall indemnify, defend and hold Lessee, its employees, successors and assigns harmless from and against any and all loss, cost, claim, liability, action, damage, injury to or death of any person (including reasonable attorney's fees) ("Claims"), arising out of or connected with the (i) the negligence or willful misconduct of Lessor, its agents or contractors, (ii) violation of law by Lessor, its agents or contractors, (iii) breach of any duty or obligation by Lessor under this Lease, or (iv) any condition relating to the Premises which Lessor has no obligation to repair or maintain, except for Claims occurring on the Premises and arising out of or connected with the negligence or willful misconduct of Lessee, its agents or contractors.

(c) Survival. The foregoing indemnity in (a) and (b) will survive the termination, cancellation or expiration of this Lease.

13. Assignment. Lessee may assign this Lease at any time to any parent, subsidiary or affiliate of Lessee or to any party that acquires substantially all of the assets of Lessee. An "affiliate" is any entity directly or indirectly owned or controlled by Lessee or Lessee's parent corporations. Any other assignment requires Lessor's prior written approval which approval shall not be unreasonably withheld.

14. Title and Quiet Enjoyment.

(a) Lessor warrants that it has full right, power and authority to execute this Lease; Lessor further warrants that Lessee shall have quiet enjoyment of the Premises during the Term of the Lease or any Renewal Term.

(b) Lessee has the right to obtain a title report or commitment for a leasehold title policy from a title insurance company of its choice. If, in the opinion of Lessee, such title report shows any defects of title or any liens or encumbrances which may adversely affect Lessee's use of the Premises; Lessee shall have the right to terminate this Lease immediately upon written notice to Lessor.

15. Repairs. Lessee shall not be required to make any repairs to the Premises except for damages to the Premises caused by Lessee, its employees, agents, contractors or subcontractors.

16. Hazardous Materials.

(a) Acceptance of Leased Property. Lessee understands that the leased property was formerly used the federal government as part of an Army air base, that surrounding lands which were also part of such Army air base have, in the past been found to contain concentrations of volatile organic chemicals which exceed standards prescribed by the environmental agencies and the state and federal governments. Structures may contain asbestos materials and lead-based paints. The City has provided to the Lessee an asbestos survey report prepared by the U.S. Army Corps of Engineers for Building #524 (copies of which are attached hereto and collectively referred to as Exhibit "C.") Lessee acknowledges that City has granted to Lessee the right to review all maps and records of the old Army air base as well as the right to inspect the Premises and perform any tests of the soils and improvements thereon or the groundwater thereunder, all in order to afford Lessee a full and complete opportunity to investigate and determine whether the leased property can be used for the purposes for which it is being leased.

(b) No Warranty. Lessee further understands and agrees that no representation, statement or warranty, express or implied, has been made by or on behalf of the City as to the condition of the Lessor's Property or suitability of the Premises for its intended use, save and except for the representation and warrant that no City officer, employee or agent has caused any condition of pollution or contamination which may now exist on the Lessor's Property. Such representation and warranty, however, shall not extend to any condition of pollution or contamination caused by the federal government or any other Lessee of City. Upon entering into occupancy, Lessee also agreed to accept the Premises in its present condition and "as is," with respect to all conditions which may now exist on or under

the Premises save and except for any condition of pollution or contamination caused by an officer, employee or agent of City. Moreover, Lessee agrees to waive any claim or right of action against the City, which Lessee now has or hereafter may acquire arising out of the condition of the Premises, its soils and/or the groundwater underlying Premises property, including, but not limited to, any claim of indemnity which Lessee may have by reason of costs incurred by Lessee arising out of the abatement or cleanup of any pollution or contamination condition discovered on the Premises hereafter required under applicable state, federal or city laws or regulations save and except for a claim or right of action arising out of a condition of pollution or containment caused by an officer, employee or agent of the City.

(c) Environmental. Lessee shall not bring any hazardous material onto Premises except for those contained in its back-up power batteries (lead-acid batteries) and common materials used in telecommunications operations, e.g., cleaning solvents. Lessee will treat all hazardous materials brought onto Premises by it in accordance with all federal, state and local laws and regulations.

17. Miscellaneous.

(a) If any provision of the Lease is invalid or unenforceable with respect to any party, the remainder of this Lease or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Lease shall be valid and enforceable to the fullest extent permitted.

(b) This Lease shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties.

(c) Any notice or demand required to be given herein shall be made by certified or registered mail, return receipt requested, confirmed fax, or reliable overnight mail to the address of the respective parties set forth below:

Lessor: City of Marina
City Hall
211 Hillcrest Avenue
Marina, California 93933

Lessee: Sprint PCS
4683 Chabot Drive, Suite 100
Pleasanton, CA 94588
Attention: Property Manager - Monterey County
MO-45-XC-008(A)

Lessor or Lessee may from time-to-time designate any other address for this purpose by written notice to the other party.

(d) This Lease shall be governed under the laws of the State of California. Any suit to be brought on this Lease shall be in Monterey County.

(e) The substantially prevailing party in any legal claim arising hereunder shall be entitled to its reasonable attorney's fees and court costs, including appeals, if any.

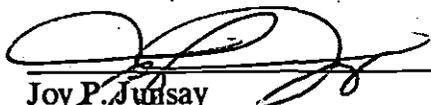
(f) Terms and conditions of this Lease which by their sense and context survive the termination, cancellation or expiration of this Lease will so survive.

(g) Upon request either party may require that a Memorandum of Lease be recorded in the form of Exhibit "D."

(h) This Lease constitutes the entire Lease and understanding between the parties, and supersedes all offers, negotiations and other Leases concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments to this Lease must be in writing and executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

ATTEST



Joy P. Junsay
City Clerk

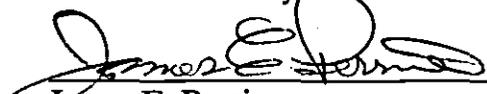
Date: 3/22/01

ATTEST

Name: _____

Date: _____

LESSOR: City of Marina

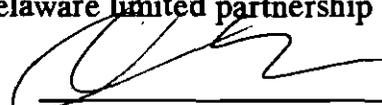


James E. Perrine

Mayor
Tax I.D. #: 94-2321991

Date: _____

LESSEE: Sprint Spectrum L.P.,
a Delaware limited partnership

By: 

Lawrence Doherty

Title: Regional Director of Site
Development

Date: 3 30 01

SPRINT PCS

ATTACHMENT C
TEMPORARY DELEGATION OF APPROVAL AUTHORITY

To: VP - Controller - Sprint PCS

Amy Doherty Authorizing Name (Print/Type) Director Title

in accordance with Sprint PCS Financial Policy, paragraph 9.1, do hereby delegate my fiscal approval authority to:

Cal Bernardino Employee Name (Print/Type) SD Manager Title

for the following department(s):

Department Number(s)
<u>13239</u>

This delegation is effective for the period March 8 to March 31st
(not to exceed 30 days) and is necessary due to Travel, Training & Meetings
(reason: e.g. absence, vacation, etc.)

[Signature] Signature of person receiving temporary delegation 3/7/01 Date

[Signature] Signature of person whose authority is being delegated 3/7/01 Date

A copy of this completed form should accompany all individual financial commitments or expenditure documentation approved under the above temporary delegation.

EXHIBIT A
Legal Description of Lessor's Property

The real property situated in the City of Marina, County of Monterey, State of California, more particularly described as:

Parcel 1, as shown and designated on that certain map filed for record November 16, 1994 in Volume 19 of Surveys at page 20, filed in the office of the County Recorder.

Excepting therefrom those portions of land described as Sub Parcels A through J in Exhibit "A" of the "Quitclaim Deed for Surplus Airport Property" recorded September 6, 1995 in Reel 3272 of Official Records, at page 696.

Also excepting therefrom that portion lying within that certain map recorded June 17, 1996, in Volume 19 of "Cities and Towns", at page 22, in the office of the County Recorder, Monterey County, State of California.

Also excepting therefrom those portions of land described in the "Quitclaim Deed of Surplus Airport Property" recorded September 6, 1995 in Reel 3272 of Official Records, at page 696.

APNs: 031-111-012
031-111-013
031-111-026

Lessor Initials

JSP

Lessee Initials

B

EXHIBIT B
Description of the Premises

[Plans consisting of 13 pages describing the leased Premises are attached hereto]

Lessor Initials



Lessee Initials



EXHIBIT C
Asbestos Survey Report Prepared by the U.S. Army Core of Engineers for Building
Number 524

[See Attached Consisting of _____ Pages]

Lessor Initials

Jed

Lessee Initials

G

EXHIBIT D
Memorandum of Lease

THIS MEMORANDUM OF LEASE is made and entered into as of _____, 2001 by and between CITY OF MARINA, ("Owner") and SPRINT SPECTRUM L.P., a Delaware limited partnership ("SSLP").

WITNESSETH:

That Owner hereby leases to SSSLP and SSSLP hereby leases from Owner a portion of that certain real property (the "Property") in the State of California, County of Monterey, City of Marina, a legal description of which is shown in Exhibit A attached hereto and incorporated herein by reference, under the terms and conditions of the unrecorded Communications Site Lease Agreement by and between Owner and SSSLP dated by Owner _____, 2001 and incorporated herein by reference (the "Agreement") for an initial term of five (5) years, and two (2) subsequent optional extension terms of five (5) years each, pursuant to the terms of the Agreement. The Agreement provides for grant of an easement for rights of access to the Property and to electrical and telephone facilities serving the Property.

IN WITNESS WHEREOF, the parties have executed the Memorandum as of the day and year first above written.

SSLP: SPRINT SPECTRUM L.P.,
a Delaware limited partnership

By: _____
Lawrence Doherty
Title: Regional Director of Site Development
Address: 4683 Chabot Drive, Suite 100
Pleasanton, California 94588

Owner: CITY OF MARINA

By: _____
Its: _____
Title: _____
Address: _____

[FORM DOCUMENT, PLEASE INITIAL ONLY - NOT FOR EXECUTION]

Lessor Initials

JD

Lessee Initials

S

AGENDA ITEM 8g(4)

THE STAFF REPORT FOR THIS ITEM WILL BE MADE AVAILABLE ON
SEPTEMBER 3, 2016 **OR** SEPTEMBER 6, 2016

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
ACCEPTING CAPITAL IMPROVEMENT PROGRAM PROJECTS, AND;
AUTHORIZING THE FILING OF NOTICE OF COMPLETION WITH
THE MONTEREY COUNTY RECORDERS OFFICE**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, accepting Capital Improvement Program Projects, and;
2. Authorizing filing of Notice of Completion with Monterey County Recorder’s Office.

