AGENDA

Tuesday, September 20, 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. Labor Negotiations
      i. Marina Professional Firefighters Association

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

b. Real Property Negotiations
   a. Property: Marina Municipal Airport Restaurant, 771 Neeson Road, Marina, CA
      Negotiating Party: Mahony and Associates
      Property Negotiator: City Manager
      Terms: All terms and conditions

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

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

5. SPECIAL PRESENTATIONS:

   a Proclamations

      i. Iris Peppard, Everyone's Harvest

   b Monterey Peninsula Unified School District Measure P Update

   c Cypress Knolls Development Project Presentations (10 Minutes Each)

      i. Cypress Partners

      ii. Cypress/Marina Highlands

      iii. Marina Woods

   d Recreation Announcement

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

   a. Council/Agency Board consider adopting Resolution No. 2016-, receiving and filing the Successor Agency to the former Marina Redevelopment Agency audited statement of net position as of June 30, 2015 and the related statement of changes in net position for the year ended June 30, 2015.

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 79824-79959, totaling $338,450.92

   b. MINUTES:

      (1) September 7, 2016, Regular City Council Meeting

   c. CLAIMS AGAINST THE CITY: None

   d. AWARD OF BID:

      (1) City Council consider adopting Resolution No. 2016-, awarding the construction contract to Denison Roofing of Carmel Valley, California for the Reroofing of Building 504 at the Marina Airport, and; authorizing the City Manager to execute all contract documents on behalf of the City subject to final review and approval by the City Attorney.

   e. CALL FOR BIDS: None

   f. ADOPTION OF RESOLUTIONS:

   g. APPROVAL OF AGREEMENTS:

   h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None

   i. MAPS: None

   j. REPORTS: (RECEIVE AND FILE):

      (1) City Council consider adopting Resolution No. 2016-, receiving and filing the audited special-purpose statements of financial position of Abrams Park for fiscal year ended June 30, 2015 and June 30, 2014.

   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 receiving information regarding the Monterey Bay Community Power initiative and participation in a Community Choice Energy program and provide further direction to staff.

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

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

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

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

CITY HALL HOLIDAYS
(City Hall Closed)

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 22, 2016	October 27, 2016	December 8, 2016
October 13, 2016	November 10, 2016	December 22, 2016 (Cancelled)
	November 24, 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.

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.

November 2, 2016	December 7, 2016

Proclamation

Whereas, Everyone's Harvest was founded in 2002 by a small group of committed Marina residents, building on the capstone project of a student from Cal State Monterey Bay, Iris Peppard. The group started the Marina Farmers' Market in 2003; and

Whereas, since then, Iris Peppard served as Executive Director for fourteen years, and the small nonprofit has grown into a robust, values-driven 501(c)3 organization; and

Whereas, Everyone's Harvest currently operates five certified farmers' markets and is a catalyst for health-related programs across Monterey County; and

Whereas, the mission is to provide access to healthy, affordable fruits and vegetables through certified farmers' markets and community food programs. The vision is for every community to have a fair and sustainable food system; and

Whereas, more than 2,000 families are served weekly by Everyone's Harvest markets in Salinas, Marina, and Pacific Grove – with more than 25 small and mid-scale farmers serving them; and

Whereas, Iris Peppard had the vision and leadership to pioneer Everyone's Harvest creation of programs to increase access and public nutrition benefits at its farmers' markets for everyone to access fresh, local, and organic foods; and

Whereas, Iris Peppard overcame many hurdles with each passing year during her 13 year tenure as Everyone's Harvest Executive Director, and in so doing developed herself into a successful and motivational community leader.

Now, therefore be it resolved, that I, Mayor Bruce Delgado Mayor and the entire Marina City Council hereby congratulate Iris for 13 years of dedication to bring healthier lifestyles to our larger Monterey County community as well as a community celebration to Marina every Sunday in the form of an exuberant Farmers Market.

Bruce Carlos Delgado, Mayor

Frank O'Connell
Mayor Pro-Tem

Nancy Amadeo
Council Member

David W. Brown
Council Member

Gail Morton
Council Member

CITY OF MARINA
INCORPORATED
NOVEMBER 13, 1975
CALIFORNIA

Dated this 20th Day of September 2016

Revitalizing CYPRESS KNOLLS

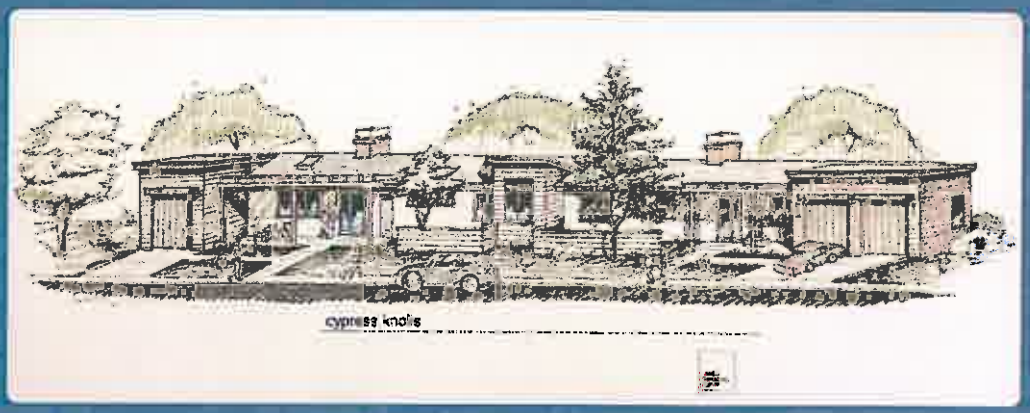
Marina, CA

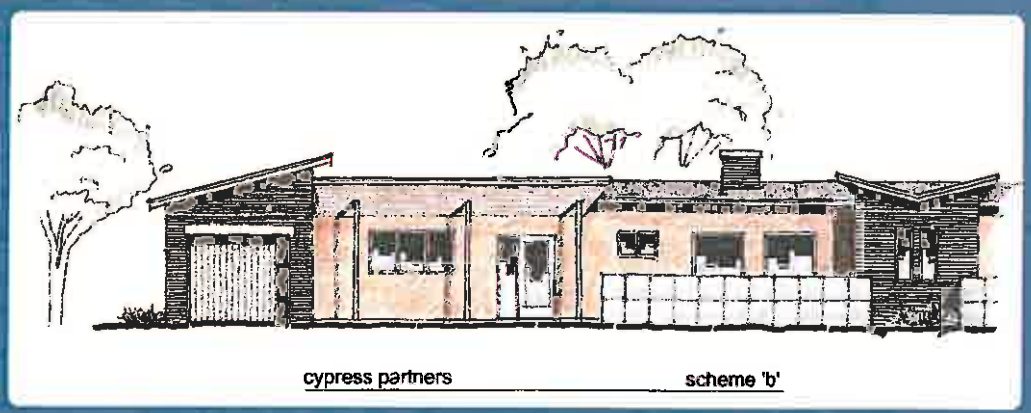
Submitted to:
The City of Marina

Submitted by:
Cypress Knolls Partners

Contact:

Date: September 2016





CYPRESS KNOLLS PARTNERS

Tuesday, September 13, 2016

To: The City of Marina

With copies to: The Mayor, City Attorney, and City Council Members

RE: Unsolicited Proposal
Cypress Knolls

Dear Mr. Mayor and Members of the City Council

Cypress Knolls Partners is excited and prepared for the opportunity to showcase the Cypress Knolls as the gateway between downtown Marina and the Dunes. Our team is passionate about low-density, healthy, green housing set amongst natural environments. Our vision and plan for the Cypress Knolls is to take advantage of the existing structures by converting them to contemporary, healthy, coastal living units and to revitalize the abundant parks and open spaces. The Cypress Knolls' proximity to schools, health services, theaters, retail & restaurants makes it perfect for a family-friendly and walkable community. Our project provides a rare opportunity to add high-end coastal housing units in the City of Marina that will be affordable to all walks of life.

Our team has internal housing needs that we feel this project can accommodate. As such, time is of the essence and we respectfully request that our proposal be responded to as soon as possible.

Accompanying this letter is a copy of our proposal outline, a list of benefits to the City of Marina, and the following attachments:

Exhibit A: Area Map
Exhibit B: Renderings
Exhibit C: Financials (Upon Request and provided under sealed cover)

We appreciate your consideration and look forward to discussing this project further.

Sincerely,

Ryan Edwards
Rik Sagin
Patrick Stafford
Kevin Wolf

Proposal Outline

Property:	Cypress Knolls, Marina (APN: 031-201-050 & 005)
Transaction Type:	Purchase or Long-Term Ground Lease
Project Type:	Remodeling existing structures
Renovation Type:	Full renovations implementing green and sustainable practices and new elements of architectural design
Level of Remodel:	Quality
Project Commencement:	Immediate
Lease-Option Scenario:	Short-term ground lease with City of Marina with option to purchase
Purchase Scenario:	Purchase property from City of Marina through DDA
Annual Income stream to City:	During initial lease period
Number of buildings:	Approximately 200 buildings (400 units)
Phase 1:	50 buildings
Construction Timeline:	3 years for all phases (total project)
Infrastructure Costs:	Paid for by Cypress Knolls Partners
Building Renovation Costs:	Paid for by Cypress Knolls Partners
City Impact Fees:	Not applicable due to remodeling of existing structures
Mello Roos Fees:	Paid for by Cypress Knolls Partners
Added Amenities:	Parks, open spaces, community farm

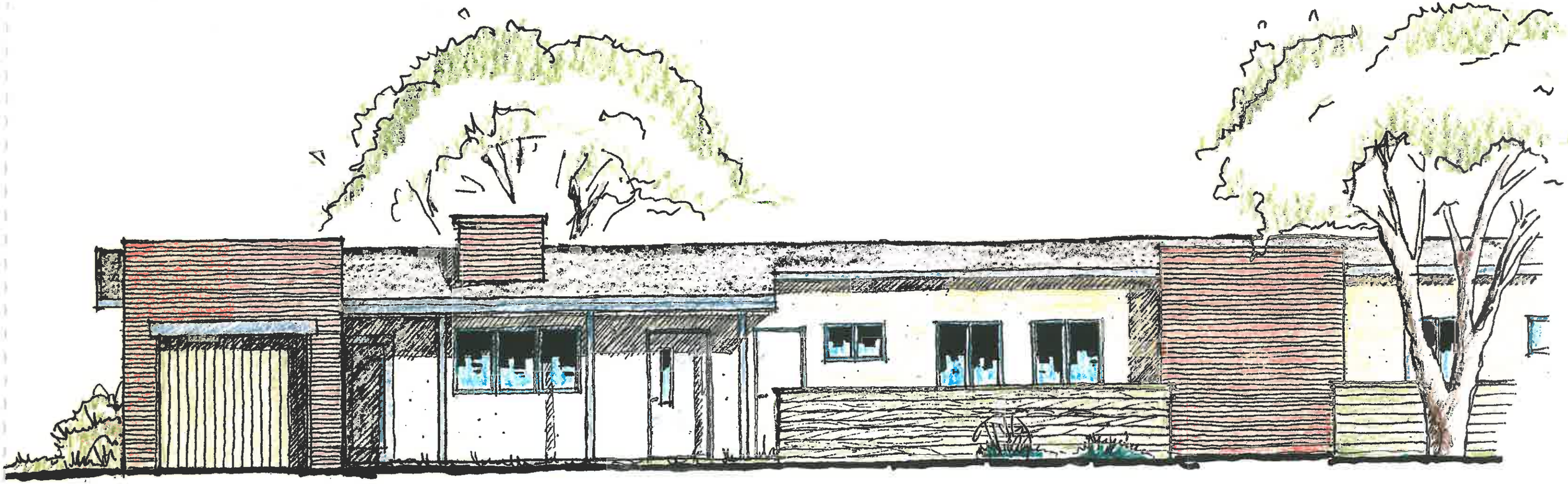
Benefits to City & Community

- Income stream to City
- Tax revenue to City
- Zero building renovation costs to City
- Zero infrastructure costs to the City
- All renovation costs paid for by Cypress Knolls Partners
- Revitalize the vacant Cypress Knolls neighborhood
- New housing stock that connects Downtown Marina and the Dunes
- Cypress Knolls Partners is made of local entities with broad social services
- Project has low impact on City staff
- Can go through planning and building process immediately
- Use of sustainable and green building practices
- Contemporary renovations with luxury finishes
- Enhances Marina High School environment and safety
- Maintains natural organic dune setting
- Provides a unique rental product, 3-4 bedroom units, with covered parking and open space
- Affordable City of Marina housing for all walks of life
- Close proximity to commercial services
- Creates construction jobs
- Revitalize parks and open spaces
- Adds a community farm(s)
- Reduces construction waste to landfill
- Reuse of existing structures
- Creates real handicap units
- Low-Density housing
- Walkable community

Exhibit A

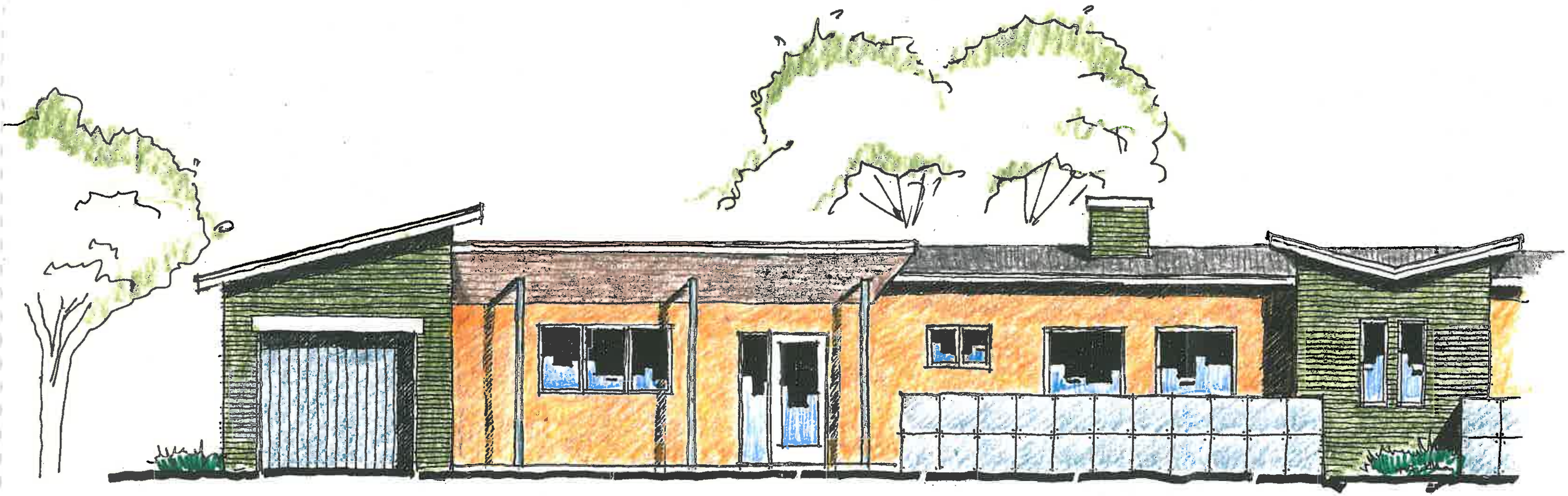
Revitalizing Cypress Knolls

Exhibit B



cypress knolls scheme 'a'

JAMES
NEWHALL
SMITH
ARCHITECT



cypress knolls

scheme 'b'

JAMES
NEWHALL
SMITH
ARCHITECT

cypress knolls

scheme 'c'

JAMES
NEWHALL
SMITH
ARCHITECT

cypress knolls

scheme 'd'

JAMES
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SMITH
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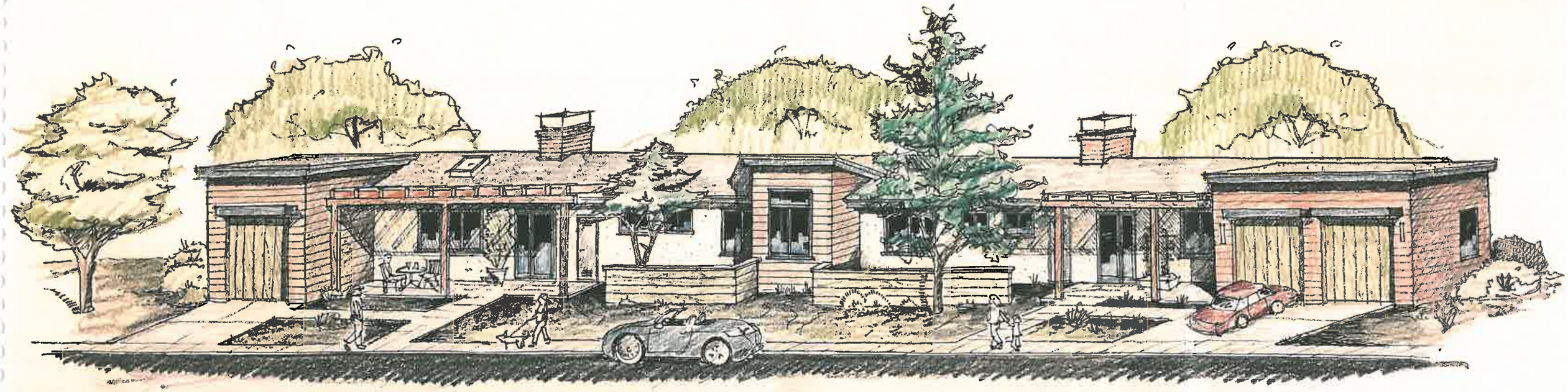

cypress knolls

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NEWHALL
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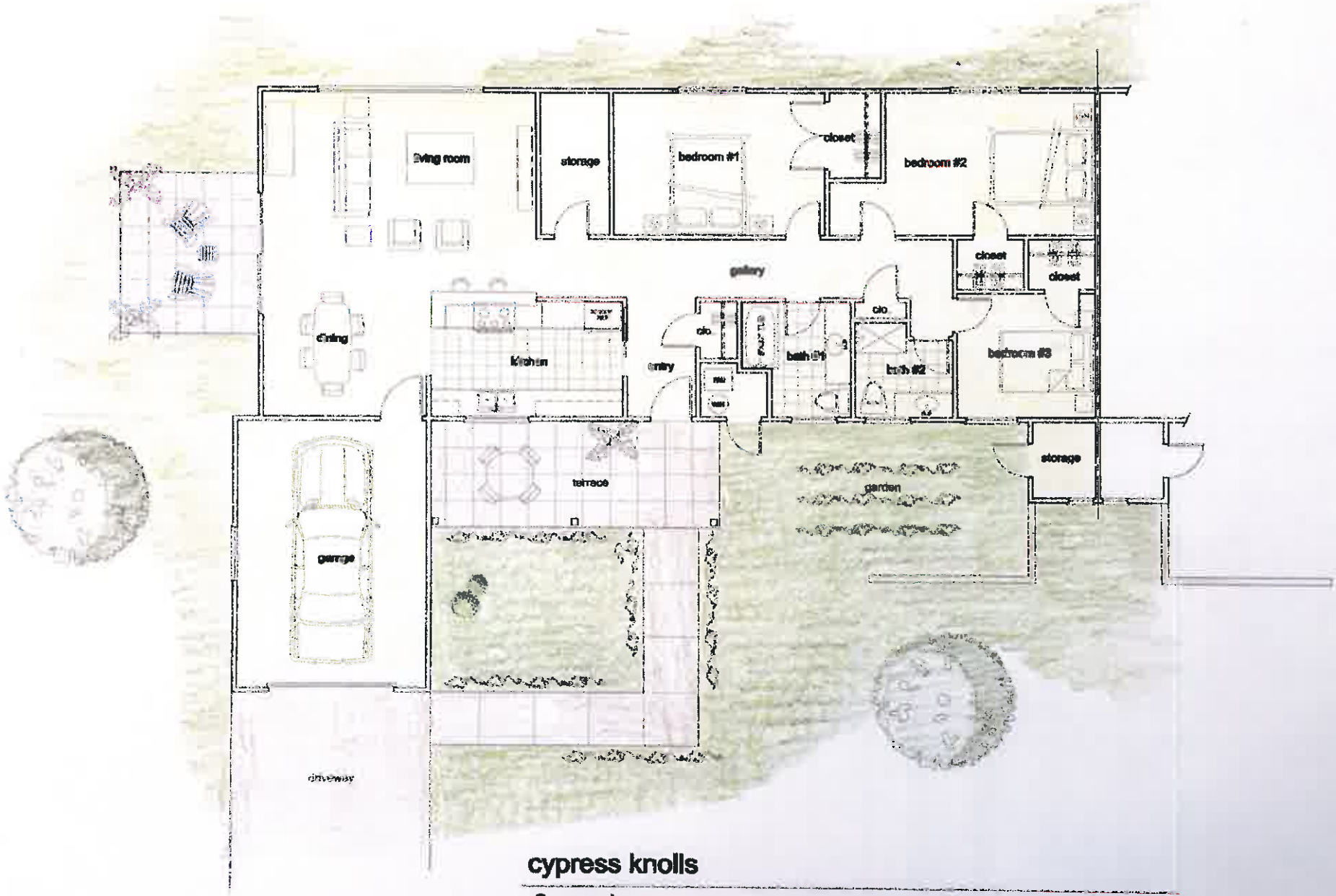

cypress knolls

floor plan

living	1,512 s.f.
garage	296 s.f.
storage	30 s.f.

Exhibit C

Financials delivered upon request and provided under sealed cover.

HIGHLANDER, LLC

July 17, 2016

To: Mayor Delgado and Marina City Council Members

Fr: Bob Schaffer[1] & Steve Fraser dba Highlander, LLC

Re: Cypress Knolls Development; current community-scale project name options: **CYPRESS or MARINA HIGHLANDS**

As you know, we have been interested in the redevelopment of this blighted and dangerous parcel of land for a number of years. We are as concerned as you are of the extreme danger and liability that the abandoned and dilapidated buildings burden the City. In a prior RFP cycle (circa 2010) Peninsula Housing Partners (PHP) estimated the overall cost of demolition to be $9.5 million (CRP's estimate: $11.1 million). We have had this portion of the front-end work reviewed onsite and estimated last year.

But there other very significant costs (and opportunities) for the City of Marina and its residents:

- Lost opportunity costs. After razing the property's 330 abandoned units, the City can:
    - **OPTION 1**: Similar to the path undertaken by CRP and PHP in 2010, to wit, sell the land with the obligation of cleanly and safely razing the existing buildings. The net value of the land is:
        - What improvements can be approved to be put on the land with those improvements constructed and sold and/or rented expeditiously? The term commonly used: "land residual".
        - Limiting factors to what can be put as improvements on the property are community and official approvals ***and*** what amount of improvements can the allotted water rights serve.
        - This modified land residual is then reduced by the costs of demolition and returning the land to a normal starting point.

- Using CRP and PHP's numbers in 2010: being remitted to the City over a five year period was roughly $7-10 million plus another $7-10 million in constructed and dedicated community amenities.
- After demolition and predicated on the sale of 500-600 housing units (approximately 130 affordable (+/- 20%)) plus 20,000+/- square feet of community amenity space (senior center, community center, etc.).
- The annual revenue for the increased tax base would have been roughly $1.5 million with a fair amount of that being spent on public services to and increased residential base of, say, 1200.
- OUR PERSPECTIVE: We can update this approach and match (and likely exceed) the resultant net land residual and amenities. OUR ENHANCEMENTS, or targeted investment amount:
    - Up to $1.0 million in the first year+ in planning, engineering and third party reports as required for your constant and updated review and ultimately external jurisdictional review and public hearings, and
    - Within that first year, upon a mutually agreed upon benchmark being met, the demolition and clearing of the 330 abandoned units (approximately $12.5 million).
    - OUR SOURCES: Ultimately we would finance the Option 1 with institutional equity and debt (50/50%) totaling $60 million. Our collective past experience as a major state retirement fund real estate investment officer, a senior executive with Wells Fargo Realty Finance, a project construction manager for an international construction company and a project manager overseeing the preconstruction, construction and marketing of project of similar (or more) complexity and scope, **OR**

- **OPTION 2**: There is a second option that would result in more affordable units (say, 50%) and a net financial result that is 3-4 times Option 1 (net) to the City:

- OUR INVESTMENT ESTIMATE: $75 million, with resources similar to above, ***plus*** tapping unique resources available as a result of our potential doubling of the residential base in Option 1 and the addition of upwards of a ½ million square feet of commercial/ retail space in the "City Center" as described below. Option 2 presents the major increase of an assessed tax base without commensurate services by way of the commercial build-out in a City Center. We have very innovative additional ways to increase the City revenues from this project as well.

As the details underlying Option 1 is to a certain extent a rehashing of a substantial (and expensive) body of work presented in the last RFP (circa 2010) round, we will focus on the distinguishing element within Option 2 (below). For the past two years we have incurred over $40,000 in out-of-pocket expenses, personal time/expense and third party hours/team building.

OPTION 2: AN ENHANCED VISION FOR THE CYPRESS KNOLLS PARCELS.

First we restate our project master plan provides funds to professionally demolish and safely remove ***all*** of the abandoned units and all demolition material as soon as permits can be obtained and a development agreement established. As the buildings contain hazardous material long distance hauling to a specified state-approved dumpsite has been anticipated in our economic models. The underground utility elements will also need to be removed and replaced in advance of an approved grading plan or reparation of the internal roads. These front-end costs have also been estimated and anticipated. These infrastructure costs also include such sustainability elements as:

- "Target Zero Waterscape (TZW)"; utilizing and embedding innovative and proven water conservation techniques within our infrastructure. This portion of our plan recognizes the jurisdictional presence of the Marina Coast Water District. One key member of our team expert in water resource management has collaborated with us for over a year. He and his associates have worked extensively with the District. Given the limited acre feet of water assigned to the property, one of our earliest primary goals is to design an aggressive plan of onsite water conservation. This conservation plan enables maximum development efficiency.

HOUSING AFFORDABILITY by way of enhanced density. Our goal of increasing affordable housing from 20% to over 50% cannot be achieved without an enlightened water resource management plan that obtains appropriate jurisdictional approval.

- "Community Renewable Energy (CRE)"; identifying every viable opportunity to integrate community-wide and CC&R-guided energy conservation techniques to assist in maximizing ongoing housing affordability (i.e. lower energy costs and less exposure to grid energy increases) and minimizing the community's energy footprint.

Additional infrastructure and master plan components include:

- Forwarding infrastructure support to the property's westerly edges in order to support a Marina "City Center" and to assist efforts to accelerate CalTRANS and City/Regional efforts to provide a Del Monte extension/frontage road connecting the Imjin and Del Monte highway on/off ramps. To fully advance on this segment the importance of the westernmost of the two parcels (031-201-050) is an essential element within our plan.
- Fully investigate other north/south road "connectors" that would facilitate unification of the northern and southern segments of the City that are currently divided by the subject property.
- An enhanced bike trail alignment as well as hiking/walkway alignment that we hope will generate regional and citywide appreciation as it maximizes off roadway safety and scenic quality. Our community greenspace, parks and neighborhood gardens will be aligned to enhance rider/hiker experiences.
- "Pocket Neighborhoods", providing single family detached cottages and attached patio homes clustered around a series of intermittent parks/recreation areas and neighborhood vegetable/fruit gardens. Our master planning will do as much as possible to assist home construction with master-bedrooms on the ground floor to sustain the project's appeal to college grads to empty nesters.
- Emphasize integrated live/work planning at the westerly "City Center" centered around a primary frontage road intersection, again emphasizing a distinctive and substantial City core identity. Potentially there would be a smaller and secondary "Village" in the center of the planning area with apartments over village-scaled retail and restaurants on broad sidewalks that enable outdoor café and visitor access to local artists and specialty shops.

As mentioned above a core goal for our plan is HOUSING AFFORDABILITY. As an index to the ultimate goal is homes and apartments that a CSUMB graduate couple could afford based on start-up business income or local jog/wage metrics; or a local empty-nester couple on limited retirement income. This is an ambitious goal. This suggests housing below median costs in place today (roughly $550,000 to $600,000). Our plans have been oriented to this harsh and challenging reality and our goal is to deliver a fully improved and a widely admired master planned community with over a majority of the housing well beneath current median prices. To that end, smart and unobtrusive, but elevated housing density as well as enlightened water conservation engineering are vitally important.

Accomplished to date:

- Enlisted early work and visits by:
    - two architects/planners,
    - a regionally renown, but locally born and raised regional demolition expert offering an onsite rough estimate of demotion, clearing and hauling of the entire site all at once,
    - review and rough costing by our construction partner and member of a major international construction firm,
    - review of our economic model by third party experts, and early involvement of regionally respected and/or nationally respected engineers tethered to our TZW and CRE (above) components.
- Obtained an estimate for complete deconstruction of the entire site as well as early estimates on an overall infrastructure plan consistent with the elements above
- Completed a preliminary list of potential uses including two apartment complexes, a mix of housing types appealing to a broad range of buyers including income and housing types, road and trails connections to Marina including the extension of 2nd Avenue to Del Monte Blvd. in Marina, parks and other recreational amenities and regional trails. All housing types will have "affordable by design" components.
- Completed a preliminary site design which will be defined during the entitlement process.

- An extensive fifteen year preliminary financial analysis which indicates:
    - overall plan economics/feasibility
    - results in defined additional increments of increased assessed valuation, retail and other commercially generated taxes and an option for participating cash flow for the City.
    - establishing means by which the City can elect additional significant land value accruing to the City of Marina. This increment could be in the order of magnitude of a 50-100% increase above the property tax increases due to the major increase in assessed valuation.
- A comprehensive understanding of the FORA Regional Urban Design Guidelines. (Bob Schaffer attended every meeting concerning those sessions as well as many other community sessions that are germane and contributory to our master plan).

<u>Next Steps and ENA:</u>

- Assuming a positive indication from the closed session City Council meeting to be held on July 19, 2016, we will submit a nondisclosure agreement followed by a draft ENA, based on others to which the City has been a party. We are familiar with past ENA formats acceptable to the City and would strive to quickly format same. It will include development concepts, an estimate of the costs and the time to prepare documents necessary to arrive at the Disposition and Development Agreement stage.
- We will assist in locating a qualified project director, if desired.
- We will budget to pay the salary and benefits of a dedicated project director employed by the City within the $1-1.5 million anticipated to be funded in our first 1-2 years.
- Within 60 days of the execution of the ENA, we will deposit with the City a certified check for $25,000 to be used for City incurred direct project related expenses. The City will submit to us a monthly accounting of all expenses. The fund will be replenished when the balance reaches $5,000.
- Once the ENA has been accepted:
    - We will deposit in a trust account, the first three months of the estimated salary and benefits of the project director.

- We will reveal our potential institutional development partners. Our selection of investment partners is significantly influenced by which option (1 or 2) is agreed upon by all parties.
- We will submit our preliminary, detailed financial analysis.

