

CITY OF SOLANA BEACH

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



AGENDA

Joint REGULAR Meeting

Wednesday, June 27, 2018 * 6:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

Teleconference - Hotel Aspen, 110 West Main Street. Aspen, Colorado

- City Council meetings are video recorded and archived as a permanent record. The video recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
- Posted Reports & Supplemental Docs contain records up to the cut off time prior to meetings for processing new submittals. Complete records containing meeting handouts, PowerPoints, etc. can be obtained through a [Records Request](#).

PUBLIC MEETING ACCESS

The Regular Meetings of the City Council are scheduled for the 2nd and 4th Wednesdays and are broadcast live on Cox Communications-Channel 19, Spectrum(Time Warner)-Channel 24, and AT&T U-verse Channel 99. The video taping of meetings are maintained as a permanent record and contain a detailed account of the proceedings. Council meeting tapings are archived and available for viewing on the City's website.

AGENDA MATERIALS

A full City Council agenda packet including relative supporting documentation is available at City Hall, the Solana Beach Branch Library (157 Stevens Ave.), La Colonia Community Ctr., and online www.cityofsolanabeach.org. Agendas are posted at least 72 hours prior to regular meetings and at least 24 hours prior to special meetings. Writings and documents regarding an agenda of an open session meeting, received after the official posting, and distributed to the Council for consideration, will be made available for public viewing at the same time. In addition, items received at least 1 hour 30 minutes prior to the meeting time will be uploaded online with the courtesy agenda posting. Materials submitted for consideration should be forwarded to the City Clerk's department 858-720-2400. The designated location for viewing public documents is the City Clerk's office at City Hall during normal business hours.

SPEAKERS

Please submit a speaker slip to the City Clerk prior to the meeting, or the announcement of the Section/Item, to provide public comment. Allotted times for speaking are outlined on the speaker's slip for each agenda section: Oral Communications, Consent, Public Hearings and Staff Reports.

AMERICAN DISABILITIES ACT TITLE 2

In compliance with the Americans with Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Section 202. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's office (858) 720-2400 at least 72 hours prior to the meeting.

As a courtesy to all meeting attendees, please set cellular phones and pagers to silent mode and engage in conversations outside the Council Chambers.

CITY COUNCILMEMBERS

David A. Zito, Deputy Mayor

Jewel Edson, Councilmember

Judy Hegenauer, Councilmember

Lesa Heebner, Councilmember

Peter Zahn, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

SPEAKERS:

Please submit your speaker slip to the City Clerk prior to the meeting or the announcement of the Item. Allotted times for speaking are outlined on the speaker's slip for Oral Communications, Consent, Public Hearings and Staff Reports.

READING OF ORDINANCES AND RESOLUTIONS:

Pursuant to Solana Beach Municipal Code Section 2.04.460, at the time of introduction or adoption of an ordinance or adoption of a resolution, the same shall not be read in full unless after the reading of the title, further reading is requested by a member of the Council. If any Councilmember so requests, the ordinance or resolution shall be read in full. In the absence of such a request, this section shall constitute a waiver by the council of such reading.

CALL TO ORDER AND ROLL CALL:

CLOSED SESSION REPORT: (when applicable)

FLAG SALUTE:

APPROVAL OF AGENDA:

PROCLAMATIONS/CERTIFICATES: *Ceremonial*

None at the posting of this agenda

PRESENTATIONS: Ceremonial items that do not contain in-depth discussion and no action/direction.

None at the posting of this agenda

ORAL COMMUNICATIONS:

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.9.)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for May 5–18, 2018.

[Item A.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.2. General Fund Adopted Budget for Fiscal Year 2017-2018 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2017-2018 General Fund Adopted Budget.

[Item A.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.3. City Investment Policy Fiscal Year 2018/19. (File 350-30)

Recommendation: That the City Council

1. Adopt **Resolution 2018-066** approving the City's Investment Policy for Fiscal Year 2018/19.

[Item A.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.4. Cooperative Fire Management Services Third Amendment to Agreement by and between the Cities of Del Mar, Encinitas, and Solana Beach. (File 0260-10)

Recommendation: That the City Council

1. Adopt **Resolution 2018-082**:
 - a. Approving the Third Amendment to the Agreement for Cooperative Fire Management Services by and between the cities of Del Mar, Encinitas, and the Solana Beach; and
 - b. Authorizing the City Manager to execute the third amendment.

[Item A.4. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.5. Advanced Life Support First Responder Services, County Service Area 17, County of San Diego Contract Amendment. (File 0260-00)

Recommendation: That the City Council

1. Adopt **Resolution 2018-085:**

- a. Approving Amendment 13 Contract No. 45207 with the County of San Diego Purchasing and Contracting to extend advanced life support first responder services in County Service Area 17.
- b. Authorizing the City Manager to execute the Amendment to the Contract on behalf of the City of Solana Beach.

[Item A.5. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.6. 2017 Street Maintenance & Repair Project. (File 0820-35)

Recommendation: That the City Council

1. Adopt **Resolution 2018-081:**

- a. Authorizing the City Council to accept, as complete, the 2017 Street Maintenance & Repair Project, Bid No. 2017-08, performed by PAL General Engineering.
- b. Authorizing the City Clerk to file a Notice of Completion.
- c. Approving an additional contingency of \$37,646 and authorizing the City Manager to approve cumulative change orders up to a revised construction contingency amount of \$106,646.

[Item A.6. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.7. Ratifying the City Manager's Decision to Install Stop Signs on Santa Helena at Sun Valley and Accepting the Donation of Two Speed Feedback Signs by the Isla Verde Homeowners Association for Use Along Highland Drive. (File 0860-50)

Recommendation: That the City Council

1. Adopt **Resolution 2018-080:**

- a. Ratifying the City Manager's decision to install stop signs in both directions on Santa Helena at Sun Valley Road.
- b. Authorizing the City Manager to accept the donation of two speed feedback signs from the Isla Verde Homeowners Association for use on Highland Drive between San Lucas Drive and San Andres Drive.

[Item A.7. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.8. Audit Services Agreement with Lance, Soll, and Lunghard for Audit Services.
(File 0310-05)

Recommendation: That the City Council

1. Adopt **Resolution 2018-083** approving and ratifying professional services agreement with Lance, Soll, and Lunghard for audit services.

[Item A.8. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.9. Community Development Professional Service Agreements with Coastal Frontiers Corporation, Telecom Law Firm and City Place Planning. (File 0600-90)

Recommendation: That the City Council

1. Adopt **Resolution 2018-071**, authorizing the City Manager to execute a Professional Services Agreement with Coastal Frontiers.
2. Adopt **Resolution 2018-072**, authorizing the City Manager to execute a Professional Services Agreement with Telecom Law Firm.
3. Adopt **Resolution 2018-074**, authorizing the City Manager to execute Professional Services Agreement Amendment #1 with City Place Planning.

[Item A.9. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

NOTE: The City Council shall not begin a new agenda item after 10:30 p.m. unless approved by a unanimous vote of all members present. (SBMC 2.04.070)

B. PUBLIC HEARINGS: (B.1. – B.2.)

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designees for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on the Council Dais.

B.1. Public Hearing: Solana Beach Coastal Rail Trail Maintenance District Fiscal Year 2018/19 Final Engineer's Report and Ordering the Levy and Collection of Annual Assessments. (File 0610-60)

Recommendation: That the City Council

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.
2. Adopt **Resolution 2018-076**, approving the Engineer's Report regarding the Coastal Rail Trail Maintenance District.
3. Adopt **Resolution 2018-077**, ordering the levy and collection of the annual assessments regarding the Coastal Rail Trail Maintenance District for Fiscal Year 2018/19.

[Item B.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.2. Public Hearing: Solana Beach Lighting District Fiscal Year (FY) 2018/19 Final Engineer's Report and Ordering the Levy and Collection of Annual Assessments. (File 0600-40)

Recommendation: That the City Council

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony and Close the public hearing.
2. Adopt **Resolution 2018-078** confirming the diagram and assessment and approving the Engineer's Report.
3. Adopt **Resolution 2018-079** ordering the levy and collection of annual assessments for FY 2018/19 and ordering the transmission of charges to the County Auditor for collection.

[Item B.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C. STAFF REPORTS: (C.1. - C.7.)

Submit speaker slips to the City Clerk.

C.1. Crossing Guard Services Council Consideration of Approving a Memorandum of Understanding with the Solana Beach School District. (File 0860-35)

Recommendation: That the City Council

1. Adopt **Resolution 2018-089** authorizing the City Manager to execute a Memorandum of Understanding with the Solana Beach School District to Provide Crossing Guard Services

[Item C.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.2. Climate Action Plan Implementation Plan and Cost Study. (File 220-10)

Recommendation: That the City Council

1. Approve **Resolution 2018-087** approving the CAP Implementation Plan and Cost Study.

[Item C.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.3. Community Grant Program Awards Fiscal Year 2018/19. (File 0330-25)

Recommendation: That the City Council

1. Select the FY 2018/19 Community Grant Program recipients and identify an award amount to each recipient.
2. Adopt **Resolution No. 2018-086**
 - a. Authorizing the funding for the selected community grant applicants for financial assistance under the FY 2018/19 Community Grant Program.
 - b. Appropriating \$5,000 to the Community Grant revenue account and the Contribution to Other Agencies expenditure account in the General Fund.
 - c. Authorizing the City Treasurer to amend the FY 2018/19 Adopted Budget accordingly.

[Item C.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.4. Adopt (2nd Reading) Ordinance 487 Amending the Highway 101 Specific Plan – Specific Plan Amendment No. 17-18-09. (File 0490-70)

Recommendation: That the City Council

1. Adopt **Ordinance 487** (2nd Reading) amending the Highway 101 Specific Plan.

[Item C.4. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.5. Real Property Located at 700 Stevens Avenue: Establish an Internal Service Fund to Receive Funds from the Sanitation Fund to Pay for the Acquisition of Real Property and Approval of the Purchase and Sale Agreement. (File 0490-70)

Recommendation: That the City Council

1. Adopt **Resolution 2018-069**
 - a. Establishing an internal service fund and approving a repayment plan to receive funds from the Sanitation Fund to Pay for the Acquisition of Real Property; and
 - b. Approve the purchase and sale agreement for the Real Property Located at 700 Stevens Avenue.

[Item C.5. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.6. Opposition to the Trump Administration’s Zero Tolerance Policy and Family Separation of Immigrants. (File 480-60)

Recommendation: That the City Council

1. Consider adoption of **Resolution 2018-088** in opposition to the Trump Administration’s “Zero Tolerance” policy and family separation of immigrants.

[Item C.6. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk’s Office.

C.7. Discussion and Consideration of Mayoral Rotation: Mayor / Deputy Mayor Appointments. (File 0410-85)

Recommendation: That the City Council

1. Review and consider whether to make the appointment of a Mayor and Deputy Mayor for a term until the December 2018 Mayoral rotation and, if so, determine the effective date.

[Item C.7. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk’s Office.

WORK PLAN COMMENTS:

Adopted June 13, 2018

COMPENSATION & REIMBURSEMENT DISCLOSURE:

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

COUNCIL COMMITTEE REPORTS:

REGIONAL COMMITTEES: (outside agencies, appointed by this Council)

- a. City Selection Committee (meets twice a year) Primary-Edson, Alternate-Zito
- b. County Service Area 17: Primary-Zahn, Alternate-Hegenauer
- c. Escondido Creek Watershed Authority: Zahn /Staff (no alternate).
- d. League of Ca. Cities’ San Diego County Executive Committee: Primary-Edson, Alternate-Heebner and any subcommittees.
- e. League of Ca. Cities’ Local Legislative Committee: Primary-Edson, Alternate-Heebner
- f. League of Ca. Cities’ Coastal Cities Issues Group (CCIG): Primary-Edson, Alternate-Heebner
- g. North County Dispatch JPA: Primary-Heebner, Alternate-Edson
- h. North County Transit District: Primary-Edson, Alternate-Heebner
- i. Regional Solid Waste Association (RSWA): Primary-Hegenauer, Alternate-Heebner
- j. SANDAG: Primary-Zito, Alternate-Edson, 2nd Alternate-Heebner, and any subcommittees.
- k. SANDAG Shoreline Preservation Committee: Primary-Zito, Alternate-Hegenauer
- l. San Dieguito River Valley JPA: Primary-Hegenauer, Alternate-Heebner
- m. San Elijo JPA: Primary-Zito, Primary-Zahn, Alternate-City Manager
- n. 22nd Agricultural District Association Community Relations Committee: Primary-Heebner, Alternate-Edson

STANDING COMMITTEES: (All Primary Members) (Permanent Committees)

- a. Business Liaison Committee – Zito, Edson.
- b. Fire Dept. Management Governance & Organizational Evaluation – Edson, Hegenauer
- c. Highway 101 / Cedros Ave. Development Committee – Edson, Heebner
- d. I-5 Construction Committee – Zito, Edson.
- e. Parks and Recreation Committee – Zito, Edson
- f. Public Arts Committee – Hegenauer, Heebner
- g. School Relations Committee – Hegenauer, Zahn
- h. Solana Beach-Del Mar Relations Committee – Zito, Heebner

ADJOURN:

Next Regularly Scheduled Meeting is July 11, 2018

Always refer the City’s website Event Calendar for updated schedule or contact City Hall.

www.cityofsolanabeach.org 858-720-2425

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } §
CITY OF SOLANA BEACH }

I, Angela Ivey, City Clerk of the City of Solana Beach, do hereby certify that this Agenda for the June 27, 2018 Council Meeting was called by City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, and the Housing Authority of the City of Solana Beach, California, was provided and posted on June 21, 2018 at 6:00 p.m. on the City Bulletin Board at the entrance to the City Council Chambers. Said meeting is held at 6:00 p.m., June 27, 2018, in the Council Chambers, at City Hall, 635 S. Highway 101, Solana Beach, California.

Angela Ivey, City Clerk
City of Solana Beach, CA

UPCOMING CITIZEN CITY COMMISSION AND COMMITTEE MEETINGS:

Regularly Scheduled, or Special Meetings that have been announced, as of this Agenda Posting. Dates, times, locations are all subject to change. See the City’s Commission’s website or the City’s Events Calendar for updates.

- Budget & Finance Commission
Thursday, July 19, 2018, 5:30 p.m. (City Hall)
- Climate Action Commission
Wednesday, July 18, 2018, 5:30 p.m. (City Hall)
- Parks & Recreation Commission
Thursday, July 12, 2018, 4:00 p.m. (Fletcher Cove Community Center)
- Public Arts Commission
Tuesday, July 24, 2018, 5:30 p.m. (City Hall)
- View Assessment Commission
Tuesday, July 17, 2018, 6:00 p.m. (Council Chambers)



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Finance
SUBJECT: Register of Demands

BACKGROUND:

Section 3.04.020 of the Solana Beach Municipal Code requires that the City Council ratify a register of demands which represents all financial demands made upon the City for the applicable period.

Register of Demands- 05/19/18 through 06/08/18

Check Register-Disbursement Fund (Attachment 1)		\$	518,492.33
Net Payroll	June 1, 2018		187,739.83
Federal & State Taxes	June 1, 2018		44,367.10
PERS Retirement (EFT)	June 1, 2018		41,916.82
TOTAL		\$	792,516.08

DISCUSSION:

Staff certifies that the register of demands has been reviewed for accuracy, that funds are available to pay the above demands, and that the demands comply with the adopted budget.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The register of demands for May 19, 2018 through June 8, 2018 reflects total expenditures of \$792,516.08 from various City funding sources.

WORK PLAN:

N/A

CITY COUNCIL ACTION: _____ _____

OPTIONS:

- Ratify the register of demands.
- Do not ratify and provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council ratify the above register of demands.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Check Register – Disbursement Fund

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 1
 ACCTPA21

SELECTION CRITERIA: transact.gl_cash='1011' and transact.ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92607	05/24/18	5137	ABLE PATROL & GUARD, INC	00170007110	FCCC SECURITY - APR	0.00	125.00
1011	92608	05/24/18	1135	AFFORDABLE PIPELINE SERV	50900007700	G-SEWER CLEANING-600	0.00	600.00
1011	92609	05/24/18	2137	AFLAC	001	MAY 18	0.00	947.92
1011	92610	05/24/18	834	ALLSTAR FIRE EQUIPMENT,	27060006120	SHSP.16TURNOUT-CANNON	0.00	2,365.11
1011	92611	05/24/18	5420	ALYSSA WICKHAM	001	RFND:OVRPMT SB0630280	0.00	91.00
1011	92611	05/24/18	5420	ALYSSA WICKHAM	001	RFND:OVRPMT SB0630065	0.00	91.00
1011	92611	05/24/18	5420	ALYSSA WICKHAM	001	RFND:OVRPMT SB0630008	0.00	91.00
1011	92611	05/24/18	5420	ALYSSA WICKHAM	001	RFND:OVRPMT SB0629973	0.00	91.00
1011	92611	05/24/18	5420	ALYSSA WICKHAM	001	RFND:OVRPMT SB0630383	0.00	25.50
	TOTAL CHECK						0.00	389.50
1011	92612	05/24/18	5024	SANDRA AUNG	001	RFND:SBGR-310/407 HIL	0.00	4,815.00
1011	92613	05/24/18	5413	BETH BUTTON	001	RFND:EP-4013/513 SANT	0.00	261.00
1011	92613	05/24/18	5413	BETH BUTTON	001	RFND:EP-4013/513 SANT	0.00	261.00
	TOTAL CHECK						0.00	522.00
1011	92614	05/24/18	3480	BUSINESS PRINTING COMPAN	00150005350	NON WINDOW ENVELOPES	0.00	396.01
1011	92615	05/24/18	3973	C2 PRINT AND MEDIA MANAG	00170007110	BUS CARDS-WENGER	0.00	48.59
1011	92619	05/24/18	1914	US BANK	135650006510	TLR MOUNT PWR WASHER	0.00	7,549.99
1011	92619	05/24/18	1914	US BANK	13560006170	DRYER	0.00	-890.83
1011	92619	05/24/18	1914	US BANK	13560006170	BRACKET CR	0.00	-59.00
1011	92619	05/24/18	1914	US BANK	13560006170	WASHER/DRYER CR	0.00	-3.23
1011	92619	05/24/18	1914	US BANK	13560006170	WASHER/DRYER CR	0.00	-3.23
1011	92619	05/24/18	1914	US BANK	00150005100	COUNCIL SUPPLIES	0.00	4.49
1011	92619	05/24/18	1914	US BANK	00165006530	WATER	0.00	7.19
1011	92619	05/24/18	1914	US BANK	00165006530	PWI WATER	0.00	7.38
1011	92619	05/24/18	1914	US BANK	00160006170	HARDWARE/GRG DOOR	0.00	7.85
1011	92619	05/24/18	1914	US BANK	00150005450	HOSTING DOMAINS-APR	0.00	9.95
1011	92619	05/24/18	1914	US BANK	00150005450	BATTERY	0.00	12.09
1011	92619	05/24/18	1914	US BANK	00160006120	AMAZON PRIME MMBRSP	0.00	14.00
1011	92619	05/24/18	1914	US BANK	00150005200	CLOSED SESSION-4/11	0.00	14.25
1011	92619	05/24/18	1914	US BANK	00150005250	CLOSED SESSION-4/11	0.00	14.25
1011	92619	05/24/18	1914	US BANK	00150005450	LAPTOP CASE	0.00	19.29
1011	92619	05/24/18	1914	US BANK	00150005450	VERTICAL MOUSE	0.00	19.99
1011	92619	05/24/18	1914	US BANK	00150005100	BUS CARDS-HEEBNER	0.00	20.11
1011	92619	05/24/18	1914	US BANK	00160006170	EPOXY-BOARD REPAIR	0.00	21.56
1011	92619	05/24/18	1914	US BANK	00150005200	BUS CARDS-URUBURU	0.00	22.63
1011	92619	05/24/18	1914	US BANK	00150005550	BUS CARDS-LIM	0.00	25.14
1011	92619	05/24/18	1914	US BANK	00160006120	BATTERIES	0.00	27.13
1011	92619	05/24/18	1914	US BANK	00170007100	VOICE RECORDER-MOSHI	0.00	28.39
1011	92619	05/24/18	1914	US BANK	00150005150	PENS/FOLDER	0.00	29.29
1011	92619	05/24/18	1914	US BANK	00160006170	USLA-SHOOK	0.00	30.00
1011	92619	05/24/18	1914	US BANK	00160006170	CAULK	0.00	31.78
1011	92619	05/24/18	1914	US BANK	00150005100	CLOSED SESSION-3/28	0.00	35.97
1011	92619	05/24/18	1914	US BANK	00160006170	2486 LED LIGHTS	0.00	37.46

CITY OF SOLANA BEACH, CA
CHECK REGISTER - DISBURSEMENT FUND

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	92619	05/24/18	1914	US BANK	001700007110	PA SYSTEM CONNECTRS	0.00	39.87
1011	92619	05/24/18	1914	US BANK	001500005150	ENVELOPES	0.00	45.25
1011	92619	05/24/18	1914	US BANK	001500005100	CLOSED SESSION-3/28	0.00	45.72
1011	92619	05/24/18	1914	US BANK	001500005100	CLOSED SESSION-3/28	0.00	51.04
1011	92619	05/24/18	1914	US BANK	001500005200	LA TIMES-Q4	0.00	51.87
1011	92619	05/24/18	1914	US BANK	001600006170	ROPE-SLED ATTCHMNT	0.00	52.00
1011	92619	05/24/18	1914	US BANK	001500005450	CONSTANT CONTACT-MAR	0.00	65.00
1011	92619	05/24/18	1914	US BANK	001500005200	NEGOTIATIONS WEB-KING	0.00	70.00
1011	92619	05/24/18	1914	US BANK	001600006170	TONER/TABS	0.00	81.33
1011	92619	05/24/18	1914	US BANK	001500005450	SERVER BATTERY	0.00	85.00
1011	92619	05/24/18	1914	US BANK	001650006530	5 GRABBERS	0.00	86.15
1011	92619	05/24/18	1914	US BANK	001500005150	PENCIL/PAPER	0.00	86.65
1011	92619	05/24/18	1914	US BANK	001600006170	HOTSCHEDULES-APR	0.00	90.00
1011	92619	05/24/18	1914	US BANK	13560006170	WASHER/DRYER BRACKET	0.00	96.71
1011	92619	05/24/18	1914	US BANK	001650006530	HOSE/2 GRABBERS	0.00	96.89
1011	92619	05/24/18	1914	US BANK	001500005200	DROPOX	0.00	99.00
1011	92619	05/24/18	1914	US BANK	001500005150	REPORTNG WBNR-PENNELL	0.00	99.00
1011	92619	05/24/18	1914	US BANK	255600006180	AMAZON PRIME MMBRSP	0.00	100.00
1011	92619	05/24/18	1914	US BANK	001650006530	CLOSED SESSION-4/11	0.00	106.67
1011	92619	05/24/18	1914	US BANK	001500005100	CLOSED SESSION-4/11	0.00	106.68
1011	92619	05/24/18	1914	US BANK	001650006510	APWA LNCH-MO/GOLD/GRE	0.00	120.00
1011	92619	05/24/18	1914	US BANK	001650006530	PRSSR WSHR BATTERY	0.00	139.73
1011	92619	05/24/18	1914	US BANK	001500005150	COUNCIL PICTURE FRAME	0.00	157.14
1011	92619	05/24/18	1914	US BANK	55000007750	SEA-WEB HOSTING	0.00	162.00
1011	92619	05/24/18	1914	US BANK	001650006530	STEP LADDER	0.00	165.94
1011	92619	05/24/18	1914	US BANK	250550005570	EGG HUNT-TOYS	0.00	190.62
1011	92619	05/24/18	1914	US BANK	001600006120	FUEL	0.00	198.71
1011	92619	05/24/18	1914	US BANK	001	PAYRLI LM-THAYER-4/30	0.00	199.00
1011	92619	05/24/18	1914	US BANK	001600006170	YAMAHA ADAPTER	0.00	201.19
1011	92619	05/24/18	1914	US BANK	250550005570	EGG HUNT-TOYS	0.00	214.42
1011	92619	05/24/18	1914	US BANK	001600006120	TONER - FD	0.00	216.55
1011	92619	05/24/18	1914	US BANK	001	USIA CONF-SHOOK-4/27	0.00	250.00
1011	92619	05/24/18	1914	US BANK	001600006120	CLNR/TISSUE/FLTR/TWL	0.00	326.03
1011	92619	05/24/18	1914	US BANK	001500005150	ARCHIVAL TAPE TO MP3	0.00	415.14
1011	92619	05/24/18	1914	US BANK	001500005150	ARCHIVAL TAPE TO CD	0.00	420.00
1011	92619	05/24/18	1914	US BANK	001600006120	LUMBER-TRAINING	0.00	500.00
1011	92619	05/24/18	1914	US BANK	001600006120	LUMBER-TRAINING	0.00	500.00
1011	92619	05/24/18	1914	US BANK	135500005450	CURVED MONITOR-SAMMAK	0.00	588.32
1011	92619	05/24/18	1914	US BANK	135500005450	CURVED MONITOR-LETTIS	0.00	617.66
1011	92619	05/24/18	1914	US BANK	001600006120	LUMBER-TRAINING	0.00	654.80
1011	92619	05/24/18	1914	US BANK	135600006170	WASHER/DRYER	0.00	738.18
1011	92619	05/24/18	1914	US BANK	135600006170	DRYER-MS	0.00	890.83
1011	92619	05/24/18	1914	US BANK	001	CALCARD BALANCE FWD	0.00	4,764.52
TOTAL	CHECK						0.00	21,219.50
1011	92620	05/24/18	1561	CDW GOVERNMENT INC	135500005450	RECEPTION PHONE	0.00	360.69
1011	92620	05/24/18	1561	CDW GOVERNMENT INC	135500005450	RECPTN HEADSET/CABLE	0.00	314.56
1011	92620	05/24/18	1561	CDW GOVERNMENT INC	001500005450	BATTERIES	0.00	17.19
TOTAL	CHECK						0.00	692.44
1011	92621	05/24/18	5051	CINTAS CORPORATION NO. 2	001650006570	FIRST AID SUPPLIES-PW	0.00	89.16

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92622	05/24/18	4279	CITY PLACE PLANNING, INC	21355005550	1714.08 AAF SOLANA 101	0.00	5,225.00
1011	92622	05/24/18	4279	CITY PLACE PLANNING, INC	00155005550	ON-CALL SVC-APR	0.00	3,355.00
1011	92622	05/24/18	4279	CITY PLACE PLANNING, INC	00155005550	ON-CALL SVC-MAR	0.00	4,950.00
1011	92622	05/24/18	4279	CITY PLACE PLANNING, INC	00155005550	ON-CALL SVC-FEB	0.00	6,682.50
TOTAL CHECK							0.00	20,212.50
1011	92623	05/24/18	5171	CORELOGIC SOLUTIONS, LLC	00155005550	PROPERTY PRO DATA	0.00	96.83
1011	92624	05/24/18	2165	CULLIGAN OF SAN DIEGO	00160006170	DRKNG WTR SVC-MAY	0.00	41.60
1011	92625	05/24/18	5423	TRACEY L DAVIS	55000007750	SEA FLYER ARTWORK	0.00	1,080.00
1011	92626	05/24/18	848	DEPARTMENT OF CONSUMER A	00165006510	SAMMAK-RNWL-ENG	0.00	57.50
1011	92626	05/24/18	848	DEPARTMENT OF CONSUMER A	50900007700	SAMMAK-RNWL-ENG	0.00	57.50
TOTAL CHECK							0.00	115.00
1011	92627	05/24/18	134	DIXIELINE LUMBER CO INC	00165006530	BATTERIES	0.00	253.00
1011	92627	05/24/18	134	DIXIELINE LUMBER CO INC	00165006530	ROUND ROD	0.00	3.87
1011	92627	05/24/18	134	DIXIELINE LUMBER CO INC	00165006570	BUG SPRAY	0.00	5.38
1011	92627	05/24/18	134	DIXIELINE LUMBER CO INC	00165006570	CAUKING	0.00	7.74
1011	92627	05/24/18	134	DIXIELINE LUMBER CO INC	00165006530	BATTERIES/WD-40	0.00	105.34
TOTAL CHECK							0.00	375.33
1011	92628	05/24/18	269	DUDEK & ASSOCIATES INC.	21355005550	1714.29/661-781 NARDO	0.00	10,807.50
1011	92629	05/24/18	5422	EGGLETON	001	DISMISSED: SB0634024	0.00	10.00
1011	92630	05/24/18	94	ESGIL CORPORATION	00155005560	BLDG PRMT 04/23-04/27	0.00	8,644.69
1011	92630	05/24/18	94	ESGIL CORPORATION	00160006120	FIRE PRMT 04/23-04/27	0.00	1,635.69
TOTAL CHECK							0.00	10,280.38
1011	92631	05/24/18	4692	GLOBE AIRCRAFT COMPANY	00160006170	LIFEGUARD GRAPHICS	0.00	247.83
1011	92632	05/24/18	3299	HELIX ENVIRONMENTAL	00150005200	HARBAUGH ENV RVW-FEB	0.00	1,762.50
1011	92632	05/24/18	3299	HELIX ENVIRONMENTAL	00150005200	HARBAUGH ENV RVW-MAR	0.00	0.73
1011	92632	05/24/18	3299	HELIX ENVIRONMENTAL	00150005200	HARBAUGH ENV RVW-MAR	0.00	224.27
TOTAL CHECK							0.00	1,987.50
1011	92633	05/24/18	3755	KEYSER MARSTON ASSOCIATE	00150005200	PROF SVC-APR	0.00	2,213.75
1011	92634	05/24/18	4600	KYLE KOSZEWNIK	00150005400	KOSZEWNIK-ARM 55	0.00	443.08
1011	92635	05/24/18	2102	LEGAL SHIELD CORP	001	PPD LEGAL-MAY 18	0.00	90.65
1011	92636	05/24/18	2883	LINSCOTT, LAW & GREENSPAN	45993226510	9322.01 SPEED PE04/30	0.00	1,603.50
1011	92637	05/24/18	5418	MALWAREBYTES	00150005450	75-ENDPOINT SECURITY	0.00	1,206.75
1011	92638	05/24/18	1861	MAUREEN KANE & ASSOCIATE	001	BAVIN-TTC400 6/19-22	0.00	1,550.00
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	12050005460	CLM.1802 COREA PE1130	0.00	245.00
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	65278007820	APFRDBL HSG-MAR	0.00	227.50

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 4
 ACCTPA21

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	SALES TAX	AMOUNT
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	26399465580	0.00	20.31
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	12050005460	0.00	52.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	52.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	262.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	297.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	332.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	420.00
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	422.60
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	542.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	612.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	2,047.50
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	2,750.00
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	4,305.00
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	4,445.08
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	5,500.00
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	8,407.43
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	0.00	-245.00
1011	92639	05/24/18	1130	MCDUGAL LOVE ECKIS SMIT	12050005460	0.00	30,697.92
TOTAL CHECK							
1011	92640	05/24/18	4738	MEDICAL EYE SERVICES	001	0.00	-11.29
1011	92640	05/24/18	4738	MEDICAL EYE SERVICES	001	0.00	-29.14
1011	92640	05/24/18	4738	MEDICAL EYE SERVICES	001	0.00	-365.76
1011	92640	05/24/18	4738	MEDICAL EYE SERVICES	00150005400	0.00	-0.22
1011	92640	05/24/18	4738	MEDICAL EYE SERVICES	00150005400	0.00	365.76
1011	92640	05/24/18	4738	MEDICAL EYE SERVICES	001	0.00	463.91
TOTAL CHECK							423.26
1011	92641	05/24/18	5407	PJ CASTORENA, INC.	55000007750	0.00	2,314.44
1011	92641	05/24/18	5407	PJ CASTORENA, INC.	55000007750	0.00	3,770.21
TOTAL CHECK							6,084.65
1011	92642	05/24/18	111	MISSION LINEN & UNIFORM	21400007600	0.00	1.84
1011	92642	05/24/18	111	MISSION LINEN & UNIFORM	50900007700	0.00	7.36
1011	92642	05/24/18	111	MISSION LINEN & UNIFORM	00165006560	0.00	8.28
1011	92642	05/24/18	111	MISSION LINEN & UNIFORM	00165006520	0.00	8.29
1011	92642	05/24/18	111	MISSION LINEN & UNIFORM	00165006530	0.00	14.73
TOTAL CHECK							40.50
1011	92643	05/24/18	4522	NISSHO OF CALIFORNIA	00165006560	0.00	116.41
1011	92644	05/24/18	66	NORTH COUNTY DISPATCH (J	00160006120	0.00	12,887.40
1011	92645	05/24/18	1377	ONE DAY SIGNS	00165006530	0.00	103.44
1011	92646	05/24/18	4767	PARTNERSHIPS WITH INDUST	00165006570	0.00	1,275.86
1011	92647	05/24/18	5419	PETER CAVANAGH	001	0.00	500.00
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	00150005400	0.00	1,551.60
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	001	0.00	2,863.52
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	00150005400	0.00	-0.07
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	001	0.00	45.00

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	001	EE# COBRA MAY 18	0.00	45.00
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	001	EE# COBRA MAY 18	0.00	139.60
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	00150005400	EE# -COBRA BALANCE	0.00	280.80
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	001	EE# -COBRA BALANCE	0.00	-280.80
1011	92648	05/24/18	1087	PREFERRED BENEFIT INS AD	001	EE# -COBRA BLNC	0.00	-1,551.60
TOTAL CHECK							0.00	3,093.05
1011	92649	05/24/18	1008	PSC, LLC	00165006520	HHW-APR	0.00	853.80
1011	92650	05/24/18	3307	PURE FLO WATER-LC	00170007110	DRINKING WATER-APR	0.00	28.94
1011	92651	05/24/18	2260	REDFLEX TRAFFIC SYSTEMS,	00165006540	RED LIGHT CAMERA-APR	0.00	7,158.00
1011	92652	05/24/18	1899	ROBERT GRISWOLD	001	RFND:CXL 7/6 FCC RNTL	0.00	813.89
1011	92653	05/24/18	5416	ROBERT HUGHES	001	DISMISSED: SB0633963	0.00	32.50
1011	92654	05/24/18	5421	ROBERT THOMAS	001	DISMISSED: SB0633560	0.00	347.50
1011	92655	05/24/18	5414	RUSSEL SKERRETT	00160006150	CERT LIVESCAN-SKERRET	0.00	20.00
1011	92656	05/24/18	3909	SECTRAN SECURITY INC	12050005460	COURIER SVC-MAR	0.00	106.00
1011	92656	05/24/18	3909	SECTRAN SECURITY INC	12050005460	COURIER SVC FUEL-MAR	0.00	12.19
TOTAL CHECK							0.00	118.19
1011	92657	05/24/18	1459	JASON SHOOK	00150005400	SHOOK-ENG COMP 1010	0.00	541.25
1011	92658	05/24/18	5402	SHULTZ AUDIO VIDEO	13560006170	2 OUTDOOR LOUDSKPR	0.00	1,704.50
1011	92659	05/24/18	4281	SIEMENS INDUSTRY, INC	00165006540	TRAFFIC SGNL MNT-APR	0.00	993.92
1011	92659	05/24/18	4281	SIEMENS INDUSTRY, INC	00165006540	TRAFFIC CALL OUT-APR	0.00	755.88
TOTAL CHECK							0.00	1,749.80
1011	92660	05/24/18	683	STATE CONTROLLER'S OFFIC	00160006140	2017 OFFSET PROGRAM	0.00	28.93
1011	92661	05/24/18	4465	SUN LIFE FINANCIAL	001	MAY 18 SUPP LIFE INS	0.00	267.10
1011	92661	05/24/18	4465	SUN LIFE FINANCIAL	001	MAY 18 LIFE&ADD INS	0.00	1,034.11
1011	92661	05/24/18	4465	SUN LIFE FINANCIAL	001	MAY 18 LTD	0.00	1,308.70
TOTAL CHECK							0.00	2,609.91
1011	92662	05/24/18	4842	SUPPLYWORKS, INC	00165006530	BLEACH/CAN LINERS/GLV	0.00	439.63
1011	92662	05/24/18	4842	SUPPLYWORKS, INC	00165006560	BLEACH/CAN LINERS/GLV	0.00	439.64
TOTAL CHECK							0.00	879.27
1011	92663	05/24/18	4606	T & T JANITORIAL, INC	00165006570	JANITORIAL SVC-APR	0.00	3,975.00
1011	92664	05/24/18	5172	JULIETTE THAYER	001	THAYER-PR LAW 4/30/18	0.00	-199.00
1011	92664	05/24/18	5172	JULIETTE THAYER	00150005300	THAYER-PR LAW 4/30/18	0.00	205.00
TOTAL CHECK							0.00	6.00
1011	92665	05/24/18	4534	TRAFFIC SUPPLY, INC	00165006530	12 DIRECTION POSTS	0.00	392.25

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 6
 ACCTPA21

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92666	05/24/18	2097	UT SAN DIEGO - NRTH COUN	22893626510	9362.18 RTP 5YR PLAN	0.00	138.38
1011	92667	05/24/18	30	VERIZON WIRELESS-SD	00165006520	PW CELL 04/02-05/01	0.00	5.89
1011	92667	05/24/18	30	VERIZON WIRELESS-SD	21100007600	PW CELL 04/02-05/01	0.00	5.89
1011	92667	05/24/18	30	VERIZON WIRELESS-SD	50900007700	PW CELL 04/02-05/01	0.00	5.89
1011	92667	05/24/18	30	VERIZON WIRELESS-SD	00165006510	PW CELL 04/02-05/01	0.00	11.76
1011	92667	05/24/18	30	VERIZON WIRELESS-SD	00165006540	PW CELL 04/02-05/01	0.00	11.77
1011	92667	05/24/18	30	VERIZON WIRELESS-SD	00165006560	PW CELL 04/02-05/01	0.00	11.77
1011	92667	05/24/18	30	VERIZON WIRELESS-SD	00165006530	PW CELL 04/02-05/01	0.00	17.66
	TOTAL CHECK						0.00	70.63
1011	92668	05/24/18	5091	WASHED OUT PRESSURE WASH	00160006170	PRSR WSH LIFGRD TWRS	0.00	596.00
1011	92669	05/24/18	4763	WESTERN AUDIO VISUAL	13550005450	FCCC RPLCMNT PROJECTR	0.00	6,419.19
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	W7830PT UPSTRS-APR	0.00	200.06
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	EXCESS CLR-03/21-4/21	0.00	328.40
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	EXCESS BLK-03/21-4/21	0.00	42.72
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	D95CP PLNG LEASE-APR	0.00	556.47
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	EXCESS COPIES3/21-4/21	0.00	112.63
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	W7830PT CLRKS-APR	0.00	219.50
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	EXCESS CLR-03/21-4/21	0.00	130.81
1011	92670	05/24/18	37	XEROX CORPORATION	00150005350	EXCESS BLK-03/21-4/21	0.00	63.39
	TOTAL CHECK						0.00	1,653.98
1011	92671	05/31/18	4711	ABEL PEREZ	00165006570	MILAGE 05/18-05/20/18	0.00	4.36
1011	92671	05/31/18	4711	ABEL PEREZ	00165006530	MILAGE 05/18-05/20/18	0.00	8.72
	TOTAL CHECK						0.00	13.08
1011	92672	05/31/18	1135	AFFORDABLE PIPELINE SERV	00165006520	H-STORM DRAIN MAINT	0.00	435.00
1011	92672	05/31/18	1135	AFFORDABLE PIPELINE SERV	00165006520	H-STORM DRAIN MAINT	0.00	705.00
	TOTAL CHECK						0.00	1,140.00
1011	92673	05/31/18	2124	AMIGO CUSTOM SCREENPRINT	25560006180	JR GRD UNIFORM-SHIRTS	0.00	9,524.29
1011	92674	05/31/18	4523	ARC ERGONOMICS	12050005460	PLN DPT STND DSKS (2)	0.00	3,375.64
1011	92674	05/31/18	4523	ARC ERGONOMICS	12050005460	1 ERGO CHAIR/FOOTREST	0.00	686.91
	TOTAL CHECK						0.00	4,062.55
1011	92675	05/31/18	2975	BABI-KINI/MICHELSON INC	25560006180	JRLG SWM SUIT/BRDSHRTS	0.00	375.00
1011	92676	05/31/18	2555	BOB HOFFMAN VIDEO PRODUC	00150005450	COUNCL MTG-12/13-5/14	0.00	8,790.00
1011	92677	05/31/18	3973	C2 PRINT AND MEDIA MANAG	00170007110	MEMORIAL DAY PROGRAMS	0.00	53.86
1011	92678	05/31/18	1561	CDW GOVERNMENT INC	00150005450	POWER SUPPLY	0.00	91.05
1011	92678	05/31/18	1561	CDW GOVERNMENT INC	13550005450	MSFT OFFICE 2016	0.00	328.11
	TOTAL CHECK						0.00	419.16
1011	92679	05/31/18	5051	CINTAS CORPORATION NO. 2	00165006570	FIRST AID SUPPLIES-CH	0.00	129.28
1011	92679	05/31/18	5051	CINTAS CORPORATION NO. 2	00165006570	FIRST AID SUPPLIES-PW	0.00	102.78
	TOTAL CHECK						0.00	232.06

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 7
 ACCTPA21

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92680	05/31/18	1295	CITY OF DEL MAR	00150005450	IT MAINT SUPPORT-APR	0.00	1,050.00
1011	92681	05/31/18	2631	CLEAN STREET	00165006550	SPCL EVNT SWP-05/18	0.00	483.00
1011	92682	05/31/18	3902	CORODATA RECORDS MANAGEM	00150005150	RECORDS STRG-APR	0.00	298.61
1011	92683	05/31/18	127	COX COMMUNICATIONS INC	00150005450	TV BRDCAST 5/10-06/09	0.00	1,167.15
1011	92684	05/31/18	5424	DALE KNOTT	001	RFND-1717.45/309 N AC	0.00	2,272.50
1011	92685	05/31/18	3962	BRYANT DAVIES	001	RE-ISSUE PR CK#46937	0.00	121.53
1011	92686	05/31/18	5210	COUNTY OF SAN DIEGO	00160006140	PRKNG CITE ADMIN-APR	0.00	4,573.40
1011	92687	05/31/18	5268	MALCOLM DOMAIN	001	RE-ISSUE PR CK#47853	0.00	878.03
1011	92687	05/31/18	5268	MALCOLM DOMAIN	001	RE-ISSUE PR CK#47909	0.00	72.76
	TOTAL CHECK						0.00	950.79
1011	92688	05/31/18	223	FEDEX	00150005150	SHIPPING 04/26/18	0.00	17.53
1011	92688	05/31/18	223	FEDEX	00150005150	SHIPPING-04/13/18	0.00	44.82
	TOTAL CHECK						0.00	62.35
1011	92689	05/31/18	4166	HOGAN LAW APC	21355005550	1714.29SOL HGHIND-JAN	0.00	1,365.00
1011	92689	05/31/18	4166	HOGAN LAW APC	21355005550	1714.08 PROF SVC-APR	0.00	325.00
1011	92689	05/31/18	4166	HOGAN LAW APC	21355005550	1714.08 PROF SVC-JAN	0.00	422.50
	TOTAL CHECK						0.00	2,112.50
1011	92690	05/31/18	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 06/01/18	0.00	9,512.33
1011	92691	05/31/18	3859	ICMA RETIREMENT TRUST-RH	001	ICMA PD 06/01/18	0.00	2,045.89
1011	92692	05/31/18	1075	IRON MOUNTAIN	00150005150	RECORDS STRG-MAY	0.00	351.12
1011	92693	05/31/18	4165	KANE BALLNER & BERKMAN	00150005250	NTCD PROF SVC PE04/30	0.00	210.00
1011	92694	05/31/18	5230	KRISTEN PRUETT	001	RFND:SBGR-354/960 AVO	0.00	46,813.84
1011	92695	05/31/18	172	LEE'S LOCK & SAFE INC	00165006570	RPR/HRDWR LOCKS-FS	0.00	307.13
1011	92696	05/31/18	2106	MIRHAIL OGAWA ENGINEERIN	00165006520	JURMP-APR	0.00	227.50
1011	92696	05/31/18	2106	MIRHAIL OGAWA ENGINEERIN	00165006520	JURMP-APR	0.00	7,070.98
	TOTAL CHECK						0.00	7,298.48
1011	92697	05/31/18	5395	MIRACLE RECREATION EQUIP	00165006560	PLYGRND PRTS-TOT LOT	0.00	1,552.50
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	1.63
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	1.82
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	6.50
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	7.25
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	7.31
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.32

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 8
 ACCTPA21

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	8.15
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	8.16
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	13.00
1011	92698	05/31/18	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	14.50
TOTAL CHECK							0.00	75.64
1011	92699	05/31/18	5391	NIELSEN MERKSAMER	00150005250	PROF SVC-APR	0.00	4,168.01
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	00165006530	STREET LNDSCP SVC-MAR	0.00	1,170.89
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	00165006530	STREET LNDSCP SVC-APR	0.00	1,190.19
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	00165006560	ERKS LNDSCP SVC-MAR	0.00	8,008.96
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	00165006560	ERKS LNDSCP SVC-APR	0.00	9,613.30
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	00165006570	PUBFAC LNDSCP SVC-MAR	0.00	1,425.93
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	00165006570	PUBFAC LNDSCP SVC-APR	0.00	1,699.37
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	20375007510	MID#33 LNDSCP SVC-MAR	0.00	2,373.20
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	20375007510	MID#33 LNDSCP SVC-APR	0.00	2,933.98
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	20875007580	CRT LNDSCP SVC-MAR	0.00	1,869.86
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	20875007580	CRT LNDSCP SVC-APR	0.00	2,703.50
1011	92700	05/31/18	4522	NISSHO OF CALIFORNIA	00165006560	RPLC SPRNKLRS-STN #13	0.00	116.41
TOTAL CHECK							0.00	33,105.59
1011	92701	05/31/18	50	OFFICE DEPOT INC	00150005350	PAPER/PENS	0.00	54.74
1011	92701	05/31/18	50	OFFICE DEPOT INC	00150005350	CUPS	0.00	4.09
1011	92701	05/31/18	50	OFFICE DEPOT INC	00150005300	ENVELOPE FOLDERS	0.00	14.00
TOTAL CHECK							0.00	72.83
1011	92702	05/31/18	57	OFFICE TEAM INC.	00150005150	TEMP HELP PE 05/04	0.00	954.00
1011	92702	05/31/18	57	OFFICE TEAM INC.	00150005150	TEMP HELP PE 05/11	0.00	973.88
TOTAL CHECK							0.00	1,927.88
1011	92703	05/31/18	54	1 STOP TONER & INKJET, L	00150005150	TONER-CLERK	0.00	75.03
1011	92704	05/31/18	4767	PARTNERSHIPS WITH INDUSTRY	00165006570	TRASH ABTMT PE 05/15	0.00	1,238.26
1011	92705	05/31/18	141	SANTA FE IRRIGATION DIST	00165006560	005506015 0316-051518	0.00	136.32
1011	92705	05/31/18	141	SANTA FE IRRIGATION DIST	00165006560	005506016 0316-051518	0.00	283.60
1011	92705	05/31/18	141	SANTA FE IRRIGATION DIST	00165006560	005979003 0316-051518	0.00	283.83
1011	92705	05/31/18	141	SANTA FE IRRIGATION DIST	20375007510	005979004 0316-051518	0.00	462.44
1011	92705	05/31/18	141	SANTA FE IRRIGATION DIST	20375007510	007732000 0316-051518	0.00	173.28
TOTAL CHECK							0.00	1,319.47
1011	92706	05/31/18	169	SD&E CO INC	00165006530	UTILITIES 03/31-05/08	0.00	434.91
1011	92706	05/31/18	169	SD&E CO INC	00165006540	UTILITIES 03/31-05/08	0.00	442.23
1011	92706	05/31/18	169	SD&E CO INC	20375007510	UTILITES 04/04-05/08	0.00	2,021.47
1011	92706	05/31/18	169	SD&E CO INC	00165006540	UTILITES 04/04-05/08	0.00	958.71
1011	92706	05/31/18	169	SD&E CO INC	00165006530	UTILITES 04/04-05/08	0.00	1,085.77
1011	92706	05/31/18	169	SD&E CO INC	00165006570	UTILITIES 03/31-05/08	0.00	1,444.52
1011	92706	05/31/18	169	SD&E CO INC	00165006570	UTILITES 04/04-05/08	0.00	4,892.22
1011	92706	05/31/18	169	SD&E CO INC	21100007600	UTILITIES 03/31-05/08	0.00	6,622.11
TOTAL CHECK							0.00	17,901.94
1011	92707	05/31/18	1073	SEASIDE HEATING & AIR CO	00165006570	HVAC MAINT-APR-MRS	0.00	65.00

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 9
 ACCTPA21

SELECTION CRITERIA: transact.gi_cash='1011' and transact.ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92707	05/31/18	1073	SEASIDE HEATING & AIR CO	00165006570	HVAC MAINT-APR-FS	0.00	120.00
1011	92707	05/31/18	1073	SEASIDE HEATING & AIR CO	00165006570	HVAC MAINT-APR-CH	0.00	245.00
1011	92707	05/31/18	1073	SEASIDE HEATING & AIR CO	00165006570	RPR SRVC RTN FLTR-MS	0.00	200.00
1011	92707	05/31/18	1073	SEASIDE HEATING & AIR CO	00165006570	RPR SRVC/FAN BLADE-CH	0.00	895.00
TOTAL CHECK							0.00	1,525.00
1011	92708	05/31/18	156	SHARP REES-STEALY MEDICA	12050005460	FIREFGHTR RESP REVIEW	0.00	300.00
1011	92708	05/31/18	156	SHARP REES-STEALY MEDICA	00150005400	PRE EMPLOYMENT SCREEN	0.00	999.00
TOTAL CHECK							0.00	1,299.00
1011	92709	05/31/18	153	SHELL FLEET MANAGEMENT	00160006120	AUTO FUEL- APRIL	0.00	1,496.34
1011	92709	05/31/18	153	SHELL FLEET MANAGEMENT	00160006120	CR EXEMPT TAX-APRIL	0.00	-105.45
TOTAL CHECK							0.00	1,390.89
1011	92710	05/31/18	13	SOLANA BEACH FIREFIGHTER	001	FD DUES PD 06/01/18	0.00	823.50
1011	92711	05/31/18	4959	TELECOM LAW FIRM	21355005550	1717.49/990 HIGHLAND	0.00	1,098.00
1011	92711	05/31/18	4959	TELECOM LAW FIRM	21355005550	1717.49/990 HIGHLAND	0.00	1,494.00
TOTAL CHECK							0.00	2,592.00
1011	92712	05/31/18	5197	TROUTMAN SANDERS LLP	00150005250	PROF SVC PE 04/27	0.00	5,252.43
1011	92713	05/31/18	12	UNITED WAY OF SAN DIEGO	001	UNITED WY PD 06/01/18	0.00	40.00
1011	92714	05/31/18	2097	UT SAN DIEGO - NRTH COUN	00150005150	ORD 486-AMEND	0.00	40.91
1011	92714	05/31/18	2097	UT SAN DIEGO - NRTH COUN	45994566510	9456.17 BID # 2018-04	0.00	606.74
TOTAL CHECK							0.00	647.65
1011	92715	05/31/18	410	WILLIAM ROSS	001	RE-ISSUE PR CK#46606	0.00	290.00
1011	92716	05/31/18	5105	NICK WILLIAMS	00150005400	RE-ISSUE CK#088058	0.00	20.00
1011	92717	06/05/18	5426	CA DEPARTMENT OF MOTOR V	12050005460	CR16.927 DMV SERVICE	0.00	2.00
1011	92718	06/07/18	5425	MARIO ALBERTO ROJAS	00150005150	INTRP-CH/LC-05/14-15	0.00	1,000.00
1011	92719	06/07/18	1135	AFFORDABLE PIPELINE SERV	00165006520	K-STORM DRAIN MAINT	0.00	1,100.00
1011	92719	06/07/18	1135	AFFORDABLE PIPELINE SERV	00165006520	H-STORM DRAIN MAINT	0.00	1,140.00
TOTAL CHECK							0.00	2,240.00
1011	92720	06/07/18	112	ALLIANT INSURANCE SVCS I	25570007110	JR GRD/DAY CAMP INS	0.00	1,425.50
1011	92720	06/07/18	112	ALLIANT INSURANCE SVCS I	25560006180	JR GRD/DAY CAMP INS	0.00	12,829.50
TOTAL CHECK							0.00	14,255.00
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00160006120	AUTO FUEL 05/03-06/02	0.00	239.40
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00160006170	AUTO FUEL 05/03-06/02	0.00	348.37
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00165006530	AUTO FUEL 05/03-06/02	0.00	356.49
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00165006520	AUTO FUEL 05/03-06/02	0.00	393.35
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00160006140	AUTO FUEL 05/03-06/02	0.00	422.67
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00170007110	AUTO FUEL 05/03-06/02	0.00	58.99
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00165006560	AUTO FUEL 05/03-06/02	0.00	73.76
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00165006570	AUTO FUEL 05/03-06/02	0.00	122.93

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 10
 ACCTPA21

SELECTION CRITERIA: transact.gi_cash='1011' and transact.ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	00165006510	AUTO FUEL 05/03-06/02	0.00	135.22
1011	92721	06/07/18	3704	ARCO GASPRO PLUS	50900007700	AUTO FUEL 05/03-06/02	0.00	147.51
	TOTAL CHECK						0.00	2,298.69
1011	92722	06/07/18	4832	AT&T CALNET 3	00150005450	9391012278 4/24-5/23	0.00	2,277.90
1011	92722	06/07/18	4832	AT&T CALNET 3	00150005450	9391012282 4/24-5/23	0.00	19.06
1011	92722	06/07/18	4832	AT&T CALNET 3	00150005450	9391053641 4/24-5/23	0.00	165.13
1011	92722	06/07/18	4832	AT&T CALNET 3	60160006150	9391012275 4/24-5/23	0.00	165.13
1011	92722	06/07/18	4832	AT&T CALNET 3	00160006170	9391053651 4/25-5/24	0.00	216.57
1011	92722	06/07/18	4832	AT&T CALNET 3	00160006170	9391012281 4/25-5/24	0.00	62.43
	TOTAL CHECK						0.00	2,906.22
1011	92723	06/07/18	5029	BILL SMITH FOREIGN CAR S	25560006180	TACOMA-OIL/FILTER	0.00	38.03
1011	92724	06/07/18	3480	BUSINESS PRINTING COMPAN	00150005100	BUS CRD-ZAHN	0.00	80.23
1011	92724	06/07/18	3480	BUSINESS PRINTING COMPAN	00160006120	BUS CRD-SAMPLE	0.00	75.15
	TOTAL CHECK						0.00	155.38
1011	92725	06/07/18	2421	CALIFORNIA COASTAL COMM	45099266190	SCOUP CDP AMNDMNT FEE	0.00	1,167.00
1011	92726	06/07/18	1561	CDW GOVERNMENT INC	13550005450	MCRSFT 16 USR LIC-85	0.00	30,515.00
1011	92726	06/07/18	1561	CDW GOVERNMENT INC	00150005450	BATTERIES	0.00	20.41
	TOTAL CHECK						0.00	30,535.41
1011	92727	06/07/18	5336	COLANTUONO, HIGSMITH, &	65278007820	SDCOE CONSORTIUM	0.00	22.57
1011	92728	06/07/18	127	COX COMMUNICATIONS INC	00150005450	CITYINTRNT 05/19-06/18	0.00	528.18
1011	92729	06/07/18	1964	CSAC EXCESS INSURANCE AU	12050005460	EVAL CERTS - 10-12/17	0.00	1,162.50
1011	92730	06/07/18	218	DATATICKET INC.	00160006140	PRKNG TCKT ADMIN-APR	0.00	1,251.23
1011	92731	06/07/18	1570	DAY WIRELESS SYSTEMS (20	00160006170	8 BTRYS-FOR XTS2500	0.00	744.08
1011	92732	06/07/18	134	DIXIELINE LUMBER CO INC	00165006560	HOLE STRAP	0.00	3.87
1011	92732	06/07/18	134	DIXIELINE LUMBER CO INC	00165006560	LQD NAIL/DRILL BITS	0.00	10.03
	TOTAL CHECK						0.00	13.90
1011	92733	06/07/18	825	EMERGENCY MEDICAL PRODUC	25560006180	FRST AID SPPL-JR LGRD	0.00	2,162.55
1011	92734	06/07/18	404	FRED GONZALES	001	RFND-EP4023/120 STEVE	0.00	611.00
1011	92735	06/07/18	2162	FRIENDS OF SOLANA BEACH	00150005100	FY17/18 SB LIB CNTREBT	0.00	10,000.00
1011	92736	06/07/18	321	GOLDEN TELECOM, INC.	25560006180	MS PHONE SYSTEM	0.00	416.00
1011	92737	06/07/18	4166	HOGAN LAW APC	00150005250	22ND DIST AG-SEPT	0.00	4,727.55
1011	92737	06/07/18	4166	HOGAN LAW APC	00150005250	22ND DIST AG-SEPT	0.00	816.04
	TOTAL CHECK						0.00	5,543.59
1011	92738	06/07/18	50	OFFICE DEPOT INC	00160006140	FOLDERS/MARKERS	0.00	60.58

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 11
 ACCTPA21

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND									
CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT	
1011	92739	06/07/18	3754	PAL GENERAL ENGINEERING	20293626510	9362PAV RPR CNT-APR	0.00	65,104.45	
1011	92739	06/07/18	3754	PAL GENERAL ENGINEERING	20293626510	9362PAV CTN RTN-APR	0.00	3,426.55	
1011	92739	06/07/18	3754	PAL GENERAL ENGINEERING	202	9362PAV CTN RTN-APR	0.00	-3,426.55	
TOTAL CHECK									65,104.45
1011	92740	06/07/18	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.40/318 S NARDO	0.00	500.00	
1011	92740	06/07/18	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1718.06/346 GLENMONT	0.00	375.00	
1011	92740	06/07/18	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1716.49/1048 VIA MIL	0.00	250.00	
1011	92740	06/07/18	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.37/607 N CEDROS	0.00	250.00	
1011	92740	06/07/18	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.25/781 E SOLANA	0.00	250.00	
1011	92740	06/07/18	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.36/850 AVOCADO	0.00	250.00	
1011	92740	06/07/18	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.23/809 SEABRIGHT	0.00	250.00	
TOTAL CHECK									2,125.00
1011	92741	06/07/18	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-CH	0.00	45.00	
1011	92741	06/07/18	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-MS	0.00	30.00	
1011	92741	06/07/18	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-PW	0.00	30.00	
1011	92741	06/07/18	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-FC	0.00	30.00	
1011	92741	06/07/18	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-LC	0.00	30.00	
1011	92741	06/07/18	5361	HABITAT PROTECTION, INC	00165006570	PEST CONTROL-MAY-FS	0.00	35.00	
TOTAL CHECK									200.00
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	00165006560	005979-005 4/03-6/01	0.00	214.44	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	20475007520	GRP 5-25 4/03-6/01	0.00	3,462.25	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	20475007520	GRP 6-01 05/02-06/01	0.00	6,912.52	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	00165006560	SANTA FE IRRIGATION 0502-060118	0.00	486.31	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	20875007580	005506020 0502-060118	0.00	1,330.81	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	00165006560	11695000 0502-060118	0.00	31.01	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	00165006560	11695000 0502-060118	0.00	93.05	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	00165006560	005506019 0502-060118	0.00	1,176.31	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	50900007700	005979-008 4/03-6/01	0.00	89.70	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	00165006560	005506014 0502-060118	0.00	167.60	
1011	92742	06/07/18	141	SANTA FE IRRIGATION DIST	50900007700	005506014 0502-060118	0.00	502.80	
TOTAL CHECK									14,466.80
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	CR-MEMO PAD	0.00	-12.26	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	NOTEBOOKS	0.00	8.61	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	SOAP/MARKR/MEMO PAD	0.00	28.58	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005300	PENCIL CUP/PLSTC ENVL	0.00	36.28	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	POST ITS/TABS/PAPER	0.00	45.87	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	LABELS/DSK ORGNZR/PPR	0.00	71.73	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	396.43	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	MOUSE PADS	0.00	16.83	
1011	92743	06/07/18	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	73.43	
TOTAL CHECK									665.50
1011	92744	06/07/18	2218	STATEWIDE STRIPES, INC	00165006530	HNDPC STNCL MULTI LOC	0.00	2,400.00	
1011	92745	06/07/18	3066	SUMMIT ENVIRONMENTAL GRO	21355005550	1717.39/325 S SIERRA	0.00	3,000.00	
1011	92746	06/07/18	2097	UT SAN DIEGO - NRTH COUN	20375007510	18-19 MID FEES	0.00	113.62	
1011	92746	06/07/18	2097	UT SAN DIEGO - NRTH COUN	00150005300	PUB NTC 18/19 FIR BEN	0.00	115.98	

PENTAMATION
 DATE: 06/11/2018
 TIME: 08:14:53

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 12
 ACCTPAZ1

SELECTION CRITERIA: transact.gl_cash='1011' and transact.ck_date between '20180519 00:00:00.000' and '20180608 00:00:00.000'
 ACCOUNTING PERIOD: 12/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
TOTAL CHECK								
1011	92747	06/07/18	3723	WAGEWORKS	00150005400	FSA ADMIN-MAY	0.00	107.75
1011	92748	06/07/18	5429	WILLIAMS SCOTSMAN, INC.	25560006180	MOBL OFFC-5/15-6/14	0.00	1,873.55
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	W7830PT UPSTRS-MAY	0.00	200.06
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	EXCESS CLR-4/21-5/21	0.00	304.28
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	EXCESS BLK-4/21-5/21	0.00	50.53
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	D95CP PLNG LEASE-MAY	0.00	556.47
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	EXCESS CORYS 4/21-5/21	0.00	84.51
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	W7830PT CLRKS-MAY	0.00	219.50
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	EXCESS CLR-4/21-5/21	0.00	271.98
1011	92749	06/07/18	37	XEROX CORPORATION	00150005350	EXCESS BLK-4/21-5/21	0.00	27.37
TOTAL CHECK								1,714.70
TOTAL CASH ACCOUNT							0.00	518,492.33
TOTAL FUND							0.00	518,492.33
TOTAL REPORT							0.00	518,492.33



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Finance
SUBJECT: **Report on Changes Made to the General Fund Adopted Budget for Fiscal Year 2017-2018**

BACKGROUND:

Staff provides a report at each Council meeting that lists changes made to the current Fiscal Year (FY) General Fund Adopted Budget.

The information provided in this Staff Report lists the changes made through June 13, 2018.

DISCUSSION:

The following table reports the revenue, expenditures, and transfers for 1) the Adopted General Fund Budget approved by Council on June 14, 2017 (Resolution 2017-095) and 2) any resolutions passed by Council that amended the Adopted General Fund Budget.

GENERAL FUND - ADOPTED BUDGET PLUS CHANGES					
As of June 14, 2018					
Action	Description	Revenues	Expenditures	Transfers from GF	Net Surplus
Reso 2017-195	Adopted Budget	17,611,600	(16,932,700)	(372,400) (1)	\$ 306,500
Reso 2017-122	Marine Safety MOU	-	(11,340)	-	295,160
Reso 2017-123	Salary and Comp Plan	-	(75,500)	-	219,660
Reso 2017-126	Miscellaneous MOU	-	(53,600)	-	166,060
Reso 2018-015	Mid-Year Budget Adjustments	206,800	(205,400)	-	167,460
Reso 2018-018	FY18 Seasonal/Temporary Salary Schedule	-	(13,650)	-	153,810
Reso 2018-40	La Colonia Park- Skate Park Construction Contract	-	-	(2,500) (2)	151,310
(1)	Transfers to:				
	Debt Service for Public Facilities		152,400		
	City CIP Fund		220,000	372,400	
(2)	Transfers to:				
	City CIP Fund		2,500		
				2,500	

COUNCIL ACTION:

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA

FISCAL IMPACT:

N/A

WORK PLAN:

N/A

OPTIONS:

- Receive the report.
- Do not accept the report

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council receive the report listing changes made to the FY 2017-2018 General Fund Adopted Budget.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 13, 2018
ORIGINATING DEPT: Finance
SUBJECT: Council Consideration of Resolution 2018-066 Adopting the Fiscal Year 2018/19 City Investment Policy

BACKGROUND:

Pursuant to its own terms, the City's Investment Policy (Policy) must be reviewed and adopted annually by a resolution of the City Council. The terms of the Policy must be in compliance with the California Government Code (Code) Section 53601.

This item is before the City Council to consider Resolution 2018-066 (Attachment 1) adopting the City's Investment Policy for Fiscal Year (FY) 2018/19.

DISCUSSION:

The proposed Policy (Attachment 2) is not intended to be comprehensive for all situations, but instead serves as a guideline for the City Treasurer, under the direction of the City Manager, to assist in the adequate safeguarding of the City's financial assets. The attached Policy conforms to Code Section 53601. The City's Policy is more restrictive in terms of allowable investments than what is recommended by the Code.