BACKGROUND:

The following Capital Improvement Projects were approved for advertisement and award:

Project	Advertisement		Award	
	Resolution	Bid Opening	Resolution	Contractor
Carmel Ave. & Palm Ave. Improvements	2013-121	10/29/13	2013-162	NorCal Contractors
Redwood Dr. Safe Routes to School	2012-29	04/19/12	2012-63	Monterey Peninsula Engineering
Beach & De Forest Traffic Calming	2013-101	09/19/13	2013-150	Monterey Peninsula Engineering
Del Monte Drainage Improvements	2013-133	02/06/14	2014-12	NorCal Contractors
Reservation Rd. Improvements	2012-178	04/04/13	2013-47	Monterey Peninsula Engineering

ANALYSIS:

The following Capital Improvement Projects were approved with the following budgets and final expenditures (Admin, Design, & Construction):

Project	Project Budget	
	Budget	Expenditures
Carmel Ave. & Palm Ave. Improvements	\$ 140,000.00	\$ 133,574.77
Redwood Dr. Safe Routes to School	\$ 122,038.00	\$ 120,644.85
Beach & De Forest Traffic Calming	\$ 74,124.00	\$ 71,167.63
Del Monte Drainage Improvements	\$ 240,200.00	\$ 234,276.88
Reservation Rd. Improvements	\$ 2,954,445.00	\$ 2,911,400.10

These Projects are now complete. It is appropriate to accept these public improvements and to file Notice of Completion for the projects with the Monterey County Recorder’s Office (“**EXHIBIT A**”).

FISCAL IMPACT:

None

CONCLUSION:

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

Respectfully submitted,

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

REVIEWED/CONCUR:

Nourdin Khayata, PE
Acting City Engineer
City of Marina

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
ACCEPTING CAPITAL IMPROVEMENT PROGRAM PROJECTS, AND;
AUTHORIZING THE FILING OF NOTICE OF COMPLETION WITH THE
MONTEREY COUNTY RECORDERS OFFICE

WHEREAS, the following Capital Improvement Projects were approved for advertisement and award:

Project	Advertisement		Award	
	Resolution	Bid Opening	Resolution	Contractor
Carmel Ave. & Palm Ave. Improvements	2013-121	10/29/13	2013-162	NorCal Contractors
Redwood Dr. Safe Routes to School	2012-29	04/19/12	2012-63	Monterey Peninsula Engineering
Beach & De Forest Traffic Calming	2013-101	09/19/13	2013-150	Monterey Peninsula Engineering
Del Monte Drainage Improvements	2013-133	02/06/14	2014-12	NorCal Contractors
Reservation Rd. Improvements	2012-178	04/04/13	2013-47	Monterey Peninsula Engineering

WHEREAS, the following Capital Improvement Projects were approved with the following budgets and final expenditures (Admin, Design, & Construction):

Project	Project Budget	
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Carmel Ave. & Palm Ave. Improvements	\$ 140,000.00	\$ 133,574.77
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Beach & De Forest Traffic Calming	\$ 74,124.00	\$ 71,167.63
Del Monte Drainage Improvements	\$ 240,200.00	\$ 234,276.88
Reservation Rd. Improvements	\$ 2,954,445.00	\$ 2,911,400.10

WHEREAS, these Projects are now complete. It is appropriate to accept these public improvements and to file Notice of Completion for the projects with the Monterey County Recorder's Office.

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

1. Accept Capital Improvement Program Projects, and;
2. Authorize filing of Notice of Completion with Monterey County Recorder's Office.

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

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Bruce Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

After Recordation Return To:

City of Marina
Community Development Department
211 Hillcrest Avenue
Marina, CA 93933

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the City of Marina, a municipal corporation, did, on the 31st Day of January, 2014, enter into a contract with NorCal Contractors wherein said contractor agreed to complete all work for the Carmel Ave. and Palm Ave. Drainage Improvement Project according to plans and specifications furnished by the City of Marina.

That the work under said contract was actually completed by the contractor or assignee, and accepted by the City of Marina on May 21, 2014.

The real property involved in said contract which the property interest of the City of Marina is Owner is described as: Carmel Ave. at Pleasant Circle, Palm Ave. at Elm Ave., and Carmel Ave. at Del Monte Blvd.

Dated: August __, 2016

MARINA, a Municipal Corporation

BY _____
Nourdin Khayata
Acting City Engineer

VERIFICATION

I, the undersigned, say: I am the Acting City Engineer of the City of Marina, a Municipal Corporation, and the declarant of the foregoing notice of completion: I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2016, at Marina, California.

Nourdin Khayata
Acting City Engineer

STATE OF CALIFORNIA }ss.
COUNTY OF MONTEREY }

On _____ before me

_____, a Notary Public in and for the County of

Monterey, State of California, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[seal]

Notary Public

After Recordation Return To:

City of Marina
Community Development Department
211 Hillcrest Avenue
Marina, CA 93933

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the City of Marina, a municipal corporation, did, on the 1st Day of June, 2012, enter into a contract with Monterey Peninsula Engineering wherein said contractor agreed to complete all work for Redwood Drive Safe Route to School Improvement Project according to plans and specifications furnished by the City of Marina.

That the work under said contract was actually completed by the contractor or assignee, and accepted by the City of Marina on June 29, 2012.

The real property involved in said contract with the property interest of the City of Marina as Owner is described as: Redwood Drive, from Carmel Ave. to Hillcrest Ave.

Dated: August __, 2016

MARINA, a Municipal Corporation

BY _____
Nourdin Khayata
Acting City Engineer

VERIFICATION

I, the undersigned, say: I am the Acting City Engineer of the City of Marina, a Municipal Corporation, and the declarant of the foregoing notice of completion: I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2016, at Marina, California.

Nourdin Khayata
Acting City Engineer

STATE OF CALIFORNIA }ss.
COUNTY OF MONTEREY }

On _____ before me

_____, a Notary Public in and for the County of

Monterey, State of California, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[seal]

Notary Public

After Recordation Return To:

City of Marina
Community Development Department
211 Hillcrest Avenue
Marina, CA 93933

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the City of Marina, a municipal corporation, did, on the 11th Day of December, 2013, enter into a contract with Monterey Peninsula Engineering wherein said contractor agreed to complete all work for the Beach Rd. & De Forest Rd. Traffic Calming Project according to plans and specifications furnished by the City of Marina.

That the work under said contract was actually completed by the contractor or assignee, and accepted by the City of Marina on March 6, 2014.

The real property involved in said contract with the property interest of the City of Marina as Owner is escribed as: De Forest Rd. at Beach Rd. fronting Windy Hill Park.

Dated: August __, 2016

MARINA, a Municipal Corporation

BY _____
Nourdin Khayata
Acting City Engineer

VERIFICATION

I, the undersigned, say: I am the Acting City Engineer of the City of Marina, a Municipal Corporation, and the declarant of the foregoing notice of completion: I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2016, at Marina, California.

Nourdin Khayata
Acting City Engineer

STATE OF CALIFORNIA }ss.
COUNTY OF MONTEREY }

On _____ before me

_____, a Notary Public in and for the County of

Monterey, State of California, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[seal]

Notary Public

After Recordation Return To:

City of Marina
Community Development Department
211 Hillcrest Avenue
Marina, CA 93933

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the City of Marina, a municipal corporation, did, on the 23rd Day of June, 2014, enter into a contract with NorCal Contractors wherein said contractor agreed to complete all work for the Del Monte Blvd. Drainage Improvement Project according to plans and specifications furnished by the City of Marina.

That the work under said contract was actually completed by the contractor or assignee, and accepted by the City of Marina on December 22, 2014.

The real property involved in said contract which the property interest of the City of Marina as Owner is described as: Del Monte Blvd. fronting 3320 Del Monte Blvd.

Dated: August __, 2016

MARINA, a Municipal Corporation

BY _____
Nourdin Khayata
Acting City Engineer

VERIFICATION

I, the undersigned, say: I am the Acting City Engineer of the City of Marina, a Municipal Corporation, and the declarant of the foregoing notice of completion: I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2016, at Marina, California.

Nourdin Khayata
Acting City Engineer

STATE OF CALIFORNIA }ss.
COUNTY OF MONTEREY }

On _____ before me

_____, a Notary Public in and for the County of

Monterey, State of California, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[seal]

Notary Public

After Recordation Return To:

City of Marina
Community Development Department
211 Hillcrest Avenue
Marina, CA 93933

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the City of Marina, a municipal corporation, did, on the 23rd Day of May, 2013, enter into a contract with Monterey Peninsula Engineering wherein said contractor agreed to complete all work for the Reservation Rd. Improvement Project according to plans and specifications furnished by the City of Marina.

That the work under said contract was actually completed by the contractor or assignee, and accepted by the City of Marina on April 30, 2014.

The real property involved in said contract which the property interest of the City of Marina as Owner is described as: Reservation Rd., from Del Monte Blvd. to Beach Rd.

Dated: August __, 2016

MARINA, a Municipal Corporation

BY _____
Nourdin Khayata
Acting City Engineer

VERIFICATION

I, the undersigned, say: I am the Acting City Engineer of the City of Marina, a Municipal Corporation, and the declarant of the foregoing notice of completion: I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2016, at Marina, California.

Nourdin Khayata
Acting City Engineer

STATE OF CALIFORNIA }ss.
COUNTY OF MONTEREY }

On _____ before me

_____, a Notary Public in and for the County of

Monterey, State of California, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[seal]

Notary Public

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 7, 2016

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-,
APPROVING AN AMENDMENT TO THE OPERATING COVENANT AND
AGREEMENT WITH MONTEREY PENINSULA HOTELS GROUP, LP, AND;
AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT ON
BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY
THE CITY ATTORNEY.**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2016-, approving an amendment to the Operating Covenant and Agreement with Monterey Peninsula Hotels Group, LP and authorizing the City Manager to execute the amendment on behalf of the City subject to final review and approval by the City Attorney.

BACKGROUND:

In March 2014 the City entered into an Operating Covenant and Agreement with Monterey Peninsulas Hotels Group, LP related to the development of the Springhill Suites Hotel in the Dunes development. The Operating Covenant granted Monterey Peninsulas Hotels Group (“Hotel Developer”) a deferral of the City’s impact fees until completion of the Hotel provided certain conditions were met by the Hotel Developer. One of the conditions to be met by the Hotel Developer was completion of the Hotel by July 30, 2016. If the Hotel Developer met all of the conditions of the Operating Covenant, the City impact fees would be paid by the City using 50% of the transient occupancy tax (“TOT”) generated by the Hotel during the Hotel’s first four years of operations. If 50% of the TOT during the first four years is insufficient to pay the full amount of the City impact fees, the Hotel Developer is obligated to pay the difference to the City within thirty days. If 50% of the TOT during the first four years of Hotel operations exceeded the amount of the City impact fees, the Hotel Developer, under the existing Operating Agreement, would be entitled to receipt of the difference between 50% of the TOT up to \$1 million and the impact fees.

The Operating Covenant also provided that the date for completion of the Hotel as well as the time period for payment of the impact fees through TOT could be extended by unforeseen circumstances which were defined in the Operating Covenant.

The Hotel Developer was unable to meet the requirement to complete the Hotel by July 30, 2016 for a variety of reasons. The Hotel Developer requested a six month extension of the completion date invoking the unforeseen events provision of the Operating Covenant.

After discussions with the Hotel Developer, the City staff is recommending that the City Council approve the First Amendment to the Operating Covenant that extends the completion date for the Hotel to March 31, 2017.

ANALYSIS

The Hotel Developer has completed a substantial portion of the construction of the Hotel but has run into certain unexpected conditions that have delayed the completion of construction, including weather delays and the death of the construction company's project manager. In considering the Hotel Developer's request for an extension, the City reviewed the amount of impact fees that would be owed (\$634,000 rather than the \$737,000 that was estimated in the Operating Covenant) as well as the potential TOT to be generated by the Hotel upon completion. The City has also been in contact with the Hotel Developer's lenders to discuss options for resolving the delay issue. The lenders on the hotel have indicated that they will declare the loan in default if the Hotel Developer is obligated to pay the impact fees. A default on the loan will result in funding for the completion of construction being withheld and completion of the hotel being further delayed as the lender would most likely proceed with foreclosure. It is not certain under that scenario when the Hotel would be completed.