Community Outreach:

- During the ENA process, we will hold several Community charrettes, including one at CSUMB, to gather as much public input as possible. In addition, we will make our team available to meet with citizens at their convenience.
- We will also work with other jurisdictions to incorporate as many of their suggestions as feasible.
- We will work with all of the other agencies having interest and/or jurisdiction, e.g. Marina Coast Water District, Transportation Agency of Monterey County, Ft. Ord Trails Group, etc.

Qualifications:

- CV's are attached.

Please note we are prepared to reach out to other applicant teams to explore ways in which we can (or they can) both enhance project acceptance, approval and success and accelerate same.

We look forward to working as a team with the City of Marina and are ready to begin at once.

Very truly yours,

Bob Schaffer | Steve Fraser

Bob Schaffer | Steve Fraser

831.596.7092 | 503.931.6181

rks@redshift.com | brcfraser@gmail.com

BOB SCHAFFER

Resume/Qualifications

Experience: My entire career has been in real estate. Prior to becoming a real estate developer, I was with Coldwell Banker & Company working in the mortgage banking, property management and commercial brokerage departments. My mortgage banking activities concentrated on home and apartment complex financing; property management experience concentrated on general and medical office buildings; brokerage experience concentrated on regional shopping center and CBD retail leasing, general and medical office building leasing, investment property sales and land sales.

My experience as a real estate developer includes a wide variety of projects including the rehabilitation, enlargement and releasing of neighborhood shopping centers, rehabilitation and new construction and operation of medical office buildings (all in conjunction with major not-for-profit hospitals; most on ground leased property) and the development of new general office buildings. Some of these projects required innovative solutions, for example the creation of reciprocal easement agreements, air-space leases and the separation of large portions of buildings by the creation of a condominium.

Prior Development Projects:

- Shopping Centers
  - National City Plaza, National City, California; Co-developer, Complete rehabilitation including expansion and re-tenanting of a 10 acre market/drug anchored shopping center.
  - Adams Avenue Square, San Diego, California; Co-developer, Major rehabilitation of convenience anchored strip center.
- General Office Buildings
  - Prospect Center, La Jolla, California; Co-developer; 4 story, 72,000 square foot building and 300 car parking structure.
  - Union Bank Building, San Diego, California; leasing agent; 16 story, 250,000 square foot office building and an 800 car parking structure.
  - Central Federal Tower, San Diego, California; Co-developer; 18 story, 280,000 square foot office building and 900 car parking structure.
- Medical Office Buildings
  - Scripps Memorial Hospital, La Jolla, California; Co-developer, four separate buildings, totaling 130,000 square feet.
  - Children's Hospital, San Diego, California; Co-developer, 70,000 square foot building.
  - Long Beach Memorial Hospital, Long Beach, California; Developer, 50,000 square foot building located in Huntington Beach, California.
  - Western Medical Center, Tustin, California; Co-developer, 80,000 square foot building.
  - Mills Memorial Hospital, San Mateo, California; Co-developer, 60,000 square foot building.
  - Providence Hospital, Oakland, California; Co-developer, 90,000 square foot building.
  - Grosmont District Hospital, La Mesa, California; Co-developer, 70,000 square foot building and 360 car parking structure.
  - Hollywood Presbyterian Hospital, Los Angeles, California; Acquisition, rehabilitation and re-tenanting of an existing 110,000 square foot building (the first air space condominium in Los Angeles).
  - Queen of the Valley Hospital, West Covina California; Co-developer, 80,000 square foot building.
  - St. Rose Hospital, Hayward, California; Co-developer, 30,000 square foot building.
  - Seaton Medical Center, Daly City, California; Developer, acquisition and rehabilitation of an existing 60,000 square foot building.; development of a new 80,000 square foot building.

P. O. Box 1093, Monterey, CA 93942
Phone: (831) 596.7092
rks@redshift.com

- Industrial Buildings
    - 20,000 square foot light industrial building, San Clemente, California; Co-developer, acquisition of rehabilitation of an existing building.
    - 35,000 square foot lop industrial building, San Clemente, California; Co-developer, acquisition of rehabilitation of an existing building.

Recent Development Projects

- The Dunes, Marina, California; a 460 acre, mixed-use development of 750,000 SF of retail space, 760,000 SF of business park space, 500 hotel rooms, 1,237 homes. I identified the project, submitted it to Centex Homes who brought in Shea Homes and Shea Properties, was instrumental in the selection process, served as Director of Community Relations and participated in the development of branding and marketing programs. I currently consult on public affairs and community relations.
- Community Hospital of the Monterey Peninsula. I introduced the opportunity to establish a primary card outpatient facility at The Dunes resulting in the sale of a nine-acre parcel to the hospital. Consulted with the hospital on community relations.
- Department of Defense/Veterans Administration Clinic. I introduced this site to Representative Sam Farr through his local Chief of Staff Alec Arago. After years of fruitless negotiations on another site in another Jurisdiction, they immediately submitted the fully entitled Dunes site to the DOA and VA, resulting in the 150,000 SF building nearing completion.

Community Involvement: I relocated from Newport Beach to Monterey in 1995 to pursue development projects at the former Fort Ord. I immediately became active in community affairs focusing on the Fort Ord Alumni Association, the Stilwell Hall Preservation Society, the Monterey History and Art Association and the U.S. Army Defense Language Institute Foreign Language Center, the Marina Youth Arts Council, the Marina Chamber of Commerce, the Pre-apprenticeship Advisory Council, The Community Housing Trust of Monterey County, Inc., Monterey County Workforce Housing, Inc., Board Member and Treasurer of the Veteran's Cemetery Foundation and various other pro-community organizations.
I have developed business and personal relationships with residents, business, agriculture, education, military, Fort Ord Reuse Authority and elected and staff leaders in most of the local jurisdictions as well as the State and National representatives.

Proximity: My residence is in the City of Monterey.
Education: A graduate of Whitman College, Walla Walla, Washington, with a bachelor of arts degree in business and economics.

STEVEN FRASER

REAL ESTATE DEVELOPMENT AND PROJECT/PORTFOLIO FINANCE

- Developed and managed the Southern California real estate program for the second largest European development firm. Portfolio included: master planned communities (Laguna Niguel; Copper Canyon), mixed use commercial (One Pacific Plaza, Huntington Beach), Parkview Towers (office; Manhattan Beach, CA), Cerritos Town Center (mall,; Cerritos CA), Cambridge Park (Costa Mesa, CA).
- Led successful financing/sales of nearly $3 billion of real estate: development and finance. As a principal and as a broker at the level of equity, debt, or hybrid, and as a lead in institutional sales.
- Sole owner and operator of vlender.com, a fifteen year web-based software company serving a thousand mortgage bankers and small financial institutions channeling nearly ½ billion USD in residential mortgage loans per month.
- Investment officer responsible for the management of $800 million for Oregon State Public Employees' pension fund.
- Managed the Arizona, Orange and San Diego Counties (CA) Region for Wells Fargo Realty Finance as a Senior Vice President.
- Successfully integrated Tax/Audit CPA, professional asset management, real estate development, public pension fund portfolio management and consulting skills throughout markets in eight western US states.

ACHIEVEMENTS AND SKILLS

- Management of highly regarded real estate finance/ mortgage banking office for Wells Fargo (CA/AZ).
- Turned around several small real estate financial firms.
- Executive management: Wells Fargo, Bredero Vast Goed NV, TRW Electronics, Oregon State Treasury.
- Leadership in diverse economic cycles.
- Leadership of major project and land turnarounds – policies, procedures, executive oversight.
- Innovative and resourceful problem solving in a variety of financial and corporate environments.
- Successful development conceptualization, management and marketing.
- Superior report and document prep/format: Argus, Powerpoint, Excel and others.
- Deep and broad experience in commercial, residential, agricultural, land, special assets and unsecured products.
- Masters Business Administration (emphasis in Finance/Accounting).
- Masters of Business Taxation.
- Real Estate and Mortgage Banker Licensee.
- Certified Public Accountant (inactive).

(503) 931-6181 ● 1344 Disc Drive, Suite 255 ● Sparks, Nevada 89436 ● **brcfraser@gmail.com**

EXPERIENCE

BUILDERS REALTY CAPITAL, LLC (OREGON, NEVADA, CALIFORNIA, HAWAII) 1995 to Present

Co-Founder and Managing Member

- Led equity and debt underwriting, interim and permanent loan origination for land (i.e. acquisition, improvement, master planning) subdivision, mixed-use and commercial developments.
- Extensive real estate development and project/financial planning assistance.
- Produced in-excess-of $1 billion in project debt financings and hybrid capital structuring.
- Arranged and structured over $350 million in equity and participating debt.

OREGON STATE TREASURY (Salem, Oregon) 1990 to 1995

Investment Officer-Oregon Public Employee Retirement System

WELLS FARGO REALTY FINANCE (Newport Beach, California) 1979-1982/1987-1989

Senior Vice President and Manager

BREDERO VAST GOED NV (Newport Beach, California) 1982-1987

Senior Vice President

DELOITTE (Los Angeles, California and Portland, Oregon) 1973-1979

Supervisor/ CPA

EDUCATION

UNIVERSITY OF SOUTHERN CALIFORNIA (Los Angeles, California)

Master of Business Administration (emphasis in Finance and Accounting)

UNIVERSITY OF SOUTHERN CALIFORNIA (Los Angeles, California)

Master of Business Taxation

UNIVERSITY OF CALIFORNIA (Berkeley, California)

Bachelor of Arts (Philosophy)

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Professional/Affiliations

Oregon Certified Public Accountant (1976: inactive)

California Licensed Real Estate Broker (1976-1992)

Oregon and Nevada Mortgage Banker (1993-2009)

Institutional Investment Forum (1992-1995)

Urban Land Institute (1984-1992)

Portland City Club (1992-1995)

Activities

co-Founder and Director, Mexico Inland Mission (housing initiative in barrio sections of northern Baja Mexico)

founder of high school lacrosse (Salem-area high/middle schools, Oregon)

father of five (all college graduates; two graduate school; two Eagle Scouts)

member of grade school after school program (church-based)

participant in alma mater football/rugby clubs (University of California)

(503) 931-6181 ● 1344 Disc Drive, Suite 255 ● Sparks, Nevada 89436 ● **brcfraser@gmail.com**

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Residential

Edgewater Condominiums,
Lake Oswego, OR

La Jolla Townhomes,
La Jolla, CA

Pennbrook Homes; Construction		
Edgewater Condominiums	$12,150,000	30 units
Lake Oswego, OR		
La Jolla Townhomes	$5,625,000	12 units
La Jolla, CA		
Century American; Construction & Land Acq.		
Two subdivisions	$11,850,000	150 lots
San Diego, CA	$13,740,000	200 acres
Balcor/Bank of Boston; Permanent		
Two apartment complexes	$30,000,000	500 units
Orange County, CA		
Lakemont Homes; Construction & Equity		
Two subdivisions	$23,750,000	375 units
Sparks, NV		
Bingham Construction; Construction		
Briarwood Homes	$3,850,000	35 units
Beaverton, Oregon		

Silverado subdivision, Sparks/Wingfield Springs, NV

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Residential

Prendergast Development; Construction		
Pearl Townhomes	$10,750,000	12 townhomes
Portland, OR		
Pennbrook Homes; Construction		
Arrowood Townhomes	$5,750,000	23 Units
Bend, Oregon		
Pennbrook Homes; Construction & Equity		
Tavo Valero	$4,500,000	35 Units
Reno, Nevada		

Arrowood Townhomes
Bend (Broken Top), OR

Pearl Townhomes,
Portland, OR

Tavo Valera,
Sparks, NV

Three Pines,
Bend (Shevlin), OR

Three Pines Dev.; A & D/Construction	$8,700,000	50 Lots
Bend, Oregon		
Summit View; A & D/Construction		
Portland, OR	$8,500,000	10 Lots/3 models
Residential Subtotal	**$139,165,000**	

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Industrial/Flex

Tarnutzer-Hamilton/Wells Fargo; Land Acq, Construction, Permanent

Stonemill/Coppertree Bus. Parks	$45,150,000	500,000 sf
Costa Mesa, CA		

Wespar Realty/Wells Fargo; Construction, Permanent

Ortega Business Park	$27,000,000	350,000 sf
San Juan Capistrano, CA		

Tarnutzer-Hamilton Development/Wells Fargo; Sale, Joint Venture

Reno Airport Business Park	$9,500,000	100 acres
Reno, NV		

Industrial/Flex Subtotal	**$81,650,000**

Stonemill Business Park,
Costa Mesa, CA

Coppertree Business Park
Costa Mesa, CA

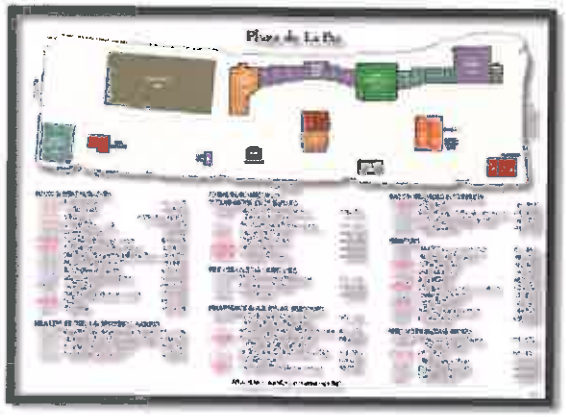
Ortega Business Park,
San Juan Capistrano, CA

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Retail

CenterCal/CalSTRS Development Fund
Bridgeport Center (initial funding),
Tigard, OR

Plaza de La Paz,
Mission Viejo, CA



CenterCal Development; Pension Equity Program

Major Public Fund Western US	$350,000,000	dedicated direct equity venture CalSTRS

Bingham Construction; Construction, Permanent

Tigard Power Center Tigard, OR	$15,000,000	97,000 sf

OAS Investors/Horowitz Trust/First Interstate; Construction

Plaza De La Paz Mission Viejo, CA	$31,500,000	300,000 sf

LaCaze Development/Great Western; Construction, Permanent

Escondido Village Mall Escondido, CA	$13,575,000	250,000 sf mall rehab/reposition

Escondido Village Mall, Escondido, CA

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Retail

Diversified Shopping Centers/Various; Construction, Permanent		
Five Neighborhood Shopping Centers Arizona, California	$44,875,000	500,000 sf
Shea Homes/Prudential; Permanent		
Two Neighborhood Centers Laguna Niguel, CA	$18,000,000	250,000 sf
Retail Subtotal	**$472,950,000**	

Ocean Ranch Village, Laguna Niguel, CA

Laguna Heights Marketplace, Laguna Niguel, CA

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Office

Trammell Crow/Texas Teachers;
Joint Venture, Construction (Wells Fargo/Sumitomo)

One & Two Renaissance Plaza Phoenix, AZ	$275,000,000	two office towers

965,508 sf of office,
downtown Phoenix, AZ

Wateridge Plaza
San Diego, CA

Currie Partners/Copley/Wells Fargo; Joint Venture, Land Acq.

Wateridge Plaza San Diego, CA	$115,750,000	250,000 sf 105 acres

GE Calma/GSIC: Purchase/Sale

GE Calma HQ San Jose, CA	$28,000,000	400,000 sf

Hillman Properties; Joint Venture

Carroll Ridge Business Park San Diego, CA	$24,000,000	200,000 sf

Office Subtotal	**$442,750,000**

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Hotel & Other

Mark Hemstreet; Permanent		
Shilo Inns - Boise Airport, Nampa Boise & Nampa, ID	$15,000,000	220 rooms
Draper Dev./Wells Fargo; Construction, Permanent		
Reno Best Western Reno, NV	$8,500,000	150 rooms
Mission Hospital/AG Edwards; Private Placement		
Mission Hospital Campus Mission Viejo, CA	$70,000,000	304 acute-beds

Mission Hospital, Mission Viejo, CA

Oregon State Treasury/Various; Loan Portfolio/CMBS		
PERS Commercial Mortgage Portfolio	$300,000,000	1,800 restructured loans/CMBS
Michael Dermody; Purchase/Sale		
Longview Ranch John Day, Oregon	$21,500,000	working ranch
J.D. Anderson/Home Federal; Construction, Permanent		
John Dominis Restaurant & Center Newport Beach, CA	$12,750,000	30,000 sf
Hotel & Other Subtotal	**$427,750,000**	

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

Land

Bredero/AVCO Community; Direct Equity Joint Venture
Laguna Niguel, CA $125,000,000 550 acre masterplan

Copper Canyon; Direct Equity Joint Venture
Sparks, NV $5,000,000 1,200 acre masterplan

Copper Canyon, Sparks, NV

Cerritos Town Center, Cerritos, CA

Aspen Lakes Golf Course and master plan

Aspen Lakes; Golf Course Permanaent and Consulting
Sisters, OR $11,500,000 350 acre masterplan

Cerritos Town Center; Land Acq., Development, Construction
Cerritos, CA $37,500,000 225 acre mall/mstrplan

Land Subtotal **$179,000,000**

Recap

RECAP:

Residential	**$139,165,000**
Industrial/Flex	**$81,650,000**
Retail	**$472,950,000**
Office	**$442,750,000**
Hotel & Other	**$427,750,000**
Land	**$179,000,000**
TOTAL PORTFOLIO SAMPLE	**$1,743,265,000**

Longview Ranch, John Day, OR

PORTFOLIO of DEVELOPMENTS and TRANSACTIONS

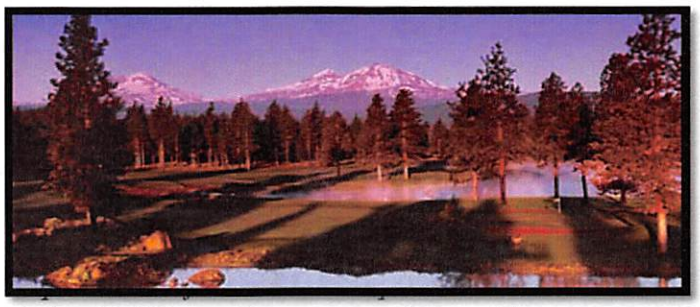
Land

Bredero/AVCO Community; Direct Equity Joint Venture
Laguna Niguel, CA $125,000,000 550 acre masterplan

Copper Canyon; Direct Equity Joint Venture
Sparks, NV $5,000,000 1,200 acre masterplan

Copper Canyon, Sparks, NV

Cerritos Town Center, Cerritos, CA



Aspen Lakes; Golf Course Permanaent and Consulting
Sisters, OR $11,500,000 350 acre masterplan

Cerritos Town Center; Land Acq., Development, Construction
Cerritos, CA $37,500,000 225 acre mall/mstrplan

MARINA WOODS LLC

July 16, 2016

City of Marina
211 Hillcrest Avenue
Marina, CA 93933

Honorable Mayor and members of the City Council,

First and foremost, we, the members of the Marina Woods LLC team, would like to thank you for the opportunity to partake in the proposed development process for the residential area presently identified as Cypress Knolls, and we look forward to Partnering with the City of Marina and its constituents to build a legacy community to serve as a model for future communities locally, state wide and nationally.

We invite you to review the Partnership Proposal provided hereafter and also review our team experience which is attached.

As a potential partner with the City we are very excited about this project in particular which we have tentatively named Marina Woods. We are looking forward to working with the City of Marina to bring this proposed project to an outstanding conclusion.

Warm Regards,

George Powell
Ray Parks, Architect
Greg Bock
Neale Johnson

PARTNERSHIP PROPOSAL TO THE CITY OF MARINA

INTRODUCTION

The following is a proposal for the formation of a partnership between Marina Woods LLC and the City of Marina. The advantages of a Partnership to the City are as follows:

A] The City can maintain control of the unique aspects of the project to ensure that the City's vision is fully maintained;
B] The City as a partner will be able to receive a fair share of profits from the project and capitalize on the increased value of the land;
C] The developer can provide funds that will allow the City to increase City staff for oversight to be able to review and process the project;
D] As a partnership we can jointly review the potential Home Builder prospects to guarantee the quality of the project;
E] As a partnership we expect to provide a legacy for the whole community and not solely focus on profits;
F] The City of Marina can provide a unique model community development for the State of California and the Nation.

CONCEPTUAL VISION - PLANNING CORE

The Marina Woods community shall be designed to provide two separate residential areas: One for families and the other for active adults. The conceptual design provides that these two residential areas will be surrounded with the Fort Ord Recreation trail and greenway which will provide connectivity to the High School, Patton Parkway, the Equestrian Center and the Coastal Trail system.

The Marina Woods community conceptual design will provide an inner pedestrian-friendly trail and mini-park system to connect each family home within the project to FORTAG.

The proposed FORTAG parks and trails will be the responsibility of the Marina Woods Homeowner's Association to maintain, but with irrigation water provided via the Community Rain Water Harvest system. The ultimate goal is to achieve a net zero water usage for the community.

UNIQUE RESIDENTIAL VISION

The family and active adult residential homes will all enjoy the following unique amenities as part of the Marina Woods concept with the goal of creating a legacy community:

- Hybrid solar system with the potential goal of creating a community-wide self-sufficient power generating operation;
- Grey water recycle system for 70% water recapture rate;
- Rain water harvest system for both individual homes and the community;
- Individual back yards with direct access to the inner pedestrian trail and surrounding FORTAG trails and parks
- Attempt to achieve net zero home water and energy consumption
- Potential wind energy generation
- LED Lighting and SMART HOME electronics
- Solar powered LED lighting along streets and walking paths for safety

PROJECT OUTLINE/TIMING

Marina Woods LLC would like to establish a two-phase approach to project design consisting of a 180 day design phase done in concert with City staff, and then followed by a 180 day period to finalize a development agreement.

<u>Land purchase price:</u>
At this point in time Marina Woods LLC believes the existing land value is three million dollars to seven million dollars with a major factor being the cost to demolish and remove all existing structures and dead vegetation. The ultimate price will depend upon the project's financial proforma and appraisal. Beyond the land value itself, the City will also share in the profits of the project.

<u>Community mix</u>
At this point our planning efforts have created a community of 775 living units with the intention of staying in compliance with the existing Cypress Certified EIR. We have envisioned two separate communities consisting of 175 family homes and 600 active adult homes.

As partners we can work together to establish the appropriate community mix.

A minimum of 20% of the project will be compliant with affordable housing requirements, and these units will be distributed through-out the project.

PREVAILING WAGE ISSUE

Marina Woods LLC is a local developer and our representatives have met with the local union representatives for the purpose of engaging local contractors for the project. We believe that the local prevailing wage issue will not affect the proposed project's economic feasibility. We further believe that the prevailing wage issue has been used as a scapegoat by other developers.

FINANCIAL BACKING

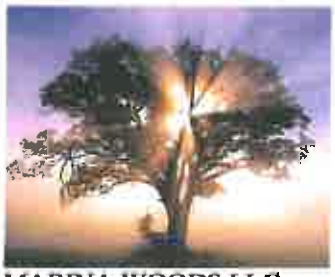
Regarding our financial intentions, we have a two phase approach to our plan. As you can see, we present a large amount of experience as land developers (please reference "Team Development History" attached). Marina Woods LLC will self finance the entitlement phase of the project (Proof upon request). In our second phase of the project, we will be working closely with our building partner. Due to ongoing negotiations, we are not at liberty to state the name of the building partner just yet.

However, what can be said is that our building partner is well known to the City of Marina and is one of the top 10 builders in the nation. They have a track record of designing, constructing, and competing world class complex projects and share our goal of producing a unique Legacy community. Further, they have more than sufficient financial capabilities to bring a project like this to fruition.

MARKET CYCLES

The housing market is currently improving, but this positive cycle will not last long as history tells us. Current interest rates are at historic lows which will be a major benefit if we can take advantage of them, but they will increase over time.

The existing condition of the project area with its current blight, hazard, safety issues and liability to the City will continue to pose a negative burden on the City of Marina until it is remedied with the proposed project,



MARINA WOODS LLC

TEAM DEVELOPMENT HISTORY

Luxury Residential infill projects

Atherton, Ca. 25 luxury projects 10 million +
Hillsborough, Ca. 6 luxury projects 5 million +
Menlo Park, Ca. 4 Luxury project 4 million +
Los Gatos, Ca. 3 Luxury projects 4 million +
Palo Alto, Ca. 4 Luxury projects 3 million +
Pacific Heights San Francisco, Ca. 2 Luxury Projects 10 +
Emerald Hills Redwood City, Ca. 3 Luxury projects 3 million +
Woodside, Ca. 2 Luxury projects 8 million +

Small Residential Subdivisions

Redwood City, Ca.
- 8 lot subdivision, Edgewood (land development only)
- 7 lot subdivision, Santa Clara (land development and complete build out)
- 3 lot subdivision, Selby (land development and complete build out)
- 4 lot subdivision, Sienna ct. (land development and complete build out)
- 2 lot subdivision, Santa Clara (land development and complete build out)

San Francisco, Ca.
- 2 lot subdivision, Pacific Heights (land development and complete build out)

Sausalito, Ca.
- 2 lot subdivision, Ridge (land development)

MARINA WOODS LLC

Subdivisions

Atherton, Ca Annexation 30 acres possible 25 lots (current project)
Marina Heights for Watt/Chadmar (land deal and approvals)
Merced County, Ca. 402 lot SUDP (land deal and approvals)
Clint Eastwood's properties
Hornitos, Ca. 6000 acre subdivision through Historic land Patent

Communities and Active Adult Relevant

Pacific Meadows 250 acres for the Monterey Housing Authority
Carmel Valley Manor
Hecienda Carmel Community
The Dole Project with Habitat for Humanity & Chispa
Cypress Knolls for Front Porch
Fox Hills Community Merced County, Ca. 3466 lots (land deal and approvals)
www.co.merced.ca.us/pdfs/planning/complans/foxhills/Specificplan_O.pdf)
Fox Hills Community Commercial Center (land deal and approvals)
www.co.merced.ca.us/pdfs/planning/complans/foxhills/Specificplan_O.pdf

Agency experience, Planning and mitigation experience

California State parks & Costal Commission

a) 165 Acres in California State Park Big Sur
b) The Pebble Beach Company 5400 acres Del Monte Forest Local Coastal Plan
c) Negotiation and setup of lead agency for specific project
e) Biological science and reports on species and effects of development

United States Fish and Wildlife Service USFWS

a) biological science and reports on species and effects of development
b) Creation of 4000 acre species mitigation ranch
c) Negotiation and setup of lead agency for specific project
e) Bridge construction permitting and management

MARINA WOODS LLC

Army Core of Engineers

a) Wetlands identification and process
b) Wetlands Dedication and mitigation
c) Creation of wetlands for mitigation
d) biological science and reports on species and effects of development
e) Negotiation and setup of lead agency for specific project
f) California Aqueduct work and permitting

United States Bureau of Reclamation BOR

a) Aqueduct work and permitting
b) Bridge permitting and management
c) Water contract purchase
e) Water contract management
f) Inter-agency water transfer and purchase
g) Manage Federal and State water transfers and contracts
h) Construction, maintenance and permitting on California Aqueduct.

State of California Fish & Wildlife (Fish & Game)

a) biological science and reports on species and effects of development
b) Creation of 4000 acre species mitigation ranch co-managed with USFWS
c) Negotiation and setup of lead agency for specific project
e) Bridge construction permitting and management

United States Department of the Interior

a) California Aqueduct work and permitting
b) Bridge upgrading / construction / permitting and management
c) Water contract purchase
e) Water contract management
f) inter-agency water transfer
g) Manage Federal and State water transfers and contracts
h) Construction, maintenance and permitting on California Aqueduct.

MARINA WOODS LLC

CalTrans

a) Coordinate all agencies involved biological science and reports on species and effects of construction on roads and overpasses
b) Design, coordinate and manage permitting of roads and overpasses.
c) manage and finance construction of roads and overpasses.

Miscellaneous

a) Create, purchase, develop and manage Mitigation ranches (all totaled 10,000 acres) in concert with USFWS, CFG
b) Development of over 40,000 acre feet of water rights and contracts through CVP, BOR, Riparian water right, water banking, purchase and control of water districts, striping and stacking water and ground water purchase
c) Removal of Williamson Act on owned land. (we have sued and set precedents for removal)

September 14, 2016 Item No. **7a**

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

Successor Agency
Board Meeting
of September 20, 2016

CITY COUNCIL OF THE CITY OF MARINA ACTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY OF MARINA REDEVELOPMENT AGENCY BOARD CONSIDER ADOPTING RESOLUTION NO. 2016-, RECEIVING AND FILING THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY AUDITED STATEMENT OF NET POSITION AS OF JUNE 30, 2015 AND THE RELATED STATEMENT OF CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2015

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

1. Adopting Resolution No. 2016- (SA-MRA), receiving and filing the Successor Agency to the former Marina Redevelopment Agency audited statement of net position as of June 30, 2015 and the related statement of changes in net position for the year ended June 30, 2015.

BACKGROUND:
After each fiscal year, independent auditors examine and test the underlying controls, fiscal records and financial transactions from which the Successor Agency to the former Marina Redevelopment Agency financial reports are prepared, and issue their opinion on the financial statements contained in the reports.

The purpose of the audit is to determine whether, in the auditor's opinion, the financial statements present fairly in all material respects the Successor Agency to the former Marina Redevelopment Agency financial position and results of operations for the fiscal year.

ANALYSIS:
The independent auditors, Mann, Urrutia, Nelson CPAs, issued a favorable opinion dated January 6, 2016 for the statement of net position of the Successor Agency to the Marina Redevelopment Agency of the City of Marina as of June 30, 2015 and the related statement of changes in net position for the year then ended June 30, 2015. **(EXHIBIT A)**

FISCAL IMPACT:
None

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

Respectfully submitted,

_____
Lauren Lai, CPA
Finance Director
City of Marina

REVIEWED/CONCUR:

_____
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016- (SA-MRA)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA ACTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY OF THE MARINA REDEVELOPMENT AGENCY ADOPTING RESOLUTION NO. 2016-, RECEIVING AND FILING THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY AUDITED STATEMENT OF NET POSITION AS OF JUNE 30, 2015 AND THE RELATED STATEMENT OF CHANGES IN NET POSITION FOR THE YEAR THEN ENDED JUNE 30, 2015

WHEREAS, after each fiscal year, independent auditors examine and test the underlying controls, fiscal records and financial transactions from which the Successor Agency to the former Marina Redevelopment Agency financial reports are prepared, and issue their opinion on the financial statements contained in the reports, and;

WHERAS, the purpose of the audit is to determine whether, in the auditor's opinion, the financial statements present fairly in all material respects the Successor Agency to the former Marina Redevelopment Agency financial position and results of operations for the fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina, acting as the governing board of the Successor Agency of the Marina Redevelopment Agency here by

1. Receive and file the Successor Agency to the former Marina Redevelopment Agency audited financial statement of net position as of June 30, 2015 and the related statement of changes in net position for the year ended June 30, 2015 (Exhibit A).