With consideration of Council's directive in September 2017 on purchases of securities issued by fossil fuel companies, the Policy has been updated to incorporate that language. Also included in the Policy are updates to reflect clarifications made to the Code and Chandler Asset Management's suggested best practices. Chandler Asset Management currently manages a portion of the City's investment portfolio.

The following is a summary of the changes to the Policy:

- Fossil Fuel Restriction - Restrict purchase of securities issued by fossil fuel companies that directly source their revenue from oil, gas, and/or coal production per Council directive letter. (Section XI, pg 12)

CITY COUNCIL ACTION:

- Credit Quality minimums at time of purchase - Specify that credit quality minimums are applicable at time of purchase. While investments are governed by the Code, the City further restricted eligible investments based on a rating category above A and percentage holding limits. Chandler recommends also including credit quality minimums at time of purchase along with the other current restrictions. This will further validate the quality of investments the City is invested in. (Section IX, pg 7)
- Ratings Category – Add language where long-term ratings are specified to include the ratings category. For example, ratings must be in the A or AA “category or its equivalent.” The clarifying language regarding municipal securities rating was changed to be more consistent with Code section 53601 (a,c,e). The current practice of only investing in securities rated “A” or higher still applies. There is no impact to the City’s current investment strategy. (Section IX, pg 7)
- Mutual Funds and Money Market Mutual Funds – Add clarifying language that allows California agencies to purchase Mutual Funds up to 10% per issuer and Money Market Mutual Funds up to 20% per issuer with a combined overall exposure limit of 20% per issuer in accordance with Code Section 53601(l). Section IX No. 16 is expanded to match language more consistent with the Code. There is no impact to the City’s current investment strategy. (Section IX, pg 11-12)
- Municipal Securities - Update language to be more consistent with Code Section 53601(a,c,e). Section IX No. 1 is expanded into two sections, one referring strictly to California and the other to non-California municipal securities. There is no impact to the City’s current investment strategy. (Section IX, pg 6-7)
- Risk Management and Diversification - Add language limiting exposure to any individual issuer, except where otherwise specified in the policy, reducing the risk of having conflicting information within the investment policy. This language change is recommended by Chandler to guard against unintentional conflicts in investment policy. (Section XVI, pg 16)

Staff believes that the investments allowed under the attached Policy are conservative and appropriate for a small city without the resources to actively manage the investment portfolio. The Policy is included within the City’s budget document, and as such is subject to public scrutiny.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

N/A

WORK PLAN:

N/A

OPTIONS:

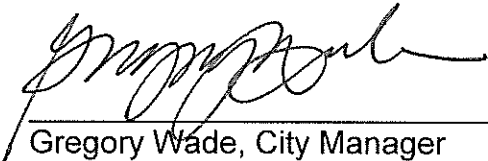
- Approve Staff recommendation to adopt the City's Investment Policy for FY 2018/19
- Approve Staff recommendation with alternative amendments / modifications to the City's Investment Policy

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 2018-066 (Attachment 1) approving the City's Investment Policy for FY 2018/19.

CITY MANAGER'S RECOMMENDATION:

Approve department recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2018-066
2. City of Solana Beach Investment Policy FY 2018/19
3. City of Solana Beach Investment Policy FY 2018/19 Redlined

RESOLUTION 2018-066

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE CITY OF SOLANA BEACH'S INVESTMENT POLICY FOR FISCAL YEAR 2018/19

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code Sections 53600.6 and 53630.1); and

WHEREAS, the City Council may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Section 53600 *et seq.* and this policy; and

WHEREAS, the City Treasurer of the City of Solana Beach may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Section 53600 *et seq.* and this policy; and

WHEREAS, the City Treasurer of the City of Solana Beach, under the direction of the City Manager, has prepared and submitted a statement of investment policy and such policy, and any changes thereto, have been considered by the City Council at a public meeting.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolves as follows:

1. That the above recitations are true.
2. That the City Council approves the updated Investment Policy for Fiscal Year 2018/19.

/

/

/

/

/

/

PASSED AND ADOPTED this 27th day of June 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

CITY OF SOLANA BEACH

INVESTMENT POLICY

FISCAL YEAR 2018/19

CONTENTS

I.	Introduction.....	1
II.	Scope	1
III.	Prudence	2
IV.	Objectives.....	3
V.	Delegation of Authority	3
VI.	Ethics and Conflicts of Interest	4
VII.	Internal Controls	4
VIII.	Authorized Financial Institutions, Depositories, and Broker/Dealers	5
IX.	Authorized Investments	6
X.	Prohibited Investment Vehicles and Practices.....	11
XI.	Fossil Fuels Restriction	12
XII.	Investment Pools/Mutual Funds	12
XIII.	Collateralization	13
XIV.	Delivery, Safekeeping and Custody.....	13
XV.	Maximum Maturity	14
XVI.	Risk Management and Diversification	14
XVII.	Review of Investment Portfolio	15
XVIII.	Performance Evaluation	16
XIX.	Reporting.....	16
XX.	Review of Investment Policy.....	17

I. INTRODUCTION

The purpose of this document is to outline the City's policy for the investment of public funds.

It is the policy of the City of Solana Beach, the Solana Beach Public Financing Authority and the Solana Beach Public Facilities Corporation (hereafter referred collectively as the "City") to predicate their investment policies, procedures and practices upon the limitations placed upon them by the governing legislative bodies. These policies shall have four primary goals:

- To assure compliance with federal, state, and local laws governing the investment of public monies under the control of the City Treasurer.
- To provide sufficient liquidity to meet normal operating and unexpected expenditures.
- To protect the principal monies entrusted to the City.
- To generate the maximum amount of investment income within the parameters of prudent risk management as defined in this Investment Policy.

This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

This investment policy was endorsed and adopted by the City of Solana Beach City Council and is effective as of the _____ day of _____, 20XX, and replaces any previous versions.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq.*, with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Any other funds specifically exempted by the City Council.

Funds not included in the policy include the City's deferred compensation plans (Plans). These Plans will be excluded from the policy under the following circumstances:

- i. A third party administrator administers the plan
- ii. Individual plan participants have control over the selection of investments
- iii. The City has no fiduciary responsibility to act as a "trustee" for the Plan.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. PRUDENCE

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Treasurer and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the Treasurer or other authorized persons acted in good faith. Deviations from

expectations of a security's credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

IV. OBJECTIVES

The City's overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

- **SAFETY.** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- **LIQUIDITY.** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- **RETURN ON INVESTMENTS.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

V. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from California Government Code, Sections 41006 and 53600 *et seq.*

The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the Treasurer.

The Treasurer will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to

purchase and sell investment securities in accordance with this investment policy.

If the City Treasurer is unavailable, then the Finance Manager, Deputy City Manager, or the City Manager shall authorize the investment transactions, in writing, prior to execution.

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City and/or the City Council, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City's Treasurer will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the City. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public City investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the City's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

IX. AUTHORIZED INVESTMENTS

The City's investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and credit quality minimums listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

1. MUNICIPAL SECURITIES include obligations of the City, the State of California, and any local agency within the State of California, provided that:

- The securities are rated in a rating category of "A" or its equivalent or higher by at least one nationally recognized statistical rating organization ("NRSRO").
- No more than 5% of the portfolio may be invested in any single issuer.
- No more than 30% of the portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2. MUNICIPAL SECURITIES (REGISTERED TREASURY NOTES OR BONDS) of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

- The securities are rated in a rating category of “A” or its equivalent or higher by at least one nationally recognized statistical rating organization (“NRSRO”).
 - No more than 5% of the portfolio may be invested in any single issuer.
 - No more than 30% of the portfolio may be in Municipal Securities.
 - The maximum maturity does not exceed five (5) years.
- 3. U.S. TREASURIES** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:
- The maximum maturity is five (5) years.
- 4. FEDERAL AGENCIES** or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal City or Government-Sponsored Enterprises (GSEs), provided that:
- No more than 25% of the portfolio may be invested in any single City/GSE issuer.
 - The maximum maturity does not exceed five (5) years.
- 5. BANKER’S ACCEPTANCES**, provided that:
- They are issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term debt obligations which are rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - No more than 40% of the portfolio may be invested in Banker’s Acceptances.
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed 180 days.
- 6. COMMERCIAL PAPER**, provided that:
- The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million.
 - The securities are rated “A-1” or the equivalent or higher by at least one NRSRO.

- They are issued by corporations which have long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - City may purchase no more than 10% of the outstanding commercial paper of any single issuer.
 - No more than 25% of the portfolio may be invested in Commercial Paper.
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed 270 days.
- 7. NEGOTIABLE CERTIFICATES OF DEPOSIT (NCDs)**, issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:
- The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
 - Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed five (5) years.
- 8. FEDERALLY INSURED TIME DEPOSITS (Non-Negotiable Certificates of Deposit)** in state or federally chartered banks, savings and loans, or credit unions, provided that:
- The amount per institution is limited to the maximum covered under federal insurance.
 - No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
 - The maximum maturity does not exceed five (5) years.

- 9. COLLATERALIZED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:
- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
 - The maximum maturity does not exceed five (5) years.
- 10. CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)**, provided that:
- No more than 30% of the total portfolio may be invested in a combination of Certificates of Deposit, including CDARS.
 - The maximum maturity does not exceed five (5) years.
- 11. COLLATERALIZED BANK DEPOSITS.** City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651.
- 12. REPURCHASE AGREEMENTS** collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:
- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
 - Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
 - The maximum maturity does not exceed one (1) year.
- 13. STATE OF CALIFORNIA LOCAL CITY INVESTMENT FUND (LAIF)**, provided that:
- The City may invest up to the maximum amount permitted by LAIF.
 - LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.
- 14. INVESTMENT TRUST OF CALIFORNIA (CALTRUST)**, which is a joint powers authority (JPA), organized and managed by the Investment Trust of California

JPA for the benefit of local agencies, pursuant to California Government Code Section 6509.7

15. CORPORATE MEDIUM TERM NOTES (MTNs), provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in the “A” category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

16. ASSET-BACKED, MORTGAGE-BACKED, MORTGAGE PASS-THROUGH SECURITIES, AND COLLATERALIZED MORTGAGE OBLIGATIONS, provided that:

- The securities are rated in the “AA” category or the equivalent or higher by a NRSRO.
- They are issued by an issuer having long-term debt obligations rated in the “A” category or higher by at least one NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer. There is no issuer limitation on any Mortgage security where the issuer is the US Treasury or a Federal City/GSE.
- The maximum legal final maturity does not exceed five (5) years.

17. MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

- a. **MUTUAL FUNDS** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:

1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
 3. No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
- b. **MONEY MARKET MUTUAL FUNDS** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
1. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
 3. No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.
- c. No more than 20% of the total portfolio may be invested in these securities.

18. SUPRANATIONALS, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in the "AA" category or the equivalent or higher by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

X. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

- State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.

- In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.

XI. Fossil Fuels Restriction

- The purchase of securities issued by fossil fuel companies that directly source the majority (more than 50%) of their of their revenue from oil, gas and/or coal production is prohibited.

XII. INVESTMENT POOLS/MUTUAL FUNDS

The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?

7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XIII. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDs). The City shall require any commercial bank or savings and loan association to deposit eligible securities with an City of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

REPURCHASE AGREEMENTS. The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

XIV. DELIVERY, SAFEKEEPING AND CUSTODY

DELIVERY-VERSUS-PAYMENT (DVP). All investment transactions shall be conducted on a delivery-versus-payment basis.

SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable.

XV. MAXIMUM MATURITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

XVI. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the "Authorized Investments" section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be invested in securities of any single issuer, except where the issuer is the US Government, its Agencies and GSEs, an authorized Supranational issuer or where the security is a Money Market Mutual Fund, Local City Investment Fund (LAIF) or other Local Government Investment Pool, or where otherwise specified in this investment policy.
- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City's risk preferences.

- If securities owned by the City are downgraded by an NRSRO to a level below the quality required by this investment policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
- If a security is downgraded, the Treasurer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.
- The maximum percent of callable securities (does not include "make whole call" securities as defined in the Glossary) in the portfolio will be 20%.
- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

XVII. REVIEW OF INVESTMENT PORTFOLIO

The Treasurer shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish

protocols for reporting major and critical incidences of noncompliance to the City Council.

XVIII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer's quarterly report. The Treasurer shall select an appropriate, readily available index to use as a market benchmark.

XIX. REPORTING

MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the City Council within 30 days of the end of the reporting period in accordance with California Government Code Section 53607.

QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 30 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the City's portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date, interest rate and interest rate.
2. Transactions for the period.
3. A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; investment pools, outside money managers and securities lending agents)
4. A one-page summary report that shows:
 - a. Average maturity of the portfolio and modified duration of the portfolio;
 - b. Maturity distribution of the portfolio;
 - c. Percentage of the portfolio represented by each investment category;

- d. Average portfolio credit quality; and,
 - e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the City's market benchmark returns for the same periods;
5. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.
 6. A statement that the City has adequate funds to meet its cash flow requirements for the next six months.

ANNUAL REPORTS

A comprehensive annual report will be presented to the City Council. This report will include comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

XX. REVIEW OF INVESTMENT POLICY

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

Prepared by:

Marie Marron Berkuti

Finance Manager/City Treasurer

Approved as to legal form:

Johanna Canlas
City Attorney

Approved:

David A. Zito, Deputy Mayor
City Council

Date:

Glossary of Investment Terms

AGENCIES. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASKED. The price at which a seller offers to sell a security.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER’S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The price at which a buyer offers to buy a security.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COST YIELD. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CURRENT YIELD. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DEBENTURE. A bond secured only by the general credit of the issuer.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

FEDERAL OPEN MARKET COMMITTEE. A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MARKING TO MARKET. The process of posting current market values for securities in a portfolio.

MATURITY. The final date upon which the principal of a security becomes due and payable.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PREPAYMENT SPEED. A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

CITY OF SOLANA BEACH

INVESTMENT POLICY

FISCAL YEAR 2018/19

CONTENTS

I.	Introduction.....	1
II.	Scope	1
III.	Prudence	2
IV.	Objectives.....	3
V.	Delegation of Authority	3
VI.	Ethics and Conflicts of Interest	4
VII.	Internal Controls	4
VIII.	Authorized Financial Institutions, Depositories, and Broker/Dealers	5
IX.	Authorized Investments	6
X.	Prohibited Investment Vehicles and Practices.....	11
XI.	Fossil Fuels Restriction	12
XII.	Investment Pools/Mutual Funds	12
XIII.	Collateralization	13
XIV.	Delivery, Safekeeping and Custody.....	13
XV.	Maximum Maturity	14
XVI.	Risk Management and Diversification	14
XVII.	Review of Investment Portfolio	15
XVIII.	Performance Evaluation	16
XIX.	Reporting.....	16
XX.	Review of Investment Policy.....	17

I. INTRODUCTION

The purpose of this document is to outline the City's policy for the investment of public funds.

It is the policy of the City of Solana Beach, the Solana Beach Public Financing Authority and the Solana Beach Public Facilities Corporation (hereafter referred collectively as the "City") to predicate their investment policies, procedures and practices upon the limitations placed upon them by the governing legislative bodies. These policies shall have four primary goals:

- To assure compliance with federal, state, and local laws governing the investment of public monies under the control of the City Treasurer.
- To provide sufficient liquidity to meet normal operating and unexpected expenditures.
- To protect the principal monies entrusted to the City.
- To generate the maximum amount of investment income within the parameters of prudent risk management as defined in this Investment Policy.

This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

This investment policy was endorsed and adopted by the City of Solana Beach City Council and is effective as of the _____ day of _____, 20XX, and replaces any previous versions.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq.*, with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Any other funds specifically exempted by the City Council.

Funds not included in the policy include the City's deferred compensation plans (Plans). These Plans will be excluded from the policy under the following circumstances:

- i. A third party administrator administers the plan
- ii. Individual plan participants have control over the selection of investments
- iii. The City has no fiduciary responsibility to act as a "trustee" for the Plan.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. PRUDENCE

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Treasurer and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the Treasurer or other authorized persons acted in good faith. Deviations from

expectations of a security's credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

IV. OBJECTIVES

The City's overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

- **SAFETY.** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- **LIQUIDITY.** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- **RETURN ON INVESTMENTS.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

V. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from California Government Code, Sections 41006 and 53600 *et seq.*

The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the Treasurer.

The Treasurer will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to

purchase and sell investment securities in accordance with this investment policy.

If the City Treasurer is unavailable, then the Finance Manager, Deputy City Manager, or the City Manager shall authorize the investment transactions, in writing, prior to execution.

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City and/or the City Council, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City's Treasurer will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the City. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public City investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the City's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

IX. AUTHORIZED INVESTMENTS

The City's investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and credit quality minimums listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

1. MUNICIPAL SECURITIES include obligations of the City, the State of California, and any local agency within the State of California, provided that:

- The securities are rated in a rating category of "A" or its equivalent or higher by at least one nationally recognized statistical rating organization ("NRSRO").
- No more than 5% of the portfolio may be invested in any single issuer.
- No more than 30% of the portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2. MUNICIPAL SECURITIES (REGISTERED TREASURY NOTES OR BONDS) of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

- The securities are rated in a rating category of “A” or its equivalent or higher by at least one nationally recognized statistical rating organization (“NRSRO”).
 - No more than 5% of the portfolio may be invested in any single issuer.
 - No more than 30% of the portfolio may be in Municipal Securities.
 - The maximum maturity does not exceed five (5) years.
- 3. U.S. TREASURIES** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:
- The maximum maturity is five (5) years.
- 4. FEDERAL AGENCIES** or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal City or Government-Sponsored Enterprises (GSEs), provided that:
- No more than 25% of the portfolio may be invested in any single City/GSE issuer.
 - The maximum maturity does not exceed five (5) years.
- 5. BANKER’S ACCEPTANCES**, provided that:
- They are issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term debt obligations which are rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - No more than 40% of the portfolio may be invested in Banker’s Acceptances.
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed 180 days.
- 6. COMMERCIAL PAPER**, provided that:
- The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million.
 - The securities are rated “A-1” or the equivalent or higher by at least one NRSRO.

- They are issued by corporations which have long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - City may purchase no more than 10% of the outstanding commercial paper of any single issuer.
 - No more than 25% of the portfolio may be invested in Commercial Paper.
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed 270 days.
- 7. NEGOTIABLE CERTIFICATES OF DEPOSIT (NCDs)**, issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:
- The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
 - Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated “A-1” or the equivalent or higher by at least one NRSRO; or long-term obligations rated in the “A” category or the equivalent or higher by at least one NRSRO.
 - No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
 - No more than 5% of the portfolio may be invested in any single issuer.
 - The maximum maturity does not exceed five (5) years.
- 8. FEDERALLY INSURED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:
- The amount per institution is limited to the maximum covered under federal insurance.
 - No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
 - The maximum maturity does not exceed five (5) years.

- 9. COLLATERALIZED TIME DEPOSITS (Non-Negotiable Certificates of Deposit)** in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:
- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
 - The maximum maturity does not exceed five (5) years.
- 10. CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)**, provided that:
- No more than 30% of the total portfolio may be invested in a combination of Certificates of Deposit, including CDARS.
 - The maximum maturity does not exceed five (5) years.
- 11. COLLATERALIZED BANK DEPOSITS.** City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651.
- 12. REPURCHASE AGREEMENTS** collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:
- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
 - Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
 - The maximum maturity does not exceed one (1) year.
- 13. STATE OF CALIFORNIA LOCAL CITY INVESTMENT FUND (LAIF)**, provided that:
- The City may invest up to the maximum amount permitted by LAIF.
 - LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.
- 14. INVESTMENT TRUST OF CALIFORNIA (CALTRUST)**, which is a joint powers authority (JPA), organized and managed by the Investment Trust of California

JPA for the benefit of local agencies, pursuant to California Government Code Section 6509.7

15. CORPORATE MEDIUM TERM NOTES (MTNs), provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in the “A” category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

16. ASSET-BACKED, MORTGAGE-BACKED, MORTGAGE PASS-THROUGH SECURITIES, AND COLLATERALIZED MORTGAGE OBLIGATIONS, provided that:

- The securities are rated in the “AA” category or the equivalent or higher by a NRSRO.
- They are issued by an issuer having long-term debt obligations rated in the “A” category or higher by at least one NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer. There is no issuer limitation on any Mortgage security where the issuer is the US Treasury or a Federal City/GSE.
- The maximum legal final maturity does not exceed five (5) years.

17. MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

- a. **MUTUAL FUNDS** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:

1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
 3. No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
- b. **MONEY MARKET MUTUAL FUNDS** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
1. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
 3. No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.
- c. No more than 20% of the total portfolio may be invested in these securities.

18. SUPRANATIONALS, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in the "AA" category or the equivalent or higher by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

X. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

- State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.

- In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.

XI. Fossil Fuels Restriction

- The purchase of securities issued by fossil fuel companies that directly source the majority (more than 50%) of their of their revenue from oil, gas and/or coal production is prohibited.

XII. INVESTMENT POOLS/MUTUAL FUNDS

The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?

7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XIII. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDs). The City shall require any commercial bank or savings and loan association to deposit eligible securities with an City of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

REPURCHASE AGREEMENTS. The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

XIV. DELIVERY, SAFEKEEPING AND CUSTODY

DELIVERY-VERSUS-PAYMENT (DVP). All investment transactions shall be conducted on a delivery-versus-payment basis.

SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable.

XV. MAXIMUM MATURITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

XVI. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the "Authorized Investments" section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be invested in securities of any single issuer, except where the issuer is the US Government, its Agencies and GSEs, an authorized Supranational issuer or where the security is a Money Market Mutual Fund, Local City Investment Fund (LAIF) or other Local Government Investment Pool, or where otherwise specified in this investment policy.
- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City's risk preferences.

- If securities owned by the City are downgraded by an NRSRO to a level below the quality required by this investment policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
- If a security is downgraded, the Treasurer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.
- The maximum percent of callable securities (does not include "make whole call" securities as defined in the Glossary) in the portfolio will be 20%.
- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

XVII. REVIEW OF INVESTMENT PORTFOLIO

The Treasurer shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish

protocols for reporting major and critical incidences of noncompliance to the City Council.

XVIII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer's quarterly report. The Treasurer shall select an appropriate, readily available index to use as a market benchmark.

XIX. REPORTING

MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the City Council within 30 days of the end of the reporting period in accordance with California Government Code Section 53607.

QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 30 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the City's portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date, interest rate and interest rate.
2. Transactions for the period.
3. A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; investment pools, outside money managers and securities lending agents)
4. A one-page summary report that shows:
 - a. Average maturity of the portfolio and modified duration of the portfolio;
 - b. Maturity distribution of the portfolio;
 - c. Percentage of the portfolio represented by each investment category;

- d. Average portfolio credit quality; and,
 - e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the City's market benchmark returns for the same periods;
5. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.
 6. A statement that the City has adequate funds to meet its cash flow requirements for the next six months.

ANNUAL REPORTS

A comprehensive annual report will be presented to the City Council. This report will include comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

XX. REVIEW OF INVESTMENT POLICY

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

Prepared by:

Marie Marron Berkuti

Finance Manager/City Treasurer

Approved as to legal form:

Johanna Canlas
City Attorney

Approved:

David A. Zito, Deputy Mayor
City Council

Date:

Glossary of Investment Terms

AGENCIES. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASKED. The price at which a seller offers to sell a security.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER’S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The price at which a buyer offers to buy a security.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COST YIELD. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CURRENT YIELD. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DEBENTURE. A bond secured only by the general credit of the issuer.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

FEDERAL OPEN MARKET COMMITTEE. A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MARKING TO MARKET. The process of posting current market values for securities in a portfolio.

MATURITY. The final date upon which the principal of a security becomes due and payable.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PREPAYMENT SPEED. A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

CITY OF SOLANA BEACH

INVESTMENT POLICY

FISCAL YEAR 2018/19

CONTENTS

I.	Introduction	21
II.	Scope	21
III.	Prudence	32
IV.	Objectives	43
V.	Delegation of Authority	43
VI.	Ethics and Conflicts of Interest	54
VII.	Internal Controls	54
VIII.	Authorized Financial Institutions, Depositories, and Broker/Dealers	65
IX.	Authorized Investments	76
X.	Prohibited Investment Vehicles and Practices	1311
XI.	Fossil Fuels Restriction	1312
XII.	Investment Pools/Mutual Funds	1312
XIII.	Collateralization	1413
XIV.	Delivery, Safekeeping and Custody	1513
XV.	Maximum Maturity	1514
XVI.	Risk Management and Diversification	1614
XVII.	Review of Investment Portfolio	1715
XVIII.	Performance Evaluation	1716
XIX.	Reporting	1716
XX.	Review of Investment Policy	1817
I.	INTRODUCTION	1
II.	SCOPE	1
III.	PRUDENCE	2
IV.	OBJECTIVES	3
V.	DELEGATION OF AUTHORITY	3
VI.	ETHICS AND CONFLICTS OF INTEREST	4
VII.	INTERNAL CONTROLS	4

VIII.	AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS.....	5
IX.	AUTHORIZED INVESTMENTS.....	6
X.	PROHIBITED INVESTMENT VEHICLES AND PRACTICES.....	11
XI.	INVESTMENT POOLS/MUTUAL FUNDS.....	11
XII.	COLLATERALIZATION.....	12
XIII.	DELIVERY, SAFEKEEPING AND CUSTODY.....	13
XIV.	MAXIMUM MATURITY.....	13
XV.	RISK MANAGEMENT AND DIVERSIFICATION.....	13
XVI.	REVIEW OF INVESTMENT PORTFOLIO.....	15
XVII.	PERFORMANCE EVALUATION.....	15
XVIII.	REPORTING.....	15
XIX.	REVIEW OF INVESTMENT POLICY.....	16
	GLOSSARY OF INVESTMENT TERMS.....	18

I. INTRODUCTION

The purpose of this document is to outline the City's policy for the investment of public funds.

It is the policy of the City of Solana Beach, the Solana Beach Public Financing Authority and the Solana Beach Public Facilities Corporation (hereafter referred collectively as the "City") to predicate their investment policies, procedures and practices upon the limitations placed upon them by the governing legislative bodies. These policies shall have four primary goals:

- To assure compliance with federal, state, and local laws governing the investment of public monies under the control of the City Treasurer.
- To provide sufficient liquidity to meet normal operating and unexpected expenditures.
- To protect the principal monies entrusted to the City.
- To generate the maximum amount of investment income within the parameters of prudent risk management as defined in this Investment Policy.

This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

This investment policy was endorsed and adopted by the City of Solana Beach City Council and is effective as of the _____ day of _____, 20XX, and replaces any previous versions.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq.*, with the following exceptions:

- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Any other funds specifically exempted by the City Council.

Funds not included in the policy include the City's deferred compensation plans (Plans). These Plans will be excluded from the policy under the following circumstances:

- i. A third party administrator administers the plan
- ii. Individual plan participants have control over the selection of investments
- iii. The City has no fiduciary responsibility to act as a "trustee" for the Plan.

POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. PRUDENCE

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Treasurer and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the Treasurer or other authorized persons acted in good faith. Deviations from

expectations of a security's credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

IV. OBJECTIVES

The City's overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

- **SAFETY.** Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- **LIQUIDITY.** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- **RETURN ON INVESTMENTS.** The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

V. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from California Government Code, Sections 41006 and 53600 *et seq.*

The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the Treasurer.

The Treasurer will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to

purchase and sell investment securities in accordance with this investment policy.

If the City Treasurer is unavailable, then the Finance Manager, Deputy City Manager, or the City Manager shall authorize the investment transactions, in writing, prior to execution.

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VII. INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City and/or the City Council, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

To the extent practicable, the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City's Treasurer will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

The Treasurer shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence as determined by the City. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public City investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
- Nationally or state-chartered banks.
- The Federal Reserve Bank.
- Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Treasurer with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the City's investment policy. The Treasurer will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

IX. AUTHORIZED INVESTMENTS

The City's investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and credit quality minimums listed in this section apply at the time the security is purchased.

Comment [GL1]: We recommend including credit ratings in the time of purchase language.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

1. **MUNICIPAL SECURITIES** include obligations of the City, the State of California, ~~any of the other 49 states,~~ and any local ~~agency~~City within the State of California, provided that:

Comment [GL2]: We recommend clarifying language regarding Municipal Securities to be more consistent with CGC Section 53601(a,c,e.)

- The securities are rated in a rating category of "A" or its equivalent or higher by at least one nationally recognized statistical rating organization ("NRSRO").
- No more than 5% of the portfolio may be invested in any single issuer.
- No more than 30% of the portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

Comment [GL3]: We recommend adding that references to credit ratings are referring to the ratings category to be consistent with a clarification made to CGC effective 1/1/17.

2. **MUNICIPAL SECURITIES (REGISTERED TREASURY NOTES OR BONDS)** of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

Comment [GL4]: We recommend clarifying language regarding permissible Municipal Securities to be more consistent with CGC Section 53601.

- The securities are rated in a rating category of "A" or its equivalent or higher by at least one nationally recognized statistical rating organization ("NRSRO").
- No more than 5% of the portfolio may be invested in any single issuer.
- No more than 30% of the portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2.3. **U.S. TREASURIES** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:

- The maximum maturity is five (5) years.

3.4. **FEDERAL AGENCIES** or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal City or Government-Sponsored Enterprises (GSEs), provided that:

- No more than 25% of the portfolio may be invested in any single City/GSE issuer.
- The maximum maturity does not exceed five (5) years.

4.5. **BANKER'S ACCEPTANCES**, provided that:

- They are issued by institutions which have short-term debt obligations rated "A-1" or the equivalent or higher by at least one NRSRO; or long-term debt obligations which are rated in the "A" category or the equivalent or higher by at least one NRSRO.
- No more than 40% of the portfolio may be invested in Banker's Acceptances.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 180 days.

5.6. **COMMERCIAL PAPER**, provided that:

- The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million.

- The securities are rated "A-1" or the equivalent or higher by at least one NRSRO.
- They are issued by corporations which have long-term obligations rated in the "A" category or the equivalent or higher by at least one NRSRO.
- City may purchase no more than 10% of the outstanding commercial paper of any single issuer.
- No more than 25% of the portfolio may be invested in Commercial Paper.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 270 days.

6.7. **NEGOTIABLE CERTIFICATES OF DEPOSIT (NCDs)**, issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:

- The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
- Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated "A-1" or the equivalent or higher by at least one NRSRO; or long-term obligations rated in the "A" category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

7.8. **FEDERALLY INSURED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- The amount per institution is limited to the maximum covered under federal insurance.
- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.

- The maximum maturity does not exceed five (5) years.

8.9. **COLLATERALIZED TIME DEPOSITS** (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:

- No more than 20% of the portfolio will be invested in a combination of federally insured and collateralized time deposits.
- The maximum maturity does not exceed five (5) years.

9.10. **CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)**, provided that:

- No more than 30% of the total portfolio may be invested in a combination of Certificates of Deposit, including CDARS.
- The maximum maturity does not exceed five (5) years.

10.11. **COLLATERALIZED BANK DEPOSITS.** City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651.

11.12. **REPURCHASE AGREEMENTS** collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:

- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
- Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
- The maximum maturity does not exceed one (1) year.

12.13. **STATE OF CALIFORNIA LOCAL CITY INVESTMENT FUND (LAIF)**, provided that:

- The City may invest up to the maximum amount permitted by LAIF.
- LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.

~~13.~~14. **INVESTMENT TRUST OF CALIFORNIA (CALTRUST)**, which is a joint powers authority (JPA), organized and managed by the Investment Trust of California JPA for the benefit of local agencies, pursuant to California Government Code Section 6509.7

~~14.~~15. **CORPORATE MEDIUM TERM NOTES (MTNs)**, provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in the "A" category or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

~~15.~~16. **ASSET-BACKED, MORTGAGE-BACKED, MORTGAGE PASS-THROUGH SECURITIES, AND COLLATERALIZED MORTGAGE OBLIGATIONS**, provided that:

- The securities are rated in the "AA" category or the equivalent or higher by a NRSRO.
- They are issued by an issuer having long-term debt obligations rated in the "A" category or higher by at least one NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer. There is no issuer limitation on any Mortgage security where the issuer is the US Treasury or a Federal City/GSE.
- The maximum legal final maturity does not exceed five (5) years.

~~17.~~17. **MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS** that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

- a. MUTUAL FUNDS that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (g) inclusive and that meet either of the following criteria:
 - 1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 - 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
 - 3. No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
 - b. MONEY MARKET MUTUAL FUNDS registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
 - 1. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 - 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
 - 3. No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.
 - c. No more than 20% of the total portfolio may be invested in these securities.
16. ~~MONEY MARKET MUTUAL FUNDS that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:~~
- ~~Such Funds meet either of the following criteria:~~
 - 1. ~~Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or~~
 - 2. ~~Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.~~
 - ~~No more than 20% of the total portfolio may be invested in Money Market Mutual Funds.~~

17. 18. SUPRANATIONALS, provided that:

Comment [GL5]: We recommend clarifying language that allows California Agencies to purchase Mutual Funds up to 10% per issuer and Money Market Mutual Funds up to 20% per issuer with a combined overall exposure limit of 20% in accordance with CGC Section 53601 (l).

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in the "AA" category or the equivalent or higher by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

X. PROHIBITED INVESTMENT VEHICLES AND PRACTICES

- State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.
- In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- Purchasing or selling securities on margin is prohibited.
- The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- The purchase of foreign currency denominated securities is prohibited.

XI. Fossil Fuels Restriction

- The purchase of securities issued by fossil fuel companies that directly source the majority (more than 50%) of their of their revenue from oil, gas and/or coal production is prohibited.

XI.XII. INVESTMENT POOLS/MUTUAL FUNDS

The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?
7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XII, XIII. COLLATERALIZATION

CERTIFICATES OF DEPOSIT (CDs). The City shall require any commercial bank or savings and loan association to deposit eligible securities with an City of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

COLLATERALIZATION OF BANK DEPOSITS. This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

REPURCHASE AGREEMENTS. The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

XIII.XIV. DELIVERY, SAFEKEEPING AND CUSTODY

DELIVERY-VERSUS-PAYMENT (DVP). All investment transactions shall be conducted on a delivery-versus-payment basis.

SAFEKEEPING AND CUSTODY. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable.

XIV.XV. MAXIMUM MATURITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

XV.XVI. RISK MANAGEMENT AND DIVERSIFICATION

MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the “Authorized Investments” section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be invested in securities of any single issuer, except where the issuer is the US Government, its Agencies and GSEs, an authorized Supranational issuer or where the security is a Money Market Mutual Fund, Local City Investment Fund (LAIF) or other Local Government Investment Pool, or where otherwise specified in this investment policy.
- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City’s risk preferences.
- If securities owned by the City are downgraded by an NRSRO to a level below the quality required by this investment policy, it will be the City’s policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
- If a security is downgraded, the Treasurer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

Comment [GL6]: We recommend adding this language to guard against unintentional conflicts in the investment policy.

MITIGATING MARKET RISK IN THE PORTFOLIO

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in

different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.
- The maximum percent of callable securities (does not include "make whole call" securities as defined in the Glossary) in the portfolio will be 20%.
- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

XVI.XVII. REVIEW OF INVESTMENT PORTFOLIO

The Treasurer shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the City Council.

XVII.XVIII. PERFORMANCE EVALUATION

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

The Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer's quarterly report. The Treasurer shall select an appropriate, readily available index to use as a market benchmark.

XVIII.XIX. REPORTING

MONTHLY REPORTS

Monthly transaction reports will be submitted by the Treasurer to the City Council within 30 days of the end of the reporting period in accordance with California Government Code Section 53607.

QUARTERLY REPORTS

The Treasurer will submit a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 30 days after the end of the quarter. These reports will disclose, at a minimum, the following information about the City's portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date, interest rate and interest rate.
2. Transactions for the period.
3. A description of the funds, investments and programs (including lending programs) managed by contracted parties (i.e. LAIF; investment pools, outside money managers and securities lending agents)
4. A one-page summary report that shows:
 - a. Average maturity of the portfolio and modified duration of the portfolio;
 - b. Maturity distribution of the portfolio;
 - c. Percentage of the portfolio represented by each investment category;
 - d. Average portfolio credit quality; and,
 - e. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to the City's market benchmark returns for the same periods;
5. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.
6. A statement that the City has adequate funds to meet its cash flow requirements for the next six months.

ANNUAL REPORTS

A comprehensive annual report will be presented to the City Council. This report will include comparisons of the City's return to the market benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

Prepared by:

Marie Marron Berkuti
Finance Manager/City Treasurer

Approved as to legal form:

Johanna Canlas
City Attorney

Approved:

David A. Zito, Deputy Mayor
City Council

Date:

Glossary of Investment Terms

AGENCIES. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "FreddieMac" issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "FannieMae," issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as "GinnieMae," issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASKED. The price at which a seller offers to sell a security.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER'S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which "accepts" the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The price at which a buyer offers to buy a security.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COST YIELD. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CURRENT YIELD. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DEBENTURE. A bond secured only by the general credit of the issuer.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

FEDERAL OPEN MARKET COMMITTEE. A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MARKING TO MARKET. The process of posting current market values for securities in a portfolio.

MATURITY. The final date upon which the principal of a security becomes due and payable.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PREPAYMENT SPEED. A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Fire Department
SUBJECT: **Council Consideration of Resolution 2018-082 to Approve the Third Amendment to the Agreement for Cooperative Fire Management Services by and Between the Cities of Del Mar, Encinitas, and Solana Beach**

BACKGROUND:

In October 2009, the Solana Beach City Council authorized the City Manager to enter into a Cooperative Management Services Agreement (Cooperative Agreement) with the Cities of Del Mar and Encinitas and the Rancho Santa Fe Fire Protection District (FPD) for the purposes of sharing fire department management functions (Attachment 4). The Cooperative Agreement outlines the services provided by the parties, compensation, and payment terms.

The Cooperative Agreement, which became effective on October 15, 2009, promotes cost-effectiveness and efficiency across several local government agencies. Some of the benefits include cost savings due to the equitable cost sharing of management services; improved public safety with enhanced supervisory effectiveness; better communication with shift personnel and improved chief officer response times; better firefighter training with improved coordination among instructors and the merging of training programs; and an opportunity to secure a greater number of Federal, State, and non-profit grants because of the expertise and experience that management staff offers.

The Cooperative Agreement has been amended twice, the first amendment (Attachment 5) was effective September 15, 2010 and the second amendment (Attachment 6) was effective November 1, 2010. These amendments resulted in improved organizational efficiencies and an expanded cost sharing of management functions among the participating agencies that resulted in a reduction in personnel costs.

COUNCIL ACTION:

On March 25, 2013, the Rancho Santa Fe FPD exercised a 90-day opt-out clause in the Cooperative Agreement and elected not to utilize the services of the Solana Beach and Encinitas Deputy Chiefs, effective June 30, 2013. Staff from Solana Beach, Encinitas and Del Mar (the "Coastal Cities") evaluated the fiscal and functional impacts of this action. As a result, the City Managers for the Coastal Cities determined that it was in their organizations' best interest to terminate the services of Rancho Santa Fe FPD's four (4) Battalion Chiefs, effective June 30, 2013. Rancho Santa Fe FPD was notified by the Coastal Cities of their intention to opt-out of the shared agreement for these positions on March 29, 2013, to be effective June 30, 2013.

As a result of Rancho Santa Fe FPD opting-out of the agreement, the Coastal Cities restructured the Chief Officer positions in order to create 24-hour shift Battalion Chief positions and added a Program Assistant position to provide additional administrative support.

On December 19, 2017, the Fire Governance Subcommittee, consisting of two (2) Councilmembers and the City Manager from each participating agency, as well as the Fire Chief, convened. A motion passed, directing the three (3) City Managers to meet and reevaluate the cost allocation methodology, as well as the positions included in the Cooperative Agreement.

During this same meeting, fire management provided a staff report and presentation on reclassifying a vacant Program Assistant position, currently funded by all three agencies, to an Administrative Battalion Chief position. This position would oversee training, safety, and emergency preparedness activities for the three (3) agencies. Currently, training and safety duties are handled by a shift Battalion Chief. This has proven to be difficult due to the training mandates of the California Fire Service. Per the three (3) City Managers' request, it was decided that this proposal would need to go through the upcoming normal Fiscal Year 2018/19 budgetary process, so no action was taken during the meeting.

This item is before City Council to consider adopting Resolution 2018-082 (Attachment 1) approving the third amendment to the agreement for cooperative fire management services by and between the Cities of Del Mar, Encinitas, and Solana Beach.

DISCUSSION:

The three (3) City Managers and the Fire Chief met in March 2018 to discuss the cost allocation methodology and positions for the Cooperative Agreement. It was determined that some costs may not have been captured and shared by all three (3) agencies. At the meeting, consensus was reached to leave the current cost allocation formula (Attachment 7) unchanged, but to add an administrative fee to capture costs identified as not currently being shared (Attachment 8). The administrative fee is anticipated to be calculated annually. The addition of an administrative fee to be paid to the cities of Encinitas and Solana Beach was presented and approved by the Fire Governance Subcommittee on May 29, 2018.

The Fire Governance Subcommittee also approved the reclassification of the vacant Program Assistant position to an Administrative Battalion Chief position. This proposal was presented to the City Council by the Fire Chief at the May 23, 2018 Council meeting.

The proposed contract language (Attachment 2), which was also approved by the Fire Governance Subcommittee on May 29, 2018, will amend the agreement a third time to include the following changes:

- Reflect that the Rancho Santa Fe FPD is no longer a party to the agreement.
- Add the proposed language regarding the inclusion of the administrative fee into the cost allocation methodology.
- Recognize that all Chief Officers, with the exception of the Fire Chief, can be employed by any of the three (3) agencies. The Fire Chief will be an employee of the City of Encinitas.
- Add language stating that the parties agree to meet to review the cost allocation methodology if there is a change in the allocation of personnel involved in the management services agreement.
- Add language stating that the City Managers agree to meet if there is an imbalanced workload favoring one party.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The cost of fire management services is calculated using the total actual cost of salaries and benefits for the personnel providing the services, as specified in Section 6 of the Cooperative Agreement. Each agency's cost continues to be apportioned to reflect the extent to which the parties to the Cooperative Agreement utilize fire management services, based on the formula in Section 6 of the agreement. The third amendment (Attachment 2) adds an administrative fee to account for overhead and administrative costs that are not being shared under the existing agreement. The proposed administrative fee would be added to the cost allocation percentage and calculated annually.

For Fiscal Year 2018/19, the Cities of Encinitas and Solana Beach have overhead and other administrative costs not being shared by the Cooperative Agreement (Attachment 8). When incorporating these additional costs as a percentage to total costs, the net administrative rate equates to 12.76% for Encinitas and 1.764% for Solana Beach. Applying the new administrative rates would increase the City's overall percentage rate of cost from 19.54% to 20.61% totaling \$16,518 (Attachment 9):

Impact of New Administrative Fee to Allocation Percentage

	<u>Current Cost</u>		<u>Proposed Cost</u>		<u>Net Impact</u>
Del Mar	\$ 175,181	11.38%	\$ 200,624	13.04%	\$ 25,443
Encinitas	\$1,062,911	69.08%	\$1,020,950	66.35%	(\$41,961)
Solana Beach	\$ 300,628	19.54%	\$ 317,146	20.61%	\$ 16,518

In addition, the Fire Governance Subcommittee has agreed to reclassify the vacant Program Assistant position to an Administrative Battalion Chief within the Cooperative Agreement. This reclassification would be an annual cost increase to the Cooperative Agreement of \$151,160, beginning in Fiscal Year 2018/19. This cost would be shared by all three (3) agencies and allocated per the new proposed cost allocation percentages. The total proposed impact for Fiscal Year 2018/19 to each agency including both the proposed cost allocation methodology and the Administrative Battalion Chief reclassification is as follows (Attachment 10):

Impact of New Administrative Battalion Chief using New Allocation Percentages

	<u>Current Cost</u>		<u>Proposed Cost</u>		<u>Net Impact</u>
Del Mar	\$ 175,181	11.38%	\$ 220,360	13.04%	\$ 45,179
Encinitas	\$1,062,911	69.08%	\$1,121,235	66.35%	\$ 58,324
Solana Beach	\$ 300,628	19.54%	\$ 348,285	20.61%	\$ 47,657

The proposed net cost increase to the City of Solana Beach for both the new administrative fee plus the Administrative Battalion Chief is \$47,657. This increased cost was included as part of the budget amendments to the FY 2018/19 Adopted Budget approved by the City Council at its June 13, 2018 Council meeting.

WORK PLAN:

Organizational Effectiveness

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments/modifications.
- Deny Staff recommendation – Provide further direction.

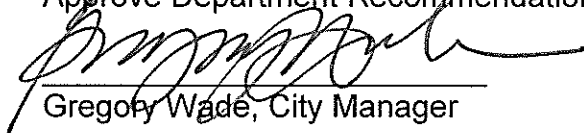
DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2018-082:

1. Approving the Third Amendment to the Agreement for Cooperative Fire Management Services by and between the cities of Del Mar, Encinitas, and the Solana Beach; and
2. Authorizing the City Manager to execute the third amendment.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2018-082
2. Third Amendment to Agreement for Cooperative Management Services
3. Redlined Second Amendment to Agreement for Cooperative Management Services
4. Agreement for Cooperative Management Services (October 2009)
5. First Amendment to Agreement for Cooperative Management Services (September 2010)
6. Second Amendment to Agreement for Cooperative Management Services (November 2010)
7. Current Cost Allocation Methodology
8. Cost Not Being Covered in the Fire Management Services Agreement
9. Fiscal Year 2018/19 Fire Management Services Personnel Costs Allocation
10. Fiscal Year 2018/19 Budget Estimate with Proposed Administrative Fee and Proposed Administrative Battalion Chief

RESOLUTION NO. 2018- 082

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE THIRD AMENDMENT TO THE AGREEMENT FOR COOPERATIVE FIRE MANAGEMENT SERVICES BY AND BETWEEN THE CITIES OF DEL MAR, ENCINITAS, AND THE SOLANA BEACH

WHEREAS, the City of Solana Beach, City of Encinitas, and City of Del Mar, (hereinafter collectively referred to as "PARTIES"), are public agencies organized and existing under and by virtue of the laws of the State of California; and,

WHEREAS, each party is charged with providing fire prevention and suppression activities, emergency medical services ("EMS") and emergency/disaster management as provided for in California Health and Safety Code § 13862 and Government Code Chapter 7, within their respective boundaries; and,

WHEREAS, on October 15, 2009, the PARTIES entered into a Fire Department Cooperative Management Services Agreement for the purpose of sharing fire management functions; and,

WHEREAS, sharing the functions of organizational direction and control, supervision of operations, training, fire prevention, administrative and fiscal management, and disaster preparedness, under this cooperative agreement, has provided effective leadership to multiple agencies, eliminated redundancy, duplication of effort and provided opportunities for current cost savings and an increased level of service for each party, while avoiding the full cost of providing for complete independent fire administration on their own; and

WHEREAS, in light of the withdrawal of Rancho Santa Fe Fire Protection District from the cooperative agreement and the addition of language regarding the inclusion of an administrative fee into the cost allocation method, the PARTIES wish to amend the cooperative agreement to further share fire management functions, improve efficiency in operations and reduce costs; and

WHEREAS, the PARTIES agreed to the First and Second Amendment to the agreement allowing the City of Solana Beach to share the services and of its Battalion Fire Chief and receive additional management services from the City of Encinitas and revising the cost allocation to reflect a reduction in personnel costs; and

WHEREAS, the Third Amendment to the agreement for cooperative management services will further provide a cost effective option for said functions between the PARTIES.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the City Council authorizes the City Manager to execute the Third Amendment to the Agreement for Cooperative Management Services with the cities of Del Mar and Encinitas in a form approved by the City Attorney.

PASSED AND ADOPTED this 27th day of June 2018, at a regular meeting of the City Council of the City of Solana Beach, California, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSENT: Councilmembers –

ABSTAIN: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

**THIRD AMENDMENT TO
AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES**

This Amendment ("**Amendment**") is entered into the ____ day of [Month], 201X ("**Effective Date**") regarding that certain AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES dated October 15, 2009 by and between CITY OF DEL MAR, CITY OF ENCINITAS, RANCHO SANTA FE FIRE PROTECTION DISTRICT and the CITY OF SOLANA BEACH (collectively the "**Parties**") ("**Agreement**").

Recitals

WHEREAS, Section 14 of the Agreement permits amendment of the Agreement by a writing signed by the Parties;

WHEREAS, the Parties agree to amend the Agreement as more fully stated herein.

NOW, THEREFORE, the Parties agree as follows:

1. Section 6.0 (Compensation) in the original agreement is hereby deleted and a revised Section 6.0 (Compensation) provided below is substituted in its place.

6.0 **Compensation.** Those Parties receiving fire management services agree to pay for the services herein to be performed, during the term of this Agreement. The fees for fire management services shall be calculated using the total actual cost of salaries and benefits for personnel providing the services identified in Exhibit "A" during the term of this Agreement and apportioned to reflect the extent to which the Parties utilize fire management services, based on the following formula:

10% equally shared

20% by population (based on the most recent figures from the State of California
Department of Finance

20% by area served

20% by number of annual calls for service (based on the most recent figures
from North County Dispatch Joint Powers Authority)

30% by number of fire suppression personnel

The apportionment will be calculated annually using the most recent statistics required for the above-mentioned formula.

The total payment to Parties to render the services described in Exhibit "A" shall be made in quarterly installments.

The compensation provided to the Parties for services herein shall increase each year by the actual increase in salary and benefits of the positions providing the personnel services to that particular party for that fiscal year.

An administrative fee agreeable to all parties will be assessed annually.

[Section 6.1 is still in effect]

2. Pursuant to Section 7.2 the Rancho Santa Fe Fire Protection District has terminated this Agreement without cause and is no longer party to this Agreement. Effective July 1, 2013, the Parties shall constitute the City of Del Mar, City of Encinitas and City of Solana Beach.

3. Exhibit "A" (Description of Services) is hereby deleted and a new Exhibit "A" (Description of Services) attached hereto as Attachment "1" is substituted in its place.

4. Exhibit "B" (Annual Payments for Services) is hereby deleted. The annual payments for services are determined when the final personnel costs and administrative fees are known for the fiscal year and by the cost apportionment method described in Section 6. The City of Encinitas will distribute a final cost allocation to the Parties reflecting actual costs for providing personnel services for the fiscal year, when final costs are known.

5. This Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

6. Except as specifically provided herein, all terms shall have the same meaning as defined in the Agreement.

7. Except as specifically amended herein, the Agreement shall remain in full force and effect.

[Signatures on Next Page]

Executed the first day and year appearing above at San Diego, California.

City of Del Mar
a Municipal Corporation

By: _____

Name: _____

Its: _____

City of Encinitas
a Municipal Corporation

By: _____

Name: _____

Its: _____

City of Solana Beach
a Municipal Corporation

By: _____

Name: _____

Its: _____

ATTACHMENT 1

EXHIBIT A

Description of Services

The **Encinitas Fire Department** will furnish the management services that include the positions of Fire Chief (1), Fire Marshal (1), and Management Analyst (1), to the Cities of Del Mar and Solana Beach in order to manage all Fire Departments. All other Chief Officers may be furnished by any of the three cities.

If there is a change to the allocation of positions noted above, all three cities agree to re-evaluate the cost allocation structure.

If the Fire Chief determines that an employee of this management services agreement is being utilized excessively by one party of this agreement, then the Parties agree that all three City Managers shall meet to re-balance the workload or discuss other appropriate remedies.

Cooperatively, said management services shall include the following:

1. Management Services

- a. Under the direction and supervision of the City Managers of Del Mar, Encinitas, and Solana Beach, provide broad policy guidance, fire management expertise and leadership to Del Mar, Encinitas, and Solana Beach fire personnel.
- b. Confer with Del Mar, Encinitas, and Solana Beach Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by all Departments to their respective citizens.
- c. As directed by the City Managers, respond to citizen complaints regarding personnel or services, requests for services, and inquiries.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. Oversee maintenance program for fire stations and serve as point of contact for fire personnel for facility maintenance or procurement requests.
- h. Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the Cities of Del Mar, Encinitas, and Solana Beach.

- i. Supervise personnel of the Del Mar, Encinitas, and Solana Beach Fire Departments. Supervise adherence to Del Mar, Encinitas, and Solana Beach Department policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).
- j. As directed by the City Managers, attend and represent the Del Mar, Encinitas, and Solana Beach Fire Departments and implement each City's policies and directives at various local and regional meetings [i.e. City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].
- k. Supervise the purchasing of materials and equipment within the budgetary constraints of each Department.
- l. Direct the forecast of funds needed for staffing, equipment, materials and supplies.
- m. Monitor and approve expenditures and request budget adjustments.
- n. Provide overhead supervision for safety, command, and control functions on an as needed basis.
- o. Provide support personnel dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.
- p. Assist in the maintenance of the Cities' emergency plans and coordinate training for each City's staff.
- q. Administer grant programs and submit applications for grants.
- r. Prepare and review budgets and facilitate cost recovery.

2. Duty Coverage.

- a. Provide emergency incident command officer coverage.
- b. Perform a management role and assume command of field operations as well as direct assigned personnel at the scene of emergencies involving fire, all types of accidents, gas leaks, flooded structures, hazardous materials and life saving and rescue work.
- c. Make decisions on the utilization and practical application of agency resources to ensure proper emergency coverage is maintained.
- d. Effectuate policies, orders, rules and regulations. Enforce agency rules and regulations and recommend and takes disciplinary action when necessary.
- e. Assure agency health and safety guidelines are followed, and exercise discretion to ensure a safe working environment is maintained.
- f. Respond to incidents requiring a chief officer, when necessary.
- g. Daily supervision of personnel. Supervise adherence to agency policies and procedures (i.e., personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies, etc.).

- h. Conduct morning briefings with all shift personnel at the fire stations.
- i. Communicate daily activities with each Operations Chief and disseminate critical information.
- j. Meet with company officers in each station to explain new orders, answer questions, discuss policies and procedures, and ensure proper awareness of new standards.
- k. Receive and relay any pertinent information; deliver interdepartmental mail.
- l. Perform annual evaluations of company officers assigned to shift and ensure annual evaluations are complete for all members assigned to shift.
- m. Assist Company Officer with counseling and coaching of subordinates when there is a performance or personnel problem, if necessary.
- n. Participate in training activities and observe companies as they participate in training/drills.
- o. Act as initiating official for investigations and citizen's complaints; Analyze information obtained and handle as appropriate, or develop a report for further consideration.
- p. Maintain records and review RMS reports per developed program.
- q. Participate in captains' meetings when on duty.
- r. Participate in agency scheduled operations or staff meetings.
- s. Review FirstWatch response data at the end of every shift.
- t. Review Monthly Activity Reports.

3. Training Officer

- a. Under direction of the Fire Chief, coordinate the training program for the members of the Del Mar, Encinitas, and Solana Beach Fire Departments.
- b. Prepare and oversee said training program.
- c. Monitor required annual training attendance records.
- d. Ensure annual state and federal training mandates are met.
- e. Ensure that all firefighters are instructed in the same firefighter techniques (North Zone Operations and Training Manual).
- f. Provide training guidance and management to Del Mar, Encinitas, and Solana Beach fire personnel.
- g. Establish training standards and develop curriculum and lesson plans.
- h. Develop a master training schedule including multi-company drills on a regular basis.
- i. Training shall include the development of a training academy for new hires.
- j. Evaluate training effectiveness and periodically review training records for completeness.

- k. Represent the Del Mar, Encinitas, and Solana Beach Fire Departments at Zone and County training activities and meetings.
- l. Provide oversight of the Department(s) Community Emergency Response Team (CERT) program(s).
- m. Oversee firefighter recruitment, testing (including promotional) and hiring.

~~SECOND-THIRD~~ AMENDMENT TO

AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES

This Amendment ("Amendment") is entered into the ____ day of ~~November~~[Month], ~~2010-201X~~ ("Effective Date") regarding that certain AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES dated October 15, 2009 by and between CITY OF DEL MAR, CITY OF ENCINITAS, RANCHO SANTA FE FIRE PROTECTION DISTRICT and the CITY OF SOLANA BEACH (collectively the "Parties") ("Agreement").

Recitals

WHEREAS, Section 14 of the Agreement permits amendment of the Agreement by a writing signed by the Parties;

WHEREAS, the Parties agree to amend the Agreement as more fully stated herein.

NOW, THEREFORE, the Parties agree as follows:

1. Section 6.0 (Compensation) in the original agreement is hereby deleted and a revised Section 6.0 (Compensation) provided below is substituted in its place. will be amended

6.0 Compensation. Those Parties receiving fire management services agree to pay for the services herein to be performed, during the term of this Agreement. The fees for fire management services shall be calculated using the total actual cost of salaries and benefits for personnel providing the services identified in Exhibit "A" during the term of this Agreement and apportioned to reflect the extent to which the Parties utilize fire management services, based on the following formula:

10% equally shared

20% by population (based on the most recent figures from the State of California

Department of Finance

20% by area served

20% by number of annual calls for service (based on the most recent figures from North County Dispatch Joint Powers Authority)

30% by number of fire suppression personnel

The apportionment will be calculated annually using the most recent statistics required for the above-mentioned formula.

Payment to PARTIES to render the services described in Exhibit "A" hereunder shall be set forth in Exhibit "B" which is attached hereto and incorporated herein as though fully set forth at length. The total payment shall be made in quarterly installments.

The compensation provided to the Rancho Santa Fe Fire Protection District (RSF) for the services herein shall increase each year by the actual increase in salary and benefits for the Battalion Chiefs (3) of RSF for that fiscal year.

The total payment to Parties to render the services described in Exhibit "A" shall be made in quarterly installments.

The compensation provided to the Parties for services herein shall increase each year by the actual increase in salary and benefits of the positions providing the personnel services to that particular party for that fiscal year.

PARTIES rendering the services described in Exhibit A will not be compensated for the cost of fuel, vehicle maintenance, future vehicle replacement, office equipment, information technology, office supplies or incidentals incurred as a result of the performance of this Agreement.

An administrative fee agreeable to all parties will be assessed annually.

[Section 6.1 is still in effect]

2. Pursuant to with Section 7.2 the Rancho Santa Fe Fire Protection District has terminated this Agreement without cause and is no longer party to this Agreement. Effective July 1, 2013, the Parties shall constitute the City of Del Mar, City of Encinitas and City of Solana Beach.

3. ~~1~~—Exhibit “A” (Description of Services) is hereby deleted and a new Exhibit “A” (Description of Services) attached hereto as Attachment “1” is substituted in its place.

~~32. Exhibit “B” (Annual Payments for Services) is hereby deleted. The annual payments for services are determined when the final personnel costs and administrative fees are known for the fiscal year and by the cost apportionment method described in Section 6. The City of Encinitas will distribute a final cost allocation to the Parties reflecting actual costs for providing personnel services for the fiscal year, when final costs are known.~~
and a new Exhibit “B” (Annual Payments for Services) attached hereto as Attachment “2” is substituted in its place.

~~43. This Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.~~

4. Except as specifically provided herein, all terms shall have the same meaning as defined in the Agreement.

5. Except as specifically amended herein, the Agreement shall remain in full force and effect.

[Signatures on Next Page]

Executed the first day and year appearing above at San Diego, California.

City of Del Mar
a Municipal Corporation

By: _____

Name: _____

Its: _____

City of Encinitas
a Municipal Corporation

By: _____

Name: _____

Its: _____

Rancho Santa Fe Fire Protection District
a Special District

By: _____

Name: _____

Its: _____

City of Solana Beach
a Municipal Corporation

By: _____

Name: _____

Its: _____

ATTACHMENT 1

EXHIBIT A

Description of Services

The Encinitas Fire Department will furnish the management services that include the positions of Fire Chief (1), Deputy Chief (1), Battalion Chiefs (2), Fire Marshal (1), and Management Analyst (1), and Program Assistant (1) to the Cities of Del Mar and Solana Beach in order to manage all Fire Departments. All other Chief Officers may be furnished by any of the three cities.

If there is a change to the allocation of positions noted above, all three cities agree to re-evaluate the cost allocation structure.

If the Fire Chief determines it is determined that an employee of this management services agreement is excessively being utilized excessively by one party of this agreement, over the deference of the other parties, then the Parties agree that all three City Managers shall will meet to re-balance the workload or discuss other apportioned appropriate remedies.

The Solana Beach Fire Department will furnish the management services that include the position of Battalion Chief (1) to the Cities of Del Mar and Encinitas in order to manage all Fire Departments.

Cooperatively, said management services by the Encinitas and Solana Beach Fire Departments shall include the following:

The ~~Rancho Santa Fe Fire Protection District (RSF)~~ will furnish the following services:

1. Management Services

- a. Under the direction and supervision of the City Managers of Del Mar, Encinitas, and Solana Beach, provide broad policy guidance, fire management expertise and leadership to Del Mar, Encinitas, and Solana Beach fire personnel.
- b. Confer with Del Mar, Encinitas, and Solana Beach Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Del Mar Fire Department all Departments to their respective citizens.
- c. As directed by the City Managers, respond to citizen complaints regarding personnel or services, requests for services, and inquires.
- d. Provide support to major incidents.

- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. Oversee maintenance program for fire stations and serve as point of contact for fire personnel for facility maintenance or procurement requests.
- f.h. Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the Cities of Del Mar, Encinitas, and Solana Beach.
- g.i. Supervise personnel of the Del Mar, Encinitas, and Solana Beach Fire Departments. Supervise adherence to Del Mar, Encinitas, and Solana Beach Department policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).
- h.j. As directed by the City Managers, attend and represent the Del Mar, Encinitas, and Solana Beach Fire Departments and implement Del Mar's each City's policies and directives at various local and regional meetings [i.e. City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].
- k. Supervise the purchasing of materials and equipment within the budgetary constraints of Del Mar's each Department.
- l. Direct the forecast of funds needed for staffing, equipment, materials and supplies.
- m. Monitor and approve expenditures and request budget adjustments.
- i.n. Provide overhead supervision for safety, command, and control functions on an as needed basis.
- j.o. Provide support personnel dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.
- k.p. Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff each City's staff.
- t.q. Administer grant programs and submit applications for grants.
- m.r. Prepare and review budgets and facilitate cost recovery.

2. Duty Coverage.

~~The Rancho Santa Fe Fire Protection District will furnish the management services that include the positions of Shift Battalion Chiefs (3) to the City of Del Mar, City of Encinitas and City of Solana Beach in order to provide supervision of operations for their Fire Departments. Said management services shall include the following:~~

- a. Provide emergency incident command officer coverage.*

- b. Perform a management role and assume command of field operations as well as direct assigned personnel at the scene of emergencies involving fire, all types of accidents, gas leaks, flooded structures, hazardous materials and life saving and rescue work.
- c. Make decisions on the utilization and practical application of agency resources to ensure proper emergency coverage is maintained.
- d. Effectuate policies, orders, rules and regulations. Enforce agency rules and regulations and recommend and takes disciplinary action when necessary.
- e. Assure agency health and safety guidelines are followed, and exercise discretion to ensure a safe working environment is maintained.
- f. Respond to incidents requiring a chief officer, when necessary.
- g. Daily supervision of personnel. Supervise adherence to agency policies and procedures (i.e., personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies, etc.).
- h. Conduct morning briefings with all shift personnel at the fire stations.
- i. Communicate daily activities with each Operations Chief and disseminate critical information.
- j. Meet with company officers in each station to explain new orders, answer questions, discuss policies and procedures, and ensure proper awareness of new standards.
- k. Receive and relay any pertinent information; deliver interdepartmental mail.
- l. Perform annual evaluations of company officers assigned to shift and ensure annual evaluations are complete for all members assigned to shift.
- ~~l. Assist the Operation Chief with company officers' evaluations.~~
- m. Assist Company Officer with counseling and coaching of subordinates when there is a performance or personnel problem, if necessary.
- n. Participate in training activities and observe companies as they participate in training/drills.
- o. Act as initiating official for investigations and citizen's complaints; Analyze information obtained and handle as appropriate, or develop a report for further consideration.
- p. Maintain records and review RMS reports per developed program.
- q. Participate in captains' meetings when on duty.
- r. Participate in agency scheduled operations or staff meetings.
- s. Review FirstWatch response data at the end of every shift.
- t. Review Monthly Activity Reports.