Upon completion the Hotel is expected to generate significant TOT benefiting the City. Conservative projections of the benefits generated by the Hotel to the City's general fund estimate a total of \$500,000 in additional revenues annually. This does not account for secondary benefits of the Hotel expected from tourist spending within the City.

As was discussed with the Council when the Operating Covenant was approved, the Hotel is expected to:

- Provide accommodations for parents visiting CSUMB students, clients of the new VA/DoD clinic, and will tap into the upscale tourist market currently staying in cities south of Marina.
- Support and enhance the surrounding Dunes development.
- Significantly increase our General Fund revenue tax base through TOT and property taxes
- Support efforts to expand tourism efforts in Marina

In addition, the hotel is expected to employ 110 people with a payroll of approximately \$3.6 million. The expenditures of the employees, hotel guests, and the hotel will have a ripple effect throughout the County. Using the IMPLAN model, it is estimated the hotel will support a total of 165 jobs and \$5.2 million of annual payroll throughout the County.

If the Hotel is further delayed the above benefits will not be realized in the short term and there is no guarantee that the Hotel can be completed anytime soon. In order to allow for construction of the hotel to continue to completion, City staff is recommending that the City Council approve an amendment to the Operating Covenant that would extend the date for completion of the Hotel to March 31, 2017. There would be no further extensions allowed. In consideration for the extension, the Hotel Developer would pay the City \$100,000. The \$100,000 payment would be deferred until the third anniversary of the opening of the Hotel with full payment due no later than the fifth anniversary of the Hotel opening. If the Hotel did not open by March 31, 2017, the full amount of the impact fees (\$634,000) plus the \$100,000 plus interest would be due to the City. The extension fee would compensate the City for the loss of TOT resulting from the delay in the completion of the Hotel. The Hotel Developer's obligation to pay the \$100,000 would be evidenced by a promissory note and secured by a deed of trust on the property, subordinate to the Hotel Developer's construction financing and permanent financing.

The First Amendment to the Operating Covenant also removes any option for the Hotel Developer to be paid any portion of TOT if 50% of the TOT collected in the first four years of operations exceeds the impact fees owed.

FISCAL IMPACT:

It is estimated that once the hotel is open it will generate \$500,000 annually for the General Fund in TOT revenue. During the first four years, half or approximately 50% of these funds will pay back the deferred impact until the full amount of the impact fees of \$634,000 is repaid, after which all TOT will be deposited in the General Fund. In addition, the Hotel Developer will pay the City \$100,000 as consideration for the extension with the first payment due on the third anniversary of the opening of the Hotel and full payment, plus interest due by the fifth anniversary of the Hotel opening.

CONCLUSION:

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

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2016-

A RESOLUTION APPROVING AN AMENDMENT TO THE OPERATING COVENANT AND AGREEMENT WITH MONTEREY PENINSULA HOTELS GROUP, LP, AND; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT ON BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY.

WHEREAS, the City of Marina entered into an Operating Covenant and Agreement with Monterey Peninsula Hotels Group LP (“Hotel Developer”) whereby the City agreed to defer certain impact fees if the Hotel Developer met certain condition; and

WHEREAS, the Hotel Developer has requested an extension under the Operating Covenant for the opening of the Hotel until March 31, 2017; and

WHEREAS, the City Council has considered the information presented to the City regarding the request for extension as well as the benefits to be provided to the City upon completion of the construction of the Hotel and has determined that amending the Operating Covenant and Agreement consistent with the First Amendment to the Operating Covenant and Agreement substantially in the form on file with the City Clerk is in the best interest of the City; and

WHEREAS, upon completion of construction, the Hotel is projected to increase generally fund revenues by approximately \$500,000 annually as well provide over 100 jobs as well as other secondary benefits to the City; and

WHEREAS, the City has determined that the Hotel will enhance the economic development and the future well-being and quality of life of the citizens of Marina and is in the best interests of the City.

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

1. That the above recitals are true and correct
2. Approve the First Amendment to the Operating Covenant and Agreement substantially in the form on file with the City Clerk and authorizes the City Manager to execute the First 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 September, 2016 by the following vote:

AYES, COUNCIL MEMBERS
NOES, COUNCIL MEMBERS
ABSENT, COUNCIL MEMBERS
ABSTAIN, COUNCIL MEMBER

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, City Clerk

Recording Requested By
and When Recorded Mail To:

City of Marina
211 Hillcrest
Marina, CA 93933
Attention: City Manager

No fee for recording pursuant
to Government Code Section 27380

SPACE ABOVE THIS LINE FOR RECORDER'S USE

FIRST AMENDMENT TO OPERATING COVENANT AND AGREEMENT

This First Amendment to Operating Covenant and Agreement (the "**First Amendment**") is made as of the ____ day of August, 2016, by and between the City of Marina, a charter city (the "**City**") and Monterey Peninsula Hotels Group, LP, a California limited partnership (the "**Hotel Developer**"), with reference to the following.

RECITALS

- A. The City and Hotel Developer entered into that certain Operating Covenant and Agreement dated March 31, 2014 ("Operating Covenant") whereby the Hotel Developer agreed to develop and operate a hotel on the Property consisting of no fewer than 100 rooms. Under the terms of the Operating Agreement, the City agreed to defer the payment of certain Impact Fees until completion of the Hotel if the Hotel Developer met certain deadlines for the completion of the Hotel and to allow for the payment of those Impact Fees from transient occupancy tax generated by the Hotel.
- B. The City has determined that the Hotel is an important catalyst for the continued development of the former Fort Ord and that development of the Hotel will provide substantial direct and indirect benefits to the City, including transient occupancy tax revenues, increased property tax revenues and increased jobs in the region.
- C. The City, at the time that the Operating Covenant was entered into determined that the development and operation of the Hotel in accordance with this Operating Covenant was in the best interest of the City and would provide significant benefits to the City and the community and therefore the City was willing to enter into the Operating Covenant to provide financial assistance to the Hotel Developer in accordance with the terms and conditions set forth in the Operating Covenant and in exchange for the Hotel Developer's agreement to operate the Hotel in accordance with the terms and

conditions of the Operating Covenant. In approving this First Amendment, the City reaffirmed the determinations that it made on December 17, 2013 and pursuant to Resolution No. 2013-193 when it authorized the Operating Covenant including the determination that the Hotel will provide economic development benefits to the City.

- D. The Hotel Developer has commenced construction on the Hotel in accordance with approved construction plans that include a minimum of 100 rooms and a minimum of 1,000 square feet of meeting space, has entered into an operating agreement with Springhill Suites by Marriott for the hotel, and was issued a building permit for vertical construction, all as required by the Operating Covenant. Substantial progress toward completion of construction of the Hotel has occurred. However, as a result of various events, the Hotel Developer has been unable to complete construction of the Hotel as required by the Operating Covenant by July 30, 2016.
- E. The Parties now desire to amend the Operating Covenant to extend the time for completion of construction of the Hotel in accordance with this First Amendment. The City Council has determined that this First Amendment is in the best interest of the City and that extension of the time for completion of the Hotel will ensure that the economic benefits to be provided to the City by the operation of the Hotel will be realized.

NOW, therefore, in consideration of the mutual promises set forth herein and of other valuable consideration, the parties hereby agree as follows:

1. Extension of Time for Completion of Hotel. In consideration of Hotel Developer paying to the City One Hundred Thousand Dollars (\$100,000) (“Extension Consideration”) in accordance with the payment terms set forth below, the City agrees that the date for completion of the Hotel set forth in Section 1(a)(iv) of the Operating Covenant for completion of the Hotel is extended from July 30, 2016 to March 31, 2017. Hotel Developer shall pay the Extension Consideration as follows: upon execution of this First Amendment, Hotel Developer shall execute the promissory note attached hereto as Exhibit A obligating the Hotel Developer to pay the Extension Consideration with interest at the rate set forth in the Note with the first payment due no later than the third anniversary of the opening of the Hotel and the final payment due no later than the fifth anniversary of the opening of the Hotel, with equal payments of interest and principal due each quarter. The Note shall be secured by a deed of trust on the Hotel Property, subordinate only to the construction financing and any permanent financing necessary to pay off the construction financing, which financing shall not exceed the amount of the current construction financing.
2. Impact Fees. Section 1 of the Operating Covenant is hereby amended in its entirety to read as follows:

Impact Fees. (a) Notwithstanding anything in the Development Agreement or City ordinances regarding impact fees to the contrary, the City agrees to defer payment of the City Impact Fees in the total amount of \$634,608 associated with the construction of the Hotel and to accept payment of such City Impact Fees as set forth below if the following conditions are met:

(i) the construction plans for the Hotel approved by the City in connection with the issuance of the building permit for the Hotel contain a minimum of 100 rooms and a minimum of 1,000 square feet of meeting space and the Hotel is constructed in accordance with the approved construction plans;

(ii) the Hotel Developer submits evidence to the City that it has entered into an operating agreement with a hotel operator to operate the hotel as either a Springhill Suites by Marriot, a Hampton Inn and Suites by Hilton, an Aloft by Starwood or a Hyatt Place by Hyatt,

(iii) the Hotel must commence construction, as evidenced by the issuance of a building permit for vertical improvements and the issuance by the Hotel Developer to its construction contractor of a notice to proceed no later than December 31, 2014;

(iv) the Hotel must open for business no later than March 31, 2017.

(v) to the extent feasible, the Hotel Developer shall use local contractors and local labor in the construction of the Hotel and shall provide to the City evidence of its efforts to solicit bids from local contractors prior to issuance of the building permit for the Hotel;

(vi) the Hotel Developer will seek Leadership in Energy and Environmental Design (LEED) certification for the Hotel at the highest level possible while still complying with the specifications of the selected hotel operator.

(b) Provided, all of the above conditions are met and continue to be met for the term of this Agreement, the City Impact Fees shall be paid as follows: the Hotel Developer shall remit to the City the Transient Occupancy Tax due from the operations of the Hotel in accordance with the City Transient Occupancy Tax Ordinance. The City shall, upon receipt of each payment of Transient Occupancy Tax, allocate fifty percent (50%) of each payment toward the payment of the City Impact Fees until the earlier of (i) the fourth anniversary of the opening of the Hotel; or (ii) the payment in full of the City Impact Fees. If after the fourth anniversary of the opening of the Hotel the City Impact Fees have not been fully paid, the Hotel Developer shall, pay to the City within thirty days the difference between (x) the City Impact Fees plus interest on the City Impact Fees accruing from the date that City Impact Fees would have been due but for this Agreement pursuant to the Development Agreement or City ordinances at the rate of three and one quarter percent (3.25%) interest compounded annually ("Interest") and (y) 50% of the Transient Occupancy Tax collected from the Hotel operations since the opening of the Hotel. For purposes of this Agreement, the City Impact Fees shall be defined as set forth in the Development Agreement. Notwithstanding anything above, the Hotel Developer shall be obligated to pay planning and permit fees estimated to be \$88,875 at the time of submission of the plans and applications for permits for the Hotel.