PASSED AND ADOPTED by the City Council of the City of Marina acting as the governing board of the Successor Agency of the Marina Redevelopment Agency at a regular meeting duly held on the 20th day of September 2016, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

_____

Bruce C. Delgado, Chair

ATTEST:

_____

Anita Sharp, Acting Board Secretary

Successor Agency to the Marina Redevelopment Agency of the City of Marina

Basic Financial Statements

fiscal Year Ended June 30, 2015

INDEPENDENT AUDITOR'S REPORT

To the City Council
Oversight Board of the Successor
Agency to the Marina Redevelopment Agency
Marina, California

We have audited the accompanying financial statements of the Successor Agency to the Marina Redevelopment Agency of the City of Marina as of and for the year ended June 30, 2015.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

The financial statements do not include footnote disclosures to the financial statements. In our opinion, disclosure of that information is required to conform with accounting principles generally accepted in the United States of America.

In our opinion, except for the omission of the information discussed in the preceding paragraph and the "Other Matters" paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Successor Agency to the Marina Redevelopment Agency of the City of Marina as of June 30, 2015, and the results of its operations for the year ended June 30, 2015 with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Mann Urrutia Nelson CPAs

Sacramento, California
January 6, 2016

SUCCESSOR AGENCY
to the MARINA REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION

June 30, 2015

ASSETS		
Cash and Cash Equivalents	$	1,064,378
Prepaid Expenses		11,638
Accrued Receivables		397
Long-Term Receivable- Sate of California		490,000
Capital Assets - Land		900,000
Total Assets	$	2,466,413
LIABILITIES		
Accounts Payable	$	3,218
Accrued Payables		192
Due to City of Marina Funds		328,713
Bonds Payable:		
Due within One Year		20,000
Due in More Than One Year		470,000
Total Liabilities	$	822,123
DEFERRED INFLOWS		
Unavailable Revenue - Property Taxes Received in Advance	$	696,137
Net Position (Held in Trust for Successor Agency to the Marina Redevelopment Agency)	$	948,153

SUCCESSOR AGENCY
to the MARINA REDEVELOPMENT AGENCY
STATEMENT OF CHANGES IN NET POSITION

June 30, 2015

ADDITIONS		
Property Taxes	$	1,207,955
Investment Earnings		1,458
Property Tax In-Lieu		29,139
Transfer from City of Marina		49,544
Total Additions	$	1,288,096
DEDUCTIONS		
ROPS Payments:		
Programs Costs	$	1,108,206
Legal & Professional Fees		32,662
Employee Costs		160,456
Occupancy & Operating Costs		66,742
Total Deductions	$	1,368,066
Change in Net Position	$	(79,970)
NET POSITION - BEGINNING OF YEAR		1,028,123
NET POSITION - END OF YEAR	$	948,153

SUCCESSOR AGENCY
to the MARINA REDEVELOPMENT AGENCY
Combining Schedule of Net Position
June 30, 2015

	Successor Agency Operating Fund	Successor Agency Obligation Retirement Fund	Successor Agency Housing Assets Fund	Total
ASSETS				
Cash and Cash Equivalents	$ -	$ 959,057	$ 105,321	$ 1,064,378
Prepaid Expenditures	-	11,638	-	11,638
Accrued Receivables	-	374	23	397
Advances (to)from Other Funds, Net	-	(164,747)	164,747	-
Long-Term Receivable - State of California		490,000	-	490,000
Capital Assets - Land	-	-	900,000	900,000
TOTAL ASSETS	$ -	$ 1,296,322	$ 1,170,091	$ 2,466,413
LIABILITIES				
Accounts Payable	$ -	$ 2,360	$ 858	3,218
Accrued Payables	-	192	-	192
Due to City of Marina (Long Term)	-	328,713	-	328,713
Bonds Payable:			-	
Due Within One Year	-	20,000	-	20,000
Due in More Than One Year	-	470,000	-	470,000
TOTAL LIABILITIES	$ -	$ 821,265	$ 858	$ 822,123
DEFERRED INFLOWS				
Unavailable Revenue - Property Taxes Received in Advance	$ -	$ 696,137	$ -	$ 696,137
Net Position (Held in Trust for Successor Agency to the Marina Redeveloment Agency)	$ -	$ (221,080)	$ 1,169,233	$ 948,153

SUCCESSOR AGENCY
to the MARINA REDEVELOPMENT AGENCY
Combining Schedule of Changes in Net Position
Year Ended June 30, 2015

	53 Successor Agency Operating Fund	58 Successor Agency Obligation Retirement Fund	59 Successor Agency Housing Assets Fund	Total
ADDITIONS				
Property Taxes (Net of DOF True-Up Adjustment)	$ -	$ 1,207,955	$ -	$ 1,207,955
Investment Earnings	-	1,379	79	1,458
Property Tax In-Lieu	-	29,139		29,139
Transfer from City of Marina	49,544	-	-	49,544
Total Additions	$ 49,544	$ 1,238,473	$ 79	$ 1,288,096
DEDUCTIONS				
ROPS Payments:				
Program Costs	$ 49,544	$ 1,058,662	$ -	$ 1,108,206
Legal & Professional Fees	-	31,648	1,014	32,662
Employee Costs	-	151,894	8,562	160,456
Occupancy & Operating Costs	-	66,742	-	66,742
Total Deductions	$ 49,544	$ 1,308,946	$ 9,576	$ 1,368,066
Change in Net Position	$ -	$ (70,473)	$ (9,497)	$ (79,970)
NET POSITION - BEGINNING OF YEAR	-	(150,607)	1,178,730	1,028,123
NET POSITION - END OF YEAR	$ -	$ (221,080)	$ 1,169,233	$ 948,153

LIVE Marina, CA *LIVE*

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	09/09/2016	79824 Accounts Payable	Abbott's Pro-Power		38.60
	Invoice	Date	Description		Amount
	97026	08/25/2016	Veh - Maint & Repair		38.60
Check	09/09/2016	79825 Accounts Payable	Ace Hardware		70.62
	Invoice	Date	Description		Amount
	059995	09/01/2016	Bldg Maint & Repair		21.71
	059982	09/01/2016	Bldg Maint & Repair		16.91
	059994	09/01/2016	Bldg Maint & Repair		23.33
	059985	09/01/2016	Bldg Maint & Repair		5.42
	060005	09/02/2016	Key Double		3.25
Check	09/09/2016	79826 Accounts Payable	Alliant Insurance Services		1,110.00
	Invoice	Date	Description		Amount
	508745	08/29/2016	Alliant Pollution Liability Insurance		1,110.00
Check	09/09/2016	79827 Accounts Payable	Aramark Uniform Service		676.08
	Invoice	Date	Description		Amount
	757528843	08/15/2016	Uniform Service - Public Works Crew		44.40
	757528844	08/15/2016	Uniform Service - Public Works Crew		45.66
	757528845	08/15/2016	Uniform Service - Public Works Crew		38.01
	757528846	08/15/2016	Uniform Service - Public Works Crew		43.44
	757552677	08/29/2016	Uniform Service - Public Works Crew		44.40
	757552679	08/29/2016	Uniform Service - Public Works Crew		38.01
	757552678	08/29/2016	Uniform Service - Public Works Crew		174.95
	757552680	08/29/2016	Uniform Service - Public Works Crew		43.44
	757564541	09/05/2016	Uniform Service - Public Works Crew		44.40
	757564542	09/05/2016	Uniform Service - Public Works Crew		77.92
	757564543	09/05/2016	Uniform Service - Public Works Crew		38.01
	757564544	09/05/2016	Uniform Service - Public Works Crew		43.44
Check	09/09/2016	79828 Accounts Payable	Bingo Vision & Gaming		95.00
	Invoice	Date	Description		Amount
	0133459-IN	08/19/2016	Labor Repair Fee		95.00

LIVE* Marina, CA *LIVE

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/09/2016	79829 Accounts Payable	Branch's Janitorial		2,059.44
	Invoice	Date	Description		Amount
	225822	08/22/2016	Janitorial Services August 2016		2,059.44
Check	09/09/2016	79830 Accounts Payable	Brian Thomas Congleton		2,250.00
	Invoice	Date	Description		Amount
	824	07/25/2016	Architect Services for Airport, B504		2,250.00
Check	09/09/2016	79831 Accounts Payable	California Department of Forestry and Fire Pr.		2,057.58
	Invoice	Date	Description		Amount
	137572	08/29/2016	Gabilan Crew - July 2016		2,057.58
Check	09/09/2016	79832 Accounts Payable	Christopher Gonzales		500.00
	Invoice	Date	Description		Amount
	10-15-16 cc	08/31/2016	Building Rental Refund		500.00
Check	09/09/2016	79833 Accounts Payable	Cintas Corporation		60.53
	Invoice	Date	Description		Amount
	630167198	09/05/2016	Mat Services-Police/Fire 9/5/16		60.53
Check	09/09/2016	79834 Accounts Payable	Coast Counties Glass, Inc		210.00
	Invoice	Date	Description		Amount
	32002	07/29/2016	Furnished and installed one malke bottom pivot		210.00
Check	09/09/2016	79835 Accounts Payable	Comcast		123.05
	Invoice	Date	Description		Amount
	07-26-16	07/26/2016	Cable Service-Police/Fire 8/4 thru 9/3/16		54.53
	08-26-16	08/26/2016	Cable Service-Police/Fire 9/4 thru 10/3/16		68.52
Check	09/09/2016	79836 Accounts Payable	Jeff Crechriou		444.32
	Invoice	Date	Description		Amount
	09-13-16	08/12/2016	Per Diem & Mileage		444.32
Check	09/09/2016	79837 Accounts Payable	CSG Consultants		43,734.00
	Invoice	Date	Description		Amount
	8486	08/26/2016	R55 Improv Beach Rd & Reservation (07/01/16 - 07/29/16)		26,745.00

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	8554	08/26/2016	Code Enforcement (07/01/16 - 07/29/16)		2,304.00
	8562	08/26/2016	Building Inspection (07/01/16 - 07/29/16)		14,685.00
Check	09/09/2016	79838 Accounts Payable	Cypress Coast Ford Lincoln		378.67
	Invoice	Date	Description		Amount
	317435	08/30/2016	Veh - Maint & Repair - Unit 597		378.67
Check	09/09/2016	79839 Accounts Payable	Ewing		18.81
	Invoice	Date	Description		Amount
	2075314	08/25/2016	Landscape Maint & Repair		18.81
Check	09/09/2016	79840 Accounts Payable	Granite Construction Co.		30.83
	Invoice	Date	Description		Amount
	1035653	08/23/2016	Street Supplies		30.83
Check	09/09/2016	79841 Accounts Payable	Green Rubber-Kennedy AG		105.63
	Invoice	Date	Description		Amount
	S - 542517	08/22/2016	Veh - Maint & Repair		105.63
Check	09/09/2016	79842 Accounts Payable	Hinderliter, Dellamas & Associates		12,190.74
	Invoice	Date	Description		Amount
	0010448-IN	08/17/2016	Business License Tax Ord. Study		11,000.00
	0025835-IN	08/17/2016	Sales Tax 3rd Qtr & Audit		1,190.74
Check	09/09/2016	79843 Accounts Payable	Hub International Insurance Services		354.20
	Invoice	Date	Description		Amount
	08-31-16	08/31/2016	August 2016		354.20
Check	09/09/2016	79844 Accounts Payable	Johnson Associates		18.50
	Invoice	Date	Description		Amount
	365209	08/29/2016	Veh - Maint & Repair - Unit 597		18.50
Check	09/09/2016	79845 Accounts Payable	Lew Edwards Group		5,000.00
	Invoice	Date	Description		Amount
	0003	08/29/2016	Communications Outreach		5,000.00
Check	09/09/2016	79846 Accounts Payable	Marina Coast Water District		238.56

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice	Date	Description		Amount
	000056045 081916	08/19/2016	000056 045 - 3100 Preston Park Irrig (07/23/16 - 08/19/16)		124.20
	000056046 081916	08/19/2016	000056 046 - 3100 Preston Park Bldg (07/23/16 - 08/19/16)		114.36
Check	09/09/2016	79847 Accounts Payable	Maynard Group Inc.		1,199.88
	Invoice	Date	Description		Amount
	229372	08/24/2016	Phone Swap for New CDD Director's Office		280.00
	P229704	09/01/2016	Platinum Service Maintenance Coverage 9/1/16		919.88
Check	09/09/2016	79848 Accounts Payable	Mona Lualemana		200.00
	Invoice	Date	Description		Amount
	08-27-16 vd	08/27/2016	Building Rental Refund		200.00
Check	09/09/2016	79849 Accounts Payable	Monterey Auto Supply		378.92
	Invoice	Date	Description		Amount
	440304	08/29/2016	Veh - Maint Parts & Supply - Unit 5400		102.47
	440678	08/30/2016	Veh - Maint Parts & Supply - Unit 549		36.34
	440030	08/26/2016	Veh - Maint Parts & Supply - Unit 520		52.37
	441368	09/02/2016	Veh - Maint Parts & Supply - Unit 597		18.25
	440993	08/31/2016	Veh - Maint Parts & Supply - Unit 894		158.28
	441255	09/01/2016	Veh - Maint Parts & Supply - Unit 595		11.21
Check	09/09/2016	79850 Accounts Payable	Monterey County - Emergency Communications		40,634.28
	Invoice	Date	Description		Amount
	07-18-16 FY16/17	07/18/2016	NGEN Debt Service-Shared 7/18/16		40,634.28
Check	09/09/2016	79851 Accounts Payable	Monterey County Information Technology		1,017.00
	Invoice	Date	Description		Amount
	08-31-16	08/31/2016	Network Users Group/Radio Maint. July 2016		1,017.00
Check	09/09/2016	79852 Accounts Payable	Monterey County Petroleum		2,201.50
	Invoice	Date	Description		Amount
	298467	08/30/2016	Oil - 5/20		808.59
	298481	08/31/2016	Diesel Fuel (600 gal)		1,392.91
Check	09/09/2016	79853 Accounts Payable	Monterey County Recorder		2.00

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	Official Records (05/05/16 - 08/15/16)		2.00
Check	09/09/2016	79854 Accounts Payable	Monterey Environmental Solutions & Services		5,500.00
	Invoice	Date	Description		Amount
	276	08/29/2016	Asbestos Abatement - Church		5,500.00
Check	09/09/2016	79855 Accounts Payable	Monterey Tire Service		749.85
	Invoice	Date	Description		Amount
	1 - 73400	09/02/2016	City Wide - Tires - Unit 891		458.15
	1 - 73413	09/02/2016	City Wide - Tires - Unit 597		272.15
	1 - 73414	09/02/2016	City Wide - Tires - Unit 612		19.55
Check	09/09/2016	79856 Accounts Payable	Mountain Mikes Pizza		324.16
	Invoice	Date	Description		Amount
	08-22-16	08/22/2016	pizza for Teen Center		89.91
	08-19-16	08/19/2016	pizza for Teen Center		234.25
Check	09/09/2016	79857 Accounts Payable	MuttMitt - ZW USA Inc.		575.38
	Invoice	Date	Description		Amount
	116925	08/22/2016	Mutt Mitts		575.38
Check	09/09/2016	79858 Accounts Payable	Newton Bros. Tire & Auto		1,752.43
	Invoice	Date	Description		Amount
	188502	08/30/2016	Upper/Lower Ball Joint - Unit 2007 Ranger		834.12
	188548	09/02/2016	Veh - Maint & Repair - Unit 520		918.31
Check	09/09/2016	79859 Accounts Payable	Nextel Communications		358.00
	Invoice	Date	Description		Amount
	866147022-168	08/22/2016	cell phones for Rec Dept		358.00
Check	09/09/2016	79860 Accounts Payable	Nicolay Consulting Group		5,500.00
	Invoice	Date	Description		Amount
	459-2016-08	08/30/2016	Postemployment Healthcare		5,500.00
Check	09/09/2016	79861 Accounts Payable	Office Depot		30.13

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice	Date	Description		Amount
	859309882001	08/23/2016	Office Supplies		30.13
Check	09/09/2016	79862 Accounts Payable	Office Depot		80.07
	Invoice	Date	Description		Amount
	1975489276	08/22/2016	Office Supplies-Toner/Paper Clips 8/22/16		80.07
Check	09/09/2016	79863 Accounts Payable	Pacific Gas & Electric		6,750.27
	Invoice	Date	Description		Amount
	313-6.AUG16	08/26/2016	PG&E 6793435313-6		6,750.27
Check	09/09/2016	79864 Accounts Payable	Peninsula Chevrolet Cadillac		156.35
	Invoice	Date	Description		Amount
	CVCS13501	08/27/2016	Veh - Maint & Repair - 2002 Tahoe		156.35
Check	09/09/2016	79865 Accounts Payable	Peninsula Messenger LLC		120.00
	Invoice	Date	Description		Amount
	121435	08/31/2016	Daily Deposit pick-up		120.00
Check	09/09/2016	79866 Accounts Payable	Pinnacle Healthcare		271.00
	Invoice	Date	Description		Amount
	4819511-30	08/15/2016	Pinnacle Healthcare - Pre Emp Px		271.00
Check	09/09/2016	79867 Accounts Payable	Richard B. Standridge		6,000.00
	Invoice	Date	Description		Amount
	16-18	09/02/2016	Services 08-22/09-02-16		6,000.00
Check	09/09/2016	79868 Accounts Payable	Rutan & Tucker		3,416.00
	Invoice	Date	Description		Amount
	755006	08/22/2016	Stormwater/NPDES Advice		3,416.00
Check	09/09/2016	79869 Accounts Payable	Ryan Ranch Printers		38.02
	Invoice	Date	Description		Amount
	18198	08/24/2016	Business Cards J. Fred Aegerter		38.02
Check	09/09/2016	79870 Accounts Payable	Save The Whales		16,203.75
	Invoice	Date	Description		Amount

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	2016-2	08/24/2016	Stormwater/NPDES		16,203.75
Check	09/09/2016	79871 Accounts Payable	Techno Lock Keys Trading LLC		52.14
	Invoice	Date	Description		Amount
	11010	08/01/2016	Keys		52.14
Check	09/09/2016	79872 Accounts Payable	TechRx Technology Services		11,543.36
	Invoice	Date	Description		Amount
	6345	08/01/2016	Equipment for Airport		1,185.72
	6361	08/31/2016	Tech Support		681.94
	6362	08/31/2016	IT Support - August 2016		8,160.00
	6365	08/30/2016	IT Support - Teen Center		84.02
	6339	07/31/2016	IT Support - Computer System Maint.		640.52
	6364	08/30/2016	Computer Purchase		791.16
Check	09/09/2016	79873 Accounts Payable	Terex Utilities West		906.36
	Invoice	Date	Description		Amount
	90381201	08/24/2016	Veh - Maint & Repair - Unit 591		341.36
	90381944	08/26/2016	Veh - Maintenance & Repairs		565.00
Check	09/09/2016	79874 Accounts Payable	Thyssenkrupp Elevator Corporation		1,143.57
	Invoice	Date	Description		Amount
	3002745540	09/01/2016	Elevator Maint & Repair - PS Bldg		1,143.57
Check	09/09/2016	79875 Accounts Payable	United Site Services		182.07
	Invoice	Date	Description		Amount
	114 - 4368884	08/22/2016	Toilet Rentals - Corner Beach Rd - De Forest		182.07
Check	09/09/2016	79876 Accounts Payable	Universal Staffing		396.00
	Invoice	Date	Description		Amount
	101727	08/30/2016	Carney/08-27-16		396.00
Check	09/09/2016	79877 Accounts Payable	Valley Saw & Garden Equipment		174.14
	Invoice	Date	Description		Amount
	82177	10/30/2015	Throttle Control Kit & Air Filter		56.50
	108723	08/29/2016	Belt - Poly V		29.41
	108571	08/26/2016	Scag Blade & Repair		88.23

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/09/2016	79878 Accounts Payable	Verizon Wireless		471.48
	Invoice	Date	Description		Amount
	9770575843	08/18/2016	CDD Cell Phones		471.48
Check	09/09/2016	79879 Accounts Payable	Rabobank Visa Cardmember Service		61.14
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	Visa purchases for D. McCoun		61.14
Check	09/09/2016	79880 Accounts Payable	Rabobank Visa Cardmember Service		62.81
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	Visa card purchases for B. Hinckley		62.81
Check	09/09/2016	79881 Accounts Payable	Rabobank Visa Card Cardmember Service		296.15
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	VISA - August 2016		296.15
Check	09/09/2016	79882 Accounts Payable	Rabobank Visa Card Cardmember Service		3,675.64
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	Visa Purchase for Fire Dept		4,146.90
	07-27-16	07/27/2016	Fire Department purchases		(471.26)
Check	09/09/2016	79883 Accounts Payable	Rabobank Visa Card Cardmember Service		6,377.70
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	VISA August 2016 Statement		6,377.70
Check	09/09/2016	79884 Accounts Payable	West Coast Concrete Pumping		440.00
	Invoice	Date	Description		Amount
	396094	08/12/2016	Set up 1/2 inch Rock - Community Center Playground		440.00
Check	09/09/2016	79885 Accounts Payable	Premier Access Insurance - Dept. 34114		238.00
	Invoice	Date	Description		Amount
	09-01-16	09/01/2016	Prem Access Adm Fee (09/2016)		238.00
Check	09/09/2016	79886 Accounts Payable	Premier Access Insurance		4,444.80
	Invoice	Date	Description		Amount
	09-01-16	09/02/2016	101 - Dental EE+1*		5,369.39
	09-01-16.	09/02/2016	Dental Claim (09/2016)		(924.59)

LIVE* Marina, CA *LIVE

AP Check Register 09-09-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/09/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/09/2016	79887 Accounts Payable	Standard Insurance Company		1,231.40

Invoice	Date	Description	Amount
09-01-16	09/01/2016	92 - Additional/Supplemental Life Ins*	1,236.09
09-01-16.	09/01/2016	Standard Life Insurance	(4.69)

024 Accounts Payable ZBA Totals: Transactions: 64 $196,920.91

Checks: 64 $196,920.91

LIVE* Marina, CA *LIVE

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 024 - Accounts Payable ZBA					
Check	09/16/2016	79888 Accounts Payable	Ace Hardware		6.97
	Invoice	Date	Description		Amount
	059977	08/31/2016	Fasteners		6.97
Check	09/16/2016	79889 Accounts Payable	Ace Hardware		64.01
	Invoice	Date	Description		Amount
	059653	08/05/2016	youth center supplies		54.24
	059667	08/07/2016	energzr batt		9.77
Check	09/16/2016	79890 Accounts Payable	Ace Hardware		17.36
	Invoice	Date	Description		Amount
	059922	08/26/2016	500W Bulb - Patrol 8/26/16		9.77
	059970	08/31/2016	Tape Dispenser (Labor Day Parade Signs) 8/31/16		7.59
Check	09/16/2016	79891 Accounts Payable	Ace Hardware		5.41
	Invoice	Date	Description		Amount
	059939	08/29/2016	Airport_Key & Fuse		5.41
Check	09/16/2016	79892 Accounts Payable	Andon Laundrymat Service		43.00
	Invoice	Date	Description		Amount
	Invoice 8	09/03/2016	Laundry service for Fire Dept		43.00
Check	09/16/2016	79893 Accounts Payable	AT & T		360.35
	Invoice	Date	Description		Amount
	09-02-16	09/02/2016	U-Verse (Missed Payment 4/28-5/27/16) 9/2/16		152.77
	08-27-16	08/27/2016	U-Verse 7/28 thru 8/27/16		188.77
	09-01-16	09/01/2016	Phone System - Airport/Police 9/1/16		18.81
Check	09/16/2016	79894 Accounts Payable	AT & T		674.30
	Invoice	Date	Description		Amount
	000008515750	08/28/2016	CALNET3--9391023470 (384-9682)		13.27
	0000085515741	08/28/2016	CALNET3-9391023461 (384-7238)		15.15
	000008515749	08/28/2016	CALNET3-9391023469 (384-9337)		15.15
	000008515741	08/28/2016	CALNET3-9391023468 (384-9148)		15.64
	000008498850	08/20/2016	Airport_T1 Line Charges		165.95

Type	Date	Number Source		Payee Name	EFT Bank/Account	Transaction Amount
	000008515730		08/28/2016	CALNET3-9391023452 (384-3717)		13.27
	000008515722		08/28/2016	Phone Service for Fire Alarm Systems, B524 & B533		39.29
	000008515721		08/28/2016	CALNET3-9391023443 (384-2081)		39.29
	000008515747		08/28/2016	CALNET3-9391023463 (384-7854)		13.27
	000008515720		08/28/2016	CALNET3-9391023442 (384-1702)		20.58
	000008515746		08/28/2016	CALNET3-9391023466 (384-8477)		28.45
	000008515719		08/28/2016	CALNET3-9391023441 (384-0888)		42.77
	000008515727		08/28/2016	CALNET3-9391023449 (384-2967)		22.65
	000008515718		08/28/2016	CALNET3-9391023440 (384-0860)		15.26
	000008515743		08/28/2016	CALNET3-9391023463 (384-7854)		15.16
	000008515742		08/28/2016	CALNET3-9391023462 (384-7547)		17.58
	000008515715		08/28/2016	CALNET3-9391023437 (384-0425)		13.31
	000008515735		08/28/2016	CALNET3-9391023457 (384-5140)		13.27
	000008515726		08/28/2016	CALNET3-9391023448 (384-2934)		20.58
	000008515717		08/28/2016	CALNET3-9391023439 (384-0552)		15.16
	000008514306		08/27/2016	CALNET3-9391023477 (582-9803)		20.56
	000008514305		08/27/2016	CALNET3-9391023476 (582-9611)		15.13
	000008514304		08/27/2016	CALNET3-9391023475 (582-9032)		15.13
	000008514302		08/27/2016	CALNET3-9391023473 (582-2398)		20.56
	000008514300		08/27/2016	CALNET3-9391023471 (582-0100)		32.72
	000008515734		08/28/2016	Telephone Service @384-4718 9/8/16		15.15
Check	09/16/2016	79895	Accounts Payable	Avaya, Inc.		350.83
	Invoice		Date	Description		Amount
	2733743354		09/04/2016	CW - Phone System		350.83
Check	09/16/2016	79896	Accounts Payable	Bob Leonardich		250.00
	Invoice		Date	Description		Amount
	09-03-16		09/03/2016	Car Detailing - Unit #885 9/3/16		250.00
Check	09/16/2016	79897	Accounts Payable	California Department of Justice		224.00
	Invoice		Date	Description		Amount
	184421		09/06/2016	DOJ Live Scan Results - August 2016		224.00
Check	09/16/2016	79898	Accounts Payable	Code Publishing Inc.		350.00
	Invoice		Date	Description		Amount

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	54241	09/01/2016	Marina Municipal Code Web Hosting 2016-2017		350.00
Check	09/16/2016	79899 Accounts Payable	Commercial Environment Landscape		2,500.00
	Invoice	Date	Description		Amount
	2796-0916	09/01/2016	Airport Landscape Services		2,500.00
Check	09/16/2016	79900 Accounts Payable	CSC of Salinas		23.86
	Invoice	Date	Description		Amount
	000535481	09/12/2016	Veh - Maint & Repair		23.86
Check	09/16/2016	79901 Accounts Payable	CSG Consultants		23,590.00
	Invoice	Date	Description		Amount
	8565	08/26/2016	CSG - Locke Paddon (07/01/16 - 07/29/16)		960.00
	8566	08/26/2016	CSG - Phase 1C Dunes CFD (07/01/16 - 07/29/16)		1,560.00
	8567	08/26/2016	R55 Improv Beach Rd & Reservation (07/01/16 - 07/29/16)		120.00
	8568	08/26/2016	CIP - Admin Engineering (07/01/16 - 07/29/16)		300.00
	8569	08/26/2016	Imjin PKWY Widening R46B (07/01/16 - 07/29/16)		660.00
	8571	08/26/2016	Del Monte/Beach Roundabout (07/01/16 - 07/29/16)		3,350.00
	8636	08/26/2016	Permits/Dev (07/01/16 - 07/29/16)		3,920.00
	8637	08/26/2016	Staff Augmentation (07/01/16 - 07/29/16)		7,400.00
	8639	08/26/2016	Eng Svc -TAMC (07/01/16 - 07/29/16)		300.00
	8590	08/26/2016	FAE- B1 Imjin Office Park (07/01/16 - 07/29/16)		405.00
	8591	08/26/2016	CSG - FAE M5 Spring Hill Marriott (07/01/16 - 07/29/16)		955.00
	8592	08/26/2016	FAE S1 - 9th St. Improvement (07/01/16 - 07/29/16)		170.00
	8572	08/26/2016	Imjin/SR1 Signalization (07/01/16 - 07/29/16)		1,380.00
	8638	08/26/2016	RWQCB - Eng Svc (07/01/16 - 07/29/16)		1,780.00
	8589	08/26/2016	CSG - FAE M6 - Medical Office Bldg (07/01/16 - 07/29/16)		330.00
Check	09/16/2016	79902 Accounts Payable	Directv		5.00
	Invoice	Date	Description		Amount
	29329478365	08/26/2016	Airport_TV Service for Pilot's Lounge		5.00
Check	09/16/2016	79903 Accounts Payable	DLB Associates		3,012.00
	Invoice	Date	Description		Amount
	D2235001	09/09/2016	IBM Hardware/Software Maintenance 9/9/16 thru 9/8/17		3,012.00
Check	09/16/2016	79904 Accounts Payable	Eagle Project Management		1,275.00

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice	Date	Description		Amount
	16021-01	09/10/2016	Airport_B510 CASp Consulting		1,275.00
Check	09/16/2016	79905 Accounts Payable	Edges Electrical Group		14,516.12
	Invoice	Date	Description		Amount
	S3757156.001	08/10/2016	Lumec Materials - Community Center Playground		14,473.20
	S3838086.001	07/20/2016	Electrical Parts Replacment		42.92
Check	09/16/2016	79906 Accounts Payable	Embassy Suites Napa Valley		7,850.88
	Invoice	Date	Description		Amount
	08-30-16	08/30/2016	TBW-Meeting & Hotel Rooms 11/13 thru 11/16/16		7,850.88
Check	09/16/2016	79907 Accounts Payable	Farmer Brothers Co.		141.82
	Invoice	Date	Description		Amount
	64335435 SO	09/08/2016	Coffee Supplies		29.56
	64335436	09/08/2016	Fire Dept Coffee		112.26
Check	09/16/2016	79908 Accounts Payable	Ferguson Enterprise, Inc. # 1423		18.74
	Invoice	Date	Description		Amount
	4947775	08/31/2016	PVC Soft Clst Wdg Shim & Wax Ring - Community Center		18.74
Check	09/16/2016	79909 Accounts Payable	Gavilan Pest Control		1,300.00
	Invoice	Date	Description		Amount
	0101197	08/29/2016	Pest Control Svc @ Shoemaker & Locke Paddon Pond		75.00
	0100879	08/31/2016	Airport Pest Control Services		1,150.00
	0100880	08/31/2016	Airport Pest Control Services_B504		75.00
Check	09/16/2016	79910 Accounts Payable	George T. Powell		950.00
	Invoice	Date	Description		Amount
	09012016	09/01/2016	Parking Rentals - Police/Fire 9/1 thru 9/30/16		950.00
Check	09/16/2016	79911 Accounts Payable	Home Depot Credit Service		189.17
	Invoice	Date	Description		Amount
	08-11-16	08/11/2016	Bldg Maint & Repair		408.59
	08-08-16	08/08/2016	Bender Board & Lumber		131.34
	08-12-16	08/12/2016	Credit Memo - OAC # 0000000011 & 0000000012		(350.76)