~~*Should RSF personnel at or above the Battalion Chief level be unavailable to respond, the Cities of Del Mar, Encinitas and Solana Beach will use shared duty~~

~~officers from other cooperating agencies or choose to provide their own "Duty Officer"~~

3. Training Officer

~~The Rancho Santa Fe Fire Protection District will furnish the management services of a non-shift Battalion Chief (1) to oversee the training function of the Encinitas, Del Mar and Solana Beach Fire Departments. Said management services shall include the following:~~

- a. Under direction of the Fire Chiefs, coordinate the training program for the members of the ~~Encinitas, Del Mar, Encinitas,~~ and Solana Beach Fire Departments.
- b. Prepare and oversee said training program.
- c. Monitor required annual training attendance records.
- d. Ensure annual state and federal training mandates are met.
- e. Ensure that all firefighters are instructed in the same firefighter techniques (North Zone Operations and Training Manual).
- f. Provide training guidance and management to ~~Encinitas, Del Mar, Encinitas,~~ and Solana Beach fire personnel.
- g. Establish training standards and develop curriculum and lesson plans.
- h. Develop a master training schedule including multi-company drills on a regular basis.
- i. Training shall include the development of a training academy for new hires.
- j. Evaluate training effectiveness and periodically review training records for completeness.
- k. Represent the ~~Encinitas, Del Mar, Encinitas,~~ and Solana Beach Fire Departments at Zone and County training activities and meetings.
- l. Provide oversight of the Department(s) Community Emergency Response Team (CERT) program(s).
- m. Oversee firefighter recruitment, testing (including promotional) and hiring.

~~The Encinitas Fire Department will furnish the following services:~~

~~1. Management Services for Del Mar~~

~~The Encinitas Fire Department will furnish the management services that include the positions of Fire Chief (1), Deputy Chiefs (2), Fire Marshal (1) and Management Analyst (1) to the City of Del Mar in order to manage its Fire Department. Said management services shall include the following:~~

- a. ~~Under the direction and supervision of the City Manager of Del Mar, provide broad policy guidance, fire management expertise and leadership to Del Mar fire personnel.~~
- b. ~~Confer with Del Mar Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Del Mar Fire Department to its citizens.~~
- c. ~~As directed by the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquires.~~
- d. ~~Provide support to major incidents.~~
- e. ~~Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.~~
- f. ~~Coordinate assignment and maintenance programs of fire apparatus and equipment.~~
- g. ~~Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the City of Del Mar.~~
- h. ~~Supervise personnel of the Del Mar Fire Department. Supervise adherence to Del Mar policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).~~
- i. ~~As directed by the City Manager, attend and represent the Del Mar Fire Department and implement Del Mar's policies and directives at various local and regional meetings [i.e. City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA 17, UDC].~~
- j. ~~Supervise the purchasing of materials and equipment within the budgetary constraints of Del Mar.~~
- k. ~~Provide overhead supervision for safety, command and control functions on an as needed basis.~~
- l. ~~Provide support personnel dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.~~
- m. ~~Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff.~~
- n. ~~Administer grant programs and submit applications for grants.~~
- o. ~~Prepare and review budgets and facilitate cost recovery.~~

~~2. Management Services for Solana Beach~~

~~The Encinitas Fire Department proposes to furnish the management services that include the positions of Fire Chief (1), Deputy Chiefs (2), Fire Marshal (1) and Management Analyst (1) to the City of Solana Beach in order to manage its Fire Department. Said management services shall include the following:~~

- a. ~~Under the direction and supervision of the City Manager of Solana Beach, provide broad policy guidance, fire management expertise and leadership to Solana Beach fire personnel.~~
- b. ~~Confer with Solana Beach Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Solana Beach Fire Department to its citizens.~~
- e. ~~At the direction of the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquiries.~~
- d. ~~Provide support to major incidents.~~
- e. ~~Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.~~
- f. ~~Coordinate assignment and maintenance programs of fire apparatus and equipment.~~
- g. ~~Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the City of Solana Beach.~~
- h. ~~Supervise personnel of the Solana Beach Fire Department. Supervise adherence to Solana Beach policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).~~
- i. ~~As directed by the City Manager, attend and represent the Solana Beach Fire Department and implement Solana Beach's policies and directives at various local and regional meetings [i.e., City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA 17, UDC, etc.].~~
- j. ~~Supervise the purchasing of materials and equipment within the budgetary constraints of Solana Beach.~~
- k. ~~Provide overhead supervision for safety, command and control functions on an as needed basis.~~
- l. ~~Provide support personnel, dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.~~
- m. ~~Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff.~~
- n. ~~Administer grant programs and submit applications for grants.~~
- o. ~~Prepare and review budgets and facilitate cost recovery.~~

~~3. Management Services for the Rancho Santa Fe Fire Protection District~~

~~The Encinitas Fire Department proposes to furnish the management services that include the positions of Deputy Chiefs (2) in order to manage the operations and administrative services functions of its Fire Department. Said management services shall include the following:~~

- a. ~~Under the direction and supervision of the Fire Chief of the Rancho Santa Fe Fire Protection District (RSFFPD), provide broad policy guidance, fire management expertise and leadership to Rancho Santa Fe fire personnel.~~
- b. ~~Confer with Rancho Santa Fe Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the RSFFPD to its citizens.~~
- c. ~~As directed by the Fire Chief, respond to citizen complaints regarding personnel or services, requests for services and inquires.~~
- d. ~~Provide support to major incidents.~~
- e. ~~Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.~~
- f. ~~Supervise and provide direction when needed for fire suppression and EMS activities of the RSFFPD.~~
- g. ~~Supervise personnel of the RSFFPD. Supervise adherence to RSFFPD policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).~~
- h. ~~As directed by the Fire Chief, attend and represent the RSFFPD and implement its policies and directives at various local and regional meetings [i.e. Board of Directors (when required), staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].~~
- i. ~~Supervise the purchasing of materials and equipment within the budgetary constraints of RSFFPD.~~
- j. ~~Provide overhead supervision for safety, command and control functions on an as needed basis.~~
- k. ~~Assume the duties of Public Information Officer (PIO), as necessary.~~
- l. ~~Serve as Safety Officer, as necessary.~~
- m. ~~Oversee and manage the RSFFPD participation in the Regional Communications System (RCS) and Computer Aided Dispatch (CAD) and Records Management Systems (RMS) and coordinate support to RSFFPD personnel for these systems.~~
- n. ~~Oversee and manage special projects, as assigned by the Fire Chief.~~

~~The Solana Beach Fire Department will furnish the following services:~~

~~1. Support Services for Del Mar, Encinitas and the Rancho Santa Fe Fire Protection District~~

~~The Solana Beach Fire Department will furnish a Deputy Chief (1) to oversee the support services function of the Del Mar, Encinitas and Rancho Santa Fe Fire Departments. Said support services shall include the following:~~

- ~~a. Coordinate assignment and maintenance programs of fire apparatus and equipment.~~
- ~~b. As directed by the Fire Chiefs, attend and represent the RSFFPD and implement its policies and directives at various local and regional meetings [i.e. Board of Directors (when required), staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].~~
- ~~c. Oversee and manage special projects, as assigned by the Fire Chiefs.~~
- ~~d. Oversee maintenance program for fire stations and serve as point of contact for fire personnel for facility maintenance or procurement requests.~~
- ~~e. Direct the forecast of funds needed for staffing, equipment, materials and supplies.~~
- ~~f. Monitor and approve expenditures and request budget adjustments.~~

ATTACHMENT 2

EXHIBIT B

Annual Payment for Services
November 1, 2010 – October 30, 2011

	DMR	SOL	ENG	RSF	Total (Salary & Benefits)
DIRECTOR PS/FIRE CHIEF	\$ 29,725	\$ 46,339	\$ 156,631	\$ —	\$ 232,695
DEPUTY CHIEF (OPERATIONS)	\$ 18,765	\$ 28,498	\$ 81,568	\$ 76,517	\$ 205,348
DEPUTY CHIEF (ADMINISTRATIVE SERVICES)	\$ 18,765	\$ 28,498	\$ 81,568	\$ 76,517	\$ 205,348
DEPUTY CHIEF (SUPPORT SERVICES)	\$ 16,962	\$ 25,760	\$ 73,730	\$ 69,165	\$ 185,617
BATTALION CHIEF (TRAINING) [‡]	\$ 17,959	\$ 27,275	\$ 78,066	\$ 73,231	\$ 196,531
BATTALION CHIEF (3) [‡]	\$ 54,870	\$ 83,331	\$ 238,509	\$ 223,738	\$ 600,448
FIRE MARSHAL	\$ 20,185	\$ 31,467	\$ 106,364	\$ —	\$ 158,016
MANAGEMENT ANALYST	\$ 15,156	\$ 23,627	\$ 79,862	\$ —	\$ 118,645
TOTAL	\$ 192,387	\$ 294,795	\$ 896,298	\$ 519,168	\$ 1,902,648

ENC REVENUE	\$ 102,596	\$ 158,430	N/A	\$ 153,033
RSF REVENUE	\$ 72,829	\$ 110,605	\$ 316,574	N/A
SOL REVENUE	\$ 16,962	N/A	\$ 73,730	\$ 69,165

Cost Allocation	DMR	SOL	ENG	RSF
ENC Fire Chief/Fire Marshal/Analyst	12.77%	19.91%	67.31%	-
RSF Battalion Chiefs/ ENC Deputy Chiefs/ SOL Deputy Chief	9.14%	13.88%	39.72%	37.26%

[‡]Total salary and benefits cost for Rancho Santa Fe FPD Battalion Chiefs does not reflect any possible salary increase effective 7/1/11.

Contract costs are shaded.

AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES

This Agreement is made and entered this 15th day of October, 2009, by and between the CITY OF DEL MAR, CITY OF ENCINITAS, RANCHO SANTA FE FIRE PROTECTION DISTRICT and the CITY OF SOLANA BEACH (hereinafter collectively referred to as "PARTIES"), all of which are public agencies organized and existing under and by virtue of the laws of the State of California.

RECITALS

WHEREAS, each party is charged with providing fire prevention and suppression activities, emergency medical services ("EMS") and emergency/disaster management as provided for in California Health and Safety Code §13862 and Government Code Chapter 7, within their respective boundaries;

WHEREAS, due to their proximity to one another and similar organizational elements, the PARTIES wish to cooperate in sharing fire management functions;

WHEREAS, sharing the functions of organizational direction and control, supervision of operations, training, fire prevention, administrative, fiscal management and disaster preparedness can provide effective leadership to multiple agencies, eliminating redundancy, duplication of effort and provide opportunities for current cost savings and an increased level of service for each party, while avoiding the full cost of completely independent fire administration;

WHEREAS, all employees of PARTIES performing pursuant to this Agreement shall remain employees of their respective jurisdiction and no express or implied employment contract exists for the same as a result of this Agreement,

WHEREAS, this Agreement provides a cost effective option for sharing said functions between the PARTIES.

NOW THEREFORE, the parties agree as follows:

1. **Purpose.** This Agreement when executed shall constitute an agreement by the PARTIES to cooperate in sharing certain management services relating to fire prevention and suppression activities, EMS and emergency/disaster management. The Parties desire to

maximize the use of existing resources, create cost containment opportunities, maintain local control and continue to deliver fire emergency medical services at a high level of service. During the duration of this Agreement, the Parties will continue to explore further opportunities to work jointly in delivering efficient emergency and fire-related services to the public.

2. **Management Services.** Each party shall furnish or contract for the management services identified in Exhibit "A" ("Description of Services").

2.1. In providing the services listed in Exhibit "A", PARTIES agree that the minimum hours to be provided by each parties' personnel shall be the amount necessary to maintain the overall level of services contemplated by the Agreement upon its effective date.

3. **Employees of PARTIES.** All personnel hired by each party for their respective fire departments, shall be and remain employees of said party and shall at all times be subject to the direction, supervision and control of said party directly or by other agencies acting on behalf of said party pursuant to this Agreement. Each party shall have sole responsibility of paying the salaries, taxes, including, but not limited to Federal Social Security Taxes, Federal, California and Employment taxes and all other employee related expenses including but not limited to Workers' Compensation Insurance and Retirement Benefits regarding their respective employees.

4. **Compliance with Applicable Statutes, Ordinance and Regulations.**

In performing the management services required under this Agreement, each party shall comply with all applicable federal, state, and county statutes, ordinance and regulations.

5. **Insurance**

a. Each party shall furnish and keep in full force and effect during all times of the Agreement the following insurance:

i. Workers' Compensation insurance covering all employees exercising duties pursuant to this Agreement.

ii. Comprehensive Liability insurance to include general liability, automotive liability, and public officials and professional liability for any and all property claims or suits for damages arising out of their respective employees' duties pursuant to this Agreement including officers, agents, representatives, subcontractors or volunteers. These policies shall provide coverage for bodily injury and property damage in an amount not less than one million dollars (\$1,000,000) combined single limit per occurrence and shall name the PARTIES as an additional insured. No cancellation or change of coverage shall be effective until thirty (30) day written notice has been given to the PARTIES.

6. Compensation. Those PARTIES receiving fire management services agree to pay for the services herein to be performed, during the term of this Agreement. The fees for fire management services shall be calculated using the total actual cost of salaries and benefits for personnel providing the services identified in Exhibit "A" during the term of this Agreement and apportioned to reflect the extent to which the PARTIES utilize fire management services, based on the following formula:

10% equally shared

20% by population (based on the most recent figures from the State of California
Department of Finance

20% by area served

20% by number of annual calls for service (based on the most recent figures
from North County Dispatch Joint Powers Authority)

30% by number of fire suppression personnel

The apportionment will be calculated annually using the most recent statistics required for the above-mentioned formula.

Payment to PARTIES to render the services described in Exhibit "A" hereunder shall be set forth in Exhibit "B" which is attached hereto and incorporated herein as though fully set forth at length. The total payment shall be made in quarterly installments.

The compensation provided to the Rancho Santa Fe Fire Protection District (RSF) for the services herein shall increase each year by the actual increase in salary and benefits for the Battalion Chiefs (3) of RSF for that fiscal year.

The compensation provided to the City of Encinitas (ENC) for services herein shall increase each year by the actual increase in salary and benefits of the positions providing the personnel services to that particular party for that fiscal year.

PARTIES rendering the services described in Exhibit A will not be compensated for the cost of fuel, vehicle maintenance, future vehicle replacement, office equipment, information technology, office supplies or incidentals incurred as a result of the performance of this Agreement.

6.1 Adjustment to Compensation. PARTIES must be notified of any changes to the compensation structure, as provided for in Paragraph 6, no later than May 1st in order to facilitate the next fiscal year's budget planning process. In the event such changes cannot be made available by May 1st as a result of protracted labor negotiations, PARTIES agree to work in good faith to provide best estimates until such time the changes are final. PARTIES agree to exercise due diligence to finalize the changes for timely notification.

7. **Duration of Agreement.**

7.1 The term of this Agreement shall commence on October 15, 2009, and shall continue in full force and effect for a period of two years (2) years. This Agreement shall automatically renew on an annual basis after the initial two (2) year term.

7.2 Termination without Cause. Each party may terminate this AGREEMENT, without cause, by giving written notice to PARTIES. Such termination shall be effective ninety (90) days following receipt of the written notice.

7.3 Termination for Cause. Should any party be in default of any covenant or condition hereof, the other party may immediately terminate this AGREEMENT for cause if the defaulting party fails to cure the default within ten (10) calendar days of receiving a written notice of the default.

7.4 Performance after Termination. Should either the CITY OF DEL MAR or the CITY OF SOLANA BEACH terminate this Agreement pursuant to section 7.2 or 7.3, above, this Agreement

shall continue in full force and effect for the remaining PARTIES without a reduction in the services set forth in Exhibit A for the remaining PARTIES or an increase in the compensation due under Exhibit B except as specifically provided for in this Agreement.

8. **Joint Services.** The PARTIES agree to meet and confer in good faith to further explore joint efficiencies and effectiveness in providing services.

9. **Non-assignability.** This Agreement shall not be assigned by any party without first obtaining the express written consent of PARTIES.

10. **Notices.** Any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to the PARTIES shall be in writing and shall be deemed duly served and given when personally delivered to the party whom directed or in lieu of such personal services when deposited in the United States mail, postage pre-paid to:

City of Del Mar
1050 Camino Del Mar
Del Mar, CA 92014
Attn: City Manager
Telephone: (858) 755-9313

City of Encinitas
505 S. Vulcan Avenue
Encinitas, CA 92024
Attn: Fire Chief
Telephone: (760)633-2800

Rancho Santa Fe Fire Protection District,
P.O. Box 410
Rancho Santa Fe, Ca 92067
Attn: Fire Chief
Telephone (858) 756-5971

City of Solana Beach
635 South Highway 101
Solana Beach, CA 92075
Attn: City Manager

Telephone: (858)720-2434

11. **Indemnification.** Each party agrees to defend, indemnify, and save all other parties harmless from any and all claims arising out of said party's employees' negligent acts, errors, omissions or willful misconduct while performing pursuant to this Agreement.

Each party hereby agrees to defend itself from any claim, action or proceeding arising out of the concurrent acts or omissions of their employees. In such cases, each party agrees to retain their own legal counsel, bear their own defense costs, and waive their right to seek reimbursement of such costs.

Notwithstanding the above, where a trial verdict or arbitration award allocates or determines the comparative fault of the members, the members may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with said comparative fault.

For purposes of this section, the terms "employee" or "employees" shall refer to and include employees, officers, agents, representatives, subcontractors or volunteers. Notwithstanding the foregoing, no employee, officer, agent, representative, subcontractor or volunteer of any party to this Agreement shall be considered an "employee" of any other party to this Agreement for purposes of indemnification.

12. **Legal Representation and Advice.** Each party employee shall rely upon and consult with its respective jurisdiction's legal counsel regarding legal matters or issues related to the employee's performance pursuant to this Agreement. In the event that a legal matter or issue relates to two or more employees of differing jurisdictions, said jurisdictions shall meet and confer on appropriate legal representation and apportionment of costs, if applicable.

For purposes of this section, the terms "employee" or "employees" shall refer to and include employees, officers, agents, representatives, subcontractors or volunteers. Notwithstanding the foregoing, no employee, officer, agent, representative, subcontractor or volunteer of any party to this Agreement shall be considered an "employee" of any other party to this Agreement for purposes of legal representation and advice.

13. **Entire Agreement.** PARTIES agree that this Agreement constitutes the sole and only Agreement between them representing the management services and correctly sets forth their obligations and duties with respect to each other.

14. **Amendment.** This Agreement may be amended only by written consent of the PARTIES to the Agreement.

15. **Subject Headings** The subject heading of the Paragraphs in this Agreement are included solely for the purposes of convenience and references, and shall not be deemed to explain, modify, limit, amplify or aid in the meaning, construction or interpretation of any provision of this Agreement.

16. **No Interpretation Against Drafting.** This Agreement has been negotiated at arm's length between PARTIES hereto. Accordingly, any rule or law (including California Civil Code §1635 et seq.) or legal decisions that would require interpretation of any ambiguities in this Agreement against the party that has drafted the applicable provisions, is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purpose of the PARTIES.

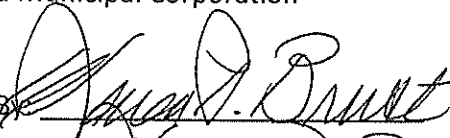
17. **Execute in Counterparts.** The parties hereto agree that there shall be two originals of this agreement which shall be identical in all respects, including form and substance. The parties may execute this Agreement in two or more counterparts, which shall, in the aggregate, be deemed an original, but all of which, together, shall constitute one and the same instrument.

Handwritten note: "four" circled, with "two" written below it and initials "K.B." to the right.

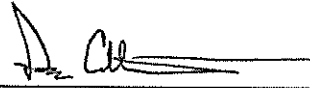
18. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of California.

Executed at San Diego, California on the date and year first appearing above.

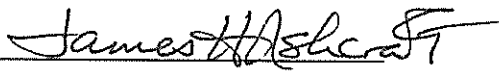
City of Del Mar
a Municipal Corporation

By: 
Name: Karen P. Brust
Its: City Manager

City of Encinitas
a Municipal Corporation

By: 
Name: De Cottow
Its: City Manager

Rancho Santa Fe Fire Protection District

By: 
Name: James H. Ashcraft
Its: President, Board of Directors

City of Solana Beach
a Municipal Corporation

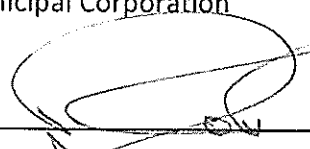
By: 
Name: David Ott
Its: City Manager

EXHIBIT A

Description of Services

The Rancho Santa Fe Fire Protection District (RSF) will furnish the following services:

1. Duty Coverage.

The Rancho Santa Fe Fire Protection District will furnish the management services that include the positions of Shift Battalion Chiefs (3) to the City of Del Mar, City of Encinitas and City of Solana Beach in order to provide supervision of operations for their Fire Departments. Said management services shall include the following:

- a. Provide emergency incident command officer coverage.*
- b. Perform a management role and assume command of field operations as well as direct assigned personnel at the scene of emergencies involving fire, all types of accidents, gas leaks, flooded structures, hazardous materials and life saving and rescue work.
- c. Make decisions on the utilization and practical application of agency resources to ensure proper emergency coverage is maintained.
- d. Effectuate policies, orders, rules and regulations. Enforce agency rules and regulations and recommend and takes disciplinary action when necessary.
- e. Assure agency health and safety guidelines are followed, and exercise discretion to ensure a safe working environment is maintained.
- f. Respond to incidents requiring a chief officer, when necessary.
- g. Daily supervision of personnel. Supervise adherence to agency policies and procedures (i.e., personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies, etc.).
- h. Conduct morning briefings with all shift personnel at the fire stations.
- i. Communicate daily activities with each Operations Chief and disseminate critical information.
- j. Meet with company officers in each station to explain new orders, answer questions, discuss policies and procedures, and ensure proper awareness of new standards.
- k. Receive and relay and pertinent information; deliver interdepartmental mail.
- l. Assist the Operation Chief with company officers' evaluations.
- m. Assist Company Officer with counseling and coaching of subordinates when there is a performance or personnel problem, if necessary.

- n. Participate in training activities and observe companies as they participate in drills.
- o. Act as initiating official for investigations and citizen's complaints; Analyze information obtained and handle as appropriate, or develop a report for further consideration.
- p. Maintain records and review RMS reports per developed program.
- q. Participate in captains' meetings when on duty
- r. Participate in agency scheduled operations or staff meetings.

*Should RSF personnel at or above the Battalion Chief level be unavailable to respond, the Cities of Del Mar, Encinitas and Solana Beach will use shared duty officers from other cooperating agencies or choose to provide their own "Duty Officer"

The Encinitas Fire Department will furnish the following services:

I. Management services for Del Mar

The Encinitas Fire Department will furnish the management services that include the positions of Fire Chief (1), Deputy Chiefs (3), Fire Marshal (1) and Management Analyst (1) to the City of Del Mar in order to manage its Fire Department. Said management services shall include the following:

- a. Under the Direction and supervision of the City Manager of Del Mar, provide broad policy guidance, fire management expertise and leadership to Del Mar fire personnel.
- b. Confer with Del Mar Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Del Mar Fire Department to its citizens.
- c. As directed by the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquires.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Departments Mission Statements.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. Supervise and provide direction when needed for fire prevention suppression, and EMS activities for the City of Del Mar.
- h. Supervise personnel of the Del Mar Fire Department. Supervise adherence to Del Mar policies and procedures (i.e., personnel rules, administrative policies,

purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies, etc.).

- i. As directed by the City Manager, attend and represent the Del Mar Fire Department and implement Del Mar's policies and directives at various local and regional meetings [i.e., City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC, etc.].
- j. Supervise the purchasing of materials and equipment within the budgetary constraints of Del Mar.
- k. Provide overhead supervision for safety, command and control functions on an as needed basis.
- l. Provide support personnel dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.
- m. Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff.
- n. Administer grant programs and submit applications for grants
- o. Prepare and review budgets and facilitate cost recovery.

2. Training Services for Del Mar

The Encinitas Fire Department will furnish training services of a Deputy Chief (Training Officer) to Del Mar in order to train, and assist in the training management of Del Mar's Fire Department. Said training services shall include the following: .

- a. Under direction of the Fire Chief, coordinate the training program for the members of the Del Mar Fire Department.
- b. Prepare and oversee said training program.
- c. Monitor required annual training attendance records.
- d. Ensure annual state and federal training mandates are met.
- e. Ensure that all firefighters are instructed in the same firefighter techniques (North Zone Operations and Training Manual).
- f. Provide training guidance and management to Del Mar fire personnel.
- g. Establish training standards and develop curriculum and lesson plans.
- h. Develop a master training schedule including multi-company drills on a regular basis.
- i. Training shall include the development of a training academy for new hires.
- j. Evaluate training effectiveness and periodically review training records for completeness.
- k. Represent Del Mar at Zone and County training activities.

3. Management Services for Solana Beach

The Encinitas Fire Department proposes to furnish the management services that include the positions of Fire Chief (1) and Deputy Chiefs (2) to the City of Solana Beach in order to manage its Fire Department. Said management services shall include the following:

- a. Under the Direction and supervision of the City Manager of Solana Beach, provide broad policy guidance, fire management expertise and leadership to Solana Beach fire personnel.
- b. Confer with Solana Beach Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Solana Beach Fire Department to its citizens.
- c. At the direction of the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquires.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Departments Mission Statements.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. As directed by the City Manager, attend and represent the Solana Beach Fire Department and implement Solana Beach's policies and directives at various local and regional meetings [i.e., City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC, etc.].
- h. Supervise the purchasing of materials and equipment within the budgetary constraints of Solana Beach.
- i. Provide overhead supervision for safety, command and control functions on an as needed basis.
- j. Provide support personnel, dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.

4. Training Services for Solana Beach

The Encinitas Fire Department will furnish training services of a Deputy Chief (Training Officer) to Solana Beach in order to train, and assist in the training management of Solana Beach's Fire Department. Said training services shall include the following:

- a. Under direction of the Fire Chief, coordinate the training program for the members of the Solana Beach Fire Department.
- b. Prepare and oversee said training program.
- c. Monitor required annual training attendance records.
- d. Ensure annual state and federal training mandates are met.

- e. Ensure that all firefighters are instructed in the same firefighter techniques (North Zone Operations and Training Manual).
- f. Provide training guidance and management to Solana Beach fire personnel.
- g. Establish training standards and develop curriculum and lesson plans.
- h. Develop a master training schedule including multi-company drills on a regular basis.
- i. Training shall include the development of a training academy for new hires.
- j. Evaluate training effectiveness and periodically review training records for completeness.
- k. As designated by the City Manager, represent Solana Beach at Zone and County training activities.

EXHIBIT B

Annual Payment for Services

October 15, 2009 – October 14, 2010

	DMR	SOL	ENC	RSF	Total (Salary & Benefits)
DIRECTOR PS/ FIRE CHIEF	\$ 28,576	\$ 44,762	\$ 149,573	\$ -	\$ 222,911
DEPUTY CHIEF (TRAINING) ¹	\$ 25,525	\$ 39,983	\$ 133,602	\$ -	\$ 199,110
DEPUTY CHIEF (ADMIN/SUPPORT SERVICES) ¹	\$ 25,525	\$ 39,983	\$ 133,602	\$ -	\$ 199,110
DEPUTY CHIEF (OPS) ¹	\$ 33,675	\$ -	\$ 165,435	\$ -	\$ 199,110
BATTALION CHIEF (3) ²	\$ 52,876	\$ 80,437	\$ 234,229	\$ 209,874	\$ 577,416
FIRE MARSHAL	\$ 24,748	\$ -	\$ 121,577	\$ -	\$ 146,325
MANAGEMENT ANALYST (DP, GRANTS)	\$ 19,504	\$ -	\$ 95,819	\$ -	\$ 115,323
SUBTOTAL - ENC REVENUE	\$ 157,553	\$ 124,727	N/A	N/A	
SUBTOTAL - RSF REVENUE	\$ 52,876	\$ 80,437	\$ 234,229	N/A	
TOTAL	\$ 210,429	\$ 205,164	\$1,033,838	\$ 209,874	\$ 1,659,304

Cost Allocation	DMR	SOL	ENC	RSF
Fire Chief/Training Officer/Deputy Chief	12.82%	20.08%	67.10%	
Battalion Chiefs	9.16%	13.93%	40.57%	36.35%
Ops Chief/Fire Marshal/Analyst	16.91%		83.09%	

¹ MOU with Encinitas Deputy Chiefs expires 6/30/10 and total salary and benefits cost does not reflect any possible salary increase effective 7/1/10.

² Total salary and benefits cost for Rancho Santa Fe FPD Battalion Chiefs does not reflect any possible salary increase effective 7/1/10.

**FIRST AMENDMENT TO
AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES**

This Amendment ("**Amendment**") is entered into the 15th day of September, 2010 ("**Effective Date**") regarding that certain AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES dated October 15, 2009 by and between CITY OF DEL MAR, CITY OF ENCINITAS, RANCHO SANTA FE FIRE PROTECTION DISTRICT and the CITY OF SOLANA BEACH (collectively the "**Parties**") ("**Agreement**").

Recitals

WHEREAS, Section 14 of the Agreement permits amendment of the Agreement by a writing signed by the Parties;

WHEREAS, the Parties agree to amend the Agreement as more fully stated herein.

NOW, THEREFORE, the Parties agree as follows:

1. Exhibit "A" (Description of Services) is hereby deleted and a new Exhibit "A" (Description of Services) attached hereto as Attachment "1" is substituted in its place.
2. Exhibit "B" (Annual Payments for Services) is hereby deleted and a new Exhibit "B" (Annual Payments for Services) attached hereto as Attachment "2" is substituted in its place.
3. This Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
4. Except as specifically provided herein, all terms shall have the same meaning as defined in the Agreement.
5. Except as specifically amended herein, the Agreement shall remain in full force and effect.

[Signatures on Next Page]

Executed the first day and year appearing above at San Diego, California.

City of Del Mar
a Municipal Corporation

By: Mark Delin

Name: Mark Delin

Its: Assistant City Manager

City of Encinitas
a Municipal Corporation

By: Mark A. Muir

Name: MARK A. MUIR

Its: FIRE CHIEF for City Manager

Rancho Santa Fe Fire Protection District
a Special District

By: James H. Ashcraft

Name: _____ James H. Ashcraft

Its: _____ President, Board of Directors

City of Solana Beach
a Municipal Corporation

By: David Ott

Name: David Ott

Its: City Manager

ATTACHMENT 1

EXHIBIT A

Description of Services

The Rancho Santa Fe Fire Protection District (RSF) will furnish the following services:

1. Duty Coverage.

The Rancho Santa Fe Fire Protection District will furnish the management services that include the positions of Shift Battalion Chiefs (3) to the City of Del Mar, City of Encinitas and City of Solana Beach in order to provide supervision of operations for their Fire Departments. Said management services shall include the following:

- a. Provide emergency incident command officer coverage.*
- b. Perform a management role and assume command of field operations as well as direct assigned personnel at the scene of emergencies involving fire, all types of accidents, gas leaks, flooded structures, hazardous materials and life saving and rescue work.
- c. Make decisions on the utilization and practical application of agency resources to ensure proper emergency coverage is maintained.
- d. Effectuate policies, orders, rules and regulations. Enforce agency rules and regulations and recommend and takes disciplinary action when necessary.
- e. Assure agency health and safety guidelines are followed, and exercise discretion to ensure a safe working environment is maintained.
- f. Respond to incidents requiring a chief officer, when necessary.
- g. Daily supervision of personnel. Supervise adherence to agency policies and procedures (i.e., personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies, etc.).
- h. Conduct morning briefings with all shift personnel at the fire stations.
- i. Communicate daily activities with each Operations Chief and disseminate critical information.
- j. Meet with company officers in each station to explain new orders, answer questions, discuss policies and procedures, and ensure proper awareness of new standards.
- k. Receive and relay and pertinent information; deliver interdepartmental mail.
- l. Assist the Operation Chief with company officers' evaluations.
- m. Assist Company Officer with counseling and coaching of subordinates when there is a performance or personnel problem, if necessary.
- n. Participate in training activities and observe companies as they participate in drills.

- o. Act as initiating official for investigations and citizen's complaints; Analyze information obtained and handle as appropriate, or develop a report for further consideration.
- p. Maintain records and review RMS reports per developed program.
- q. Participate in captains' meetings when on duty.
- r. Participate in agency scheduled operations or staff meetings.

*Should RSF personnel at or above the Battalion Chief level be unavailable to respond, the Cities of Del Mar, Encinitas and Solana Beach will use shared duty officers from other cooperating agencies or choose to provide their own "Duty Officer"

The Encinitas Fire Department will furnish the following services:

1. Management Services for Del Mar

The Encinitas Fire Department will furnish the management services that include the positions of Fire Chief (1), Deputy Chiefs (2), Fire Marshal (1) and Management Analyst (1) to the City of Del Mar in order to manage its Fire Department. Said management services shall include the following:

- a. Under the direction and supervision of the City Manager of Del Mar, provide broad policy guidance, fire management expertise and leadership to Del Mar fire personnel.
- b. Confer with Del Mar Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Del Mar Fire Department to its citizens.
- c. As directed by the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquires.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the City of Del Mar.
- h. Supervise personnel of the Del Mar Fire Department. Supervise adherence to Del Mar policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).
- i. As directed by the City Manager, attend and represent the Del Mar Fire

Department and implement Del Mar's policies and directives at various local and regional meetings [i.e. City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].

- j. Supervise the purchasing of materials and equipment within the budgetary constraints of Del Mar.
- k. Provide overhead supervision for safety, command and control functions on an as needed basis.
- l. Provide support personnel dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.
- m. Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff.
- n. Administer grant programs and submit applications for grants.
- o. Prepare and review budgets and facilitate cost recovery.

2. Management Services for Solana Beach

The Encinitas Fire Department proposes to furnish the management services that include the positions of Fire Chief (1), Deputy Chiefs (2), Fire Marshal (1) and Management Analyst (1) to the City of Solana Beach in order to manage its Fire Department. Said management services shall include the following:

- a. Under the direction and supervision of the City Manager of Solana Beach, provide broad policy guidance, fire management expertise and leadership to Solana Beach fire personnel.
- b. Confer with Solana Beach Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Solana Beach Fire Department to its citizens.
- c. At the direction of the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquiries.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the City of Solana Beach.
- h. Supervise personnel of the Solana Beach Fire Department. Supervise adherence to Solana Beach policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).
- i. As directed by the City Manager, attend and represent the Solana Beach Fire Department and implement Solana Beach's policies and directives at various local and regional meetings [i.e., City Council (when required), City Manager

- staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC, etc.].
- j. Supervise the purchasing of materials and equipment within the budgetary constraints of Solana Beach.
 - k. Provide overhead supervision for safety, command and control functions on an as needed basis.
 - l. Provide support personnel, dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.
 - m. Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff.
 - n. Administer grant programs and submit applications for grants.
 - o. Prepare and review budgets and facilitate cost recovery.

The Solana Beach Fire Department will furnish the following services:

1. Training Services for Encinitas and Del Mar

The Solana Beach Fire Department will furnish training services of a Deputy Chief - Training Officer (1) to the Encinitas and Del Mar Fire Departments in order to train and assist in the training management of the Encinitas and Del Mar Fire Departments. Said training services shall include the following:

- a. Under direction of the Fire Chief, coordinate the training program for the members of the Encinitas and Del Mar Fire Departments.
- b. Prepare and oversee said training program.
- c. Monitor required annual training attendance records.
- d. Ensure annual state and federal training mandates are met.
- e. Ensure that all firefighters are instructed in the same firefighter techniques (North Zone Operations and Training Manual).
- f. Provide training guidance and management to Encinitas and Del Mar fire personnel.
- g. Establish training standards and develop curriculum and lesson plans.
- h. Develop a master training schedule including multi-company drills on a regular basis.
- i. Training shall include the development of a training academy for new hires.
- j. Evaluate training effectiveness and periodically review training records for completeness.
- k. Represent Encinitas and Del Mar Fire Departments at Zone and County training activities, as well as Unified Disaster Council (UDC) meeting.
- l. Provide oversight of the Department(s) Community Emergency Response Team (CERT) program(s).

ATTACHMENT 2

EXHIBIT B

Annual Payment for Services

September 15, 2010 – September 14, 2011

	DMR	SOL	ENC	RSF	Total (Salary & Benefits)
DIRECTOR PS/ FIRE CHIEF	\$ 29,725	\$ 46,339	\$ 156,632	\$ -	\$ 232,695
DEPUTY CHIEF (TRAINING)	\$ 23,711	\$ 36,964	\$ 124,942	\$ -	\$ 185,617
DEPUTY CHIEF (ADMIN/SUPPORT SERVICES)	\$ 26,231	\$ 40,893	\$ 138,223	\$ -	\$ 205,348
DEPUTY CHIEF (OPS)	\$ 26,231	\$ 40,893	\$ 138,223	\$ -	\$ 205,348
BATTALION CHIEF (3) ¹	\$ 54,870	\$ 83,331	\$ 238,509	\$ 223,739	\$ 600,448
FIRE MARSHAL MANAGEMENT ANALYST (DISASTER PREP, GRANTS)	\$ 20,185	\$ 31,467	\$ 106,363	\$ -	\$ 158,016
	\$ 15,156	\$ 23,627	\$ 79,863	\$ -	\$ 118,645
TOTAL	\$ 196,109	\$ 303,514	\$ 982,755	\$ 223,739	\$ 1,706,117

ENC REVENUE	\$ 117,529	\$ 183,219	N/A	N/A
RSF REVENUE	\$ 54,870	\$ 83,331	\$ 238,509	N/A
SOL REVENUE	\$ 23,711	N/A	\$ 124,942	N/A

Cost Allocation	DMR	SOL	ENC	RSF
ENC Fire Chief/ENC Deputy Chief/SOL Training Officer/Fire Marshal/Analyst	12.77%	19.91%	67.31%	
RSF Battalion Chiefs	9.14%	13.88%	39.72%	37.26%

¹ Total salary and benefits cost for Rancho Santa Fe FPD Battalion Chiefs does not reflect any possible salary increase effective 7/1/11.

**SECOND AMENDMENT TO
AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES**

This Amendment (“**Amendment**”) is entered into the 15th day of November, 2010 (“**Effective Date**”) regarding that certain AGREEMENT FOR COOPERATIVE MANAGEMENT SERVICES dated October 15, 2009 by and between CITY OF DEL MAR, CITY OF ENCINITAS, RANCHO SANTA FE FIRE PROTECTION DISTRICT and the CITY OF SOLANA BEACH (collectively the “**Parties**”) (“**Agreement**”).

Recitals

WHEREAS, Section 14 of the Agreement permits amendment of the Agreement by a writing signed by the Parties;

WHEREAS, the Parties agree to amend the Agreement as more fully stated herein.

NOW, THEREFORE, the Parties agree as follows:

1. Exhibit “A” (Description of Services) is hereby deleted and a new Exhibit “A” (Description of Services) attached hereto as Attachment “1” is substituted in its place.
2. Exhibit “B” (Annual Payments for Services) is hereby deleted and a new Exhibit “B” (Annual Payments for Services) attached hereto as Attachment “2” is substituted in its place.
3. This Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
4. Except as specifically provided herein, all terms shall have the same meaning as defined in the Agreement.
5. Except as specifically amended herein, the Agreement shall remain in full force and effect.

[Signatures on Next Page]

Executed the first day and year appearing above at San Diego, California.

City of Del Mar
a Municipal Corporation

By: [Signature]
Name: Kevin P. Brust
Its: City Manager

City of Encinitas
a Municipal Corporation

By: [Signature]
Name: Phil Cotton
Its: City Manager

Rancho Santa Fe Fire Protection District
a Special District

By: [Signature]
Name: James H Ashcraft
Its: President, Board of Directors

City of Solana Beach
a Municipal Corporation

By: [Signature]
Name: Paul Cott
Its: 12/14/10 City Manager

ATTACHMENT 1

EXHIBIT A

Description of Services

The Rancho Santa Fe Fire Protection District (RSF) will furnish the following services:

1. Duty Coverage.

The Rancho Santa Fe Fire Protection District will furnish the management services that include the positions of Shift Battalion Chiefs (3) to the City of Del Mar, City of Encinitas and City of Solana Beach in order to provide supervision of operations for their Fire Departments. Said management services shall include the following:

- a. Provide emergency incident command officer coverage.*
- b. Perform a management role and assume command of field operations as well as direct assigned personnel at the scene of emergencies involving fire, all types of accidents, gas leaks, flooded structures, hazardous materials and life saving and rescue work.
- c. Make decisions on the utilization and practical application of agency resources to ensure proper emergency coverage is maintained.
- d. Effectuate policies, orders, rules and regulations. Enforce agency rules and regulations and recommend and takes disciplinary action when necessary.
- e. Assure agency health and safety guidelines are followed, and exercise discretion to ensure a safe working environment is maintained.
- f. Respond to incidents requiring a chief officer, when necessary.
- g. Daily supervision of personnel. Supervise adherence to agency policies and procedures (i.e., personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies, etc.).
- h. Conduct morning briefings with all shift personnel at the fire stations.
- i. Communicate daily activities with each Operations Chief and disseminate critical information.
- j. Meet with company officers in each station to explain new orders, answer questions, discuss policies and procedures, and ensure proper awareness of new standards.
- k. Receive and relay and pertinent information; deliver interdepartmental mail.
- l. Assist the Operation Chief with company officers' evaluations.

- m. Assist Company Officer with counseling and coaching of subordinates when there is a performance or personnel problem, if necessary.
- n. Participate in training activities and observe companies as they participate in drills.
- o. Act as initiating official for investigations and citizen's complaints; Analyze information obtained and handle as appropriate, or develop a report for further consideration.
- p. Maintain records and review RMS reports per developed program.
- q. Participate in captains' meetings when on duty.
- r. Participate in agency scheduled operations or staff meetings.

*Should RSF personnel at or above the Battalion Chief level be unavailable to respond, the Cities of Del Mar, Encinitas and Solana Beach will use shared duty officers from other cooperating agencies or choose to provide their own "Duty Officer"

2. Training Officer

The Rancho Santa Fe Fire Protection District will furnish the management services of a non-shift Battalion Chief (1) to oversee the training function of the Encinitas, Del Mar and Solana Beach Fire Departments. Said management services shall include the following:

- a. Under direction of the Fire Chiefs, coordinate the training program for the members of the Encinitas, Del Mar and Solana Beach Fire Departments.
- b. Prepare and oversee said training program.
- c. Monitor required annual training attendance records.
- d. Ensure annual state and federal training mandates are met.
- e. Ensure that all firefighters are instructed in the same firefighter techniques (North Zone Operations and Training Manual).
- f. Provide training guidance and management to Encinitas, Del Mar and Solana Beach fire personnel.
- g. Establish training standards and develop curriculum and lesson plans.
- h. Develop a master training schedule including multi-company drills on a regular basis.
- i. Training shall include the development of a training academy for new hires.
- j. Evaluate training effectiveness and periodically review training records for completeness.
- k. Represent the Encinitas, Del Mar and Solana Beach Fire Departments at Zone and County training activities and meetings.

- l. Provide oversight of the Department(s) Community Emergency Response Team (CERT) program(s).
- m. Oversee firefighter recruitment, testing (including promotional) and hiring.

The Encinitas Fire Department will furnish the following services:

1. Management Services for Del Mar

The Encinitas Fire Department will furnish the management services that include the positions of Fire Chief (1), Deputy Chiefs (2), Fire Marshal (1) and Management Analyst (1) to the City of Del Mar in order to manage its Fire Department. Said management services shall include the following:

- a. Under the direction and supervision of the City Manager of Del Mar, provide broad policy guidance, fire management expertise and leadership to Del Mar fire personnel.
- b. Confer with Del Mar Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Del Mar Fire Department to its citizens.
- c. As directed by the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquires.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the City of Del Mar.
- h. Supervise personnel of the Del Mar Fire Department. Supervise adherence to Del Mar policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).
- i. As directed by the City Manager, attend and represent the Del Mar Fire Department and implement Del Mar's policies and directives at various local and regional meetings [i.e. City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].
- j. Supervise the purchasing of materials and equipment within the budgetary constraints of Del Mar.
- k. Provide overhead supervision for safety, command and control functions on an as needed basis.

- l. Provide support personnel dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.
- m. Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff.
- n. Administer grant programs and submit applications for grants.
- o. Prepare and review budgets and facilitate cost recovery.

2. Management Services for Solana Beach

The Encinitas Fire Department proposes to furnish the management services that include the positions of Fire Chief (1), Deputy Chiefs (2), Fire Marshal (1) and Management Analyst (1) to the City of Solana Beach in order to manage its Fire Department. Said management services shall include the following:

- a. Under the direction and supervision of the City Manager of Solana Beach, provide broad policy guidance, fire management expertise and leadership to Solana Beach fire personnel.
- b. Confer with Solana Beach Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the Solana Beach Fire Department to its citizens.
- c. At the direction of the City Manager, respond to citizen complaints regarding personnel or services, requests for services, and inquires.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.
- f. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- g. Supervise and provide direction when needed for fire prevention, suppression, and EMS activities for the City of Solana Beach.
- h. Supervise personnel of the Solana Beach Fire Department. Supervise adherence to Solana Beach policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).
- i. As directed by the City Manager, attend and represent the Solana Beach Fire Department and implement Solana Beach's policies and directives at various local and regional meetings [i.e., City Council (when required), City Manager staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC, etc.].
- j. Supervise the purchasing of materials and equipment within the budgetary constraints of Solana Beach.
- k. Provide overhead supervision for safety, command and control functions on an as needed basis.

- l. Provide support personnel, dependent upon nature and location of incident for Emergency Operation Center (EOC) activities, during activation.
- m. Assist in the maintenance of the Cities' emergency plans and coordinate training for Del Mar staff.
- n. Administer grant programs and submit applications for grants.
- o. Prepare and review budgets and facilitate cost recovery.

3. Management Services for the Rancho Santa Fe Fire Protection District

The Encinitas Fire Department proposes to furnish the management services that include the positions of Deputy Chiefs (2) in order to manage the operations and administrative services functions of its Fire Department. Said management services shall include the following:

- a. Under the direction and supervision of the Fire Chief of the Rancho Santa Fe Fire Protection District (RSFFPD), provide broad policy guidance, fire management expertise and leadership to Rancho Santa Fe fire personnel.
- b. Confer with Rancho Santa Fe Fire Department personnel when required to ascertain the needs and evaluate the efficiency of the services provided by the RSFFPD to its citizens.
- c. As directed by the Fire Chief, respond to citizen complaints regarding personnel or services, requests for services and inquires.
- d. Provide support to major incidents.
- e. Promote a harmonious working relationship between fire prevention and suppression personnel of each respective agency while striving to uphold each Fire Department's Mission Statement.
- f. Supervise and provide direction when needed for fire suppression and EMS activities of the RSFFPD.
- g. Supervise personnel of the RSFFPD. Supervise adherence to RSFFPD policies and procedures (i.e. personnel rules, administrative policies, purchasing and budget policies, budget administration, department emergency operations policies, memorandum of understanding, vacation, and sick leave policies).
- h. As directed by the Fire Chief, attend and represent the RSFFPD and implement its policies and directives at various local and regional meetings [i.e. Board of Directors (when required), staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].
- i. Supervise the purchasing of materials and equipment within the budgetary constraints of RSFFPD.
- j. Provide overhead supervision for safety, command and control functions on an as needed basis.
- k. Assume the duties of Public Information Officer (PIO), as necessary.
- l. Serve as Safety Officer, as necessary.

- m. Oversee and manage the RSFFPD participation in the Regional Communications System (RCS) and Computer Aided Dispatch (CAD) and Records Management Systems (RMS) and coordinate support to RSFFPD personnel for these systems.
- n. Oversee and manage special projects, as assigned by the Fire Chief.

The Solana Beach Fire Department will furnish the following services:

1. Support Services for Del Mar, Encinitas and the Rancho Santa Fe Fire Protection District

The Solana Beach Fire Department will furnish a Deputy Chief (1) to oversee the support services function of the Del Mar, Encinitas and Rancho Santa Fe Fire Departments. Said support services shall include the following:

- a. Coordinate assignment and maintenance programs of fire apparatus and equipment.
- b. As directed by the Fire Chiefs, attend and represent the RSFFPD and implement its policies and directives at various local and regional meetings [i.e. Board of Directors (when required), staff meetings, County Fire Chiefs, North Zone, CSA-17, UDC].
- c. Oversee and manage special projects, as assigned by the Fire Chiefs.
- d. Oversee maintenance program for fire stations and serve as point of contact for fire personnel for facility maintenance or procurement requests.
- e. Direct the forecast of funds needed for staffing, equipment, materials and supplies.
- f. Monitor and approve expenditures and request budget adjustments.

ATTACHMENT 2

EXHIBIT B

Annual Payment for Services

~~November 1, 2010 – October 30, 2011~~ 2011
November 15, 2010 - November 14, 2010

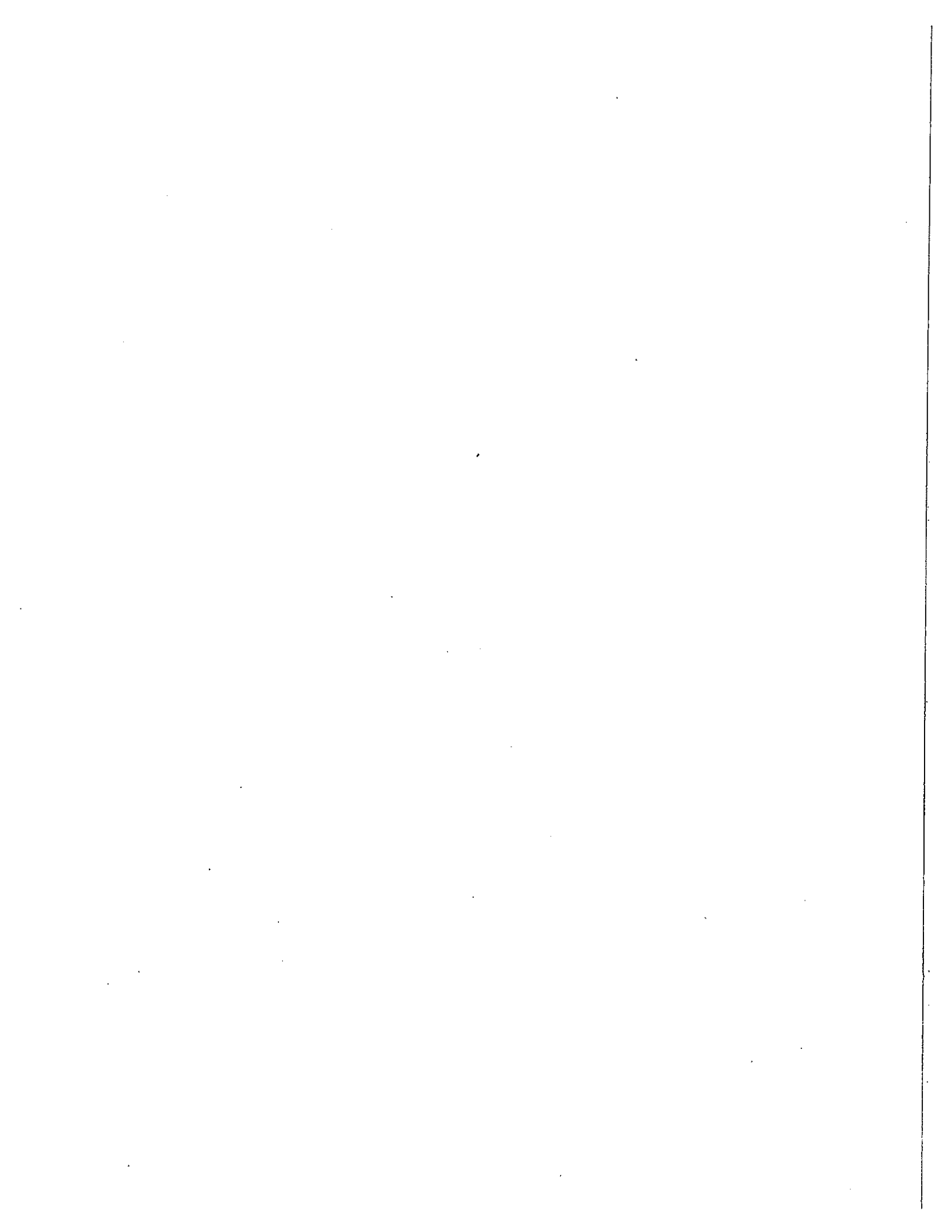
	DMR	SOL	ENC	RSF	Total (Salary & Benefits)
DIRECTOR PS/ FIRE CHIEF	\$ 29,725	\$ 46,339	\$ 156,631	\$ -	\$ 232,695
DEPUTY CHIEF (OPERATIONS)	\$ 18,765	\$ 28,498	\$ 81,568	\$ 76,517	\$ 205,348
DEPUTY CHIEF (ADMINISTRATIVE SERVICES)	\$ 18,765	\$ 28,498	\$ 81,568	\$ 76,517	\$ 205,348
DEPUTY CHIEF (SUPPORT SERVICES)	\$ 16,962	\$ 25,760	\$ 73,730	\$ 69,165	\$ 185,617
BATTALION CHIEF (TRAINING) ¹	\$ 17,959	\$ 27,275	\$ 78,066	\$ 73,231	\$ 196,531
BATTALION CHIEF (3) ¹	\$ 54,870	\$ 83,331	\$ 238,509	\$ 223,738	\$ 600,448
FIRE MARSHAL	\$ 20,185	\$ 31,467	\$ 106,364	\$ -	\$ 158,016
MANAGEMENT ANALYST	\$ 15,156	\$ 23,627	\$ 79,862	\$ -	\$ 118,645
TOTAL	\$ 192,387	\$ 294,795	\$ 896,298	\$ 519,168	\$ 1,902,648

ENC REVENUE	\$ 102,596	\$ 158,430	N/A	\$ 153,033
RSF REVENUE	\$ 72,829	\$ 110,605	\$ 316,574	N/A
SOL REVENUE	\$ 16,962	N/A	\$ 73,730	\$ 69,165

Cost Allocation	DMR	SOL	ENC	RSF
ENC Fire Chief/Fire Marshal/Analyst	12.77%	19.91%	67.31%	
RSF Battalion Chiefs/ ENC Deputy Chiefs / SOL Deputy Chief	9.14%	13.88%	39.72%	37.26%

¹ Total salary and benefits cost for Rancho Santa Fe FPD Battalion Chiefs does not reflect any possible salary increase effective 7/1/11.

Contract costs are shaded.



SOL/DMR/ENC Shared Overhead

	DMR	SOL	ENC	Total
Population Served	4,297	13,527	62,288	80,112
Area Served	2	3	19	25
No. Calls	851	1,301	6,135	8,287
No. Personnel (Suppres	9	18	51	78

	DMR	SOL	ENC	Total
10% Equal Share	3.333333333	3.333333333	3.333333333	10
20% Population	1.07	3.38	15.55	20
20% Area Served	1.46	2.76	15.77	20
20% Calls for Service	2.05	3.14	14.81	20
30% Personnel	3.46	6.92	19.62	30
	11.38	19.54	69.08	100
	11.38%	19.54%	69.08%	100%

Current Formula

10% Equal Share
 20% Population
 20% Area Served
 20% Calls for Service
 30% Personnel

FY 18/19

Del Mar 11.38%
 Solana Beach 19.54%
 Encinitas 69.08%

2017 CA Dept. of Finance/SANDAG estimates (<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1>)

2017 FIRESTATS Total Calls (incidents)

Costs not being recovered in the Fire Management Services Agreement:

---updated 5/25/18

	Encinitas Annual Cost	Solana Beach Annual Cost
Facilities Cost (Facility Maintenance-Civic Center) ** <i>Costs associated with maintenance of Civic Center include security, pest control, janitorial, plumbing, HVAC services, etc.</i> Office space by employee: - Fire Administration - 4 employees in FMS (\$12,747 / 6 x 4) - Fire Prevention - 1 employee in FMS (\$14,164 / 5 x 1)	\$ 11,331	
Facilities Cost (Facility Maintenance-Fire Stations) ** <i>Costs associated with maintenance of Fire Stations include security, pest control, janitorial, plumbing, HVAC services, etc.</i> Fire Stations (for 2 B/C positions): - Fire Operations - 2 employees in FMS (\$227,709 / 53 x 2)	\$ 8,593	
Administrative Cost (central services) ** - <i>Purchasing of office supplies, telephone charges, postage, office furniture</i> Cost by Division then by Employees in FMS Agreement - Fire Administration - 4 employees in FMS (\$4,189 / 6 x 4) - Fire Operations - 2 employees in FMS (\$47,480 / 53 x 2) - Fire Prevention - 1 employee in FMS (\$4,655 / 5 x 1)	\$ 5,515	\$ 635
Information Technology ** <i>Costs associated with delivery of reliable and efficient technology systems and service to staff. Improves public access to city services and optimizes city business processes.</i> management and troubleshoot Telestaff multi-functional device (copies, scanning, faxing); computer storage (T drive) VoIP phones, computers, software programs, internet, printers Cost by Division then by Employees in FMS Agreement - Fire Administration - 4 employees in FMS (\$32,894 / 6 x 4) - Fire Operations - 2 employees in FMS (\$372,794 / 53 x 2) - Fire Prevention - 1 employee in FMS (\$36,548 / 5 x 1)	\$ 43,307	\$ 2,412
Geographic Information System (GIS) ** <i>Costs associated with design, implementation, management, and support of GIS and related business systems. Includes software applications and authoritative data to support day-to-day operations.</i> Cost by Division then by Employees in FMS Agreement - Fire Administration - 4 employees in FMS (\$14,141 / 6 x 4) - Fire Operations - 2 employees in FMS (\$160,261 / 53 x 2) - Fire Prevention - 1 employee in FMS (\$15,712 / 5 x 1)	\$ 18,617	
Human Resources ** <i>Costs associated with maintaining personnel system including employee performance evaluations, classification, compensation, recruitments, benefits program, and coordinating staff training opportunities.</i> Cost by Division then by Employees in FMS Agreement - Fire Administration - 4 employees in FMS (\$19,389 / 6 x 4) - Fire Operations - 2 employees in FMS (\$219,743 / 53 x 2) - Fire Prevention - 1 employee in FMS (\$21,543 / 5 x 1)	\$ 25,527	\$ 3,856
Finance ** <i>Costs associated with managing fiscal resources, accounting, investments, and maintenance of the budget.</i> processing of invoices, collecting data, budgeting, payroll Cost by Division then by Employees in FMS Agreement - Fire Administration - 4 employees in FMS (\$26,850 / 6 x 4) - Fire Operations - 2 employees in FMS (\$347,399 / 53 x 2) - Fire Prevention - 1 employee in FMS (\$29,288 / 5 x 1)	\$ 36,867	\$ 14,232

Staff & Pooled Vehicles			
fuel	\$	10,746	\$ 1,877
maintenance	\$	6,060	\$ 978
MDCs in Chiefs vehicles (cellular cost & capital replacement)	\$	6,062	\$ 2,021
mileage for analyst to dept meetings, County OES meetings/trainings	\$	1,962	
cell phone costs	\$	3,684	
paging service costs	\$	132	\$ 33
Materials & Supplies			
business cards	\$	175	
uniforms (Chiefs & Fire Marshal)	\$	5,500	\$ 1,100
tools & supplies for fire investigations	\$	200	
NFPA & other handbooks (Encinitas' are used for other Cities' functions)	\$	110	
Memberships & Subscriptions that benefit all 3 cities			
CFCA (Fire Chief)	\$	600	
IAFC (Fire Chief)	\$	254	
NFPA (Fire Prevention & Public Education subscription)	\$	1,346	
MMASC (Analyst)	\$	85	
San Diego County Fire Chiefs	\$	110	
San Diego County Fire Chiefs Fire Prevention (FM only)	\$	50	
Badge Pinning Ceremony	\$	160	
Expenses for bi-weekly COOP & Chiefs' meetings	\$	1,125	
Training Calendar Fee	\$	816	
Training costs for Chiefs, Fire Marshal, and Analysts	\$	7,401	

Cost associated to Fire Management Service Agreement not being Recovered: \$ 196,335 \$ 27,144

FIRE MANAGEMENT SERVICES PERSONNEL COSTS

FY 18-19 Budget Estimate

	DMR	SOL	ENC	Total (Salary & Benefits)
ENC DIRECTOR PS/ FIRE CHIEF--STEIN	\$ 30,678	\$ 52,647	\$ 186,139	\$ 269,464
ENC DEPUTY CHIEF (ADMIN)--BLUMEYER	\$ 27,136	\$ 46,568	\$ 164,647	\$ 238,351
ENC BATTALION CHIEF (OPS)--SPAULDING	\$ 22,934	\$ 39,357	\$ 139,151	\$ 201,441
ENC BATTALION CHIEF (TRAINING)--MICKELSON	\$ 23,218	\$ 39,844	\$ 140,874	\$ 203,936
ENC FIRE MARSHAL--PUPPING	\$ 19,479	\$ 33,429	\$ 118,192	\$ 171,100
ENC MANAGEMENT ANALYST (DP, GRANTS)--JIMENEZ/STRATAKIS	\$ 12,495	\$ 21,442	\$ 75,811	\$ 109,748
ENC PROGRAM ASSISTANT--VACANT	\$ 7,149	\$ 12,269	\$ 43,377	\$ 62,795
SOL BATTALION CHIEF (SUPPORT SERVICES)--FORD	\$ 23,811	\$ 40,519	\$ 143,261	\$ 207,391
TOTAL - Salary & Benefits	\$ 186,700	\$ 286,073	\$ 1,011,452	\$ 1,484,225
ENC BATTALION CHIEF - MICKELSON - OVERTIME (20 SHIFTS)	\$ 2,844	\$ 4,880	\$ 17,255	\$ 24,980
ENC BATTALION CHIEF - SPAULDING - OVERTIME (20 SHIFTS)	\$ 2,844	\$ 4,880	\$ 17,255	\$ 24,980
SOL BATTALION CHIEF - FORD - OVERTIME (20 SHIFTS)	\$ 2,793	\$ 4,794	\$ 16,949	\$ 24,536
TOTAL - Salary & Benefits & Overtime	\$ 175,181	\$ 300,628	\$ 1,082,911	\$ 1,538,720

ESTIMATE SALARY & BENEFITS ONLY	Total			
ENC COST RECOVERY	\$ 143,089	\$ 245,554	N/A	\$ 388,643
SOL COST RECOVERY	\$ 23,611	N/A	\$ 143,261	\$ 166,872

ESTIMATE OVERTIME	Total			
ENC COST RECOVERY	\$ 5,688	\$ 9,761	N/A	\$ 15,449
SOL COST RECOVERY	\$ 2,793	N/A	\$ 16,949	\$ 19,742

TOTA ESTIMATE	Total			
ENC COST RECOVERY	\$ 148,778	\$ 255,315	N/A	\$ 404,093
SOL COST RECOVERY	\$ 26,405	N/A	\$ 160,210	\$ 186,615

Cost Allocation	DMR	SOL	ENC
	11.38%	19.54%	69.08%

Contract costs to be paid to other agencies under cost sharing agreement

\$ 1,538,720	Total FMS Cost		
\$ 196,335	ENC cost not recovered		
12.76%	Potential Adm'n Fee		
Current Cost:			
\$ 175,181	Del Mar Cost	11.38%	
\$ 300,628	Solana Cost	19.54%	
\$ 1,062,911	Encinitas Cost	69.08%	
\$ 1,538,720	Total FMS Cost		
Potential Adm'n Fee:			
\$ 22,352	Del Mar Adm'n Fee	12.76%	
\$ 38,359	Solana Adm'n Fee	12.76%	
New Cost to Other Cities:			
\$ 197,533	Del Mar w/Admin Fee	12.84%	
\$ 338,987	Solana w/Admin Fee	22.03%	
\$ 1,002,200	Encinitas Cost (reduced)	65.13%	
Difference:			
\$ 22,352	Del Mar Additional Cost	1.45%	
\$ 38,359	Solana Additional Cost	2.49%	
\$ (60,711)	Encinitas less cost	-3.95%	

New Cost to Other Cities w/Admin Fees for ENC and SOL			
\$ 200,624	Del Mar w/Admin Fees	13.04%	
\$ 317,148	Solana w/Admin Fees	20.61%	
\$ 1,020,950	Encinitas w/Admin Fees	66.35%	

Difference between Current and New Cost w/Admin Fees for ENC & SOL			
\$ 25,443	Del Mar Additional Cost	1.65%	
\$ 16,518	Solana Additional Cost	1.07%	
\$ (41,901)	Encinitas less cost	-2.73%	

-revised 5/25/18			
\$ 1,538,720	Total FMS Cost		
\$ 27,144	SOL cost not recovered		
1.764%	Potential Adm'n Fee		
Current Cost:			
\$ 175,181	Del Mar Cost	11.38%	
\$ 300,628	Solana Cost	19.54%	
\$ 1,062,911	Encinitas Cost	69.08%	
\$ 1,538,720	Total FMS Cost		
Potential Adm'n Fee:			
\$ 3,090	Del Mar Adm'n Fee	1.764%	
\$ 18,750	Encinitas Adm'n Fee	1.764%	
New Cost to Other Cities:			
\$ 178,271	Del Mar w/Admin Fee	11.59%	
\$ 278,787	Solana w/Admin Fee	18.12%	
\$ 1,081,662	Encinitas Cost w/Admin Fee	70.30%	

FIRE MANAGEMENT SERVICES PERSONNEL COSTS

FY 18-19 Budget Estimate with Proposed Admin Battalion Chief & Administrative Fee

	DMR	SOL	ENC	Total (Salary & Benefits)
ENC DIRECTOR PS/ FIRE CHIEF--STEIN	\$ 35,138	\$ 55,537	\$ 178,789	\$ 269,464
ENC DEPUTY CHIEF (ADMIN)--BLUMEYER	\$ 31,081	\$ 49,124	\$ 158,145	\$ 238,350
ENC BATTALION CHIEF (OPS)--SPAULDING	\$ 26,268	\$ 41,517	\$ 133,856	\$ 201,441
ENC BATTALION CHIEF (TRAINING)--MICKELSON	\$ 26,593	\$ 42,031	\$ 135,312	\$ 203,936
ENC FIRE MARSHAL--PUFFING	\$ 22,311	\$ 35,264	\$ 113,525	\$ 171,100
ENC MANAGEMENT ANALYST (DP, GRANTS)--JIMENEZ/STRATAKIS	\$ 14,311	\$ 22,619	\$ 72,818	\$ 109,748
ENC ADMIN BATTALION CHIEF (PROPOSED)	\$ 27,900	\$ 44,096	\$ 141,959	\$ 213,955
SOL BATTALION CHIEF (SUPPORT SERVICES)--FORD	\$ 27,044	\$ 42,743	\$ 137,604	\$ 207,391
TOTAL - Salary & Benefits	\$ 210,646	\$ 332,931	\$ 1,071,808	\$ 1,615,385
ENC BATTALION CHIEF - MICKELSON - OVERTIME (20 SHIFTS)	\$ 3,257	\$ 5,148	\$ 16,574	\$ 24,980
ENC BATTALION CHIEF - SPAULDING - OVERTIME (20 SHIFTS)	\$ 3,257	\$ 5,148	\$ 16,574	\$ 24,980
SOL BATTALION CHIEF - FORD - OVERTIME (20 SHIFTS)	\$ 3,199	\$ 5,058	\$ 16,280	\$ 24,536
TOTAL - Salary & Benefits & Overtime	\$ 220,360	\$ 348,285	\$ 1,121,235	\$ 1,689,880

--revised 5/25/18

Current Cost:

\$ 175,181	Del Mar Cost	11.38%
\$ 300,628	Solana Cost	19.54%
\$ 1,062,911	Encinitas Cost	69.08%
\$ 1,538,720	Total FMS Cost	

Proposed Cost with Admin BC & ENC and SOL Admin Fee:

\$ 220,360	Del Mar Cost	13.04%
\$ 348,285	Solana Cost	20.61%
\$ 1,121,235	Encinitas Cost	66.35%
\$ 1,689,880	Total FMS Cost	

ESTIMATE SALARY & BENEFITS ONLY	Total			
ENC COST RECOVERY	\$ 183,602	\$ 290,188	N/A	\$ 473,790
SOL COST RECOVERY	\$ 27,044	N/A	\$ 137,604	\$ 164,648

Additional Cost by Agency for

adding an Admin BC & Administrative Fee for ENC and SOL:

\$ 45,179	Del Mar Cost
\$ 47,657	Solana Cost
\$ 58,324	Encinitas Cost

ESTIMATE OVERTIME	Total			
ENC COST RECOVERY	\$ 6,515	\$ 10,297	N/A	\$ 16,811
SOL COST RECOVERY	\$ 3,199	N/A	\$ 16,280	\$ 19,479

TOTA ESTIMATE	Total			
ENC COST RECOVERY	\$ 190,117	\$ 300,484	N/A	\$ 490,601
SOL COST RECOVERY	\$ 30,243	N/A	\$ 153,884	\$ 184,127

Cost Allocation	DMR	SOL	ENC
	13.04%	20.61%	66.35%

Contract costs to be paid to other agencies under cost sharing agreement

5/31/2018



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Fire and Marine Safety Departments
SUBJECT: **Council Consideration of Resolution 2018-085 to Approve the 13th Amendment to the Contract with the County of San Diego for Advanced Life Support First Responder Services in County Service Area 17**

BACKGROUND:

The San Dieguito Ambulance District, also known as County Service Area 17 (CSA-17), was formed by the San Diego County Board of Supervisors in 1969 to provide ambulance services to the cities of Solana Beach, Encinitas, Del Mar, and the community of Rancho Santa Fe. Later in 1976, Del Mar Heights and portions of Del Mar Terrace in the City of San Diego were annexed to CSA-17. In 1992, the service area was redesigned as an Emergency Medical Services (EMS) District to allow a more comprehensive approach to providing EMS and further implement Advanced Life Support (ALS) services. In 1993, another annexation added the remainder of the Rancho Santa Fe Fire Protection District, portions of Del Dios, and the 4-S Ranch area. As of 2010, CSA-17 includes 73 square miles and has a resident population of approximately 120,437.