If at any time during the term of this Agreement the Hotel Developer fails to meet any of the conditions set forth in Section 1(a) above, the City Impact Fees plus Interest remaining unpaid at the time the condition fails plus any amounts owing on the Note for the Extension Consideration shall be due in full within thirty (30) days of receipt of notice from the City of the failure if such failure remains uncured after expiration of the thirty days.

3. Defined Terms. Capitalized terms not otherwise defined in this First Amendment shall have the meaning set forth in the Operating Covenant.

4. Effect of Amendment. Other than the provisions specifically amended herein, the Operating Covenant shall remain in full force and effect. In the event of a conflict between this First Amendment and the Operating Covenant, this First Amendment shall control.

5. Counterparts. This First Amendment 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.

6. Headings. The title and headings of the various sections hereof are intended as a means of reference and are not intended to place any construction on the provisions hereof.

AS OF THE DATE FIRST WRITTEN ABOVE, the parties evidence their agreement to the terms of this Agreement by signing below:

CITY

CITY OF MARINA, a charter city

By: _____
Layne Long
City Manager

HOTEL DEVELOPER

MONTEREY PENINSULA HOTELS
GROUP, LP, a California limited
partnership

By: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

EXHIBIT A
PROPERTY LEGAL DESCRIPTION

**PROMISSORY NOTE
SECURED BY DEED OF TRUST**

\$100,000

September __, 2016
Marina, California

FOR VALUE RECEIVED, the undersigned Borrower, having its office at _____ California, 93933, hereby promises to pay to the order of the City of Marina, a Charter City ("Lender"), the sum of One Hundred Thousand Dollars (\$100,000) ("Loan") plus interest thereon at the rate set forth below from the date of this Note until paid. The full amount of this Note plus interest shall be due no later than the fifth anniversary of the opening date of the Borrower's Springhill Suites Hotel ("Hotel") located at _____, Marina, California (the "Maturity Date").

1. The obligation of Borrower to Lender hereunder shall be secured by a Leasehold Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing ("Deed of Trust") encumbering Borrower's interest in that certain property located in Marina, Monterey County, California (the "Property").

2. This Note evidences the obligation of Borrower to Lender to pay Lender the note amount plus interest as consideration for the Lender extending the date for completion of the Hotel and deferral of Borrower's Impact Fees in accordance with that certain First Amendment to Operating Covenant and Agreement dated of even date herewith ("Operating Covenant").

3. Interest on the Loan shall be computed on the total outstanding principal balance during the term of this Loan, commencing upon the date of this Note, at a variable per annum interest rate equal to the LIBOR Index plus 3.75% (the "Note Rate") as determined as provided herein. For the purposes of this Note, "LIBOR Index" means the One Month London Interbank Offered Rate as published from time-to-time in The Wall Street Journal on the anniversary date of this Note, or if such rate is not available, another rate determined by Lender of which Borrower has received written notice on the basis of a 365-day year and the actual number of days elapsed. Interest shall be determined on the date of this Note and each anniversary of the date of this Note (the "Reset Date") based on the LIBOR Index on the Note anniversary date. From and after the occurrence and during continuation of an Event of Default under the Note or the Operating Covenant, the Loan shall bear interest at the Default Rate (as defined below). Interest shall be paid as provided below.

4. On the third anniversary of the opening date of the Hotel and every 90 days thereafter ("Payment Date") through the Maturity Date equal installments of the principal and interest due on the Note shall be paid in arrears. Lender shall notify Borrower of the Note

Rate and the amount to be paid by the Borrower on each Payment Date by United States Mail addressed to Borrower, _____ not later than ten (10) days prior to such Payment Date.

5. Borrower acknowledges that, in making the loan evidenced by this Note, Lender has relied to a material extent upon the business reputation of the managers of Borrower and upon the continuing interest which Borrower will have in the Property. In the event Borrower sells, conveys, transfers, disposes of, hypothecates, mortgages or otherwise alienates or encumbers the Property or any part thereof, or any interest in the Property, by operation of law or otherwise, or should the Property be syndicated without the prior written consent of Lender, then Lender shall have the right pursuant to declare all sums evidenced by this Note immediately due and payable.

6. Borrower acknowledges that if an uncured Event of Default occurs under the Operating Covenant or this Note, or if Borrower should fail to open the Hotel by March 31, 2017, Lender shall have the right, pursuant to the terms of the Operating Covenant to declare all sums evidenced by this Note immediately due and payable. .

7. If payments are not paid within ten (10) days from the date they become due or any other payment hereunder is not paid within ten (10) business days after written notice from Lender, any payment or other payment so unpaid, as the case may be, shall bear interest from the date such was due until paid at the Note Rate plus five percent (5%) (“Default Rate”). Interest on such payment so unpaid shall be compounded monthly and shall be payable upon demand. In addition to payment of the Default Rate on such unpaid amount, Borrower shall pay a late or collection charge equal to five percent (5%) of the amount so unpaid. Lender and Borrower agree that the actual damages and costs sustained by Lender due to the failure to make timely payments would be extremely difficult to measure and that the charges specified in this paragraph represent a reasonable estimate by Borrower and Lender of a fair average compensation for such damages and costs. Such charges shall be paid by Borrower without prejudice to the right of Lender to collect any other amounts provided to be paid under this Note or any other agreement or, with respect to late payments, to declare an Event of Default.

8. Both principal and interest shall be paid by Borrower in lawful money of the United States of America such that Lender has received immediately available funds for the credit of Borrower not later than 3:00 p.m. Pacific time on the date that such payment is due. Any payment made after 3:00 p.m. Pacific time shall be deemed received on the next Business Day. If any payment becomes due on any day which is not a Business Day, such Payment shall be made on the next succeeding Business Day. The term “Business Day” means those weekdays on which Lender is open and conducting its customary transactions.

9. Payments under this Note are payable in lawful money of the United States at the City Hall, 211 Hillcrest Avenue, City of Marina, California 93933, or at such other place as the holder hereof may inform Borrower in writing.

10. Borrower waives presentment for payment, demand, protest, and notice of dishonor and of protest; the benefits of all waivable exemptions; and all defenses and pleas on the ground of any extension or extensions of the time of payment or of any due date under this Note, in whole or part, whether before or after maturity and with or without notice.

11. The obligations of the Borrower pursuant to this Note and the Operating Covenant shall be absolute and unconditional, irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Lender or any other Person, and the Borrower shall pay absolutely the payments to be made on account of the loan as prescribed in this Note and all other payments required hereunder, free of any deductions and without abatement, diminution or setoff. Until such time as the principal of and interest on the Loan shall have been fully paid, or provision for the payment thereof shall have been made and all other amounts payable by the Borrower to the Lender hereunder have been paid in full, the Borrower will perform and observe all of its other covenants contained in this Note, the Operating Covenant and the Deed of Trust.

Lender's remedies in the event of an Event of Default shall include judicial foreclosure of the property described in this Note and the exercise of the power of sale or other rights granted under the Deed of Trust or any other instrument given to secure the indebtedness recited above.

12. Borrower shall have the right to prepay on any date without premium the obligation evidenced by this Note, or any part thereof, together with accrued interest, provided, Borrower shall give Lender thirty (30) days advance written notice of any such prepayment.

13. If this Note is not paid when due, whether at the Maturity Date or by acceleration, Borrower promises to pay all costs of collection including, without limitation, reasonable attorneys' fees, and all expenses in connection with the protection or realization of the Property securing the obligations evidenced by this Note, incurred by Lender or the holder hereof on account of such collection, whether or not suit is filed. Such costs and expenses shall include, without limitation, all costs, reasonable attorneys' fees and expenses incurred by Lender in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceeding involving Borrower, which in any way affect the exercise by Lender or holder hereof of its rights and remedies under this Note or under the Deed of Trust or other agreement securing the obligations under this Note. Such costs and expenses shall also include reasonable attorneys' fees and costs incurred in enforcing any judgment in a legal action pursuant to this paragraph. This entitlement to post-judgment

attorneys' fees is intended to be severable from the other provisions of this Note, to survive any judgment, and is not deemed merged into the judgment.

14. Time is of the essence with respect to every provision hereof. This Note shall inure to the benefit of Lender, its successors and assigns and shall be binding on Borrower, its successors and assigns.

15. This Note may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of such change or termination is sought.

IN WITNESS WHEREOF, this Note has been duly executed by Borrower as of the date first above written.

Borrower: Monterey Peninsula Hotels Group, LP,
a California limited partnership

By: _____
Its: _____

December 12, 2013

Item No. **11c**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of December 17, 2013

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2013- ,
APPROVING AN AGREEMENT BETWEEN CITY OF MARINA AND
PENINSULA HOTELS GROUP PROVIDING AN ECONOMIC INVESTMENT
INCENTIVE FOR A BOUTIQUE HOTEL PROJECT, AND; AUTHORIZING
THE CITY MANAGER TO EXECUTE THE CONTRACT ON BEHALF OF THE
CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY
ATTORNEY AND AUTHORIZE THE FINANCE DIRECTOR TO MAKE THE
NECESSARY BUDGETARY AND ACCOUNTING ENTRIES.**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2013-, approving an agreement between City of Marina and Peninsula Hotels Group providing an economic investment incentive for the construction of a Marriot Springhill Suites Hotel, and;
2. Authorize the City Manager to execute the contract on behalf of the City subject to final review and approval by the City Attorney, and;
3. Authorize the Finance Director to make the necessary budgetary and accounting entries.

BACKGROUND:

In 1994 the United States Army closed military operations at Fort Ord as part of the Base Realignment and Closure (BRAC) process of the Department of Defense. The closure constituted a major and adverse event in the economy of the Monterey Peninsula and particularly in the City of Marina, within whose borders much of the base infrastructure was located.

To address these economic and environmental challenges, the BRAC process led to the formation as an Agency of the State of California the Fort Ord Reuse Authority (FOR A) and the approval of a Fort Ord Base Reuse Plan. FOR A's objective is to plan for and facilitate the reuse for civilian purposes of a major part of the lands of the former Fort Ord and in particular to finance deconstruction, provide environmental mitigation, new infrastructure and to foster economic development on the Peninsula to replace employment lost by the closure of military operations.

The City of Marina and Marina Community Partners (MCP) entered into a development agreement on July 8, 2005 for a development commonly referred to as the Dunes on Monterey Bay. The Dunes is a Planned Development Mixed Use District under the Base Reuse Plan and includes retail, office, hotel and residential uses. One of the purposes of this development is to eliminate blight, to foster economic regeneration in the City and in particular to generate new employment opportunities. The Specific Plan approved for the Dunes on Monterey Bay identifies a site for a "boutique" or mixed use hotel.

One of the areas of focus for the current and past City Councils has been sustainable economic development for the community. One of the goals of sustainable economic development is to improve the economic well being of a community through efforts that entail smart job creation, job retention, tax base enhancements and quality of life improvements. As there is no single definition for economic development, there is no single strategy, policy, or program for achieving successful economic development. Each community differs in their geographic strengths and weaknesses, and therefore has their unique set of challenges for economic development.