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AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/16/2016	79912 Accounts Payable	Jan Roehl Consulting		935.00
	Invoice	Date	Description		Amount
	26	09/03/2016	Crime Analysis&Grant Writing July/August 9/3/16		935.00
Check	09/16/2016	79913 Accounts Payable	Karina Lopez		100.00
	Invoice	Date	Description		Amount
	08-24-16	08/24/2016	Parking Citation-Overypayment/Refund 8/24/16		100.00
Check	09/16/2016	79914 Accounts Payable	Lexis Nexis Risk Solutions		50.00
	Invoice	Date	Description		Amount
	20160831	08/31/2016	Data Retrieval 8/1 thru 8/31/16		50.00
Check	09/16/2016	79915 Accounts Payable	Marina Coast Water District		1,275.64
	Invoice	Date	Description		Amount
	014874000 083116	08/31/2016	014874 000 - 289 12th St. Police Sub Sta (07/30/16 - 08/31/16)		116.39
	000056036 083116	08/31/2016	000056 036 - Center Median 2nd Ave (07/30/16 - 08/31/16)		124.20
	000056037 083116	08/31/2016	000056 037 - 2nd Avenue Irrigation (07/30/16 - 08/31/16)		124.20
	000057000 083116	08/31/2016	000057 000 - 3220 Imjin Road (07/30/16 - 08/31/16)		114.36
	000056041 083116	08/31/2016	000056 041 - 3260 Imjin Rd, Fire Station 2 (07/30/16 - 08/31/16		191.09
	000056043 083116	08/31/2016	000056 043 761 Imjin Rd, Hangar 524 (07/30/16 - 08/31/16)		114.36
	000056083 083116	08/31/2016	000056 083 - 3240 Imjin Rd Hangar 510 (07/30/16 - 08/31/16)		114.36
	000056044 083116	08/31/2016	000056 044 - 781 Neeson Rd, Admin Office (07/30/16 - 08/31/16)		114.36
	000056049 083116	08/31/2016	000056 049 - Imjin Road University (07/30/16 - 08/31/16)		124.20
	000056051 083116	08/31/2016	000056 051 - 721 Neeson Rd Skydive (07/30/16 - 08/31/16)		138.12
Check	09/16/2016	79916 Accounts Payable	Marina Village Restaurant		115.64
	Invoice	Date	Description		Amount
	29756	09/05/2016	Labor Day Flag Posting		115.64
Check	09/16/2016	79917 Accounts Payable	Monterey Auto Supply		250.45
	Invoice	Date	Description		Amount
	441771	09/06/2016	Veh - Maint Parts & Supply - Unit 582		46.60
	442350	09/08/2016	Veh - Maint Parts & Supply - Unit 886		102.47
	442556	09/09/2016	Veh - Maint Parts & Supply		(102.47)
	442531	09/09/2016	Veh - Maint Parts & Supply - Unit 886		148.28
	442363	09/08/2016	Veh - Maint Parts & Supply - Unit 886		20.02

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	442210	09/08/2016	Veh - Maint Parts & Supply - Unit 612		35.55
Check	09/16/2016	79918 Accounts Payable	Monterey Bay Urgent Care		80.00
	Invoice	Date	Description		Amount
	180002	08/08/2016	medical exam		80.00
Check	09/16/2016	79919 Accounts Payable	Monterey County Auditor-Controller		20,711.56
	Invoice	Date	Description		Amount
	17-116	09/01/2016	LAFCO Budget Allocation 2016-2017		20,711.56
Check	09/16/2016	79920 Accounts Payable	Monterey County Herald		1,579.47
	Invoice	Date	Description		Amount
	0005789991	08/08/2016	Advertising of Bid Openings		576.50
	0005801615	08/27/2016	Legal Notice for 9/7/16 OB Mtg		274.07
	0005790021	08/08/2016	Advertising Bid Opening		571.78
	0005802732	08/29/2016	Legal Advertising Compass Church 3131 Crescent		157.12
Check	09/16/2016	79921 Accounts Payable	Monterey Environmental Solutions & Services		6,700.00
	Invoice	Date	Description		Amount
	250	07/28/2016	Airport_Asbestos Removal B526		1,200.00
	253	07/30/2016	Airport_Asbestos Removal B504		5,500.00
Check	09/16/2016	79922 Accounts Payable	Monterey Peninsula Engineering		9,516.67
	Invoice	Date	Description		Amount
	08-22 - MCWD	09/02/2016	Reservation Rd Drainage Imp - MCWD #62694 Reim - Rec 2017-983		9,516.67
Check	09/16/2016	79923 Accounts Payable	Office Depot		95.80
	Invoice	Date	Description		Amount
	860558675001	08/29/2016	Office Supplies - shredder		95.80
Check	09/16/2016	79924 Accounts Payable	Office Depot		1,524.83
	Invoice	Date	Description		Amount
	848714647002	07/14/2016	Folding Tables - Patrol 7/14/16		643.02
	1973746532	08/19/2016	Toner for printer & supplies		511.21
	1973252599	08/18/2016	Supplies for Team Bldg Training		389.72
	1975489275	08/22/2016	Office supplies - Cardstock paper		23.70

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	1973819180	08/19/2016	Credit Memo - Toner from invoice 1973746532		(42.82)
Check	09/16/2016	79925 Accounts Payable	Peninsula Welding & Medical Supply		171.32
	Invoice	Date	Description		Amount
	151289	09/01/2016	Oxygen refill		171.32
Check	09/16/2016	79926 Accounts Payable	PRI Management Group		159.00
	Invoice	Date	Description		Amount
	3651	09/08/2016	Training-CrimeStats & UCR/Esparza 9/19/16		159.00
Check	09/16/2016	79927 Accounts Payable	Pure H2O		108.60
	Invoice	Date	Description		Amount
	5327	09/01/2016	Water Cooler Service-Police/Fire 9/1/16		108.60
Check	09/16/2016	79928 Accounts Payable	Quill Corporation		414.52
	Invoice	Date	Description		Amount
	5856380	05/13/2016	Office Supplies-Records 5/13/16		5.09
	8730434	08/30/2016	Office Supplies-Records 8/30/16		409.43
Check	09/16/2016	79929 Accounts Payable	Redshift		7.85
	Invoice	Date	Description		Amount
	1745090-1	09/01/2016	DNS Hosting/Domain Redirecting - September 2015		7.85
Check	09/16/2016	79930 Accounts Payable	Rincon Consultants, Inc.		5,851.69
	Invoice	Date	Description		Amount
	27560	08/25/2016	VTC IS/MND		5,851.69
Check	09/16/2016	79931 Accounts Payable	Rodrigo Nieto Gomez		4,950.00
	Invoice	Date	Description		Amount
	3	08/31/2016	TBW- Presenter Fee 11/13 thru 11/16/16		4,950.00
Check	09/16/2016	79932 Accounts Payable	Salinas Valley Pro Squad		254.10
	Invoice	Date	Description		Amount
	269514	07/07/2016	Uniform Pants - Krikham VIPS		65.42
	271193	08/25/2016	Uniform - Morten		188.68
Check	09/16/2016	79933 Accounts Payable	Scott's PPE Recon, Inc.		746.75

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice	Date	Description		Amount
	32404	09/01/2016	Turnout repair for Roberson		307.00
	32356	08/16/2016	Turnout repair for Goncalves		439.75
Check	09/16/2016	79934 Accounts Payable	Sierra Springs & Alhambra		89.45
	Invoice	Date	Description		Amount
	9696351 090316	09/03/2016	CDD - Sierra Spring - Water Svc		89.45
Check	09/16/2016	79935 Accounts Payable	SpeakWrite		416.47
	Invoice	Date	Description		Amount
	ed3502da	09/01/2016	Transcription Service - August 2016		416.47
Check	09/16/2016	79936 Accounts Payable	St. Francis Electric		5,300.00
	Invoice	Date	Description		Amount
	16102503	08/31/2016	Abram & Imjin Traffic Signal Maint & Supply		5,300.00
Check	09/16/2016	79937 Accounts Payable	Summit Uniforms		591.39
	Invoice	Date	Description		Amount
	34356	08/06/2016	Uniform pants - Nolan		215.33
	34685	08/25/2016	Uniform pants & shirts - Barocio		376.06
Check	09/16/2016	79938 Accounts Payable	SWCA Envrionmental Consultants		135.00
	Invoice	Date	Description		Amount
	55678	08/25/2016	Airport Botanical Surveys		135.00
Check	09/16/2016	79939 Accounts Payable	Taygeta Scientific, Inc.		4,000.00
	Invoice	Date	Description		Amount
	000230-R-0001	09/02/2016	Network Defense/Sep16		2,000.00
	000221	08/02/2016	Network Defense/Aug16		2,000.00
Check	09/16/2016	79940 Accounts Payable	Techno Lock Keys Trading LLC		110.00
	Invoice	Date	Description		Amount
	4759	08/25/2016	Airport_Door Handle Repair_B533		110.00
Check	09/16/2016	79941 Accounts Payable	TechRx Technology Services		367.72
	Invoice	Date	Description		Amount
	6366	08/30/2016	Video Card/21inch LCD-Investigations 8/30/16		367.72

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	09/16/2016	79942 Accounts Payable	Toshiba Financial Services		952.05
	Invoice	Date	Description		Amount
	311884852	08/25/2016	Copier Contract/Records 9/19/16		496.55
	312282916	08/30/2016	Copier Maintenance-Patrol 8/30/16		455.50
Check	09/16/2016	79943 Accounts Payable	Universal Staffing		536.25
	Invoice	Date	Description		Amount
	101763	09/06/2016	Carney/09-03-16		272.25
	101796	09/13/2016	Carney/09-10-16		264.00
Check	09/16/2016	79944 Accounts Payable	Usbancorp - Equipment Finace Service		343.54
	Invoice	Date	Description		Amount
	311859870	08/25/2016	Copier Lease - City Hall		343.54
Check	09/16/2016	79945 Accounts Payable	Verizon Wireless		357.73
	Invoice	Date	Description		Amount
	9770973729	08/25/2016	Fire dept mobile phone charges		357.73
Check	09/16/2016	79946 Accounts Payable	Cardmember Service		393.24
	Invoice	Date	Description		Amount
	08-25-16	08/25/2016	Airport Visa Card		393.24
Check	09/16/2016	79947 Accounts Payable	Rabobank Visa Card Cardmember Service		456.30
	Invoice	Date	Description		Amount
	08-25-16	09/06/2016	Visa - Comm Dev Dept (Stmt 08-25-16)		456.30
Check	09/16/2016	79948 Accounts Payable	Wallace Office Machine Co.		225.00
	Invoice	Date	Description		Amount
	764687	06/20/2016	Typewriter Repair-Records 6/20/16		225.00
Check	09/16/2016	79949 Accounts Payable	Zoom Imaging Solutions		379.88
	Invoice	Date	Description		Amount
	1677680	08/25/2016	Meter Read - Records 8/25/16		223.48
	1677081	08/24/2016	Meter Read - Patrol 8/24/16		156.40
Check	09/16/2016	79950 Accounts Payable	AFLAC - Attn.:Remittance Process		2,626.68
	Invoice	Date	Description		Amount

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source		Payee Name	EFT Bank/Account	Transaction Amount
	09-09-16		09/09/2016	71 - AFLAC Cancer Post-Tax*		2,626.68
Check	09/16/2016	79951	Accounts Payable	Discovery Benefits, Inc.		184.04
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	94 - Medical Care FSA		121.54
	08.31.16		08/31/2016	Admin Fee (08/2016)		62.50
Check	09/16/2016	79952	Accounts Payable	ICMA Retirement Trust		7,092.00
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	13 - ICMA 457 $		7,092.00
Check	09/16/2016	79953	Accounts Payable	Marina Employees Association		145.00
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	24 - MEA Dues		145.00
Check	09/16/2016	79954	Accounts Payable	Marina Police Association-MPOA		260.00
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	23 - MPOA Dues		260.00
Check	09/16/2016	79955	Accounts Payable	Marina Professional Fire Fighters Association		200.00
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	35 - MPFFA Dues		200.00
Check	09/16/2016	79956	Accounts Payable	Marina Public Safety Management Association		100.00
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	19 - MPSMA Dues		100.00
Check	09/16/2016	79957	Accounts Payable	Nationwide Retirement		1,519.66
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	10 - Nationwide 457 %*		1,519.66
Check	09/16/2016	79958	Accounts Payable	Police Officers Association - POA		1,404.00
	Invoice		Date	Description		Amount
	09-09-16		09/09/2016	25 - POA Dues		1,404.00
Check	09/16/2016	79959	Accounts Payable	Pre-Paid Legal Services		26.90

AP Check Register 09-16-16

Bank Account: 024 - Accounts Payable ZBA

Batch Date: 09/16/2016

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount

Invoice	Date	Description	Amount
09-09-16	09/09/2016	14 - Prepaid Legal $	26.90

024 Accounts Payable ZBA Totals: Transactions: 72 $141,530.01

Checks: 72 $141,530.01

DRAFT

Agenda Item **8b(1)**
City Council Meeting of
September 20, 2016

MINUTES

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

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

7:00 PM - RECONVENE OPEN SESSION AND REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION

City Attorney Deborah Mall reported out closed session: The Council met at 5:30 and discussed three matters. 3a. Council received information and gave direction to legal counsel. 3b. Council received information, gave direction to legal counsel. 3c(1). Council received information and gave direction to its negotiator.

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.*

- Alfrieda Wilken, Learning For Life Charter School – Announced that she is the new secretary for the school and would be coming by once in a while to present school updates. Attended the Town Hall meeting and found it to be very good.
- Mike Owen – Provided statistical information on CA Incorporated Mayors related to terms of 2-years vs. 4-years and also commented on the two ways to become mayor.

- Margaret Davis – Save the date for November 12th for the 7th Annual Veterans Day Celebration at the Marina Equestrian Center from 10:30am-1:00pm.
- Paula Pelot – Announced on September 10th is the Preston and Abrams Park Annual Community Garage Sale.
- Michelle Saunders – Commented on son's past; commented on Colorado's regulations on medical marijuana.
- JD. Moore – announced that he would like to help the city with streamlining the sign permit process. Lot of local businesses would like to change "banners" to sign but sign permit process take too long.
- Council Member Morton – Clarified on the Veteran's Day activity, that it's Vietnam era Veteran's, anyone who served during the Vietnam era. The years of 1955-1974. If someone served in your family or in your sphere of influence please be sure to have them come to the event so they can be recognized.
- Council Member Amadeo – Marina In Motion Candidate Forum on Saturday, September 17, 2016 from 1:00-3:00pm in the council chambers. Forum will be taped and televised by AMP.
- Mayor Delgado – Wanted to give thanks and shout-outs to all the Labor Day Parade volunteers and participants. There were approximately 50 volunteers and over 1500 participants in the parade this year. Thanks to our largest sponsors Shea Homes and the City's In-Kind donation; Marina Motorsports, Marina Grange and Monterey Peninsula Engineering. Thanks to the VTC and the Kei Ki O'hane Outrigger Canoe Club for all their volunteers. Thanks to the Marina Chamber of Commerce for their contribution for the Beer and Wine Garden.

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. 2016-131**, 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. 2016-132**, 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. 2016-133**, supporting Senate Bill 270 Plastic Bag Ban.

g. APPROVAL OF AGREEMENTS:

(1) City Council consider adopting **Resolution No. 2016-134**, 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. 2016-135**, 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~~. ***Pulled by Council Member Morton, becomes agenda item 11b***

(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~~. ***Removed from agenda***

h. ACCEPTANCE OF PUBLIC IMPROVEMENTS:

(1) City Council consider adopting **Resolution No. 2016-136**, 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

Mayor Pro-Tem O'Connell request to pull agenda item 8f(1) for a question; agenda items 8f(3) 8g(1) and 8g(2) to be voted on separately as he will be voting no on them

Council Member Morton requested to pull agenda item 8g(3) for modifications to lease amendment

DELGADO/BROWN: TO APPROVE THE CONSENT AGENDA MINUS 8f(1); 8f(3); 8g(1); 8g(2) and 8g(3). 5-0-0-0 Motion Passes

Agenda Item 8g(1) and 8g(2)

DELGADO/AMADEO: TO ADOPT AGENDA ITEMS 8g(1) AND 8g(2). 4-1(O'Connell)-0-0 Motion Passes

Agenda Item 8f(3)

DELGADO/BROWN: TO APPROVE RESOLUTION NO. 2016-, SUPPORTING SENATE BILL 270 PLASTIC BAG BAN. 3-2(Morton, O'Connell)-0-0 Motion Passes

Public Comments on Motion

- Paula Pelot – Support the comments heard by Council Member Morton. Does not see passing this having an effect on the State of California. Waste of staff time
- Margaret Davis – Agreement with Mayor Pro-Tem on the monies collected and about that this will have no effect on the state vote. Meaningless drill that over burdens staff.

Agenda Item 8f(1)

Mayor Pro-Tem O'Connell asked if City was to put up matching monies and if this area was part of The Dunes Project?

AMADEO/DELGADO: TO ADOPT 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. 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. 2016-137**, 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.

Karen Tiedmann presented the staff report.

Proposed is an extension of the timeline for opening the hotel to March 31, 2017 in exchange for the city to agreeing to that date the developer would give up several things in the "agreement".

(1) Developer would pay to the city $100,000 in turn for this extension. Payment would be paid over time and secured by a promissory note given by the developer to the city and a deed of trust on the property;

(2) First payment would be no later than the Third Anniversary of the opening of the hotel; and final payment no later than the Fifth Anniversary of the opening of the hotel

(3) $100,000 would earn interest rate at Libor Rate plus 3.75% and the interest rate would be variable every year

(4) Agreement would be reformed so that there is NO additional extension of the time. March 31, 2017 is the final date for the opening of the hotel, if that's not met the developer would have to pay both the impact fees and the $100,000.

(5) If the March 31, 2017 deadline is met the impact fees would continue to be paid through 50% of the Transient Occupancy Tax (TOT) generated in the first four (4) years of operation of the hotel. If the TOT exceeded the impact fee there would be no opportunity for the developer to get a TOT rebate.

Finally, this is not in the agreement in the packet but his is a change that would be made before the agreement was signed: **(6)** "the Agreement currently provides that the developer has to continuously operate the hotel for five (5) years after opening and failure to do so would result in the developer having to pay the impact fees." ***That five (5) year period would be extended to a ten (10) year period.*** If at any time during that ten (10) year period the hotel ceases to operate and comply with the standards in the agreement, the terms of the type of hotel the developer would have to pay back the full impact fee with interest.

Noted that the agreement in the packet contains most of the changes but noted that there are a couple of changes that are not in the agreement that we would make before the agreement is signed. The first one was already discussed but to make it clear the agreement in your packet is an amendment to the existing covenant so we would be adding the new section to that amendment that would amend what is currently Section 2 of the Operating Covenant. Section 2 was the provision that requires that the hotel operate for five (5) years after opening. That would be added to the first amendment in order to **change the five (5) year to a ten (10) year period**, and to make conforming changes to ensure all the cross references are correct.

The other change is a technical change in the First Amendment to the Operating Covenant in Section 2 –Impact Fees: **(7)** The second paragraph of Section B in the first line of that section it indicates that if the developer fails to meet the conditions set forth in Section 1(a) the developer has to pay the city

impact fees. That needs to be revised to say "***if the developer fails to meet any of the conditions set forth in Section 1(a) and Section 2, ten (10) year operating covenant".*** We will make sure all the section references are correct.

Public Comments:

- Mike Owen – Seems more involved and complex to realize if this is a good or bad deal. Is "unforeseen circumstances" no longer part of the agreement? When they cited "weather" as an unforeseen circumstance, what was the weather that was unforeseen? Death of manager, is that something that's supposed to halt constructions? Wasn't there an assistant general manager being it's a major corporation?
- Paula Pelot – Submitted 15 questions in advance of the meeting and have not received a replay back, will answers be provided tonight to those 15 questions? It seems the city is trying to make the best of a bad situation. Why did we not foresee this? Why were we not monitoring this? Why did we not know about this before July 30th that this was a problem? Why did we not hear requests for an extension or that these problems existed until after we sent a demand for payment? These are a responsibility of the city to follow.
- Margaret Davis – Commented on Lombardo letter. What is this extension based on? Asked if Council and staff intended on answering Ms. Pelot questions.
- Kathy Biala – Democratic process involving the public comment can be a bit disconcerting to us public. Case in point being the issue of the hotel developer contract without any official information available at the last meeting. Though I did not have a full understanding at that time I now appreciate the work of this council in deciding upon a course of action. Worried before that there would be further incentivizing of the developer because of their situation rather than exercising our full rights and legal contract. Pleased council has struggled as a group to come up with an agreement that is well thought out and benefits Marina. Hope resolution will be passed.
- Harvey Dadwal – appreciates the opportunity to come here and explain the circumstances with the construction of the hotel and possible first amendment to the Operating Covenant & Agreement. Hopes council will approve the First Amendment and allow him to continue the hotel construction and operation.
- Doug Yount – Marina Community Partners is in support of an agreement that you can come up with that is mutual benefit to the hotel developer and the city and its interest to move forward in a very expeditious manner so that the hotel will open as quickly as possible. Critical not just to the momentum of The Dunes project overall but clearly for the resources that the city needs, the jobs that are created, the additional incomes those jobs bring to the community. Encourage council to come to an agreement to grant the extension.

City Council and staff went through and answered each of the 15 questions submitted by Paula Pelot.

DELGADO/AMADEO: TO APPROVE THE PACKAGE BEFORE US WITH THE ADDITIONS TO FIRST AMENDMENT AS NOTED BY KAREN TIEDEMANN:

(1) DEVELOPER WOULD PAY TO THE CITY $100,000 IN TURN FOR THIS EXTENSION. PAYMENT WOULD BE PAID OVER TIME AND SECURED BY A PROMISSORY NOTE GIVEN BY THE DEVELOPER TO THE CITY AND A DEED OF TRUST ON THE PROPERTY;

(2) FIRST PAYMENT WOULD BE NO LATER THAN THE THIRD ANNIVERSARY OF THE OPENING OF THE HOTEL; AND FINAL PAYMENT NO LATER THAN THE FIFTH ANNIVERSARY OF THE OPENING OF THE HOTEL

(3) $100,000 WOULD EARN INTEREST RATE AT LIBOR RATE PLUS 3.75% AND THE INTEREST RATE WOULD BE VARIABLE EVERY YEAR

(4) AGREEMENT WOULD BE REFORMED SO THAT THERE IS NO ADDITIONAL EXTENSION OF THE TIME. MARCH 31, 2017 IS THE FINAL DATE FOR THE OPENING OF THE HOTEL, IF THAT'S NOT MET THE DEVELOPER WOULD HAVE TO PAY BOTH THE IMPACT FEES AND THE $100,000.

(5) IF THE MARCH 31, 2017 DEADLINE IS MET THE IMPACT FEES WOULD CONTINUE TO BE PAID THROUGH 50% OF THE TRANSIENT OCCUPANCY TAX (TOT) GENERATED IN THE FIRST FOUR (4) YEARS OF OPERATION OF THE HOTEL. IF THE TOT EXCEEDED THE IMPACT FEE THERE WOULD BE NO OPPORTUNITY FOR THE DEVELOPER TO GET A TOT REBATE.

(6) THE AGREEMENT CURRENTLY PROVIDES THAT THE DEVELOPER HAS TO CONTINUOUSLY OPERATE THE HOTEL FOR FIVE (5) YEARS AFTER OPENING AND FAILURE TO DO SO WOULD RESULT IN THE DEVELOPER HAVING TO PAY THE IMPACT FEES." *THAT FIVE (5) YEAR PERIOD WOULD BE EXTENDED TO A TEN (10) YEAR PERIOD.* IF AT ANY TIME DURING THAT TEN (10) YEAR PERIOD THE HOTEL CEASES TO OPERATE AND COMPLY WITH THE STANDARDS IN THE AGREEMENT, THE TERMS OF THE TYPE OF HOTEL THE DEVELOPER WOULD HAVE TO PAY BACK THE FULL IMPACT FEE WITH INTEREST.

(7) THE SECOND PARAGRAPH OF SECTION B IN THE FIRST LINE OF THAT SECTION IT INDICATES THAT IF THE DEVELOPER FAILS TO MEET THE CONDITIONS SET FORTH IN SECTION 1(A) THE DEVELOPER HAS TO PAY THE CITY IMPACT FEES. THAT NEEDS TO BE REVISED TO SAY "*IF THE DEVELOPER FAILS TO MEET ANY OF THE CONDITIONS SET FORTH IN SECTION 1(A) AND SECTION 2, TEN (10) YEAR OPERATING COVENANT".*

Motion Vote: 3-2(Morton, O'Connell)-0-0 Motion Passes

b. City Council consider adopting **Resolution No. 2016-138**, 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. ***Pulled by Council Member Morton, was agenda item 8g(3)***

Council Member Morton sent questions to attorney's office related to (1) page 85 of the staff report referencing the "building" in the fourth sentence, which seem inaccurate because it does not define a building or needs definition. (2) Asked if prevailing wage would be required for relocation of this tower. (3) Initial lease term states "right for quiet enjoyment during the term of the lease", what if FAA revoked the lease? (4) Indemnification "damage to roof"

Attorney Mall feels the (1) reference to the word "the building" can be dropped. (2) "Prevailing Wage" attorneys looked into the FORA Resolution and prevailing wage would net seem to be required. (3) FAA really looks at the grant and whether the lease fulfills the terms of the grant. The FAA doesn't really go out and revoke leases. Attorney's office determined there is no need to make changes to the

"quiet enjoyment" section. (4) Page 94 Section 12(b) of lease specifically says "if there's any damages to the roof lessee has to pay for the repairs". Indemnification is required.

MORTON/O'CONNELL: TO APPROVE WITH THE TWO MODIFICATION AS NOTE BY ATTORNEY. 5-0-0-0 Motion Passes

12. COUNCIL & STAFF INFORMATIONAL REPORTS:

a. Monterey County Mayor's Association [Mayor Bruce Delgado]

Mayor Delgado did not attend the Mayor's Association meeting, waiting for minutes from that 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.

Mayor Delgado asked the City Manager if the restaurant are still on schooled to open by Thanksgiving. Also asked about the status of the Courtyard in from of theater. VA/DoD Clinic Celebration for October 14th and is the opening date still planned for April 2017? Any progress on the Airport Restaurant?

City Manager Long – Restaurant are still on schedule. No information on Courtyard. Marilyn has asked for an update from them and has not yet received a response back and opening is still planned for spring 2017. We should have a proposal by the end of the week.

Mayor Pro-Tem O'Connell asked about the status of the loan number confusion related to Preston Park loan.

City Manager Long – We have worked through all those issues and the loan has been repaid from the funds collected back to the General Fund.

Council Member Amadeo asked about Del Monte Blvd/Beach Road construction start date.

13. ADJOURNMENT: The meeting adjourned at 9:59 PM

_____
Anita Sharp, Deputy City Clerk

ATTEST:

_____
Bruce C. Delgado, Mayor

September 8th, 2016 Item No. **8d(1)**

Honorable Mayor and Members
Of the Marina City Council

City Council Meeting of
September 20th, 2016

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-, AWARDING THE CONSTRUCTION CONTRACT TO DENISON ROOFING OF CARMEL VALLEY, CALIFORNIA, FOR THE REROOFING OF BUILDING 504, 3220 IMJIN ROAD AT THE MARINA AIRPORT, AND; AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONTRACT DOCUMENTS 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-, awarding the construction contract to Denison Roofing of Carmel Valley, California for the Reroofing of Building 504 at the Marina Airport, and;
2. Authorizing the City Manager to execute all contract documents on behalf of the City subject to final review and approval by the City Attorney.

BACKGROUND:
At the regular meeting of August 3rd, 2016 the City Council adopted Resolution No. 2016-119 authorizing advertising and call for bids for the Reroofing of Building 504, 3220 Imjin Road at the Marina Airport.

On August 30th, 2016 two (2) sealed bids were received and publicly read for the project.
The bid results are as follows:

Denison Roofing.	$24,700.00
Scudder Roofing	$57,070.00

ANALYSIS:
The apparent responsive and responsible low bidder is Denison Roofing. A standard contingency fund, of 20% not to exceed $4,940.00, is requested to provide for unforeseeable occurrences. The estimated total cost of this project with contingency would be $29,640.00.
A Draft for Contract services is attached **("EXHIBIT A")**

FISCAL IMPACT:
Should the City Council approve this request, the estimated cost with contingency to complete the Reroofing of Building 504 is $29,640.00. Funding has been provided in the adopted FY 2016-17 Budget Airport Operations Fund 460, Building and Improvements Project #461. Initial Funding for the project was accomplished via a transfer of funds from the Airport Operations Fund 555 in the amount of $250,000.00.

It is further contemplated that the building improvements will be reimbursed by the new tenant, FBI. Costs associated with the reroof work will be recorded to FY 2016-17 Budget Airport Capital Project Fund 460, Building 504 Improvements Project #461, Capital - Construction, Account No. 460.000.000.00-6700.105.

Tenant reimbursement payments will be recorded as revenue to the FY 2016-2017 Budget, Airport Capital Project Fund 460, Building 504 Improvements Project #461, Reimbursement from FBI, Account No. 460.000.000.00-5500.200 and the amount of the transfer of funds from the Airport Operations Fund 555 to the Airport Capital Projects Fund 460, Building 504 Improvements Project #461 will be reduced accordingly.

CONCLUSION:

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

Respectfully submitted,

_____

Daniel Paolini, CBO
Chief Building Official
Building Division
Community Development Department
City of Marina

REVIEWED/CONCUR:

_____

Fred Aegerter, Director
Community Development Department
City of Marina

_____

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2016-00 AWARDING THE CONSTRUCTION CONTRACT TO DENISON ROOFING OF CARMEL VALLEY, CALIFORNIA, FOR THE REROOFING OF BUILDING 504, 3220 IMJIN ROAD, AT THE MARINA AIRPORT AND; AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONTRACT DOCUMENTS ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, at the regular meeting of August 3rdst the City Council adopted Resolution 2016-119 authorizing advertising and call for bids for the Reroofing of Building 504, 3220 Imjin Road, and;

WHEREAS, on August 30th 2016, two (2) sealed bids were received, opened and publicly read for the project, and;

WHEREAS, the apparent responsive and low bidder is Denison Roofing in the amount of $24,700.00, and;

WHEREAS, a standard contingency fund, not to exceed $4,940.00 is requested to provide for unforeseeable occurrences, and;

WHEREAS, the estimated cost of the project based on low bid and contingency is $29,640.00, and;

WHEREAS, initial funding for the project was accomplished via a transfer of funds from the Airport Operations Fund 555 in the amount of $250,000, and;

WHEREAS, Denison Roofing has the experience to complete the project, and;

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

1. Award the contract to Denison Roofing of Carmel Valley, California, for the Reroofing Project, at Building 504 Marina Airport and;

2. Authorize the City Manager to execute all contract documents on behalf of the City, subject to review and approval by the City Attorney.