Revenues for CSA-17 are derived from two major sources: benefit fees and property taxes. Other revenues are derived from ambulance fees plus mileage reimbursements and a relatively small portion from interest income on investments.

The contract for ambulance transport service represents the largest annual expenditure for CSA-17. Expenditures also include payments to member agencies for costs associated with providing ALS first responder services, including facilities, medical supplies, equipment, training and certifications/licensure. Historically, these payments were fixed amounts with no built in escalators. Since Fiscal Year (FY) 2009/10, the City of Solana Beach has been receiving \$21,024 annually for these services. The first responder contract needs to be amended when changes are made.

COUNCIL ACTION:

This item is before City Council to consider adopting Resolution 2018-085 (Attachment 1) approving the thirteenth (13th) amendment to the contract with the County of San Diego for advanced life support first responder services in County Service Area 17 (CSA-17).

DISCUSSION:

The County of San Diego is currently updating all of the first responder contracts with member agencies, including the City of Solana Beach. Amendment 13 has a proposed effective date of July 1, 2018. The summary of changes in Amendment 13 (Attachment 2) is as follows:

1. Contract Terms and Work:
 - 1.1. Change contract number from 45207 to 558289, effective July, 1 2018.
 - 1.2. Remove and replace contract Services Template dated 07/01/04 with the one dated 03/01/2018v5.1.
 - 1.3. Extend the Contract Term under the new contract number (558289) for five (5) years from July 1, 2018 through June 30, 2023.
 - 1.4. Remove and replace Exhibit A, Statement of Work, Exhibit B, Insurance Requirements and Exhibit C, Payment Schedule.
2. Compensation: The compensation due to Contractor under the Contract is increased by a maximum amount of \$164,886.
3. Term of Agreement: The Contract time for completion has been changed to extend the term under the new contract number (558289) for an additional five (5) years from July 1, 2018 through June 30, 2023.
4. Exhibit A (Statement of Work) contains the following changes:

Section	Change/Addition/Omission	Fire Dept. Response
2	Addition of County of San Diego Live Well Vision	No issue, can comply
3.2.2	Omitted response time exemption stating " <i>Any unusual circumstances beyond the contractor's control, including weather conditions, including heavy rain or fog, or disasters.</i> "	No issue, can comply
3.2.2.11	Added Exemption of Elfin Forest Response Time	No issue, current practice
4	Added Population and Geographic Area	No issue
5	Added Definitions Section	No issue
7	Added Data Collection and Reporting Requirements Section	No issue, can comply

5. Exhibit B (Insurance Requirements) has been updated to reflect changes in the insurance amounts the County of San Diego Risk Management recently updated for all County contracts.

6. Exhibit C (Payment Schedule) is also revised. Since FY 2009/10, the City of Solana Beach has received a fixed quarterly payment of \$5,256 totaling \$21,024 annually. Instead of a fixed sum, County Emergency Medical Services (County EMS) wants to adopt a justifiable formula to set a base rate. This base rate would be followed by a 3% annual escalator. County EMS met with the CSA-17 Operations' Chiefs to determine the new formula. Since this revenue is used to support paramedic training, licensure, certifications, and EMS supplies, it was decided that the number of paramedics each agency employs should be the determining factor. The City of Solana Beach holds 18 paramedic positions between the ranks of Firefighter/Paramedic to Captain. In addition to the base rate of \$21,024, the City of Solana Beach will also receive \$333.97 per paramedic. In FY 2018/19, this will be an increase of \$6,012 of CSA-17 revenue coming to the City, for a total of \$27,036. As stated earlier, this contract also contains a 3% annual escalator.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The annual fixed revenue of the current contract for CSA-17 is \$21,024. Per the new contract terms, the annual revenue for the next five years is displayed on the following page.

Payment Schedule for Fiscal Years 2018-2023

	Contract Term	Fixed Price Per Quarter	Maximum Annual Price	Defibrillator Maintenance per Year	Total Annual Contract Price
FY 2018/19	07/01/2018-06/30/2019	\$6,759	\$27,036	\$4,270	\$31,306
FY 2019/20	07/01/2019-06/30/2020	6,962	27,848	4,270	32,118
FY 2020/21	07/01/2020-06/30/2021	7,170	28,680	4,270	32,950
FY 2021/22	07/01/2021-06/30/2022	7,386	29,544	4,270	33,814
FY 2022/23	07/01/2022-06/30/2023	7,607	30,428	4,270	34,698
Total Contract Price					\$164,886

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments / modifications.

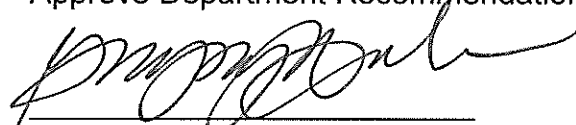
DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2018-085:

1. Approving Amendment 13 Contract No. 45207 with the County of San Diego Purchasing and Contracting to extend advanced life support first responder services in County Service Area 17.
2. Authorizing the City Manager to execute the Amendment to the Contract on behalf of the City of Solana Beach.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2018-085
2. Amendment 13 to Contract with the County of San Diego for Advanced Life Support First Responder Services for County Service Area 17
3. Original Contract with the County of San Diego for Advanced Life Support First Responder Services for County Service Area 17

RESOLUTION NO. 2018- 085

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE THIRTEENTH AMENDMENT TO THE AGREEMENT WITH THE COUNTY OF SAN DIEGO FOR ADVANCED LIFE SUPPORT FIRST RESPONDER SERVICES IN COUNTY SERVICE AREA 17

WHEREAS, the City of Solana Beach has contracted with the County of San Diego County Service Area 17 (CSA-17) for emergency medical services since 1969; and,

WHEREAS, an expenditure for CSA-17 includes payments to member agencies, of which the City of Solana Beach is a member agency, for costs associated with providing advanced life support first responder services; and,

WHEREAS, the County of San Diego is currently updating all first responder contracts with member agencies, including the City of Solana Beach, with an effective date of July 1, 2018; and,

WHEREAS, the Thirteenth Amendment to the contract with the County of San Diego CSA-17 will extend the agreement for 5 years and increase compensation due to the City of Solana Beach.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the City Council authorizes the City Manager to execute the Thirteenth Amendment to the Contract with the County of San Diego CSA-17 in a form approved by the City Attorney.

PASSED AND ADOPTED this 27th day of June 2018, at a regular meeting of the City Council of the City of Solana Beach, California, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSENT: Councilmembers –

ABSTAIN: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

**COUNTY OF SAN DIEGO – DEPARTMENT OF PURCHASING AND CONTRACTING
CONTRACT NO. 45207 AMENDMENT NO. 13**

City of Solana Beach ("Contractor") and the County of San Diego ("County") enter into this amendment ("Amendment") to amend the above-referenced contract ("Contract") as described herein.

Title of Contract: Advanced Life Support First Responder Services for County Service Area 17
Amendment Effective Date: **July 1, 2018**

Description of Contract Change(s):

1. Contract Terms and Work:
 - 1.1. Change contract number from 45207 to 558289 effective July, 1 2018.
 - 1.2. Remove and replace contract Services Template dated 07/01/04 with the one dated 03/01/2018v5.1.
 - 1.3. Extend the Contract Term under the new contract number (558289) for an additional five (5) years from July 1, 2018 through June 30, 2023.
 - 1.4. Remove and replace Exhibit A, Statement of Work, Exhibit B, Insurance Requirements and Exhibit C, Payment Schedule.

2. Compensation: The compensation due to Contractor under the Contract is increased by a maximum amount of \$164,886.

3. Term of Agreement: The Contract time for completion has been changed to extend the term for an additional five (5) years from July 1, 2018 through June 30, 2023.

Attached for your convenience are the Services Template, Exhibit A, Exhibit B and Exhibit C.

All other terms and conditions of the Contract shall remain in effect.

IN WITNESS WHEREOF, County and Contractor have executed this Amendment effective as of the date set forth above. This Amendment is not valid unless signed by Contractor and the County Department of Purchasing and Contracting.

CONTRACTOR:

By: _____
GREG WADE, City Manager
City of Solana Beach
635 S. Hwy 101
Solana Beach, CA 92075
Phone: (858)720-2431
Email: Gwade@cosb.org

Date: _____

COUNTY:

Department Review and Recommended Approval:

By: _____
ANDREW PARR, EMS Administrator
Emergency Medical Services
Medical Care Services Division

Date: _____

APPROVED:

By: _____
JOHN M. PELLEGRINO, Director
Department of Purchasing and Contracting

Date: _____

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

This agreement ("Agreement") is made and entered into effective as of the date of the last signature on the signature page by and between the County of San Diego, a political subdivision of the State of California ("County") and **City of Solana Beach, 500 Lomas Santa Fe Drive, Solana Beach, CA 92075** ("Contractor"), with reference to the following facts:

RECITALS

- A. Pursuant to Administrative Code section 401, the County's Director of the Department of Purchasing and Contracting is authorized to award a contract for **Advanced Life Support First Responder and Emergency Medical Services Support**
- B. Contractor is specially trained and possesses certain skills, experience, education and competency to perform these services.
- C. The Chief Administrative Officer made a determination that Contractor can perform the services more economically and efficiently than the County, pursuant to Section 703.10 of the County Charter.
- D. The Agreement shall consist of this document, Exhibit A Statement of Work, Exhibit B Insurance Requirements and Exhibit C, Payment Schedule. In the event that any provision of the Agreement or its Exhibits, A, B or C, conflicts with any other term or condition, precedence shall be: First (1st) the Agreement; Second (2nd) Exhibit B; Third (3rd) Exhibit A; and Fourth (4th) Exhibit C.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1
PERFORMANCE OF WORK

- 1.1 **Standard of Performance.** Contractor shall, in good and workmanlike manner and in accordance with the highest professional standards, at its own cost and expense, furnish all of the labor, technical, administrative, professional and all other personnel, all supplies and materials, equipment, printing, transportation, training, facilities, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by County, necessary or proper to perform and complete the work and provide the services required of Contractor by this Agreement.
- 1.2 **Contractor's Representative.** The person identified on the signature page ("Contractor's Representative") shall ensure that Contractor's duties under this Agreement shall be performed on behalf of the Contractor by qualified personnel; Contractor represents and warrants that (1) Contractor has fulfilled all applicable requirements of the laws of the State of California to perform the services under this Agreement and (2) Contractor's Representative has full authority to act for Contractor hereunder. Contractor and County recognize that the services to be provided by Contractor's Representative pursuant to this Agreement are unique: accordingly, Contractor's Representative shall not be changed during the Term of the Agreement without County's written consent. County reserves the right to terminate this Agreement pursuant to Clause 7.1 "Termination for Default", if Contractor's Representative should leave Contractor's employ, or if, in County's judgment, the work hereunder is not being performed by Contractor's Representative.
- 1.3 **Contractor as Independent Contractor.** Contractor is, for all purposes of this Agreement, an independent contractor, and neither Contractor nor Contractor's employees or subcontractors shall be deemed to be employees of the County. Contractor shall perform its obligations under this Agreement according to the Contractor's own means and methods of work, which shall be in the exclusive charge and under the control of the Contractor, and which shall not be subject to control or supervision by County except as to the results of the work. County hereby delegates to Contractor any and all responsibility for the safety of Contractor's employees, which shall include inspection of property to identify potential hazards. Neither Contractor nor Contractor's employees or subcontractors shall be entitled to any benefits to which County employees are entitled, including without limitation, overtime, retirement benefits, workers' compensation benefits and injury leave.
- 1.4 **Contractor's Agents and Employees or Subcontractors.** Contractor shall obtain, at Contractor's expense, all agents, employees and subcontractors required for Contractor to perform its duties under this Agreement, and all such services shall be performed by Contractor's Representative, or under Contractor's Representatives' supervision, by persons authorized by law to perform such services. Retention by Contractor of any agent, employee or subcontractor shall be at Contractor's sole cost and expense, and County shall have no obligation to pay Contractor's agents, employees or subcontractors; to support any such person's or entity's claim against the Contractor; or to defend Contractor against any such claim.

Any subcontract or consultant agreement that is in excess of fifty thousand dollars (\$50,000) or twenty five percent (25%) of the value of the contract, whichever is less, or a combination of subcontracts or consultant agreements to the same individual or firm for the agreement period, or any subcontract or consultant agreement for professional medical or mental health services, regardless of value, must have prior concurrence of the Contracting Officer's Representative ("COR"). Contractor shall provide Contracting Officer Representative with copies of all other subcontracts relating to this Agreement entered into

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

by Contractor within 30 days after the effective date of the subcontract. Such subcontractors of Contractor shall be notified of Contractor's relationship to County. "Subcontractor" means any entity, other than County, that furnishes to Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.

- 1.4.1 Contractor Responsibility. In the event any subcontractor is utilized by Contractor for any portion of the project, Contractor retains the prime responsibility for carrying out all the terms of this Agreement, including the responsibility for performance and insuring the availability and retention of records of subcontractors in accordance with this Agreement. No subcontract utilizing funds from this Agreement shall be entered into if it has a term extending beyond the ending date of this Agreement.
- 1.4.2 Mandated Clause. All subcontracts shall include the Standard Terms and Conditions required of Contractor Articles 3, 7, 8, 9, 10, 11, 12, 13, 14 and 16 herein.
- 1.4.3 County Approval. As identified above, all subcontracts under this Agreement shall have prior written approval of the Contracting Officer Representative.
- 1.5 Off Shore Prohibition. Except where Contractor obtains the County's prior written approval, Contractor shall perform the work of this Agreement only from or at locations within the United States. Any County approval for the performance of work outside of the United States shall be limited to the specific instance and scope of such written approval, including the types of work and locations involved. Notwithstanding the foregoing, this Section shall not restrict the country or countries of origin of any assets purchased to provide the work hereunder; provided that when such assets are used to provide the work, such assets shall be used only from or at locations within the geographic boundaries of the United States.

ARTICLE 2
SCOPE OF WORK

- 2.1 Statement of Work. Contractor shall perform the work described in the "Statement of Work" attached as Exhibit "A" to this Agreement, and by this reference incorporated herein, except for any work therein designated to be performed by County.
- 2.2 Right to Acquire Equipment and Services. Nothing in this Agreement shall prohibit the County from acquiring the same type or equivalent equipment and/or service from other sources, when deemed by the County to be in its best interest.
- 2.3 Responsibility for Equipment. For cost reimbursement agreements, County shall not be responsible nor be held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by Contractor or any of Contractor's employees, even though such equipment may be furnished, rented, or loaned to Contractor by County. The acceptance or use of any such equipment by Contractor or Contractor's employees shall be construed to mean that Contractor accepts full responsibility for and agrees to exonerate, indemnify and hold harmless County from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment, whether such damage be to the employee or property of Contractor, other Contractors, County, or other persons. Equipment includes, but is not limited to material, computer hardware and software, tools, or other things.
 - 2.3.1 Contractor shall repair or replace, at Contractor's expense, all County equipment or fixed assets that are damaged or lost as a result of Contractor negligence.
- 2.4 Non-Expendable Property Acquisition. County retains title to all non-expendable property provided to Contractor by County, or which Contractor may acquire with funds from this Agreement if payment is on a cost reimbursement basis, including property acquired by lease purchase Agreement. Contractor may not expend funds under this Agreement for the acquisition of non-expendable property having a unit cost of \$5,000 or more and a normal life expectancy of more than one year without the prior written approval of Contracting Officer Representative. Contractor shall maintain an inventory of non-expendable equipment, including dates of purchase and disposition of the property. Inventory records on non-expendable equipment shall be retained, and shall be made available to the County upon request, for at least three years following date of disposition. Non-expendable property that has value at the end of the Agreement (e.g. has not been depreciated so that its value is zero), and to which the County may retain title under this paragraph, shall be disposed of at the end of the Agreement as follows: At County's option, it may: 1) have Contractor deliver to another County contractor or have another County contractor pick up the non-expendable property; 2) allow the contractor to retain the non-expendable property provided that the contractor submits to the County a written statement in the format directed by the County of how the non-expendable property will be used for the public good; or 3) direct the Contractor to return to the County the non-expendable property.

ARTICLE 3
DISENTANGLEMENT

- 3.1 General Obligations.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

At County's discretion, Contractor shall accomplish a complete transition of the services as set forth in Exhibit A to this Agreement (for purposes of this Article 3.1, these shall be referred to as the "Disentangled Services") being terminated from Contractor and the Subcontractors to County, or to any replacement provider designated by County, without any interruption of or adverse impact on the Disentangled Services or any other services provided by third parties. This process shall be referred to as the Disentanglement. Contractor shall fully cooperate with County and any new service provider and otherwise promptly take all steps, including, but not limited to providing to County or any new service provider all requested information or documentation, required to assist County in effecting a complete Disentanglement. Contractor shall provide all information or documentation regarding the Disentangled Services or as otherwise needed for Disentanglement, including, but not limited to, data conversion, client files, interface specifications, training staff assuming responsibility, and related professional services. Contractor shall provide for the prompt and orderly conclusion of all work required under the Agreement, as County may direct, including completion or partial completion of projects, documentation of work in process, and other measures to assure an orderly transition to County or the County's designee of the Disentangled Services. All Contractor work done as part of the Disentanglement shall be performed by Contractor and will be reimbursed by the County at no more than Contractor's costs, up to the total amount of this Agreement. Contractor shall not receive any additional or different compensation for the work otherwise required by the Agreement. Contractor's obligation to provide the Services shall not cease until the earlier of the following: 1) The Disentanglement is satisfactory to County, including the performance by Contractor of all asset-transfers and other obligations of Contractor provided in this Paragraph, has been completed to the County's reasonable satisfaction or 2) twelve (12) months after the Expiration Date of the Agreement.

3.2 Disentanglement Process.

The Disentanglement process shall begin on any of the following dates: (i) the date County notifies Contractor that no funds or insufficient funds have been appropriated so that the Term shall be terminated pursuant to the Agreement, Article 7; (ii) the date designated by County not earlier than sixty (60) days prior to the end of any initial or extended term that County has not elected to extend pursuant to the Agreement's, Signature Page, Agreement Term; or (iii) the date any Termination Notice is delivered, if County elects to terminate any or all of the Services pursuant to the Agreement, Article 7. Subject to Exhibit A Contractor's obligation to perform Disentangled Services, and County's obligation to pay for Disentangled Services, shall expire: (A) when funds appropriated for payment under this Agreement are exhausted, as provided in this Agreement, Article 7; (B) at the end of the initial or extended term set forth in this Agreement's, Signature Page, Agreement Term; or (C) on the Termination Date, pursuant to this Agreement, Article 7 (with the applicable date on which Contractor's obligation to perform the Services expires being referred to herein as the "Expiration Date"). Contractor and County shall discuss in good faith a plan for determining the nature and extent of Contractor's Disentanglement obligations and for the transfer of the Disentangled Services in process provided, however, that Contractor's obligation under this Agreement to provide all Disentangled Services shall not be lessened in any respect.

3.3 Specific Obligations.

The Disentanglement shall include the performance of the following specific obligations:

3.3.1 No Interruption or Adverse Impact

Contractor shall cooperate with County and all of the County's other service providers to ensure a smooth transition at the time of Disentanglement, with no interruption of Disentangled Services or other work required under the Agreement, no adverse impact on the provision of Disentangled Services or other work required under the Agreement or County's activities, no interruption of any services provided by third parties, and no adverse impact on the provision of services provided by third parties.

3.3.2 Third-Party Authorizations.

Without limiting the obligations of Contractor pursuant to any other clause in Exhibit A herein, Contractor shall, subject to the terms of any third-party agreements, procure at no charge to County any third-party authorizations necessary to grant County the use and benefit of any third-party agreements between Contractor and third-party contractors used to provide the Disentangled Services, pending their assignment to County. Similarly, at County's direction, Contractor shall obtain all legally necessary client consents or authorizations legally necessary to transfer client data to County or any new service provider.

3.3.3 Return, Transfer and Removal of Assets.

3.3.3.1 Contractor shall return to County all County assets in Contractor's possession, pursuant to Paragraph 2.4 of the Agreement.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

3.3.3.2 County shall be entitled to purchase at net book value those Contractor assets used for the provision of Disentangled Services to or for County, other than those assets expressly identified by the Parties as not being subject to this provision. Contractor shall promptly remove from County's premises, or the site of the work being performed by Contractor for County, any Contractor assets that County, or its designee, chooses not to purchase under this provision.

3.3.4 Transfer of Leases, Licenses, and Agreements.

Contractor, at its expense, shall convey or assign to County or its designee such fully-paid leases, licenses, and other agreements used by Contractor, County, or any other Person in connection with the Disentangled Services, as County may select, when such leases, licenses, and other agreements have no other use by Contractor. Contractor's obligation described herein, shall include Contractor's performance of all obligations under such leases, licenses, and other agreements to be performed by it with respect to periods prior to the date of conveyance or assignment and Contractor shall reimburse County for any losses resulting from any claim that Contractor did not perform any such obligations.

3.3.5 Delivery of Documentation.

Contractor shall deliver to County or its designee, at County's request, all documentation and data related to County, including, but not limited to, the County Data and client files, held by Contractor, and Contractor shall destroy all copies thereof not turned over to County, all at no charge to County. Notwithstanding the foregoing, Contractor may retain one (1) copy of the documentation and data, excluding County Data, for archival purposes or warranty support.

3.4 Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by Contractor under this Agreement that the County requests to be kept as confidential shall not be made available to any individual or organization by the Contractor without the prior written approval of the County.

3.5 Publication, Reproduction or Use of Materials. No material produced, in whole or in part, under this Agreement shall be subject to copyright in the United States or in any other country. The County shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement. All reports, data and other materials prepared under this Agreement shall be the property of the County upon completion of this Agreement.

ARTICLE 4
COMPENSATION

The Payment Schedule, and/or budget are in Exhibit C and the compensation is on the Signature page. County will pay Contractor the agreed upon price(s), pursuant to Exhibit C for the work specified in Exhibit A, Statement of Work. The County is precluded from making payments prior to receipt of services (advance payments). Contractor shall provide and maintain an accounting and financial support system to monitor and control costs to assure the Agreements completion. Invoices are subject to the requirements below.

4.1 Fiscal for Fixed Pricing.

4.1.1 General Principles. Contractor shall, comply with generally accepted accounting principles and good business practices, including all applicable cost principles published by the Federal Office of Management and Budget (OMB), including 2 CFR 200 - UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS "The Uniform Guidance", which can be viewed at https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl. Contractor shall comply with all federal, State and other funding source requirements. Contractor shall, at its own expense, furnish all cost items associated with this Agreement except as herein otherwise specified in the budget or elsewhere to be furnished by County. Contractor shall submit annually to the County a cost allocation plan in accordance with The Uniform Guidance.

4.1.2 Invoices. Payment for the services performed under this Agreement shall be in accordance with Exhibit C, unless other payment methodologies are negotiated and agreed to by both Contractor and County. Contractor shall submit approved invoices monthly to the Contracting Officer's Representative ("COR") for work performed in the monthly period, accordingly. Contractor's monthly invoices shall be completed and submitted in accordance with written COR instructions and shall include a statement certifying whether it is in compliance with Paragraph 8.16 of this Agreement

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND EMERGENCY MEDICAL SERVICES SUPPORT

- 4.1.3 Payments. County agrees to pay Contractor in arrears only after receipt and approval by COR of properly submitted, detailed and itemized original invoice referencing the Agreement number pursuant to Exhibit C. Payment shall be NET 30 days from receipt and approval of invoice unless otherwise stated.
- 4.1.4 Full Compensation. Pending any adjustments by the COR, each invoice approved and paid shall constitute full and complete compensation to the Contractor for all work completed during the billing period pursuant to Exhibit A and Exhibit C. Contractor shall be entitled only to compensation, benefits, reimbursements or ancillary services specified in this Agreement. Payment shall be NET 30 days from receipt and approval of invoice unless otherwise stated.
- 4.1.5 Prompt Payment for Vendors and Subcontractors
- 4.1.5.1 Prompt payment for vendors and subcontractors.
- 4.1.5.1.1 Unless otherwise set forth in this paragraph, Contractor shall promptly pay its vendors and subcontractor(s) for satisfactory performance under its subcontract(s) to this Agreement. Such prompt payment shall be no later than thirty (30) days after Contractor receives payment for such services from County and shall be paid out of such amounts as are paid to Contractor under this Agreement.
- 4.1.5.1.2 Contractor shall include a payment clause conforming to the standards set forth in Paragraph 4.1.5.2.3 of this Agreement in each of its subcontracts, and shall require each of its subcontractors to include such a clause in their subcontracts with each lower-tier subcontractor or supplier.
- 4.1.5.2 If Contractor, after submitting a claim for payment to County but before making a payment to a vendor or subcontractor for the goods or performance covered by the claim, discovers that all or a portion of the payment otherwise due such vendor or subcontractor is subject to withholding from the vendor or subcontractor in accordance with the vendor or subcontract agreement, then the Contractor shall:
- 4.1.5.2.1 Furnish to the vendor or subcontractor and the COR within three (3) business days of withholding funds from its vendor or subcontractor a notice stating the amount to be withheld, the specific causes for the withholding under the terms of the subcontract or vendor agreement; and the remedial actions to be taken by the vendor or subcontractor in order to receive payment of the amounts withheld.
- 4.1.5.2.2 Contractor shall reduce the subcontractor's progress payment by an amount not to exceed the amount specified in the notice of withholding furnished under paragraph 4.1.5.2.1 of this Agreement and Contractor may not claim from the County this amount until its subcontractor has cured the cause of Contractor withholding funds;
- 4.1.5.2.3 Upon the vendor's or subcontractor's cure of the cause of withholding funds, Contractor shall pay the vendor or subcontractor as soon as practicable, and in no circumstances later than ten (10) days after the Contractor claims and receives such funds from County.
- 4.1.5.3 Contractor shall not claim from County all of or that portion of a payment otherwise due to a vendor or subcontractor that Contractor is withholding from the vendor or subcontractor in accordance with the subcontract agreement where Contractor withholds the money before submitting a claim to County. Contractor shall provide its vendor or subcontractor and the COR with the notice set forth in Paragraph 4.1.5.2.1 of this Agreement and shall follow Paragraph 4.1.5.2.3 of this Agreement when vendor or subcontractor cures the cause of Contractor withholding its vendors or subcontractor's funds.
- 4.1.5.4 Overpayments. If Contractor becomes aware of a duplicate contract financing or invoice payment or that County has otherwise overpaid on a contract financing or invoice payment, Contractor shall immediately notify the COR and request instructions for disposition of the overpayment.
- 4.1.6 Conditions Prerequisite To Payments. County may elect not to make a particular payment if any of the following exists:
- 4.1.6.1 Misrepresentation. Contractor, with or without knowledge, made any misrepresentation of substantial and material nature with respect to any information furnished to County.
- 4.1.6.2 Unauthorized Actions by Contractor. Contractor took any action pertaining to this Agreement, which required County approval, without having first received said County approval.
- 4.1.6.3 Default. Contractor was in default under any terms and conditions of this Agreement.
- 4.1.7 Withholding Of Payment. County may withhold payment until reports, data, audits or other information required for Agreement administration or to meet County or State reporting or auditing requirements are received and approved

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

by COR or designee. The County may also withhold payment if, in the County's opinion, Contractor is in non-compliance with this Agreement.

- 4.1.8 Availability of Funding. The County's obligation for payment of any Agreement beyond the current fiscal year is contingent upon the availability of funding from which payment can be made. No legal liability on the part of the County shall arise for payment beyond June 30 of the calendar year unless funds are designated by the County and are made available for such performance.

County shall, in its sole discretion, have the right to terminate or suspend Agreement or reduce compensation and service levels proportionately upon thirty (30) days' written notice to Contractor in the event that Federal, State or County funding for this Agreement ceases or is reduced prior to the ordinary expiration of the term of this Agreement. In the event of reduction of funding for the Agreement, County and Contractor shall meet within ten (10) days of written notice to renegotiate this Agreement based upon the modified level of funding. In this case if no agreement is reached between County and Contractor within 10 days of the first meeting, either party shall have the right to terminate this Agreement within ten (10) days written notice of termination.

In the event of termination of this Agreement in accordance with the terms of this Section, Contractor shall be entitled to retain all sums paid as of the effective date of such termination, subject to any payment offset to which County may be entitled, for damages or otherwise, under the terms of this Agreement. In the event of termination of this Agreement pursuant to this Section, in no event shall Contractor be entitled to any loss of profits on the portion of this Agreement so terminated, or to other compensation, benefits, reimbursements or ancillary services other than as herein expressly provided.

- 4.1.9 Disallowance. In the event the Contractor receives payment for services under this Agreement which is later disallowed by the County, Contractor shall promptly refund the disallowed amount to County on request, or at its option, County may offset the amount disallowed from any payment due or to become due to Contractor under any Agreement with the County.
- 4.1.10 Maximum Price. During the performance period of this Agreement, the maximum price for the same or similar items and/or services shall not exceed the lowest price at which Contractor then offers the items and/or services to its most favored customer.

ARTICLE 5
AGREEMENT ADMINISTRATION

- 5.1 County's Agreement Administrator. The Director of Purchasing and Contracting is designated as the Contracting officer ("Contracting Officer") and is the only County official authorized to make any Changes to this Agreement. The County has designated the individual identified on the signature page as the Contracting Officer's Representative ("COR")
- 5.1.1 County's COR will chair Contractor progress meetings and will coordinate County's Agreement administrative functions. The COR is designated to receive and approve Contractor invoices for payment, audit and inspect records, inspect Contractor services, and provide other technical guidance as required. The COR is not authorized to change any terms and conditions of this Agreement. Only the Contracting Officer, by issuing a properly executed amendment to this Agreement, may make changes to the scope of work or total price.
- 5.1.2 Notwithstanding any provision of this Agreement to the contrary, County's COR may make Administrative Adjustments ("AA") to the Agreement, such as line item budget changes or adjustments to the service requirements that do not change the purpose or intent of the Statement of Work, the Terms and Conditions, the Agreement Term or the total Agreement price. Each AA shall be in writing and signed by COR and Contractor. All inquiries about such AA will be referred directly to the COR.
- 5.2 Agreement Progress Meeting. The COR and other County personnel, as appropriate, will meet periodically with the Contractor to review the Agreement performance. At these meetings the COR will apprise the Contractor of how the County views the Contractor's performance and the Contractor will apprise the County of problems, if any, being experienced. The Contractor shall also notify the Contracting Officer (in writing) of any work being performed, if any, that the Contractor considers being over and above the requirements of the Agreement. Appropriate action shall be taken to resolve outstanding issues. The minutes of these meetings will be reduced to writing and signed by the COR and the Contractor. Should the Contractor not concur with the minutes, the Contractor shall set out in writing any area of disagreement. Appropriate action will be taken to resolve any areas of disagreement.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

ARTICLE 6
CHANGES

- 6.1 **Contracting Officer.** The Contracting Officer may at any time, by a written order, make changes ("Changes"), within the general scope of this Agreement, in the definition of services to be performed, and the time (i.e.) hours of the day, days of the week, etc. and place of performance thereof. If any such Change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Agreement, whether changed or not changed by such an order, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified in writing accordingly. Such changes may require Board of Supervisors approval.
- 6.2 **Claims.** Contractor must assert any claim for adjustment under this clause within thirty (30) days from the date of receipt by the Contractor of the notification of Change; provided, however, that the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Agreement. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Agreement entitled "Disputes" (Article 15). However, nothing in this clause shall excuse the Contractor from proceeding with this Agreement as changed.

ARTICLE 7
SUSPENSION, DELAY AND TERMINATION

- 7.1 **Termination for Default.** Upon Contractor's breach of this Agreement, County shall have the right to terminate this Agreement, in whole or part. Prior to termination for default, County will send Contractor written notice specifying the cause. The notice will give Contractor ten (10) days from the date the notice is issued to cure the default or make progress satisfactory to County in curing the default, unless a different time is given in the notice. If County determines that the default contributes to the curtailment of an essential service or poses an immediate threat to life, health or property, County may terminate this Agreement immediately upon issuing oral or written notice to the Contractor without any prior notice or opportunity to cure. In the event of termination under this Article, all finished or unfinished documents, and other materials, prepared by Contractor under this Agreement shall become the sole and exclusive property of County.

In the event of such termination, the County may purchase or obtain the supplies or services elsewhere, and Contractor shall be liable for the difference between the prices set forth in the terminated order and the actual cost thereof to the County. The prevailing market price shall be considered the fair repurchase price. Notwithstanding the above, Contractor shall not be relieved of liability to County for damages sustained by County by virtue of any breach of this Agreement by Contractor, and County may withhold any reimbursement to Contractor for the purpose of off-setting until such time as the exact amount of damages due County from Contractor is determined.

If, after notice of termination of this Agreement under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, the rights and obligations of the parties shall, if this Agreement contains a clause providing for termination for convenience of the County, be the same as if the notice of termination had been issued pursuant to such clause.

- 7.2 **Damages for Delay.** If Contractor refuses or fails to prosecute the work, or any separable part thereof, with such diligence as shall ensure its completion within the time specified in this Agreement, or any extension thereof, or fails to complete said work within such time, County will be entitled to the resulting damages caused by the delay. Damages will be the cost to County incurred as a result of continuing the current level and type of service over that cost that would be incurred had the Agreement segments been completed by the time frame stipulated and any other damages suffered by County.
- 7.3 **County Exemption from Liability.** In the event there is a reduction of funds made available by County to Contractor under this or subsequent agreements, the County of San Diego and its Departments, officers and employees shall incur no liability to Contractor and shall be held harmless from any and all claims, demands, losses, damages, injuries, or liabilities arising directly or from such action.
- 7.4 **Full Cost Recovery Of Investigation And Audit Costs.** Contractor shall reimburse County of San Diego for all direct and indirect expenditures incurred in conducting an audit/investigation when Contractor is found in violation (material breach) of the terms of the Agreement.

At the sole discretion of the County, and subject to funding source restrictions and federal and State law, County may (1) withhold reimbursement for such costs from any amounts due to Contractor pursuant to the payment terms of the Agreement, (2) withhold reimbursement for such costs from any other amounts due to Contractor from County, and/or (3) require Contractor to remit a check for the total amount due (or a lesser amount specified by the County) to County within thirty (30)

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

days of request by County. Alternatively, at the County's sole discretion, County and Contractor may enter into a written repayment plan for the reimbursement of the audit/investigation costs.

- 7.5 Termination for Convenience. The County may, by written notice stating the extent and effective date terminate this Agreement for convenience in whole or in part, at any time. The County shall pay the Contractor as full compensation for work performed in accordance with the terms of this Agreement until such termination:
- 7.5.1 The unit or pro rata price for any delivered and accepted portion of the work.
 - 7.5.2 A reasonable amount, as costs of termination, not otherwise recoverable from other sources by the Contractor as approved by the County, with respect to the undelivered or unaccepted portion of the order, provided compensation hereunder shall in no event exceed the total price.
 - 7.5.3 In no event shall the County be liable for any loss of profits on the resulting order or portion thereof so terminated.
 - 7.5.4 County's termination of this Agreement for convenience shall not preclude County from taking any action in law or equity against Contractor for:
 - 7.5.4.1 Fraud, waste or abuse of Agreement funds, or
 - 7.5.4.2 Improperly submitted claims, or
 - 7.5.4.3 Any failure to perform the work in accordance with the Statement of Work, or
 - 7.5.4.4 Any breach of any term or condition of the Agreement, or
 - 7.5.4.5 Any actions under any warranty, express or implied, or
 - 7.5.4.6 Any claim of professional negligence, or
 - 7.5.4.7 Any other matter arising from or related to this Agreement, whether known, knowable or unknown before, during or after the date of termination.
- 7.6 Suspension of Work. The Contracting Officer may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this Agreement for the period of time that the Contracting Officer determines appropriate for the convenience of the Government. County reserves the right to prohibit, without prior notice, contractor or contractor's employees, directors, officers, agents, subcontractors, vendors, consultants or volunteers from 1) accessing County data systems and County owned software applications, including websites, domain names, platforms, physical files, 2) treating County's patients, clients, or facility residents, or 3) providing any other services under this Agreement.
- 7.7 Remedies Not Exclusive. The rights and remedies of County provided in this article shall not be exclusive and are in addition to any other rights and remedies provided by law, equity, or under resulting order.

ARTICLE 8
COMPLIANCE WITH LAWS AND REGULATIONS

- 8.1 Compliance with Laws and Regulations. Contractor shall at all times perform its obligations hereunder in compliance with all applicable federal, State, County, and local laws, rules, and regulations, current and hereinafter enacted, including facility and professional licensing and/or certification laws and keep in effect any and all licenses, permits, notices and certificates as are required. Contractor shall further comply with all laws applicable to wages and hours of employment, occupational safety, and to fire safety, health and sanitation.
- 8.2 Contractor Permits and License. Contractor certifies that it possesses and shall continue to maintain or shall cause to be obtained and maintained, at no cost to the County, all approvals, permissions, permits, licenses, and other forms of documentation required for it and its employees to comply with all existing foreign or domestic statutes, ordinances, and regulations, or other laws, that may be applicable to performance of services hereunder. The County reserves the right to reasonably request and review all such applications, permits, and licenses prior to the commencement of any services hereunder.
- 8.3 Equal Opportunity. Contractor shall comply with the provisions of Title VII of the Civil Rights Act of 1964 in that it will not discriminate against any individual with respect to his or her compensation, terms, conditions, or privileges of employment nor shall Contractor discriminate in any way that would deprive or intend to deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee because of such individual's race, color, religion, sex, national origin, age, handicap, medical condition, sexual orientation or marital status.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

- 8.4 Affirmative Action. Each Contractor of services and supplies employing fifteen (15) or more full-time permanent employees, shall comply with the Affirmative Action Program for Vendors as set forth in Article IIIk (commencing at Section 84) of the San Diego County Administrative Code, which program is incorporated herein by reference. A copy of this Affirmative Action Program will be furnished upon request by COR or from the County of San Diego Internet web-site (www.co.sandiego.ca.us).
- 8.5 Non Discrimination. Contractor shall ensure that services and facilities are provided without regard to ethnic group identification, race, color, nation origin, creed, religion, age, sex, physical or mental disability, political affiliation or marital status in accordance with applicable laws, including, but not limited to, Title VI of the Civil Rights Act of 1964 (42 U.S.C 200-d), Section 162 (a) of the Federal-Aid Highway Act of 1973 (23 U.S.C 324), Section 504 of the Rehabilitation Act of 1973, The Civil Rights Restoration Act of 1987 (P.L. 100-209), Executive Order 12898 (February 11, 1994), Executive Order 13166 (August 16, 2000), Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000-d), the Age Discrimination of 1975 (42 U.S.C. 6101), Article 9.5, Chapter 1, Part 1, Division 2, Title 2 (Section 11135, et seq) of the California Government Code, Title 9, Chapter 4, Subchapter 6 (Section 10800, et seq) of the CCR and California Dept of Social Services Manual of Policies and Procedures (CDSS MPP) Division 21.
- 8.6 AIDS Discrimination. Contractor shall not deny any person the full and equal enjoyment of, or impose less advantageous terms, or restrict the availability of, the use of any County facility or participation in any County funded or supported service or program on the grounds that such person has Human Immunodeficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS) as those terms are defined in Title 3, Division 2, Chapter 8, Section 32.803, of the San Diego County Code of Regulatory Ordinances.
- 8.7 American with Disabilities Act (ADA) 1990. Contractor shall not discriminate against qualified people with disabilities in employment, public services, transportation, public accommodations and telecommunications services in compliance with the Americans with Disabilities Act (ADA) and California Administrative Code Title 24.
- 8.8 Political Activities Prohibited. None of the funds, provided directly or indirectly, under this Agreement shall be used for any political activities or to further the election or defeat of any candidate for public office. Contractor shall not utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither this Agreement nor any funds provided hereunder shall be utilized in support of any partisan political activities, or activities for or against the election of a candidate for an elected office.
- 8.9 Lobbying. Contractor agrees to comply with the lobbying ordinances of the County and to assure that its officers and employees comply before any appearance before the County Board of Supervisors. Except as required by this Agreement, none of the funds provided under this Agreement shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State and federal Legislatures, the Board of Supervisors of the County, or before any other local governmental entity. This provision shall not preclude Contractor from seeking necessary permits, licenses and the like necessary for it to comply with the terms of this Agreement.
- 8.10 Religious Activity Prohibited. There shall be no religious worship, instructions or proselytization as part of or in connection with the performance of this Agreement.
- 8.11 Drug and Alcohol-Free Workplace. The County of San Diego, in recognition of individual rights to work in a safe, healthful and productive work place, has adopted a requirement for a drug and alcohol free work place, County of San Diego Drug and Alcohol Use Policy C-25, available on the County of San Diego website. This policy provides that all County-employed Contractors and Contractor employees shall assist in meeting this requirement.
- 8.11.1 As a material condition of this Agreement, the Contractor agrees that the Contractor and the Contractor employees, while performing service for the County, on County property, or while using County equipment:
- 8.11.1.1 Shall not be in any way impaired because of being under the influence of alcohol or a drug.
- 8.11.1.2 Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal drug.
- 8.11.1.3 Shall not sell, offer, or provide alcohol or an illegal drug to another person; provided, however, that the foregoing restriction shall not be applicable to a Contractor or Contractor employee who as part of the performance of normal job duties and responsibilities prescribes or administers medically prescribed drugs.
- 8.11.2 Contractor shall inform all employees who are performing service for the County on County property or using County equipment of the County objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

- 8.11.3 The County may terminate for default or breach this Agreement, and any other agreement the Contractor has with the County, if the Contractor, or Contractor employees are determined by the Contracting Officer not to be in compliance with the conditions listed herein.
- 8.12 Board of Supervisors' Policies. Contractor represents that it is familiar, and shall use its best efforts to comply, with the following policies of the Board of Supervisors, available on the County of San Diego website:
- 8.12.1 Board Policy B-67, which encourages the County's Contractors to offer products made with recycled materials, reusable products, and products designed to be recycled to the County in response to the County's requirements; and
- 8.12.2 Board Policies B-53 and B-39a, which encourage the participation of small and disabled veterans' business enterprises in County procurements; and
- 8.12.3 Zero Tolerance for Fraudulent Conduct in County Services. Contractor shall comply with County of San Diego Board of Supervisors Policy A-120 "Zero Tolerance for Fraudulent Conduct in County Services." There shall be "Zero Tolerance" for fraud committed by contractors in the administration of County programs and the provision of County services. Upon proven instances of fraud committed by independent contractors in connection with their performance under the Agreement, said contractor shall be subject to corrective action up to and including termination of the Agreement; and
- 8.12.4 Interlocking Directorate. In recognition of Board Policy A-79, available on the County of San Diego Website, not-for-profit Contractors shall not subcontract with related for-profit subcontractors for which an interlocking relationship exist unless specifically authorized in writing by the Board of Supervisors; and
- 8.12.5 Zero Tolerance in Coaching Medi-Cal or Welfare Clients (Including Undocumented Immigrants). The County of San Diego in recognition of its unique geographical location and the utilization of the Welfare and Medi-Cal systems by foreign nationals who are not legal residents of this county or country, has adopted a Zero Tolerance policy and shall aggressively prosecute employees and Contractors who coach Medi-Cal or Welfare clients (including undocumented immigrants), to obtain services for which they are not otherwise entitled.

As a material condition of this Agreement, Contractor agrees that the Contractor and Contractor's employees, while performing service for the County, on County property or while using County equipment shall not:

- (a) in any way coach, instruct, advise, or guide any Medi-Cal or Welfare clients or prospective clients who are undocumented immigrants on ways to obtain or qualify for Medi-Cal assistance, for which they are not otherwise entitled.
- (b) support or provide funds to any organization engaged directly or indirectly in advising undocumented immigrants on ways to obtain or qualify for Medi-Cal assistance, for which they are not otherwise entitled.

Contractor shall inform all employees that are performing service for the County on County property or using County equipment of County's Zero Tolerance Policy as referenced herein.

County may terminate for default or breach this Agreement and any other agreement Contractor has with County, if Contractor or Contractor employees are determined not to be in compliance with the conditions stated herein.

- 8.13 Cartwright Act. Following receipt of final payment under the Agreement, Contractor assigns to the County all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright act (Chapter 2) (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the Contractor for sale to the County under this Agreement.
- 8.14 Hazardous Materials. Contractor shall comply with all Environmental Laws and all other laws, rules, regulations, and requirements regarding Hazardous Materials, health and safety, notices, and training. Contractor agrees that it will not store any Hazardous Materials at any County facility for periods in excess of ninety (90) days or in violation of the applicable site storage limitations imposed by Environmental Law. Contractor agrees to take, at its expense, all actions necessary to protect third parties, including, without limitation, employees and agents of the County, from any exposure to Hazardous Materials generated or utilized in its performance under this Agreement. Contractor agrees to report to the appropriate governmental agencies all discharges, releases, and spills of Hazardous Materials that are required to be reported by any Environmental Law and to immediately notify the County of it. Contractor shall not be liable to the County for the County's failure to comply with, or violation of, any Environmental Law. As used in this section, the term "Environmental Laws" means any and all federal, state or local laws or ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common law"), including, but not limited to, the Resource Conservation and Recovery Act, relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions or other similar substances or conditions.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

As used in this section the term "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (a) is a flammable, explosive, asbestos, radioactive nuclear medicine, vaccine, bacteria, virus, hazardous waste, toxic, overtly injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials; (b) is controlled, referred to, designated in or governed by any Environmental Laws; (c) gives rise to any reporting, notice or publication requirements under any Environmental Laws, or (d) is any other material or substance giving rise to any liability, responsibility or duty upon the County or Lessee with respect to any third person under any Environmental Laws.

8.15 Clean Air Act and Federal Water Pollution Control Act.

8.15.1 Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. Contractor agrees to report each violation to the USDA and the appropriate EPA Regional Office.

8.15.2 Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251 et seq.). Contractor agrees to report each violation to the USDA and the appropriate EPA Regional Office.

8.16 Debarment, Exclusion, Suspension, and Ineligibility.

8.16.1 Contractor certifies that, except as disclosed to County and acknowledged in writing by County prior to the execution of this Agreement, Contractor, its employees, directors, officers, agents, subcontractors, vendors, consultants, and volunteers:

8.16.1.1 Are not presently debarred, excluded, suspended, declared ineligible, voluntarily excluded, or proposed for debarment, exclusion, suspension or ineligibility by any federal, state, or local department or agency; and

8.16.1.2 Have not within a 3-year period preceding this Agreement been convicted of, or had a civil or administrative judgment rendered against them for, the commission of fraud or a criminal offense or civil action in connection with obtaining, attempting to obtain, or performing a public (federal, State, or local) transaction; violation of federal or State anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property; physical, financial or sexual abuse or misconduct with a patient or client, or medical negligence or malpractice;

8.16.1.3 Are not presently indicted or otherwise criminally, civilly or administratively charged by a government entity (federal, State, or local) with commission of any of the offenses enumerated in the paragraph above; and

8.16.1.4 Have not within a 3-year period preceding this Agreement had one or more public transaction (federal, State, or local) terminated for cause or default.

8.16.2 Contractor shall have an ongoing duty during the term of this Agreement to disclose to the County any occurrence that would prevent Contractor from making the certifications contained in this Section 8.16 on an ongoing basis. Such disclosure shall be made in writing to the COR and the County Office of Ethics and Compliance within five (5) business days of when Contractor discovers or reasonably believes there is a likelihood of such occurrence.

8.16.3 Contractor invoices shall include the following language:

I certify that the above deliverables and/or services were delivered and/or performed specifically for this Agreement in accordance with the terms and conditions set forth herein.

I further certify, under penalty of perjury under the laws of the State of California, that no employee or entity providing services under the terms and conditions of this Agreement is currently listed as debarred, excluded, suspended, or ineligible on the Federal System for Award Management (SAM: <http://SAM.gov>), the Federal Health and Human Services Office of Inspector General List of Excluded Individuals/Entities (LEIE: <http://exclusions.oig.hhs.gov>), or the State of California Medi-Cal Suspended and Ineligible list (www.medi-cal.ca.gov).

8.17 Display of Fraud Hotline Poster(s). As a material term and condition of this Agreement, Contractor shall:

8.17.1 Prominently display in common work areas within all business segments performing work under this Agreement County of San Diego Office of Ethics and Compliance Ethics Hotline posters;

8.17.2 Posters may be downloaded from the County Office of Ethics and Compliance website at: <http://www.sandiegocounty.gov/content/sdc/cao/oc.html>. Additionally, if Contractor maintains a company website

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

as a method of providing information to employees, the Contractor shall display an electronic version of the poster(s) at the website;

- 8.17.3 If Contractor has implemented a business ethics and conduct awareness program, including a reporting mechanism, the Contractor need not display the County poster;
- 8.17.4 In the event Contractor subcontracts any of the work performed under this Agreement, Contractor include this clause in the subcontract(s) and shall take appropriate steps to ensure compliance by the subcontractor(s).
- 8.18 False Claims Act Training. Contractor shall, not less than annually, provide training on the Federal False Claims Act (31 USC 3729-3730) and State False Claims Act (California Government Code 12650-12653) to all employees, directors, officers, agents, subcontractors, consultants or volunteers providing services under this Agreement. Contractor shall maintain verification of this training. Contractor shall retain these forms, or an electronic version, in accordance with the Agreement requirement for retention of records. For the purposes of this section, "Subcontractor" shall include any entity, other than County, that furnishes to Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.
- 8.19 Code of Ethics. As a material term and condition of this Agreement, Contractor shall develop and implement a Code of Ethics or similar document and maintain it during the term of this Agreement. Additionally, Contractor shall train all employees and volunteers on the Code of Ethics, and all employees, volunteers, directors, officers, and agents shall certify that they have received training and have been provided an opportunity to ask questions of their employer regarding the Code of Ethics. Contractor shall retain these certifications in accordance with the Agreement's provision regarding retention of records. Contractor shall pass this requirement down to its subcontractors in its entirety. For purposes of this section, "Subcontractor" shall mean any entity, other than County, that furnishes to Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.
- 8.20 Compliance Program. Contractors with an agreement that exceeds more than \$250,000 in value annually shall establish, and maintain for the duration of this Agreement, a compliance program that meets the standards of Federal Sentencing Guidelines section 8B2.1 and 42 CFR 438.608 (b)(1) – (b) (7) regardless of funding source or services.
- 8.21 Investigations. Unless prohibited by an investigating government authority, Contractor shall cooperate and participate fully in any investigation initiated by County relative to this Agreement. Upon County's request, Contractor shall promptly provide to County any and all documents, including any and all communications or information stored digitally, and make available for interviews any employee(s) of Contractor identified by County. Contractor further agrees to immediately notify County if any employee, director, officer, agent, subcontractor, vendor, consultant or volunteer of Contractor comes under investigation by any federal, State or local government entity with law enforcement or oversight authority over the Agreement or its funding for conduct arising out of, or related to, performance under this Agreement.

Contractor shall promptly make available to County all internal investigative results, findings, conclusions, recommendations and corrective action plans pertaining to the investigation in its possession as requested by the County, unless otherwise protected by applicable law or privilege.

ARTICLE 9
CONFLICTS OF INTEREST; CONTRACTOR'S CONDUCT

- 9.1 Conflicts of Interest. Contractor presently has no interest, including but not limited to other projects or independent agreements, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. The Contractor shall not employ any person having any such interest in the performance of this Agreement. Contractor shall not hire County's employees to perform any portion of the work or services provided for herein including secretarial, clerical and similar incidental services except upon the written approval of County. Without such written approval, performance of services under this Agreement by associates or employees of County shall not relieve Contractor from any responsibility under this Agreement.
- 9.1.1 California Political Reform Act and Government Code Section 1090 Et Seq. Contractor acknowledges that the California Political Reform Act ("Act"), Government Code section 81000 et seq., provides that Contractors hired by a public agency, such as County, may be deemed to be a "public official" subject to the Act if the Contractor advises the agency on decisions or actions to be taken by the agency. The Act requires such public officials to disqualify themselves from participating in any way in such decisions if they have any one of several specified "conflicts of interest" relating to the decision. To the extent the Act applies to Contractor, Contractor shall abide by the Act. In

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

addition, Contractor acknowledges and shall abide by the conflict of interest restrictions imposed on public officials by Government Code section 1090 et seq.

9.2 Conduct of Contractor.

- 9.2.1 Contractor shall inform the County of all Contractor's interests, if any, that are, or that Contractor believes to be, incompatible with any interests of the County.
- 9.2.2 Contractor shall not, under circumstances that might reasonably be interpreted as an attempt to influence the recipient in the conduct of his duties, accept any gratuity or special favor from individuals or organizations with whom the Contractor is doing business or proposing to do business, in accomplishing the work under this Agreement.
- 9.2.3 Contractor shall not use for personal gain or make other improper use of confidential information, which is acquired in connection with his employment. In this connection, the term "confidential information" includes, but is not limited to, unpublished information relating to technological and scientific development; medical, personnel, or security records of the individuals; anticipated materials requirements or pricing actions; and knowledge of selections of Contractors or subcontractors in advance of official announcement.
- 9.2.4 Contractor, its employees, directors, officers, agents, subcontractors, vendors, consultants, and volunteers shall not offer, directly or indirectly, any unlawful gift, gratuity, favor, entertainment, or other item(s) of monetary value to an employee or official of the County.
- 9.2.5 Referrals. Contractor further covenants that no referrals of clients through Contractor's intake or referral process shall be made to the private practice of any person(s) employed by the Contractor.

9.3 Prohibited Agreements. As required by Section 67 of the San Diego County Administrative Code, Contractor certifies that it is not in violation of the provisions of Section 67, and that Contractor is not, and will not subcontract with, any of the following:

- 9.3.1. Persons employed by County or of public agencies for which the Board of Supervisors is the governing body;
- 9.3.2. Profit-making firms or businesses in which employees described in sub-section 9.3.1, above, serve as officers, principals, partners, or major shareholders;
- 9.3.3. Persons who, within the immediately preceding twelve (12) months came within the provisions of the above sub-sections and who (1) were employed in positions of substantial responsibility in the area of service to be performed by the Agreement, or (2) participated in any way in developing the Agreement or its service specifications; and
- 9.3.4. Profit-making firms or businesses, in which the former employees described in sub-section 9.3.3 above, serve as officers, principals, partners, or major shareholders.

9.4 Limitation of Future Agreements or Grants. It is agreed by the parties to the Agreement that Contractor shall be restricted in its future contracting with the County to the manner described below. Except as specifically provided in this clause, Contractor shall be free to compete for business on an equal basis with other companies.

- 9.4.1 If Contractor, under the terms of the Agreement, or through the performance of tasks pursuant to this Agreement, is required to develop specifications or statements of work and such specifications or statements of work are to be incorporated into a solicitation, Contractor shall be ineligible to perform the work described within that solicitation as a prime or subcontractor under an ensuing County agreement. It is further agreed, however, that County will not, as additional work, unilaterally require Contractor to prepare such specifications or statements of work under this Agreement.
- 9.4.2 Contractor may not apply for nor accept additional payments for the same services contained in the Statement of Work.

ARTICLE 10
INDEMNITY AND INSURANCE

- 10.1 Indemnity. County shall not be liable for, and Contractor shall defend and indemnify County and the employees and agents of County (collectively "County Parties"), against any and all claims, demands, liability, judgments, awards, fines, mechanics' liens or other liens, labor disputes, losses, damages, expenses, charges or costs of any kind or character, including attorneys' fees and court costs (hereinafter collectively referred to as "Claims"), related to this Agreement or the work covered by this Agreement and arising either directly or indirectly from any act, error, omission or negligence of Contractor or its Contractors, licensees, agents, servants or employees, including, without limitation, Claims caused by the sole passive negligent act or the concurrent negligent act, error or omission, whether active or passive, of County Parties. Contractor shall have no obligation,

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

however, to defend or indemnify County Parties from a Claim if it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of County Parties.

- 10.2 Insurance. Prior to execution of this Agreement, Contractor must obtain at its own cost and expense, and keep in force and effect during the term of this Agreement, including all extensions, the insurance specified in Exhibit "B," "Insurance Requirements," attached hereto.

ARTICLE 11
AUDIT AND INSPECTION OF RECORDS

The County shall have the audit and inspection rights described in this section.

- 11.1 Audit and Inspection. Contractor agrees to maintain and/or make available within San Diego County accurate books and accounting records relative to all its activities under this Agreement. Authorized federal, State or County representatives shall have the right to monitor, assess, or evaluate Contractor's performance pursuant to this Agreement, said monitoring, assessments, or evaluations to include but not limited to audits, inspection of premises, reports, and interviews of project staff and participants. Contractor assertions of confidentiality shall not be a bar to full access to the records.

At any time during normal business hours and as often as County may deem necessary, Contractor shall make available to County, State or federal officials for examination all of its records with respect to all matters covered by this Agreement and will permit County, State or federal officials to audit, examine and make excerpts or transcripts from such records, and to make audits of all invoices, materials, payrolls, records of personnel, information regarding clients receiving services, and other data relating to all matters covered by this Agreement. If an audit is conducted, it will be done in accordance with generally accepted government auditing standards as described in "Government Auditing Standards," published for the United States General Accountability Office or the institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

If any services performed hereunder are not in conformity with the specifications and requirements of this Agreement, County shall have the right to require the Contractor to perform the services in conformity with said specifications and requirements at no additional increase in total Agreement amount. When the services to be performed are of such nature that the difference cannot be corrected, County shall have the right to (1) require Contractor immediately to take all necessary steps to ensure future performance of the services in conformity with requirements of the Agreement, and (2) reduce the Agreement price to reflect the reduced value of the services performed. In the event Contractor fails to perform the services promptly or to take necessary steps to ensure future performance of the service in conformity with the specifications and requirements of the Agreement, County shall have the right to either (1) by agreement or to otherwise have the services performed in conformity with the Agreement specifications and charge to Contractor any cost occasioned to County that is directly related to the performance of such services, or (2) terminate this Agreement for default as provided in the Termination clause.

- 11.2 External Audits. Contractors will provide the following to the COR:
- 11.2.1 Contractor shall provide COR a copy of all notifications of audits or pending audits by federal or State representatives regarding contracted services identified in this Agreement no later than three (3) business days of Contractor receiving notice of the audit.
 - 11.2.2 Contractor shall provide COR with a copy of the draft and final State or federal audit reports within twenty four (24) hours of receiving them (Health and Human Services Agency (HHS) Contractors shall also provide electronic copies to Agency Contract Support (ACS) at ACS.HHSA@sdcounty.ca.gov).
 - 11.2.3 Contractor shall provide COR a copy of the contractor's response to the draft and final State or federal audit reports at the same time as response provided to the State or federal representatives.
 - 11.2.4 Unless prohibited by the government agency conducting the audit, Contractor shall provide COR a copy of all responses made by the federal or State audit representative to the contractors' audit response no later than three (3) business days of receiving it. This will continue until the federal or State auditors have accepted and closed the audit.
- 11.3 Cost or Pricing Data. If the Contractor submitted cost or pricing data in connection with the pricing of this Agreement or any change or modification thereto, unless such pricing was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities of the general public, or prices set by law or regulation, the Contracting Officer or his representatives who are employees of the County or its agent shall have the right to examine all books, records, documents and other data of the Contractor related to the negotiation pricing or performance of such Agreement, change or modification, for the purpose of evaluating the accuracy, completeness and currency of the cost or pricing data submitted.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

- 11.4 Availability. The materials described above shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction, until the expiration of three (3) years from the date of final payment under this Agreement, or by section 11.4.1 and 11.4.2, below:
- 11.4.1 If this Agreement is completely or partially terminated, the records relating to the work terminated shall be made available for a period of three (3) years from the date of any resulting final settlement.
- 11.4.2 Record that relate to appeals under the "Disputes" clause of this Agreement, or litigation or the settlement of claims arising out of the performance of this Agreement, shall be made available until such appeals, litigation, or claims have been disposed of, or three years after Agreement completion, whichever is longer. County shall keep the materials described above confidential unless otherwise required by law.
- 11.5 Subcontract. The Contractor shall insert a clause containing all the provisions of this Article 11 in all subcontracts hereunder except altered as necessary for proper identification of the contracting parties and the contracting officer.