One tool that local, county and state governments have used increasingly over the past fifty years is economic development incentives. Economic development incentives are typically one component of a government's overall economic development program or strategy to retain existing jobs, create new jobs, grow the tax base, and strengthen local economies.

Economic development incentives are typically only used for certain targeted industries or businesses and need to be structured to maximize the potential effectiveness of the incentives. "Best practices" for incentives typically require:

- The incentive be aligned with a clearly articulated economic development strategy with specific goals and objectives
- A cost-benefit analysis be conducted and consideration be given for the potential decisiveness of the incentive
- The incentive be aligned with a specific business need
- The incentive include clear performance standards and mechanisms for monitoring performance.

ANALYSIS

The City of Marina is currently in discussions with the Peninsula Hotels Group who is interested in building an upscale hotel in Marina. Peninsula Hotels Group has approached Marina Community Partners and has a Letter of Intent to purchase land at approximately the northeast corner of 2nd Avenue and 10th Street to build a 110 to 125 room Marriott Springhill Suites Hotel. As proposed, the hotel group will purchase the site from Marina Community Partners in the first quarter of 2014 and will complete construction by the summer of 2015. The Peninsula Hotels Group is requesting that the City of Marina provide up to a \$1 million dollar economic investment incentive to assist with the construction of the hotel, the mitigation of the additional development costs incurred being under the Ford Ord Base Reuse Plan, and offset costs incurred by impact, plan check and permit fees. The hotel is projected to pay a total of \$826,673 to the City of Marina for impact fees (\$737,798) and planning and permit fees (\$88,875). Additionally the hotel is projected to pay approximately an additional \$200,000 in fees to other governmental agencies.

Tourism plays a significant role in the economy of the Monterey Peninsula area bringing in millions of dollars of spending. The primary beneficiaries of the tourism dollars have typically been the cities south of Marina including Monterey, Pacific Grove, Carmel, Seaside and Monterey County. One of the major revenue sources for cities driven by the tourism industry is resort revenue taxes, specifically transient occupancy tax (TOT) and sales taxes, that are largely paid by visitors to the City, effectively lowering the tax burden of the residents of Marina.

Having an upscale hotel such as the Marriott Springhill Suites will bring more tourist to Marina and more tourism revenue dollars to the City. Primarily by creating a new TOT revenue source, which is 10% to 12% of gross hotel occupancy revenue. Secondly, an upscale hotel will attract more tourist with more disposable income and due to proximity to other Marina businesses, will likely spend more money in Marina; ultimately resulting in greater success for our local businesses and greater sales tax revenue for the City.

To assist the Peninsula Hotels Group with the construction costs of the hotel and as an incentive to locate in Marina, and also as an incentive to expedite the construction process and submit design plans immediately so the hotel will be under construction in 2014 and be completed by summer 2015, the Peninsula Hotels Group is requesting that the City Council consider an incentive package up to \$ 1 million dollars. This incentive is proposed to not be paid from any existing General Fund revenues. The proposal consists of initially waiving the impact, plan check, and permit fees due to the City until the hotel construction is completed. Once completed new revenue generated from the TOT will be used to pay the effected impact fee funds. The proposal is for the City to recover or recoup the impact fees from TOT revenue in years 1-4 of operations of the hotel.

The strategy behind the incentive for the hotel is to get a major upscale hotel to locate in our City that will generate new annual revenue for the General Fund projected to be approximately \$500,000 annually. It is expected that the hotel will:

- Provide accommodations for parents visiting CSUMB students, clients of the new VA/DoD clinic, and will tap into the upscale tourist market currently staying in cities south of Marina.
- Support and enhance the surrounding Dunes development and businesses throughout Marina
- Significantly increase our General Fund revenue tax base through TOT and property taxes
- Support the moving forward of Fort Ord land development which has stalled, this helps in the removal of blight
- Support efforts to expand tourism efforts in Marina

The firm of Keyser Marston Associates was hired to evaluate the fiscal and economic benefits associated with the proposed Marriott Springhill Suites hotel. Included with their evaluation is a tax revenue analysis, an economic impact analysis, a qualitative review of the benefits of the hotel, and recommendations for protecting the City's investment. (**"EXHIBIT A"**)

The report concludes that the Marriott Springhill Suites proposed by Peninsula Hotels Group according to an operating projection prepared by PKF Consulting estimates that the hotel will open with an average annual room rate of \$150 per night and an occupancy rate of 70%, with room rates and occupancy rates increasing over time. This level of performance will translate into approximately \$487,000 of average annual TOT revenue during the first year of operation. Additionally, the hotel is expected to generate approximately \$23,000 of annual property tax in-lieu of VLF revenue.

The hotel is expected to employ 110 people with a payroll of approximately \$3.6 million. The expenditures of the employees, hotel guests, and the hotel will have an amplifying effect throughout the City. Using the IMPLAN model, it is estimated the hotel will support a total of

165 jobs and \$5.2 million of annual payroll throughout the County.

As TOT revenue is generated, the Peninsula Hotels Group is requesting that the City apply 50% of the TOT revenue for the first 48-months of operation toward the funding of impact, plan check, and permit fees invested in the project and owed to the City. The remaining 50% TOT revenue will go to the General Fund as new tax revenue. Once the four years is up, 100% of TOT revenue will go to the General Fund. Any unpaid portion of the impact, permit and plan check fee calculation (that would have been paid but for this incentive agreement) shall become due and owing to the City by the Peninsula Hotel Group and shall bear interest at the prime rate.

Keyser Marston makes the following recommendations if the City elects to go forward with the hotel as follows:

1. The hotel must include at least 100 rooms and 1,000 square feet of meeting space.
2. The hotel must be under the Marriott Springhill Suite brand.
3. As an incentive to the hotel opening no later than December 31, 2015, the City will apply 50% of the transient occupancy tax revenue generated and remitted by the hotel during the hotel’s first 36 or 48 months of operation toward replacement of uncollected/waived impact fee funds to the maximum of \$825,000 to \$ 1 million dollars.
4. In the event that the allocation of the 50% of the TOT generated by the hotel during the first three or four operating years with the cumulative allocation capped at \$ 1 million is insufficient to fund 100% of the approximately \$825,000 of fees, the hotel developer will be obligated to fund the outstanding balance.
5. In the event that the hotel closes or fails within the first 10 operating years, the hotel owner will be obligated to refund to the City 100% of the City’s investment in fees not to exceed \$ 1 million.

The included Operating Covenant and Agreement is drafted at the economic investment incentive of \$825,000 over three years, which is less than the requested \$ 1 million dollars by the Peninsula Hotels Group. (“**EXHIBIT B**”)

If the Council wants to approve this Operating Covenant and Agreement for an economic investment incentive with the Peninsula Hotels Group, staff will need direction from the City Council at what level of economic investment incentive and other terms and conditions you would like in the Agreement.

As noted in the Keyser Marston report, a hotel development of this caliber will bring a number of positive benefits to the City of Marina. In addition to increasing tax revenues, the hotel will create and support over 100 new jobs. The hotel will enhance and support retail, dining and other businesses in Marina and will support a growing tourist industry.

FISCAL IMPACT:

It is estimated that once the hotel is open it will generate \$500,000 annually for the General Fund in TOT revenue.

CONCLUSION:

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

REVIEWED/CONCUR:

Layne Long, City Manager

RESOLUTION NO. 2013-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING AN AGREEMENT BETWEEN CITY OF MARINA AND PENINSULA HOTELS GROUP PROVIDING AN ECONOMIC INVESTMENT INCENTIVE FOR A BOUTIQUE HOTEL PROJECT; AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT ON BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY AND AUTHORIZE THE FINANCE DIRECTOR TO MAKE THE NECESSARY BUDGETARY AND ACCOUNTING ENTRIES.

WHEREAS, in 1994 the United States Army closed military operations at Fort Ord as part of the Base Realignment and Closure (BRAC) process of the Department of Defense. The closure constituted a major and adverse event in the economy of the Monterey Peninsula and particularly in the City of Marina, within whose borders much of the base infrastructure was located; and

WHEREAS, The City of Marina and Marina Community Partners (MCP) entered into a development agreement on July 8, 2005 for a development commonly referred to as the Dunes on Monterey Bay. The Dunes is a Planned Development Mixed Use District under the Base Reuse Plan and includes retail, office, hotel and residential uses; and

WHEREAS, one of the purposes of this development is to eliminate blight, to foster economic regeneration in the City and in particular to generate new employment opportunities. The Specific Plan approved for this project identifies a site for a “boutique” or mixed use hotel; and

WHEREAS, the City of Marina has been in discussions with the Peninsula Hotels Group who is interested in building an upscale hotel in Marina; and

WHEREAS, the Peninsula Hotels Group is proposing that the City of Marina provide a \$1 million dollar economic investment incentive to assist with the construction of the hotel, the mitigation of the additional development costs incurred being under the Ford Ord Base Reuse Plan, and offset costs incurred by impact, plan check and permit fees; and

WHEREAS, To assist the Peninsula Hotels Group with the construction costs of the hotel and as an incentive to locate in Marina, and also as an incentive to expedite the construction process and submit design plans immediately so the hotel will be under construction in 2014 and be completed by summer 2015, it is proposed that the City Council consider an incentive package up to \$ 1 million dollars. This incentive is proposed to not be paid from any existing General Fund revenues. The proposal consists of paying the impact, plan check, and permit fees due to the City after the hotel construction is completed and the City is collecting TOT revenue.

WHEREAS, having an upscale hotel such as the Marriott Springhill Suites will bring more tourist to Marina and more tourism revenue dollars to the City. An upscale hotel will likely attract tourist with more disposable income and who will likely spend more money in Marina, ultimately resulting in greater success for our local businesses and greater sales tax revenue for the City; and

WHEREAS, to stimulate and induce the immediate development of the project timelines have been establish for beginning construction and completion of the project; and

WHEREAS, the City has determined that a hotel will enhance the economic development and the future well being and quality of life of the citizens of Marina and is in the best interests of the City.

WHEREAS, on June 18, 2013 the City Council of the City of Marina declared a fiscal emergency; and

WHEREAS, no single action of the city will resolve the current fiscal emergency, this agreement will be a fiscally positive step in closing the city's on-going revenue/expenditure gap and is a step towards ending the fiscal emergency.

NOW, THEREFORE IT BE RESOLVED that:

1. The hotel must include at least 100 rooms and 1,000 square feet of meeting space.
2. The hotel must be under the Marriott Springhill Suite brand.
3. As an incentive to the hotel opening no later than October 1, 2015, the City will apply 50% of the transient occupancy tax revenue generated and remitted by the hotel during the hotel's first 48-months of operation toward funding up to the approximately \$825,000 for the deferred impact, plan check, and permit fees owed to the City and to assist with other construction costs up to a maximum of \$ 1 million dollars.
4. In the event that the allocation of the 50% of the TOT generated by the hotel during the first four operating years with the cumulative allocation capped at \$ 1 million is insufficient to fund 100% of the approximately \$825,000 of fees, the hotel developer will be obligated to fund the outstanding balance.
5. In the event that the hotel closes or fails within the first 10 operating years, the hotel owner will be obligated to refund to the City 100% of the City's investment in fees not to exceed \$ 1 million.