PASSED AND ADOPTED, at a regular meeting of the City Council of the City of Marina, duly held on the 20th 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

EXHIBIT A

City of Marina

AGREEMENT FOR THE REROOFING OF BUILDING 504

3220 Imjin Road
Marina, California 93933

THIS AGREEMENT, made and entered into this _____ day of _____, **2016**, by and between Marina, a municipal corporation of the State of California, hereinafter called "City," and **DENISON ROOFING** of **CARMEL VALLEY, CALIFORNIA** hereinafter called "Contractor,"

W I T N E S S E T H:

FIRST: Contractor hereby covenants and agrees to furnish and provide all labor, materials, tools, appliances, equipment, plant and transportation, and all other things required or necessary to be furnished, provided or done, and build, erect, deconstruct and complete the work at the time and in the manner provided, and in strict accordance with the plans and specifications therefore, for the **REROOFING OF BUILDING 504, 3220 IMJIN ROAD**, City of Marina, CA.

SECOND: It is expressly understood and agreed that this contract consists of the following documents, all of which are incorporated into this agreement and made a part hereof as fully and completely as if set forth herein verbatim, to wit:

a. Notice Inviting Sealed Proposals;
b. Instructions to Bidders and General Conditions;
c. Signed and executed Bid and Proposal of Contractor, as accepted by City;
d. Plans and Specifications for the project;
e. Standard Plans and Standard Specifications, City of Marina, and State of California - Standard Specifications Standard Plans – 2006 Edition
f. Special Provisions of the Contract
g. And this Agreement.

THIRD: That said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work embraced and contemplated in this Agreement and as set forth in the Proposal adopted by the City of Marina, a true copy thereof hereto attached, also, for all loss or damage arising out of the nature of said work, or from the action of the elements or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until the acceptance thereof by the City of Marina and for all risk connected with the work, and for well and faithfully completing the work, and the whole thereof, in the manner and according to the said Plans and Specifications and the provisions of this Agreement, and the requirements of the Engineer under them, to wit: The prices as set forth in the Proposal of said Contractor for the work to be constructed and completed under this Agreement, which prices shall be considered as though repeated herein.

$24,700.00
TWENTY FOUR THOUSAND SEVEN HUNDERD DOLLARS

The undersigned Contractor further agrees to so plan the work and to prosecute it with such diligence that said work, and all of it, shall be completed on or before the expiration of the time specified in the Special Provisions after execution of the contract on behalf of the City of Marina and the receipt from the City of Marina of a notice to proceed with the work.

FOURTH: The City of Marina hereby promises and agrees with said Contractor to employ, and does hereby employ, said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the price aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth in the Specifications; and the said parties, for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

FIFTH: No interest in this agreement shall be transferred by the Contractor to any other party, and any such transfer shall cause the annulment of this contract, so far as the City of Marina is concerned. All rights of action, however, for any breach of this contract are reserved to City.

SIXTH: Contractor shall keep harmless and indemnify the City of Marina, its officers and employees and agents, from all loss, damage, cost or expense that arises or is set up for infringement of patent rights of anyone for use by the City of Marina, its officers, employees or agents, of articles supplied by the Contractor under this contract, of which he is not entitled to use or sell. Contractor agrees to, at his own cost and expense, defend in court the City, its officers, agents and employees, in any action which may be commenced or maintained against them or any of them, on account of any claimed infringement of patent rights, arising out of this agreement.

SEVENTH: The Contractor agrees to immediately repair and replace all defective material and workmanship discovered within one year after acceptance of final payment by Contractor and to indemnify said City of Marina against all loss and damage occasioned by any such defect, discovered within said year, even though the damage or loss may not be ascertained until after the expiration thereof. Provided, however, that if such failure of the Contractor to perform should not, by reasonable diligence, be discoverable or discovered within said one year, then the obligation of the Contractor to repair and replace said defective material or workmanship shall continue until one year after the actual discovery thereof.

EIGHTH: The Contractor agrees at all times during the progress of the work to carry with insurance carriers approved by the City of Marina full coverage workmen's compensation and public liability insurance. Such insurance policy shall contain an endorsement that the same shall not be canceled nor the amount of coverage be reduced until at least 30 days after receipt by the City of Marina by certified or registered mail of a written notice of such cancellation or reduction in coverage.

NINTH: Contractor agrees to comply with all applicable federal, state and municipal laws and regulations, including but not limited to California Labor Code Division 2, Part 7 Chapter 1.

TENTH:

(a) The City is subject to laws relating to public agencies which are part of this

Contract as though fully set forth herein.

(b) Contractor shall comply with City of Marina Municipal Code Chapter 13.02 Local Hiring for Public Works.

(c) Contractor shall comply with laws relating to the work.

ELEVENTH:

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

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

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

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

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

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

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date first above written.

CONTRACTOR

By: _____

Print Name: _____

Address: _____

_____

Date: _____

CITY OF MARINA

By: _____
Layne P. Long, City Manager

Date: _____

APPROVED AS TO FORM:

By: _____
City Attorney

Date: _____

ATTESTED: Resolution No. **2016-**

By: _____
Anita Sharp, Deputy City Clerk

Date: _____

September 14, 2016

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

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 20, 2016

Chair and Board Members of
Abrams B Non-Profit Corporation

NPC Corporation Meeting
of September 20, 2016

CITY COUNCIL AND ABRAMS B NON-PROFIT CORPORATION BOARD CONSIDER ADOPTING RESOLUTION NO. 2016 -, AND 2016 – (NPC), RECEIVING AND FILING AUDITED SPECIAL-PURPOSE STATEMENTS OF FINANCIAL POSITION OF ABRAMS B HOUSING PARK FOR FISCAL YEAR ENDED JUNE 30, 2015 AND JUNE 30, 2014

REQUEST:
It is requested that the City Council and Corporation Board:

1. Consider adopting Resolution No. 2016-, and 2016- (NPC), receiving and filing the audited special-purpose statements of financial position of Abrams Park for fiscal year ended
June 30, 2015 and June 30, 2014.

BACKGROUND:
Alliance Residential Company (Alliance) administers the rental programs of Abrams B Housing Park on behalf of the City of Marina. As part of their management contract, Alliance was required to engage independent auditors to examine their books and records with respect to Abrams B Housing Park operations, test the underlying controls, fiscal and accounting records and financial transactions from which the Abrams B Housing Park Financial Reports are prepared, and to issue their opinion on the special-purpose financial statements contained in those reports..

The purpose of the audit was to determine whether, in the auditor's opinion, the special-purpose financial statements present fairly in all material respects each park's financial position, results of operations and cash flows for the fiscal year ended June 30, 2015 and June 30, 2014; whether there was substantial compliance with significant laws, regulations, contracts and grants; and whether Alliance had in place an adequate system of internal controls.

ANALYSIS:
The auditors, Mann, Urrutia, Nelson CPAs, have concluded their examination and issued unqualified ("clean") opinions as of and for the fiscal year ended June 30, 2015 and June 30, 2014, on Abrams Park Special-Purpose Statements of Financial Position; Activities and Net Assets; and Cash Flows (" **EXHIBIT A**"—Abrams Park).

In accordance with Government Auditing Standards, the auditors also issued a report on their evaluation of Alliance's internal control over financial reporting and their tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters ("**EXHIBIT B**"—Abrams Park).

FISCAL IMPACT: None

CONCLUSION:
This request is submitted for City Council and Corporation Board consideration and possible action.

Respectfully submitted,

_____
Lauren Lai, CPA
Finance Director
City of Marina

REVIEWED/CONCUR:

_____
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2016-

RESOLUTION NO. 2016- (NPC)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AND ABRAMS B NON-PROFIT CORPORATION BOARD RECEIVING AND FILING THE AUDITED SPECIAL-PURPOSE STATEMENTS OF FINANCIAL POSITION OF ABRAMS B HOUSING PARK FOR THE FISCAL YEAR ENDED JUNE 30, 2015 AND JUNE 30, 2014

WHEREAS, effective January 1, 2008, Alliance Residential Company (Alliance) administers the rental programs of Abrams B Housing Park on behalf of the City of Marina, and;

WHEREAS, as part of their management contract, Alliance was required to engage independent auditors to examine their books and records with respect to Abrams B Housing operations, test the underlying controls, fiscal and accounting records and financial transactions from which the Abrams B Housing Financial Reports are prepared, and to issue their opinion on the special-purpose financial statements contained in those reports, and;

WHEREAS, the purpose of the audit was to determine whether, in the auditor's opinion, the special-purpose financial statements present fairly in all material respects each park's financial position, results of operations and cash flows for the fiscal year ended June 30, 2015 and June 30, 2014; whether there was substantial compliance with significant laws, regulations, contracts and grants; and whether Alliance had in place an adequate system of internal controls, and;

WHEREAS, the auditors, Mann, Urrutia, Nelson CPAs, have concluded their examination and issued unqualified ("clean") opinions as of and for the fiscal year ended June 30, 2015 and the June 30, 2014, on Abrams B Housing Park Special-Purpose Statements of Financial Position; Activities and Net Assets; and Cash Flows, and;

NOW, THEREFORE IT BE RESOLVED, that the City Council of the City of Marina and Abrams B Non-Profit Corporation Board receive and file the audited special-purpose statements of financial position of Abrams Park for the fiscal year ended June 30, 2015 and June 30, 2014 **(EXHIBIT A)**.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 20th 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

ABRAMS PARK

SPECIAL-PURPOSE FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the Years Ended June 30, 2015 and 2014

MANN, URRUTIA, NELSON CPAS & ASSOCIATES, LLP
2515 VENTURE OAKS WAY, SUITE 135
SACRAMENTO, CA 95833

ABRAMS PARK
SPECIAL-PURPOSE FINANCIAL STATEMENTS
June 30, 2015 and 2014

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Marina, California

Abrams Park

We have audited the accompanying financial statements of special-purpose financial statements of Abrams Park (the Property) as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Property's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the special-purpose financial statements of Abrams Park (the Property) as of and for the years ended June 30, 2015 and 2014, and the respective changes in financial position, and its cash flows for the years then ended in accordance with the basis of accounting described in Note 1 to the financial statements.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The special-purpose financial statements were prepared to present the financial position of Abrams Park as of June 30, 2015 and 2014, excluding the Property's capital assets, and the changes in its net position and cash flows for the years ending June 30, 2015 and 2014, for the purpose of complying with the management agreement dated December 7, 2007 between Alliance Communities, Inc, the City of Marina, and the City of Marina Abrams B Non-Profit Corporation, LLC (See Note 1) and are not intended to be a complete presentation of the Property's assets, liabilities, and activities. Please refer to the City of Marina's annual financial report for a complete presentation of the financial position of Abrams Park.

Mann Urrutia Nelson CPAs

Sacramento, California
April 21, 2016

ABRAMS PARK
SPECIAL-PURPOSE STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2015 AND 2014

ASSETS

	2015	2014
CURRENT ASSETS		
Cash and cash equivalents (Note 2)	$ 1,114,544	$ 1,023,627
Tenant receivables	2,749	6,839
Total Current Assets	1,117,293	1,030,466
NON-CURRENT ASSETS		
Cash restricted for equipment purchases (Note 2)	1,404,809	1,165,254
TOTAL ASSETS	$ 2,522,102	$ 2,195,720

LIABILITIES AND NET POSITION

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 84,114	$ 53,425
Deferred revenue	13,505	9,072
Total Current Liabilities	97,619	62,497
NON-CURRENT LIABILITIES		
Tenant security deposits	277,178	268,195
Total Liabilities	374,797	330,692
Net position - unrestricted	2,147,305	1,865,028
TOTAL LIABILITIES AND NET POSITION	$ 2,522,102	$ 2,195,720

See Notes to Special-Purpose Financial Statements

ABRAMS PARK
SPECIAL-PURPOSE STATEMENTS OF ACTIVITIES AND NET POSITION
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
OPERATING REVENUES		
Rental income, net	$ 3,058,258	$ 2,965,373
OPERATING EXPENSES		
Administrative	376,879	339,493
Utilities	87,668	72,861
Operating and maintenance	741,179	1,008,121
Taxes and insurance	71,476	66,026
Total Operating Expenses	1,277,202	1,486,501
Net Operating income	1,781,056	1,478,872
OTHER INCOME		
Miscellaneous revenue	463	620
Interest income	2,978	3,048
Total Other Income	3,441	3,668
CHANGE IN NET POSITION BEFORE DISTRIBUTIONS TO OWNER	1,784,497	1,482,540
Distributions to Owner	1,502,220	1,520,274
CHANGE IN NET POSITION	282,277	(37,734)
NET POSITION, BEGINNING OF PERIOD	1,865,028	1,902,762
NET POSITION, END OF PERIOD	$ 2,147,305	$ 1,865,028

See Notes to Special-Purpose Financial Statements

ABRAMS PARK
SPECIAL-PURPOSE STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net position before distributions to owner	$ 1,784,497	$ 1,482,540
Adjustments to reconcile changes in net position to net cash flows provided by operating activities:		
Decrease (increase) in operating assets:		
Tenant receivables	4,088	(3,084)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	30,687	(5,268)
Deferred revenue	4,433	1,089
Tenant security deposits	8,983	7,032
Net cash flows provided by operating activities	1,832,688	1,482,309
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash restricted for equipment purchases	(239,551)	81,852
Net cash flows (used for) provided by investing activities	(239,551)	81,852
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions to owner	(1,502,220)	(1,520,274)
Net cash flows used for financing activities	(1,502,220)	(1,520,274)
NET INCREASE IN CASH AND CASH EQUIVALENTS	90,917	43,887
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	1,023,627	979,740
CASH AND CASH EQUIVALENTS - END OF PERIOD	$ 1,114,544	$ 1,023,627

See Notes to Special-Purpose Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Abrams Park (the Property) consists of 194 housing units and is located at 2960 Carpenter Court, Marina, California. The complex is owned by the City of Marina and is leased to the City of Marina Abrams B Non-Profit Corporation, LLC, a California nonprofit public benefit corporation. The Property is managed by Alliance Communities, Inc.

Basis of Accounting

The Property has prepared the accompanying special-purpose financial statements to present the assets, liabilities, activities, and cash flows of the Property as of June 30, 2015 and 2014, excluding the Property's capital assets, pursuant to the management agreement (Management Agreement) between the City of Marina, City of Marina Abrams B Non-Profit Corporation, LLC and Alliance Communities, Inc. dated December 7, 2007. The agreement specifies that the Property prepare special-purpose financial statements in which the activities of the housing units are presented in accordance with United States generally accepted accounting principles, excluding the Property's capital assets, which are reported in the financial statements of the City of Marina. Please refer to the City of Marina's annual financial report for a complete presentation of the financial position of Abrams Park.

Use of Estimates

The preparation of these special-purpose financial statements in conformity with the basis of accounting described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with an initial maturity of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short term maturities of those financial instruments.

Concentration of Credit Risk

Financial instruments that potentially subject the Property to concentrations of credit risk consist of cash and cash equivalents, to the extent they exceed federal insurance limits. The Property mitigates risks to its cash and cash equivalents by banking with creditworthy financial institutions.

Revenue Recognition

Rental income is recorded at maximum gross potential. Vacancy loss is recorded as a reduction in rental income. Rental units occupied by employees are included in gross rental income and as an offset through a revenue contra account to derive the net rental income as presented in the special-purpose Statements of Activities.

Deferred Revenue

Deferred revenue consists of tenant rental prepayments. Deferred revenue totaled $13,505 and $9,072 as of June 30, 2015 and 2014, respectively.

Advertising Costs

Advertising costs are charged to operations when incurred. Advertising expense totaled $10,429 for the year ended June 30, 2015, and $9,083 for the year ended June 30, 2014.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Rental Units Below Market Value

In accordance with the Management Agreement, tenants may qualify for rental rates below current market values according to household size and income. For the year ended June 30, 2015, the Property had 63 units rented below market value. For the year ending June 30, 2014, the Property had 64 units rented below market value.

Subsequent Events

The Property has evaluated subsequent events through April 21, 2016, which is the date the financial statements were available to be issued.

NOTE 2: CASH AND CASH EQUIVALENTS

The Property maintains three accounts at one financial institution. As of June 30, 2015 and 2014, book balances totaled $2,519,353 and $2,188,881, respectively. Bank balances totaled $2,511,492 and $2,181,877 as of June 30, 2015 and 2014.

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. As the Property's bank accounts are held by the City of Marina, collateral is pledged to cover the deposits at a margin of 110% as required.

Cash Restricted for Equipment Purchases

As required by the City of Marina, the Property maintains a capital reserve cash account for future capital purchases. As of June 30, 2015 and 2014, the reserve balance was $1,404,809 and $1,165,254, respectively, and was included in the book and bank balances above.

NOTE 3: MANAGEMENT AGREEMENT

As discussed in Note 1, the Property is managed under a management agreement between the City of Marina, City Marina Abrams B Non-Profit Corporation, LLC and Alliance Communities, Inc. Management fees paid to Alliance Communities, Inc., for the years ended June 30, 2015 and 2014 totaled $76,945 and $74,352, respectively.

SUPPLEMENTAL INFORMATION

ABRAMS PARK
SCHEDULE OF OPERATING EXPENSES
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Administrative		
Office salaries	$ 101,156	$ 79,755
Office supplies	68,810	54,025
Office support and development	15,812	11,147
Bank and credit bureau fees	9,825	9,788
Management fees	76,945	74,352
Management salaries	38,096	53,569
Management consulting fees	39,567	37,349
Legal	6,940	8,435
Audit	-	(6,116)
Telephone	9,299	8,106
Advertising and renting	10,429	9,083
Total Administrative	376,879	339,493
Utilities		
Electricity	6,321	6,018
Gas	533	219
Water, trash and sewer	80,814	66,624
Total Utilities	87,668	72,861
Operating and maintenance		
Janitorial services and supplies	8,018	5,712
Maintenance payroll	160,063	164,510
Maintenance services and supplies	77,209	74,313
Exterminating contract and supplies	3,006	4,799
Grounds contract and supplies	45,402	49,677
Security	728	631
Carpet cleaning and replacement	136,745	110,060
Other replacements	305,693	595,626
Miscellaneous	4,315	2,793
Total Operating and Maintenance	741,179	1,008,121
Taxes and insurance		
Payroll taxes	20,969	20,887
Property taxes	44,390	44,739
Property and liability insurance	6,117	400
Total Taxes and Insurance	71,476	66,026
Total Operating Expenses	$ 1,277,202	$ 1,486,501

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

April 21, 2016

To the City Council

City of Marina, California

Abrams Park Properties

We have audited the special-purpose financial statements of Abrams Park (the Property) for the years ended June 30, 2015 and June 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 21, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

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

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Attachments A-1 and A-2 summarize material misstatements detected as a result of audit procedures and were corrected by management. Attachments B-1 and B-2 summarize unrecorded misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 21, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Property's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements,

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WWW.MUNCPAS.COM

our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

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

Restriction on Use

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

Very truly yours,

Mann Urrutia Nelson CPAs

Mann Urrutia Nelson, CPAs and Associates, LLP

City of Marina - Abrams Park
Summary of Audit Adjustments
June 30, 2014

Description	Effect - Increase (Decrease)				
	Assets	Liabilities	Equity	Revenue	Expenses
Current Year Differences					
To true up FY13/14 beginning net assets to prior year audit report			$ (16,547)		$ (16,547)
To reconcile FY13/14 net assets	$ (2,987,019)		$ (2,964,561)		$ 22,458
Total Income Statement Effect				$ -	$ 5,911
Balance Sheet Effect	$ (2,987,019)	$ -	$ (2,981,108)		

City of Marina - Abrams Park
Summary of Audit Adjustments
June 30, 2015

Description	Effect - Increase (Decrease)				
	Assets	Liabilities	Equity	Revenue	Expenses
Current Year Differences					
To true up FY14/15 beginning net assets to prior year audit report	$ (2,683,261)		$ (2,987,017)		$ (303,756)
Total Income Statement Effect				$ -	$ (303,756)
Balance Sheet Effect	$ (2,683,261)	$ -	$ (2,987,017)		

City of Marina - Abrams Park
Summary of Passed Audit Adjustments
June 30, 2014

Description	Effect - Increase (Decrease)				
	Assets	Liabilities	Equity	Revenue	Expenses
Current Year Differences					
To record compensated absences		$ 5,147			$ 5,147
To record accrued payroll		$ 999			$ 999
Total Income Statement Effect				$ -	$ 6,146
Balance Sheet Effect	$ -	$ 6,146	$ -		

City of Marina - Abrams Park
Summary of Passed Audit Adjustments
June 30, 2015

Description	Effect - Increase (Decrease)				
	Assets	Liabilities	Equity	Revenue	Expenses
Current Year Differences					
To record compensated absences		$ 3,335			$ 3,335
To record accrued payroll		$ 2,122			$ 2,122
Total Income Statement Effect				$ -	$ 5,457
Balance Sheet Effect	$ -	$ 5,457	$ -		

September 16, 2016 Item No. **11a**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 20, 2016

DISCUSSION REGARDING MONTEREY BAY COMMUNITY POWER AND PARTICIPATION IN A COMMUNITY CHOICE ENERGY PROGRAM

REQUEST:
It is requested that the City Council consider:

1. Receiving information regarding the Monterey Bay Community Power initiative and participation in a Community Choice Energy program and provide further direction to staff.

BACKGROUND:
In 2006, the California State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local governments to develop programs to reduce green-house gas emissions.

In 2001 the Legislature adopted AB 117, which was amended in 2011 by SB 790 that provides for the establishment of Community Choice Energy (CCE) models. CCE allows cities and counties to pool their residential, business and municipal electricity loads, and to purchase electricity or invest in energy projects and programs for local residents and businesses as an alternative to the existing utility provider, (PG&E). CCE's enable communities to choose clean-source power at a cost equivalent to PG&E while retaining PG&E's role in maintaining energy transmission and distribution lines, customer service functions and customer billing.

In 2013, the Monterey Bay Community Power project was established as a regional collaborative partnership comprised of all 21 local governments within the greater Monterey Bay area, including the Counties of Santa Cruz, Monterey, San Benito and all 18 cities located in these counties. The partnership also included the Monterey Bay Unified Air Pollution Control District, Monterey Regional Waste Management District and the Salinas Valley Solid Waste Authority. The purpose of the project was to investigate the viability of establishing a local community choice energy (CCE) joint powers agency (JPA) within the region.

The Marina City Council adopted Resolution No. 2013-179 authorizing the City to participate in a Project Development Advisory Committee (PDAC) to oversee the investigation of forming a CCE in the Monterey Bay Region. Tim Flanagan with the Monterey Regional Waste Management District represented the City of Marina on the PDAC. The PDAC was charged with investigating, guiding, and determining the technical and financial feasibility of a CCE.

The PDAC approved the County of Santa Cruz as the lead agency on behalf of the partnership to raise funds and provide staffing for the project. The 15 member PDAC hosted 26 public meetings from December 2012 through June 2016, providing guidance and making key decisions to move this project forward. The PDAC was guided by two proven models of established multi-jurisdictional CCE programs in California, Marin Clean Energy and Sonoma Clean Power. Both of these CCE's are offering their customers greener power with a mix that features more renewable sources at competitive rates, and for some plans, lower rates. Both are offering enhanced programs for energy efficiency and locally sourced solar while performing well financially and operationally.

Santa Cruz County acting as the financial lead for the PDAC hired Pacific Energy Advisors, Inc. to complete a Technical Feasibility Study for the purposes of describing the potential benefits and liabilities associated with forming a CCE program for Monterey Bay. In summary the study concluded that a Monterey Bay Community Power CCE has a variety of electric supply options that are projected to yield both competitive customer rates and significant environmental benefits.

The purposes and goals of establishing a CCE include:

- Reducing greenhouse gas emissions related to the use of power in the Monterey, Santa Cruz, and San Benito County region;
- Providing electric power and other forms of energy choices to customers at a competitive cost;
- Carrying out programs to reduce energy consumption;
- Stimulating and sustaining the local economy by developing local jobs in renewable energy and other energy related initiatives;
- Promoting long-term electric rate stability, energy security, and reliability for residents through local control of electric generation resources.

A project website was established which provides all information and history pertaining to the forming of the Monterey Bay Community Power CCE beginning in 2013 to today including the completed Technical Feasibility Study. This website is: MBCommunityPower.org.

ANALYSIS:

Tim Flanagan, our representative to the PDAC will make a presentation at the council meeting regarding the possible formation of the Monterey Bay Community Power CCE and will be available to answer questions from the council and public. Attached with this staff report are:

1. CCE power point presentation.
2. Fact Sheet Overview
3. Summary Report & Recommendation from the PDAC
4. Technical Feasibility Study Executive Summary
5. Introduction to Community Choice Energy
6. Community Choice Energy In California power point presentation
7. Resolution No. 2013-179
8. Draft Resolution of Intent

The next step in the process requires that all cities interested in moving forward with the formation of the CCE adopt a Resolution of Intent to participate in governance and financing discussions for the proposed Monterey Bay Community Power Joint Powers Authority. The Resolution of Intent must be adopted by October 31 if a city or county wants to continue in discussions to form a JPA. The participating cities and counties will meet in November and December to finalize the JPA Agreement, the CCE Ordinance and other financing arrangements. A deadline has been set for now of January 31, 2017 for cities or counties interesting in forming the MBCP to pass a binding JPA Resolution and CCE Ordinance authorizing the formation of the CCE and the individual jurisdictions participation.

CONCLUSION

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

Respectfully submitted,

_____

Layne Long
City Manager
City of Marina

Introduction:

Thank you for this opportunity to talk about California's first tri-county investigation of Community Choice Energy.

The Monterey Bay Community Power Project is a collaboration of all of the Counties and Cities within the Monterey Bay Region.

Together, we have investigated the viability of establishing a local Community Choice Energy Agency within the greater Monterey Bay Region.

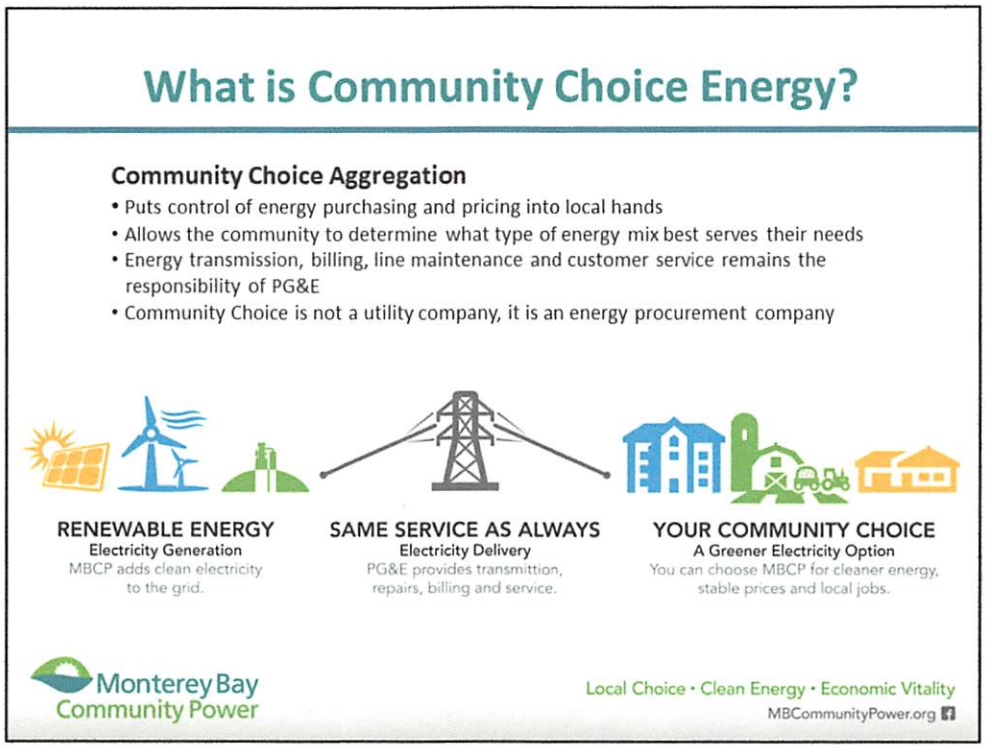
The partners include ALL OF THE LOCAL GOVERNMENTS IN THE MONTEREY region!

- Santa Cruz, Monterey, San Benito Counties
- All 18 of the Cities within the tri-county area
- 3 Regional Joint Power Authority Agencies
  - -- Monterey United Air Pollution Control District
  - -- Salinas Valley Solid Waste Authority
  - -- Monterey Regional Waste Management District
- **Plus our key private partner, the Community Foundation of SC County**

Project funding did not burden any of the partner's general fund budgets:

Thanks to several successful grants and private fundraising, we raised $404,097 to fully fund the project without burdening general fund budgets.

Primary Funder– State Strategic Growth Council Grant - $344,239



What is CCA?

Enabled by California legislation (AB 117), CCA allows cities and counties to pool their residential, business and municipal electricity loads, and to purchase power (or generate it) on their behalf. Energy transmission, distribution, repair and customer service functions remain with PG&E.

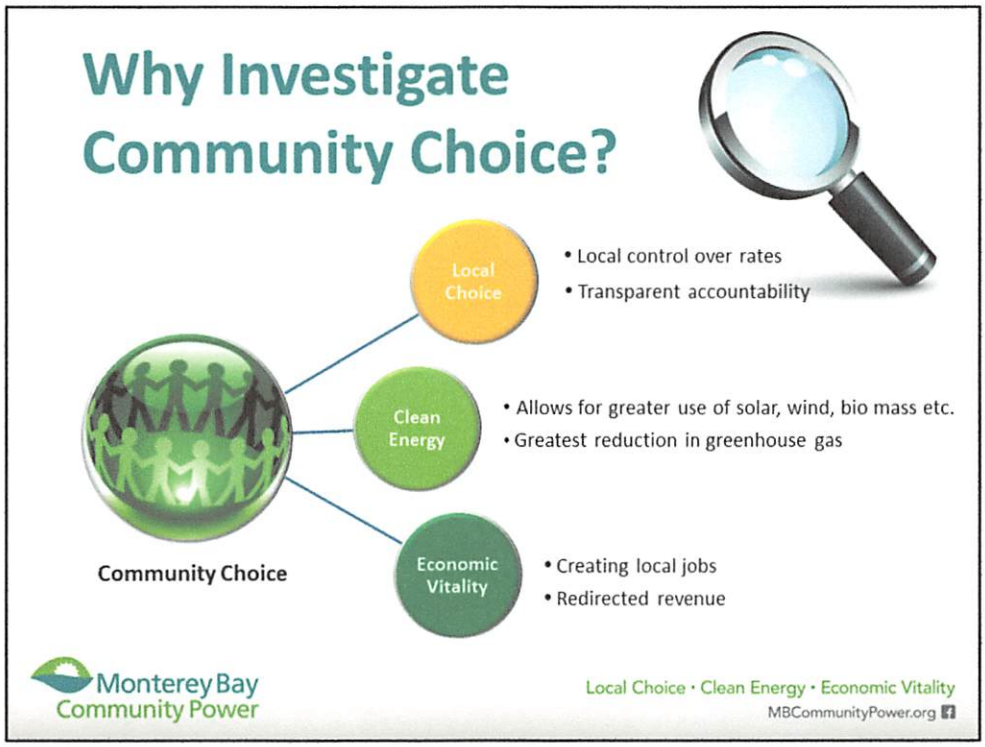
Why Pursue CCA?