ARTICLE 12
INSPECTION OF SERVICE

- 12.1 Subject to Inspection. All performance (including services, materials, supplies and equipment furnished or utilized in the performance of this Agreement, and workmanship in the performance of services) shall be subject to inspection and test by the County at all times during the term of this Agreement. Contractor shall cooperate with any inspector assigned by the County to permit the inspector to determine whether Contractor's performance conforms to the requirements of this Agreement. County shall perform such inspection in a manner as not to unduly interfere with Contractor's performance.
- 12.2 Specification and Requirements. If any services performed by Contractor do not conform to the specifications and requirements of this Agreement, County may require Contractor to re-perform the services until they conform to said specifications and requirements, at no additional cost, and County may withhold payment for such services until Contractor correctly performs them. When the services to be performed are of such a nature that Contractor's cannot correct its performance, the County shall have the right to (1) require the Contractor to immediately take all necessary steps to ensure future performance of services conforms to the requirements of this Agreement, and (2) reduce the Agreement price to reflect the reduced value of the services received by County. In the event Contractor fails to promptly re-perform the services or to take necessary steps to ensure that future performance of the service conforms to the specifications and requirements of this Agreement, the County shall have the right to either (1) without terminating this Agreement, have the services performed, by agreement or otherwise, in conformance with the specifications of this Agreement, and charge Contractor, and/or withhold from payments due to Contractor, any costs incurred by County that are directly related to the performance of such services, or (2) terminate this Agreement for default.

ARTICLE 13
USE OF DOCUMENTS AND REPORTS

- 13.1 Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by Contractor under this Agreement that the County requests to be kept as confidential shall not be made available to any individual or organization by the Contractor without the prior written approval of the County.
- 13.2 Ownership, Publication, Reproduction and Use of Material. All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the sole and exclusive property of County. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by Contractor in the United States or in any other country without the express written consent of County. County shall have unrestricted authority to publish, disclose, distribute and otherwise use, copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.
- 13.3 Confidentiality. Contractor agrees to maintain the confidentiality of and take industry appropriate and legally required measures to prevent the unlawful disclosure of any information that is legally required to be kept confidential. Except as otherwise allowed by local, State or federal law or regulation and pursuant to this Section 13.3, Contractor agrees to only disclose confidential records where the holder of the privilege, whether the County, or a third party, provides written permission authorizing the disclosure.
- 13.4 Public Records Act. The California Public Records Act ("CPRA") requires County to disclose "public records" in its actual or constructive possession unless a statutory exemption applies. This generally includes contracts and related documents. If County receives a CPRA request for records relating to the Agreement, County may, at its sole discretion, either determine its response to the request without notifying Contractor or notify Contractor of the request. If County determines its response

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

to the request without notifying Contractor, Contractor shall hold County harmless for such determination. If County notifies Contractor of the request, Contractor may request that County withhold or redact records responsive to the request by submitting to County a written request within five (5) business days after receipt of the County's notice. Contractor's request must identify specific records to be withheld or redacted and applicable exemptions. Upon timely receipt of Contractor's request, County will review the request and at its sole discretion withhold and/or redact the records identified by Contractor. Contractor shall hold County harmless for County's decision whether to withhold and/or redact pursuant to Contractor's written request. Contractor further agrees that its defense and indemnification obligations set forth in Section 10.1 of this Agreement extend to any Claim (as defined in Section 10.1) against the County Parties (as defined in Section 10.1) arising out of County's withholding and/or redacting of records pursuant to Contractor's request. Nothing in this section shall preclude Contractor from bringing a "reverse CPRA action" to prevent disclosure of records. Nothing in this section shall prevent the County or its agents or any other governmental entity from accessing any records for the purpose of audits or program reviews if that access is legally permissible under the applicable local, State or federal laws or regulations. Similarly, County or its agent or designee may take possession of the record(s) where legally authorized to do so.

- 13.5 Maintenance of Records. Contractor shall maintain all records relating to its performance under this Agreement, including all records of costs charged to this Agreement, and shall make them available within San Diego County for a minimum of five (5) years from the ending date of this Agreement, or longer where required by funding source or while under dispute under the terms of this Agreement, unless County agrees in writing to an earlier disposition. Contractor shall provide any requested records to County within two (2) business days of request.
- 13.6 Custody of Records. County, at its option, may take custody of Contractor's client records upon Agreement, termination, expiration, or at such other time as County may deem necessary. County agrees that such custody will conform to applicable confidentiality provisions of State and federal law. Said records shall be kept by County in an accessible location within San Diego County and shall be available to Contractor for examination and inspection.
- 13.7 Audit Requirement.
- (a) Contractor shall annually engage a Licensed Certified Public Accountant licensed to perform audits and attests in the State of California to conduct an annual audit of its operations. Contractors that expend \$750,000 or more of federal grant funds per year shall also have an audit conducted in compliance with Government Auditing Standards, which includes Single Audit Act Amendments and the Compliance Supplement (2 CFR part 200 App. XI). Contractors that are commercial organizations (for-profit) are required to have a non-federal audit if, during its fiscal year, it expended a total of \$750,000 or more under one or more HHS awards. 45 CFR part 74.26(d) incorporates the threshold and deadlines of the Compliance Supplement but provides for-profit organizations two options regarding the type of audit that will satisfy the audit requirements. Contractor shall include a clause in any agreement entered into with an audit firm, or notify the audit firm in writing prior to the audit firm commencing its work for Contractor, that the audit firm shall, pursuant to 31 U.S.C. 7503, and to the extent otherwise required by law, provide access by the federal government or other legally required entity to the independent auditor's working papers that were part of the independent auditor's audit of Contractor. Contractor shall submit two (2) copies of the annual audit report, the audit performed in accordance with the Compliance Supplement, and the management letter to the County fifteen (15) days after receipt from the independent Certified Public Accountant but no later than nine (9) months after the Contractor's fiscal year end.
- (b) Contractor shall immediately notify County upon learning that Contractor's independent Certified Public Accountant may or will issue a disclaimer of opinion due to substantial doubt of Contractor's ability to continue as a going concern.
- 13.8 Reports. Contractor shall submit reports required in Exhibit A and additional reports as may be requested by the COR and agreed to by the Contractor. Format for the content of such reports may be developed by County. The timely submission of these reports is a necessary and material term and condition of this Agreement and Contractor agrees that failure to meet specified deadlines will be sufficient cause to withhold payment. Contractor shall submit to County within thirty (30) days of the termination of this Agreement a report detailing all work done pursuant to this Agreement by Contractor.
- 13.9 Evaluation Studies. Contractor shall participate as requested by the County in research and/or evaluative studies designed to show the effectiveness and/or efficiency of Contractor services or to provide information about Contractor's project.

ARTICLE 14
(RESERVED)

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

ARTICLE 15
DISPUTES

Notwithstanding any provision of this Agreement to the contrary, the Contracting Officer shall decide any dispute concerning a question of fact arising out of this Agreement that is not otherwise disposed of by the parties within a reasonable period of time. The decision of the Contracting Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary or so grossly erroneous as necessarily to imply bad faith. Contractor shall proceed diligently with its performance hereunder pending resolution by the Contracting Officer of any such dispute. Nothing herein shall be construed as granting the Contracting Officer or any other administrative official, representative or board authority to decide questions of law, or issues regarding the medical necessity of treatment or to pre-empt any medical practitioners' judgment regarding the medical necessity of treatment of patients in their care. The foregoing does not change the County's ability to refuse to pay for services rendered if County disputes the medical necessity of care.

ARTICLE 16
GENERAL PROVISIONS

- 16.1 Assignment and Subcontracting. Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the County; County's consent shall not be unreasonably withheld. The Contractor shall make no agreement with any party for furnishing any of the work or services herein contained without the prior written consent of the COR, pursuant to Paragraph 1.4.
- 16.2 Contingency. This Agreement shall bind the County only following its approval by the Board of Supervisors or when signed by the Purchasing and Contracting Director.
- 16.3 Entire Agreement. This Agreement, together with all Exhibits attached hereto and other agreements expressly referred to herein, constitute the entire agreement between the parties with respect to the subject matter contained herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, including any proposals from Contractor and requests for proposals from County, are superseded.
- 16.4 Sections and Exhibits. All sections and exhibits referred to herein are attached hereto and incorporated by reference.
- 16.5 Further Assurances. Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and the intentions of the parties.
- 16.6 Governing Law. This Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California.
- 16.7 Headings. The Article captions, Clause and Section headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.
- 16.8 Modification Waiver. Except as otherwise provided in Article 6, "Changes," above, no modification, waiver, amendment or discharge of this Agreement shall be valid unless the same is in writing and signed by both parties.
- 16.9 Neither Party Considered Drafter. Despite the possibility that one party may have prepared the initial draft of this Agreement or played the greater role in the physical preparation of subsequent drafts, neither party shall be deemed the drafter of this Agreement and that, in construing this Agreement in case of any claim that any provision hereof may be ambiguous, no such provision shall be construed in favor of one party on the ground that such provision was drafted by the other.
- 16.10 No Other Inducement. The making, execution and delivery of this Agreement by the parties hereto has been induced by no representations, statements, warranties or agreements other than those expressed herein.
- 16.11 Notices. Notice to either party shall be in writing and personally delivered; sent by certified mail, postage prepaid, return receipt requested; or emailed to the County's or Contractor's designated representative (or such party's authorized representative). Any such notice shall be deemed received by the party (or such party's authorized representative) on the earliest of the date of personal delivery, three (3) business days after deposit in the U.S. Mail, or upon sending of an email from which an acknowledgement of receipt has been received other than an out of office, unavailable, or undeliverable reply.
- 16.12 Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

- 16.13 Successors. Subject to the limitations on assignment set forth in Clause 16.1 above, all terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, legal representatives, successors, and assigns.
- 16.14 Time. Time is of the essence for each provision of this Agreement.
- 16.15 Time Period Computation. All periods of time referred to in this Agreement shall be calendar days, unless the period of time specifies business days. Calendar days shall include all days of the week, including holidays. Business days shall be Monday through Friday, excluding County observed holidays.
- 16.16 Waiver. The waiver by one party of the performance of any term, provision, covenant or condition shall not invalidate this Agreement, nor shall it be considered as a waiver by such party of any other term, provision, covenant or condition. Delay by any party in pursuing any remedy or in insisting upon full performance for any breach or failure of any term, provision, covenant or condition shall not prevent such party from later pursuing remedies or insisting upon full performance for the same or any similar breach or failure.
- 16.17 Third Party Beneficiaries Excluded. This Agreement is intended solely for the benefit of the County and its Contractor. Any benefit to any third party is incidental and does not confer on any third party to this Agreement any rights whatsoever regarding the performance of this Agreement. Any attempt to enforce provisions of this Agreement by third parties is specifically prohibited.
- 16.18 Publicity Announcements and Materials. All public announcements, including those issued on Contractor letterhead, and materials distributed to the community shall identify the County of San Diego as the funding source for contracted programs identified in this Agreement. Copies of publicity materials related to contracted programs identified in this Agreement shall be filed with the COR. County shall be advised at least twenty four (24) hours in advance of all locally generated press releases and media events regarding contracted services identified in this Agreement. Alcohol and Drug Prevention Services Contractors shall notify COR or designee at least five (5) business days in advance of all Contractor generated media releases and media events regarding contracted services identified in this Agreement.
- 16.19 Critical Incidents. Contractor shall have written plans or protocols and provide employee training for handling critical incidents involving: external or internal instances of violence or threat of violence directed toward staff or clients; loss, theft or unlawful accessing of confidential client, patient or facility resident Personal Information (PI), Personally Identifiable Information (PII) and/or Personal Health Information (PHI); fraud, waste and/or abuse of Agreement funds; unethical conduct; or violation of any portion of San Diego County Board of Supervisors Policy C-25 "Drug & Alcohol Use" while performing under this Agreement. Contractor shall report all such incidents to the COR within one business day of their occurrence. However, if this Agreement includes Article 14, Contractor must adhere to the timelines and processes contained in Article 14.
- 16.20 Responsiveness to Community Concerns. Unless prohibited by applicable State or federal law, Contractor shall notify County within one business day of receipt of any material complaints including but not limited to complaints referring to issues of abuse or quality of care, submitted to Contractor orally or in writing, regarding the operation of Contractor's program or facility under this Agreement. Contractor shall take appropriate steps to acknowledge receipt of said complaint(s) from individuals or organizations. Contractor shall take appropriate steps to utilize appropriate forums to address or resolve any such complaints received. Nothing in this provision shall be interpreted to preclude Contractor from engaging in any legally authorized use of its facility, property or business as approved, permitted or licensed by the applicable authority.
- 16.21 Criminal Background Check Requirements. Contractor shall ensure that criminal background checks are required and completed prior to employment or placement of any employee, director, officer, agent, subcontractor, consultant or volunteer in compliance with any licensing, certification, funding, or Agreement requirements, including the Statement of Work, which may be higher than the minimum standards described herein. At a minimum, background checks shall be in compliance with Board of Supervisors Policy C-28, available on the County of San Diego website, and are required for any individuals identified above who will be providing services under this Agreement or who will be assigned to sensitive positions funded by this Agreement. Sensitive positions are those that: (1) physically supervise minors or vulnerable adults; (2) have unsupervised physical contact with minors or vulnerable adults; and/or (3) have a fiduciary responsibility to any County client, or direct access to, or control over, bank accounts or accounts with financial institutions of any client. If this Agreement includes Article 14, Contractor must also adhere to requirements contained in Article 14.

Contractor shall have a documented process for reviewing the information and determine if criminal history demonstrates behavior that could create an increased risk of harm to clients. Contractor shall document review of criminal background findings and consideration of criminal history in the selection of such persons listed above in this section

COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT

16.21.1 Contractor shall utilize a subsequent arrest notification service during the term of this Agreement for any individual required to undergo the Criminal Background Check process described in 16.21.

16.21.2 Contractor shall keep the documentation of their review and consideration of the individual's criminal history on file in accordance with paragraph 13.4 "Maintenance of Records."

16.21.3 Definitions

A. Activities of Daily Living: The basic tasks of everyday life, such as eating, bathing, dressing, toileting, and transferring.

B. Minor: Individuals under the age of eighteen (18) years old.

C. Sensitive Position: A job with responsibilities that can be criminally abused at great harm to the Agreement or the clients served. All positions that (1) physically supervise minors or vulnerable adults, (2) have unsupervised physical contact with minors or vulnerable adults, or (3) have fiduciary responsibility to a County client or direct access to, or control over client bank accounts, or serve in a financial capacity to the County client.

D. Vulnerable Adult: (1) Individuals age eighteen (18) years or older, who require assistance with activities of daily living and who may be put at risk of abuse during service provision; (2) Individuals age eighteen (18) years or older who have a permanent or temporary limited physical and/or mental capacity that may put them at risk of abuse during service provision because it renders them: unable to make decisions for themselves, unable to physically defend themselves, or unaware of physical abuse or other harm that could be perpetrated against them.

E. Volunteer: A person who performs a service willingly and without pay.

16.22 Survival. The following sections or articles of this Agreement shall survive the expiration or earlier termination of this Agreement: Sections 8.1, 8.13, 8.14, 8.15, 8.21, 10.1, 11.1, 11.2, and 11.4, and Articles 7 and 13.

/

/

/

**COUNTY CONTRACT NUMBER 558289
AGREEMENT WITH CITY OF SOLANA BEACH FOR ADVANCED LIFE SUPPORT FIRST RESPONDER AND
EMERGENCY MEDICAL SERVICES SUPPORT**

SIGNATURE PAGE

AGREEMENT TERM. The initial term of this Agreement shall begin the 1st day of July 2018 and end on June 30, 2019 for an Agreement period of one (1) year (“Initial Term”).

OPTION TO EXTEND. The County shall have the option to extend the term of this Agreement for one (1) increments of four (4) year(s) each for a total of 4 years beyond the expiration of the Initial Term, not to exceed June 30, 2023, pursuant to Exhibit C Payment Schedule or other applicable pricing provisions of this Agreement. Unless County notifies Contractor in writing not less than thirty (30) days prior to the expiration date that the County does not intend to extend the Agreement, the Agreement will be automatically extended for the next option period.

Options to Extend For One To Six Additional Months at End of Agreement. County shall also have the option to extend the term of this Agreement, in one or more increments, for a total of no less than one (1) and no more than six (6) calendar months (“Incremental Options”). The County may exercise each Incremental Option by providing written notice to Contractor no fewer than fifteen (15) calendar days prior to expiration of this Agreement. The rates in effect at the time an Incremental Option is exercised shall apply during the term of the Incremental Option.

COMPENSATION: Pursuant to Exhibit C or other applicable pricing provisions of this Agreement, County agrees to pay Contractor a sum not to exceed thirty-one thousand three hundred six dollars (\$31,306) for the initial term of this Agreement and a sum not to exceed thirty-two thousand one hundred eighteen dollars (\$32,118) for FY 19-20, a sum not to exceed thirty-two thousand nine hundred fifty dollars (\$32,950) for FY 20-21, a sum not to exceed thirty-three thousand eight hundred fourteen dollars (\$33,814) for FY 21-22, and a sum not to exceed thirty-four thousand six hundred ninety-eight dollars (\$34,698) for FY 22-23 for a maximum Agreement amount of one hundred sixty-four thousand eight hundred eighty-six dollars (\$164,886), in accordance with the method of payment stipulated in Article 4.

COR. The County has designated the following individual as the Contracting Officer’s Representative (“COR”)

Adria Cavanaugh, Administrative Analyst III
6255 Mission Gorge Rd.
San Diego, CA 92120
Phone: (619) 285-6485, FAX (619) 285-6531 and email Adria.Cavanaugh@sdcountry.ca.gov

CONTRACTOR’S REPRESENTATIVE. The Contractor has designated the following individual as the Contractor’s Representative.

GREG WADE, City Manager
635 S. Hwy 101
Solana Beach, CA 92075
Phone: (858) 720-2431 and email: Gwade@cosb.org

IN WITNESS WHEREOF, County and Contractor have executed this Agreement effective as of the date of the last signature below.

COUNTY OF SAN DIEGO

CITY OF SOLANA BEACH

By: _____
JOHN M. PELLEGRINO, Director
Department of Purchasing and Contracting

By: _____
GREG WADE, City Manager

Date: _____

Date: _____

County Contract Number 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder and Emergency Medical Services Support
Exhibit A – Statement of Work

1. Scope of Work/Purpose

Contractor shall provide facilities, equipment, supplies, management, and staff for delivering Advanced Life Support (ALS) First Responder Services to the San Dieguito Ambulance District, also known as County Service Area (CSA) 17.

2. Background Information

In 1969, the San Diego County Board of Supervisors established CSA 17 to provide Basic Life Support (BLS) ambulance service to the cities of Encinitas, Del Mar, Solana Beach and the community of Rancho Santa Fe. In 1975, the service level was upgraded to include ALS paramedic services. In 1976, the Del Mar Heights and Del Mar Terrace portions of the City of San Diego located west of interstate 5 were annexed into the CSA. In 1992, CSA 17 was redesignated as an Emergency Medical Services (EMS) District to allow CSA 17 fire departments to provide comprehensive prehospital services, including defibrillation and advanced airway management techniques. In 1993, CSA 17 annexed the remainder of the Rancho Santa Fe Fire Protection District portions of Del Dios and the 4-S Ranch. As of 1999 all of the fire departments within CSA 17 provide ALS First Responder Services except Elfin Forest, which provides BLS First Responder and BLS ambulance services.

When CSA 17 was established, a Citizens Advisory Committee was formed to facilitate communication between CSA 17 residents and the County and to advise the County in administering the district. The Committee meets quarterly to hear reports from the CSA 17 paramedic ambulance contractor, fire chiefs representing the various CSA jurisdictions, and County EMS staff.

The Citizens Advisory Committee has two subcommittees. The Operations Subcommittee, which is comprised of the CSA 17 paramedic ambulance contractor, operations chiefs from the CSA jurisdictions, and County EMS staff, reviews contractor performance, public and continuing education, and the CSA 17 budget. The Budget Subcommittee meets as needed to provide feedback on the annual operational plan development, budget changes, and forecasting.

CSA 17 generates approximately 6,700 EMS calls per year. The cost of ambulance and first responder emergency medical services in CSA 17 is funded through property taxes, benefit taxes paid by CSA residents, and user fees charged to residents and non-residents utilizing such services in the CSA. As of July 1, 2017, the fees for CSA 17 are as follows:

	<u>Residents</u>	<u>Non-Residents</u>
Benefit Fee	\$29.62	N/A
ALS Transport	\$400	\$1,050
BLS Transport	\$400	\$1,050
Mileage (minimum 1 mile)	\$20/mile	\$20/mile
Non-Transport (Treat & Release)	N/A	\$150
Oxygen	N/A	\$65
Night Charge (1900 – 0700)	N/A	\$40

County Contract Number 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder and Emergency Medical Services Support
Exhibit A – Statement of Work

Live Well San Diego Vision: The County of San Diego, Health and Human Service Agency (HHSA), supports the *Live Well San Diego* vision of Building Better Health, Living Safely, and Thriving. *Live Well San Diego*, developed by the County of San Diego, is a comprehensive, innovative regional vision that combines the efforts of partners inside and outside County government to help all residents be healthy, safe, and thriving. All HHSA partners and contractors, to the extent feasible, are expected to advance this vision. Building Better Health focuses on improving the health of residents and supporting healthy choices. Living Safely seeks to ensure residents are protected from crime and abuse, neighborhoods are safe, and communities are resilient to disasters and emergencies. Thriving focuses on promoting a region in which residents can enjoy the highest quality of life.

Information about *Live Well San Diego* can be found on the County's website and a website dedicated to the vision:

- http://www.sdcounty.ca.gov/hhsa/programs/sd/live_well_san_diego/index.html
- <http://www.LiveWellSD.org>

3. Goals and Outcomes

- 3.1. Goal:** Contractor shall provide the services described herein to accomplish the following goal: provide ALS First Responder Services in CSA 17 on a 24 hour per day, 7 days per week basis.
- 3.2. Objectives:** Contractor shall achieve the following objectives:
- 3.2.1. Contractor's response times shall be a maximum arrival time of eight (8) minutes 90% of the time within the CSA.
- 3.2.2. Exemptions from the standard may be available for the following circumstances:
- 3.2.2.1 If a call for medical aid is downgraded from a Code 3 response, the response time standards shall not apply. However, Contractor shall respond to such a downgraded call immediately.
- 3.2.2.2 Mutual Aid calls originating outside the primary service area require the contractor's best efforts for appropriate response.
- 3.2.2.3 Contractor is the second or later arriving unit to a single incident.
- 3.2.2.4 Train or Trolley.
- 3.2.2.5 Unannounced road closures.
- 3.2.2.6 Traffic due to the incident.
- 3.2.2.7 Gated Community, if gate is not operable or access is restricted.
- 3.2.2.8 Dispatch errors.
- 3.2.2.9 Incorrect or inaccurate dispatch information received from the calling party or 9-1-1 public safety answering point.
- 3.2.2.10 Unavoidable delays caused by traffic congestion where no other alternate route is available, or as a result of a vehicle accident to which the responding units have no alternate access.

County Contract Number 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder and Emergency Medical Services Support
Exhibit A – Statement of Work

- 3.2.2.11 Responses originating in the area of Elfin Forest shall be considered exempt to the response time standard until such time as development of the area is complete and the County reassesses this area's access by emergency vehicles.
- 3.2.2.12 Other circumstances reviewed and approved by County.

4. Target Population and Geographic Area

4.1. Target Population: Contractor shall provide the services described herein to the following target population: all persons requiring advanced life support first responder emergency medical services within the geographical service area described in Section 4.2.

4.2. Geographical/Regional Service Area(s)

4.2.1. The CSA 17 service area covers the cities of Encinitas, Del Mar, and Solana Beach, the community of Rancho Santa Fe, the areas identified as the Crosby Ranch, the 4-S Ranch, Del Mar Heights, Del Mar Terrace west of Interstate 5, and Elfin Forest.

4.2.2. As of 2010, the region includes approximately 73 square miles and has a resident population of approximately 120,437. Additionally, there is considerable influx into the CSA of non-residents participating in or traveling to area activities, including resort/vacation opportunities, beaches, and camping.

4.2.3. CSA 17 presents certain challenges with large inland areas in which there is low population density, and low call volume; and coastal areas in which there is high population density and high call volumes. The roads particularly in the covenant area of Rancho Santa Fe are circuitous and narrow. The area of Elfin Forest is a significant distance inland from the coast as well as from Rancho Santa Fe. The roads into Elfin Forest are not well developed.

5. Definitions

5.1. Ambulance shall mean a motor vehicle arranged and equipped according to California Highway Patrol, and County of San Diego EMS policies and specifications in accordance with the San Diego County Ambulance Ordinance.

5.2. Advanced Life Support means special services designed to provide definitive prehospital emergency medical care, including, but not limited to, cardiopulmonary resuscitation, cardiac monitoring, cardiac defibrillation, advanced airway management, intravenous therapy, administration of specified drugs and other medicinal preparations, and other specified techniques and procedures administered by authorized personnel under the direct supervision of a base hospital as part of a local EMS system at the scene of an emergency, during transport to an acute care hospital, during interfacility transfer, and while in the emergency department of an acute care hospital until responsibility is

County Contract Number 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder and Emergency Medical Services Support
Exhibit A – Statement of Work

assumed by the emergency or other medical staff of that hospital. (Health and Safety Code, Division 2.5, Section 1797.52)

- 5.3. Basic Life Support means emergency first aid and cardiopulmonary resuscitation procedures which, as a minimum, include recognizing respiratory and cardiac arrest and starting the proper application of cardiopulmonary resuscitation to maintain life without invasive techniques until the victim may be transported or until advanced life support is available. (Health and Safety Code, Division 2.5, Section 1797.60)
 - 5.4. CSA 17 Administrator shall mean the person assigned by County of San Diego, Health and Human Services Agency, Public Health Services, Emergency Medical Services branch as the manager for CSA 17.
 - 5.5. Emergency Medical Technician or EMT means an individual trained in all facets of basic life support according to standards prescribed by the Health and Safety code and who has a valid certificate issued pursuant to Division 2.5 of the Health and Safety Code. (Health and Safety Code, Division 2.5, Section 1797.80)
 - 5.6. Paramedic means an individual whose scope of practice to provide advanced life support is according to standards prescribed by this division and who has a valid certificate issued pursuant to this division. (Health and Safety Code, Division 2.5, Section 1797.84)
 - 5.7. Response Time is calculated from the time that a dispatch is completed until the time the ambulance first arrives at the scene and notifies dispatch of arrival.
6. Specific Requirements for Service Delivery
- 6.1 Personnel for Advanced Life Support (ALS) First Response shall include one (1) Paramedic.
 - 6.2 All ALS First Responder Units shall be equipped with standardized inventory as specified in San Diego County Division of EMS Policy P-806.
 - 6.2.1 Contractor shall be responsible for the maintenance of all defibrillators/monitors and shall submit invoices to the County for reimbursement.
 - 6.3 The requirements governing this Contract are those specified in State and County rules, regulations, policies, procedures, and protocols relating to the operation of ALS First Responders.
 - 6.4 All ALS First Responder agencies shall have a current ALS service provider agreement with the San Diego County EMS.
 - 6.5 Contractor shall attend quarterly CSA 17 Citizens Advisory Committee and monthly CSA 17 Operations group meetings.
 - 6.6 Disaster Service: Contractor's staff shall be available upon request of the Public Health Officer to assist in any necessary tasks during a public health disaster or County emergency state of alert.

County Contract Number 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder and Emergency Medical Services Support
Exhibit A – Statement of Work

7. Data Collection and Reporting Requirements

- 7.1 Annual Reports: The following reports shall be submitted to the CSA 17 Administrator by September 30 of each year.
- 7.1.1 A report listing the names of current personnel who provide First Responder Services, their certification numbers, the issue dates of the certification and the expiration dates of the certifications.
 - 7.1.2 A report detailing program related expenditures during the preceding fiscal year.
- 7.2 Quarterly Report: Changes to the personnel list identified in 7.1.1 shall be reported to the CSA 17 Administrator quarterly.

County Contract 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder Services For County Service Area 17
Exhibit B – Insurance Requirements

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations to County, Contractor shall provide at its sole expense and maintain for the duration of this contract, or as may be further required herein, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of the work by the Contractor, his agents, representatives, employees or subcontractors.

1. Minimum Scope of Insurance

Coverage shall be at least as broad as:

- A. Commercial General Liability, Occurrence form, Insurance Services Office form CG0001.
- B. Automobile Liability covering all owned, non-owned, hired auto Insurance Services Office form CA0001.
- C. Workers' Compensation, as required by State of California and Employer's Liability Insurance.
- D. Professional Liability (Errors & Omissions) appropriate to the professional services provided by Contractor under this contract.

2. Minimum Limits of Insurance

Contractor shall maintain limits no less than:

- A. Commercial General Liability including Premises, Operations, Products and Completed Operations, Contractual Liability, and Independent Contractors Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The General Aggregate limit shall be \$2,000,000.
- B. Automobile Liability: \$3,000,000 each accident for bodily injury and property damage.
- C. Employer's Liability: \$1,000,000 each accident for bodily injury or disease. Coverage shall include waiver of subrogation endorsement in favor of County of San Diego.
- D. Professional Liability (Errors & Omissions): \$3,000,000 per occurrence or claim with an aggregate limit of not less than \$3,000,000. This coverage shall be maintained for a minimum of three years following termination or completion of Contractor's work pursuant to the Contract.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. As a requirement of this contract, any available insurance proceeds in excess of the specified minimum limits and coverage stated above, shall also be available to the County of San Diego.

3. Self-Insured Retentions

Any self-insured retention must be declared to and approved by County Risk Management. At the option of the County, either: the insurer shall reduce or eliminate such self-insured retentions as respects the County, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

4. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

A. Additional Insured Endorsement

The County of San Diego, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers of the County, individually and collectively are to be covered as additional insureds on the General Liability policy with respect to liability arising out of work or operations performed by or on

County Contract 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder Services For County Service Area 17
Exhibit B – Insurance Requirements

behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. General Liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026, CG 2033, or CG 2038; and CG 2037 forms if later revisions used).

B. Primary Insurance Endorsement

For any claims related to this project, the Contractor's insurance coverage, including any excess liability policies, shall be primary insurance at least as broad as ISO CG 2001 04 13 as respects the County, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers of the County, individually and collectively. Any insurance or self-insurance maintained by the County, its officers, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

C. Notice of Cancellation

Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the County.

D. Severability of Interest Clause

Coverage applies separately to each insured, except with respect to the limits of liability, and that an act or omission by one of the named insureds shall not reduce or avoid coverage to the other named insureds.

General Provisions

5. Qualifying Insurers

All required policies of insurance shall be issued by companies which have been approved to do business in the State of California by the State Department of Insurance, and which hold a current policy holder's alphabetic and financial size category rating of not less than A, VII according to the current Best's Key Rating guide, or a company of equal financial stability that is approved in writing by County Risk Management.

6. Evidence of Insurance

Prior to commencement of this Contract, but in no event later than the effective date of the Contract, Contractor shall furnish the County with a copy of the policy declaration and endorsement pages along with the certificates of insurance and amendatory endorsements effecting coverage required by this clause. Policy declaration and endorsement pages shall be included with renewal certificates and amendatory endorsements submissions and shall be furnished to County within thirty days of the expiration of the term of any required policy. Contractor shall permit County at all reasonable times to inspect any required policies of insurance.

7. Failure to Obtain or Maintain Insurance; County's Remedies

Contractor's failure to provide insurance specified or failure to furnish certificates of insurance and amendatory endorsements or failure to make premium payments required by such insurance shall constitute a material breach of the Contract, and County may, at its option, terminate the Contract for any such default by Contractor.

8. No Limitation of Obligations

The foregoing insurance requirements as to the types and limits of insurance coverage to be maintained by Contractor, and any approval of said insurance by the County are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Contractor pursuant to the Contract, including, but not limited to, the provisions concerning indemnification.

9. Review of Coverage

County Contract 558289
County of San Diego, Health and Human Services Agency,
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder Services For County Service Area 17
Exhibit B – Insurance Requirements

County retains the right at any time to review the coverage, form and amount of insurance required herein and may require Contractor to obtain insurance reasonably sufficient in coverage, form and amount to provide adequate protection against the kind and extent of risk which exists at the time a change in insurance is required.

10. Self-Insurance

Contractor may, with the prior written consent of County Risk Management, fulfill some or all of the insurance requirements contained in this Contract under a plan of self-insurance. Contractor shall only be permitted to utilize such self-insurance if in the opinion of County Risk Management, Contractor's (i) net worth, and (ii) reserves for payment of claims of liability against Contractor, are sufficient to adequately compensate for the lack of other insurance coverage required by this Contract. Contractor's utilization of self-insurance shall not in any way limit liabilities assumed by Contractor under the Contract.

11. Claims Made Coverage

If coverage is written on a "claims made" basis, the Certificate of Insurance shall clearly so state. In addition to the coverage requirements specified above, such policy shall provide that:

- A. The policy retroactive date coincides with or precedes Contractor's commencement of work under the Contract (including subsequent policies purchased as renewals or replacements).
- B. Contractor will make every effort to maintain similar insurance during the required extended period of coverage following expiration of the Contract.
- C. If insurance is terminated for any reason, Contractor shall purchase an extended reporting provision of at least three years to report claims arising in connection with the Contract.
- D. The policy allows for reporting of circumstances or incidents that might give rise to future claims.

12. Subcontractors' Insurance

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors. Such Additional Insured endorsement shall be attached to the certificate of insurance in order to be valid and on a form at least as broad as ISO from CG 2010 11 85 or both CG 2010, CG 2026, CG 2033, or CG 2038; and CG 2037 forms if later revisions used. If any sub contractor's coverage does not comply with the foregoing provisions, Contractor shall defend and indemnify the County from any damage, loss, cost, or expense, including attorneys' fees, incurred by County as a result of subcontractor's failure to maintain required coverage.

13. Waiver of Subrogation

Contractor hereby grants to County a waiver of their rights of subrogation which any insurer of Contractor may acquire against County by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by the Contractor, its employees, agents and subcontractors.

County Contract Number 558289
County of San Diego, Health and Human Services Agency
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder and Emergency Medical Services Support
Exhibit C – Payment Schedule

1. **Compensation:** Payment for the services specified in Exhibit A - Statement of Work (SOW) shall be made in accordance with the Payment Schedule after County review and acceptance of an original signed invoice and any required accompanying documentation. Invoices shall be submitted in arrears for work performed in the prior period.

2. **Payment Schedule:**

	Contract Term	Fixed Price Per Quarter	Maximum Annual Price	Defibrillator Maintenance per Year	Total Annual Contract Price
FY 18-19	07/01/2018-06/30/2019	\$6,759.00	\$27,036.00	\$4,270.00	\$31,306.00
FY 19-20	07/01/2019-06/30/2020	\$6,962.00	\$27,848.00	\$4,270.00	\$32,118.00
FY 20-21	07/01/2020-06/30/2021	\$7,170.00	\$28,680.00	\$4,270.00	\$32,950.00
FY 21-22	07/01/2021-06/30/2022	\$7,386.00	\$29,544.00	\$4,270.00	\$33,814.00
FY 22-23	07/1/2022-06/30/2023	\$7,607.00	\$30,428.00	\$4,270.00	\$34,698.00
Total Contract Price					\$164,886.00

3. **Invoices**

3.1. Invoices shall be submitted to the County on a quarterly basis by the 20th of the month following the quarter.

3.2. Invoices shall include the contract number, date, description of services provided, certification language shown in Section 3.5 herein, and signature of authorized Contractor representative.

3.3. Invoices for defibrillator and monitor maintenance shall be accompanied by documentation of payments made by the Contractor for such items. Invoices for mileage reimbursement shall include a calculation showing the number of miles driven for CSA 17 business multiplied by the standard mileage rate for the period, as published by the Internal Revenue Service. County shall pay the amount supported by the accompanying documentation, but no more than the Maximum Annual Price for each item noted in the Payment Schedule each year.

3.4. Invoices and documentation shall be submitted to the following address:

Emergency Medical Services
 6255 Mission Gorge Road
 San Diego, CA 92120
 Attn: CSA Invoices

County Contract Number 558289
County of San Diego, Health and Human Services Agency
Medical Care Services Division, Emergency Medical Services
Agreement With City of Solana Beach For
Advanced Life Support First Responder and Emergency Medical Services Support
Exhibit C – Payment Schedule

3.5. Invoices must contain the following certifications:

I certify, under penalty of perjury under the laws of the State of California, that no employee or entity providing services under the terms and conditions of this contract is currently listed as excluded on the federal System for Award Management (SAM), the federal Health and Human Services Office of Inspector General List of Excluded Individuals/Entities (LEIE), or the State of California Medi-Cal Suspended and Ineligible list.

I also certify that the above deliverables and/or services were delivered and/or performed specifically for this contract in accordance with the terms and conditions set forth therein.

Authorized Representative:

Printed Name and Signature

Date Signed

Telephone and Fax Number

**COUNTY OF SAN DIEGO
HEALTH AND HUMAN SERVICE AGENCY AGREEMENT**

AGREEMENT between the COUNTY OF SAN DIEGO, a political subdivision of the State of California and hereinafter called "County" and City of Solana Beach Fire Department, hereafter called "Contractor," for the provision of Basic Life Support (Ambulance) Services, EMT/PS-Defibrillation Program, and ALS Training & Accreditation Program Participation.

WHEREAS, Contractor is specially trained and possesses certain skill, experience, education and competence to perform certain services and County desires to engage Contractor for certain services.

WHEREAS, pursuant to the provisions of California Government Code section 26277, the Board of Supervisors of County is authorized to enter a contract for such services.

WHEREAS, the Contractor is a government agency and therefore considered exempt under Board of Supervisor's Policy A-87 "Public Domain."

WHEREAS, the Purchasing and Contracting Director is authorized, pursuant to Article XXII B, Section 398.17.1a of the Administrative Code, to award a contract for these services.

NOW THEREFORE the parties hereto do mutually agree as set forth in:

<u>EXHIBIT</u>	<u>TITLE</u>
A	Special Terms and Conditions
B	Standard Terms and Conditions
C	Statement of Work
D	Fiscal Terms and Conditions
D1	Budget

IN WITNESS THEREOF, COUNTY and CONTRACTOR have executed this Agreement to be effective July 1, 2001.

CONTRACTOR:
 By: [Signature] Date: 6/21/2001
 George K. George, Fire Chief
 City of Solana Beach Fire Department
 102 North Nardo
 Solana Beach, CA 92075
 Phone: (858) 755-2998
 Fax: (858) 259-7698

COUNTY:
 By: [Signature] Date: 6-27-01
 for Winston F. McColl, Director
 Department of Purchasing and Contracting

COUNTY OF SAN DIEGO
HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT A - SPECIAL TERMS AND CONDITIONS

1. **ADMINISTRATION:** The Purchasing and Contracting Deputy Director is the Designated Contracting Officer and is the only County official authorized to amend this Agreement.

1.1 The County has designated the following individual as the Contracting Officer's Technical Representative (COTR), and may also be called the Contract Administrator:

Gwen Jones, Chief
Emergency Medical Services
Health and Human Services Agency
6255 Mission Gorge Road
San Diego, CA 92120
(619) 285-6429

or her designee

Paulette Bocian, Administrative Analyst
Emergency Medical Services
Health and Human Services Agency
6255 Mission Gorge Road
San Diego, CA 92120
(619) 285-6429

1.2 The Contracting Officer's Technical Representative will direct contract administration functions. The Contracting Officer's Technical Representative is designated to receive, review, and approve Contractor invoices, audit and inspect Contractor's records, inspect Contractor services, and provide technical guidance as required. The COTR is not authorized to amend any terms and conditions of the contract. Amendments to the scope of work or total contract price shall be made only by the Contracting Officer issuing a properly executed contract amendment.

1.2.1 The Contracting Officer's Technical Representative is authorized to make administrative adjustments, such as line item budget changes or adjustments to service requirements which do not change the purpose or intent of the Statement of Work, the Terms and Conditions of the Contract, or the total contract price. Administrative adjustments will be signed by the Contractor and the Contracting Officer's Technical Representative. All inquiries about such administrative adjustments will be referred directly to the COTR.

1.3 Contractors Administrator. Contractor shall designate the following individual as the Contractor's Administrator:

<u>George K. George</u>	<u>Fire Chief</u>	<u>City of Solana Beach Fire Department</u>		
Name	Title	Contractor		
<u>102 North Nardo</u>	<u>Solana Beach, CA</u>	<u>92075</u>	<u>(858) 755-2998</u>	<u>(858) 259-7698</u>
Mailing Address	City	Zip	Phone No.	Fax No.

2. **TERM:** The term of this Agreement shall commence on the effective date cited July 1, 2001 and continue through and including June 30, 2002 during which time Contractor shall perform the services provided herein. County may exercise the option to renew this contract for 5 additional one-year periods, through June 30, 2007 as described below.

2.1 Options to Renew for 5 Additional One Year Options. County shall have the option to extend the term of this Agreement, for five (5) additional one (1) year periods not to exceed the date specified above, and in the event of exercise of any of these options, Contractor shall grant one to six (1-6) month extension at the most recent price as described below. Each extension shall be effected by written notification delivered to Contractor no less than thirty (30) calendar days prior to expiration of the contract.

2.2 Options to Extend for One to Six Additional Months at End of Contract. County shall have the option to extend the term of this Agreement in one or more increments for a total of no less than one (1) and no more than six (6) calendar months at the discretion of the County Purchasing and Contracting Director. Each extension shall be effected by written contract amendment delivered to Contractor no less than fifteen (15) calendar days prior to expiration of any contract term.

2.3 The rates set forth in Exhibit D-1, "Budget," or other pricing section of this Agreement shall apply to any option exercised pursuant to this option clause unless provision for appropriate price adjustment has been made elsewhere in this Agreement or by contract amendment. All payments are subject to "Availability of Funds."

3. **COMPENSATION:** County agrees to pay Contractor a sum not to exceed (Twenty thousand three hundred) dollars (\$20,300) for the period July 1, 2001 through June 30, 2002 for services performed during the term of this Agreement in accordance with the methods of payment stipulated in Exhibit D. County and Contractor can as an option mutually agreed to reduce amount due to County from the negotiated revenue sharing accumulated account in any given month. Services shall be funded through Benefit Tax, Property Tax and Non-Resident Transport fees.
4. **NOTICE:** Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice, or may be served by certified mail, postage prepaid, return receipt requested, to the County official cited in paragraph 1 and to Contractor at address cited in subparagraph 1.3.
5. **NOTICE OF DELAY:** Contractor shall, within five (5) days of award of this contract, notify the County in writing of any anticipated delay in the performance of this Agreement. This notice shall identify the cause of said delay and indicate the remedial action to be taken by Contractor.
6. **CONTRACTOR'S MANUAL- N/A:** Reference is hereby made to the Health and Human Services Agency Contractor's Manual, a copy of which is on file with Contracting Officer's Technical Representative. Contractor shall comply with all applicable provisions contained in said Contractor's Manual which is incorporated by reference within this Agreement.
7. **DEFINITIONS:** "County" shall mean the County of San Diego, California; "Agreement" shall mean this County contract; "Contractor" shall mean the legal entity who has entered into an agreement with the County to provide the services and equipment described herein; "Vendor" and "Provider" shall mean the same as Contractor; "Exhibit" shall mean the same as "Section" in this Agreement; and "Terms and Conditions" shall mean the requirement specified by this Agreement.
8. **PRECEDENCE:** In the event that any provision of Exhibit A, B, C, or D, conflicts with any other term or condition, precedence shall be: First (1st) Section A; Second (2nd) Section B; Third (3rd) Section C, Statement of Work; Fourth (4th) Section D; Fifth (5th) Section D1.
9. **CONTRACT TYPE:** This Agreement shall be for Basic Life Support (Ambulance) Service, EMT/PS-Defibrillation Program, and ALS Training & Accreditation Program Participation.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

TABLE OF CONTENTS

<u>SECTION TITLE</u>	<u>PARAGRAPH #</u>
1. INDEPENDENT CONTRACTOR	1.1 – 1.9
2. CONTRACTOR'S INTEREST	2.1 – 2.5
3. COMPLIANCE WITH LAW, REGULATION, AND BOARD POLICY	3.1 – 3.21
4. RECORDS AND REPORTS	4.1 – 4.9
5. AVAILABILITY OF FUNDS, CHANGES, TERMINATIONS	5.1 – 5.11

1. INDEPENDENT CONTRACTOR

- 1.1 INDEPENDENT CONTRACTOR.** Contractor is, for all purposes arising out of this Agreement, an independent contractor, and neither Contractor nor Contractor's employees shall in any event be entitled to any benefits to which County employees are entitled, including, but not limited to, overtime, any retirement benefits, workers' compensation benefits, and injury leave or other leave benefits.
- 1.2 CONTRACTOR'S EMPLOYEES AND EQUIPMENT.** Contractor agrees that Contractor has secured or shall secure at Contractor's own expense all persons, employees and equipment required to perform the services required under this Agreement and that all such services shall be performed by Contractor, or under Contractor's supervision, by persons authorized by law to perform such services. If any arrangement is made whereby employees of County are used by Contractor and are subject to Contractor's supervision and control, they shall, while engaged in such work be considered for all purposes, as employees, servants, or agents of Contractor and not of County, irrespective of party paying them.
- 1.3 RESPONSIBILITY FOR EQUIPMENT.** County shall not be responsible nor be held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by Contractor or any of Contractor's employees, even though such equipment may be furnished, rented, or loaned to Contractor by County. The acceptance or use of any such equipment by Contractor or Contractor's employees shall be construed to mean that Contractor accepts full responsibility for and agrees to exonerate, indemnify and hold harmless County from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment, whether such damage be to the employee or property of Contractor, other contractors, County, or other persons. Equipment includes, but is not limited to material, computer hardware and software, tools, or other things.
- 1.3.1 Contractor shall repair or replace, at Contractor's expense all County equipment or fixed assets that are damaged or lost as a result of Contractor negligence.
- 1.4 NON-EXPENDABLE PROPERTY ACQUISITION.** County retains title to all non-expendable property which Contractor may acquire with funds from this Agreement, including property acquired by lease purchase agreement. Contractor may not expend funds under this Agreement for the acquisition of non-expendable property having a unit cost of \$5,000 (except Child Abuse Prevention and Intervention Treatment funded) or more and a normal life expectancy of more than one year without the prior written approval of Contracting Officer Technical Representative. Contractor shall maintain an inventory of non-expendable equipment.
- 1.5 RIGHT TO ACQUIRE EQUIPMENT AND SERVICES.** Nothing in this Agreement shall prohibit the County from acquiring the same type of equivalent equipment and/or service from other sources, when deemed by the County to be in its best interest.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 1.6 DEFENSE AND INDEMNITY.** County shall not be liable for, and Contractor shall defend and indemnify County and its officers, agents, employees and volunteers against any and all claims, deductibles, self-insured retentions, demands, liability, judgements, awards, fines, mechanics' liens, or other liens, labor disputes, losses, damages, expenses, charges or costs of any kind or character, including attorneys' fees and court costs (collectively, claims), which arise out of or in any way connected to the work covered by this Contract arising either directly or indirectly from any act, error, omission or negligence of Contractor or its officers, employees, agents, contractors, licensees, or servants, including without limitation, claims caused by the concurrent act, error, omission or negligence, whether active or passive, of County, and/or its agents, officers, employees or volunteers. However, Contractor shall have no obligation to defend or indemnify County from a Claim if it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of County or its agents or employees.
- 1.7 INSURANCE.** Before commencement of work, Contractor shall submit Certificates of Insurance evidencing that Contractor has obtained for the period of the contract, from generally recognized responsible insurers, insurance in the following forms of coverage and minimum amounts specified:
- 1.7.1 Required General Liability Insurance Coverage.** Contractor shall procure either Comprehensive Liability Insurance or Commercial General Liability Insurance in the amounts and form set forth below:
- 1.7.1.1 Comprehensive General Liability insurance.** A policy of Comprehensive General Liability Insurance with combined single limit (CSL) per occurrence of not less than \$1,000,000 per occurrence;
- OR**
- 1.7.1.2 Commercial General Liability Insurance.** A policy of Commercial General Liability Insurance which provides limits of not less than:
- | | |
|--|-------------|
| (a) Per Occurrence: | \$1,000,000 |
| (b) Project Specific Aggregate: | \$2,000,000 |
| (c) Products/Completed Operations | \$1,000,000 |
| (d) Personal & Advertising Injury limit: | \$1,000,000 |
- For either type of insurance, deductibles shall be declared to and approved by the County's Risk Manager.
- 1.7.1.3 Required General Liability Policy Coverage.** Any general liability policy provided by Contractor hereunder shall include the following coverage:
- (a) Premises and Operations
 - (b) Products/Completed Operations with limits of at least one million dollars (\$1,000,000) per occurrence to be maintained for three (3) years following Acceptance of the work by the County.
 - (c) Contractual Liability expressly including liability assumed under the Agreement.
 - (d) Independent Contractor's Liability.
- 1.7.1.4 Additional Insured Endorsement.** Any general liability policy provided by Contractors hereunder shall contain an endorsement which applies its coverage to the County, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers of County, individually and collectively, as additional insureds.
- 1.7.1.5 Primary Insurance Endorsement.** The coverage afforded by the additional insured endorsement described above shall apply as primary insurance, and any other insurance maintained by the County, the members of the Board of Supervisors of the County, or its officers, agents, employees and volunteers, or any County self-funded program, shall be excess only and not contributing with such coverage.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 1.7.1.6 **Form of General Liability Insurance Policies.** All general liability policies shall be written to apply to all bodily injury, including death, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term, and shall specifically insure the performance by Contractor of that part of the indemnity agreement contained in the Agreement relating to liability for injury to or death of persons and damage to property. If the coverage contains one or more aggregate limits, a minimum of 50% of any such aggregate limit must remain available at all times; if over 50% of any aggregate limit has been paid or reserved, County may require additional coverage to be purchased by Contractor to restore the required limits. Contractor may combine primary, any umbrella and as broad as possible excess liability coverage to achieve the total limits indicated above.
- 1.7.1.7 **Waiver of Subrogation.** Contractor and County release each other, and their respective authorized representatives, from any Claims (as defined in the Article entitled "Indemnity" of the Agreement), but only to the extent that the proceeds received from any policy of liability insurance carried by County or Contractor, other than any self-insurance, covers any such Claim or damage. Included in any policy or policies of liability insurance provided by Contractor hereunder shall be standard waiver of rights of subrogation against County by the insurance company issuing said policy or policies.
- 1.7.2 **Professional Errors and Omissions Liability Insurance.**
- 1.7.2.1 Contractor providing and/or engaging the services of any type of professional whose failure due to mistake or deficiency in design, formula, plans, specifications, advisory, technical, medical or other services could result in liability shall obtain professional errors and omissions liability insurance in an amount of not less than one million dollars (\$1,000,000) per claim, with an aggregate limit or not less than two million dollars \$2,000,000. If this policy contains a self retained limit, it shall not be greater than ten thousand dollars (\$10,000) per occurrence/event; if the coverage contains one or more aggregate limits, a minimum of 50% of any such aggregate limit must remain available at all times; if over 50% of any aggregate limit has been paid or reserved, County may require additional coverage to be purchased by Contractor to restore the required limits. The policy shall include limited contractual liability coverage. This coverage shall be maintained for a minimum of two (2) years following termination or completion of Contractor's work pursuant to the Agreement.
- 1.7.2.2 **Sexual Misconduct.** Contractor providing and/or engaging services in which minors are present shall maintain coverage for improper sexual misconduct including, but not limited to, coverage for negligent supervision and hiring in the amount of not less than one million dollars (\$1,000,000) per claim, with an aggregate limit of not less than two million dollars (\$2,000,000). Any deductible or self-insured retention on this policy shall be declared to and approved by County's Risk Manager.
- 1.7.3 **Comprehensive Automobile Liability Insurance.** Contractors shall procure Comprehensive Automobile Liability Insurance written for bodily injury, including death, and property damage, however occasioned, occurring during the policy term, in the amount of not less than one million dollars (\$1,000,000), combined single limit per occurrence, applicable to all owned, non-owned and hired vehicles. This coverage shall include contractual liability.
- 1.7.4 **Statutory Workers' Comprehensive and Employer's Liability Insurance.** Unless the Contractor is a sole proprietorship, Contractor shall maintain a policy of California Workers' Compensation coverage in statutory amount and Employer's Liability coverage for no less than one million dollars (\$1,000,000) per occurrence for all employees of Contractor engaged in services or operations under the Agreement. Coverage shall include the following endorsements, copies of which shall be provided to the County:
- (a) Broad Form All-States endorsement
 - (b) Waiver of Subrogation endorsement
- 1.7.5 **Subcontractor's Insurance.** Contractor shall make certain that any and all Subcontractors hired by Contractor are insured in accordance with this Agreement. If any Subcontractor's coverage does not

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

comply with the forgoing provisions, Contractor shall indemnify and hold County harmless of and from any damage, loss, cost or expense, including attorney's fees, incurred by County as a result thereof.

1.7.6 General Provisions

- 1.7.6.1 Evidence of Insurance.** Contractor shall, as soon as practicable following the placement of insurance required hereunder, but in no event later than the effective date of the Agreement, deliver to County certificate of insurance evidencing the same, together with appropriate separate endorsements thereto, evidencing that Contractor has obtained such coverage for the period of the Agreement. Contractor shall deliver certified copies of the actual insurance policies specified herein, within thirty days (30) after commencement of work. Thereafter, copies of renewal policies, or certificates and appropriate separate endorsements thereof, shall be delivered to County within thirty (30) days prior to the expiration of the term of any policy required herein. Contractor shall permit County at all reasonable times to inspect any policies of insurance of Contractor which Contractor has not delivered to County.
- 1.7.6.2 Claims Made Coverage.** If coverage is written on a "claims made" basis, the Certificate of Insurance shall clearly so state. In addition to the coverage requirements specified above, such policy shall provide that:
- (a) The policy retroactive date coincides with or precedes Contractor's commencement of work under the Agreement (including subsequent policies purchased as renewals or replacements).
 - (b) Contractor will make every effort to maintain similar insurance during the required extended period of coverage following expiration of the Agreement, including the requirement of adding all additional insureds.
 - (c) If insurance is terminated for any reason, Contractor shall purchase an extended reporting provision of at least two years to report claims arising in connection with the Agreement.
 - (d) The policy allows for reporting of circumstances or incidents that might give rise to future claims.
- 1.7.6.3 Failure to Obtain or Maintain Insurance; County Remedies.** Contractor's failure to procure the insurance specified herein, or failure to deliver certified copies of appropriate certificates of such insurance, or failure to make the premium payments required by such insurance, shall constitute a material breach of the Agreement, and County may, at its option, terminate the Agreement for any such default by Contractor.
- 1.7.6.4 No Limitation of Obligations.** The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Contractor, and any approval of said insurance by the County or its insurance Contractor(s), are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to the Agreement, including, but not limited to, the provisions concerning indemnification.
- 1.7.6.5 Notice of Cancellation of Change of Coverage.** All certificates of insurance provided by Contractor must evidence that the insurer providing the policy will give County thirty (30) days' written notice, at the address shown in the section of the Agreement entitled "Notices," in advance of any cancellation, lapse, reduction or other adverse change regarding such insurance.
- 1.7.6.6 Qualifying Insurers.** All policies of insurance required hereby shall be insured by companies which have been approved to do business in the State of California by the State Department of Insurance, and which hold a current policy holder's alphabetic and financial size category rating of not less than A, VII according to the current Best's Key Rating Guide, or a company of equal financial stability that is approved in writing by County's Risk Manager.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

1.7.6.7 Review of Coverage. County shall retain the right at any time to review the coverage, form and amount of insurance required herein and may require Contractor to obtain insurance reasonably sufficient in coverage, form and amount to provide adequate protection against the kind of and extent or risk at the time a change in insurance is required.

1.7.6.8 Self-Insurance. Contractor may, with the prior written consent of County's Risk Manager, fulfill some or all of the insurance requirements contained in the Agreement under a plan of self-insurance. Contractor shall only be permitted to utilize such self-insurance, however, if, in the opinion of County's Risk Manager, Contractor's (1) net worth, and (2) reserves for payment of claims of liability against Contractor, are sufficient to adequately compensate for the lack of other insurance coverage required by the Agreement.

Contractors' utilization of self-insurance shall not in any way limit liabilities assumed by Contractor under the Agreement. In the event the County's Risk Manager expressly consents to Contractor's self-insurance program, Contractor shall promptly assume full responsibility for the defense of any and all Claims (as defined in the Indemnity Provision, Paragraph 1.6) against County upon receipt of notification of any such claim by County.

1.7.6.9 Deviations from Contractual Insurance Requirements. All deviations from the contractual insurance requirements stated herein must be approved in writing by County Risk Manager.

The County of San Diego shall retain the right at any time to review the coverage, form and amount of insurance required herein and may require contractor to obtain insurance sufficient in coverage, form and amount to provide adequate protection against the kind and extent of risk which exist at the time a change in insurance is required. County requirements shall be reasonable. County retains the right to demand a true and certified copy of any insurance policies required herein after fifteen (15) days notice.

1.8 **BONDING.** Prior to any disbursements, Contractor agrees that its insurer shall forward to County an assurance that all persons handling funds received or disbursements made hereunder are covered by a fidelity bond of twenty-five percent (25%) of the compensation amount identified in Exhibit A or \$25,000, whichever is less. Provision shall be made such that insurer shall notify County in the event that the bond is cancelled or reduced. In either event, County shall make no further disbursements until it is assured adequate coverage has been obtained. If Contractor fails to obtain or assure County of adequate coverage, this Agreement shall be deemed in default and may be forthwith terminated by County. This provision applies to each individual contract that the Contractor may have with the County.

1.9 **THIRD PARTY BENEFICIARIES EXCLUDED.** This agreement is intended solely for the benefit of the County and its Contractor. Any benefit to any third party is incidental and does not confer on any third party to this contract any rights whatsoever regarding the performance of this contract. Any attempt to enforce provisions of this contract by third parties is specifically prohibited.

2. CONTRACTOR'S INTEREST

2.1 **ASSIGNABILITY.** Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same, whether by assignment or novation, without the prior written consent of the County thereto; provided, however, that claims for money due or to become due to Contractor from County under this Agreement may be assigned without such approval. Notice of any such assignment or transfer shall be furnished promptly to County.

2.2 **INTEREST OF CONTRACTOR.** Contractor covenants that Contractor presently has no interest, including, but not limited to, other projects or independent contracts, and shall not acquire any such interest, direct or indirect, which would prevent the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed or retained by Contractor under this Agreement. Contractor shall not hire County's employees to perform any portion of the work or services provided for herein including secretarial, clerical and similar incidental services except upon the written approval of County. Without such written approval, performance of services under this Agreement by associates or employees of County shall not relieve Contractor from any responsibility under this Agreement.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 2.3 SUBCONTRACTS.** Any subcontract which is in excess of five thousand dollars (\$5,000) or a combination of subcontracts to the same individual or firm for the contract period must have prior approval of the Contracting Officer Technical Representative. Contractor shall provide Contracting Officer Technical Representative with copies of all other subcontracts relating to this Agreement entered into by Contractor within 30 days after the effective date of the subcontract. Such subcontractors of Contractor shall be notified of Contractor's relationship to County. "Subcontractor" means any entity, other than County, that furnishes to Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.
- 2.3.1 Contractor Responsibility. In the event any subcontractor is utilized by Contractor for any portion of the project, Contractor retains the prime responsibility for carrying out all the terms of this Agreement, including the responsibility for insuring the availability and retention of records of subcontractors in accordance with this Agreement. No subcontract utilizing funds from this Agreement shall be entered into which has a term extending beyond the ending date of this Agreement.
- 2.3.2 County Approval. As identified above, all subcontracts under this contract shall have prior written approval of the Contracting Officer Technical Representative.
- 2.4 CONDUCT OF CONTRACTOR.** Contractor agrees to inform the County of all the Contractor's interest, if any, which are or which the Contractor believes to be incompatible with any interest of the County.
- 2.4.1 Personal Gain. Contractor shall not use for personal gain or make other improper use of privileged information which is acquired in connection with performance under this Agreement. In this connection, the term "privileged information" includes, but is not limited to, unpublished information relating to technological and scientific development, medical, personnel, or security records or individuals, anticipated material requirements or pricing actions; and knowledge or selections of Contractors or subcontractors in advance of official announcements.
- 2.4.2 Gifts and Gratuities. Contractor shall not offer, directly, or indirectly, gifts, gratuity, favors, entertainment or other item of monetary value to an employee or the County.
- 2.4.3 Referrals. Contractor further covenants that no referrals of clients through Contractor's intake or referral process shall be made to the private practice of any person(s) employed by the Contractor.
- 2.5 LIMITATION OF FUTURE CONTRACTS OR GRANTS.** It is agreed by the parties to the contract that Contractor shall be restricted in its future contracting with the County to the manner described below. Except as specifically provided in this clause, Contractor shall be free to compete for business on an equal basis with other companies.
- 2.5.1 If Contractor, under the terms of the contract, or through the performance of tasks pursuant to this contract, is required to develop specifications or statements of work and such specifications or statements of work are to be incorporated into a solicitation, Contractor shall be ineligible to perform the work described within that solicitation as a prime or subcontractor under an ensuing County contract. It is further agreed, however, that County will not, as additional work, unilaterally require Contractor to prepare such specifications or statements of work under this contract.
- 2.5.2 Contractor may not apply for nor accept additional payments for the same services contained in the Statement of Work.
- 3. COMPLIANCE WITH LAW, REGULATION, AND BOARD POLICY**
- 3.1 AFFIRMATIVE ACTION FOR FEDERALLY FUNDED PROJECTS.** Contractor, Contractor's subcontractors and suppliers, if any, shall comply with the Affirmative Action Program for Vendors as set forth in Article IIIk (commencing at Section 84) of the San Diego County Administrative Code, which program is incorporated herein by reference, unless specifically exempted in accordance with articles, rules and regulations.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 3.2 EQUAL OPPORTUNITY.** Contractor shall not discriminate against any employee, or against any applicant for such employment, because of age, race, color, religion, sex, sexual orientation, physical handicap, ancestry or national origin. This provision shall include but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 3.3 NON DISCRIMINATION.** Contractor shall ensure that services and facilities are provided without regard to ethnic group identification, race, color, nation origin, creed, religion, age, sex, or physical or mental disability in accordance with Title IX of the Education Amendments of 1972; Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000-d), the Age Discrimination of 1975 (42 U.S.C. 6101), Article 9.5, Chapter 1, Part 1, Division 2, Title 2 (Section 11135, et seq) of the California Government Code, and Title 9, Chapter 4, Subchapter 6 (Section 10800, et seq.) of the CCR.
- 3.4 AIDS DISCRIMINATION.** Contractor shall not deny any person the full and equal enjoyment of, or impose less disadvantageous terms, or restrict the availability of, the use of any County facility or participation in any County funded or supported service or program on the grounds that such person has Acquired Immune deficiency Syndrome, AIDS-related complex (ARC), or AIDS-related status (ARS), as those terms are defined in Chapter 1, Section 32.1203, San Diego County Code of Regulatory Ordinances.
- 3.5 AMERICAN WITH DISABILITIES ACT (ADA) 1990.** Contractor shall not discriminate against qualified people with disabilities in employment, public services, transportation, public accommodations and telecommunications services in compliance with the Americans with Disabilities Act (ADA) and California Administrative Code Title 24.
- 3.6 POLITICAL ACTIVITIES PROHIBITED.** None of the funds, provided directly or indirectly, under this Agreement shall be used for any political activities or to further the election or defeat of any candidate for public office. Contractor shall not utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the contract nor any funds provided thereunder shall be utilized in support of any partisan political activities, or activities for or against the election of a candidate for an elected office.
- 3.7 LOBBYING.** Contractor agrees to comply with the lobbying ordinances of the County and to assure that its officers and employees comply before any appearance before the County Board of Supervisors. None of the funds provided under this Agreement shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State and Federal Legislatures or the Board of Supervisors of the County.
- 3.8 RELIGIOUS ACTIVITY PROHIBITED.** There shall be no religious worship, instructions or proselytization as part of or in connection with the performance of this Agreement.
- 3.9 CONFORMANCE WITH RULES AND REGULATIONS.** Contractor shall be in conformity with all applicable Federal, State, County, and local laws, rules, and regulations, current and hereinafter enacted, including facility and professional licensing and/or certification laws and keep in effect any and all licenses, permits, notices and certificates as are required. Contractor shall further comply with all laws applicable to wages and hours of employment, occupational safety, and to fire safety, health and sanitation.
- 3.10 CALIFORNIA LAW.** This Agreement shall be construed and interpreted according to the laws and regulations of the State of California.
- 3.11 DEBARMENT AND SUSPENSION.** As a sub-grantee of federal funds under this Agreement, Contractor certifies that it, and its principals:
- 3.11.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency.
- 3.11.2 Have not within a 3-year period preceding this contract been convicted of or had a civil judgement rendered against them for the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction; violation of Federal or State anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 3.11.3 Are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in the paragraph above; and
- 3.11.4 Have not within a 3-year period preceding this contract had one or more public transaction (Federal, State, or local) terminated for cause or default.
- 3.12 ORAL REPRESENTATION.** This Agreement and its exhibits and references incorporated herein fully express all understanding of the parties concerning the matters covered herein. No addition to or alteration of the terms of this Agreement and no verbal understanding of the parties, and officers, agents or employees, shall be valid unless made in the form of a written amendment to this Agreement.
- 3.13 ALCOHOL AND DRUG USE PROHIBITED.** The County of San Diego in recognition of individual rights to work in a safe, healthful and productive work place, has adopted a requirement for a drug and alcohol free work place, County of San Diego Drug and Alcohol Use Policy C-25. This policy provides that all County employed Contractors and Contractor employees shall assist in meeting this requirement.
- 3.13.1 As a material condition of this Agreement, Contractor agrees that the Contractor and Contractor employees, while performing service for the County, on County property, or while using County equipment:
- (a) Shall not be in any way impaired because of being under the influence of alcohol or a drug.
 - (b) Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal drug.
 - (c) Shall not sell, offer, or provide alcohol or an illegal drug to another person.
- Item (c) shall not be applicable to a Contractor or Contractor employee who, as part of the performance of normal job duties and responsibilities prescribes or administers medically prescribed drugs.
- 3.13.2 Contractor shall inform all employees that are performing service for the County on County property or using County equipment, of the County objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.
- 3.13.3 The County may Terminate for Default or Breach this Agreement and any other Agreement Contractor has with the County, if Contractor, or Contractor employees are determined by the County not to be in compliance with the conditions above.
- 3.14 RESPONSIBILITY FOR COMPLIANCE WITH COUNTY ADMINISTRATIVE CODE, SECTION 67.** Contractor agrees to comply with County Administrative Code, Section 67, which stipulates that County shall not contract with, and shall reject any bid or proposal submitted by the person or entities specified below, unless the Board of Supervisors finds that special circumstances exist which justify the approval of such contract.
- 3.14.1 Persons employed by the County or of public agencies for which the Board of Supervisors is the governing body;
- 3.14.2 Profit-making firms or businesses in which employees described in subsection 3.14.1 serve as officers, principals, partners, or major shareholders;
- 3.14.3 Persons who, within the immediately preceding twelve (12) months came within the provisions of sub-paragraph 3.14.1 and who (1) were employed in positions of substantial responsibility in the area of service to be performed by the contract, or (2) participated in any way in developing the contract or its service specifications; and
- 3.14.4 Profit-making firms or businesses in which the former employees described in sub-paragraph 3.14.3 serve as officers, principals, partners, or major stockholders.
- 3.15 ZERO TOLERANCE FOR FRAUDULENT CONDUCT IN COUNTY SERVICES.** Contractor shall comply with County of San Diego Board of Supervisors Policy A-120 "Zero Tolerance for Fraudulent Conduct in County Services." There shall be "Zero Tolerance" for fraud committed by contractors in the administration of County programs and the provision of County services. Upon proven instances of fraud committed by independent contractors in connection with their performance under the contract, said contract shall be terminated.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 3.16 ZERO TOLERANCE IN COACHING MEDI-CAL OR WELFARE CLIENTS (INCLUDING UNDOCUMENTED IMMIGRANTS).** The County of San Diego in recognition of its unique geographical location and the utilization of Welfare and Medi-Cal system by foreign nationals who are not legal residents of this county or country, has adopted a Zero Tolerance policy and shall aggressively prosecute employees and contractors who coach Medi-Cal or Welfare clients (including undocumented immigrants).