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

1. Adopting Resolution No. 2013-, approving an agreement between City of Marina and Peninsula Hotels Group providing an economic investment incentive in the amount of \$1 million for the construction of a Marriot Springhill Suites Hotel, and;
2. Authorize the City Manager to execute the contract on behalf of the City subject to final review and approval by the City Attorney, and;
3. Authorize the Finance Director to make the necessary budgetary and accounting entries.

Resolution No. 2013-
Page Three

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of December 2013 by the following vote:

AYES, COUNCIL MEMBERS
NOES, COUNCIL MEMBERS
ABSENT, COUNCIL MEMBERS
ABSTAIN, COUNCIL MEMBER

Bruce C. Delgado, Mayor

ATTEST:

Anita DeAmaral, Acting Deputy City Clerk



KEYSER MARSTON ASSOCIATES
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

ADVISORS IN:

REAL ESTATE
REDEVELOPMENT
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

SAN FRANCISCO

A. JERRY KEYSER
TIMOTHY C. KELLY
KATE EARLE FUNK
DEBBIE M. KERN
REED T. KAWAHARA
DAVID DOEZEMA

LOS ANGELES

KATHLEEN H. HEAD
JAMES A. RABE
GREGORY D. SOO-HOO
KEVIN E. ENGSTROM
JULIE L. ROMNEY

SAN DIEGO

GERALD M. TRIMBLE
PAUL C. MARRA

To: Mr. Layne Long, City Manager
City of Marina

From: Debbie Kern

Date: December 13, 2013

Subject: Preliminary Working Draft – Evaluation of Potential Impacts of Proposed Hotel Development

In accordance with your request, Keyser Marston Associates, Inc. (KMA) has evaluated the potential fiscal and economic benefits that would be generated by the development of a 110-room hotel at the Dunes at Monterey Bay. The hotel is developer is requesting a financial incentive from the City of Marina in the form of the payment of all development fees, which total approximately \$1 million¹. The purpose of KMA's assignment is to evaluate the net benefits to be generated by the hotel to assist the City Council in rendering decision regarding the provision of assistance. This memorandum summarizes the findings of our analysis.

I. HOTEL BENEFITS

A. Background and Description of the Hotel

A hotel has been a desired anchor for the Dunes since the project's inception in 2005. Generally, hotels generate more tax revenue per square foot than any other land use. In addition to being a key source of revenue to the City, a hotel would be an important amenity to the commercial components of the Dunes and would serve to accelerate the development of the restaurants and office components.

It is our understanding that the site being considered is a 4.5-acre site at the northeast corner of 2nd Avenue and 10th Street within the Dunes at Monterey Bay. As proposed, the hotel owner would purchase the site from MCP in the first quarter of 2014 and

¹ Includes fees to the City and other jurisdictions. Fees to the City total approximately \$825,000.

complete construction by the summer of 2015. The hotel is proposed to be branded as a Springhill Suite by Marriott. The hotel will include between 100 and 125 rooms and 1,000 to 2,000 square feet of meeting space.

As an incentive for selecting the Marina site and expediting the completion of the hotel, the hotel owner is requesting that the City defer the payment of fees and apply 50% of the transient occupancy tax (TOT) actually generated by the hotel toward the payment of \$1 million of fees. The City has prepared a counter offer of deferring up to \$825,000 of City fees and applying 50% of the TOT generated by the hotel during its first three operating years toward payment of the fees. The cumulative amount of TOT to be applied to the fees (and accrued interest) will be capped at \$825,000. In the event that the cumulative deposits of TOT over the 3-year term are insufficient to fully fund the entire \$825,000 of fees, the hotel owner will be obligated to fund the remaining balance.

B. Fiscal Benefits of the Hotel

As noted previously, hotels yield more tax revenue per square foot than any other type of land use. The major sources of recurring General Fund revenues to be generated by the hotel are transient occupancy tax revenues (TOT) and property tax in-lieu of motor vehicle license fees (VLF)². The City's current TOT rate is 12% of room revenues due to the passage of Measure M, which increased the rate from 10% to 12% through December 30, 2015. While the additional 2% levy may be extended through a new ballot measure, for purposes of this analysis it has been conservatively assumed that the TOT rate will decline to 10% as of January 1, 2016.

An operating projection recently prepared for the hotel by PKF Consulting estimates that the hotel will open with an average annual room rate of \$150 per night and occupancy rate of 70%, with room rates and occupancy rates increasing over time. This level of performance will translate into approximately \$487,000 of average annual TOT revenues during the first operating year and \$469,000 during the second operating year. The projected decline in TOT between the first and second operating years is due to the assumed decline in the TOT rate to 10% per year starting on January 1, 2016. Upon stabilization, the hotel is anticipated to sustain an average annual occupancy rate of 75% and a 3% average annual increase in room rates. Based on anticipated hard

² While the property will also generate property tax revenue, these revenues will be distributed to multiple taxing agencies, including FORA, in accordance with the regulations that govern properties within redevelopment project areas, and the amount to accrue to the General Fund (if any) will not be significant. Additional relatively minor revenue sources that have not been evaluated but will be generated include: sales tax revenues, business license fees, and utility franchise fees.

construction costs and land costs totaling approximately \$15 million³, the hotel will generate approximately \$23,000 of annual property tax in-lieu of VLF revenue⁴.

General Fund revenues from the hotel are anticipated to approximate \$509,000 during the first operating year, \$493,000 during the second operating year and \$515,000 in the third year. Under these projections, a 50% allocation of TOT towards fees would be sufficient to fund approximately \$273,000 of fees over the three-year period. Given that the project owes approximately \$825,000 of fees to the City, under the PKF projections, the hotel owner would be obligated to fund the remaining balance of \$102,000 of fees at the completion of the hotel's third operating year.

It is projected that the City would net approximately \$266,000 of revenue during the first operating year, \$258,000 in the second operating year, \$269,000 in the third year, and in excess of \$530,000 per year, thereafter⁵.

Estimated Annual Primary Sources of General Fund Revenues from Proposed Hotel

	<i>First Op Year.</i>	<i>2nd Op. Year</i>	<i>3rd Op. Year</i>	<i>Stabilized</i>
	<i>Fiscal</i>	<i>Fiscal</i>	<i>Fiscal</i>	<i>Annual Fiscal</i>
	<i>Benefits</i>	<i>Benefits</i>	<i>Benefits</i>	<i>Benefits</i>
TOT Revs.	\$487,000	\$469,000	\$491,000	\$506,000
City Prop. Tax In Lieu of VLF	\$ 23,000	\$23,000	\$24,000	\$ 24,000
Gross GF Rev.	\$509,000	\$493,000	\$515,000	\$530,000
(Less application of 50% of TOT to Pmt. of City Fees)	\$243,000	\$235,000	\$245,000	\$0
Ann. General Fund Revs.				
Net of Pmt. of Permit Fees	\$266,000	\$258,000	\$269,000	\$530,000

While the PKF analysis did not address the impact that the proposed hotel would have on any specific existing hotel in Marina or group of hotels in Marina, the study did conclude that the subject hotel would not have a deleterious impact, in general, on the performance of competing properties in the marketplace. Therefore, it is likely that a significant portion of the TOT revenues to be generated by the subject hotel will represent net new revenues to the City rather than a transfer of sales from one hotel to another.

³ Valuation estimate prepared by PKF Consulting.

⁴ Pursuant to SB 1096, the City receives \$1.52 of revenue for every \$1,000 increase in assessed valuation.

⁵ While hotels do not generate a need for city services equivalent to residential uses, they do generate some police and fire protection calls. The cost of providing these services has not been estimated in this analysis.

C. Economic Benefits of the Hotel

The economic impacts to be generated from the on-going operations of the hotel are summarized in the following table. It is estimated that the hotel will employ approximately 110 people, with a total payroll of approximately \$3.6 million. The expenditures of the employees, hotel guests, and the hotel will have a ripple effect throughout the County. Using the IMPLAN model, it is estimated that the hotel will support a total of 165 jobs and \$5.2 million of annual payroll throughout the County.

Recurring Annual Economic Impact of Hotel

	<i>Direct Economic Impacts</i>	<i>Total Direct, Indirect, and Induced Impacts on Monterey County</i>
Total Employment	110	165
Total Payroll	\$3.6 million	\$5.2 million

II. SUMMARY OF IMPACTS AND RECOMMENDATIONS FOR STRUCTURING CITY INCENTIVE

Based on the findings of the fiscal analysis, the City’s investment of up to \$825,000⁶ of TOT in order to secure the proposed hotel would benefit the City of Marina. Upon stabilization in the fourth operating year, the hotel is anticipated to generate over \$530,000 of annual revenue to the City of Marina’s General Fund, which is a significant amount of new revenue to the City. Given that the City’s assistance would be in the form of an application of actual TOT generated by the hotel during its first three operating years up to a total of \$825,000⁷, no current City resources would be need to be expended. And, based on the operating projections for the hotel, it is estimated that the 50% TOT allocation towards fees will be sufficient to fund approximately \$723,000 of fees, resulting in hotel owner being obligated to fund the remaining \$102,000 of fees owed to the City.

If the City elects to go forward with the hotel, we recommend that the business terms be structured as follows:

1. The hotel must include at least 100 rooms and 1,000 square feet of meeting space;
2. The hotel must be branded as a Springhill Suites by Marriot.

⁶ Represents total fee cost before accrued interest

⁷ Inclusive of accrued interest

3. As an incentive for the hotel opening by no later than December 2015, the City will apply 50% of the transient occupancy tax revenue generated by the hotel during the hotel's first 36-months of operation toward funding up to \$825,000 of permit fees owed by the Project.
4. In the event that the allocation of 50% of the TOT generated by the hotel during the first three operating years is insufficient to fund 100% of the \$825,000 of deferred fees, the hotel developer will be obligated to fund the outstanding balance.
5. The City will have the right to approve any proposed changes in branding or management.
6. In the event that the hotel closes or fails to secure the City's approval of any changes in branding or management within the first 10 operating years, the hotel owner will be obligated to refund to the City 100% of the City's investment.

Recording Requested By
and When Recorded Mail To:

City of Marina
211 Hillcrest
Marina, CA 93933
Attention: City Manager

No fee for recording pursuant
to Government Code Section 27380

_____SPACE ABOVE THIS LINE FOR RECORDER'S USE_____

OPERATING COVENANT AND AGREEMENT

This Operating Covenant and Agreement (the "**Agreement**") is made as of the ____ day of December____, 2013, by and between the City of Marina, a charter city (the "**City**") and Peninsula Hotel Groups, a _____ (the "**Hotel Developer**"), with reference to the following.

RECITALS

A. The City and Marina Community Partners ("**MCP**") entered into that certain Development Agreement dated July 8, 2005 and recorded in the Official Records of Monterey County as Document No. 2005080655 on August 5, 2005, as modified by that Administrative Modification to Development Agreement dated May 28, 2010 and that Second Administrative Modification to Development Agreement dated March 29, 2013 (collectively, the "**Development Agreement**") with regards to that certain development commonly referred to as the Dunes on Monterey Bay. The Dunes development is a mixed use development including retail, office, hotel and residential uses.