•**Local Control of our Power**: Community Choice Aggregation (CCA) puts control of energy purchasing and pricing into local hands and allows the community to determine what type of energy mix best serves their needs.

•**Our Money Stays Local**: Profit from energy sales that would normally flow to PG&E would stay in the community to help fund renewable energy projects, create jobs, and stimulate the local economy.

•**Same Rates – Cleaner Energy**: Community Choice can deliver more renewable energy than the utility at the same rate. Marin Clean Energy, the first CCA in California, has more than doubled the amount of clean electricity provided by PG&E to customers while maintaining standard rates.

•**Same Reliable Service From PG&E**: Energy transmission, line maintenance and customer service remains the responsibility of PG&E. PG&E will continue to handle all customer service and support of the grid.



Local Choice

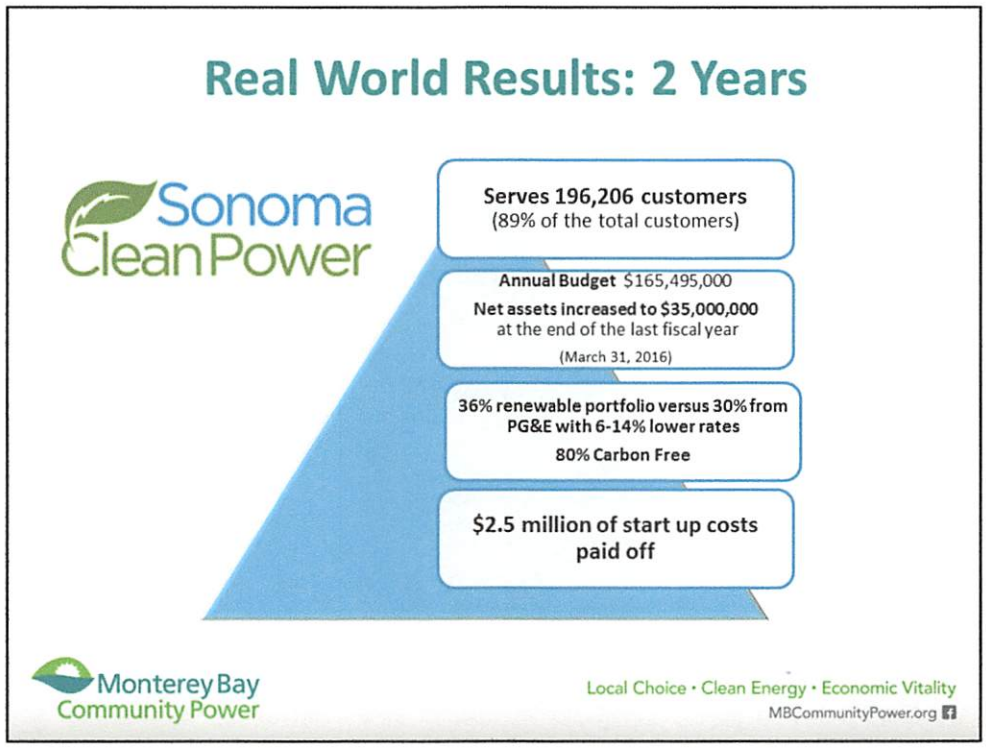
- Right now, consumers have no choice.
- Local control over rates and programs tailored to our local needs.
- Transparent accountability.

Clean Energy

- Supply autonomy allows for greater use of renewables (solar, wind, etc).
- CCA responds to Local and State Climate & Clean Energy Goals.
- Much more significant GhG reduction potential as compared to other policies or programs.

Economic Vitality

- Value of redirected revenue to the local economy -- Millions $$ over time.
- Opportunity for Local Distributed Generation and Energy Efficiency projects.
- Creating local jobs as part of generation and EE projects is a key to economic success.
- Market competition drives down costs, which has happened in two other regions.
- Not taxpayer supported– Revenue comes from electricity users.



Sonoma Clean Power – 2 year Real World Results

• Serves 196,206 customers (89% of the total customers).

• Annual Budget - $165,495,000.

• Reserves – Increased to $35,000,000 at the end of their last fiscal year, (March 31, 2016).

• Regular plan – 80% Carbon Free with 36% renewables, 44% hydro energy and 6-14% less than PG&E rates, versus 27% renewables from PG&E.

• Sonoma offers an EverGreen Plan of 100 % local renewable energy at 12% more than PG&E rates.

• Saved customers $13 million in its first year of operations and has met California's 2020 renewable energy targets.

- $3.5 million is invested for efficiency programs for 2016-17.

• $2.5 million of start up costs are paid off.

Marin Clean Energy – 6 Year Results-

• Serves 170,500 customers (80% of the total customers/utility meters).

• Annual Budget - $145,993,097.

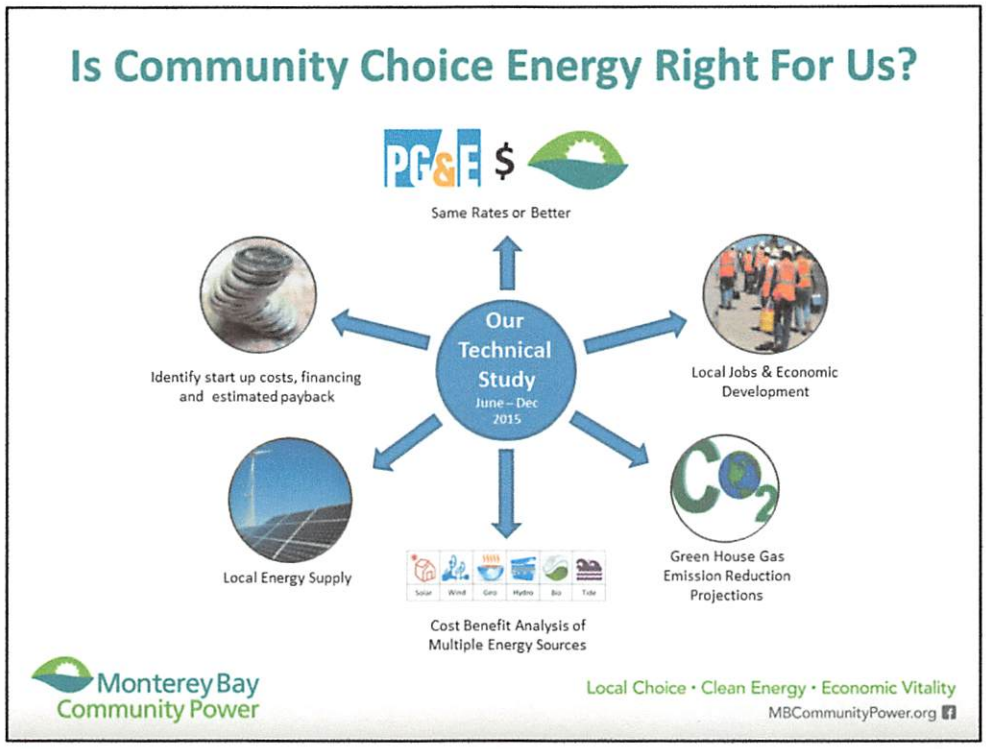
• Net Assets- Forecasted to increase by $4,500,000 to $16,696,319 by the end of the current fiscal year (March 31, 2016).

• Regular plan – 50% renewable portfolio versus 30% from PG&E with comparable rates.

• Marin also two other plans with 100% renewable energy, one $5/more per month than PG&E and the other 20% more for 100% local solar.

• Has created 2400 jobs and has 10 renewable projects completed or under construction.

•Start up costs completely paid off.



What does it mean for the Monterey Bay Region?

• 285,000 customers spending $355 million per year on electricity- renewables recently increased from 19.2% to 27%

The Technical Study Has Analyzed:

• Cost-Benefit Analysis of Multiple Electricity Sources Scenarios from wind, solar and landfill sources

• Local Supply/Resource Analysis and Procurement Options

• Rate/Price Modeling & PG&E Rate Parity Analysis

• Jobs & Economic Development Projections

• GHG Emission Reduction Projections

• Identify Start-up Costs, Short-term Financing, Estimated Payback Timeframe

Monterey Bay Community Power Indicative Supply Scenarios

General Environmental Benefits 2014 PG&E Power Mix: 27% Renewable, 56% GHG-Free	Yr. 1: 59% Renewable, 70% GHG-Free Yr. 10: 85% Renewable, 85% GHG-Free
Rate Competitiveness	Rate parity relative to PG&E rate projections
Comparative GHG Emissions Impacts 10-Year Average	142,415 metric ton/year GHG emission reduction (approx. 36% reduction)
GHG Equivalency Impact (EPA) 10-year average	-29,982 cars year
Assumed MBCP Participation	85% customer participation rate assumed across all customer groups
Annual Surplus Revenue Expected	$8.5 million to $9 million

Monterey Bay Community Power

Local Choice · Clean Energy · Economic Vitality

MBCommunityPower.org

The Project Development Advisory Group studied several scenarios for Monterey Bay Community Power that contained various combinations of the keyfactors at Year 1 and Year 10:

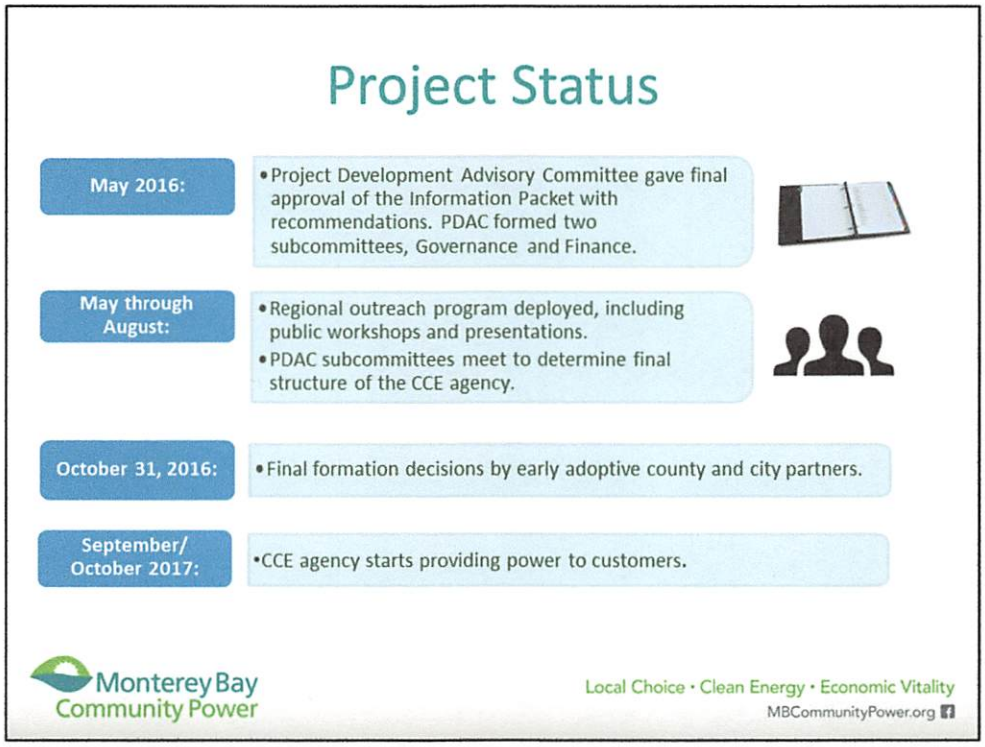
- Rate competitiveness with PG&E – the same rates or better
- Percentages of renewable and GHG-free power provided by the CCE
- Reduction of GHG emissions
- No nuclear, coal or unbundled renewable energy credits included

What the PDAC found is that the most likely scenario will double the amount of renewable power available from PG&E within a year at rate parity. This would provide 59% renewable power, compared to PG&E's 27 percent, in Year 1 and 85% by Year 10.

The Feasibility Study accepted by the PDAC also shows that a local CCE agency can provide 70% GHG-free power by Year 1 and 85% by Year 10.

Over a 10-year average, a local CCE could reduce overall GHG emissions by 36%, which equals taking about 30,000 cars off the road each year.

All of this assumes 85% customer participation, which Sonoma Clean Power has demonstrated is possible, with 89% participation from customers in their service area in just two years.



•The regional Project Development Advisory Committee that has overseen the project for 3 years will be finalizing their work by the end of April.

•An information packet that includes the technical study and other key information will be published with recommendations and forwarded to all project partners.

•A comprehensive regional outreach program will also be deployed that includes public workshops and presentations.

•The details of governance and financing the start up of the CCE agency must be discussed among the early adoptive County and City partners.

•Each partner will be asked to make their final decision to join the CCE agency by the end of October.

QUESTIONS?

info@mbcommunitypower.org

Interested in Learning more?
Please join our email list at
mbcommunitypower.org

Like or follow us at:

Monterey Bay Community Power

Local Choice · Clean Energy · Economic Vitality
MBCommunityPower.org

Thank You!

Please contact us through the website for more information.

Monterey Bay Community Power

FACT SHEET

OVERVIEW

Monterey Bay Community Power (MBCP) is a regional project among local government agencies that aims to provide electricity to residents and businesses throughout Monterey, San Benito and Santa Cruz Counties through the Community Choice Energy (CCE) model. Established by State law AB 117, CCE enables communities to choose clean-source power at a cost equivalent to PG&E while retaining PG&E's role in maintaining power lines and providing customer service. The CCE model helps ensure local economic vitality because money from rates paid by local customers stays local. Surplus revenues that would normally flow to PG&E will stay in the community to help fund renewable energy projects, create jobs and stimulate the economy.

RENEWABLE ENERGY
Electricity Generation
MBCP adds clean electricity to the grid.

SAME SERVICE AS ALWAYS
Electricity Delivery
PG&E provides transmittion, repairs, billing and service.

YOUR COMMUNITY CHOICE
A Greener Electricity Option
You can choose MBCP for cleaner energy, stable prices and local jobs.

KEY BENEFITS

Local Choice

- Improves accountability and transparency because consumers have direct access to a local governing body.
- Fosters resilience throughout the region because local leaders make decisions about the mix of energy available to consumers.
- Retains reliable service through PG&E maintenance of infrastructure and delivery of electricity.

Renewable Energy

- Represents a significant mechanism for addressing climate action goals.
- Doubles the delivery of renewable energy by offering a portfolio with 59% renewable energy, compared to 27% offered by PG&E.
- Reduces greenhouse gas (GHG) emissions significantly by purchasing energy that is at least 70% GHG free.

Economic Vitality

- Offers the same or lower rates than PG&E and keeps local ratepayer money local to stimulate regional economy.
- Creates numerous construction jobs for renewable energy build-out and nearly $1.4 billion in total economic output.
- Establishes permanent operations and maintenance jobs and represents additional annual economic output of $28 million.

PROVEN MODEL

Community Choice Energy has been implemented successfully in California.

- Operating since in 2010, Marin Clean Energy has created 2,400 jobs, serves and estimated 170,500 customers, and offers renewable portfolios of 50 or 100 percent at rates comparable to PG&E.
- Sonoma Clean Power, operating since 2014, serves an estimated 196,000 customers, offers a range of renewable, hydro and carbon-free energy at less than PG&E rates, and has saved customers $13 million in its first year.
- Lancaster Choice Energy in Southern California began serving customers in 2015 offers a 35 percent renewable portfolio at rates that are 3 percent lower than Southern California Edison. A 100 percent renewable product costs $10 more per month than the investor-owned utility.

Community Choice Energy projects are under way in:

- City/County of San Francisco and County of San Mateo
- San Luis Obispo, Santa Barbara and Ventura Counties
- City of San Jose

OVERSIGHT

The Project Development Advisory Committee (PDAC) has the responsibility to oversee the team implementing the project. The PDAC meets monthly at ADA compliant facilities and the public is welcome to participate. For all past and current PDAC meeting documents, please visit MBCommunityPower.org. Meeting announcements are posted on this website in compliance with public meeting protocols.

MORE INFORMATION

- MBCommunityPower.org
- facebook.com/montereybaycommunitypower

Monterey Bay Community Power

Local Choice • Clean Energy • Economic Vitality

MBCommunityPower.org

Monterey Bay Community Power

SECTION I
REGIONAL PROJECT DEVELOPMENT ADVISORY COMMITTEE
Summary Report & Recommendations

Background

Formed in 2013, the Monterey Bay Community Power project is a region-wide collaborative partnership comprised of all 21 local governments within the greater Monterey Bay area, including the Counties of Santa Cruz, Monterey, San Benito and all 18 cities located within. The partnership also includes Monterey Bay Unified Air Pollution Control District, Salinas Valley Solid Waste Authority, and Monterey Regional Waste Management District. The purpose of the project has been to investigate the viability of establishing a local community choice energy (CCE) joint powers agency (JPA) within the region. Authorized by California legislation (AB 117 in 2001, amended by SB 790 in 2011), CCE allows counties and cities to pool their electricity load in order to purchase electricity or invest in energy projects and programs for local residents and businesses as an alternative to the existing utility provider, (PG&E.) Formal resolutions to participate in the project were passed by every jurisdiction during 2013, with each given the option of appointing a representative to the Project Development Advisory Committee overseeing the investigation.

Regional Project Development Advisory Committee (PDAC) Work and Process

After initial formation, the PDAC approved the County of Santa Cruz as the lead agency on behalf of the partnership to raise the funds and provide staffing. The 15-member PDAC hosted 26 public meetings from December 2012 through June 2016, providing guidance and making key decisions with input from the Project Team and consultants. To ensure that the entire region had access to PDAC deliberations, the meetings have been rotated between the Monterey Regional Waste Management District Board Chambers in Marina and the Santa Cruz County Board of Supervisors Chambers in Santa Cruz, with one special session in San Benito County. A project website was established in early 2013 to provide information, answers to frequently asked questions and post PDAC meeting materials and updates, MBCommunityPower.org.

By the middle of 2014, $404,846 had been raised to conduct a Phase 1 Technical Feasibility Study, an analysis of the benefits and risks associated with creating a local CCE agency and a comparison of that information with the current rates and services provided by PGE. The study and an independent peer review were completed by April, 2016 and are included here in Section III and Appendix 4 of this information packet. The study reveals several favorable environmental and economic outcomes. These include local control over electricity rates and complimentary programs, a significant increase in procuring and generating renewable electricity for the region and the potential value of redirected revenue to benefit the local economy and create green jobs.

It is worth noting that the project funds raised were from private community and state resources, not from local government general budgets. The project's non-profit partner, the Community Foundation of Santa Cruz County (CFSCC), graciously accepted private donations for the project totaling $25,607. The PDAC worked collaboratively with the CFSCC to provide oversight and accountability regarding how these funds have been spent. The remaining funds came from grants procured and managed by Santa Cruz County as the lead project partner. The grants awarded were from the California Strategic Growth Council ($344,239), the World Wildlife Fund ($30,000), and the UC Santa Cruz Carbon Fund ($5,000).

The PDAC has collaborated with the Project Team on all elements of Phase 1 investigative work as outlined below. Members of the PDAC and Project Team and their affiliations are listed under "Acknowledgements" at the end of this report.

- Provided regular public meeting opportunities for community members to learn about CCE and have input into PDAC discussions and decisions;
- Developed a Phase 1 work and Project Team plan with goals and objectives;
- Assisted with the development of grant proposals and oversaw the CFSCC budget and expenditures;
- Tracked State legislative and regulatory activities affecting CCE investigation;
- Created the content, goals and objectives of the project website, community group educational presentations and regular update reports to county and city partners;
- Developed the scope and assumptions of the Technical Feasibility Study, the independent peer review and the qualifications and criteria for hiring the appropriate consultants;
- Gathered expert information, options and best practices regarding the phased formation work tasks, governance, executive staffing, and start-up financing;

- Scoped the qualifications and criteria for a professional consultant to develop a region-wide outreach communications program and designed the plan with the firm hired;

- Reviewed the contents of the Technical Feasibility Study and all other information and recommendations contained in this packet; and

- Guided the next steps to complete Phase 1 work and assisted the MBCP county and city partners in their deliberations regarding CCE-JPA formation.

This comprehensive information packet has been assembled as a culmination of the PDAC's work over the past few years, providing each county and city partner the information needed to decide whether to participate with partners in the next steps toward forming a regional CCE-JPA. The PDAC has assembled a complete public record of all committee deliberations, which are posted on the website, MBCommunityPower.org. The PDAC will continue to meet during 2016 until Phase 1 work is concluded and a CCE ordinance has been considered or approved by interested county and city partners.

Phase 1 Project Status, Next Steps and Phase 2 Formation Work

Phase 1 Project Status and Next Steps:
To recap, in this first phase, the PDAC has conducted an initial exploration of CCE program viability and has overseen the development of a technical study and assembled related resource information. Community engagement strategies have been implemented, and will continue, to educate the affected energy customers and lay the foundation for Phase 2 formation work. Over the next 6 months, the PDAC will steer completion of Phase 1 that will include hosting a series of public workshops and special study sessions to be attended by PDAC representatives, elected officials, county and city executive staff, project staff and CCE experts from around the State. The PDAC has also formed two subcommittees that will meet on an ad hoc basis to discuss governance, executive staff and start-up financing options. The end result of Phase 1 will be the decision to form a CCE-JPA governing Board after start-up financing has been determined and recruitment has begun to hire a chief executive to manage Phase 2 work. The next steps and timeframe to complete Phase 1 work are:

- May 13, 2016: All MBCP county and city partners will receive this information packet with PDAC recommendations regarding best practices and next steps.

- May 24 and June 9th: The PDAC will host three special public study sessions for county and city electeds and executive staff to review and discuss the technical study with the consultants as well as options regarding governance, start-up financing, and formation:
  - May 24- 9:30 am to noon – Monterey County Board Chambers- Salinas
  - June 9- 9:30am to noon – Santa Cruz County Board Chambers – Santa Cruz
  - June 9- 3:00 pm to 5:30pm- San Benito County Board Chambers- Hollister

- County and cities interested in forming a CCE-JPA may join an ad hoc subcommittee comprised of executive staff who will develop a formation proposal for Board of

Supervisors and City Councils' consideration on or before September 15, 2016, (target date.) Professionals who have experience in retail electricity services, program design, finance, wholesale purchasing and renewable resource development will assist this work.

- May through October: A comprehensive regional outreach and communications program to engage and educate the community at large will be implemented by a professional consulting firm.

- August through October: County and city governing Boards will consider the ad hoc subcommittee formation proposal and adopt ordinances and agreements with other early adoptive partners.

- October 31, 2016: A regional CCE agency joint powers governing Board will be seated and a final selection for the CEO position is made. The CEO hires staff and Phase 2 begins.

Phase 2 Formation Work:
This phase involves program design, soliciting energy procurement services, seeking CPUC approval of an implementation plan, executing a service agreement with PG&E, and expanding community engagement. Agency staff will also complete all remaining legal requirements, enroll customers and prepare to launch an independent operation. Appendix 5 has a more detailed proposed formation work plan for the Monterey Bay Community Power partnership. The end result of Phase 2 work will be to launch (i.e., provide power to customers) no later than September/October, 2017. Note that all start-up costs are reimbursable with interest after program launch through ratepayer revenues.

PDAC Recommendations- Feasibility, Formation and CCE Best Practices

Feasibility Recommendation:
The prospects for CCE programs in California have improved significantly in recent years as a result of many factors:

- The success of Marin Clean Energy and Sonoma Clean Power in providing their communities with greener power at prices competitive with PG&E while investing considerable surplus funds into local renewable energy and energy efficiency projects that created local jobs;

- Favorable wholesale energy market conditions, resulting in relatively low cost power;

- Recognition that a CCE program can be self-supporting for meeting climate action plan objectives and other local public policy goals;

- The reduced market costs of renewable power and improvements in renewable technologies; and

- The development of expertise, best practices and an expanded vendor base to serve CCE programs.

The Monterey Bay Community Power (MBCP) partnership formed in 2013 as the first tri-county/18 city effort in the State. Since then, two CCE agencies have launched (Sonoma Clean Power and the City of Lancaster) and many more communities are actively pursuing CCE formation, including the counties of Alameda, Butte, Contra Costa, Humboldt, Lake, Los Angeles, Mendocino, San Bernardino, San Diego, San Luis Obispo, San Francisco, San Mateo, Santa Barbara, Santa Clara, Venture and Yolo, as well as the cities of Davis and San Diego.

The analysis and outcomes from the technical feasibility study as well as all of the Phase 1 investigative work undertaken for the past three years indicate that establishing a successful CCE agency within the Monterey Bay Region is highly feasible with a wide range of options.

Formation Recommendations:

(1) Next Steps – All MBCP counties and cities are strongly encouraged to participate in one or more of these next steps to determine their interest in becoming an early adoptive partner in forming a regional CCE-JPA agency:

- Attend the public special study sessions hosted by the PDAC starting in May and continuing through June that will focus on the technical study results, governance, executive staffing and start-up financing options and best practices. At these meetings, executive staff from successful CCE agencies and other experts will be in attendance to assist interested county and city representatives. (See page 3 of this report for the schedule.)

- Request a Board or Council general presentation to determine further interest. For more information or to schedule a meeting, contact Gine Johnson, Office of Santa Cruz Supervisor Bruce McPherson, at (831) 454-2200, gine.johnson@santacruzcounty.us.

- Send a Board representative and/or executive staff member to the PDAC's ad hoc subcommittee meetings. Two subcommittees, Governance and Finance, will meet in parallel with the public special study sessions to develop a formation proposal. Recommendations to the governing Boards of early adoptive county and city partners will be forwarded on or before September 15. To attend these meetings, contact the PDAC Chair, Nancy Gordon at (831) 454-2714, nancy.gordon@santacruzcounty.us.

(2) Decision Deadline: Once a formation determination has been made, the PDAC recommends that the CCE-JPA agency be established on or before October 31, 2016 for several important reasons:

- The best window of opportunity to launch a CCE agency (i.e., actually provide power to customers) has proven to be between April and October as a "best practice."
  Even after a CCE-JPA is established, additional formation tasks must ensue which may take up to 12 months, so to make the recommended "launch window", interested partners should form no later than one year in advance.

- Efforts to undermine the ability of local governments to justify forming CCE agencies are continual through the legislative and regulatory processes. Even though these efforts have not succeeded so far, it may just be a matter of time. If these efforts are eventually successful, CCE agencies that have already been formed will be able to continue unimpeded.

- In order to form a CCE agency, county and city partners must first agree on governance, start-up financing and executive staff recruitment. This process typically took California's established CCE agencies three to four months to accomplish. The deadline of October 31 gives early adoptive partners up to six months to make a final decision. County and city partners that do not make a decision by October will still have the option to join the CCE-JPA at a later date.

<u>CCE Best Practices Recommendations:</u> New CCEs can mitigate risk and ensure best practices by learning from the experiences of operational CCE agencies. In addition to the technical study, Section III of this information packet includes an overview of regulations as well as information and lessons learned from other multi-jurisdictional CCE agencies regarding structure, governance, financing and program phasing. The PDAC spent countless hours reviewing and discussing this information with statewide CCE experts and recommends the following best practices be considered by MBCP county and city partners as they contemplate formation:

- Structure – The PDAC recommends a regional agency that includes as many of the MBCP county and city partners as possible. The economy of scale relative to procurement buying power, start-up and long-term financing and other operational considerations makes a compelling case for a regional agency. Given the nature and technical complexity of running the business of a CCE program, the PDAC also recommends that the agency not be embedded in an existing government entity, but be formed as a stand-alone joint powers agency. Further, the PDAC does <u>not</u> recommended that an existing CCE-JPA be joined for a fee as the economic and job creation benefits to the Monterey region would be considerably diminished. However, "back-end" turn- key administrative services that have a proven operational track record are readily available to newly formed CCEs and should be accessed to streamline start-up and operational tasks and costs.

- Governance – To meet the diverse needs of the Monterey Bay region, the PDAC recommends a governance structure that aligns with these principles:

  - Consistent with the best practices learned from the success and challenges of established CCE governing boards as outlined in Section III of the information packet.

  - Equitably representative and aligned with population density and electricity usage within the region;

  - A manageable number of board members with the ability to scale to accommodate later members;

  - Primary members and alternates should be elected officials;

  - Industry technical experts without a conflict of interest should be advisory to the Board;

  - Structured similarly to an existing and well-accepted Monterey regional JPA board that has been serving the same partner counties and cities successfully for many years, the Monterey Bay Air Resources District.

  - Section III, page 20 of the information packet outlines the specific governance board and technical expert advisory committee structure recommendation.

- Start-up Financing & Payback Period – There are many options to providing the capital for Phase 2 formation work, but the most straight forward path is for one of the main partners to provide all of the funding, or guarantee a private loan, which can be paid back with interest once the CCE agency begins to generate revenue from ratepayers. Although a cost-share strategy is often used in starting a joint powers agency, this requires additional time and contractual work in what is already a complex formation process. However the start-up is financed, the CCE governing Board should aim to pay it back as soon as it is financially feasible.

- Guiding Principles– The PDAC recommends strategic and operational alignment with these principles:

  - Serve community goals and local policy objectives, including greenhouse gas reductions and increased statewide and local renewable energy supply.

  - Control and safeguard customer revenues to ensure long-term financial viability and local government ownership, even when power supply costs fluctuate.

- Offer competitive rates and choice in customer electricity services that does not include the use of unbundled renewable energy credits, coal or nuclear resources and prioritizes in-state renewable contracts as is financially viable and available.

- Support the rapid investment in local renewable energy generation to the maximum extent feasible while ensuring fiscal stability, rate parity and carbon reduction goals are met.

- Pursue long-term power procurement strategies and local power ownerships that hedge future market risk and incorporate diversity of energy suppliers, technologies and products.

- Plan for long-term financial viability through integrated resource planning, in-house fiscal management, transparent rate setting and policies that build program reserves. Building robust reserves enhances the agency's credit rating, lowers the cost of procurement and increases the viability of issuing future bonds for projects.

- Maintain a firewall between the assets and liabilities of the CCE agency and those of municipal general funds.

- Adhere to applicable statutory and regulatory compliance requirements.

- Implement effective risk management practices and ensure transparency and accountability to the local community and oversight agencies.

- Offer complementary programs that serve community interests such as feed and tariff, net-metering, comprehensive energy efficiency retrofits, demand response, community solar, electric vehicle charging, battery storage, as well as support for local training programs in both the private and public sectors and research/development of emerging technologies.