As a material condition of this Agreement, Contractor agrees that the Contractor and Contractor's employees, while performing service for the County, on County property or while using County equipment shall not:

- (a) in any way coach, instruct, advise, or guide any Medi-Cal or Welfare clients or prospective clients who are undocumented immigrants on ways to obtain or qualify for Medi-Cal assistance;
- (b) support or provide funds to any organization engaged directly or indirectly in advising undocumented immigrants on ways to obtain or qualify for Medi-Cal assistance.

Contractor shall inform all employees that are performing service for the County on County property or using County equipment of County's Zero Tolerance Policy as referenced herein.

County may terminate for default or breach this Agreement and any other Agreement Contractor has with County, if Contractor or Contractor employees are determined not to be in compliance with the conditions stated herein.

- 3.17 FAMILY-CENTERED PRACTICE, BOARD OF SUPERVISORS POLICY E-13.** Contractor shall comply with County of San Diego Board of Supervisors Policy E-13, "Family-Centered Practice." Family-centered practice addresses the needs of the whole family and is intended to promote and support community and family involvement to ensure safe and healthy environments for children.
- 3.18 INTERLOCKING DIRECTORATE.** In recognition of County Policy A-79, not-for-profit contractors shall not subcontract with related for-profit subcontractors for which an interlocking relationship exist unless specifically authorized in writing by the Board of Supervisors.
- 3.19 LICENSING.** Contractor shall comply with the provisions of Chapter 9 of Division 3 of the Business and Professions Code concerning the licensing of contractors. All offerors and contractors shall be licensed, if required, in accordance with the laws of this state and any offeror or contractor not so licensed is subject to the penalties imposed by such laws.
- 3.20 PERMITS, NOTICES, FEES, AND LAWS.** Contractor shall, at Contractor's expense, obtain all necessary permits and licenses, give all necessary notices, pay all fees required by applicable law, and comply with all applicable laws, ordinances, rules and regulations relating to work and to the preservation of the public health and safety.
- 3.21 SEVERABILITY.** Should any part of this Agreement be held to be invalid by a court of competent jurisdiction, the remainder of the Agreement shall be considered as the whole Agreement and be binding on the contracting parties.
- 3.22 PUBLIC DISCLOSURE OF GIFTS AND CAMPAIGN CONTRIBUTIONS**

3.22.1 San Diego County Charter Section 1000.1 requires that when a service contract is to be considered by the Board of Supervisors for approval, amendment, or extension, the Contractor and the registered lobbyists of the Contractor shall make the following disclosures:

3.22.1.1 All gifts reportable pursuant to the provisions of the Political Reform Act to any member of the Board of Supervisors or to the immediate family of such member during the year preceding the date of the disclosure.

3.22.1.2 All federal, State and local campaign contributions made to any member of the Board of Supervisors or his or her controlled committees during the year preceding the date of the disclosure.

3.22.1.3 Or a disclosure that there are no gifts or campaign contributions to disclose.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 3.22.2 Disclosures.** Contractor's disclosure shall include gifts and campaign contributions from any natural person or entity constituting Contractor and from any principal owner and principal officer of the Contractor.
- 3.22.2.1 Contractor shall submit a written certification that the disclosure requirements have been complied with.
- 3.22.2.2 The disclosure shall be made at least four (4) calendar days prior to the date of the meeting of the Board of Supervisors at which the approval, amendment, or extension is to be considered by the Board.
- 3.22.2.3 The required written disclosure shall be filed with the Clerk of the Board of Supervisors, on a form prescribed by the Clerk. The Clerk of the Board shall make all disclosures available to the public on the County's Internet site after they are filed with the Clerk and prior to the day on which the Board acts on the service contract.
- 3.22.3 Supplemental Disclosures.** Gifts or campaign contributions made subsequent to the required written disclosure, but prior to the Board's decision, and any gift or campaign contribution inadvertently not included in the written disclosure, shall be disclosed in writing at the meeting of the Board of Supervisors prior to the Board's decision to approve, amend or extend the service contract.
- 3.22.4 Failure to Comply.** If subsequent to Board approval of an amendment or extension of the service contract, the disclosure is found to be incomplete or inaccurate due to intentional misconduct or gross negligence, the service contract may be voided at the discretion of the Board of Supervisors.
- 3.22.5 Contract Voidable.** If subsequent to approval, amendment or extension of this contract by the Board of Supervisors, the Board finds that the disclosure required by San Diego County Charter Section 1000.1 is substantially incomplete or inaccurate due to intentional misconduct or gross negligence of the Contractor or the Contractor's registered lobbyist, the contract may be voided at the sole discretion of the Board of Supervisors. All terms and conditions of the contract, including the County's obligation to pay for services received, shall remain in effect until the effective date of the Board's action to void the contract, and all contractual provisions set forth in the contract that by their terms survive the expiration or termination of the contract shall continue to remain in effect.
- 3.22.6 Cost of Implementation.** The County of San Diego's cost for implementing the disclosures required by this clause shall be paid by the Contractor at the time the initial disclosure is filed with the Clerk of the Board.
- 3.22.7 Government Entities.** This Clause does not apply to contracts between the County of San Diego and other governmental entities.

4. RECORDS AND REPORTS

- 4.1 CONFIDENTIALITY.** County and Contractor agree to maintain confidentiality of any information regarding applicants, project participants or their immediate families which may be obtained through application forms, interviews, tests, reports, from public agencies or counselors or any other source. Without the written permission of the applicant or participant, such information shall be divulged only as necessary for purposes related to the audit and evaluation of the Agreement and then only to persons having responsibilities under the Agreement, including those furnishing services to Project under subcontract. County and Contractor agree that all information and records obtained in the course of providing services to project clients shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations adopted pursuant thereto. However, at County's request, Contractor shall permit County access to all records and information regarding the project and confidentiality shall not be a bar to County's access to all records and information.
- 4.2 MAINTENANCE OF RECORDS.** Contractor shall maintain and keep available all records within the County of San Diego for a minimum of five years from the ending date of this Agreement unless County agrees in writing to an earlier disposition.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

4.3 CUSTODY OF RECORDS. County, at its option, may take custody of Contractor's client records upon contract termination or at such other time as County may deem necessary. County agrees that such custody will conform to applicable confidentiality provisions of State and Federal law. Said records shall be kept by County in an accessible location within San Diego County and shall be available to Contractor for examination and inspection.

4.4 AUDIT AND INSPECTION. Contractor agrees to maintain and/or make available within San Diego County accurate books and accounting records relative to all its activities under this Agreement. Authorized Federal, State or County representatives shall have the right to monitor, assess, or evaluate Contractor's performance pursuant to this Agreement, said monitoring, assessments, or evaluations to include but not limited to audits, inspection of premises, reports, and interviews of project staff and participants.

At any time during normal business hours and as often as County may deem necessary, Contractor shall make available to County, State or Federal officials for examination all of its records with respect to all matters covered by this Agreement and will permit County, State or Federal officials to audit, examine and make excerpts or transcripts from such records, and to make audits of all invoices, materials, payrolls, records of personnel, information regarding clients receiving services, and other data relating to all matters covered by this Agreement.

4.4.1 If any services performed hereunder are not in conformity with the specifications and requirements of this contract, County shall have the right to require the Contractor to perform the services in conformity with said specifications and requirements at no additional increase in total contract amount. When the services to be performed are of such nature that the difference cannot be corrected, County shall have the right to (1) require Contractor immediately to take all necessary steps to ensure future performance of the services in conformity with requirements of the contract, and (2) reduce the contract price to reflect the reduced value of the services performed. In the event Contractor fails to perform the services promptly or to take necessary steps to ensure future performance of the service in conformity with the specifications and requirements of the contract, County shall have the right to either (1) by contract or to otherwise have the services performed in conformity with the contract specifications and charge to Contractor any cost occasioned to County that is directly related to the performance of such services, or (2) terminate this contract for default as provided in the Termination clause.

4.5 CONFIDENTIALITY OF FINDINGS. Contractor agrees that any reports, information, data, etc., given to or prepared or assembled by Contractor under this Agreement which the County requests to be kept as confidential shall not be made available to any individual or organization by Contractor without prior written approval of the County or as required by law.

4.6 SINGLE AUDIT ACT REQUIREMENT. Contractors shall annually engage a Licensed Certified Public Accountant to conduct an annual audit of their agency's operations. Contractors that expend \$300,000 or more of federal grant funds per year shall have an audit conducted in compliance with Government Auditing Standards, which includes Single Audit Act Amendments, Public Law 104-156, and OMB Circular A-133. Contractor shall include a clause in any contract or agreement Contractor enters into with an audit firm to provide access by the County, State, Federal Government to the working papers of the independent auditor who prepare the audit for Contractor. Contractor shall submit two (2) copies of the annual report and the management letter to the County no later than fifteen (15) days after receipt from the independent Certified Public Accountant.

4.7 REPORTS. Contractor shall submit reports as requested by the Contracting Officer Technical Representative. Format for the content of such reports may be developed by County. The timely submission of these reports is a necessary and material term and condition of this Agreement, and Contractor agrees that failure to meet specified deadlines will be sufficient cause to withhold payment. Contractor shall submit to County within thirty (30) days of the termination of this Agreement a report detailing all work done pursuant to this Agreement by Contractor.

4.8 EVALUATION STUDIES. Contractor shall participate as requested by the County in research and/or evaluative studies designed to show the effectiveness and/or efficiency of contractor services or to provide information about Contractor's project.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 4.9 OWNERSHIP, PUBLICATION, REPRODUCTION AND USE OF MATERIAL.** All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the sole and exclusive property of County. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by Contractor in the United States or in any other country without the express written consent of County. County shall have unrestricted authority to publish, disclose, distribute and otherwise use, copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.
- 5. AVAILABILITY OF FUNDS, CHANGES, TERMINATIONS**
- 5.1 AVAILABILITY OF FUNDS.** County's obligation for payment for any services provided in accordance with this Agreement beyond the current fiscal year end is contingent upon the availability of funds from which payment can be made. No legal liability on the part of the County shall arise for payments beyond June 30 of the calendar year unless funds are made available for such performance. Termination cost for fiscal funding will be treated the same as Termination for Convenience.
- 5.2 CESSATION OR REDUCTION OF FUNDS.** County shall have the right to terminate this Agreement or reduce compensation and service levels proportionately upon thirty (30) days' written notice to Contractor in the event that Federal, State or County funding for this Agreement ceases or is reduced prior to the ordinary expiration of the term of this Agreement. In the event of reduction of funding for the Agreement, County and Contractor shall meet within ten (10) days of written notice to renegotiate this Agreement based upon the modified level of funding. In this case if no agreement is reached between County and Contractor within 10 days of the first meeting, either party shall have the right to terminate this Agreement within ten (10) days written notice of termination.
- 5.3 TERMINATION FOR CAUSE.** Upon breach of this Agreement County shall have the right, by giving written notice specifying the effective date, which shall be not less than five (5) days after the date of the written notice, to terminate this Agreement in whole or in part for cause, which shall include, but not be limited to: (1) Failure, for any reason, of Contractor to fulfill in a timely and proper manner its obligations under this Agreement, including compliance with the approved program and attached conditions, and such statutes, Executive Orders, and Federal directives as may become generally applicable at any time; (2) Submission by Contractor to County of reports that are incorrect or incomplete in any material respect; and (3) Ineffective or improper use of funds provided under this Agreement. Prior to the County's written notice of termination, the County shall give Contractor written notice specifying the reasons for default and giving Contractor twenty (20) calendar days to cure the specified default.
- 5.3.1 Change in Cause.** If, after notice of termination of this contract it is determined for any reason that Contractor was not in default or that the default was excusable, County may terminate contract pursuant to paragraph 5.4 Termination of Convenience.
- 5.4 TERMINATION FOR CONVENIENCE.** County may terminate this Agreement upon thirty (30) days' written notice to the other party. In that event, all finished or unfinished documents and other materials shall become the sole and exclusive property of County. If the Agreement is terminated as provided herein, Contractor shall be compensated for performance until such termination as provided in Exhibits A and D. Contractor hereby expressly waives any and all claims for damages or compensation arising under this Agreement except as set forth in this paragraph.
- 5.5 AMENDMENTS.** County and Contractor may from time to time require Amendments to this Agreement. Such Amendments, except as expressly detailed herein, shall be effective when incorporated in writing to this Agreement and approved by County Board of Supervisors or the Deputy Director Office of Purchasing and Contracting, Department of General Services.

COUNTY OF SAN DIEGO, HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT B – STANDARD TERMS AND CONDITIONS

- 5.6 CONSEQUENCES OF TERMINATION.** In the event of termination, all finished or unfinished documents, and other materials prepared by Contractor shall become the sole and exclusive property of County, and Contractor shall be entitled to receive reasonable compensation for any satisfactory work completed on such documents, or other such materials to date of termination, not to exceed the amounts payable to date of termination reduced by the amount of damages sustained by County by reason of any breach. Notwithstanding the above, Contractor shall not be relieved of liability to County for damages sustained by County by virtue of any breach of this Agreement by Contractor, and County may withhold any reimbursement to Contractor for the purpose of off-setting until such time as the exact amount of damages due County from Contractor is determined.
- 5.7 DAMAGES FOR DELAY.** If Contractor refuses or fails to prosecute the work, or any separable part thereof, with such diligence as shall ensure its completion within the time specified in this contract, or any extension thereof, or fails to complete said work within such time, County will be entitled to the resulting damages caused by the delay. Damages will be the cost to County incurred as a result of continuing the current level and type of service over that cost that would be incurred had the contract segments been completed by the time frame stipulated and any other damages suffered by County.
- 5.8 EXTENSION OF TIME.** Contracting Officer Technical Representative may, upon written request of Contractor, extend the time for completion of Contractor's performance of this Agreement for a period not to exceed ninety (90) days, in the event performance is delayed due to unforeseeable causes beyond the control and without the fault or negligence of Contractor. Both parties agree that such extension of time does not alter the amount of compensation due Contractor.
- 5.9 COUNTY EXEMPTION FROM LIABILITY.** In the event there is a reduction of funds made available by County to Contractor under this or subsequent Agreements, the County of San Diego and its Departments, officers and employees shall incur no liability to Contractor and shall be held harmless from any and all claims, demands, losses, damages, injuries, or liabilities arising directly or from such action.
- 5.10 FULL COST RECOVERY OF INVESTIGATION AND AUDIT COSTS.** Contractor shall reimburse County of San Diego for all direct and indirect expenditures incurred in conducting an audit/investigation when Contractor is found in violation (material breach) of the terms of the contract. Reimbursement for such costs shall be withheld from any amounts due to Contractor pursuant to the payment terms of the contract, or from any other amounts due to Contractor from County.
- 5.11 DISPUTES.** Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer who shall furnish the decision to Contractor in writing. The decision of the Contracting Officer shall be final and conclusive unless determined by the court of competent jurisdiction to have been fraudulent or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith. Contractor shall proceed diligently with the performance of the contract pending the Contracting Officer's decision.
- 5.11.1** The "Disputes" clause does not preclude consideration of legal questions in connection with decisions provided for in paragraph 5.12 above. Nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

**COUNTY OF SAN DIEGO - HEALTH AND HUMAN SERVICES AGENCY
DIVISION OF EMERGENCY MEDICAL SERVICES
COUNTY SERVICE AREA 17
SAN DIEGUITO EMERGENCY MEDICAL SERVICES DISTRICT
FY 2001-2002
EXHIBIT C - STATEMENT OF WORK (BASIC LIFE SUPPORT)**

1. Contractor shall provide all management, personnel, facilities, equipment, material and supplies for ambulance services.
 - 1.1 Provide back-up ambulance service in the area covered by County Service Area 17 - San Dieguito Emergency Medical Services District on a 24-hour, seven day a week basis.
 - 1.2 Provide reports as needed by the County representative and comply upon request(s) in a timely and expeditious manner.
 - 1.3 Comply with the County's Ambulance Reporting System by completing a Prehospital Patient Record Form on every call responded to and submit the EMS copy each month to:

**EMERGENCY MEDICAL SERVICES
6255 Mission Gorge Road
San Diego, CA 92120**
 - 1.4 Respond with ambulance services within the County of San Diego during states of emergency/disaster situations.
 - 1.5 Notify the County Health and Human Services Agency, Division of Emergency Medical Services immediately whenever conditions exist that adversely affect the Contractor's ability to provide appropriate emergency ambulance service.
 - 1.6 Staff ambulances at all times by at least two persons possessing a current California EMT-1 Certification.
 - 1.7 Equip ambulances with medical items as required by State and local laws, as well as County policies.
 - 1.8 Maintain all ambulances and all equipment necessary for proper conduct of business in a mechanically safe and sanitary condition.
 - 1.9 Require all personnel to be neat and clean in appearance, and to handle all patients in accordance with EMT policies and procedures.
 - 1.10 Prohibit ambulance attendants to attend or drive any ambulance patient or patients while intoxicated or under the influence of any intoxicating beverage or dangerous or habit forming drugs or narcotics in any ambulance owned or operated by the Contractor.
 - 1.11 Submit a signed and dated invoice to the County's Administrator (COTR), together with a

**COUNTY OF SAN DIEGO - HEALTH AND HUMAN SERVICES AGENCY
DIVISION OF EMERGENCY MEDICAL SERVICES
COUNTY SERVICE AREA 17
SAN DIEGUITO EMERGENCY MEDICAL SERVICES DISTRICT
FY 2001-2002
EXHIBIT C - STATEMENT OF WORK (BASIC LIFE SUPPORT)**

statement of: a) period of service, b) number of patient transports, and c) verification of paramedic training completion as appropriate.

- 1.12 Submit invoices to the County's administrator, no later than 90 days from date of service (effective upon County's signing of contract).
- 1.13 Provide for a planned maximum response time of no more than ten minutes, 90% of the time.
- 1.14 Participate in local Emergency Medical Service planning activities, including disaster management.
- 1.15 Comply with all applicable State statutes and regulations and County standards, policies, procedures and protocols.
- 1.16 Take immediate corrective action where there is a failure to meet "Responsibilities of the Contractor."
- 1.17 Implement and maintain a quality assurance program that interfaces with the local EMS agency's system wide quality assurance program, which includes base hospitals, and is approved by the local EMS agency.

**COUNTY OF SAN DIEGO - HEALTH AND HUMAN SERVICES AGENCY
DIVISION OF EMERGENCY MEDICAL SERVICES
COUNTY SERVICE AREA 17
SAN DIEGUITO EMERGENCY MEDICAL SERVICES DISTRICT
EXHIBIT C - STATEMENT OF WORK
EMT/PS - DEFIBRILLATION**

I. GENERAL STATEMENT OF REQUIREMENTS

- A. Pursuant to the provision of Section 100064(b)(5) of Title 22 of California Code of Regulations, the County of San Diego is required to enter an agreement which authorizes and standardizes the provision of EMT/PS-Defibrillation (EMT/PS-D) services within a given region.
- B. The area or region to be served under this Agreement is County Service Area 17, San Dieguito Emergency Medical Services District, which includes the City of Del Mar, the City of Encinitas, the City of Solana Beach, and Rancho Santa Fe Fire Protection District.
- C. Contractor shall provide all management personnel, facilities, equipment, material and supplies for EMT/PS-D services for County Service Area 17 (CSA-17). Additionally, the Contractor shall provide community education services, and shall participate in quality assurance activities.
- D. County shall review EMT/PS-D services provided by Contractor to ensure that they comply with County policies, procedures and protocols pertaining to the delivery of EMT/PS-D services prior to renewal of this Agreement.

II. RESPONSIBILITIES OF CONTRACTING PARTIES

A. Responsibilities of County

- 1. To provide, under the authority of Section 1797 et.seq. Of the Health and Safety Code, the following services:
 - a. Approval of the EMT/PS-D training program(s) in the County of San Diego pursuant to the California Code of Regulations, Title 22, Division 9, Chapter 2, Section 100064.
 - b. Standards for accreditation of EMT/PS-Ds in San Diego County, as well as accreditation of those individuals meeting criteria established in San Diego County, pursuant to the California Code of Regulations, Division 9, Chapter 2, Section 100064.
 - c. To contract with designated base hospitals to provide medical direction and supervision of the EMT/PS-D system for the area defined by the local EMS agency. For the purpose of this Agreement, the area defined is the EMT/PS-D Unit, including assigned personnel, assigned by the local EMS agency to the base hospital for medical control.

**COUNTY OF SAN DIEGO - HEALTH AND HUMAN SERVICES AGENCY
DIVISION OF EMERGENCY MEDICAL SERVICES
COUNTY SERVICE AREA 17
SAN DIEGUITO EMERGENCY MEDICAL SERVICES DISTRICT
EXHIBIT C - STATEMENT OF WORK
EMT/PS-DEFIBRILLATION**

B. Responsibilities of Contractor

1. To provide EMT/PS-D services within the boundaries of its local jurisdiction, and within adjoining areas as specified by agreement with adjoining EMT/PS-D service.
2. To participate in the EMT/PS-D Program in accordance with Title 22 of the California Code of Regulations, Section 100064.
3. To develop and operate EMT/PS-D services in accordance with California Code of Regulations, Title 22, Division 9, Chapter 2. The Contractor may subcontract all or a portion of these services. However, the Contractor is responsible for ensuring that any and all subcontractors are authorized by the County to provide services in accordance with the California Code of Regulations, Title 22, Division 9, Chapter 2 of the California Code of Regulations.
4. To maintain and operate at least one fully equipped, supplied and staffed EMT/PS-D Unit seven days a week, twenty-four hours a day, in accordance with the policies, procedures, and protocols established by the County of San Diego.
5. To assure that at least two EMT/PS-Ds respond at all times. For the purpose of this Agreement, EMT/PS-Ds are individuals accredited by the County of San Diego, Emergency Medical Services Medical Director to operate as EMT/PS-Ds in San Diego County, pursuant to Section 100064 of Title 22, Division 9, Chapter 2 of the California Code of Regulations.
6. To provide the citizens of the local jurisdiction with information on the 9-1-1 system and where and how to obtain cardiopulmonary resuscitation CPR training.
7. To ensure that all accredited EMT/PS-D personnel comply with the continuing education requirements of the County.
8. To provide suitable facilities for housing the EMT/PS-D units.
9. To notify the Chief, Emergency Medical Services, or designee immediately whenever any condition exists which adversely affects the local jurisdiction's ability to meet the conditions of the Agreement.
10. To appoint an agency EMT/PS-D Coordinator to serve as liaison between the Agency, the County, base hospitals, receiving hospitals, BLS provider agencies and public safety agencies operating within the service area.

**COUNTY OF SAN DIEGO - HEALTH AND HUMAN SERVICES AGENCY
DIVISION OF EMERGENCY MEDICAL SERVICES
COUNTY SERVICE AREA 17
SAN DIEGUITO EMERGENCY MEDICAL SERVICES DISTRICT
EXHIBIT C - STATEMENT OF WORK
EMT/PS-DEFIBRILLATION**

11. To provide for a planned maximum response time of no more than ten minutes, 90% of the time.
12. To participate in local EMS planning activities, including disaster management.
13. To comply with all applicable State statutes and regulations and County standards, policies, procedures and protocols.
14. To take immediate corrective action where there is a failure to meet "Responsibilities of the Contractor."
15. To implement and maintain a quality assurance program that interfaces with the local EMS agency's system-wide quality assurance program, which includes base hospitals, and is approved by the local EMS agency.

III. CONTRACTOR'S STANDARDS

Adopt Contractor's own standards for the purposes of paragraph 2.B above, and monitor the EMT/PS-D Service Provider's compliance with them.

**COUNTY OF SAN DIEGO
HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT D – FIXED PRICE FISCAL TERMS AND CONDITIONS**

1 FISCAL

County will pay Contractor the agreed upon price, pursuant to Exhibit D-1 for the work specified in Exhibit C, Statement of Work.

- 1.1 **GENERAL PRINCIPLES.** Contractor shall at its own cost and expense furnish all labor, technical, administrative, professional and other personnel, all supplies and material, equipment, printing, vehicles, transportation, office space and facilities, and all other cost items associated with this contract except as herein otherwise expressly specified to be furnished by the County.
- 1.2 **CONTRACT AMENDMENT.** A contract amendment is required to modify pay points, the total contract amount or contract term.
- 1.3 **ACCOUNTING SYSTEM AND FISCAL MONITORING.** Contractor shall provide and maintain an accounting and financial support system to monitor and control costs to assure contract completion.

2 CLAIMS, INVOICES AND PAYMENT

- 2.1 **CLAIMS AND INVOICES.** Contractor shall submit approved claims/invoices monthly to the COTR for work performed in the monthly and retrospective payment period, pursuant to Exhibit D-1. Monthly payments will be paid as described in Paragraph 3 below.
- 2.2 **PAYMENTS.** County agrees to pay Contractor monthly payments after receipt of properly completed claims/invoices, approved by the COTR. Payments shall be in arrears after receipt of properly completed invoices approved by the COTR. Payment shall be NET 30 days after approval of the invoice unless otherwise stated in this Agreement.
- 2.3 **FULL COMPENSATION.** Pending any adjustments by the COTR, each claim/invoice approved and paid shall constitute full and complete compensation to the Contractor for the claim/invoice. This Agreement constitutes the entire agreement between the Contractor and the County. The Contractor shall be entitled only to compensation, benefits, reimbursements or ancillary services specified in this Agreement.
- 2.4 **CONDITIONS PREREQUISITE TO PAYMENTS.** County may elect not to make a particular payment if any of the following exists:
 - 2.4.1 **Misrepresentation.** Contractor, with or without knowledge, made any misrepresentation of substantial and material nature with respect to any information furnished to County.
 - 2.4.2 **Unauthorized Actions by Contractor.** Contractor took any action pertaining to this Agreement, which required County approval, without having first received said County approval.
 - 2.4.3 **Default.** Contractor was in default under any terms and conditions of this Agreement.
- 2.5 **PARTIAL PAYMENT.** If the Contractor fails to perform specified services or provide products in accordance with specified requirements, the Contractor shall not be entitled to payment for those products or tasks. However, should the Contract be terminated by County, prior to completion for reasons other than Contractor poor or non-performance, Contractor shall be entitled to payment for all services performed up to and including notification to stop work by COTR, pursuant to Paragraph 5.5 of Exhibit B.
- 2.6 **WITHHOLDING OF PAYMENT.** County may withhold payment until reports, data, audits or other information required for contract administration or to meet County or State reporting or auditing requirements are received and approved by COTR or designee. The County may also withhold payment if, in the County's opinion, Contractor is in non-compliance with this Agreement.

**COUNTY OF SAN DIEGO
HEALTH AND HUMAN SERVICES AGENCY
EXHIBIT D – FIXED PRICE FISCAL TERMS AND CONDITIONS**

3 METHOD OF PAYMENT

- 3.1 Payment for the services performed under this Agreement shall be in accordance to Exhibit D-1, unless other payment methodologies are negotiated and agreed to by both Contractor and County.

Contractor's payments shall be paid only after receipt of properly submitted, detailed and itemized original invoice referencing the contract number, date, description of services provided and shall be signed by appropriate Contractor representative, documenting the total invoiced amount by Contractor. An original invoice shall be submitted to: Emergency Medical Services, 6255 Mission Gorge Rd., San Diego, CA 92120-3599. The COTR prior to payment shall approve each invoice. Each invoice so approved and paid shall constitute full and complete compensation to Contractor for the work product submitted and for all work completed during the billing period pursuant to Exhibit C and D-1. Payment shall be NET 30 days from receipt and approval of invoice unless otherwise stated. The County is precluded from making payments prior to receipt of services or supplies (advance payments).

In the event of termination of this Agreement, Contractor shall be entitled to retain all sums so paid, subject to County's claims for damages as elsewhere provided. It is expressly understood and agreed that this Agreement constitutes the entire Agreement between Contractor and County and in no event shall Contractor be entitled to any compensation, benefits, reimbursements or ancillary services other than as herein expressly provided

**COUNTY OF SAN DIEGO - HEALTH AND HUMAN SERVICES AGENCY
 EMERGENCY MEDICAL SERVICES
 CSA-17 PROGRAM BUDGET FY 2001-2002
 EXHIBIT D-1 - OPERATIONAL BUDGET**

CONTRACTOR: City of Solana Beach Fire Department

CONTRACT #:

		FY 2001-2002
I.	EMERGENCY MEDICAL TECHNICIAN - DEFIBRILLATION (EMT-D) FIRST RESPONDERS PROGRAM MAXIMUM REIMBURSEMENT AMOUNT	\$ 14,900
II.	BASIC LIFE SUPPORT (BLS) SERVICES TRANSPORTS (\$200 per transport) X (15 transports) MAXIMUM REIMBURSEMENT AMOUNT	\$ 3,000
III.	ADVANCED LIFE SUPPORT SERVICES (ALS) TRAINING AND ACCREDITATION PROGRAM PARTICIPATION (\$1,200 per participating firefighter) MAXIMUM REIMBURSEMENT AMOUNT	\$ 2,400
	TOTAL	\$ 20,300



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Engineering Department
SUBJECT: Council Consideration of Resolution No. 2018-081
Authorizing the City Clerk to File a Notice of Completion
for the 2017 Street Maintenance & Repair Project

BACKGROUND:

At the September 12, 2017 Council Meeting, the construction contract for the 2017 Street Maintenance & Repair Project, Bid No. 2017-08, was awarded to PAL General Engineering. The project included localized asphalt concrete pavement repairs, pavement overlays and replacement of traffic markings.

This item is before the City Council to consider adoption of Resolution No. 2018-081 (Attachment 1) to report the final project costs, accept the project as complete, request approval for an increased construction contingency for additional work performed, and to direct the City Clerk to file a Notice of Completion.

DISCUSSION:

PAL General Engineering completed all work on this project in accordance with the approved plans and specifications of Bid No. 2017-08 to the satisfaction of the City Engineer. The City may release the 5% retention amount 35 days after the approval of the Notice of Completion by the City Council.

The contractor performed additional work at the request of Staff. The original bid scope of work was estimated to utilize the annual budget for street resurfacing. The actual bid was lower than anticipated budget, allowing additional work to be performed at the contract unit prices. Additional overlays, localized pavement repairs and replacement of traffic markings were performed, while keeping the project within the approved Capital Improvement Project budget. A summary of this year's project and the additional work completed this year is listed on the next page.

CITY COUNCIL ACTION:

List of Streets Resurfaced

1. Academy Drive, from Stevens Ave to Ida Ave
2. Highland Drive, from San Andres to Via la Senda
3. Loma Larga, from Via Mil Cumbres to cul-de-sac
4. North Rios Avenue, from Cliff St to Patty Hill
5. Santa Alicia, from Santa Victoria to Santa Rufina
6. Santa Helena, portion of median northeast of Sun Valley
7. Santa Victoria, from Santa Helena to cul-de-sac

Additional Street Repairs and Maintenance Performed by the Contractor

1. Solana Hills near concrete cross gutter at Lomas Santa Fe (asphalt patching and traffic markings only)
2. Increased localized pavement repairs (dig-outs) on Lomas Santa Fe Drive and several local streets
3. Replaced deteriorating South Cedros sidewalk gutter covers
4. Renewed and added traffic markings and crosswalks at various locations

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c) of the State CEQA Guidelines.

FISCAL IMPACT:

The project was funded by the Annual Pavement Management Program (CIP-09) in the Fiscal Year (FY) 2017/18 Adopted Budget. The budget included \$400,000 in Gas Tax Funds and \$150,000 in *TransNet* funds, for a total budget of \$550,000. The available budget was reduced by \$44,227 which was used for paving work on the Stevens-Valley corridor improvement project. The construction contract awarded was in the amount of \$344,290. At award, the City Council approved a \$69,000 construction contingency for a total project budget of \$413,290.

With the additional work performed described above, the final project cost is \$450,936. The total project costs are within the annual CIP budget and no additional appropriation is required. However, the final cost exceeds the original contract plus approved contingency of \$413,290 in the amount of \$37,646. Therefore, Staff requests approval for an additional contingency of \$37,646, for a total contingency of \$106,646 (\$69,000+\$37,646).

WORK PLAN:

Un-prioritized Community Character Issues.

OPTIONS:

- Adopt Staff recommendation.
- Deny Staff recommendation and provide direction.

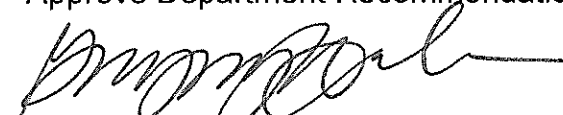
DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2018-081:

1. Authorizing the City Council to accept, as complete, the 2017 Street Maintenance & Repair Project, Bid No. 2017-08, performed by PAL General Engineering.
2. Authorizing the City Clerk to file a Notice of Completion.
3. Approving an additional contingency of \$37,646 and authorizing the City Manager to approve cumulative change orders up to a revised construction contingency amount of \$106,646.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2018-081

RESOLUTION 2018-081

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ACCEPTING AS COMPLETE THE 2017 STREET MAINTENANCE & REPAIR PROJECT, BID NO. 2017-08, AND AUTHORIZING THE CITY CLERK TO FILE A NOTICE OF COMPLETION

WHEREAS, on September 12, 2017, the City Council awarded a construction contract for the 2017 Street Maintenance & Repair Project, Bid No. 2017-08 to PAL General Engineering; and

WHEREAS, the 2017 Street Maintenance & Repair Project has now been completed in accordance with the plans and specifications included as part of the public works contract with PAL General Engineering to the satisfaction of the City Engineer; and

WHEREAS, the contractor performed additional street maintenance and repair work at the request of City Staff, exceeding the construction contingency approved at the September 12, 2017 City Council meeting.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council accepts as complete the 2017 Street Maintenance & Repair Project, Bid No. 2017-08, performed by PAL General Engineering.
3. That the City Council authorizes the City Clerk to file a Notice of Completion for the project.

4. That the City Council approves an additional contingency of \$37,646 and authorizes the City Manager to approve cumulative change orders up to the revised construction contingency amount of \$106,646.

PASSED AND ADOPTED this 27th day of June 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers
NOES: Councilmembers
ABSTAIN: Councilmembers
ABSENT: Councilmembers

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2017
ORIGINATING DEPT: Engineering Department
SUBJECT: **Consideration of Resolution 2018-080 Ratifying the City Manager's Decision to Install Stop Signs on Santa Helena at Sun Valley and Accepting the Donation of Two Speed Feedback Signs by the Isla Verde Homeowners Association for Use Along Highland Drive**

BACKGROUND:

Under the direction of the City Manager, Staff periodically reports on various traffic related matters for the City Council's information, consideration, and/or direction. This Staff Report focuses on two separate matters as follows:

- Installation of stop signs in both directions on Santa Helena at Sun Valley Road
- Proposed donation of two speed feedback signs by the Isla Verde Homeowners Association (HOA) for use along Highland Drive

This item is before the City Council for the consideration of Resolution No. 2018-080 (Attachment 1) ratifying the City Manager's decision to install stop signs in both directions on Santa Helena at Sun Valley Road and authorizing the City Manager to accept the donation of two speed feedback signs from the Isla Verde Homeowners Association for the exclusive use on Highland Drive between San Lucas Drive and San Andres Drive.

DISCUSSION:

Traffic speed in residential areas is a major concern among residents. Under the direction of the City Manager, when residents express their safety concerns about traffic, the subject is discussed at the Technical Traffic Advisory Committee (TTAC) meeting. On some occasions, unofficial speed surveys are performed using the stealth radar detector. This device allows Staff to determine the speed of vehicles without changing the behavior of the driver as opposed to the speed feedback sign which indicates the vehicles speed to the driver. In some instances, Staff also meets with community members to listen to their concerns and share the results of the

CITY COUNCIL ACTION: _____

investigation. If necessary, Staff may then engage professional traffic engineers to provide various alternatives for the concerns identified. Below is a short description of two traffic improvements that are being considered.

Proposed New Stop Signs in Each Direction on Santa Helena at Sun Valley Road

Residents in this area have approached the City regarding high speed vehicle traffic in their neighborhood. City Staff has met with a few community members several times. As a result of those meetings, a series of traffic calming measures were implemented including pedestrian ramps/cross walks in 2014 and raised medians in 2015. While these improvements were appreciated by the community members, they did not feel the subject improvements significantly changed/alterd the traffic issues at this intersection.

The community members approached the City again with a specific request to install stop signs in all directions at the intersection of Santa Helena and Sun Valley Road. This intersection is currently controlled by a stop sign on Sun Valley Road that was installed before the City incorporated. In response to the needs of the community and consistent with Section 10.24.070 of the Solana Beach Municipal Code (SBMC), Staff considered installation of two additional stop signs at this intersection in the north/south direction. After an appropriate notification period, the new stop signs were installed in June 2018. This item is presented to the City Council to consider ratifying the City Manager's decision to install stop signs on Santa Helena at the Santa Helena/Sun Valley Road intersection pursuant to SBMC Chapter 10.24.

Donation of Speed Feedback Signs from Isla Verde HOA

The Isla Verde HOA (HOA), which is located around Highland Drive near San Lucas Drive, has offered to donate two speed feedback signs for use in their neighborhood along Highland Drive. Speed feedback signs use radar to measure the speed of on-coming vehicles and alert drivers of their speed. One sign facing each direction would be installed on Highland Drive between San Lucas Drive and San Andres Drive.

Radar speed signs are generally used to attract the attention of drivers about their speed. Similar to enforcement, they are useful as an initial attempt to reduce speeds. However, the long-term effectiveness of the device is debatable. Some engineers believe these signs are most effective for shorter durations. Subsequently, the speed feedback signs are typically moved around to different parts of the neighborhood to help increase their effectiveness.

As part of the arrangement with the HOA, the HOA would purchase two speed feedback signs and donate them to the City. The City would take ownership of the signs and would provide minor maintenance of the signs such as changing the batteries as needed. The City would not replace the signs when they are deemed irreparable.

CEQA COMPLIANCE STATEMENT:

Actions associated with this Staff Report are exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c) of the State CEQA Guidelines.

FISCAL IMPACT:

There are no specific fiscal impacts associated with this report. Since the striping and sign installation for the stop signs at the Santa Helena/Sun Valley Road intersection were done by Public Works Staff, the costs were minimal (under \$500). The speed feedback signs are proposed to be donated to the City (at a cost to the HOA of approximately \$6,300). The only upfront costs would be the installation costs of one pole and associated brackets which should be less than \$100.

WORK PLAN:

Items in this Staff Report are consistent with the Unprioritized Community Character Issues – Miscellaneous Traffic Calming Projects of the FY 2017/18 Work Plan.

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with modifications.
- Provide direction to Staff.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2018-080:

1. Ratifying the City Manager's decision to install stop signs in both directions on Santa Helena at Sun Valley Road.
2. Authorizing the City Manager to accept the donation of two speed feedback signs from the Isla Verde Homeowners Association for use on Highland Drive between San Lucas Drive and San Andres Drive.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2018-080

RESOLUTION 2018-080

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, RATIFYING THE CITY MANAGER'S DECISION TO INSTALL STOP SIGNS ON SANTA HELENA AT SUN VALLEY AND ACCEPTING THE DONATION OF TWO SPEED FEEDBACK SIGNS BY THE ISLA VERDE HOMEOWNERS ASSOCIATION FOR USE ALONG HIGHLAND DRIVE

WHEREAS, under the direction of the City Manager, Staff periodically reports on various traffic related matters for the City Council's information, consideration, and/or direction; and

WHEREAS, residents near the Santa Helena/Sun Valley Road have approached the City regarding high speed vehicle traffic in their neighborhood; and

WHEREAS, the community members approached the City again with a specific request to install stop signs in all directions at the intersection of Santa Helena and Sun Valley Road. This intersection is currently controlled by a stop sign on Sun Valley Road that was installed before the City incorporated; and

WHEREAS, the Isla Verde HOA (HOA), which is located around Highland Drive near San Lucas Drive, has offered to donate two speed feedback signs for use in their neighborhood along Highland Drive; and

WHEREAS, the HOA would purchase two speed feedback signs and donate them to the City. The City would take ownership of the signs and would provide minor maintenance of the signs such as changing the batteries as needed. The City would not replace the signs when they are deemed irreparable.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council ratifies the City Manager's decision to install stop signs in both directions on Santa Helena at Sun Valley Road.

3. That the City Council authorizes the City Manager to accept the donation of two speed feedback signs from the Isla Verde Homeowners Association for use on Highland Drive between San Lucas Drive and San Andres Drive.

PASSED AND ADOPTED this 27th day of June 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Finance
SUBJECT: **Consideration of Resolution No. 2018-083 Approving a Professional Services Agreement with Lance, Soll, and Lunghard for Audit Services**

BACKGROUND:

The City hires an independent auditor to examine the City's records at the close of each fiscal year to assure the public of accountability. The objective of the audit is to verify that all financial transactions have been properly handled and recorded in compliance with legal restrictions and that they accurately represent the financial stewardship of the public officials who have been entrusted with these affairs.

The action before the Council is to consider adopting Resolution 2018-083 (Attachment 1) approving a professional services agreement with Lance, Soll, and Lunghard to provide audit services for an initial term of three (3) years with two (2) one-year options.

DISCUSSION:

Staff issued a Request for Proposals (RFP) for professional audit services on April 12, 2018 with a due date of May 3, 2018. Staff requested the proposals be submitted in two parts, a technical proposal and a cost proposal.

The Technical Proposal

The purpose of the Technical Proposal was to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake an independent audit of the City, in conformity with the requirements of the RFP. The Technical Proposal requested that firms address the qualifications of their organization and of the particular staff to be

COUNCIL ACTION:

assigned to the engagement. The Technical Proposal also was to specify an audit approach that will meet the RFP requirements.

The Technical Proposal requested the firms address all the points in the order outlined in the Request for Proposals (excluding any cost information which should only be included in the Cost Proposal section):

1. License to Practice in California
2. Independence (from the City of Solana Beach)
3. Firm Qualifications and Experience
4. Partner, Supervisory and Staff Qualifications and Experience
5. Similar Engagements with Other Government Entities
6. Specific Audit Approach
7. Identification of Anticipated Potential Audit Problems

The Cost Proposal

The Cost Proposal included an all-inclusive maximum price that contained all pricing information relative to performing the audit engagement as described in the Request for Proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

In addition, the Cost Proposal requested a separate cost proposal for the City's Single Audit, if required, and the Housing Successor Fund Financials.

Staff issued the RFP by sending a list serve email to members of the California Society of Municipal Finance Officers (CSMFO). Members of CSMFO include most audit firms that practice in the State of California and work with governmental agencies.

Staff received proposals from the following eleven firms:

- Davis Farr
- Eadie & Payne
- Gruber & Associates
- Lance, Soll & Lunghard
- Rogers Anderson Malody & Scott
- Teaman Ramirez & Smith
- The Pun Group
- Van Lant & Fankhanel
- Vasquez & Company
- Vavrinek Trine Day & Co.

- White Nelson Diehl Evans

A staff committee consisting of the Finance Manager, Senior Accountant, and a board member of the Encinitas Elementary School District reviewed the proposals and ranked the firms based upon the following criteria:

- Proposal Format
- Firm Profile
- Technical Competence
- Scope of Work

The following three firms were ranked the highest and selected for interviews based upon the review of the Technical Proposals:

- Lance, Soll & Lunghard
- Rogers Anderson Malody & Scott
- White Nelson Diehl Evans

Staff invited Mr. Gordon Johns of the Budget and Finance Commission to participate, with City Staff, in interviewing the auditors selected for the interviews. Mr. Johns is a retired partner from Deloitte & Touche, now known as Deloitte.

Staff and Mr. Johns interviewed the three firms and the unanimous choice of the interview team was to select Lance, Soll & Lunghard (LSL). The interview team found that all three firms were capable of performing and the firms turned out to be so close in nature that the interview team chose LSL based upon their costs.

The cost summary for each firm was the following:

SERVICE	2017/18	2018/19	2019/20	Option Year	Option Year
				2020/21	2021/22
White Nelson Diehl Evans	\$ 43,175	\$ 43,735	\$ 44,605	\$ 45,495	\$ 46,395
Rogers Anderson Malody & Scott	47,090	47,090	49,160	49,160	51,230
Lance, Soll & Lunghard	40,220	40,220	40,220	41,030	41,850

LSL has been the City's auditor for the past six years. For the first two years of the contract, Richard Kikuchi was the engagement partner. For the last four years of the contract, Bryan Gruber has been the engagement partner. Assembly Bill 1345 requires a six year audit partner rotation which becomes effective for Fiscal Year (FY) 2019/20. Bryan Gruber would remain as the engagement partner for the FY 2017/18

and FY 2018/19 audits. Deborah Harper from LSL would be the engagement partner for the FY 2019/20 audit and for the FY 2020/21 and FY 2021/22 audits if the contract option is exercised.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The total costs for all audit services for FY 2017/18 through FY 2021/22, with optional additional extensions are presented below. The proposed FY 2018/19 Adopted Budget includes sufficient funding to cover the costs of audit services.

SERVICE	2017/18	2018/19	2019/20	Option Year	Option Year
				2020/21	2021/22
City Audit and Related Reports	\$ 35,850	\$ 35,850	\$ 35,850	\$ 36,570	\$ 37,300
Housing Successor Fund Financials	2,020	2,020	2,020	2,060	2,100
Single Audit and Related Reports (if applicable)	2,350	2,350	2,350	2,400	2,450
Total	\$ 40,220	\$ 40,220	\$ 40,220	\$ 41,030	\$ 41,850

WORK PLAN: N/A

OPTIONS:

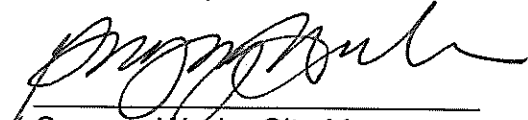
- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments / modifications.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2018-083 approving and ratifying a professional services agreement with Lance, Soll, and Lunghard for audit services.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2018-083
2. Professional Services Contract with Lance Sol & Lunghard

RESOLUTION 2018-083

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH LANCE SOL AND LUNDGARD FOR PROFESSIONAL AUDIT SERVICES

WHEREAS, the City of Solana Beach wants to insure accuracy and the accountability of the financial statements of the City; and

WHEREAS, a qualified independent auditor is needed to review the City's financial records, procedures and the actions of the Finance Staff for accuracy and compliance with legal and other restrictions; and

WHEREAS, a qualified independent auditor is needed to prepare the financial statements in accordance with generally accepted accounting principles; and

WHEREAS, Staff has conducted a Request for Proposal and received proposals from eleven firms; and

WHEREAS, after reviewing the proposals and holding interviews, Staff has determined that Lance, Soll, and Lunghard is the most qualified audit firm for this contract.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council authorizes the City Manager to execute a three year agreement with Lance, Soll, and Lunghard not to exceed \$120,660, for audit services for the Fiscal Years 2017/18 through FY 2019/20.
3. That the City Council authorizes the City Manager to extend the agreement for up to two additional years at the City's option.

PASSED AND ADOPTED this 27th day of June 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

City of Solana Beach
PROFESSIONAL SERVICES AGREEMENT
FOR PROFESSIONAL AUDIT SERVICES

THIS Professional Services Agreement ("AGREEMENT") is made and entered into this 1ST day of JULY, 2018 by and between the CITY OF SOLANA BEACH, a municipal corporation ("CITY"), and, LANCE, SOLL & LUNGHARD a Limited Liability Partnership, ("CONSULTANT") (collectively "PARTIES").

WHEREAS, the CITY desires to employ a CONSULTANT to furnish Audit Services ("PROFESSIONAL SERVICES") for Financial Audit ("PROJECT"); and

WHEREAS, the CITY has determined that CONSULTANT is qualified by experience and ability to perform the services desired by CITY, and CONSULTANT is willing to perform such services; and

WHEREAS, CONSULTANT will conduct all the work as described and detailed in this AGREEMENT to be provided to the CITY.

NOW, THEREFORE, the PARTIES hereto mutually covenant and agree with each other as follows:

1. PROFESSIONAL SERVICES.

- 1.1. **Scope of Services.** The CONSULTANT shall perform the PROFESSIONAL SERVICES as set forth in the written Scope of Services, attached as Exhibit "A" Scope of Services and Fee, at the direction of the CITY. CITY shall provide CONSULTANT access to appropriate staff and resources for the coordination and completion of the projects under this AGREEMENT.
- 1.2. **Project Coordinator.** The Finance Manager is hereby designated as the Project Coordinator for CITY and will monitor the progress and execution of this AGREEMENT. CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this AGREEMENT for CONSULTANT. Bryan S. Gruber, CPA is hereby designated as the Project Director for CONSULTANT.
- 1.3. **City Modification of Scope of Services.** CITY may order changes to the Scope of Services within the general scope of this AGREEMENT consisting of additions, deletions, or other revisions. If such changes cause a change in the CONSULTANT's cost of, or time required for, completion of the Scope of Services, an equitable adjustment to CONSULTANT's compensation and/or contract time shall be made, subject to the CITY'S approval. All such changes shall be authorized in writing, executed by CONSULTANT and CITY.

2. DURATION OF AGREEMENT.

- 2.1. **Term.** The term of this AGREEMENT shall be for a period of three (3) years beginning from the date of execution of the AGREEMENT. Time is of the essence in the performance of work under this AGREEMENT, unless otherwise specified.
- 2.2. **Extensions.** If marked, the CITY shall have the option to extend the AGREEMENT for two (2) additional one (1) year periods or parts thereof for an amount not to exceed \$41,030 in FY2020 and \$41,850 in FY2021 per AGREEMENT year. Extensions shall be in the sole discretion of the City Manager and shall be based upon CONSULTANT's satisfactory past performance, CITY needs, and appropriation of funds by the City Council. The CITY shall give written notice to CONSULTANT prior to exercising the option.

- 2.3. **Delay.** Any delay occasioned by causes beyond the control of CONSULTANT may merit an extension of time for the completion of the Scope of Services. When such delay occurs, CONSULTANT shall immediately notify the Project Coordinator in writing of the cause and the extent of the delay, whereupon the Project Coordinator shall ascertain the facts and the extent of the delay and grant an extension of time for the completion of the PROFESSIONAL SERVICES when justified by the circumstances.
- 2.4. **City's Right to Terminate for Default.** Should CONSULTANT be in default of any covenant or condition hereof, CITY may immediately terminate this AGREEMENT for cause if CONSULTANT fails to cure the default within ten (10) calendar days of receiving written notice of the default.
- 2.5. **City's Right to Terminate without Cause.** Without limiting its rights in the event of CONSULTANT's default, CITY may terminate this AGREEMENT, without cause, by giving written notice to CONSULTANT. Such termination shall be effective upon receipt of the written notice. CONSULTANT shall be compensated for all effort and material expended on behalf of CITY under the terms of this AGREEMENT, up to the effective date of termination. All personal property remaining in CITY facilities or on CITY property thirty (30) days after the expiration or termination of this AGREEMENT shall be, at CITY's election, considered the property of CITY.

3. COMPENSATION.

- 3.1. **Total Amount.** The total cost for all work described in the Scope of Services and Fee (Exhibit "A") shall not exceed one hundred twenty thousand six hundred and sixty dollars (\$120,660.00) total contract amount, with an annual cost of forty thousand, two hundred and twenty dollars. without prior written authorization from CITY. CONSULTANT shall bill the CITY for work provided and shall present a written request for such payment monthly.
- 3.2. **Additional Services.** CITY may, as the need arises or in the event of an emergency, request additional services of CONSULTANT. Should such additional services be required, CITY and CONSULTANT shall agree to the cost prior to commencement of these services.
- 3.3. **Costs.** Any costs billed to the CITY shall be in accordance with any terms negotiated and incorporated herein as part of Exhibit "A" Scope of Services and Fee.

4. INDEPENDENT CONTRACTOR.

- 4.1. CONSULTANT is, for all purposes arising out of this AGREEMENT, an independent contractor. The CONSULTANT has and shall retain the right to exercise full control and supervision of all persons assisting the CONSULTANT in the performance of said services hereunder, the CITY only being concerned with the finished results of the work being performed. Neither CONSULTANT nor CONSULTANT's employees shall in any event be entitled to any benefits to which CITY employees are entitled, including, but not limited to, overtime, retirement benefits, workers' compensation benefits, injury leave or other leave benefits. CONSULTANT is solely responsible for all such matters, as well as compliance with social security and income tax withholding and all other regulations and laws governing such matters.

5. STANDARD OF PERFORMANCE.

While performing the PROFESSIONAL SERVICES, CONSULTANT shall exercise the reasonable professional care and skill customarily exercised by reputable members of CONSULTANT's profession practicing in the metropolitan Southern California Area, and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

6. WARRANTY OF CONSULTANT'S LICENSE.

CONSULTANT warrants that CONSULTANT is properly licensed with the applicable government agency(ies) for any PROFESSIONAL SERVICES that require a license. If the CONSULTANT lacks such license, this AGREEMENT is void and of no effect.

7. AUDIT OF RECORDS.

- 7.1. At any time during normal business hours and as often as may be deemed necessary the CONSULTANT shall make available to a representative of CITY for examination all of its records with respect to all matters covered by this AGREEMENT and shall permit CITY to audit, examine and/or reproduce such records. CONSULTANT shall retain such financial and program service records for at least four (4) years after termination or final payment under this AGREEMENT.
- 7.2. The CONSULTANT shall include the CITY's right under this section in any and all of their subcontracts, and shall ensure that these sections are binding upon all subcontractors.

8. CONFIDENTIALITY.

All professional services performed by CONSULTANT, including but not limited to all drafts, data, correspondence, proposals, reports, research and estimates compiled or composed by CONSULTANT, pursuant to this AGREEMENT, are for the sole use of the CITY, its agents and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. This provision does not apply to information that (a) was publicly known, or otherwise known to CONSULTANT, at the time that it was disclosed to CONSULTANT by the CITY, (b) subsequently becomes publicly known through no act or omission of CONSULTANT or (c) otherwise becomes known to CONSULTANT other than through disclosure by the CITY. Except for any subcontractors that may be allowed upon prior agreement, neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. The sole purpose of this section is to prevent disclosure of CITY's confidential and proprietary information by CONSULTANT or subcontractors.

9. CONFLICTS OF INTEREST.

- 9.1. CONSULTANT shall at all times comply with all federal, state and local conflict of interest laws, regulations, and policies applicable to public contracts and procurement practices, including but not limited to California Government Code Section 81000 *et seq.* (Political Reform Act) and Section 1090 *et seq.* CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. CONSULTANT represents that it has no knowledge of any financial interests which would require it to disqualify itself from any matter on which it might perform services for the CITY.
- 9.2. If, in performing the PROFESSIONAL SERVICES set forth in this AGREEMENT, the CONSULTANT makes, or participates in, a "governmental decision" as described in Title 2, Section 18700.3(a) of the California Code of Regulations, or performs the same or substantially all the same duties for the CITY that would otherwise be performed by a CITY employee holding a position specified in the department's conflict of interest code, the CONSULTANT shall be subject to a conflict of interest code requiring the completion of one or more statements of economic interests disclosing the CONSULTANT's relevant financial interests.
- 9.3. If checked, the CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act. Specifically, the CONSULTANT shall file a Fair Political Practices Commission Form 700 (Assuming Office Statement) within thirty (30) calendar days of the CITY's determination that the CONSULTANT is subject to a conflict of interest code. The CONSULTANT shall also file a Form 700 (Annual Statement) on or before April 1 of each year of the AGREEMENT, disclosing any financial interests held during the previous calendar year for which the CONSULTANT was subject to a conflict of interest code.
- 9.4. CITY represents that pursuant to California Government Code Section 1090 *et seq.*, none of its elected officials, officers, or employees has an interest in this AGREEMENT.

10. DISPOSITION AND OWNERSHIP OF DOCUMENTS.

- 10.1. All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this AGREEMENT, whether paper or electronic, shall become the property of CITY for use with respect to this PROJECT, and shall be turned over to the CITY upon completion of the PROJECT or any phase thereof, as contemplated by this AGREEMENT.
- 10.2. Contemporaneously with the transfer of documents, the CONSULTANT hereby assigns to the CITY and CONSULTANT thereby expressly waives and disclaims, any copyright in, and the right to reproduce, all written material, drawings, plans, specifications or other work prepared under this AGREEMENT, except upon the CITY's prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONSULTANT shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

11. INSURANCE

- 11.1. CONSULTANT shall procure and maintain for the duration of the AGREEMENT insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONSULTANT, their agents, representatives, employees or subcontractors. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than "A" and "VII" unless otherwise approved in writing by the CITY's Risk Manager.
- 11.2. CONSULTANT's liabilities, including but not limited to CONSULTANT's indemnity obligations, under this AGREEMENT, shall not be deemed limited in any way to the insurance coverage required herein. All policies of insurance required hereunder must provide that the CITY is entitled to thirty (30) days prior written notice of cancellation or non-renewal of the policy or policies, or ten (10) days prior written notice for cancellation due to non-payment of premium. Maintenance of specified insurance coverage is a material element of this AGREEMENT.
- 11.3. **Types and Amounts Required.** CONSULTANT shall maintain, at minimum, the following insurance coverage for the duration of this AGREEMENT:
 - 11.3.1. **Commercial General Liability (CGL).** If checked the CONSULTANT shall maintain CGL Insurance written on an ISO Occurrence form or equivalent providing coverage at least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of \$1,000,000.00 per occurrence and subject to an annual aggregate of \$2,000,000.00. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.
 - 11.3.2. **Commercial Automobile Liability.** If checked the CONSULTANT shall maintain Commercial Automobile Liability Insurance for all of the CONSULTANT's automobiles including owned, hired and non-owned automobiles, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of \$1,000,000.00 per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).
 - 11.3.3. **Workers' Compensation.** If checked the CONSULTANT shall maintain Worker's Compensation insurance for all of the CONSULTANT's employees who are subject to this AGREEMENT and to the extent required by applicable state or federal law, a Workers' Compensation policy providing at minimum \$1,000,000.00 employers' liability coverage. The CONSULTANT shall provide an endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives.

- 11.3.4. **Professional Liability.** If checked the CONSULTANT shall also maintain Professional Liability (errors and omissions) coverage with a limit of \$1,000,000 per claim and \$2,000,000 annual aggregate. The CONSULTANT shall ensure both that (1) the policy retroactive date is on or before the date of commencement of the Scope of Services; and (2) the policy will be maintained in force for a period of three years after substantial completion of the Scope of Services or termination of this AGREEMENT whichever occurs last. The CONSULTANT agrees that for the time period defined above, there will be no changes or endorsements to the policy that increase the CITY's exposure to loss. All defense costs shall be outside the limits of the policy.
- 11.4. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions are the responsibility of the CONSULTANT and must be declared to and approved by the CITY. At the option of the CITY, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the CITY, its officers, officials, employees and volunteers, or (2) the CONSULTANT shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- 11.5. **Additional Required Provisions.** The commercial general liability and automobile liability policies shall contain, or be endorsed to contain, the following provisions:
- 11.5.1. The CITY, its officers, officials, employees, and representatives shall be named as additional insureds. The CITY's additional insured status must be reflected on additional insured endorsement form (20 10 1185 or 20 10 1001 and 20 37 1001) which shall be submitted to the CITY.
- 11.5.2. The policies are primary and non-contributory to any insurance that may be carried by the CITY, as reflected in an endorsement which shall be submitted to the CITY.
- 11.6. **Verification of Coverage.** CONSULTANT shall furnish the CITY with original certificates and amendatory endorsements effecting coverage required by this Section 11. The endorsement should be on forms provided by the CITY or on other than the CITY's forms provided those endorsements conform to CITY requirements. All certificates and endorsements are to be received and approved by the CITY before work commences. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

12. INDEMNIFICATION.

CONSULTANT agrees to indemnify, defend, and hold harmless the CITY, and its officers, officials, agents and employees from any and all claims, demands, costs or liabilities that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, its employees, agents, and subcontractors in the performance of services under this AGREEMENT. CONSULTANT's duty to indemnify under this section shall not include liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense arising from the sole negligence or willful misconduct by the CITY or its elected officials, officers, agents, and employees. CONSULTANT's indemnification obligations shall not be limited by the insurance provisions of this AGREEMENT. The PARTIES expressly agree that any payment, attorney's fees, costs or expense CITY incurs or makes to or on behalf of an injured employee under the CITY's self-administered workers' compensation is included as a loss, expense, or cost for the purposes of this section, and that this section will survive the expiration or early termination of this AGREEMENT.

13. SUBCONTRACTORS.

- 13.1. The CONSULTANT's hiring or retaining of third parties (i.e. subcontractors) to perform services related to the PROJECT is subject to prior approval by the CITY.

- 13.2.** All contracts entered into between the CONSULTANT and its subcontractor shall also provide that each subcontractor shall obtain insurance policies which shall be kept in full force and effect during any and all work on this PROJECT and for the duration of this AGREEMENT. The CONSULTANT shall require the subcontractor to obtain, all policies described in Section 11 in the amounts required by the CITY, which shall not be greater than the amounts required of the CONSULTANT.
- 13.3.** In any dispute between the CONSULTANT and its subcontractor, the CITY shall not be made a party to any judicial or administrative proceeding to resolve the dispute. The CONSULTANT agrees to defend and indemnify the CITY as described in Section 12 of this AGREEMENT should the CITY be made a party to any judicial or administrative proceeding to resolve any such dispute.