B. MCP entered into a Disposition and Development Agreement with the former Redevelopment Agency of the City of Marina dated as of May 31, 2005 as modified by that certain Implementation Agreement Regarding University Village dated September 6, 2006 and that certain Second Implementation Agreement dated August 5, 2008, that certain University Villages Settlement Agreement between MCP, the City of Marina and Save Our Peninsula Committee and that certain Order of The Court of Appeal dismissing appeal filed September 20, 2006 and that certain Stipulation Between Plaintiffs Monterey/Santa Cruz County Building And Construction Trades Council; International Brotherhood of Electrical Workers, Local 234; Mechanical Contractors Council of Central California and Ranae and William Gary Martin and Defendants Marina Community Partners, LLC' Shea Properties LLC; W.L. Butler Construction, Inc.; City of Marina Redevelopment Agency and Board of the City of Marina Redevelopment Agency; Cypress Marina Heights LP and East Garrison Partners I LLC and Order of Approval filed October 9, 2008 (collectively, the "**DDA**")

setting forth rights, terms, conditions and requirements for the acquisition and development of certain real property described therein (the “*Site*”) and referred to originally as University Villages and currently referred to as the Dunes. The City has succeeded to the former Redevelopment Agency’s rights and obligations under the DDA.

C. Hotel Developer is proposing to acquire certain property consisting of a portion of the Site and more particularly described in Exhibit A attached hereto (“**Property**”) upon which Hotel Developer proposes to develop a hotel containing between 100 and 125 rooms and approximately 1,000 to 2,000 square feet of meeting space to be operated as a Marriott Springhill Suites (“**Hotel**”).

D. The City and MCP have determined that the Hotel is an important catalyst for the continued development of the Dunes Project and that development of the Hotel will provide substantial direct and indirect benefits to the City, including transient occupancy tax revenues, increased property tax revenues and increased jobs in the region.

E. The City has determined that the development and operation of the Hotel in accordance with this Operating Covenant is in the best interest of the City and will provide significant benefits to the City and the community and therefore is willing to enter into this Agreement to provide financial assistance to the Hotel Developer in accordance with the terms and conditions set forth below and in exchange for the Hotel Developer’s agreement to operate the Hotel in accordance with the terms and conditions of this Agreement.

NOW, therefore, in consideration of the mutual promises set forth herein and of other valuable consideration, the parties hereby agree as follows:

1. Impact Fees. Notwithstanding anything in the Development Agreement or City ordinances regarding impact fees to the contrary, City Impact Fees, City plan check and permitting fees (collectively, the City Impact Fees, the City plan check and permitting fees are referred to herein as “City Fees”) estimated to total \$825,000 will be paid as follows: upon opening of the Hotel, the Hotel Developer shall remit to the City the Transient Occupancy Tax due from the operations of the Hotel in accordance with the City Transient Occupancy Tax Ordinance. The City shall upon receipt of each payment of Transient Occupancy Tax, allocate fifty percent (50%) of each payment to the payment of the City Fees until the earlier of (i) the third anniversary of the opening of the Hotel; or (ii) the payment in full of the City Fees plus interest on the City Fees accruing from the date that City Fees would be due pursuant to the Development Agreement or City ordinances at the rate of three and one quarter percent (3.25%) interest compounded annually. If by the third anniversary of the opening of the Hotel, 50% of the transient occupancy tax received by the City from the operation of the Hotel is not sufficient to fully pay the City Fees plus interest, the Hotel Developer shall within thirty days of the third anniversary of the opening of the Hotel, pay to the City the difference between the City Fees plus interest and 50% of the transient occupancy tax collected from the Hotel operations since the opening of the Hotel. For purposes of this Agreement, the City Impact Fees shall be defined as set forth in the Development Agreement.

Notwithstanding anything above, if the Hotel Developer has incurred the obligation to pay all or any portion of the City Fees and for any reason, the following conditions are not satisfied as set forth below, the Hotel Developer shall be obligated to pay the City Fees plus interest in full, or any

portion that remains unpaid at the time the condition fails within thirty (30) days of receipt of notice from the City of the failure if such failure remains uncured after expiration of the thirty days:

(i) the Hotel upon completion of construction contains a minimum of 100 rooms and a minimum of 1,000 square feet of meeting space;

(ii) the Hotel must be branded as a Springhill Suites by Marriott,

(iii) the Hotel must open for business no later than December 31, 2015

(iv) to the extent feasible, the Hotel Developer shall use local contractors and local labor in the construction of the Hotel

(v) the Hotel Developer will seek LEED certification for the Hotel at the highest level possible while still complying with the specifications of the Marriott Springhill Suite brand.

2. Covenant for Continuous Operation. The City is entering into this Agreement and providing the benefits set forth in Section 1 to the Hotel Developer in consideration of and as a material inducement for constructing, opening and operating the Hotel and the economic development and public benefits resulting therefrom and in exchange for the Hotel Developer granting to the City this operating covenant in accordance with the terms and conditions set forth herein. The Hotel Developer covenants and agrees that for a period of ten (10) years commencing on the date the Hotel opens for business (the "**Term**"), the Hotel Developer will operate the Hotel in accordance with this Agreement and with the requirements of the DDA

For the duration of the Term, the Hotel shall be open for business to the general public, and Hotel Developer shall operate the Hotel on a continuous basis three hundred and sixty-five (365) days a year. Notwithstanding the foregoing, Hotel Developer shall have no obligation to operate the Hotel in the event of: war, insurrection, strike, lockout, riot, flood, earthquake, fire, quarantine restriction, freight embargo, court order, severe and adverse weather, or any other similar cause beyond the reasonable control and without the fault of Hotel Developer (each a "**Closure Event**") provided that such Closure Event has a material adverse impact on Hotel Developer's ability to operate the Hotel using commercially reasonable efforts. The Parties agree and acknowledge that in no event shall Hotel Developer's lack of funds to operate the Hotel in accordance with this Agreement constitute a "Closure Event". Within three (3) business days following a Closure Event Hotel Developer shall deliver to the City a written notice of such Closure Event and Hotel Developer's anticipated schedule for returning the Hotel to operation in accordance with this Agreement.

3. Enforcement; Runs With the Land. The Hotel Developer, for itself, its successors and assigns, hereby agrees and acknowledges that this Agreement and any amendments thereto shall immediately be recorded by the Hotel Developer at no expense to the City, in the Official Records of Monterey County, California and returned to the City as soon as possible following recording. The covenants set forth in this Agreement shall run with the land, and shall to the fullest extent permitted by law and equity, bind all successors in title to the Property for the benefit and in favor of and enforceable by the City. This Agreement shall constitute a lien on the Property with respect to the Hotel Developer's obligation to pay any portion of the City Impact Fees. The City shall be entitled to (a) institute legal action to enforce performance and observance of these covenants, (b) enjoin acts

which are violative of these covenants, and (c) exercise any other legal or equitable right or remedy with respect to these covenants. In addition to the remedies above, if for any reason the Hotel Developer fails to operate the Hotel in accordance with this Agreement for the entire Term, and such failure continues for thirty days after receipt of written notice from the City, in addition to any other remedies the City shall be entitled to recover the full amount of the City Fees plus interest at the rate set forth in Section 1.

4. Agreement Binding Upon Successors and Assigns. This Agreement and all the covenants, terms and provisions contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors in office and assigns. In the event of a conveyance of the Property during the Term of this Agreement, the Hotel Developer shall require its grantee to assume its obligations under this Agreement.

5. Execution of Other Agreements. The Hotel Developer agrees that it has not and will not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other requirements in conflict herewith.

6. Amendments, Modifications, and Waivers. This Agreement may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except by an instrument in writing and signed by the Hotel Developer and the City. The Hotel Developer shall record such amendment, modification, and/or waiver at no expense to the City.

7. Severability. The invalidity, in whole or in part, of any of the provisions set forth above shall not affect or invalidate any remaining provisions.

8. Counterparts. This 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.

9. Headings. The title and headings of the various sections hereof are intended as a means of reference and are not intended to place any construction on the provisions hereof.

AS OF THE DATE FIRST WRITTEN ABOVE, the parties evidence their agreement to the terms of this Agreement by signing below:

CITY

CITY OF MARINA, a charter city

By: _____
Layne Long
City Manager

HOTEL DEVELOPER

PENINSULA HOTEL GROUPS

By: _____

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

EXHIBIT A

PROPERTY LEGAL DESCRIPTION

Recording Requested By
and When Recorded Mail To:

City of Marina
211 Hillcrest
Marina, CA 93933
Attention: City Manager

No fee for recording pursuant
to Government Code Section 27380

SPACE ABOVE THIS LINE FOR RECORDER'S USE

OPERATING COVENANT AND AGREEMENT

This Operating Covenant and Agreement (the "**Agreement**") is made as of the 31st day of March, 2014, by and between the City of Marina, a charter city (the "**City**") and Monterey Peninsula Hotels Group, LP, a California limited partnership (the "**Hotel Developer**"), with reference to the following.

RECITALS

A. The City and Marina Community Partners ("**MCP**") entered into that certain Development Agreement dated July 8, 2005 and recorded in the Official Records of Monterey County as Document No. 2005080655 on August 5, 2005, as modified by that Administrative Modification to Development Agreement dated May 28, 2010 and that Second Administrative Modification to Development Agreement dated March 29, 2013 (collectively, the "**Development Agreement**") with regards to that certain development commonly referred to as the Dunes on Monterey Bay. The Dunes development is a mixed use development including retail, office, hotel and residential uses.

B. MCP entered into a Disposition and Development Agreement with the former Redevelopment Agency of the City of Marina dated as of May 31, 2005 as modified by that certain Implementation Agreement Regarding University Village dated September 6, 2006 and that certain Second Implementation Agreement dated August 5, 2008, that certain University Villages Settlement Agreement between MCP, the City of Marina and Save Our Peninsula Committee and that certain Order of The Court of Appeal dismissing appeal filed September 20, 2006 and that certain Stipulation Between Plaintiffs Monterey/Santa Cruz County Building And Construction Trades Council; International Brotherhood of Electrical Workers, Local 234; Mechanical Contractors Council of Central California and Ranae and William Gary Martin and Defendants Marina Community Partners, LLC' Shea Properties LLC; W.L. Butler Construction, Inc.; City of Marina Redevelopment Agency and Board of the City of Marina Redevelopment Agency; Cypress Marina Heights LP and East

Garrison Partners I LLC and Order of Approval filed October 9, 2008 (collectively, the “**DDA**”) setting forth rights, terms, conditions and requirements for the acquisition and development of certain real property described therein (the “**Site**”) and referred to originally as University Villages and currently referred to as the Dunes. The City has succeeded to the former Redevelopment Agency’s rights and obligations under the DDA.

C. Hotel Developer is proposing to acquire certain property consisting of a portion of the Site and more particularly described in Exhibit A attached hereto (“**Property**”) upon which Hotel Developer proposes to develop a hotel containing between 100 and 125 rooms and approximately 1,000 to 2,000 square feet of meeting space (“**Hotel**”).

D. The City and MCP have determined that the Hotel is an important catalyst for the continued development of the Dunes Project and that development of the Hotel will provide substantial direct and indirect benefits to the City, including transient occupancy tax revenues, increased property tax revenues and increased jobs in the region.