- Establish criteria for the use of surplus revenues that ensures geographic equity and adheres to economic justice principles.

- Define criteria for selecting energy procurement vendor(s) that aligns with the region's sustainability and economic vitality goals.

- Develop a long-term strategic goal of regional energy self-sufficiency by building out local renewable generation projects using local workers making prevailing wages with benefits. Establish a definition of "the use of local workers" and adhere to established local government definitions of "prevailing wages."

ACKNOWLEDGEMENTS

The Project Development Advisory Committee would like express tremendous gratitude to the respective County Boards, City Councils and Joint Powers Agencies within the Monterey tri-county region for participating in this project and embracing regional collaboration on an initiative that holds such significant potential for meeting economic and environmental goals.

Thank you to the PDAC members, lead partner Santa Cruz County, the Project Team and Ambassadors as well as the professional consultants who worked tirelessly for more than three years to investigate community choice energy and provide education to stakeholder groups. We express our thanks and appreciation as well to the two working groups of local volunteer experts and stakeholders who assisted the Project Team (see Appendix 1.)

This project would not have been possible without the fiscal sponsorship of the Community Foundation of Santa Cruz County (CFSCC) accepting donations from generous members of the community. Our sincere thanks to the CFSCC Board and executive staff, and especially to all of the *Monterey Bay CCA Fund* donors (see Appendix 1.)

Grant support from the California Strategic Growth Council, the World Wildlife Fund, and the UC Santa Cruz Carbon Fund was critical to completing this project, for which the committee is sincerely appreciative.

Finally, to the staff of Marin Clean Energy and Sonoma Clean Power, thank you for your technical assistance, generosity and for paving the way for the rest of the California to follow in your footsteps.

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DRAFT MONTEREY BAY COMMUNITY POWER TECHNICAL STUDY

3/4/2016

Prepared by Pacific Energy Advisors, Inc.

This Technical Study was prepared for the Monterey Bay Community Power initiative (MBCP) for purposes of forming a Community Choice Energy (CCE) program, which would provide electric generation service to residential and business customers located within the counties of Monterey, San Benito and Santa Cruz. A detailed discussion of the projected operating results related to the MBCP program, including anticipated costs and benefits, is presented herein.

Draft Monterey Bay Community Power Technical Study

PREPARED BY PACIFIC ENERGY ADVISORS, INC.

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EXECUTIVE SUMMARY

This Community Choice Energy ("CCE") Technical Study ("Study") was prepared for the Monterey Bay Community Power initiative ("MBCP"), by Pacific Energy Advisors, Inc. ("PEA") under contract with the County of Santa Cruz, for purposes of describing the potential benefits and liabilities associated with forming a CCE program within the counties of Monterey, San Benito and Santa Cruz (the "MBCP Partnership"). Such a program would provide electric generation service to residential and business customers located within the unincorporated areas of the MBCP Partnership as well as the incorporated cities therein. In aggregate, there are twenty one (21) municipalities located within the MBCP Partnership, which include the aforementioned counties as well as the following cities located therein: Capitola, Carmel, Del Rey Oaks, Gonzales, Greenfield, Hollister, King City, Marina, Monterey, Pacific Grove, Salinas, San Juan Bautista, Sand City, Santa Cruz, Scotts Valley, Seaside, Soledad and Watsonville (together, the "MBCP Communities").

This Study addresses the potential benefits and liabilities associated with forming a CCE program over a ten-year planning horizon, drawing from the best available market intelligence and PEA's direct experience with each of California's operating CCE programs – PEA has unique experience with regard to California CCE program evaluation, development and operation, having provided broad functional support to each operating CCE, which include Marin Clean Energy ("MCE"), Sonoma Clean Power ("SCP"), Lancaster Choice Energy ("LCE"), and CleanPowerSF, which will commence service to its first phase of residential and business customers located within the City and County of San Francisco during Spring 2016. PEA utilized this direct experience to generate a set of anticipated scenarios for MBCP operations as well as a variety of sensitivity analyses, which were framed to demonstrate how certain changes in the base case scenarios would influence anticipated operating results for the MBCP program. At the request of the MBCP Partnership, PEA also completed stand-alone analyses for each of the three participating counties to facilitate each entity's understanding of the costs and benefits associated with independent CCE formation (as opposed to CCE formation as part of a multi-county partnership). The results associated with these stand-alone, county-specific analyses are further discussed in Appendix A, County-Specific Scenario Analyses.

MBCP's Prospective Customers

Currently, Pacific Gas & Electric ("PG&E") serves approximately 285,000 customer accounts within communities of the MBCP Partnership, representing a mix of residential (≈86%), commercial (≈12%) and agricultural (≈2%) accounts. These customers consume nearly 3.7 billion kilowatt hours ("kWh") of electric energy each year. While the majority of customers fall under the residential classification, such accounts historically consume only 36% of the total electricity delivered by PG&E while commercial and agricultural accounts consumed the remaining 64% (comprised of ≈48% commercial consumption and ≈18% agricultural consumption). Peak customer demand within the MBCP Communities, which represents the highest level of instantaneous energy consumption throughout the year, occurs during the month of September, totaling 661 megawatts ("MW"). Under CCE service, each of these accounts would be enrolled in the MBCP program over a three-phase implementation schedule commencing in 2017, as later discussed in this Study. Consistent with California law, customers may elect to take service from the CCE provider or remain with PG&E, a process known as "opting-out." For purposes of the Study, PEA utilized current participatory statistics compiled by the operating CCE programs to derive an assumed participation rate of 85% for the MBCP program; the remaining 15% of regional customers are assumed to opt-out of the MBCP program and would continue receiving generation service from PG&E. Customer and energy usage projections referenced throughout this Study reflect such adjustment.

MBCP Indicative Supply Scenarios

For purposes of the Study, PEA and the MBCP Partnership identified three indicative supply scenarios, which were designed to test the viability of prospective CCE operations under a variety of energy resource compositions, emphasizing the MBCP Partnership's interest in significantly reducing greenhouse gas emissions ("GHGs") through increased use of carbon-free electric energy sources. With these considerations in mind, the following supply scenarios were constructed for purposes of completing this CCE Study:

- **Scenario 1**: Maximize renewable energy and greenhouse gas emission ("GHG") reductions while not exceeding the incumbent investor-owned utility's ("IOU"), Pacific Gas & Electric Company ("PG&E"), projected generation rates. Under Scenario 1, clean energy sources would be generally limited to California-based, bundled renewable energy products and a minimal amount of regionally produced hydroelectricity.[1, 2]
- **Scenario 2**: Maximize renewable energy and GHG reductions while not exceeding PG&E's projected generation rates. Under Scenario 2, clean energy sources would be limited to California-based and regionally produced, bundled renewable energy products.
- **Scenario 3**: Maximize MBCP rate competitiveness while achieving a 25% annual reduction in GHG emissions relative to PG&E's projected resource mix. Under Scenario 3, clean energy sources would include California-based and regionally produced, bundled renewable energy products as well as regionally produced hydroelectricity.[3]

When considering the prospective supply scenarios evaluated in this Study, it should be understood that MBCP would not be limited to any particular scenario assessed in this Study; the Study's supply scenarios were developed in cooperation with MBCP project management for the purpose of demonstrating potential operating outcomes of a new CCE program under a broad range of resource mixes, which generally reflect key objectives of the MBCP Partnership. Prior to the procurement of any particular energy products, MBCP would have an opportunity to refine its desired resource mix, which may differ from the prospective scenarios reflected herein.

When developing MBCP's indicative supply scenarios, PEA was directed to include additional assumptions. In particular, all scenarios include the provision of a voluntary retail service option that would provide participating customers with 100% renewable energy (presumably for a price premium); for purposes of this Study, it was assumed that only a small percentage of MBCP customers would select this service option (≈2% of the projected MBCP customer base), which is generally consistent with customer participation in other operating CCE programs. In addition, all scenarios assume the availability of current solar development incentives as well as an MBCP-administered net energy metering ("NEM") service option, which could be used to further promote the development of local, customer-sited renewable resources. PEA was also directed to exclude the use of: 1) unbundled renewable energy certificates (due to ongoing controversy focused on environmental benefit accounting for such products); 2) specified purchases from nuclear generation, which is

[1] Consistent with California's Renewables Portfolio Standard ("RPS") laws, retail sellers of electric energy, including CCEs, must procure a minimum 33% of all electricity from eligible renewable energy sources by 2020; with the recent enrollment of Senate Bill 350, California's RPS procurement mandate has been increased to 50% by 2030. All MBCP supply scenarios addressed in this Study were attentive to such minimum requirements, ensuring MBCP compliance with California's RPS on a projected basis.

[2] Industry accepted GHG accounting practices generally recognize eligible renewable energy sources as GHG-free. Under the Scenario 1 and 3 portfolio compositions, incremental purchases of non-RPS-eligible GHG-free sources, specifically electricity produced by larger hydroelectric resources (with nameplate generating capacity in excess of 30 megawatts) would be procured by MBCP to achieve targeted GHG emissions reductions.

[3] Under Scenario 3, the proportion of RPS-eligible renewable energy is projected to minimally exceed specified RPS procurement mandates throughout the Study period.

generally unavailable to wholesale energy buyers, including CCE programs, but represents a significant portion of PG&E's energy resource mix[4]; and 3) coal generation,[5] which is a cost-effective but highly polluting domestic power source.

Projected Cost Impacts to MBCP Customers

Based on current market prices and various operating assumptions, as detailed in Section 2: Study Methodology, this Study indicates that MBCP would be viable under a broad range of market conditions, demonstrating the potential for customer cost savings and significant GHG reductions. In particular, Scenarios 1 and 2 demonstrate the potential for general rate parity, relative to projected PG&E rates, over the ten-year study period while providing the region with significant electric power sector GHG emissions reductions through the predominant use of bundled renewable energy resources. Scenario 3, which was designed to maximize rate competitiveness with PG&E while also reducing annual electric power sector GHG emissions by 25%, demonstrated the potential for meaningful MBCP cost reductions (ranging from 3% in Year 1 to 5% in Year 10 of projected operations) while also achieving significant environmental benefits. As previously noted, none of the prospective supply scenarios include the use of unbundled renewable energy certificates; renewable energy products will be exclusively limited to "bundled" deliveries produced by generators primarily located within: 1) California; 2) the MBCP Communities; and 3) elsewhere in the western United States. As described above, each prospective supply scenario incorporates differing proportions of clean energy resources to achieve MBCP's desired objectives.

General Operating Projections

When reviewing the pro forma financial results associated with each of the prospective supply scenarios, as reflected in Appendix B of this Study, the "Total Change in Customer Electric Charges" during each year of the study period reflects the projected net revenues (or deficits) that would be realized by MBCP in the event that the program decided to offer customer electric rates that were equivalent to similar rates charged by PG&E. To the extent that the Total Change in Customer Electric Charges is negative, MBCP would have the potential to offer comparatively lower customer rates/charges, relative to similar charges imposed by PG&E; to the extent that such values are positive, MBCP would need to impose comparatively higher customer charges in order to recover expected costs. Ultimately, the disposition of any projected net revenues will be determined by MBCP leadership during periodic budgeting and rate-setting processes. For example, in the cases of Scenario 3, each year of the study period reflects the potential for net revenues. Such net revenues could be passed through to MBCP customers in the form of comparatively lower electric rates/charges, as contemplated in this Study, utilized as working capital for program operations in an attempt to reduce program financing requirements, or MBCP leadership could strike a balance between reduced rates and increased funding for complementary energy programs, such as Net Energy Metering, customer rebates (to promote local distributed renewable infrastructure buildout or energy efficiency, for example) as well as other similarly focused programs. MBCP leadership would have considerable flexibility in administering the disposition of any projected net revenues, subject to any financial covenants that may be entered into by the program.

Environmental Impacts

[4] According to PG&E's 2013 Power Content Label, 22% of total electric energy supply was sourced from nuclear generating facilities; in 2014, a similar proportion of PG&E's total electric energy supply was sourced from nuclear generating facilities: 21%, as reflected in PG&E's Power Source Disclosure Report for the 2014 calendar year.

[5] According to the California Energy Commission, approximately 6% of California's 2014 total system power mix is comprised of electric energy produced by generators using coal as the primary fuel source: http://energyalmanac.ca.gov/electricity/total_system_power.html.

With regard to MBCP's anticipated clean energy supply and resultant GHG emissions impacts, each prospective supply scenario yielded different environmental benefits, resulting from the diverse composition of clean energy sources within each supply scenario. For example, Scenario 1, which was specifically designed to maximize GHG emission reductions through the exclusive use of California-based renewable energy supply and a small amount of additional, regionally produced hydroelectricity (which was only incorporated in Year 1 of projected MBCP operations for purposes of achieving general rate parity with the incumbent utility), resulted in annual GHG emissions *reductions* ranging from approximately 36,000 (or 20%, Year 1 impact) to 164,000 (or 42%, Year 10 impact) metric tons. Supply Scenario 2, which was similarly constructed to Scenario 1, utilizing both California-based and regionally produced renewable energy products to achieve MBCP's desired environmental objectives (without additional hydroelectricity), resulted in annual emissions *reductions* ranging from approximately 36,000 (or 20%, Year 1 impact) to 238,000 (or 62%, Year 10 impact) metric tons. Supply Scenario 3 yielded slightly different emissions benefits through the use of a more diverse portfolio of clean energy resources, including California-based and regionally produced renewable energy as well as hydroelectricity, creating a projected annual GHG emissions reduction of 25% during each year of the Study period. This level of projected GHG emissions reductions equates to 45,000 metric tons in Year 1, increasing to 97,000 metric tons in Year 10.

When considering MBCP's projected environmental benefits, it is noteworthy that current market pricing for renewable and GHG-free power sources is becoming increasingly cost competitive when compared to conventional generating technologies. This trend has allowed for the inclusion of significant proportions of GHG-free electricity within each of MBCP's prospective supply scenarios while retaining cost competitiveness. With regard to the anticipated GHG emissions impacts reflected under each scenario, it is important to note that such estimates are significantly influenced by PG&E's ongoing use of nuclear generation, which is generally recognized as GHG-free. In particular, the Diablo Canyon Power Plant ("DCPP") produces approximately 20% of the utility's total annual electric energy requirements. During the latter portion of the Study period, DCPP will need to relicense the facility's two reactor units (in 2024 and 2025, respectively) and there is some uncertainty regarding PG&E's ability to successfully relicense these units under the current configuration, which utilizes once-through cooling as part of facility operations – use of once-through cooling is no longer permissible within California, and affected generators must reconfigure requisite cooling systems or face discontinued operation. To the extent that PG&E's use of nuclear generation is curtailed or suspended at some point in the future, MBCP's projected emissions reductions would significantly increase under each operating scenario. However, due to the timing of the relicensing issue facing DCPP, substantive increases to projected environmental benefits (resulting from prospective changes to PG&E's nuclear power supply) should not be assumed during the Study period.

The various energy supply components underlying each scenario are broadly categorized as:

- Conventional Supply (generally electric energy produced through the combustion of fossil fuels, particularly natural gas within the California energy market);
- "Bucket 1" Renewable Energy Supply (generally renewable energy produced by generating resources located within or delivering power directly to California);
- "Bucket 2" Renewable Energy Supply (generally renewable generation imported into California); and
- Additional GHG-Free Supply (generally power from large hydro-electric generation facilities, which are not eligible to participate in California's RPS certification program).

For the sake of comparison, Table 1 displays PG&E's proportionate use of various power sources during the most recent reporting year (2014) as well as the aggregate resource mix within the state of California, as reported by the California Energy Commission ("CEC"). During the Study period, planned increases in

California's RPS procurement mandate and various other factors will contribute to periodic changes in PG&E's noted resource mix. Such changes will affect projected GHG emissions comparisons between MBCP and PG&E.

Table 1: 2014 PG&E and California Power Mix

Energy Resource	2014 PG&E Power Mix[1]	2014 California Power Mix[2]
Eligible Renewable	**27%**	**20%**
--Biomass & Waste	5%	3%
--Geothermal	5%	4%
--Small Hydroelectric	1%	1%
--Solar	9%	4%
--Wind	7%	8%
Coal	0%	6%
Large Hydroelectric	8%	6%
Natural Gas	24%	45%
Nuclear	21%	9%
Unspecified Sources of Power	21%	14%
Total[3]	**100%**	**100%**

[1]Source: PG&E 2014 Power Source Disclosure Report;
[2]Source: California Energy Commission - http://energyalmanac.ca.gov/electricity/total_system_power.html; and
[3]Numbers may not add due to rounding.

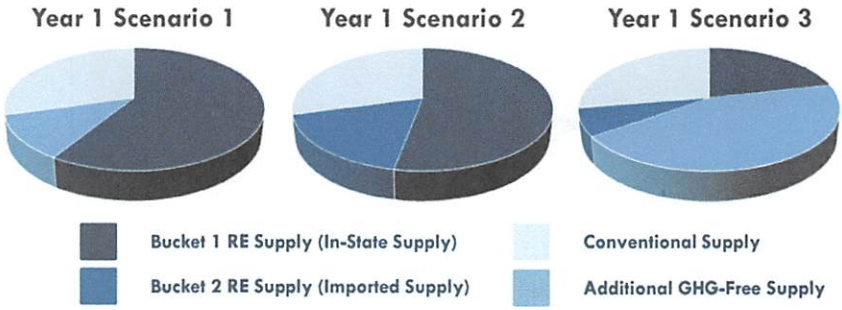
Projected Economic Development Benefits

MBCP's projected long-term power contract portfolio is also expected to have the potential to generate substantial economic benefits throughout the state as a result of new renewable resource development. A moderate component of this impact is expected to occur within the local economy as a direct result of renewable infrastructure buildout to be supported by a MBCP-administered Feed-In Tariff program, which could be designed to promote the development of smaller-scale renewable generating projects that would supply a modest portion of MBCP's total energy requirements. The prospective MBCP long-term contract portfolio, which is reflected in the anticipated resource mix for each supply scenario, includes approximately 340 MW of new generating capacity (all of which is assumed to be located within California and some of which may be located within certain of the MBCP Communities). Based on widely used industry models, such projects are expected to generate up to 11,000 construction jobs and nearly $1.4 billion in total economic output. Ongoing operation and maintenance ("O&M") jobs associated with such projects are expected to employ as many as 185 full time equivalent positions ("FTEs") with additional annual economic output approximating $28 million. MBCP would also employ a combination of staff and contractors, resulting in additional ongoing job creation (up to 29 FTEs per year) and related annual economic output ranging from $3 to $9 million.

Consolidated Scenario Highlights

The following exhibit identifies the projected operating results under each indicative supply scenario in Year 1 of anticipated MBCP operations. Additional details regarding the composition of each supply scenario are addressed in Section 2.

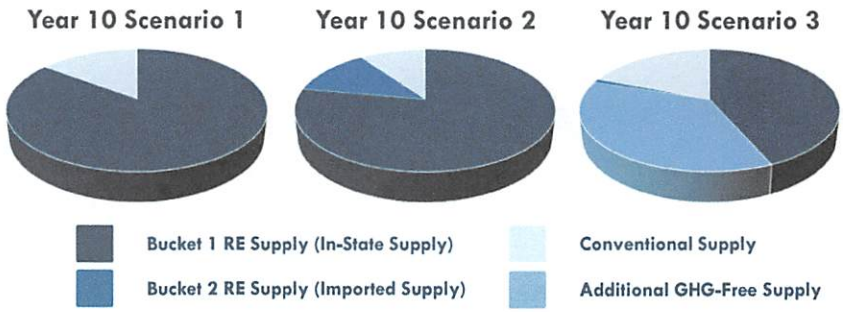
Monterey Bay Community Power Indicative Supply Scenarios: Year 1



Key Considerations	Scenario 1	Scenario 2	Scenario 3
General Environmental Benefits	59% Renewable 70% GHG-Free	71% Renewable 71% GHG-Free	28% Renewable 72% GHG-Free
Rate Competitiveness	≈rate parity relative to PG&E projections	≈rate parity relative to PG&E projections	Average 3% savings relative to PG&E rate projections
Projected Residential Customer Cost Impacts[1] [1]Average monthly usage for MBCP residential customers ≈ 446 kWh	Projected MBCP & PG&E costs are equivalent	Projected MBCP & PG&E costs are equivalent	Average $3.01 monthly cost savings relative to PG&E projections
Assumed MBCP Participation	85% customer participation rate assumed across all customer groups	85% customer participation rate assumed across all customer groups	85% customer participation rate assumed across all customer groups
Comparative GHG Emissions Impacts	0.126 metric tons CO2/MWh emissions rate; ≈35,660 metric ton GHG emissions reduction in Year 1 (≈20% reduction)	0.126 metric tons CO2/MWh emissions rate; ≈36,301 metric ton GHG emissions reduction in Year 1 (≈20% reduction)	0.119 metric tons CO2/MWh emissions rate; ≈44,573 metric ton GHG emissions reduction in Year 1 (≈25% reduction)

The following exhibit identifies the projected operating results under each supply scenario in Year 10 of anticipated MBCP operations.

Monterey Bay Community Power Indicative Supply Scenarios: Year 10



Key Considerations	Scenario 1	Scenario 2	Scenario 3
General Environmental Benefits	85% Renewable 85% GHG-Free	90% Renewable 90% GHG-Free	44% Renewable 81% GHG-Free
Rate Competitiveness	Average 1% savings relative to PG&E rate projections	Average 1% savings relative to PG&E rate projections	Average 5% savings relative to PG&E rate projections
Projected Residential Customer Cost Impacts[1] [1]Average monthly usage for MBCP residential customers ≈ 446 kWh	Average $1.57 monthly cost savings relative to PG&E rate projections	Average $1.79 monthly cost savings relative to PG&E rate projections	Average $6.23 monthly cost savings relative to PG&E projections
Assumed MBCP Participation	85% customer participation rate assumed across all customer groups	85% customer participation rate assumed across all customer groups	85% customer participation rate assumed across all customer groups
Comparative GHG Emissions Impacts	0.063 metric tons CO2/MWh emissions rate; ≈163,559 metric ton GHG emissions reduction in Year 10 (≈42% reduction)	0.042 metric tons CO2/MWh emissions rate; ≈237,857 metric ton GHG emissions reduction in Year 10 (≈62% reduction)	0.082 metric tons CO2/MWh emissions rate; ≈96,594 metric ton GHG emissions reduction in Year 10 (≈25% reduction)

Findings and Conclusions

Based on the results reflected in this Study and PEA's considerable experience with California CCEs, the MBCP program has a variety of electric supply options that are projected to yield both competitive customer rates and significant environmental benefits. To the extent that clean energy options, including renewable energy and hydroelectricity, are used in place of anticipated conventional power sources, which utilize fossil fuels to produce electric power, anticipated MBCP costs and related customer rates would be marginally higher. However, Scenario 3 indicates that the potential exists for significant GHG emissions reductions and marginally increased renewable energy deliveries under a scenario in which MBCP rates are meaningfully below similar rates charged by the incumbent utility. In general terms, each of the indicative supply scenarios discussed in this Study reflects the potential for MBCP to promote meaningful reductions in electric-sector GHG emissions while offering competitive electric generation rates.

Ultimately, MBCP's ability to demonstrate rate competitiveness (while also offering environmental benefits) would hinge on prevailing market prices at the time of power supply contract negotiation and execution. Depending on inevitable changes to market prices and other assumptions, which are substantially addressed through the various sensitivity analyses reflected in this Study, MBCP's actual electric rates may be somewhat lower or higher than similar rates charged by PG&E and would be expected to fall within a competitive range needed for program viability.

As with California's operating CCE programs, MBCP's ability to secure requisite customer energy requirements, particularly under long term contracts, will depend on the program's perceived creditworthiness at the time of power procurement. Customer retention and reserve accrual, as well as a successful operating track record, will be viewed favorably by prospective energy suppliers, leading to reduced energy costs and

customer rates. Operational viability is also based on the assumption that MBCP would be able to secure the necessary startup funding as well as additional financing to satisfy program working capital estimates. As previously noted, it is PEA's opinion that MBCP would be operationally viable under a relatively broad range of resource planning scenarios, demonstrating the potential for customer savings as well as reduced electric-sector GHG emissions throughout the region.

SECTION II
INTRODUCTION TO COMMUNITY CHOICE ENERGY

How Local Energy Aggregation Works

Enabled by California legislation (AB 117 and SB 790), community choice energy (CCE) allows cities and counties to pool their residential, business and municipal electricity loads, and to purchase power (or generate it) on their behalf. In this model, the current investor owned utility, PG&E, remains an essential partner. Energy transmission, distribution, repair, and customer service functions remain with PG&E, which also continues to provide customer billing. CCE customers are automatically enrolled over time unless they wish to opt out and continue to buy their electricity from PG&E. CCE charges appear as a new section on the current PG&E customer bill (see APPENDIX 10.) All other charges are the same and beneficial programs continue (i.e., CARE, Medical Baseline, and other low-income programs.)

A regional CCE joint powers agency (CCE-JPA) leverages the market power of group purchasing and local control. It can be designed to achieve a number of economic vitality and environmental public policy and program objectives, such as contributing millions of dollars to the local economy, creating local jobs, increasing renewable resources in the community's energy portfolio, reducing greenhouse gas emissions, promoting local development of renewable energy installations and offering comprehensive energy efficiency programs.

In short, a regional CCE-JPA purchases green electricity on the open market and PG&E delivers the energy, maintains the lines and bills the customers. The customers benefit from affordable rates, local control and cleaner energy. CCE offers a choice of service providers, where no choice exists now. By establishing a CCE-JPA, local governments choose to give choice to their constituents.

Why Investigate Community Choice Energy?

Local Control: Community choice energy puts control of electricity purchasing and pricing into local hands and allows the community to determine what type of energy mix best serves the needs of the region. Right now, consumers do not have these choices. The CCE's local governing Board significantly increases transparent accountability because consumers have direct access to the decision makers as well as the deliberation process. CCE agencies are funded through CCE customers paying their electricity bills, not by taxes. Creating and maintaining a local public agency that is well managed, financially self-sustaining and provides clean locally produced energy strengthens the capacity and resilience of the entire region.

Economic Vitality: Local ratepayer money stays local. Surplus revenues that would normally flow to the investor owned utility will stay in the community to help fund renewable energy projects, create jobs, and stimulate the local economy. The value of redirected revenue over time is millions of dollars. The opportunity to use that revenue to build local renewable energy generation facilities, EV charging stations, energy storage capacity as well as increase the energy efficiency of our buildings is significant and key to the success of a local CCE agency. Surplus revenues may also be used to stabilize or lower consumer rates.

Meeting Local Climate Action Plan Goals: Establishing a regional CCE agency is the single most impactful strategy for meeting state and regional climate goals. In the Monterey Bay Region, roughly half of the greenhouse gas emissions are caused by energy use. Of all the beneficial initiatives identified in the region's 21 climate action plans, CCE is the one that will result in the highest reduction of emissions within just a few years of establishing the agency. It is the one program that we can implement that will make the biggest difference before the "tipping point" of carbon emissions is reached worldwide.

Creating Market Competition: Market competition drives down costs, which has happened in two other regions within California.

Providing Cleaner Energy with the Same Rates: Community choice energy agencies can deliver more renewable energy than the investor owned utility at the same rate. Supply autonomy allows for the greater use of renewable sources (solar, wind, wave, biomass) The two well-established CCEs in California have significantly increased the renewables in their portfolios without charging more than PG&E and, in some cases, are offering meaningful rate savings. The Monterey Bay Community Power technical study indicates we can more than double the renewables in the regional portfolio at the same rate charged by the investor owned utility. That increase could result in a portfolio with 59% renewable energy as compared to the current 27% provided by PG&E.

Maintaining the Same Reliable Service from PG&E: Energy transmission, line maintenance and customer service remains the responsibility of PG&E. PG&E will continue to handle all customer service and support of the grid. Current low-income programs remain available to customers, (i.e., CARE, Medical Baseline, etc.)

Stimulating Private Sector Innovation and Workforce Development:
A regional CCE agency has the ability to create policy and financial incentives that support private sector entities as well as work force development initiatives. Private sector businesses and non-profits focused on developing innovative energy technologies, products and services could be incentivized to locate or expand their business here. The region's educational institutions, apprenticeship programs and job placement programs already provide green jobs training and careers which could receive significant support from a regional CCE-JPA.

Basic Risks and Mitigations

Establishing a regional CCE-JPA offers many opportunities for the Monterey Bay region but presents some risk. Building solid governance and operational capacity as an organization within the first few years is the first and foremost strategy in mitigating those risks. Following the best practices and principles as recommended by the regional Project Development Advisory Committee and outlined in the cover report can ensure that appropriate capacity is built and a strong foundation is established to serve the region for many successful years.

The other main risks relate to market price fluctuations and regulatory uncertainty. California's energy markets have been stable for several years and prices for electricity from renewable and conventional energy resources are low. The current buyer's market is expected to continue for the next several years because of the excess energy supplies. A local CCE agency can protect itself from future market shifts by forecasting with conservative rates as well as using diverse portfolios that include longer-term energy supplies and investments in local power projects and programs that lower the load needed and help fix the cost of the region's supply. A long-term goal of regional self-sufficiency that aims to provide 100% of our electricity supply from local renewable sources is a highly effective mitigation strategy that addresses future market fluctuations and ensures an abundant supply of clean, affordable energy for future generations. By partnering with other CCEs from around the State and proactively engaging in proceedings with the State legislature and regulatory Boards, regulatory issues may be effectively managed. Here is an outline of short-term and long-term risks:

Governance and Operational Risks:

- Governing Board with too many members without the appropriate expertise, lowering flexibility and timeliness in decision making
- Not aligning with best practices based on other CCE experiences
- Opt-out rate uncertainty
- Credit availability for power supply

Market Risks:

- PG&E rate uncertainty (generation rates and exit fees)
- Length of current favorable wholesale energy prices
- Availability of large hydro resources to meet carbon-free content goals

Political and Regulatory Uncertainties:

- Future CCE-specific State legislation
- Regulatory changes around renewable and capacity mandates
- Rulings that adversely affect the establishment and operations of CCEs from the California Public Utilities Commission (CPUC) in response to requests from the investor owned utilities

Snapshots of Success - Marin Clean Energy & Sonoma Clean Power

The Project Development Advisory Committee and Project Team have been inspired and guided by the proven models of the two established multi-jurisdictional CCE programs in California. Marina Clean Energy and Sonoma Clean Power are offering their customers greener power with a mix that features more renewable sources at competitive rates, and for some plans, lower rates. Both are offering enhanced programs for energy efficiency and locally sourced solar while performing well financially and operationally.