14. NON-DISCRIMINATION.

CONSULTANT shall not discriminate against any employee or applicant for employment because of sex, race, color, age, religion, ancestry, national origin, military or veteran status, disability, medical condition, genetic information, gender expression, marital status, or sexual orientation. CONSULTANT shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their sex, race, color, age, religion, ancestry, national origin, military or veteran status, disability, medical condition, genetic information, gender expression, marital status, or sexual orientation and shall make reasonable accommodation to qualified individuals with disabilities or medical conditions. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by CITY setting forth the provisions of this non-discrimination clause.

15. NOTICES.

All communications to either party by the other party shall be delivered to the persons listed below. Any such written communications by mail shall be conclusively deemed to have been received by the addressee five (5) calendar days after the deposit thereof in the United States mail, postage prepaid and properly addressed as noted below.

Marie Marron Berkuti
Finance Manager / Treasurer
City of Solana Beach
635 S. Highway 101
Solana Beach, CA 92075

Bryan S. Gruber, CPA, Partner
Lance, Soll, & Lunghard
203 N. Brea Blvd., Ste 203
Brea, CA 92821

16. ASSIGNABILITY.

This AGREEMENT and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT's duties be delegated or sub-contracted, without the express written consent of the CITY.

17. RESPONSIBILITY FOR EQUIPMENT.

CITY shall not be responsible nor held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by CONSULTANT or any of CONSULTANT's employees or subcontractors, even if such equipment has been furnished, rented, or loaned to CONSULTANT by CITY. The acceptance or use of any such equipment by CONSULTANT, CONSULTANT's employees, or subcontractors shall be construed to mean that CONSULTANT accepts full responsibility for and agrees to exonerate, indemnify and hold harmless CITY from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment.

18. CALIFORNIA LAW; VENUE.

This AGREEMENT shall be construed and interpreted according to the laws of the State of California. Any action brought to enforce or interpret any portion of this AGREEMENT shall be brought in the county of San Diego, California. CONSULTANT hereby waives any and all rights it might have pursuant to California Code of Civil Procedure Section 394.

19. COMPLIANCE WITH LAWS.

The Consultant shall comply with all laws, ordinances, regulations, and policies of the federal, state, and local governments applicable to this AGREEMENT whether now in force or subsequently enacted. This includes maintaining a City of Solana Beach Business Certificate.

20. ENTIRE AGREEMENT.

This AGREEMENT sets forth the entire understanding of the PARTIES with respect to the subject matters herein. There are no other understandings, terms or other agreements expressed or implied, oral or written, except as set forth herein. No change, alteration, or modification of the terms or conditions of this AGREEMENT, and no verbal understanding of the PARTIES, their officers, agents, or employees shall be valid unless agreed to in writing by both PARTIES.

21. NO WAIVER.

No failure of either the City or the Consultant to insist upon the strict performance by the other of any covenant, term or condition of this AGREEMENT, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this AGREEMENT shall constitute a waiver of any such breach of such covenant, term or condition.

22. SEVERABILITY.

The unenforceability, invalidity, or illegality of any provision of this AGREEMENT shall not render any other provision unenforceable, invalid, or illegal.

23. DRAFTING AMBIGUITIES.

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

24. CONFLICTS BETWEEN TERMS.

If an apparent conflict or inconsistency exists between the main body of this AGREEMENT and the Exhibits, the main body of this AGREEMENT shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this AGREEMENT, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this AGREEMENT, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this AGREEMENT.

25. EXHIBITS INCORPORATED.

All Exhibits referenced in this AGREEMENT are incorporated into the AGREEMENT by this reference.

26. SIGNING AUTHORITY.

- 26.1. The representative for each Party signing on behalf of a corporation, partnership, joint venture, association, or governmental entity hereby declares that authority has been obtained to sign on behalf of the corporation, partnership, joint venture, association, or entity and agrees to hold the other Party or PARTIES hereto harmless if it is later determined that such authority does not exist.
- 26.2. If checked, a proper notary acknowledgement of execution by CONSULTANT must be attached.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT the day and year first hereinabove written.

CITY OF SOLANA BEACH, a municipal corporation CONSULTANT, a Limited Liability Partnership

By:

By:

City Manager, Gregory Wade

Signature

Bryan Gruber, CPA, Partner

ATTEST:

City Clerk, Angela Ivey

APPROVED AS TO CONTENT:

Marie Marron Berkuti, Finance Manager / Treasurer

APPROVED AS TO FORM:

City Attorney, Johanna N. Canlas

EXHIBIT "A"
Scope of Services and Fees



PREPARED BY:

Lance, Soll & Lunghard, LLP
Certified Public Accountants
203 N. Brea Blvd., Suite 203
Brea, CA 92821
(714) 672-0022

Proposal Presented to

CITY OF SOLANA BEACH

**REQUEST FOR PROPOSAL
FOR PROFESSIONAL AUDITING SERVICES**

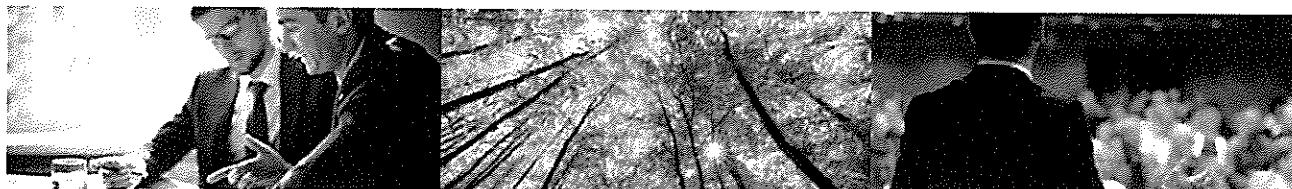
COST PROPOSAL

CONTACT PERSON:

Bryan S. Gruber, CPA, Partner
Bryan.Gruber@slcpas.com
(714) 672-0022

May 3, 2018

Focused
on YOU



SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

Service	2017/18	2018/19	2019/20	Option Year 2020/21	Option Year 2021/22
City Audit and Related Reports	\$ 35,850	\$ 35,850	\$ 35,850	\$ 36,570	\$ 37,300
Housing Successor Fund Financials	\$ 2,020	\$ 2,020	\$ 2,020	\$ 2,060	\$ 2,100
Single Audit and Related Reports (if applicable)**	\$ 2,350	\$ 2,350	\$ 2,350	\$ 2,400	\$ 2,450
Total	\$ 40,220	\$ 40,220	\$ 40,220	\$ 41,030	\$ 41,850

** Price assumes one major program. \$1,500 per additional major program tested.

AUDITOR'S STANDARD BILLING RATES

Position	2017/18	2018/19	2019/20	Option Year 2020/21	Option Year 2021/22
Partner	\$210	\$210	\$210	\$214	\$218
Manager	\$150	\$150	\$150	\$153	\$156
Supervisor	N/A	N/A	N/A	N/A	N/A
Senior Accountant	\$115	\$115	\$115	\$117	\$119
Staff Accountant	\$90	\$90	\$90	\$92	\$94
Clerical	---Included---	---Included---	---Included---	---Included---	---Included---

MANNER OF PAYMENT

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with our proposal. Interim billings will cover a period of not less than one calendar month.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Greg Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Community Development Department
SUBJECT: **Consideration of Community Development Professional Service Agreements with Coastal Frontiers Corporation Resolution 2018-071, Telecom Law Firm Resolution 2018-072 and City Place Planning Resolution 2018-074.**

BACKGROUND:

In order to fulfill the City's Work Plan "strategic priorities" that are critical to the City's goals and objectives, the Community Development Department has contracted with various professional consultants to perform services such as shoreline monitoring services, professional telecommunication consulting services and on-call planning staff services.

The City has contracted with Coastal Frontiers Corporation to furnish annual beach profile surveys and reports, Telecom Law Firm to furnish telecommunication consulting services for various wireless communication facility permit applications on an as-needed basis, and City Place Planning to provide on-call staff planning services on an as-needed basis.

This item is before Council for consideration of Resolutions for three Professional Service Agreements with Coastal Frontiers (2018-71), Telecom Law Firm (2018-72) and City Place Planning (2018-074). This would be a continuation of services provided by these consultants for the past several years.

DISCUSSION:

To assist the City with the "Community Character Priorities" identified in the Work Plan (Items A.2, Local Coastal Program and A.3, Beach Sand Replenishment and Monitoring Program), the City has entered into a Professional Services Agreement (PSA) with

COUNCIL ACTION:

Coastal Frontiers Corporation. Coastal Frontiers Corporation conducts annual shoreline monitoring for the City, which is a subset of the larger regional beach replenishment effort and is also the contractor for SANDAG's regional shoreline monitoring. The contract amount not to exceed \$14,200 is an increase from previous years, however, it includes an additional task for annual presentations to the City Council. The task cost for annual presentations to City Council is \$3,260 and is optional and would only be charged if annual presentations are made. Additionally, as a result of the recent sand replenishment project from the San Elijo Lagoon (SELRP), SANDAG will be monitoring three transects that would otherwise have been under the City's contract with Coastal Frontiers Corporation. This will further reduce the City's contract costs by approximately \$6,500 under Task 1 and 3 for the next few years. Therefore, if it is decided that annual presentations are not necessary and SANDAG does pay for the annual surveys for the three transects, the total contract cost would actually end up being a substantial cost savings (up to \$9,760) for the next several years.

The City has contracted with Telecom Law Firm to review wireless telecommunication projects and distributed antenna system projects tendered to the City for lease or for zoning purposes for the past several years. Services include, but are not limited to, determining and reporting on an applicant's project need, project design, alternative site analysis, project aesthetics, radio frequency emissions safety, collocation considerations and other matters within the consultant's expertise. Cost for services are paid for by the applicants and therefore services are typically only needed as applications are submitted. Contract rates are the same as in previous years and are reflected in the Scope of Services in Attachment 2.

In February 2018, an agreement was entered into with City Place Planning for on-call staff planning services as a result of the Community Development Director vacancy for an amount not to exceed \$25,000. Since that time, the Director position has been filled, however the Principal Planner will be out on leave for several months as of June 14, 2018. In the absence of the Principal Planner, additional on-call planning services are needed and City Place Planning is well suited to provide these services. The cost for additional services would be an additional \$25,000 and has been requested in the Fiscal Year (FY) 2018/19 budget. If approved, the existing contract compensation would be amended for an amount not to exceed \$50,000.

To pursue these efforts, new PSAs with Coastal Frontier Corporation (Attachment 1) and Telecom Law Firm (Attachment 2) and an amendment to the existing PSA with City Place Planning (Attachment 3) are needed. Staff prepared three resolutions (Attachments 4, 5 and 6) requesting the City Council to authorize the City Manager to enter into agreements and amendments with Coastal Frontier Corporation, Telecom Law Firm and City Place Planning.

CEQA COMPLIANCE STATEMENT:

Not a project under the California Environmental Quality Act (CEQA).

FISCAL IMPACT:

As part of the FY 2018/19 Adopted Budget, the City Council is being requested to approve the contract amounts. Funds to cover the \$14,200 cost for Coastal Frontiers Corporation are identified in the Army Corp of Engineer's (ACOE) Sand Replenishment fund. Costs to cover the \$25,000 for Telecom Law Firm are reimbursed by project applicants. The \$25,000 cost for as-needed planning services by City Place Planning is covered by the General Fund in the Planning Department budget unit and is included in the FY 2018/19 Adopted Budget.

WORK PLAN:

The continued commitment to the implementation of Community Character Priorities and the ongoing protection of beach sand replenishment projects as identified in the Work Plan Items A.2, Local Coastal Program; and A.3, Beach Sand Replenishment and Retention Program.

OPTIONS:

- Authorize Staff recommendation.
- Do not authorize Staff recommendation.
- Provide alternative direction to Staff.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Adopt Resolution No. 2018-071 (Attachment 5) authorizing the City Manager to execute a Professional Services Agreement with Coastal Frontiers.
2. Adopt Resolution No. 2018-072 (Attachment 6) authorizing the City Manager to execute a Professional Services Agreement with Telecom Law Firm.
3. Adopt Resolution No. 2018-074 (Attachment 7) authorizing the City Manager to execute Professional Services Agreement Amendment #1 with City Place Planning.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Professional Services Agreement with Coastal Frontiers Corporation
2. Professional Services Agreement with Telecom Law Firm
3. Professional Services Agreement Amendment #1 with City Place Planning
4. Resolution No. 2018-071 (Coastal Frontiers Corporation)
5. Resolution No. 2018-072 (Telecom Law Firm)
6. Resolution No. 2018-074 (City Place Planning)

City of Solana Beach
PROFESSIONAL SERVICES AGREEMENT
FOR PROFESSIONAL SERVICES

THIS Professional Services Agreement ("AGREEMENT") is made and entered into this 1st day of July, 2018 by and between the CITY OF SOLANA BEACH, a municipal corporation ("CITY"), and, Coastal Frontiers Corporation a California corporation ("CONSULTANT") (collectively "PARTIES").

WHEREAS, the CITY desires to employ a CONSULTANT to furnish beach profile surveys, reports and presentations ("PROFESSIONAL SERVICES") for the Shoreline Monitoring Program ("PROJECT"); and

WHEREAS, the CITY has determined that CONSULTANT is qualified by experience and ability to perform the services desired by CITY, and CONSULTANT is willing to perform such services; and

WHEREAS, CONSULTANT will conduct all the work as described and detailed in this AGREEMENT to be provided to the CITY.

NOW, THEREFORE, the PARTIES hereto mutually covenant and agree with each other as follows:

I. PROFESSIONAL SERVICES

- A. **Scope of Services.** The CONSULTANT shall perform the PROFESSIONAL SERVICES as set forth in the written Scope of Services, attached as Exhibit "A" Scope of Services and Fee, at the direction of the CITY. CITY shall provide CONSULTANT access to appropriate staff and resources for the coordination and completion of the projects under this AGREEMENT.
- B. **Project Coordinator.** The Community Development Director is hereby designated as the Project Coordinator for CITY and will monitor the progress and execution of this AGREEMENT. CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this AGREEMENT for CONSULTANT. The Community Development Director is hereby designated as the Project Director for CONSULTANT.
- C. **City Modification of Scope of Services.** CITY may order changes to the Scope of Services within the general scope of this AGREEMENT consisting of additions, deletions, or other revisions. If such changes cause a change in the CONSULTANT's cost of, or time required for, completion of the Scope of Services, an equitable adjustment to CONSULTANT's compensation and/or contract time shall be made, subject to the CITY'S approval. All such changes shall be authorized in writing, executed by CONSULTANT and CITY.

II. DURATION OF AGREEMENT

- A. **Term.** The term of this AGREEMENT shall be for a period of 12 month, expiring on June 30, 2019, beginning from the date of execution of the AGREEMENT. Time is of the essence in the performance of work under this AGREEMENT, unless otherwise specified.
- B. **Extensions.** If marked, the CITY shall have the option to extend the AGREEMENT for four (4) additional one (1) year periods or parts thereof for an amount not to exceed \$14,200 per AGREEMENT year. Extensions shall be in the sole discretion of the City Manager and shall be based upon CONSULTANT's satisfactory past performance, CITY needs, and appropriation of

PROFESSIONAL SERVICES AGREEMENT

funds by the City Council. The CITY shall give written notice to CONSULTANT prior to exercising the option.

- C. **Delay.** Any delay occasioned by causes beyond the control of CONSULTANT may merit an extension of time for the completion of the Scope of Services. When such delay occurs, CONSULTANT shall immediately notify the Project Coordinator in writing of the cause and the extent of the delay, whereupon the Project Coordinator shall ascertain the facts and the extent of the delay and grant an extension of time for the completion of the PROFESSIONAL SERVICES when justified by the circumstances.
- D. **City's Right to Terminate for Default.** Should CONSULTANT be in default of any covenant or condition hereof, CITY may immediately terminate this AGREEMENT for cause if CONSULTANT fails to cure the default within ten (10) calendar days of receiving written notice of the default.
- E. **City's Right to Terminate without Cause.** Without limiting its rights in the event of CONSULTANT's default, CITY may terminate this AGREEMENT, without cause, by giving written notice to CONSULTANT. Such termination shall be effective upon receipt of the written notice. CONSULTANT shall be compensated for all effort and material expended on behalf of CITY under the terms of this AGREEMENT, up to the effective date of termination. All personal property remaining in CITY facilities or on CITY property thirty (30) days after the expiration or termination of this AGREEMENT shall be, at CITY's election, considered the property of CITY.

III. COMPENSATION

- A. **Total Amount.** The total cost for all work described in the Scope of Services and Fee (Exhibit "A") shall not exceed fourteen thousand two hundred dollars (\$14,200) without prior written authorization from CITY. CONSULTANT shall bill the CITY for work provided and shall present a written request for such payment monthly.
- B. **Additional Services.** CITY may, as the need arises or in the event of an emergency, request additional services of CONSULTANT. Should such additional services be required, CITY and CONSULTANT shall agree to the cost prior to commencement of these services.
- C. **Costs.** Any costs billed to the CITY shall be in accordance with any terms negotiated and incorporated herein as part of Exhibit "A" Scope of Services and Fee.

IV. INDEPENDENT CONTRACTOR

- A. CONSULTANT is, for all purposes arising out of this AGREEMENT, an independent contractor. The CONSULTANT has and shall retain the right to exercise full control and supervision of all persons assisting the CONSULTANT in the performance of said services hereunder, the CITY only being concerned with the finished results of the work being performed. Neither CONSULTANT nor CONSULTANT's employees shall in any event be entitled to any benefits to which CITY employees are entitled, including, but not limited to, overtime, retirement benefits, workers' compensation benefits, injury leave or other leave benefits. CONSULTANT is solely responsible for all such matters, as well as compliance with social security and income tax withholding and all other regulations and laws governing such matters.

V. STANDARD OF PERFORMANCE

A. While performing the PROFESSIONAL SERVICES, CONSULTANT shall exercise the reasonable professional care and skill customarily exercised by reputable members of CONSULTANT's profession practicing in the metropolitan Southern California Area, and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

VI. WARRANTY OF CONSULTANT'S LICENSE

A. CONSULTANT warrants that CONSULTANT is properly licensed with the applicable government agency(ies) for any PROFESSIONAL SERVICES that require a license. If the CONSULTANT lacks such license, this AGREEMENT is void and of no effect.

VII. AUDIT OF RECORDS

A. At any time during normal business hours and as often as may be deemed necessary the CONSULTANT shall make available to a representative of CITY for examination all of its records with respect to all matters covered by this AGREEMENT and shall permit CITY to audit, examine and/or reproduce such records. CONSULTANT shall retain such financial and program service records for at least four (4) years after termination or final payment under this AGREEMENT.

B. The Consultant shall include the CITY's right under this section in any and all of their subcontracts, and shall ensure that these sections are binding upon all subcontractors.

VIII. CONFIDENTIALITY

A. All professional services performed by CONSULTANT, including but not limited to all drafts, data, correspondence, proposals, reports, research and estimates compiled or composed by CONSULTANT, pursuant to this AGREEMENT, are for the sole use of the CITY, its agents and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. This provision does not apply to information that (a) was publicly known, or otherwise known to CONSULTANT, at the time that it was disclosed to CONSULTANT by the CITY, (b) subsequently becomes publicly known through no act or omission of CONSULTANT or (c) otherwise becomes known to CONSULTANT other than through disclosure by the CITY. Except for any subcontractors that may be allowed upon prior agreement, neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. The sole purpose of this section is to prevent disclosure of CITY's confidential and proprietary information by CONSULTANT or subcontractors.

IX. CONFLICTS OF INTEREST

A. CONSULTANT shall at all times comply with all federal, state and local conflict of interest laws, regulations, and policies applicable to public contracts and procurement practices, including but not limited to California Government Code Section 81000 *et seq.* (Political Reform Act) and Section 1090 *et seq.* CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. CONSULTANT represents that it has no knowledge of any financial interests which would require it to disqualify itself from any matter on which it might perform services for the CITY.

PROFESSIONAL SERVICES AGREEMENT

- B. If, in performing the PROFESSIONAL SERVICES set forth in this AGREEMENT, the CONSULTANT makes, or participates in, a "governmental decision" as described in Title 2, Section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for the CITY that would otherwise be performed by a CITY employee holding a position specified in the department's conflict of interest code, the CONSULTANT shall be subject to a conflict of interest code requiring the completion of one or more statements of economic interests disclosing the CONSULTANT's relevant financial interests.
- C. If checked, the CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act. Specifically, the CONSULTANT shall file a Fair Political Practices Commission Form 700 (Assuming Office Statement) within thirty (30) calendar days of the CITY's determination that the CONSULTANT is subject to a conflict of interest code. The CONSULTANT shall also file a Form 700 (Annual Statement) on or before April 1 of each year of the AGREEMENT, disclosing any financial interests held during the previous calendar year for which the CONSULTANT was subject to a conflict of interest code.
- D. CITY represents that pursuant to California Government Code Section 1090 *et seq.*, none of its elected officials, officers, or employees has an interest in this AGREEMENT.

X. DISPOSITION AND OWNERSHIP OF DOCUMENTS

- A. All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this AGREEMENT, whether paper or electronic, shall become the property of CITY for use with respect to this PROJECT, and shall be turned over to the CITY upon completion of the PROJECT or any phase thereof, as contemplated by this AGREEMENT.
- B. Contemporaneously with the transfer of documents, the CONSULTANT hereby assigns to the CITY and CONSULTANT thereby expressly waives and disclaims, any copyright in, and the right to reproduce, all written material, drawings, plans, specifications or other work prepared under this AGREEMENT, except upon the CITY's prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONSULTANT shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

XI. INSURANCE

- A. CONSULTANT shall procure and maintain for the duration of the AGREEMENT insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONSULTANT, their agents, representatives, employees or subcontractors. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than "A" and "VII" unless otherwise approved in writing by the CITY's Risk Manager.
- B. CONSULTANT's liabilities, including but not limited to CONSULTANT's indemnity obligations, under this AGREEMENT, shall not be deemed limited in any way to the insurance coverage required herein. All policies of insurance required hereunder must provide that the CITY is entitled to thirty (30) days prior written notice of cancellation or non-renewal of the policy or policies, or ten (10) days prior written notice for cancellation due to non-payment of premium. Maintenance of specified insurance coverage is a material element of this AGREEMENT.

C. **Types and Amounts Required.** CONSULTANT shall maintain, at minimum, the following insurance coverage for the duration of this AGREEMENT:

1. **Commercial General Liability (CGL).** If checked the CONSULTANT shall maintain CGL Insurance written on an ISO Occurrence form or equivalent providing coverage at least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of \$1,000,000.00 per occurrence and subject to an annual aggregate of \$2,000,000.00. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.
2. **Commercial Automobile Liability.** If checked the CONSULTANT shall maintain Commercial Automobile Liability Insurance for all of the CONSULTANT's automobiles including owned, hired and non-owned automobiles, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of \$1,000,000.00 per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).
3. **Workers' Compensation.** If checked the CONSULTANT shall maintain Worker's Compensation insurance for all of the CONSULTANT's employees who are subject to this AGREEMENT and to the extent required by applicable state or federal law, a Workers' Compensation policy providing at minimum \$1,000,000.00 employers' liability coverage. The CONSULTANT shall provide an endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives.
4. **Professional Liability.** If checked the CONSULTANT shall also maintain Professional Liability (errors and omissions) coverage with a limit of \$1,000,000.00 per claim and ~~\$2,000,000.00 annual aggregate~~. The CONSULTANT shall ensure both that (1) the policy retroactive date is on or before the date of commencement of the Scope of Services; and (2) the policy will be maintained in force for a period of three years after substantial completion of the Scope of Services or termination of this AGREEMENT whichever occurs last. The CONSULTANT agrees that for the time period defined above, there will be no changes or endorsements to the policy that increase the CITY's exposure to loss. All defense costs shall be outside the limits of the policy.

D. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions are the responsibility of the CONSULTANT and must be declared to and approved by the CITY. At the option of the CITY, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the CITY, its officers, officials, employees and volunteers, or (2) the CONSULTANT shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

E. **Additional Required Provisions.** The commercial general liability and automobile liability policies shall contain, or be endorsed to contain, the following provisions:

1. The CITY, its officers, officials, employees, and representatives shall be named as additional insureds. The CITY's additional insured status must be reflected on additional insured endorsement form (20 10 1185 or 20 10 1001 and 20 37 1001) which shall be submitted to the CITY.

2. The policies are primary and non-contributory to any insurance that may be carried by the CITY, as reflected in an endorsement which shall be submitted to the CITY.
- F. **Verification of Coverage.** CONSULTANT shall furnish the CITY with original certificates and amendatory endorsements effecting coverage required by this Section 11. The endorsement should be on forms provided by the CITY or on other than the CITY's forms provided those endorsements conform to CITY requirements. All certificates and endorsements are to be received and approved by the CITY before work commences. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

XII. INDEMNIFICATION

- A. CONSULTANT agrees to indemnify, defend, and hold harmless the CITY, and its officers, officials, agents and employees from any and all claims, demands, costs or liabilities that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, its employees, agents, and subcontractors in the performance of services under this AGREEMENT. CONSULTANT's duty to indemnify under this section shall not include liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense arising from the sole negligence or willful misconduct by the CITY or its elected officials, officers, agents, and employees. CONSULTANT's indemnification obligations shall not be limited by the insurance provisions of this AGREEMENT. The PARTIES expressly agree that any payment, attorney's fees, costs or expense CITY incurs or makes to or on behalf of an injured employee under the CITY's self-administered workers' compensation is included as a loss, expense, or cost for the purposes of this section, and that this section will survive the expiration or early termination of this AGREEMENT.

XIII. SUBCONTRACTORS

- A. The CONSULTANT's hiring or retaining of third parties (i.e. subcontractors) to perform services related to the PROJECT is subject to prior approval by the CITY.
- B. All contracts entered into between the CONSULTANT and its subcontractor shall also provide that each subcontractor shall obtain insurance policies which shall be kept in full force and effect during any and all work on this PROJECT and for the duration of this AGREEMENT. The CONSULTANT shall require the subcontractor to obtain, all policies described in Section 11 in the amounts required by the CITY, which shall not be greater than the amounts required of the CONSULTANT.
- C. In any dispute between the CONSULTANT and its subcontractor, the CITY shall not be made a party to any judicial or administrative proceeding to resolve the dispute. The CONSULTANT agrees to defend and indemnify the CITY as described in Section 12 of this AGREEMENT should the CITY be made a party to any judicial or administrative proceeding to resolve any such dispute.

XIV. NON-DISCRIMINATION

- A. CONSULTANT shall not discriminate against any employee or applicant for employment because of sex, race, color, age, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, or sexual orientation. CONSULTANT shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their sex, race, color, age, religion, ancestry, national origin,

PROFESSIONAL SERVICES AGREEMENT

disability, medical condition, genetic information, marital status, or sexual orientation and shall make reasonable accommodation to qualified individuals with disabilities or medical conditions. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by CITY setting forth the provisions of this non-discrimination clause.

XV. NOTICES

- A. All communications to either party by the other party shall be delivered to the persons listed below. Any such written communications by mail shall be conclusively deemed to have been received by the addressee five (5) calendar days after the deposit thereof in the United States mail, postage prepaid and properly addressed as noted below.

Joseph Lim, Community Development
Director
City of Solana Beach
635 S. Highway 101
Solana Beach, CA 92075

Greg Hearon
Coastal Frontiers Corp.
882A Patriot Drive
Moorpark, CA 93021

XVI. ASSIGNABILITY

- A. This AGREEMENT and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT's duties be delegated or sub-contracted, without the express written consent of the CITY.

XVII. RESPONSIBILITY FOR EQUIPMENT

- A. CITY shall not be responsible nor held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by CONSULTANT or any of CONSULTANT's employees or subcontractors, even if such equipment has been furnished, rented, or loaned to CONSULTANT by CITY. The acceptance or use of any such equipment by CONSULTANT, CONSULTANT's employees, or subcontractors shall be construed to mean that CONSULTANT accepts full responsibility for and agrees to exonerate, indemnify and hold harmless CITY from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment.

XVIII. CALIFORNIA LAW; VENUE

- A. This AGREEMENT shall be construed and interpreted according to the laws of the State of California. Any action brought to enforce or interpret any portion of this AGREEMENT shall be brought in the county of San Diego, California. CONSULTANT hereby waives any and all rights it might have pursuant to California Code of Civil Procedure Section 394.

XIX. COMPLIANCE WITH LAWS

- A. The CONSULTANT shall comply with all laws, ordinances, regulations, and policies of the federal, state, and local governments applicable to this AGREEMENT whether now in force or subsequently enacted. This includes maintaining a City of Solana Beach Business Certificate.

XX. ENTIRE AGREEMENT

- A. This AGREEMENT sets forth the entire understanding of the PARTIES with respect to the subject matters herein. There are no other understandings, terms or other agreements expressed or implied, oral or written, except as set forth herein. No change, alteration, or modification of the terms or conditions of this AGREEMENT, and no verbal understanding of the PARTIES, their officers, agents, or employees shall be valid unless agreed to in writing by both PARTIES.

XXI. NO WAIVER

- A. No failure of either the CITY or the CONSULTANT to insist upon the strict performance by the other of any covenant, term or condition of this AGREEMENT, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this AGREEMENT shall constitute a waiver of any such breach of such covenant, term or condition.

XXII. SEVERABILITY

- A. The unenforceability, invalidity, or illegality of any provision of this AGREEMENT shall not render any other provision unenforceable, invalid, or illegal.

XXIII. DRAFTING AMBIGUITIES

- A. The PARTIES agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this AGREEMENT, and the decision of whether or not to seek advice of counsel with respect to this AGREEMENT is a decision which is the sole responsibility of each Party. This AGREEMENT shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the AGREEMENT.

XXIV. CONFLICTS BETWEEN TERMS

- A. If an apparent conflict or inconsistency exists between the main body of this AGREEMENT and the Exhibits, the main body of this AGREEMENT shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this AGREEMENT, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this AGREEMENT, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this AGREEMENT.

XXV. EXHIBITS INCORPORATED

- A. All Exhibits referenced in this AGREEMENT are incorporated into the AGREEMENT by this reference.

XXVI. SIGNING AUTHORITY

- A. The representative for each Party signing on behalf of a corporation, partnership, joint venture, association, or governmental entity hereby declares that authority has been obtained to sign on behalf of the corporation, partnership, joint venture, association, or entity and agrees to hold the other Party or PARTIES hereto harmless if it is later determined that such authority does not exist.

PROFESSIONAL SERVICES AGREEMENT

B. If checked, a proper notary acknowledgement of execution by CONSULTANT must be attached.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT the day and year first hereinabove written.

CONSULTANT, a California Corporation

CITY OF SOLANA BEACH, a municipal corporation of the State of California,

By:

By:

Consultant Signature

Gregory Wade,
City Manager

Name and Title

ATTEST:

Angela Ivey,
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Johanna N. Canlas,
City Attorney

Joseph Lim,
Director of Community Development

EXHIBIT "A"
SCOPE OF SERVICES AND FEE

City of Solana Beach Shoreline Monitoring Program

2018-2019

Scope of Services

Task 1: Conduct Fall 2018 Beach Profile Survey:

Acquire beach profile data along transects SD-0610 (Tide Park), Surfsong (SD-0597) and SD-0595 (Seascape Surf). A continuous profile shall be obtained from the back beach to a minimum depth of 40 ft, Mean Lower Low Water (MLLW) Datum, past the presumed “depth of profile closure”.

Survey operations will be performed in conjunction with the SANDAG Regional Beach Monitoring Program, using identical methods. In consequence, the results will be directly comparable. Data from the wading portion of each profile shall be obtained using an electronic total station, while that from the offshore portion shall be obtained using differential GPS (DGPS) in concert with an acoustic echo sounder.

Task 2: Reporting - Fall 2018 Survey Activities

Following the Fall 2018 survey, a letter report will be provided which documents the survey activities and results. The report shall include beach profile plots, a table of beach widths, and a brief discussion of the changes in shoreline position and profile shape. To the extent available, similar data collected for SANDAG at Fletcher Cove (SD-600) also will be included to provide a more comprehensive understanding of the condition of the City’s Beaches.

Task 3: Conduct Spring 2019 Beach Profile Survey

(Identical to Task 1)

Task 4: Data Reduction - Spring 2019 Survey Activities

Following the Spring 2019 survey, the data will be processed and beach profile plots will be generated. The beach profile plots and survey data will be provided to the City in digital form. No reporting shall be conducted.

Task 5: Provide Annual Presentation

Prepare and present a PowerPoint presentation summarizing the program findings. The presentation will include a discussion of the shoreline changes in the San Diego North County region, and those specific to Solana Beach.

City of Solana Beach Shoreline Monitoring Program

2018-2019

Requested Payment Milestones

Task 1: Conduct Fall 2018 Beach Profile Survey	\$3,216.00
Task 2: Reporting - Fall 2018	\$3,026.00
Task 3: Conduct Spring 2019 Beach Profile Survey	\$3,296.00
Task 4: Data Reduction Only - Spring 2019	\$1,340.00
Task 5: Provide Annual Presentation	<u>\$3,260.00</u>
	Total \$14,138.00

City of Solana Beach

PROFESSIONAL SERVICES AGREEMENT FOR WIRELESS COMMUNICATION FACILITIES PROJECT REVIEW SERVICES

THIS Professional Services Agreement ("AGREEMENT") is made and entered into this 1st day of July, 2018 by and between the CITY OF SOLANA BEACH, a municipal corporation ("CITY"), and, **TELECOM LAW FIRM, PC** a California Corporation ("CONSULTANT") (collectively "PARTIES").

WHEREAS, the CITY desires to employ a CONSULTANT to furnish professional telecommunication consulting services ("PROFESSIONAL SERVICES") for various Wireless Communication Facilities (WCF) permit applications on an as needed basis as outlined in Exhibit A: Scope of Services and Fee ("PROJECT"); and

WHEREAS, the CITY has determined that CONSULTANT is qualified by experience and ability to perform the services desired by CITY, and CONSULTANT is willing to perform such services; and

WHEREAS, CONSULTANT will conduct all the work as described and detailed in this AGREEMENT to be provided to the CITY.

NOW, THEREFORE, the PARTIES hereto mutually covenant and agree with each other as follows:

1. PROFESSIONAL SERVICES.

1.1. Scope of Services. The CONSULTANT shall perform the PROFESSIONAL SERVICES as set forth in the written Scope of Services, attached as Exhibit "A" Scope of Services and Fee, at the direction of the CITY. CITY shall provide CONSULTANT access to appropriate staff and resources for the coordination and completion of the projects under this AGREEMENT.

1.2. Project Coordinator. The Community Development Director is hereby designated as the Project Coordinator for CITY and will monitor the progress and execution of this AGREEMENT. CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this AGREEMENT for CONSULTANT. Jonathan Kramer is hereby designated as the Project Director for CONSULTANT.

1.3. City Modification of Scope of Services. CITY may order changes to the Scope of Services within the general scope of this AGREEMENT consisting of additions, deletions, or other revisions. If such changes cause a change in the CONSULTANT's cost of, or time required for, completion of the Scope of Services, an equitable adjustment to CONSULTANT's compensation and/or contract time shall be

made, subject to the CITY'S approval. All such changes shall be authorized in writing, executed by CONSULTANT and CITY.

2. DURATION OF AGREEMENT.

2.1 Term. The term of this AGREEMENT shall be for a period of one year beginning on July 1, 2018 to June 30, 2019. Time is of the essence in the performance of work under this AGREEMENT, unless otherwise specified.

2.2 Extensions. If marked, the CITY shall have the option to extend the AGREEMENT for four (4) additional one year periods or parts thereof for an amount not to exceed twenty five thousand dollars (\$25,000) per AGREEMENT year. Extensions shall be in the sole discretion of the City Manager and shall be based upon CONSULTANT's satisfactory past performance, CITY needs, and appropriation of funds by the City Council. The CITY shall give written notice to CONSULTANT prior to exercising the option.

2.3 Delay. Any delay occasioned by causes beyond the control of CONSULTANT may merit an extension of time for the completion of the Scope of Services. When such delay occurs, CONSULTANT shall immediately notify the Project Coordinator in writing of the cause and the extent of the delay, whereupon the Project Coordinator shall ascertain the facts and the extent of the delay and grant an extension of time for the completion of the PROFESSIONAL SERVICES when justified by the circumstances.

2.4 City's Right to Terminate for Default. Should CONSULTANT be in default of any covenant or condition hereof, CITY may immediately terminate this AGREEMENT for cause if CONSULTANT fails to cure the default within ten (10) calendar days of receiving written notice of the default.

2.5 City's Right to Terminate without Cause. Without limiting its rights in the event of CONSULTANT's default, CITY may terminate this AGREEMENT, without cause, by giving written notice to CONSULTANT. Such termination shall be effective upon receipt of the written notice. CONSULTANT shall be compensated for all effort and material expended on behalf of CITY under the terms of this AGREEMENT, up to the effective date of termination. All personal property remaining in CITY facilities or on CITY property thirty (30) days after the expiration or termination of this AGREEMENT shall be, at CITY's election, considered the property of CITY.

3. COMPENSATION.

3.1. Total Amount. The total cost for all work described in the Scope of Services and Fee (Exhibit "A") shall not exceed twenty five thousand dollars (\$25,000) without prior written authorization from CITY. CONSULTANT shall bill the CITY for work provided and shall present a written request for such payment monthly.

3.2. Additional Services. CITY may, as the need arises or in the event of an emergency, request additional services of CONSULTANT. Should such additional services be required, CITY and CONSULTANT shall agree to the cost prior to commencement of these services.

3.3. Costs. Any costs billed to the City shall be in accordance with any terms negotiated and incorporated herein as part of Exhibit "A" Scope of Services and Fee.

4. INDEPENDENT CONTRACTOR. CONSULTANT is, for all purposes arising out of this AGREEMENT, an independent contractor. The CONSULTANT has and shall retain the right to exercise full control and supervision of all persons assisting the CONSULTANT in the performance of said services hereunder, the CITY only being concerned with the finished results of the work being performed. Neither CONSULTANT nor CONSULTANT's employees shall in any event be entitled to any benefits to which CITY employees are entitled, including, but not limited to, overtime, retirement benefits, workers' compensation benefits, injury leave or other leave benefits. CONSULTANT is solely responsible for all such matters, as well as compliance with social security and income tax withholding and all other regulations and laws governing such matters.

5. STANDARD OF PERFORMANCE. While performing the PROFESSIONAL SERVICES, CONSULTANT shall exercise the reasonable professional care and skill customarily exercised by reputable members of CONSULTANT's profession practicing in the metropolitan Southern California Area, and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

6. WARRANTY OF CONSULTANT'S LICENSE. CONSULTANT warrants that CONSULTANT is properly licensed with the applicable government agency(ies) for any PROFESSIONAL SERVICES that require a license. If the CONSULTANT lacks such license, this AGREEMENT is void and of no effect.

7. AUDIT OF RECORDS.

7.1. At any time during normal business hours and as often as may be deemed necessary the CONSULTANT shall make available to a representative of CITY for examination all of its records with respect to all matters covered by this AGREEMENT and shall permit CITY to audit, examine and/or reproduce such records. CONSULTANT shall retain such financial and program service records for at least four (4) years after termination or final payment under this AGREEMENT.

7.2. The CONSULTANT shall include the CITY's right under this section in any and all of their subcontracts, and shall ensure that these sections are binding upon all subcontractors.

8. CONFIDENTIALITY. All professional services performed by CONSULTANT, including but not limited to all drafts, data, correspondence, proposals, reports, research and estimates compiled or composed by CONSULTANT, pursuant to this AGREEMENT, are for the sole use of the CITY, its agents and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. This provision does not apply to information that (a) was publicly known, or otherwise known to CONSULTANT, at the time that it was disclosed to CONSULTANT by the CITY, (b) subsequently becomes publicly known through no act or omission of CONSULTANT or (c) otherwise becomes known to CONSULTANT other than through disclosure by the CITY. Except for any subcontractors that may be allowed upon prior agreement, neither the documents nor their contents shall be released to any third party without the prior written consent of the CITY. The sole purpose of this section is to prevent disclosure of CITY's confidential and proprietary information by CONSULTANT or subcontractors.

9. CONFLICTS OF INTEREST.

9.1. CONSULTANT shall at all times comply with all federal, state and local conflict of interest laws, regulations, and policies applicable to public contracts and procurement practices, including but not limited to California Government Code Section 81000 *et seq.* (Political Reform Act) and Section 1090 *et seq.* CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. CONSULTANT represents that it has no knowledge of any financial interests which would require it to disqualify itself from any matter on which it might perform services for the CITY.

9.2. If, in performing the PROFESSIONAL SERVICES set forth in this AGREEMENT, the CONSULTANT makes, or participates in, a "governmental decision" as described in Title 2, Section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for the CITY that would otherwise be performed by a CITY employee holding a position specified in the department's conflict of interest code, the CONSULTANT shall be subject to a conflict of interest code requiring the completion of one or more statements of economic interests disclosing the CONSULTANT's relevant financial interests.

9.3. If checked, the CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act. Specifically, the CONSULTANT shall file a Fair Political Practices Commission Form 700 (Assuming Office Statement) within thirty (30) calendar days of the CITY's determination that the CONSULTANT is subject to a conflict of interest code. The CONSULTANT shall also file a Form 700 (Annual Statement) on or before April 1 of each year of the AGREEMENT, disclosing any financial interests held during the previous calendar year for which the CONSULTANT was subject to a conflict of interest code.

9.4. CITY represents that pursuant to California Government Code Section 1090 *et seq.*, none of its elected officials, officers, or employees has an interest in this AGREEMENT.

10. DISPOSITION AND OWNERSHIP OF DOCUMENTS.

10.1. All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this AGREEMENT, whether paper or electronic, shall become the property of CITY for use with respect to this PROJECT, and shall be turned over to the CITY upon completion of the PROJECT or any phase thereof, as contemplated by this AGREEMENT.

10.2. Contemporaneously with the transfer of documents, the CONSULTANT hereby assigns to the CITY and CONSULTANT thereby expressly waives and disclaims, any copyright in, and the right to reproduce, all written material, drawings, plans, specifications or other work prepared under this AGREEMENT, except upon the CITY's prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONSULTANT shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

11. INSURANCE

11.1. CONSULTANT shall procure and maintain for the duration of the AGREEMENT insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONSULTANT, their agents, representatives, employees or subcontractors. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than "A" and "VII" unless otherwise approved in writing by the CITY's Risk Manager.

11.2. CONSULTANT's liabilities, including but not limited to CONSULTANT's indemnity obligations, under this AGREEMENT, shall not be deemed limited in any way to the insurance coverage required herein. All policies of insurance required hereunder must provide that the CITY is entitled to thirty (30) days prior written notice of cancellation or non-renewal of the policy or policies or, ten (10) days prior written notice for cancellation due to non-payment of premium. Maintenance of specified insurance coverage is a material element of this AGREEMENT.

11.3. **Types and Amounts Required.** CONSULTANT shall maintain, at minimum, the following insurance coverage for the duration of this AGREEMENT:

11.3.1. **Commercial General Liability (CGL).** If checked the CONSULTANT shall maintain CGL Insurance written on an ISO Occurrence form or equivalent providing coverage at least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of \$1,000,000.00 per

occurrence and subject to an annual aggregate of \$2,000,000.00. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.

11.3.2. Commercial Automobile Liability. If checked the CONSULTANT shall maintain Commercial Automobile Liability Insurance for all of the CONSULTANT's automobiles including owned, hired and non-owned automobiles, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of \$1,000,000.00 per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).

11.3.3. Workers' Compensation. If checked the CONSULTANT shall maintain Worker's Compensation insurance for all of the CONSULTANT's employees who are subject to this AGREEMENT and to the extent required by applicable state or federal law, a Workers' Compensation policy providing at minimum \$1,000,000.00 employers' liability coverage. The CONSULTANT shall provide an endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives.

11.3.4. Professional Liability. If checked the CONSULTANT shall also maintain Professional Liability (errors and omissions) coverage with a limit of \$1,000,000 per claim and \$2,000,000 annual aggregate. The CONSULTANT shall ensure both that (1) the policy retroactive date is on or before the date of commencement of the Scope of Services; and (2) the policy will be maintained in force for a period of three years after substantial completion of the Scope of Services or termination of this AGREEMENT whichever occurs last. The CONSULTANT agrees that for the time period defined above, there will be no changes or endorsements to the policy that increase the CITY's exposure to loss. All defense costs shall be outside the limits of the policy.

11.4. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions are the responsibility of the CONSULTANT and must be declared to and approved by the CITY. At the option of the CITY, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the CITY, its officers, officials, employees and volunteers, or (2) the CONSULTANT shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

11.5. Additional Required Provisions. The commercial general liability and automobile liability policies shall contain, or be endorsed to contain, the following provisions:

11.5.1. The CITY, its officers, officials, employees, and representatives shall be named as additional insureds. The CITY's additional insured status must be reflected on additional insured endorsement form (20 10 1185 or 20 10 1001 and 20 37 1001) which shall be submitted to the CITY.

11.5.2. The policies are primary and non-contributory to any insurance that may be carried by the CITY, as reflected in an endorsement which shall be submitted to the CITY.

11.6. Verification of Coverage. CONSULTANT shall furnish the CITY with original certificates and amendatory endorsements effecting coverage required by this Section 11. The endorsement should be on forms provided by the CITY or on other than the CITY's forms provided those endorsements conform to CITY requirements. All certificates and endorsements are to be received and approved by the CITY before work commences. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

12. INDEMNIFICATION. CONSULTANT agrees to indemnify, defend, and hold harmless the CITY, and its officers, officials, agents and employees from any and all claims, demands, costs or liability that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, its employees, agents, and subcontractors in the performance of services under this AGREEMENT. CONSULTANT's duty to indemnify under this section shall not include liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense arising from the sole negligence or willful misconduct by the CITY or its elected officials, officers, agents, and employees. CONSULTANT's indemnification obligations shall not be limited by the insurance provisions of this AGREEMENT. The PARTIES expressly agree that any payment, attorney's fees, costs or expense CITY incurs or makes to or on behalf of an injured employee under the CITY's self-administered workers' compensation is included as a loss, expense, or cost for the purposes of this section, and that this section will survive the expiration or early termination of this AGREEMENT.

13. SUBCONTRACTORS.

13.1. The CONSULTANT's hiring or retaining of third parties (i.e. subcontractors) to perform services related to the PROJECT is subject to prior approval by the CITY.

13.2. All contracts entered into between the CONSULTANT and its subcontractor shall also provide that each subcontractor shall obtain insurance policies which shall be kept in full force and effect during any and all work on this PROJECT and for the duration of this AGREEMENT. The CONSULTANT shall require the subcontractor to obtain, all policies described in Section 11 in the amounts required by the CITY, which shall not be greater than the amounts required of the CONSULTANT.

13.3. In any dispute between the CONSULTANT and its subcontractor, the CITY shall not be made a party to any judicial or administrative proceeding to resolve the dispute. The CONSULTANT agrees to defend and indemnify the CITY as described in Section 12 of this AGREEMENT should the CITY be made a party to any judicial or administrative proceeding to resolve any such dispute.

14. NON-DISCRIMINATION. CONSULTANT shall not discriminate against any employee or applicant for employment because of sex, race, color, age, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, or sexual orientation. CONSULTANT shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their sex, race, color, age, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, or sexual orientation and shall make reasonable accommodation to qualified individuals with disabilities or medical conditions. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by CITY setting forth the provisions of this non-discrimination clause.

15. NOTICES. All communications to either party by the other party shall be delivered to the persons listed below. Any such written communications by mail shall be conclusively deemed to have been received by the addressee five (5) calendar days after the deposit thereof in the United States mail, postage prepaid and properly addressed as noted below.

Joseph Lim, AICP
Director of Community Development
City of Solana Beach
635 S. Highway 101
Solana Beach, CA 92075

Jonathan Kramer, President
Telecom Law Firm, PC
2001 South Barrington Avenue, STE 306
Los Angeles, CA 90025

16. ASSIGNABILITY. This AGREEMENT and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT's duties be delegated or sub-contracted, without the express written consent of the CITY.

17. RESPONSIBILITY FOR EQUIPMENT. CITY shall not be responsible nor held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by CONSULTANT or any of CONSULTANT's employees or subcontractors, even if such equipment has been furnished, rented, or loaned to CONSULTANT by CITY. The acceptance or use of any such equipment by CONSULTANT, CONSULTANT's employees, or subcontractors shall be construed to mean that CONSULTANT accepts full responsibility for and agrees to exonerate,

indemnify and hold harmless CITY from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment.

18. CALIFORNIA LAW; VENUE. This AGREEMENT shall be construed and interpreted according to the laws of the State of California. Any action brought to enforce or interpret any portion of this AGREEMENT shall be brought in the county of San Diego, California. CONSULTANT hereby waives any and all rights it might have pursuant to California Code of Civil Procedure Section 394.

19. COMPLIANCE WITH LAWS. The CONSULTANT shall comply with all laws, ordinances, regulations, and policies of the federal, state, and local governments applicable to this AGREEMENT whether now in force or subsequently enacted. This includes maintaining a City of Solana Beach Business Certificate.

20. ENTIRE AGREEMENT. This AGREEMENT sets forth the entire understanding of the PARTIES with respect to the subject matters herein. There are no other understandings, terms or other agreements expressed or implied, oral or written, except as set forth herein. No change, alteration, or modification of the terms or conditions of this AGREEMENT, and no verbal understanding of the PARTIES, their officers, agents, or employees shall be valid unless agreed to in writing by both PARTIES.

21. NO WAIVER. No failure of either the CITY or the CONSULTANT to insist upon the strict performance by the other of any covenant, term or condition of this AGREEMENT, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this AGREEMENT shall constitute a waiver of any such breach of such covenant, term or condition.

22. SEVERABILITY. The unenforceability, invalidity, or illegality of any provision of this AGREEMENT shall not render any other provision unenforceable, invalid, or illegal.

23. DRAFTING AMBIGUITIES. The PARTIES agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this AGREEMENT, and the decision of whether or not to seek advice of counsel with respect to this AGREEMENT is a decision which is the sole responsibility of each Party. This AGREEMENT shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the AGREEMENT.

24. CONFLICTS BETWEEN TERMS. If an apparent conflict or inconsistency exists between the main body of this AGREEMENT and the Exhibits, the main body of this AGREEMENT shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this AGREEMENT, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this AGREEMENT, the Exhibits, and laws, rules, regulations, orders, or codes

are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this AGREEMENT.

25. EXHIBITS INCORPORATED. All Exhibits referenced in this AGREEMENT are incorporated into the AGREEMENT by this reference.

26. SIGNING AUTHORITY.

26.1. The representative for each Party signing on behalf of a corporation, partnership, joint venture or governmental entity hereby declares that authority has been obtained to sign on behalf of the corporation, partnership, joint venture, or entity and agrees to hold the other Party or PARTIES hereto harmless if it is later determined that such authority does not exist.

26.2. If checked, a proper notary acknowledgement of execution by CONSULTANT must be attached.

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT the day and year first hereinabove written.

CITY of SOLANA BEACH,
a municipal corporation

TELECOM LAW FIRM, PC.
a California Corporation

City Manager, Greg Wade

By: _____
Jonathan Kramer
President and Secretary

ATTEST:

City Clerk, Angela Ivey

APPROVED AS TO CONTENT:

Director of Community Development, Joseph Lim, AICP

APPROVED AS TO FORM:

City Attorney, Johanna N. Canlas

EXHIBIT "A"
SCOPE OF SERVICES AND FEE

Telecom Law Firm, PC Scope of Services FY 2018/2019

Provide technical advice to City representatives concerning applications for telecommunications facilities under the City's Municipal Code.

1. Wireless Siting Application Reviews.

1.1. Application Reviews. At the City's request, Consultant will review wireless siting applications and provide the City with a written analysis (each a "**Memorandum**"). Consultant will send the Memorandum to the City within fourteen (14) days after received by the Consultant.

1.2. Memorandum Content.

Each Memorandum will evaluate the following: (1) application completeness; (2) actual or planned compliance with federal radio frequency exposure guidelines established by the Federal Communications Commission; and (3) any technical or regulatory issues pertaining to wireless facilities siting specifically requested by the City.

Depending on the nature of the particular proposal, the written memorandum may also evaluate the following: (1) applicability and/or compliance with applicable federal and state regulations for wireless facilities siting; (2) whether the application involves a "significant gap" in the applicant's service; (3) whether the applicant proposes the "least intrusive means" to achieve its technical objectives; (4) compliance with applicable municipal code regulations; (5) potentially feasible or available alternative locations and/or designs; and/or (6) any other issues that Consultant, in its expert experience and opinion, finds relevant or helpful to the City's review.

1.3. Memorandum Revision. Consultant shall, at the City's option, prepare one revision or follow-up to the Memorandum.

1.4. Reasonable Consultation Time. Consultant will provide up to one hour of consultation time on the telephone or through e-mail with the City and, if requested by the City, the applicant on matters related to the wireless siting application.

1.5. Building Permit Review: Consultant will review the building permit plans for conformance with City Council approved plans and provide the City an email indicating whether the plans are in conformance or revisions are required.

1.6. **Compliance with FCC RF Guidelines:** As required by City Council Policy 21, six months from the final occupancy of a WCF, Consultant will review project implementation report submitted by the Applicant to ensure that the site is in compliance with the currently accepted ANSI/EEE emission standards as specific by the FCC.

1.7. **Additional Consultation Time.** Beyond one hour, additional consultation electronically, telephonically, or in person shall be subject to hourly fees, and any such hourly consultation shall require the prior approve of the City.

2. **Attendance at Meetings; Other Work.** At the City's request, Consultant will attend any meetings at City Hall or any project site as requested by City. Attendance at all such meetings is on a time available basis of Consultant. City may request any additional services within Consultant's expertise and subject to the hourly fee schedule set out in Section 4.

FEE SCHEDULE

3. **Flat Fees.** Consultant shall perform all services described in Sections 1.1 through 1.4, inclusive of Exhibit A for a flat fee of \$2,250.00 per project. Hours are not tracked for flat fee projects.

4. **Hourly Fees.** Consultant shall perform all services described in Sections 1.5 through 1.7 and Section 2 of Exhibit A, and all other services not described in Exhibit A but requested by the City and within Consultant's expertise as accepted by Consultant, on an hourly fee basis as follows:

<u>Personnel</u>	<u>Rate</u>
Per Partner	\$280
Per Associate/Of Counsel	\$240
Per Paralegal	\$150
Per Clerical	\$ 75

All time is billed rounded up to the next 0.1 hour (6 minute) unit.

5. **Travel Time.** Consultant charges full rate for travel time for each staff member; provided, however, that such travel time shall be only counted to and from the nearest office of Consultant. By way of illustration of the preceding sentence, should Consultant send a staff member from its Los Angeles office to a meeting in Solana Beach, Consultant will charge only for travel time as if the staff member traveled to and from Consultant's office in San Diego.

6. **Expenses.** City will reimburse Consultant for all ordinary costs and expenses reasonably incurred by Consultant in performance of the services provided by Consultant to City pursuant to this Agreement.

aluate the following: (1) application completeness; (2) actual or planned compliance with federal radio frequency exposure guidelines established by the Federal Communications Commission; and (3) any technical or regulatory issues pertaining to wireless facilities siting specifically requested by the City.

Depending on the nature of the particular proposal, the written memorandum may also evaluate the following: (1) applicability and/or compliance with applicable federal and state regulations for wireless facilities siting; (2) whether the application involves a "significant gap" in the applicant's service; (3) whether the applicant proposes the "least intrusive means" to achieve its technical objectives; (4) compliance with applicable municipal code regulations; (5) potentially feasible or available alternative locations and/or designs; and/or (6) any other issues that Consultant, in its expert experience and opinion, finds relevant or helpful to the City's review.

- 6.1. **Memorandum Revision.** Consultant shall, at the City's option, prepare one revision or follow-up to the Memorandum.
- 6.2. **Reasonable Consultation Time.** Consultant will provide up to one hour of consultation time on the telephone or through e-mail with the City and, if requested by the City, the applicant on matters related to the wireless siting application.
- 6.3. **Building Permit Review:** Consultant will review the building permit plans for conformance with City Council approved plans and provide the City an email indicating whether the plans are in conformance or revisions are required.
- 6.4. **Compliance with FCC RF Guidelines:** As required by City Council Policy 21, six months from the final occupancy of a WCF, Consultant will review project implementation report submitted by the Applicant to ensure that the site is in compliance with the currently accepted ANSI/IEEE emission standards as specific by the FCC.
- 6.5. **Additional Consultation Time.** Beyond one hour, additional consultation electronically, telephonically, or in person shall be subject to hourly fees, and any such hourly consultation shall require the prior approve of the City.
7. **Attendance at Meetings; Other Work.** At the City's request, Consultant will attend any meetings at City Hall or any project site as requested by City. Attendance at all such meetings is on a time available basis of Consultant. City may request any additional services within Consultant's expertise and subject to the hourly fee schedule set out in Section 4.

FEE SCHEDULE

8. **Flat Fees.** Consultant shall perform all services described in Sections 1.1 through 1.4, inclusive of Exhibit A for a flat fee of \$2,250.00 per project. Hours are not tracked for flat fee projects.
9. **Hourly Fees.** Consultant shall perform all services described in Sections 1.5 through 1.7 and Section 2 of Exhibit A, and all other services not described in Exhibit A but requested by the City and within Consultant's expertise as accepted by Consultant, on an hourly fee basis as follows:

<u>Personnel</u>	<u>Rate</u>
Per Partner	\$280
Per Associate/Of Counsel	\$240
Per Paralegal	\$150
Per Clerical	\$ 75

All time is billed rounded up to the next 0.1 hour (6 minute) unit.

10. **Travel Time.** Consultant charges full rate for travel time for each staff member; provided, however, that such travel time shall be only counted to and from the nearest office of Consultant. By way of illustration of the preceding sentence, should Consultant send a staff member from its Los Angeles office to a meeting in Solana Beach, Consultant will charge only for travel time as if the staff member traveled to and from Consultant's office in San Diego.
11. **Expenses.** City will reimburse Consultant for all ordinary costs and expenses reasonably incurred by Consultant in performance of the services provided by Consultant to City pursuant to this Agreement.



CITY OF SOLANA BEACH FAX (858) 792-6513 / (858) 755-1782
635 SOUTH HIGHWAY 101 • SOLANA BEACH • CALIFORNIA 92075-2215 • (858) 720-2400

July 1, 2018

Claudia Tedford, AICP, Principal
CityPlace Planning, Inc.
501 West Broadway, Suite A-143
San Diego, CA 92101

RE: Professional Services Agreement Amendment #1

Dear Claudia,

On February 6, 2018 the City and City Place Planning, Inc. executed an agreement for on-call planning services. Pursuant to Sections 1.3 of the Professional Services Agreement ("Agreement") between the City of Solana Beach and City Place Planning, Inc. in the original amount of \$25,000, City modification to Scope of Services may be authorized by the City Council. On June 27, 2018 the City Council adopted Resolution No. 2018-074 authorizing the City Manager to amend the professional service agreement between the City and City Place Planning, Inc., allowing up to four (4) contract extensions and increasing the amount by \$25,000 for services described in the scope of work contained in the February 6, 2018 agreement with City Place Planning, Inc. This letter serves as written notice and authorization to increase the contract amount by \$25,000 for a new, not to exceed, total contract amount of \$50,000.

All other provisions of the Agreement shall remain in full force and effect. In order to proceed with this contract amendment, the City will need updated insurance coverages. A copy of the City's insurance requirements is enclosed with this letter.

By signing below, both parties agree to this amendment and/or extension of the Agreement.

Gregory Wade, City Manager date

Claudia Tedford, AICP date
CityPlace Planning, Inc.

Approved as to form:

Johanna Canlas, City Attorney date

cc: Angela Ivey, City Clerk
Marie Berkuti, Finance Manager
Joseph Lim, AICP, Community Development Director

RESOLUTION NO. 2018-071

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH COASTAL FRONTIERS CORPORATION FOR SHORELINE MONITORING PROGRAM SERVICES

WHEREAS, the Community Development Department has utilized the services of Coastal Frontiers Corporation to furnish annual beach profile surveys, reports and presentations for the City's Shoreline Monitoring Program.

NOW, THEREFORE, the City Council of the City of Solana Beach does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the City Council authorizes the City Manager to execute a professional service agreement with Coastal Frontiers Corporation to conduct annual beach profile surveys, reports and presentations for the City Shoreline Monitoring Program.
3. That the City Council authorizes the City Manager to extend the agreement for four additional one year terms, at the City's option.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION NO. 2018-072

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH TELECOM LAW FIRM FOR TELECOMMUNICATION CONSULTING SERVICES

WHEREAS, the Community Development Department has utilized the services of Telecom Law Firm to furnish wireless telecommunication consulting services for review of wireless telecommunication projects and distributed antenna system projects tendered to the City for lease or for zoning purposes.

WHEREAS, no general funds are pledged since consultant services will be paid by project applicants through deposit accounts on a project by project basis.

NOW, THEREFORE, the City Council of the City of Solana Beach does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the City Council authorizes the City Manager to execute a professional service agreement with Telecom Law Firm to provide wireless telecommunication consulting services.
3. That the City Council authorizes the City Manager to extend the agreement for four additional one year terms, at the City's option.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION NO. 2018-074

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT AMENDMENT WITH CITY PLACE PLANNING, INC. FOR ON-CALL PLANNING SERVICES

WHEREAS, the Community Development Department has utilized the services of City Place Planning, Inc. to furnish on-call as needed staff planning and consulting services.

NOW, THEREFORE, the City Council of the City of Solana Beach does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the City Council authorizes the City Manager to execute a professional service agreement amendment with City Place Planning, Inc. to provide on-call staff planning and consulting services.
3. That the City Council authorizes the City Manager to extend the agreement for four additional one year terms, at the City's option.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Engineering Department
SUBJECT: **Public Hearing: Consideration of Resolution Nos. 2018-076 and 2018-077 Accepting the Final Engineer's Report and Ordering the Levy and Collection of Annual Assessments for the Solana Beach Coastal Rail Trail Maintenance District**

BACKGROUND:

In 2006, the City Council adopted a resolution forming the Solana Beach Coastal Rail Trail Maintenance District ("District") under the provisions of the Landscape and Lighting Act of 1972, Division 15, Part 2, of the California Streets and Highways Code. The District was formed for the purpose of levying and collecting funds for the operations, maintenance, and servicing of landscaping, lighting and all appurtenant facilities related to the District.

On May 23, 2018, the City Council adopted Resolutions 2018-050, 2018-051 and 2018-052 initiating the proceedings for the annual levy of assessments for the Coastal Rail Trail Maintenance District; approving the preliminary Engineer's Report for the Fiscal Year (FY) 2018/19 annual levy of assessments for the District; declaring the City's intent to provide for the annual levy and collection of assessments for the District; and setting a time and place for the public hearing, respectively.

This item is presented to the City Council to conduct the Public Hearing and consider approving Resolution 2018-076 (Attachment 1) accepting the Final Engineer's Report and Resolution 2018-077 (Attachment 2) ordering the levy and collection of annual assessments for the District the FY 2018/19.

DISCUSSION:

The District's major costs are for the maintenance and operation of the Coastal Rail Trail (CRT). The maintenance items include: landscaping, irrigation and hardscape

CITY COUNCIL ACTION:

maintenance, including tree trimming and graffiti removal. The costs also include the utility charges for water.

The District budget includes funds for capital replacement costs for possible replacement of the following items: landscape, irrigation, pedestrian/bike path and hardscape items. The capital replacement costs also include an operating reserve of 10% of the direct operating and maintenance costs.

The District's assessment methodology uses an Equivalent Benefit Unit ("EBU") System. The EBU method of apportioning benefit is typically viewed as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act. The EBU for the proposed District establishes the single family detached residential unit as the basic unit, representing 1.0 EBU. The following summarizes the EBU application by land use:

<u>Land Use</u>	<u>EBU</u>
Single Family Residential	1.0 per parcel
Residential Condominium	1.0 per dwelling unit
Multi-Family Residential	0.75 per dwelling unit
Planned Residential Development	1.0 per proposed unit
Commercial/Industrial	1.0 per parcel
Vacant Single Family Residential	1.0 per parcel
Vacant Multi-Family Residential	0.75 per parcel
Vacant Commercial/Industrial	1.0 per parcel

The methodology also identifies parcels that are exempt from the proposed District. They may include, but are not limited to, parcels identified as public streets, roadways, dedicated public easements, open space, and rights-of-way. These properties, as well as other publicly owned properties such as schools, the fire station and community centers, are considered to receive little or no benefit from the improvements of the proposed District.

In addition to assigning each property an EBU by land type, the assessment methodology utilizes three zones based on the location of parcels in proximity to the CRT. Properties located the closest to the CRT will receive a greater special benefit than those properties that are located the farthest away from the CRT. A factor is applied to each of the zones according to their locations. The three zones are as follows:

Zone 1:

This zone includes all properties generally located within a few blocks of the CRT. The properties are located east of Acacia Avenue and Sierra Avenue and west of Rios Avenue. Parcels in this zone are assessed the EBU amounts based on land use and are then multiplied by a factor of three.