E. The City has determined that the development and operation of the Hotel in accordance with this Operating Covenant is in the best interest of the City and will provide significant benefits to the City and the community and therefore is willing to enter into this Agreement to provide financial assistance to the Hotel Developer in accordance with the terms and conditions set forth below and in exchange for the Hotel Developer’s agreement to operate the Hotel in accordance with the terms and conditions of this Agreement. The City Council at its meeting on December 17, 2013 and pursuant to Resolution No. 2013-193 authorized the execution of this Agreement and determined that the Hotel will provide economic development benefits to the City and that this Agreement was in the best interests of the City.

NOW, therefore, in consideration of the mutual promises set forth herein and of other valuable consideration, the parties hereby agree as follows:

1. Impact Fees. (a) Notwithstanding anything in the Development Agreement or City ordinances regarding impact fees to the contrary, the City agrees to defer payment of the City Impact Fees estimated to total \$737,800 associated with the construction of the Hotel and to accept payment of such City Impact Fees as set forth below if the following conditions are met:

(i) the construction plans for the Hotel approved by the City in connection with the issuance of the building permit for the Hotel contain a minimum of 100 rooms and a minimum of 1,000 square feet of meeting space and the Hotel is constructed in accordance with the approved construction plans;

(ii) the Hotel Developer submits evidence to the City that it has entered into an operating agreement with a hotel operator to operate the hotel as either a Springhill Suites by Marriot, a Hampton Inn and Suites by Hilton, an Aloft by Starwood or a Hyatt Place by Hyatt,

(iii) the Hotel must commence construction, as evidenced by the issuance of a building permit for vertical improvements and the issuance by the Hotel Developer to its construction contractor of a notice to proceed no later than December 31, 2014;

(iv) the Hotel must open for business no later than July 30, 2016, provided however, such date may be extended for six months upon the occurrence of Unforeseen Events as defined below.

(v) to the extent feasible, the Hotel Developer shall use local contractors and local labor in the construction of the Hotel and shall provide to the City evidence of its efforts to solicit bids from local contractors prior to issuance of the building permit for the Hotel;

(vi) the Hotel Developer will seek Leadership in Energy and Environmental Design (LEED) certification for the Hotel at the highest level possible while still complying with the specifications of the selected hotel operator.

(b) Provided, all of the above conditions are met and continue to be met for the term of this Agreement, the City Impact Fees shall be paid as follows: the Hotel Developer shall remit to the City the Transient Occupancy Tax due from the operations of the Hotel in accordance with the City Transient Occupancy Tax Ordinance. The City shall, upon receipt of each payment of Transient Occupancy Tax, allocate fifty percent (50%) of each payment toward the payment of the City Impact Fees until the earlier of (i) the fourth anniversary of the opening of the Hotel, or the fifth anniversary if Unforeseen Events occurs; or (ii) the payment in full of the City Impact Fees. If after the fourth anniversary of the opening of the Hotel (or the fifth anniversary of the opening of the Hotel if Unforeseen Events occur) the City Impact Fees have not been fully paid, the Hotel Developer shall, pay to the City within thirty days the difference between the City Impact Fees plus interest on the City Impact Fees accruing from the date that City Impact Fees would have been due but for this Agreement pursuant to the Development Agreement or City ordinances at the rate of three and one quarter percent (3.25%) interest compounded annually ("Interest") and 50% of the Transient Occupancy Tax collected from the Hotel operations since the opening of the Hotel. For purposes of this Agreement, the City Impact Fees shall be defined as set forth in the Development Agreement. Notwithstanding anything above, the Hotel Developer shall be obligated to pay planning and permit fees estimated to be \$88,875 at the time of submission of the plans and applications for permits for the Hotel.

If, prior to the fourth anniversary of the opening of the Hotel (or the fifth anniversary of the opening of the Hotel if Unforeseen Events occur) the City Impact Fees have been fully paid through the allocation of 50% of the Transient Occupancy Tax received from operation of the Hotel, the City, shall pay to the Hotel Developer 50% of the Transient Occupancy Tax received by the City from operation of the Hotel for the immediately prior calendar quarter until the earlier of (x) the fourth anniversary of the opening of the Hotel (or the fifth anniversary of the opening of the Hotel if Unforeseen Events occur) or (y) 50% of the total Transient Occupancy Tax received from the Hotel since the opening of the Hotel equals \$1,000,000. The City shall make any payment due to the Hotel Developer pursuant to this section 1(b) within ten business (10) days after the end of each calendar quarter with the first payment due after the first full calendar quarter after the payment in full of the City Impact Fees. The amount paid by the City to the Hotel Developer is to be used toward construction costs associated with the Hotel including the payment of impact fees due to other governmental entities.

If at any time during the term of this Agreement the Hotel Developer fails to meet any of the conditions set forth in Section 1(a) above, the City Impact Fees plus Interest remaining unpaid at the

time the condition fails shall be due in full within thirty (30) days of receipt of notice from the City of the failure if such failure remains uncured after expiration of the thirty days.

(c) Unforeseen Events. For purposes of this Agreement Unforeseen Events shall mean acts of God, acts of the public enemy, war, insurrection, floods, earthquakes, fires, casualties or substantial downturn in the economy. A substantial downturn in the economy, for purposes of determining whether an Unforeseen Event has occurred, shall be deemed to have occurred if the City's Transient Occupancy Tax inclusive of the Transient Occupancy Tax received from the Hotel declines from the amount collected in 2012-13 by fifty percent (50%) or more.

2. Covenant for Continuous Operation. The City is entering into this Agreement and providing the benefits set forth in Section 1 to the Hotel Developer in consideration of and as a material inducement for constructing, opening and operating the Hotel in accordance with the conditions set forth in Section 1(a) above and the economic development and public benefits resulting therefrom and in exchange for the Hotel Developer granting to the City this operating covenant in accordance with the terms and conditions set forth herein. The Hotel Developer covenants and agrees that for a period of five (5) years commencing on the date the Hotel opens for business (the "**Term**"), the Hotel Developer will operate the Hotel in accordance with this Agreement and with the requirements of the DDA. If at any time during the Term of this Agreement the Hotel Developer fails to operate the Hotel in accordance with the terms of this Agreement and the conditions set forth in Section 1(a) above, the Hotel Developer shall immediately pay to the City the full amount of the City Impact Fees plus Interest plus any amounts paid by the City to the Developer pursuant to Section 1(b) above.

For the duration of the Term, the Hotel shall be open for business to the general public, and Hotel Developer shall operate the Hotel on a continuous basis three hundred and sixty-five (365) days a year. Notwithstanding the foregoing, Hotel Developer shall have no obligation to operate the Hotel in the event of: war, insurrection, strike, lockout, riot, flood, earthquake, fire, quarantine restriction, freight embargo, court order, severe and adverse weather, or any other similar cause beyond the reasonable control and without the fault of Hotel Developer (each a "**Closure Event**") provided that such Closure Event has a material adverse impact on Hotel Developer's ability to operate the Hotel using commercially reasonable efforts. The Parties agree and acknowledge that in no event shall Hotel Developer's lack of funds to operate the Hotel in accordance with this Agreement constitute a "Closure Event". Within three (3) business days following a Closure Event, Hotel Developer shall deliver to the City a written notice of such Closure Event and Hotel Developer's anticipated schedule for returning the Hotel to operation in accordance with this Agreement.

Nothing herein shall prevent the Hotel Developer from transferring the Hotel to a third party during the Term, provided, any such transferee shall be obligated to comply with the provisions of this Agreement for the Term of this Agreement.

3. Enforcement; Runs With the Land. The Hotel Developer, for itself, its successors and assigns, hereby agrees and acknowledges that this Agreement and any amendments thereto shall immediately be recorded by the Hotel Developer at no expense to the City, in the Official Records of Monterey County, California and returned to the City as soon as possible following recording. The covenants set forth in this Agreement shall run with the land, and shall to the fullest extent permitted by law and equity, bind all successors in title to the Property for the benefit and in favor of and

enforceable by the City. This Agreement shall constitute a lien on the Property with respect to the Hotel Developer's obligation to pay any portion of the City Impact Fees. The City shall be entitled to (a) institute legal action to enforce performance and observance of these covenants, (b) enjoin acts which are violative of these covenants, and (c) exercise any other legal or equitable right or remedy with respect to these covenants. In addition to the remedies above, if for any reason the Hotel Developer fails to operate the Hotel in accordance with this Agreement for the entire Term, and such failure continues for thirty days after receipt of written notice from the City, in addition to any other remedies the City shall be entitled to recover the full amount of the City Impact Fees plus Interest plus any amounts paid to the Hotel Developer by the City pursuant to Section 1(b) above.

4. Agreement Binding Upon Successors and Assigns. This Agreement and all the covenants, terms and provisions contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors in office and assigns. In the event of a conveyance of the Property during the Term of this Agreement, the Hotel Developer shall require its grantee to assume its obligations under this Agreement.

5. Execution of Other Agreements. The Hotel Developer agrees that it has not and will not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other requirements in conflict herewith.

6. Amendments, Modifications, and Waivers. This Agreement may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except by an instrument in writing and signed by the Hotel Developer and the City. The Hotel Developer shall record such amendment, modification, and/or waiver at no expense to the City.

7. Attorneys' Fees. In the event any legal actions is commenced to interpret or enforce the terms of this Agreement or to collect damages as a result of a breach, the party prevailing in any such action shall be entitled to recover against the party not prevailing all reasonable attorneys' fees and costs incurred in such action.

8. Severability. The invalidity, in whole or in part, of any of the provisions set forth above shall not affect or invalidate any remaining provisions.

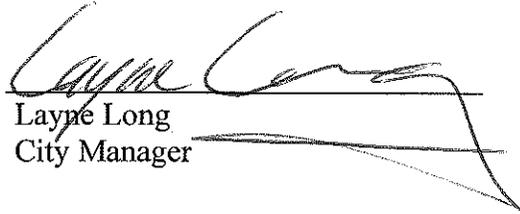
9. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

10. Headings. The title and headings of the various sections hereof are intended as a means of reference and are not intended to place any construction on the provisions hereof.

AS OF THE DATE FIRST WRITTEN ABOVE, the parties evidence their agreement to the terms of this Agreement by signing below:

CITY

CITY OF MARINA, a charter city

By: 
Layne Long
City Manager

HOTEL DEVELOPER

MONTEREY PENINSULA HOTELS
GROUP, LP, a California limited
partnership

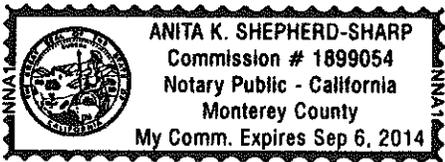
By: 
Harbhajan Dadwel

STATE OF CALIFORNIA)
)
COUNTY OF Monterey)

On March 31, 2014, before me, Anita K. Shepherd-Sharp, Notary Public, personally appeared Layne Hong, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



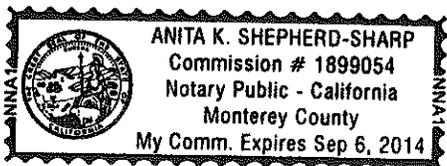
Anita K. Shepherd-Sharp
Name: Anita K. Shepherd-Sharp
Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF Monterey)

On June 30, 2014, before me, Anita K. Shepherd-Sharp, Notary Public, personally appeared Harbhajan Dadwal, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Anita K. Shepherd-Sharp
Name: Anita K. Shepherd-Sharp
Notary Public

EXHIBIT A
PROPERTY LEGAL DESCRIPTION