Marin Clean Energy – Results after six years of full operations

- Serving 170,500 customers, 80% of the total customer meters
- Annual Budget - $145,993,097
- Reserves- Forecasted to increase to $16,696,319 by the end of the current fiscal year (March 31, 2016)
- Regular customer plan – 50% renewable portfolio at comparable rates versus 27% renewables from PG&E
- 100% renewable energy customer plan- $5/more per month than PG&E rates
- 100% Local Solar customer plan- 20% more than PG&E rates
- Key accomplishments - Has created 2400 jobs and has 10 renewable projects completed are under way
- Start-up costs completely paid off

Sonoma Clean Power – Results after two years of full operations

- Serving 196,206 customers, 89% of the total customer meters
- Annual Budget - $165,495,000
- Reserves - Forecasted to increase to $30,000,000 by the end of the current fiscal year (March 31, 2016).
- Regular customer plan – 80% Carbon Free with 36% renewables, 44% hydro energy and 8% less than PG&E rates, versus 27% renewables from PG&E
- EverGreen customer plan - 100 % local renewable energy at 12% more than PG&E rates
- Key Accomplishments - Saved customers $13 million in its first year of operations and has met California's 2020 renewable energy targets
- $1.3 million remaining of start-up costs to pay off

Elements of the Technical Feasibility Study

The technical study was conducted for the purpose of describing the potential benefits and liabilities with forming a CCE agency, including the overall size of the program, forecasted future demand, resource availability, and the ability to be rate competitive. The study analyzed different possible power supply scenarios and the impact on greenhouse gas emissions, as well as the potential for local job creation and surplus

revenues. Estimated CCE-JPA start-up costs were identified and a risk assessment completed. For the Monterey Bay Community Power partnership, the analysis was conducted two ways:

- For the entire tri-county region inclusive of all 18 cities; and
- Each individual county inclusive of the cities within its boundaries.

The executive summary of the technical study (Section IV) describes in greater detail each of these elements. The full study is in APPENDIX 4 with proformas for each scenario for the entire tri-county region as well as for the individual counties. Also included in APPENDIX 4 is an independent peer evaluation of the technical study as well as responses to the peer's comments. The final version of the technical study will incorporate input from the PDAC and will address issues identified by the peer reviewer.

Community Choice Energy In California

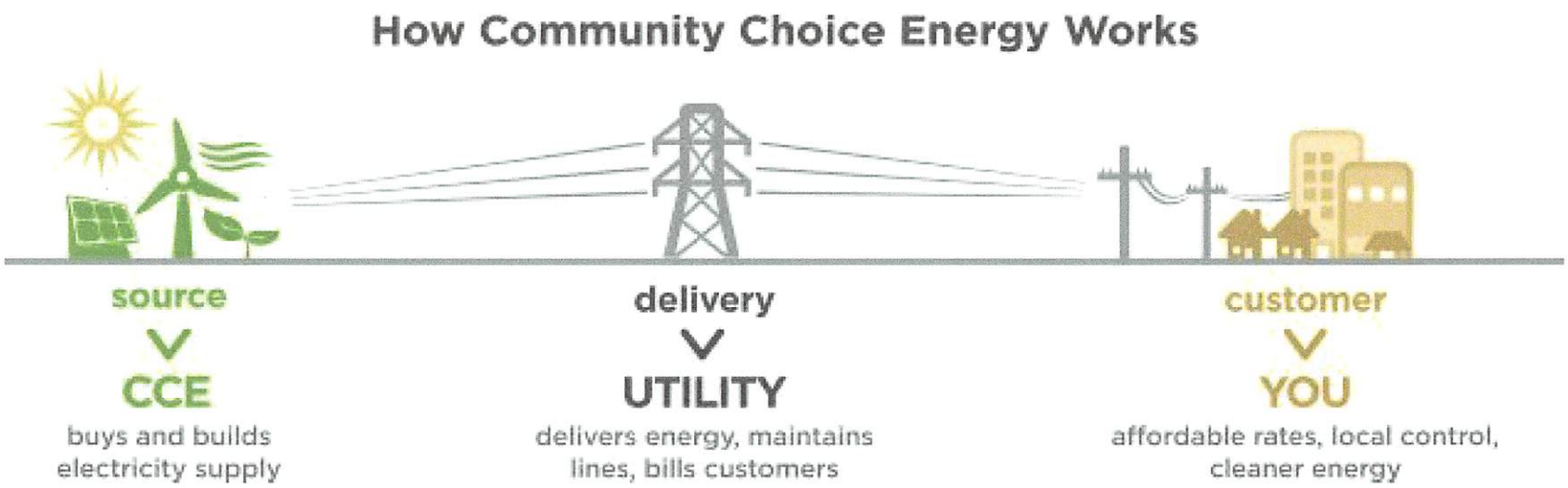
Monterey Bay Community Power

June 9, 2016

LEAN ENERGY U.S.
Local Energy Aggregation Network

What is Community Choice Energy?

CCE enables local governments to procure and/or develop power on behalf of their public facilities, residents and businesses. It has proven to increase renewable energy and lower greenhouse gases while offering competitive electricity rates.



CCE Around the Country

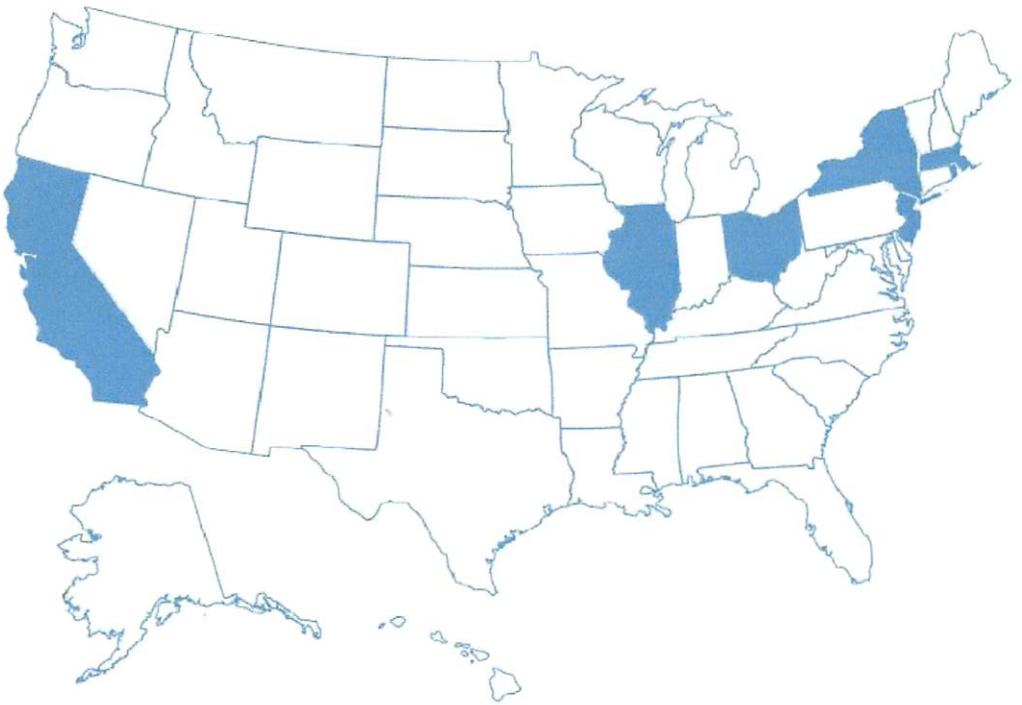
LEAN ENERGY US
Local Energy Aggregation Network

Authorized by CA Assembly Bill 117 in 2002

CCEs in 7 States

- California
- Illinois
- Massachusetts
- New Jersey
- Ohio
- Rhode Island
- New York

Under Consideration:
Utah, Delaware, Minnesota



CCE is on the Rise in California

Operational CCAs

MCE Clean Energy *(includes Napa County, parts of Contra Costa and Solano Counties)*
Lancaster Choice Energy
Sonoma Clean Power

2016 Launch

City/County of San Francisco / *CleanPowerSF*
San Mateo County / *Peninsula Clean Energy*

Exploring / in Process

Alameda County
Butte County
City of San Jose
Contra Costa County
Humboldt County
Lake County
Los Angeles County
Mendocino County
Monterey County*
Placer County
Riverside County
San Benito County*
San Bernardino County
San Diego County
San Luis Obispo County**
Santa Barbara County**
Santa Clara County / *Silicon Valley Clean Energy*
Santa Cruz County*
Solano County
Ventura County**
Yolo County

*Monterey Bay Tri-County
**Central Coast Tri-County

Why are Communities so Interested?

LEAN ENERGY U.S.
Local Energy Aggregation Network

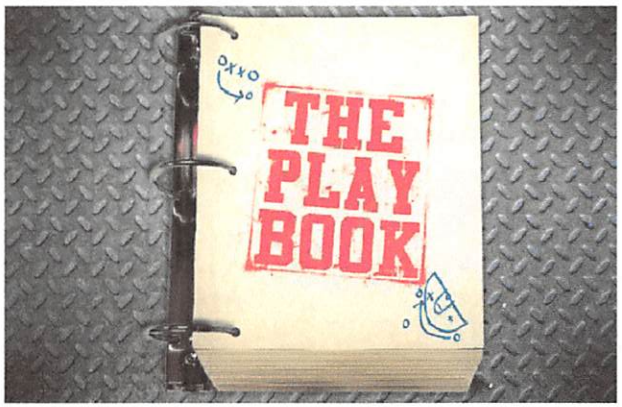
- CCE is responsive to local environmental and economic goals
- Offers consumers a choice where none currently exists
- Revenue supported, not taxpayer subsidized
- Stable, often cheaper, electricity rates
- Allows for rapid switch to cleaner power supply and significant GHG reductions; achievement of local Climate Action Plan goals
- Provides a local funding source for energy efficiency and other energy programs like energy storage and electric vehicle charging stations

A Snapshot of Operational CCEs

Launch Year/ # of Customers	2015 Avg. Customer Rate Savings	Power Options (current)
2010 ~ 175,000 accts.	2-5% below PG&E	56% Renewable 100% Renewable 100% Local Solar
2014 ~ 200,000 accts.	6-14% below PG&E	36% Renewable 100% Renewable
2015 ~ 55,000 accts.	3-4% below SCE	35% Renewable 100% Renewable

Basic Program Mechanics

1. Under State law, CCE is an "opt out" program; MPCP would become the default electric service provider in partnership with PG&E
2. Utility (PG&E) continues to provide consolidated billing, customer service, and power line maintenance.
3. CCE electric generation charges (including PCIA/exit fee) appear as new line items on the customer bill; all other charges remain the same.
4. PG&E programs for low income/CARE customers remain the same
5. CPUC certifies CCE Plan; oversees utility service agreement and other requirements
6. Most CCEs are run through a JPA: Local governments participate by passing a CCE ordinance and entering into a JPA Agreement.



Sample Energy Bill – MCE

ENERGY STATEMENT
www.pge.com/MyEnergy

Account No: 1234567890-1
Statement Date: 10/01/2013
Due Date: 10/22/2013

Service For:

MARY SMITH
1234 STREET AVENUE
SAN RAFAEL, CA
94804

Your Account Summary

Amount Due on Previous Statement	82.85
Payments Received Since Last Statement	82.85
Previous Unpaid Balance	$0.00
Current PG&E Electric Delivery Charges	$39.32
MCE Electric Generation Charges	$42.81
Current Gas Charges	$27.20
Total Amount Due	$109.33

Total Amount Due

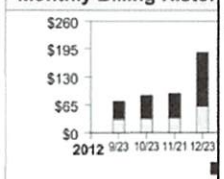
Questions about your bill?

24 hours per day, 7 days per week
Phone: 1-866-743-0335
www.pge.com/MyEnergy

Local Office Address

750 LINDARO STREET, STE 160
SAN RAFAEL, CA 94901

Monthly Billing Histor



Visit www.pge.co

Important Messages

Your charges on this page are separated into delivery charges from PG&E and ge
other than PG&E. These two charges are for different services and are not duplica

Electric power line safety PG&E cares about your safety. Be aware of your surr
antennas at least 10 feet away from overhead power lines. If you see an electric p
away, call **9-1-1** and then PG&E at **1-800-743-5000**.

Page 1

PG&E continues to send bills and collect payments.

ENERGY STATEMENT
www.pge.com/MyEnergy

Account No: 1234567890-1
Statement Date: 10/01/2013
Due Date: 10/22/2013

Details of MCE Electric Generation Charges

10/01/2013 – 11/01/2013 (31 billing days)
SERVICE FOR: 1234 STREET AVENUE
Service Agreement ID: 0123456789 ESP Customer Number: 0123456789

10/01/2013 – 11/01/2013

Rate Schedule: **RES-1**

DEEP GREEN - TOTAL	508.000000 kWh	@ $0.0100	$5.08
GENERATION - TOTAL	508.000000 kWh	@ $0.07400	$37.59
		Net charges $42.67	

Energy Surcharge $0.14

Total MCE Electric Generation Charges $42.81

Service Information
Total Usage 508.000000 kWh

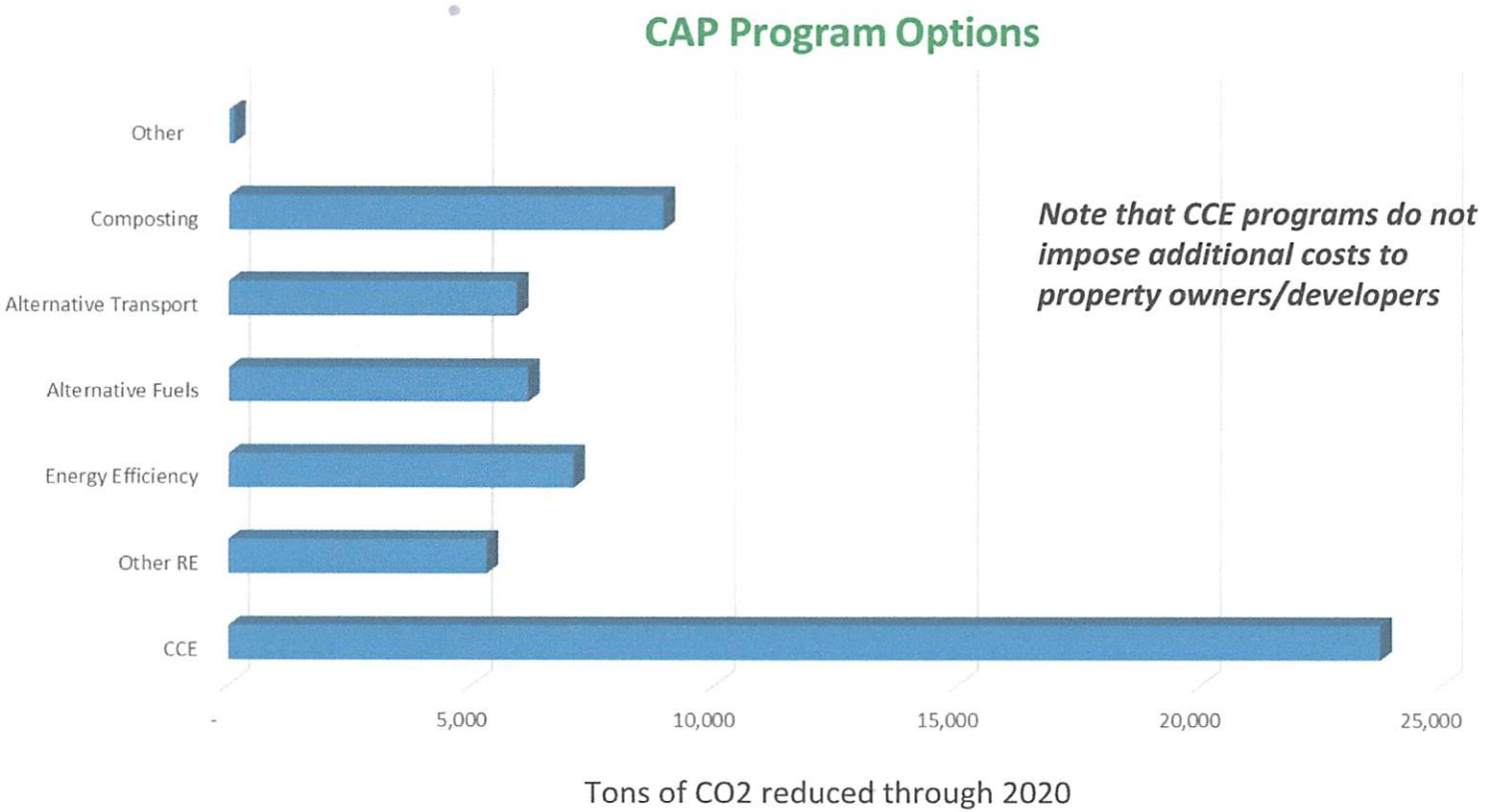
For questions regarding charges on this page, please contact:
MCE
781 LINCOLN AVE STE 320
SAN RAFAEL CA 94901
1-888-632-3674
www.mceCleanEnergy.com

Additional Messages
For questions regarding your charges on this page, please contact your Third Party Energy Service Provider.

Page 2

CCE & Local Climate Action Plans

Excerpt from City of San Mateo Climate Action Plan



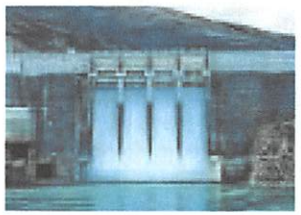
CCE as a Clean Tech Innovator

- MCE and SCP have collectively put over 300MWs of new renewable power on the grid; of that, nearly 100 MW is local
- Local Feed-in-Tariff, Net Energy Metering programs incentivize local solar development
- Public/Private Partnerships: Community solar, commercial and residential battery storage, home area networks/demand reduction, EV charging stations
- Energy efficiency funding is available from utility and state
- On-bill repayment option and green business loans
- Local job training programs that focus on underserved populations

Risks and Mitigations

Rate Competition/Market Fluctuation: Rates will vary with market conditions. Power market expertise and well crafted power RFPs are essential; Diversified supply portfolio with some owned assets will mitigate market risk

Customer Opt-Outs: Competitive rates are a must; Articulate additional consumer and community benefits to add to the value proposition



Availability of carbon-free power supply: As the demand for GHG free power goes up, competition for renewables and large hydro resources will increase; nuclear resources are tapped by IOUs; now is a good time to be entering the market

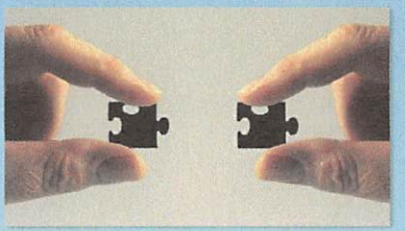
Regulatory/Legislative: Public Utility Commission decisions may adversely affect CCE; participation in State regulatory proceedings and statewide legislative initiatives is essential

Sonoma Clean Power
Local. Renewable. Ours.

Track Record – 3 Key Indicators

- Financial Performance –

- Local Investment and Partnerships –



- Results in Renewables –

SCP: Program Economics Are Strong

NET POSITION	
Net investment in capital assets	195,525
Unrestricted	34,699,139
Total net position	$ 34,894,664

As of 3/31/16

- All start up debt paid off (~$2.5M)
- Ahead of schedule in building reserves (goal of $50M within 5 years)
- $3.5 million invested for efficiency programs for 2016-2017
- Across the board reductions in customer electrical rates

Building Local Value Through Local Partnerships

Investing locally is key for Sonoma Clean Power

- NetGreen – Net energy metering helps customers keep their dollars at home
- FlotoVoltaics – A new approach to wastewater ponds; solar partnership with Sonoma County Water Agency
- EV technology for the next generation
- Working with local partners to address climate challenges

Making The Switch To Renewables

An investment in our future

- ProFit – Supports local small-scale renewable generation
- Mustang Project – 70 MW of clean CA solar for 20 years
- Geysers- Local geothermal that smooths SCP's power load and sources the 100% Evergreen product

Sonoma Clean Power

Local. Renewable. Ours.

Thank You!

For further information, please contact:
LEAN Energy US
www.LEANenergyus.org

Shawn Marshall
ShawnMarshall@leanenergyus.org

Mark Landman
Mlandman@sonic.net

RESOLUTION NO. 2013-179

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AUTHORIZE PARTICIPATION IN THE PRE-DEVELOPMENT AND TECHNICAL FEASIBILITY PHASE OF COMMUNITY CHOICE AGGREGATION FOR THE MONTEREY BAY REGION, WITHOUT FINANCIAL OBLIGATION; THE CITY MAY TERMINATE PARTICIPATION AT ANY TIME; AND AUTHORIZE THE CITY MANAGER, OR HIS/HER DESIGNATED REPRESENTATIVE, TO SERVE ON THE PROJECT DEVELOPMENT ADVISORY COMMITTEE; AND AUTHORIZE THE CITY MANAGER TO REQUEST ON THE BEHALF OF THE CITY OF MARINA THE PDAC, AND PDAC'S CONSULTANTS, ENERGY USAGE LOAD DATA FROM PACIFIC GAS & ELECTRIC CO. FOR USE IN THE TECHNICAL FEASIBILITY STUDY

WHEREAS, Community Choice Aggregation is a mechanism by which local governments may assume responsibility for providing electrical power for residential and commercial customers in their jurisdiction in partnership with Pacific Gas & Electric Company; and,

WHEREAS, The City of Marina identifies Community Choice Aggregation as a potential strategy to meet projected greenhouse gas reduction targets; and,

WHEREAS, The City of Marina is committed to increasing energy efficiency, and exploring alternatives to expand the availability and use of local renewable power supply; and,

WHEREAS, Community Choice Aggregation provides an opportunity to fund and implement a wide variety of local clean energy community programs; and,

WHEREAS, Community Choice Aggregation, if determined to be technically and financially feasible, could provide potential economic and environmental benefits to residents and businesses in the cities and unincorporated areas of the Monterey Bay Peninsula, Santa Cruz County, and other jurisdictions in the Monterey Bay Region ; and,

WHEREAS, In addition to technical and financial feasibility, it is important to determine whether there is adequate public support for Community Choice Aggregation in the Monterey Bay Peninsula, Santa Cruz County and the Monterey Bay Region; and,

WHEREAS, the Community Foundation of Santa Cruz County is the Fiscal Sponsor for the first phase of a coordinated inter-jurisdictional effort to investigate the technical, financial and overall feasibility of Community Choice Aggregation in Santa Cruz County and the Monterey Bay Region; and,

WHEREAS, The Community Foundation has formed a Project Development Advisory Committee, which is charged with: investigating the potential formation of Community Choice Aggregation in Santa Cruz County and the Monterey Bay Region, and guiding the initial technical feasibility study; and,

WHEREAS, representatives from Santa Cruz and Monterey Counties have met informally over the last several months as the Community Choice Aggregation Project Development Advisory Committee to initiate the technical feasibility study, and it is now appropriate to formalize the composition and charge of the Project Development Advisory Committee; and

WHEREAS, the Project Development Advisory Committee will be comprised of a cross-section of local stakeholders, and at least one staff member from each participating jurisdiction; and will sunset upon completing its charge to develop technical feasibility information, and advise the Community Foundation of Santa Cruz County and participating jurisdictions of its findings; and,

WHEREAS, Determining the technical and financial feasibility of Community Choice Aggregation requires obtaining and analyzing Pacific Gas & Electric Company energy load data, and conducting public education and outreach; and

WHEREAS, The Project Development Advisory Committee is authorized to: coordinate gathering and analyzing the energy load data requests on behalf of the City of Marina, consider participation in a Technical Study, and retain consultant expertise to assist with preparation of a Community Choice Aggregation Technical Study; and,

WHEREAS, The City of Marina will join the California Chapter of the Local Energy Aggregation Network (LEAN) to: access Community Choice Aggregation resources, information, and connections to other California communities that are investigating the feasibility of, or implementing, Community Choice Aggregation; and,

WHEREAS, this Resolution in no way binds or otherwise obligates the City of Marina to participate in Community Choice Aggregation beyond: gathering and analyzing information, determining the financial and technical feasibility of Community Choice Aggregation, and assessing adequate levels of public support to successfully establish Community Choice Aggregation in Santa Cruz County and the Monterey Bay Region; and the City of Marina may terminate participation at any time; and,

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

(1) Agrees to participate in the inter-jurisdictional pre-development effort to investigate the technical feasibility of Community Choice Aggregation (CCA) to operate within Santa Cruz County and the Monterey Bay Region, without obligation of the expenditure of General Funds, unless authorized by the City of Marina in a future action;

(2) Designates the Tim Flannigan, through the City Manager, as its representative on the Project Development Advisory Committee (PDAC); and

(3) Authorizes its City Manager to execute the appropriate documentation to allow the Community Choice Aggregation Project Development Advisory Committee, and its technical consultants, to request energy usage load data from Pacific Gas & Electric Company so it may be analyzed as part of the technical feasibility study.

(4) Adoption of this resolution in no way binds or otherwise obligates the City of Marina to participate in Community Choice Aggregation.

PASSED, AND ADOPTED by the City Council of the City of Marina at a regular council meeting duly held on the 3rd day of December 2013by the following vote:

AYES, COUNCIL MEMBERS: Amadeo, Brown, Morton, O'Connell, Delgado
NOES, COUNCIL MEMBERS: None
ABSENT, COUNCIL MEMBER: None
ABSATIN, COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Acting Deputy City Clerk

RESOLUTION NO.

A RESOLUTION OF THE <CITY COUNCIL/BOARD OF SUPERVISORS> OF THE <CITY/COUNTY> OF _____ _____ AFFIRMING THE <CITY'S/COUNTY'S> INTENT TO PARTICIPATE IN GOVERNANCE AND FINANCING DISCUSSIONS FOR THE PROPOSED MONTEREY BAY COMMUNITY POWER (MBCP) JOINT POWERS AUTHORITY (JPA)

WHEREAS, Representatives from various jurisdictions in Santa Cruz, Monterey, and San Benito counties have been meeting for the last several years to discuss forming a JPA, under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.), to form a community choice aggregation program through which to purchase, supply, and aggregate the electrical load of their municipal, residential and commercial customer accounts.

WHEREAS, In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local governments to develop programs to reduce green-house gas emissions; and

WHEREAS, The purposes for forming the JPA include:

A. Jointly administering a community choice aggregation (CCA) program for jurisdictions in the Monterey, Santa Cruz and San Benito County region;
B. Reducing greenhouse gas emissions related to the use of power in the Monterey, Santa Cruz, and San Benito County region;
C. Providing electric power and other forms of energy to customers at a competitive cost;
D. Carrying out programs to reduce energy consumption;
E. Stimulating and sustaining the local economy by developing local jobs in renewable energy and other energy related initiatives; and
F. Promoting long-term electric rate stability, energy security, and reliability for residents through local control of electric generation resources.

THEREFORE, BE IT RESOLVED THAT THE <CITY COUNCIL/BOARD OF SUPERVISORS> OF THE <CITY / COUNTY OF _____ > AFFIRMS ITS INTENT TO PARTICIPATE IN GOVERNANCE AND FINANCING DISCUSSIONS FOR THE MONTEREY BAY COMMUNITY POWER JOINT POWERS AUTHORITY (JPA) UNDER THE FOLLOWING GENERAL TERMS:

(1) The Monterey Bay Community Power JPA is planned to be formed in early 2017, and the JPA expected to begin providing electrical service to customers by spring 2018.

(2) The Monterey Bay Community Power JPA will be composed of jurisdictions within the region of Monterey, Santa Cruz and San Benito Counties choosing to participate by passage of a JPA Agreement resolution and CCA ordinance as required by State statute. The target deadline for passage of said resolution and ordinance is January 31, 2017.

(3) The proposed Governing Board structure of Monterey Bay Community Power JPA seeks to:

(a) Represent the interests of a large geographical area while keeping the Board size to a manageable level
(b) Reserve important policy-level decisions for elected officials through creation of a Policy Board that would meet 2-3 times per year or as requested by the Chief Executive Officer
(c) Reserve Agency operational decisions for administrative managers (City managers and county administrators) through the creation of an Operations Board that would meet 8-12 times per year
(d) Provide fair and equitable representation to Agency members based on population size (number of ratepayers) rather than electrical load size (volume of electric usage).

(4) The proposed MBCP Board seats would be allocated as follows:
(a) Policy and Operations Board seats for founding JPA members (i.e. those jurisdictions that pass a CCA ordinance by January 30, 2017) which will remain in place unless the number of member jurisdictions exceeds 11
(b) Once the JPA reaches more than 11 member agencies, the Policy and Operations Boards' composition shall shift to a regional allocation based on population size.
(c) This allocation shall be one seat for each jurisdiction with a population of 50,000 and above, and shared seats for jurisdictions with populations below 50,000 allocated on a sub-regional basis.
(d) Under current population estimates, the Board seats in the Tri-County area would be allocated as follows:
i. 1 seat for Santa Cruz County
ii. 1 seat for Monterey County
iii. 1 seat for the City of Santa Cruz
iv. 1 seat for the City of Salinas
v. 1 seat for the City of Watsonville
vi. 1 shared seat for remaining Santa Cruz cities including Capitola and Scotts Valley selected by the City Selection Committee
vii. 1 shared seat for Monterey Peninsula cities including Monterey, Pacific Grove, and Carmel selected by the City Selection Committee
viii. 1 shared seat for Monterey Coastal cities including Marina, Seaside, Del Rey Oaks, and Sand City selected by the City Selection Committee
ix. 1 shared seat for Salinas Valley cities including King City, Greenfield, Soledad, Gonzales selected by the City Selection Committee
x. 1 shared seat for San Benito County and cities selected by the City Selection Committee

(e) It is proposed that the member of the Policy Board and Operations Board shall be from the same jurisdiction.

(f) The Policy Board of elected officials would meet three times per year with the option for special meetings as determined by the Chief Executive Officer. It is proposed that the Policy Board would provide guidance/approval in the following areas:
i. Strategic planning and goal setting

ii. Passage of Agency budget and customer rates
iii. Large capital expenditures outside the typical power procurement required to provide electrical service

(g) The Operations Board of appointed County Administrative Officers or City Managers from participating jurisdictions would meet no less than 8 times per year and would focus on the routine operations of the Agency and provide oversight and support to the Chief Executive Officer on matters pertaining to the provision of electrical service to customers in the region.

(5) Financial participation contemplated for members of MBCP JPA is proposed as a pro-rata share of credit support to guarantee a seed capital loan of up to $3M to implement the program and cover the costs of Agency start up.

(a) The County of Santa Cruz on behalf of the proposed MBCP will issue an RFP for banking and credit services to solicit credit and terms associated with provision of said capital

(b) The final amount of required credit and the level of guarantee to cover pre-revenue expenses will be confirmed once ordinances are passed and the size of the program is known

(c) Should the program fail to launch and the Agency were to default on the loan, the city/County would be required to fund its portion of any outstanding loan balance

(6) Any loan or capital contribution made by a member Agency to the JPA is fully reimbursable through ratepayer revenues at terms mutually agreeable by the jurisdiction and JPA

(7) Passage of this resolution authorizes staff of the City/County of XXX to participate in discussions in anticipation of MBCP JPA formation. It does not, however, bind the City/County of XX to membership in the JPA, allocation of general funds, or participation in a future CCA program. If the City/County of XX chooses to move forward, it will be required to pass a resolution for JPA membership, authorize a pro-rata share of credit support, and pass a CCA ordinance by January 31, 2017.