Zone 2:

This zone includes all properties that are generally located west of Acacia Avenue and those properties located east of Rios Avenue and west of Interstate 5. Parcels in this zone are assessed the EBU amounts based on land use and are then multiplied by a factor of two.

Zone 3:

This zone includes properties located east of Interstate 5. Parcels in this zone are assessed the EBU amounts based on land use and are then multiplied by a factor of 0.5.

The following shows the maximum assessment rates proposed to be levied in the FY 2018/19 by land use:

Land Use Description	Per	Base Rate Zone 1	Base Rate Zone 2	Base Rate Zone 3
Single Family Residential	Lot or Parcel	\$22.38	\$14.92	\$3.73
Residential Condominium	Dwelling Unit	\$22.38	\$14.92	\$3.73
Multi-Family Residential	Dwelling Unit	\$16.78	\$11.19	\$2.80
Planned Residential Development	Lot or Dwelling Unit	\$22.38	\$14.92	\$3.73
Commercial/Industrial	Parcel	\$22.38	\$14.92	\$3.73
Vacant Single Family Residential	Parcel	\$22.38	\$14.92	\$3.73
Vacant Multi-Family Residential	Parcel	\$16.78	\$11.19	\$2.80
Vacant Commercial/Industrial	Parcel	\$22.38	\$14.92	\$3.73
Timeshare Units	1 week of ownership	\$ 0.00	\$ 0.00	\$0.00
Exempt Parcels	Parcel	\$ 0.00	\$ 0.00	\$0.00
Public Owned Parcels	Parcel	\$ 0.00	\$ 0.00	\$0.00

The 1972 Act requires the City Council to annually adopt a resolution directing the preparation and filing of an Annual Report and a Resolution of Intention to renew the annual assessments for the District. The resolutions declare the City Council's intention to levy and collect assessments and set the date of the public hearing at which the assessments will be levied. The law requires the assessment information to be submitted to the County by August 10th of each year.

Fiscal Year 2018/19 Benefit Fees

Attachment 3 is the proposed Engineer's Report for FY 2018/19 (Report). The Report

contains an overview of the District, a description of the services and improvements to be maintained, the proposed FY 2018/19 Budget, and the method of apportionment.

The Report identifies and allocates costs and assessments of the District based on provisions of the Landscaping and Lighting Act of 1972 (1972 Act) and the Streets and Highways Code of California. Per the 1972 Act, the Maximum Assessment may be increased using the lesser of the increase in the San Diego Consumer Price Index for All Urban Consumers (CPI-U) or the maximum of the first year levy beginning in Fiscal Year 2007/2008, known as the Assessment Range Formula (2.0%). The Maximum Assessment adjusted annually by this formula is not considered an increased assessment because it is consistent with the formula approved by the vote in January 2006.

The CPI-U for 2017 was 3.01%. Since the maximum amount the assessment is allowed to increase each year is 2.00%, the assessments for FY 2018/19 are proposed to increase by 2.00% per Table 1 of the Report. The City has notified the property owners about levying and collecting the assessment in the Coastal Rail Trail Maintenance District by publishing a notice of this public hearing in the San Diego Union-Tribune on June 8, 2018.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The District began assessing a benefit charge in FY 2006/07. The proposed annual amount of the Equivalent Benefit Unit for FY 2018/19 is \$7.46. The amount proposed for FY 2018/19 represents an annual increase of \$0.16 per EBU from last year's assessment which is consistent with the approval of the District by the vote of the property owners in January 2006.

WORK PLAN:

Renewal of the District is consistent with the Fiscal Sustainability section of the City's Work Plan.

OPTIONS:

- Approve Staff recommendation.
- Do not renew the CRT Maintenance District and fund the cost for maintenance of the CRT through the General Fund.
- Provide direction.


DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.
2. Adopt Resolution 2018-076, approving the Engineer's Report regarding the Coastal Rail Trail Maintenance District.
3. Adopt Resolution 2018-077, ordering the levy and collection of the annual assessments regarding the Coastal Rail Trail Maintenance District for Fiscal Year 2018/19.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2018-076
2. Resolution 2018-077
3. Engineer's Report

RESOLUTION 2018-076

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE FISCAL YEAR 2018/19 ENGINEER'S REPORT REGARDING THE COASTAL RAIL TRAIL MAINTENANCE DISTRICT

WHEREAS, the City Council, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (the "Act"), did by previous Resolution order the Assessment Engineer, Koppel & Gruber Public Finance, to prepare and file the Fiscal Year (FY) 2018/2019 Engineer's Report for the City of Solana Beach Coastal Rail Trail Maintenance District (District); and

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk of the City of Solana Beach, California and the City Clerk has presented to the City Council such report entitled City of Solana Beach Coastal Rail Trail Maintenance District Engineer's Report FY 2018/19 ("Report") as required by the Act; and

WHEREAS, the City Council has carefully examined and reviewed the Report as presented, considered all oral and written comments presented with respect to the District and Report at a noticed Public Hearing and has discussed any necessary or desired modifications to the Report, and is satisfied that the levy for each parcel has been calculated in accordance with the special benefits received from the operation, maintenance and services performed, as set forth in the Report.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.
2. The Report as presented or as modified, contains the following:
 - a. Description of Improvements.
 - b. Diagram of the District.
 - c. Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.

- d. The FY 2018/19 Assessment based upon the Method of Apportionment as approved by the property owners pursuant to the provision of the California Constitution Article XIID Section 4.
 - e. An Assessment Range Formula for calculating annual inflationary adjustments to the initial "Maximum Assessment" (Adjusted Maximum Levy per benefit unit), also approved by the property owners.
 - f. The FY 2018/19 Annual Budget (Costs and Expenses) and the resulting FY 2018/19 assessment (levy per benefit unit) for the fiscal year.
 - g. The District Roll containing the levy for each Assessor's Parcel Number within the District for FY 2018/19.
3. The City Clerk is hereby directed to enter on the minutes of the City Council any and all modifications to the Report determined and approved by the City Council, and all such changes and/or modifications by reference are to be incorporated into the Report.
 4. The City Council is satisfied with the Report as presented or modified, each and all of the budget items and documents as set forth therein, and is satisfied that the FY 2018/19 annual assessments contained therein are consistent with the assessments approved by the property owners and spread in accordance with the special benefits received from the improvements pursuant to the provisions of the California Constitution Article XIID.
 5. The Report is hereby approved as submitted or modified and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

6. The City Clerk shall certify to the passage and adoption of this resolution, and the minutes of this meeting shall so reflect the presentation and approval of the Report as submitted or modified.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the by the City council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION 2018-077

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS REGARDING THE COASTAL RAIL TRAIL MAINTENANCE DISTRICT FOR FISCAL YEAR 2018/19

WHEREAS, the City Council has, by previous resolutions, initiated proceedings to form and declare its intention to levy and collect annual assessments against parcels of land within the City of Solana Beach Coastal Rail Trail Maintenance District ("District"), for the Fiscal Year (FY) commencing July 1, 2018 and ending June 30, 2019 pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (Act) to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, Koppel & Gruber Public Finance, the Assessment Engineer selected by the City Council, has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council the Engineer's Report entitled City of Solana Beach Coastal Rail Trail Maintenance District Engineer's Report FY 2018/19 ("Report") in connection with the proposed levy and collection of special benefit assessment upon eligible parcels of land within the District, and the City Council did by previous resolution approve such Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the Fiscal Year commencing July 1, 2018 and ending June 30, 2019, to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, the City Council, following notice duly given, has held a full and fair Public Hearing on June 27, 2018, regarding the levy and collection of assessments as described in the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters, pursuant to the Act and in accordance with the provisions of the California Constitution Article XIID.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.
2. Following notice duly given, the City Council has held a full and fair public hearing regarding the levy and collection of the assessments, the Report prepared in connection therewith, and considered all oral and written statements,

protests and communications made or filed by interested persons regarding these matters.

3. The City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2018 and ending June 30, 2019, to pay the costs and expenses of operating, maintaining and servicing the landscaping, public lighting improvements and appurtenant facilities located within public places in the District.
4. The City Council has carefully reviewed and examined the Report in connection with the District, and the levy and collection of assessments. Based upon its review of the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, hereby finds that the City Council determines that:
 - a. The territory of land within the District will receive special benefits from the operation, maintenance and servicing of the landscaping, lighting, drainage and appurtenant facilities and improvements related thereto.
 - b. The District includes all of the lands so benefited; and
 - c. The amount to be assessed upon the lands within the District, in accordance with the proposed budget for the fiscal year commencing July 1, 2018 and ending June 30, 2019, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the special benefits, to be received by each parcel from the improvements and services, and is satisfied that the assessments are levied, without regard to property valuation.
5. The Report and FY 2018/19 assessments, as presented to the City Council and on file in the office of the City Clerk, are hereby confirmed as filed.
6. The City Council hereby orders the proposed improvements to be made; the improvements are briefly described as the operation, administration, maintenance and servicing of all public landscaping, lighting improvements and appurtenant facilities and expenses associated with the District, and that will be maintained by the City of Solana Beach or their designee and all such maintenance, operation and servicing of the landscaping, lighting and all appurtenant facilities shall be performed pursuant to the Act. A more complete description of the improvements is detailed in the Report and by reference this document is made part of this resolution.
7. The San Diego County Auditor shall place on the County Assessment Roll, opposite each parcel of land, the amount of levy so apportioned by the method of

apportionment formula, outlined in the Report and such levies shall be collected at the same time and in the same manner as County taxes are collected pursuant to Chapter 4, Article 2, Section 22646 of the Act. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the City Treasurer.

8. The City Treasurer shall deposit all money from the assessments collected by the County for the District into a fund for the Coastal Rail Trail Maintenance District, and such money shall be expended to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto described above.
9. The adoption of this resolution constitutes the authorization of the District levy for the Fiscal Year commencing July 1, 2018 and ending June 30, 2019.
10. The City Clerk or Clerk's designee is hereby authorized and directed to file the levy with the San Diego County Auditor subsequent to the adoption of this resolution.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the by the City Council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
ENGINEER'S REPORT
FISCAL YEAR 2018/2019**

MAY 7, 2018



KOPPEL & GRUBER
PUBLIC FINANCE

334 VIA VERA CRUZ, SUITE 256
SAN MARCOS
CALIFORNIA 92078

T. 760.510.0290

TABLE OF CONTENTS

SECTION I.	OVERVIEW	2
SECTION II.	PLANS AND SPECIFICATION.....	4
SECTION III.	PROPOSED FISCAL YEAR 2018/2019 BUDGET	6
A.	ESTIMATED FISCAL YEAR 2018/2019 BUDGET	6
B.	DESCRIPTION OF BUDGET ITEMS.....	8
SECTION IV.	METHOD OF APPORTIONMENT	9
A.	GENERAL	9
B.	GENERAL BENEFIT ANALYSIS	9
C.	SPECIAL BENEFIT ANALYSIS	10
D.	ASSESSMENT METHODOLOGY	11
E.	RATES	13
F.	ASSESSMENT RANGE FORMULA.....	14
SECTION V.	ASSESSMENT ROLL.....	15
SECTION VI.	ASSESEMENT DIAGRAM	16

SECTION I. OVERVIEW

A. INTRODUCTION AND BACKGROUND

The Coastal Rail Trail (the “CRT”) is a project sponsored by the cities of Oceanside, Carlsbad, Encinitas, Solana Beach and San Diego for a multi-use pathway (bicycle facilities and pedestrian) that will ultimately extend from the San Luis Rey River in Oceanside to the Santa Fe Depot in San Diego. Each of the sponsoring cities has agreed to construct and maintain the portion of the trail that is located within their jurisdiction. The City of Solana Beach (the “City”) began construction on their portion of the CRT (“City CRT”) in August 2003 by obtaining outside grants and the City CRT was substantially completed in November of 2004.

The City CRT encompasses approximately 1.7 miles extending from the north boundary of the City at the San Elijo Lagoon and the City of Encinitas to the south boundary of the City at Via de la Valle. The Class I bicycle trail proceeds south through the City, crossing Lomas Santa Fe Road and continuing to Via de la Valle in the City of Del Mar.

The City of Solana Beach Coastal Rail Trail Maintenance District (“District”) was formed in January 2006 in order to provide funding for the maintenance of certain public improvements including but not limited to the operation, maintenance and servicing of landscaping and public lighting improvements along the City CRT. This report constitutes the Fiscal Year 2018/2019 Engineer’s Report for the District.

The City Council pursuant to the provisions of the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500* (“Act”) and in compliance with the substantive and procedural requirements of the *California State Constitution Article XIIC and XIID* (“Proposition 218”) and the *Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following)* (the “Implementation Act”) desires to levy and collect annual assessments against lots and parcels within the District beginning in the fiscal year commencing July 1, 2018 and ending June 30, 2019 to pay for the operation, maintenance and servicing of landscaping and public lighting improvements along the City CRT. The proposed assessments are based on the City’s estimate of the costs for Fiscal Year 2018/2019 to maintain the City CRT improvements that provide a special benefit to properties assessed within the District. The assessment rates set for Fiscal Year 2018/2019 as set forth in this Engineer’s Report, do not exceed the maximum rates established at the time the District was formed, therefore, the City and the District are not required to go through a property owner ballot procedure in order to establish the 2018/2019 assessment rates.

B. CONTENTS OF ENGINEER’S REPORT

This Report describes the District boundaries and the proposed improvements to be assessed to the property owners located within the District. The Report is made up of the following sections.

SECTION I. OVERVIEW – Provides a general introduction into the Report and provides background on the District and the assessment.

SECTION II. PLANS AND SPECIFICATIONS – Contains a general description of the improvements that are maintained and serviced by the District.

SECTION III. PROPOSED FISCAL YEAR 2018/2019 BUDGET – Identifies the cost of the maintenance and services to be provided by the District including incidental costs and expenses.

SECTION IV. METHOD OF APPORTIONMENT – Describes the basis in which costs have been apportioned to lots or parcels within the District, in proportion to the special benefit received by each lot or parcel.

SECTION V. ASSESSMENT ROLL – The assessment roll identifies the maximum assessment to be levied to each lot or parcel within the District.

SECTION VI. ASSESSMENT DIAGRAM – Displays a diagram of the District showing the boundaries of the District.

For this Report, each lot or parcel to be assessed, refers to an individual property assigned its own Assessment Parcel Number (“APN”) by the San Diego County (“County”) Assessor’s Office as shown on the last equalized roll of the assessor.

Following the conclusion of the Public Hearing, the City Council will confirm the Report as submitted or amended and may order the collection of assessments for Fiscal Year 2018/2019.

SECTION II. PLANS AND SPECIFICATION

A. GENERAL DESCRIPTION OF THE DISTRICT

The boundaries of the District are defined as being contiguous with the boundaries of the City of Solana Beach. Solana Beach is located approximately thirty miles north of the City of San Diego in the north coastal area of the County. The City is bordered by the Pacific Ocean to the west, the City of Encinitas to the north, the City of Del Mar to the south and the unincorporated village of Rancho Santa Fe to the east.

The properties within the District include single-family residential, multi-family residential, timeshare, commercial, and industrial parcels. Each parcel has been categorized into three zones based upon their general proximity to the City CRT. Please refer to Section IV D of the Report for a further explanation on the zones included within the District.

B. DESCRIPTION OF SERVICES AND IMPROVEMENTS TO BE MAINTAINED

The District provides a funding mechanism for the ongoing maintenance, operation and servicing of landscaping and public lighting improvements that were installed as part of the construction of the City CRT. These improvements may include, but are not limited to, all materials, equipment, utilities, labor, and appurtenant facilities related to those improvements.

The improvements constructed as part of the project that are to be maintained and serviced by the District relate to landscaping and public lighting improvements, and are generally described as follows:

- Concrete and decomposed granite trails including landscaping, irrigation, drainage, grading, lighting, and hardscape features.
- Concrete paths, trees, plantings, lighting, irrigation, conduit, infrastructure, earthwork, trash receptacles, fencing, node structures (bus shelters, art amenities, garden nodes), drinking fountains, signage, and observation deck.
- Open space and irrigated and planted slopes located along the Trail.
- Public lighting facilities within and adjacent to the City CRT.

Maintenance services will be provided by City personnel and/or private contractors. The proposed improvements to be maintained and services are generally described as follows:

LANDSCAPING AND APPURTENANT IMPROVEMENTS

The landscaping improvements and services to be maintained by the District include but are not limited to landscaping, planting, ground cover, shrubbery, turf, trees, irrigation and drainage systems, hardscape, fixtures, sidewalks, fencing and other appurtenant items located along and adjacent to the City CRT.

PUBLIC LIGHTING AND APPURTENANT IMPROVEMENTS

The public lighting improvements to be maintained and serviced include but are not limited to the following, which provide public lighting directly or indirectly to the City CRT or to other public areas associated with or necessary for use of the trail:

- Maintenance, repair and replacement of public light poles and fixtures, including changing light bulbs, painting, photoelectric cell repair or replacement, and repairing damage caused by automobile accidents, vandalism, time, and weather.
- Electrical conduit repair and replacement due to damage by vandalism, time and weather.
- Service-call maintenance, repair and replacement including painting, replacing worn out electrical components and repairing damage due to accidents, vandalism, and weather.
- Payment of the electrical bill for the existing street lighting system.
- Responding to constituent and business inquiries and complaints regarding the public lighting.

Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of landscaping and public lighting improvements facilities and appurtenant facilities. This includes repair, removal or replacement of all or part of any of the landscaping and street lighting improvements, or appurtenant facilities; providing for the life, growth, health and beauty of landscaping improvements and for the operation of the lighting improvements.

Servicing means the furnishing of all labor, materials, equipment and utilities necessary to maintain the landscaping improvements and to maintain and operate the public lighting improvements or appurtenant facilities in order to provide adequate illumination.

SECTION III. PROPOSED FISCAL YEAR BUDGET

A. ESTIMATED FISCAL YEAR 2018/2019 BUDGET

A summary of the proposed District Fiscal Year 2018/2019 budget is summarized, by category, in Table 1 shown on the following page:

Table 1

**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
2018/19 BUDGET**

	TOTAL BUDGET	GENERAL BENEFIT PORTION ¹	PROPOSED FY 2018/19 ASSESSMENT
OPERATING AND MAINTENANCE COSTS			
Operating and Maintenance			
Landscape, Irrigation & Hardscape Maintenance Thru an Outside Contract (Includes Tree Trimming)	\$72,000.00	\$2,783.04	\$43,600.96
Utilities (Water)	\$20,400.00	\$0.00	\$20,400.00
Utilities (Electricity)	\$29,000.00	\$29,000.00	\$0.00
Trail Maintenance (DG & Concrete Paths)	\$1,400.00	\$0.00	\$1,400.00
Graffiti Abatement	\$200.00	\$0.00	\$200.00
Total Operating and Maintenance Costs	\$123,000.00	\$31,783.04	\$65,600.96
CAPITAL REPLACEMENT AND RESERVES			
Capital Replacement			
Landscape & Irrigation Replacement	\$3,547.00	\$212.82	\$3,334.18
Pedestrian/Bicycle Path Replacement	\$2,500.00	\$150.00	\$2,350.00
Hardscape Features Replacement (water fountain, art work, bus shelter)	\$2,500.00	\$150.00	\$2,350.00
Reserves			
Fiscal Year 2017/2018 Reserve Collection	\$0.00	\$0.00	\$0.00
Total Capital Replacement and Reserves	\$8,547.00	\$512.82	\$8,034.18
ADMINISTRATION COSTS			
District Administration Costs			
County SB 2557 Costs			\$300.00
County Electronic Data Processing Costs			\$615.20
City Administration/Consultant Costs			\$3,624.66
Total Administration Costs			\$4,539.86
AMOUNT TO LEVY			
TOTAL ASSESSMENT AMOUNT			\$78,175.00
Total Parcels in the District			13,102
Total Parcels Levied			5,642
Total Equivalent Benefit Units			10,479.25
Proposed Levy Per Equivalent Benefit Unit			\$7.46
Inflation Percentage Applied to Proposed Levy Per EBU			2.00%

OPERATING RESERVES	
Beginning Balance as of 7/1/17	\$56,822.00
FY 2017/2018 Collection	\$76,485.40
Expenditures	(\$57,780.00)
Projected Ending Balance as of 6/30/18	\$75,527.40
Maximum Cash Flow Reserve Amount	\$39,087.50

1. While the cost of the electricity is not 100% general benefit, the City is paying for the entire cost through other available funds and none of the cost is being allocated to the parcels located within the District.

B. DESCRIPTION OF BUDGET ITEMS

The following is a brief description of the major budget categories that includes the detailed costs of maintenance and services for the District included in the table above.

OPERATING AND MAINTENANCE COSTS – This includes the costs of maintaining and servicing the landscaping and lighting improvements. This may include, but is not limited to, the costs for labor, utilities, equipment, supplies, repairs, replacements and upgrades that are required to properly maintain the items that provide a direct benefit to properties located within the District.

CAPITAL REPLACEMENT AND RESERVES – These items provide a funding source to pay for items that wear out over time, other unanticipated items not directly budgeted for and for the replacement of the landscaping, pathways and hardscape features located along and adjacent to the City CRT.

ADMINISTRATION COSTS – This includes the indirect costs not included above that are necessary to pay for administrative costs related to the District, including the levy and submittal of the assessments to the County to be placed on the Fiscal Year 2018/2019 County equalized tax roll, responding to property owner inquiries relating to the assessments and services, and any other related administrative costs.

SECTION IV. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, which include the construction, maintenance, and servicing of landscaping and public lights and appurtenant facilities.

Streets and Highways Code Section 22573 requires that maintenance assessments be levied according to benefit rather than the assessed value.

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

In addition, Article XIID and the Implementation Act require that a parcel’s assessment may not exceed the reasonable cost for the proportional special benefit conferred to that parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on property located within the assessment district. Article XIID and the Implementation Act further provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. They also require that publicly owned properties which specifically benefit from the improvements be assessed.

B. GENERAL BENEFIT ANALYSIS

The improvements described in Section II B of this Report are for the special benefit, enhancement and use of properties within the District. However, the City CRT was constructed as a portion of a much larger regional trail that will extend from the City of Oceanside to the north to the City of San Diego to the south. Residents and property owners located in each of the cities along the trail will receive a special benefit from the construction and maintenance of the trail within their city. Residents from each of these cities will have an opportunity to use the entire trail upon completion including the portion in Solana Beach which creates a general benefit.

Additionally, included among the different property types in the City are timeshare units. Though individuals may purchase and “own” their timeshare unit, their ownership rights are limited and temporary (typically one week per year.) Owners of timeshare units have an opportunity to use the CRT while vacationing in the City. Due to the limited ownership time-frame of timeshare owners, their special benefit is limited and thus considered as part of the general benefit similar to the general benefit to the public at large.

The general benefit portion of the assessment has been determined by looking at each participating city’s trail length as a factor or the entire trail. The City of Solana Beach’s portion of the CRT is 1.7 miles compared to the entire proposed trail length of 44.0 miles. Comparing the length of the City CRT to the total length of the CRT results in a general

benefit of 3.86%. Engineering also determined that timeshares add an additional 2.0% general benefit impact. For rounding purposes after adding the two components (3.86% + 2.0%) the general benefit is considered to be 6.0% overall to the public at large. The budget has been allocated to parcels based on their special benefit share. In addition, the City is paying 100% of the electricity costs, totaling \$29,000, for the District through funds available from other sources resulting in over 30% of the costs paid directly by the City.

C. SPECIAL BENEFIT ANALYSIS

Each of the proposed improvements and the associated costs and assessments within the District has been reviewed, identified and allocated based on special benefit pursuant to the provisions of Article XIID, the Implementation Act, and the Streets and Highways Code Section 22573.

Proper maintenance and operation of the City CRT landscaping, hardscape, open space and public lighting provides special benefit to adjacent properties by providing community character, security, safety and vitality. Additionally, one of the purposes of the trail is to facilitate alternative transportation opportunities in order to reduce air pollution and vehicular traffic congestion which provide special benefit to the properties within the District.

TRAIL AND LANDSCAPING SPECIAL BENEFIT

Landscaping and appurtenant facilities, if well maintained, provide beautification, shade and enhancement of the desirability of the surroundings, and therefore increase property values. Specifically, they provide a sense of ownership and a common theme in the community providing aesthetic appeal, recreational and health opportunities and increased desirability of properties.

PUBLIC LIGHTING SPECIAL BENEFIT

The operation, maintenance and servicing of public lighting along and adjacent to the City CRT provide safety and security to properties along City CRT specifically as follows:

- Improved security, deterrence of crime and aid to police and fire protection.
- Reduced vandalism and damage to the improvements and property.
- Increased business activity to the coastal community during nighttime hours.

D. ASSESSMENT METHODOLOGY

To establish the special benefit to the individual lots or parcels within the District, an Equivalent Benefit Unit system based on land use is used along with a Zone Factor based on geographic proximity to the City CRT.

EQUIVALENT BENEFIT UNITS

Each parcel of land is assigned an Equivalent Benefit Unit in proportion to the estimated special benefit the parcel receives relative to other parcels within the District. The single family detached (“SFD”) residential property has been selected as the basic unit for calculating assessments; therefore, a SFD residential parcel equals one Equivalent Benefit Unit (“EBU”).

The EBU method of apportioning benefit is typically seen as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefit to each parcel from the improvements are apportioned as a function of land use type, size and development. A methodology has been developed to relate all other land uses to the SFD residential as described below.

EBU APPLICATION BY LAND USE:

SINGLE-FAMILY RESIDENTIAL — This land use is defined as a fully subdivided residential parcel in which a tract map has been approved and recorded. This land use is assessed 1.0 EBU per lot or parcel. This is the base value that all other land use types are compared and weighted against (i.e. Equivalent Benefit Unit or EBU).

RESIDENTIAL CONDOMINIUM — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property with individual unit ownership. This land use is assessed 1.0 EBU per dwelling unit.

MULTI-FAMILY RESIDENTIAL — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property not available for individual unit ownership. This land use is assessed 0.75 EBU per dwelling unit.

PLANNED-RESIDENTIAL DEVELOPMENT — This land use is defined as any property not fully subdivided with a specific number of proposed residential lots or dwelling units to be developed on the parcel. This land use type is assessed at 1.0 EBU per planned (proposed) residential lot or dwelling unit.

COMMERCIAL/INDUSTRIAL — This land use is defined as property developed for either commercial or industrial use. This land use type is assessed at 1.0 EBU per parcel.

VACANT SINGLE-FAMILY RESIDENTIAL — This land use is defined as property currently zoned for single-family detached residential development, but a tentative or final tract map has not been submitted and/or approved. This land use is assessed at 1.0 EBU per parcel.

VACANT MULTI-FAMILY RESIDENTIAL — This land use is defined as property currently zoned for multi-family residential development, but a tentative or final tract map has not been submitted and/or approved. This land use is assessed at 0.75 EBU per parcel.

VACANT COMMERCIAL/INDUSTRIAL — This land use is defined as property currently zoned for either commercial or industrial use. This land use is assessed at 1.0 EBU per parcel.

EXEMPT PARCELS — This land use identifies properties that are not assessed and are assigned 0.0 EBU. This land use classification may include, but is not limited, to lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and right-of-ways including greenbelts and parkways; utility right-of-ways; common areas, sliver parcels and bifurcated lots or any other property that can not be developed; park properties and other publicly owned properties that are part of the District improvements or that have little or no improvement value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

PUBLIC OWNED PARCELS — This land use identifies properties that are not assessed and are assigned 0.0 EBU. This land use classification includes other typically non-assessed parcels that are not considered exempt parcels and may include, but is not limited, to lots or parcels identified as schools, government owned buildings, fire and police stations, and administration offices. These types of properties are considered to receive little special benefit from the improvements and any benefit that they may receive is considered to be part of the City's general benefit contribution to the District.

ZONE FACTOR

The District was divided into three zones based on the proximity of parcels in location to the City CRT. Properties located the closest to the trail will receive a greater special benefit as compared to those parcels the farthest away. In order to calculate this into the assessment a factor is applied to each parcel according to the following Zone location.

ZONE 1 PROPERTIES – This Zone is defined as properties located adjacent to or within a few blocks of the City CRT improvements. This includes all properties that are generally located east of Acacia and Sierra Avenue and west of Rios Avenue. Parcels located in this zone use the EBU amounts derived above based on land use and then multiplied by a proximity factor of three (3).

ZONE 2 PROPERTIES – This Zone is defined as properties located close to the improvements but not adjacent to the City CRT or properties defined as Zone 1 Properties. This includes all properties that are generally located west of Acacia Avenue and also those properties located east of Rios Avenue and west of Interstate-5. Parcels located in this zone use the EBU amounts derived above based on land use and then multiplied by a proximity factor of two (2).

ZONE 3 PROPERTIES – This Zone is defined as properties located the furthest away from the City CRT improvements. This includes all properties that are located east of Interstate-5. Parcels located in this zone use the EBU amounts derived above based on land use and then multiplied by a proximity factor of 0.5.

The following table summarizes the EBU and Zone Factors based on land use.

Table 2

**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
EQUIVALENT BENEFIT UNITS AND ZONE FACTOR BY LAND USE**

Land Use Description	Equivalent Benefit Units (EBUs)	Per	Zone 1 Multiplier	Zone 2 Multiplier	Zone 3 Multiplier	No. of EBUs for Property in Zone 1	No. of EBUs for Property in Zone 2	No. of EBUs for Property in Zone 3
Single Family Residential	1.00	Lot or Parcel	3.00	2.00	0.50	3.00	2.00	0.50
Residential Condominium	1.00	Dwelling Unit	3.00	2.00	0.50	3.00	2.00	0.50
Multi-Family Residential	0.75	Dwelling Unit	3.00	2.00	0.50	2.25	1.50	0.38
		Lot or Dwelling						
Planned Residential Development	1.00	Unit	3.00	2.00	0.50	3.00	2.00	0.50
Commercial/Industrial	1.00	Parcel	3.00	2.00	0.50	3.00	2.00	0.50
Vacant Single Family Residential	1.00	Parcel	3.00	2.00	0.50	3.00	2.00	0.50
Vacant Multi-Family Residential	0.75	Parcel	3.00	2.00	0.50	2.25	1.50	0.38
Vacant Commercial/Industrial	1.00	Parcel	3.00	2.00	0.50	3.00	2.00	0.50
		1 week of						
Timeshare Units	0.00	ownership	3.00	2.00	0.50	0.00	0.00	0.00
Exempt Parcels	0.00	Parcel	3.00	2.00	0.50	0.00	0.00	0.00
Public Owned Parcels	0.00	Parcel	3.00	2.00	0.50	0.00	0.00	0.00

In order to determine the maximum annual assessment rate for each type of land use described above, the following formula is applied:

Applicable EBU * Applicable Zone Factor * Maximum Assessment Rate per 1.0 EBU = Assessment Rate per Unit/Parcel.

E. RATES

Table 3 below shows the maximum assessments rates proposed to be levied in Fiscal Year 2018/2019 by land use. Because the San Diego Consumer Price Index for All Urban Consumers (“CPI-U”) was over 2.00% for 2017 (3.01%), the maximum assessments were increased by 2.00% as allowed for in the assessment range formula discussed below.

Table 3

**CITY OF SOLANA BEACH
COASTAL RAIL TRAIL MAINTENANCE DISTRICT
EQUIVELANT BENEFIT UNITS AND ZONE FACTOR BY LAND USE**

Land Use Description	Per	Base Rate for Zone 1	Base Rate for Zone 2	Base Rate for Zone 3
Single Family Residential	Lot or Parcel	\$22.38	\$14.92	\$3.73
Residential Condominium	Dwelling Unit	\$22.38	\$14.92	\$3.73
Multi-Family Residential	Dwelling Unit	\$16.78	\$11.19	\$2.80
	Lot or			
Planned Residential Development	Dwelling Unit	\$22.38	\$14.92	\$3.73
Commercial/Industrial	Parcel	\$22.38	\$14.92	\$3.73
Vacant Single Family Residential	Parcel	\$22.38	\$14.92	\$3.73
Vacant Multi-Family Residential	Parcel	\$16.78	\$11.19	\$2.80
Vacant Commercial/Industrial	Parcel	\$22.38	\$14.92	\$3.73
	1 week of			
Timeshare Units	ownership	\$0.00	\$0.00	\$0.00
Exempt Parcels	Parcel	\$0.00	\$0.00	\$0.00
Public Owned Parcels	Parcel	\$0.00	\$0.00	\$0.00

F. ASSESSMENT RANGE FORMULA

The purpose of establishing an Assessment Range Formula is to provide for reasonable inflationary increases to the annual assessments without requiring the District to go through an expensive balloting process required by law in order to get a small increase. On July 1, 2007 and each year thereafter, the Maximum Assessment Rate shall be increased by the lesser of Local CPI-U in the San Diego County area or 2.0%. The CPI-U used shall be as determined annually by the Bureau of Labor Statistics beginning with the CPI-U rate increase for 2006.

Beginning in the Fiscal Year 2007/2008 the Maximum Assessment may be increased using the lesser of the increase in the CPI-U from first year levy (the Assessment Range Formula) or 2.0%. This Assessment Rate Formula would be applied every fiscal year thereafter and a new Maximum Assessment will be established to include the allowable increase.

The Maximum Assessment adjusted annually by this formula is not considered an increased assessment. Although the Maximum Assessment will increase each year, the actual assessment will only reflect the necessary budgeted amounts and may remain unchanged. Increases in the budget or an increase in the rate in one year from the prior year will not require a new 218 balloting unless the rate is greater than the Maximum Assessment adjusted to reflect an increase in the CPI-U.

SECTION V. ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District shall be the parcel as shown on the County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within the District, along with the proposed assessment amounts, has been submitted to the City Clerk, under a separate cover, and by reference is made part of this Report. Said listing of parcels to be assessed shall be submitted to the County Auditor/Controller and included on the property tax roll for each parcel in Fiscal Year 2018/2019. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

SECTION VI. ASSESSMENT DIAGRAM

The parcels within the District consist of all lots, parcels and subdivisions of land located in the City. A boundary map of the area is attached.

CITY OF SOLANA BEACH

CITY OF SOLANA BEACH COASTAL RAIL TRAIL MAINTENANCE DISTRICT

Engineer's Report Fiscal Year 2018/2019

The undersigned respectfully submits the enclosed Report as directed by City Council.

Report Submitted By:

By: _____
Scott Koppel
Koppel & Gruber Public Finance

By: _____
Mohammad Sammak



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Engineering Department
SUBJECT: **Public Hearing: Consideration of Resolution Nos. 2018-078 and 2018-079 Accepting the Final Engineer's Report and Ordering the Levy and Collection of Annual Assessments for the Solana Beach Lighting District for Fiscal Year (FY) 2018/19**

BACKGROUND:

In 1987, the City Council approved formation of the Solana Beach Lighting District ("District") under the provisions of the Landscape and Lighting Act of 1972, Division 15, Part 2, of the California Streets and Highways Code. The District was formed for the purpose of levying and collecting funds for the installation, operation and maintenance of street lighting facilities within the City.

On May 23, 2018, Council passed Resolution No. 2018-053 approving the Preliminary Engineer's Report for proceedings for the annual levy of assessments within a special lighting district and Resolution No. 2018-054 declaring intention to provide for an annual levy and collection of assessments, and setting June 27, 2018 as the date of the Public Hearing.

This item is presented to the City Council to conduct the Public Hearing and consider approving Resolution 2018-078 (Attachment 1) accepting the Final Engineer's Report, and Resolution 2018-079 (Attachment 2) ordering the levy and collection of annual assessments for the District for Fiscal Year (FY) 2018/19.

DISCUSSION:

The Solana Beach Lighting District is the successor agency to portions of San Diego County Lighting Maintenance District Nos. 1 and 3 (LMD1 and LMD3). Ballots issued in

CITY COUNCIL ACTION:

1982 and 1984 to levy assessments for LMD1 and LMD3 were approved to have a maximum charge of \$25.00 per benefit unit. This maximum benefit unit charge will not apply to Zone B of the Solana Beach Lighting District as it was formed after Solana Beach was incorporated.

Notice of this public hearing was published in the Union-Tribune on June 8, 2018 as required by Streets and Highways Code and is the only public hearing to receive public input required by law.

The assessment information is to be submitted to the County by August 10th of each year.

The current benefit fee for Zone A is \$8.80 per single family unit per year and \$1.62 per single family unit per year in Zone B. Zone B consists of the portion of the City adjacent to San Elijo Lagoon and a segment of the City between San Andres Drive and I-5. This zone is the City's "dark sky" area designated in the General Plan as neighborhoods that seek to preserve their traditional semi-rural character, a major component of which is very low levels of nighttime illumination. Zone A consists of all other properties in the City except those in Zone B.

Attachment 3 is the Final Engineer's Report for FY 2018/19. The basis of spreading the cost of constructing, operating, maintaining and servicing improvements to the benefiting parcels is based on vehicular trip generation rates. Vehicular trips are directly proportional to the concentration and activity associated with each parcel of land. Derivation of Street Lighting Benefit Units, as shown in the Engineer's Report, is based on the most current trip generation rates published by the San Diego Association of Governments. The improvements include those designated in the District boundaries and shown in the Street Light Master Plan.

Fiscal Year 2018/19 Benefit Fees

The total annual amount to be assessed for street lighting is \$76,868. There is no proposed increase to the annual assessment charged to each property but the total amount collected has increased slightly (a total of \$70) due to land use changes in Zone A.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The District is financed by a benefit assessment and by using the District's share of 1 percent of property tax revenues in FY 2018/19. The annual amount to be generated from the benefit assessment is proposed to be \$8.80 per benefit unit in Zone A and \$1.62 in Zone B.

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation.
- Do not confirm Engineer's Report and annual levy of assessments
- Provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony and Close the public hearing.
2. Adopt Resolution 2018-078 confirming the diagram and assessment and approving the Engineer's Report.
3. Adopt Resolution 2018-079 ordering the levy and collection of annual assessments for FY 2018/19 and ordering the transmission of charges to the County Auditor for collection.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2018-078
2. Resolution 2018-079
3. FY 2018/19 Engineer's Report

RESOLUTION 2018-078

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE FISCAL YEAR 2018/19 ENGINEER'S REPORT REGARDING THE SOLANA BEACH LIGHTING DISTRICT

WHEREAS, the City Council, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (the "Act"), did, by previous Resolution, order the Assessment Engineer, to prepare and file the Fiscal Year (FY) 2018/19 Engineer's Report for the Solana Beach Lighting District (District); and

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk of the City of Solana Beach, California, and the City Clerk has presented to the City Council such report entitled Engineer's Report FY 2018/19 ("Report") as required by the Act; and

WHEREAS, the City Council has carefully examined and reviewed the Report as presented, considered all oral and written comments presented with respect to the District and Report at a noticed Public Hearing and has discussed any necessary or desired modifications to the Report, and is satisfied that the levy for each parcel has been calculated in accordance with the special benefits received from the operation, maintenance and services performed, as set forth in the Report.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.
2. The Report as presented or as modified, contains the following:
 - a. Description of Improvements.
 - b. Diagram of the District.
 - c. Method of Apportionment that details the method of calculating each parcel's proportional special benefits and annual assessment.
 - d. The FY 2018/19 Assessment based upon the Method of Apportionment determined that all costs and expenses of the work and incidental expenses have been apportioned and distributed to the benefiting parcels in accordance with the special benefits received.
 - e. The FY 2018/19 Annual Budget Costs and Expenses and the resulting FY 2018/19 assessment levy per benefit unit for the fiscal year.

- f. The District Roll containing the levy for each Assessor's Parcel Number within the District for FY 2018/19.
3. The City Clerk is hereby directed to enter on the minutes of the City Council any and all modifications to the Report determined and approved by the City Council, and all such changes and/or modifications by reference are to be incorporated into the Report.
4. The City Council is satisfied with the Report as presented or modified, each and all of the budget items and documents as set forth therein, and is satisfied that the FY 2018/19 annual assessments and spread in accordance with the special benefits received from the improvements pursuant to the provisions of the California Constitution Article XIID.
5. The Report is hereby approved as submitted or modified and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.
6. The City Clerk shall certify to the passage and adoption of this resolution, and the minutes of this meeting shall so reflect the presentation and approval of the Report as submitted or modified.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the by the City council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION NO. 2018-079

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SOLANA BEACH, CALIFORNIA ORDERING THE LEVY
AND COLLECTION OF ANNUAL ASSESSMENTS
REGARDING THE SOLANA BEACH LIGHTING DISTRICT
FOR FISCAL YEAR 2018/19**

WHEREAS, the City Council has, by previous resolutions, initiated proceedings to form and declared its intention to levy and collect annual assessments against parcels of land within the Solana Beach Lighting District ("District"), for the Fiscal Year commencing July 1, 2018 and ending June 30, 2019 pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (Act) to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, the Assessment Engineer has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council, the Engineer's Report entitled City of Solana Beach Lighting District Engineer's Report Fiscal Year (FY) 2018/19 ("Report") in connection with the proposed levy and collection of special benefit assessment upon eligible parcels of land within the District, and the City Council did by previous resolution approve such Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the Fiscal Year commencing July 1, 2018 and ending June 30, 2019, to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto; and

WHEREAS, the City Council, following notice duly given, has held a full and fair Public Hearing on June 27, 2018, regarding the levy and collection of assessments as described in the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters, pursuant to the Act and in accordance with the provisions of the California Constitution Article XIID.

NOW, THEREFORE, the City Council of the City of Solana Beach, California does resolve as follows:

1. The above recitals are true and correct.
2. Following notice duly given, the City Council has held a full and fair public hearing regarding the levy and collection of the assessments, the Report prepared in connection therewith, and considered all oral and written statements, protests and communications made or filed by interested persons regarding these matters.

3. The City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2018 and ending June 30, 2019, to pay the costs and expenses of operating, maintaining and servicing the landscaping, public lighting improvements and appurtenant facilities located within public places in the District.
4. The City Council has carefully reviewed and examined the Report in connection with the District, and the levy and collection of assessments. Based upon its review the Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, hereby finds that the City Council determines that:
 - a. The territory of land within the District will receive special benefits from the operation, maintenance and servicing of the landscaping, lighting, drainage and appurtenant facilities and improvements related thereto.
 - b. The District includes all of the lands so benefited.
 - c. The amount to be assessed upon the lands within the District, in accordance with the proposed budget for the fiscal year commencing July 1, 2018 and ending June 30, 2019, is apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the special benefits, to be received by each parcel from the improvements and services, and is satisfied that the assessments are levied, without regard to property valuation.
5. The Report and FY 2018/19 assessments, as presented to the City Council and on file in the office of the City Clerk, are hereby confirmed as filed.
6. The City Council hereby orders the proposed improvements to be made; the improvements are briefly described as the operation, administration, maintenance and servicing of all public landscaping, lighting improvements and appurtenant facilities and expenses associated with the District, and that will be maintained by the City of Solana Beach or their designee and all such maintenance, operation and servicing of the landscaping, lighting and all appurtenant facilities shall be performed pursuant to the Act. A more complete description of the improvements is detailed in the Report and by reference this document is made part of this resolution.
7. The San Diego County Auditor shall place on the County Assessment Roll, opposite each parcel of land, the amount of levy so apportioned by the method of apportionment formula, outlined in the Report and such levies shall be collected at the same time and in the same manner as County taxes are collected pursuant to Chapter 4, Article 2, Section 22646 of the Act. After collection by the

County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the City Treasurer.

8. The City Treasurer, shall deposit all money from the assessments collected by the County for the District into a fund for the Solana Beach Lighting District, and such money shall be expended to pay the costs and expenses of operating, maintaining and servicing the improvements and appurtenant facilities related thereto described above.
9. The adoption of this resolution constitutes the authorization of the District levy for the Fiscal Year commencing July 1, 2018 and ending June 30, 2019.
10. The City Clerk or Clerk's designee is hereby authorized and directed to file the levy with the San Diego County Auditor subsequent to the adoption of this resolution.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the by the City Council of the City of Solana Beach by the following vote:

AYES: Councilmembers -
NOES: Councilmembers -
ABSENT: Councilmembers -
ABSTAIN: Councilmembers -

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

**CITY OF SOLANA BEACH
LIGHTING MAINTENANCE DISTRICT
ENGINEER'S REPORT
FISCAL YEAR 2018/2019**



**Prepared by:
Dan Goldberg
Principal Civil Engineer
R.C.E. 57292**

Prepared May 17, 2018

TABLE OF CONTENTS

INTRODUCTION	3
GENERAL DESCRIPTION OF THE DISTRICT	3
DESIGNATION OF ZONES.....	4
DISTRICT IMPROVEMENT.....	4
METHOD OF APPORTIONMENT	6
DISTRICT FINANCING	6
ASSESSMENT ROLL	7
CALCULATION OF ASSESSMENT FEES	8
EXHIBIT 1 – STREET LIGHT ZONE MAP	8
EXHIBIT 2 – DERIVATION OF STREET LIGHT BENEFIT UNITS.....	9
EXHIBIT 3 – BUDGET	12

Introduction

The City of Solana Beach ("City") Lighting Maintenance District ("District") was formed in order to provide funding for operation, maintenance and servicing of all lights within the City, owned both by City of Solana Beach and San Diego Gas and Electric as shown on the City's Street Light Master Plan. The City Council, pursuant to the provisions of the "Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Street and Highway Code of California" (Act), desires to levy and collect annual assessment against lots and parcels within the District beginning in the fiscal year beginning July 1, 2018 and ending June 30, 2019. The collected assessments would pay for the operation, maintenance and servicing of the public lighting improvements within the City. The proposed assessments are based on the City's estimate for the cost for fiscal year 2018/2019 to maintain the District that provides a special benefit to properties assessed within the District. The assessment rates set for Fiscal Year 2018/2019, as set forth in this Engineer's Report ("Report"), do not exceed the maximum rates established at the time the District was formed, therefore, the City and the District are not required to go through property owner ballot procedure in order to establish the 2018/2019 assessment rates. This report describes the District boundaries and the proposed operation, maintenance and services to be assessed to the property owners located within the District. For this Report, each lot or parcel to be assessed refers to an individual property and is assigned its own Assessment Parcel Number ("APN") by the San Diego County ("County") Assessor's Office as shown on the latest equalization roll of the assessor. Following the conclusion of the Public Hearing, the City Council will confirm the Report as submitted or amended and may order the collection of the assessments for Fiscal Year 2018/2019.

General Description of the District

The boundaries of the District are defined as being contiguous with the boundaries of the City of Solana Beach. The properties within the District include single family residential, multi-family residential, timeshare, multiuse, commercial and industrial parcels.

Section 22573, Landscape and Lighting Act of 1972 ("1972 Act"), requires assessments to be levied according to benefit rather than according to assessed value. This section of the 1972 Act states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

The 1972 Act also provides for the classification of various areas within an assessment district into different zones where, *"...by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory, which will receive substantially the same degree of benefit from the improvements. An assessment district may consist of contiguous or non-contiguous areas."*

Properties owned by public agencies, such as a city, county, state, or the federal government, are not assessable without the approval of the particular agency. For this reason, they are traditionally not assessed.

Designation of Zones

The District consists of two zones in the City of Solana Beach; Zone "A" and Zone "B". Properties within Zone "A", which represent the majority of the population, are benefiting from the streetlights on seven significant circulation element streets as well as streetlights on their local streets. Properties within Zone "B", also known as "Dark Sky Zone", do not have streetlights on their local streets. These properties benefit only from streetlights on circulation elements and do not benefit from streetlights on local streets. Maps showing the boundaries of the District and the zones are on file in the office of the City Engineer and are attached herein as Exhibit 1.

District Improvements

The public lighting improvements to be maintained and serviced include but are not limited to the following:

- Maintenance, repair and replacement of public light poles and fixtures, including changing light bulbs, painting, photoelectric cell repair or replacement, repairing damages caused by automobile accidents and vandalism, and repairing normal deterioration caused by time and weather.
- Electrical conduit repair and replacement due to damage by vandalism, and normal deterioration.
- Service-call maintenance repair and replacement including painting, replacing worn out electrical components and repairing damage due to accidents, vandalism, and normal deterioration.
- Payment of the electricity bill for the existing street lighting system.
- Responding to constituent and business inquiries and complaints regarding the public lighting.

Maintenance

The City provides services and furnishes materials for the ordinary and usual maintenance, operation and servicing of public lighting improvements facilities and appurtenant facilities. This includes inspecting lights during daylight as well as evening hours for condition assessment and performing repair, removal or replacement of all or part of any of the street lighting found to be inoperable in order to provide for the, health welfare and safety of the residents in the district.

Servicing

The City workforces along with assistance from private contractors provide all labor, materials, equipment and utilities necessary to maintain and operate the public lighting improvements or appurtenant facilities in order to provide adequate illumination.

City's Streetlight System

The City's streetlight system consists of streetlights which are owned by the San Diego Gas and Electric (SDG&E) and streetlights that are owned by the City of Solana Beach. A listing (printout) showing the type, size, location and ownership of the specific streetlights in the City is on file in the Office of the City Engineer. There are currently 801 streetlights in the District of which 149 are located on circulation element streets such as Highway 101, Lomas Santa Fe Drive, Via De La Valle, Cedros Avenue, San Andres Drive, Highland Avenue and Stevens Avenue. The remaining 652 streetlights are located on local streets. Approximately 274 streetlights are owned and maintained by SDG&E and the rest are owned and maintained by the City of Solana Beach. The City pays SDG&E for the use of their streetlights. For the purpose of this report, all lights have been analyzed regardless of ownership. Additionally, there are 247 bollard lights and 16 pedestrian pole lights on the Coastal Rail Trail that are included in the District.

Streetlight Retrofit

In April 2012, the City entered into a contract with Chevron Energy Solution (Chevron ES) for a series of energy efficient projects which included retrofitting all City-owned streetlights to the latest LED technology. This project replaced the approximately two-thirds of the street lights throughout the City that are owned and operated by the City. The remaining one-third of the streetlights were not retrofitted because they are owned and operated by SDG&E. Because of this partial ownership arrangement, a few streetlights in some neighborhoods remained unchanged.

Capital Improvement Projects

In February 2018, the City Council authorized the City Manager to amend the existing streetlight maintenance agreement with Siemens Industry, Inc., the current streetlight maintenance contractor, to replace six decorative streetlight poles and fixtures in the Eden Gardens neighborhood that had deteriorated beyond repair.

Method of Apportionment

The 1972 Act require that a parcel's assessment may not exceed the reasonable cost for the proportional benefit conferred to that parcel. To establish the benefit to the individual lots or parcels within the district, an Equivalent Benefit Unit ("EBU") system based on land use is used along with special consideration based on City's "Dark Sky Zone". Each parcel of land in the District was determined by the Engineering Department to have a specific land use. Each land use type was assigned a land use factor determined by trip generation rates developed by San Diego Association of Government (SANDAG). If a land use was not included in the SANDAG's study, the Engineering Department made a determination as to its probable trip generation compared to that of a single family residential and assigned a land use factor accordingly. Single family residential units were assigned a land use factor of 1.0 regardless of its size. The theory is that all single family residential units, regardless of parcel size, generate approximately the same number of trips and therefore receive the same benefit from the use of streets and their appurtenances such as streetlights. Under this method, vacant lots are assigned an EBU of "0". Exhibit 2 provides the EBU determination for all land uses within the City.

District Financing

The District will be financed by assessing a benefit assessment and by using the District's share of 1.0 percent ad valorem tax revenues. The amount to be generated from the benefit assessment is \$8.80 per benefit unit in Zone "A" and \$1.62 per benefit unit in Zone "B". As mentioned above, the total amount of revenue to be generated by assessment was calculated from a methodology which identifies two benefit zones within the District. This methodology assumes that circulation element streetlights provide City-wide benefit and therefore properties located in Zone "B", the Dark Sky Zone properties, are assessed for this portion of the District's expenses only. Properties located within Zone "A" are assessed for expenses associated with the streetlights located on the circulation element streets as well as those on local streets. Both the circulation element streetlight benefit and local streetlight benefit are allotted in proportion to the Average Daily Traffic (ADT) generated by properties within the District to establish equivalent benefit charge per property. A listing (printout) of the estimated assessment for each parcel in the District is on file in the Office of the City Engineer. These are estimates only because the County Assessor's information will not be

available until August 2018. The City does not assess governmental agencies owning properties within the District. See Exhibit 3 for the proposed District budget.

Assessment Roll

Parcel identification, for each lot or parcel within the District shall be the parcel as shown on the County Assessor’s map for the year in which this Report is prepared.

A listing of parcels assessed within the District, along with the proposed assessment amounts, has been submitted to the City Clerk, under a separate cover, and by reference is made part of this Report. Said listing of parcels to be assessed shall be submitted to the County Auditor/Controller and included on the property tax roll for each parcel in Fiscal Year 2018/2019. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Calculation of Assessment Fees

Following is a calculation of assessment fees for the Solana Beach Lighting District. There are two zones in this lighting district; Zone “A” and Zone “B”.

Total streetlights on seven circulation element streets	149
Total streetlights on local streets	652
Total Streetlights	801

Bollard lights on Coastal Rail Trail	247
Pedestrian pole lights on Coastal Rail Trail	16

Total Benefit Units in Zone “A”	8648
Total Benefit Units in Zone “B”	473

Assessment per Benefit Unit in Zone “A”	\$8.80
Assessment per Benefit Unit in Zone “B”	\$1.62

Total Assessment for Zone “A”	\$76,102
Total Assessment for Zone “B”	\$766

Total Assessment for the District **\$76,868**

EXHIBIT 1

STREET LIGHT ZONE MAP

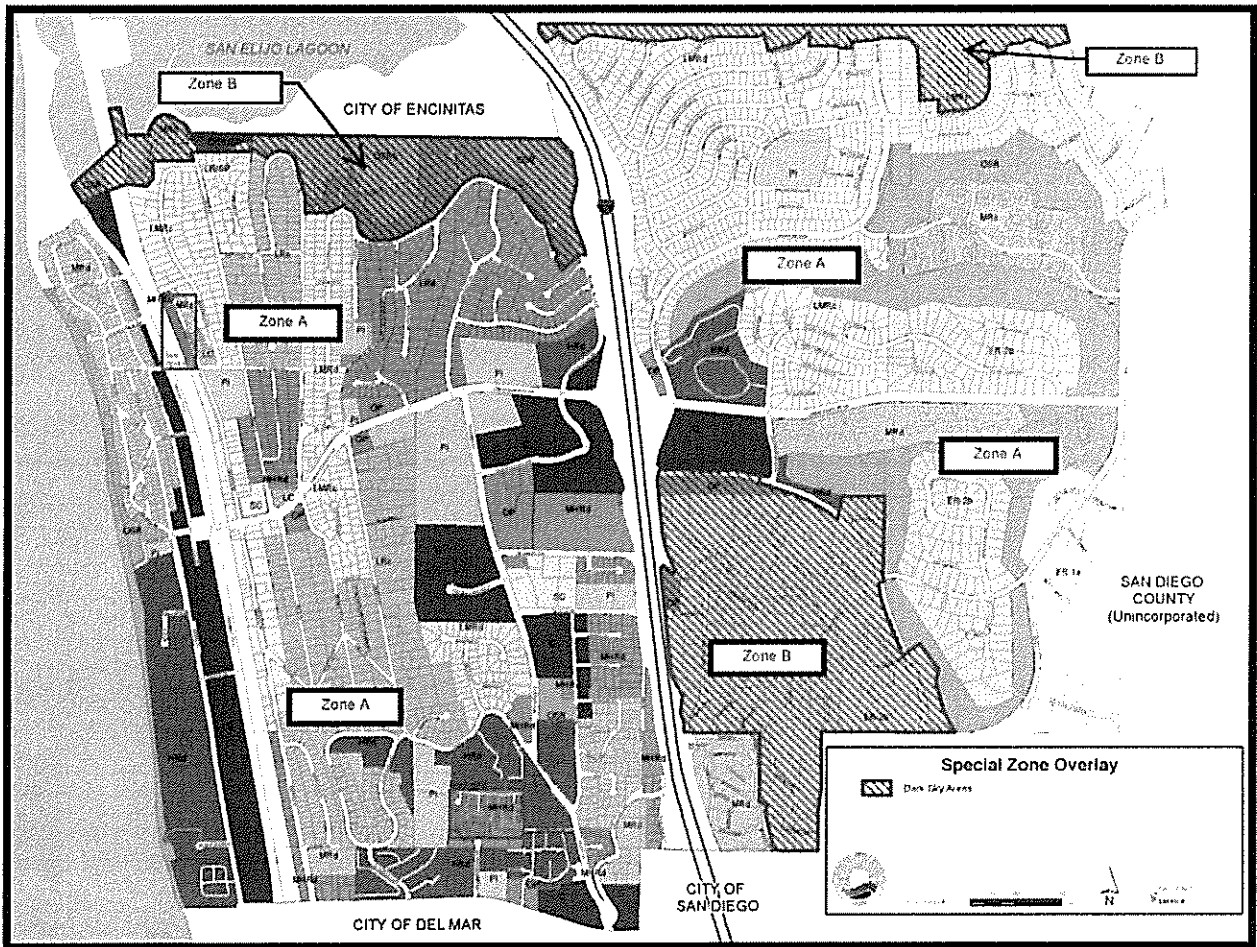


EXHIBIT 2

DERIVATION OF STREET LIGHT BENEFIT UNITS

Traffic generation rates are derived from a report issued by the San Diego Association of Governments (SANDAG) dated April 2002. The information in the report is based on the San. Diego Traffic Generators manual. Land uses are defined by the County Assessor. Using traffic generated by single family dwellings as 10 per dwelling unit (d.u.) or 40 per acre, the derivation of Benefit Units from land use is as follows:

<u>LAND USE</u>	<u>BENEFIT UNITS</u>	<u>HOW DERIVED</u>
Vacant Land	0.0	Generates little or no traffic. Assigned a value of 0.0
Residential	1.0/d.u.	<u>10 trips/d.u.</u> 10 trips/d.u.
Time Shares	.02/Time Share	<u>0.2 trips/time share</u> 10 trips/d.u.
Mobilehome/Trailer Parks	0.5/Space	<u>5 trips/d.u. or space</u> 10 trips/d.u.
1-3 Story Misc. Stores	10.0/Acre	<u>400 trips/acre</u> 40 trips/acre
4+ Story Offices/Stores	15.0/Acre	<u>600 trips/acre</u> 40 trips/acre
Regional Shopping Center Medical, Dental, Animal Hospital	12.5/Acre	<u>500 trips/acre</u> 40 trips/acre
Community Shopping Center	17.5/Acre	<u>700 trips/acre</u> 40 trips/acre
Neighborhood Shopping Center	30.0/Acre	<u>1200 trips/acre</u> 40 trips/acre

Hotel, Motel	5.0/Acre	<u>200 trips/acre</u> 40 trips/acre
Convalescent Hospital, Rest Home	1.0/Acre	<u>40 trips/acre</u> 40 trips/acre
Office Condominiums	0.5/Condo	<u>20 trips/condo</u> 10 trips/d.u.
Parking lot, Garage, Used Cars, Auto Sales/Service, Service Station	7.5/Acre	<u>300 trips/acre</u> 40 trips/acre
Bowling Alley	7.5/Acre	<u>300 trips/acre</u> 40 trips/acre

EXHIBIT 3

STREET LIGHTING DISTRICT

PROPOSED BUDGET

FISCAL YEAR 2018-19

	Amended Budget 2017-18	Proposed Budget 2018-19
COSTS		
Energy	78,900	85,200
Maintenance	38,800	38,800
Administration	139,753	140,560
Capital Outlay	33,745	-
Debt Service	70,400	70,400
Contingency Reserve	1,903,506	1,772,140
TOTAL COSTS	2,265,104	2,107,100

FUNDING		
Property Taxes	459,500	459,500
Benefit Fees	82,500	82,500
Interest	32,000	30,000
Intergovernmental	3,200	3,200
Fund Balance	1,687,904	1,531,900
TOTAL RESOURCES	2,265,104	2,107,100

ITEM C.1.

This item's report will be posted once it is available.

C.1 Council Consideration of Approving a Memorandum of Understanding with the Solana Beach School District to Provide Crossing Guard Services

1. Adopt **Resolution 2018-089**
 - a. Authorizing the City Manager to execute a Memorandum of Understanding with the Solana Beach School District to Provide Crossing Guard Services



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 13, 2018
ORIGINATING DEPT: City Manager's Department
SUBJECT: Council Consideration of Resolution 2018-087 Approving the Climate Action Plan Implementation Plan and Cost Study

BACKGROUND:

On July 12, 2017, the City Council adopted the City's first-ever Climate Action Plan (CAP) providing a comprehensive roadmap to address the challenges of climate change in the City. This substantial effort was the culmination of years of work dating back to 2007 with the City becoming a signatory to the U.S. Mayors Climate Protection Agreement. City Staff and the Climate Action Commission (CAC) worked with the San Diego Association of Governments (SANDAG) to utilize climate planning services through SANDAG's Energy Roadmap Program. These services provided no-cost technical assistance for climate planning to local jurisdictions via two on-call consultants, the Energy Policy Initiatives Center (EPIC) and Ascent Environmental (Ascent). City Staff and the CAC developed a Scope of Work with SANDAG staff, which was then used to bring on EPIC and Ascent to develop and write the CAP with the assistance of Staff and the CAC.

As part of Scope of Work, the consultant teams were to develop an Implementation Plan and Cost Study associated with the CAP after adoption. Over the past year, the City, CAC and the consultants have been working on developing the Implementation Plan and Cost Study and have discussed this in public at multiple CAC meetings. The CAC approved the Implementation Plan and Cost Study at their May 16, 2018 meeting.

This item is before the City Council to consider approving Resolution 2018-087 (Attachment 1) approving the Climate Action Plan Implementation Plan and Cost Study.

CITY COUNCIL ACTION:

AGENDA ITEM C.2.

DISCUSSION:

As part of the overall strategy to reduce Greenhouse Gas (GHG) emissions and reach established targets in the CAP, the City ensured that part of the Energy Roadmap Program Scope of Work included the development of an Implementation Plan and Cost Study. The CAP is a guiding document that lays the foundation for climate action to reduce GHG emissions in accordance with state guidelines. However, the Implementation Plan is the document that demonstrates how the City is going to implement the reduction measures in the CAP (ordinances, programs, policies, etc.). Chapter 5 of the CAP explains this process, and the CAP also has an abbreviated Implementation Matrix in Appendix C. However, the Implementation Plan is a more robust document that is essential for the success of the CAP. Another important component is the associated Cost Study that examined the different measures and determined the estimated City Staff costs associated with implementing the CAP. It is important to note that the Cost Study does not analyze the costs of implementing each measure, only the direct Staff time estimated to develop and implement the CAP. The costs of implementing each individual measure will be analyzed and taken to Council for consideration when they are proposed. This will allow the Council to analyze the cost/benefit of each measure prior to implementation.

Implementation Plan

Achieving the 2020 (15% below 2010 levels) and 2035 (50% below 2010 levels) GHG emission reduction targets established in the CAP will require implementation of the reduction strategies, measures, and actions identified in the CAP. This CAP Implementation Plan (Attachment 2) builds upon the CAP's Implementation and Monitoring Chapter (Chapter 5) and outlines in more detail how the City will implement CAP measures and how the CAP will be updated and monitored over time to ensure continued effectiveness in reducing GHG emissions. Implementation of certain strategies, measures, and actions will require that the City develop and implement new ordinances, programs, and plans, or modify existing ones. This requires careful consideration of the operational and capital resources needed, as well as timing, phasing, and monitoring of implementation.

As the City begins to implement the CAP, the Implementation Plan will serve as a guidance document for City Staff. The Implementation Plan provides detailed information for each of the measures set forth in the CAP. It is important to note that this Implementation Plan does not contain information on costs for implementation. While high-level staffing needs are presented by City department in the Implementation Plan, more detailed information regarding costs and staffing needs for implementation is provided in the Cost Study. The Cost Study, along with the Implementation Plan, are meant to be used together as the initial roadmap for City Staff. The Implementation Plan will specifically assist City Staff in monitoring progress towards established targets and will provide a framework for assessing the success and effectiveness of the various measures and actions. Monitoring and assessment of the CAP implementation process

will provide key insights into which measures and actions have been most successful in terms of implementation, and GHG reductions will serve to inform policy and strategy development for future CAP updates.

The Implementation and Monitoring Chapter (Chapter 5) of the CAP estimates the basic timeframe for implementation of each measure. In the Implementation Plan, additional information is provided for each action. Many measures and actions will take years to fully implement; however, it is imperative that their implementation begin within the next few years to reach the GHG reduction targets of the CAP. This is especially true of City actions that require community participation after initial implementation and those that will help achieve the 2020 GHG reduction target.

The Implementation Plan also includes an Implementation Timeline for each measure. These are Short-Term (will occur within the next three years), Mid-Term (will occur within the next five years), Long-Term (will occur within the next 10 years), or Ongoing (already occurring).

Cost Study

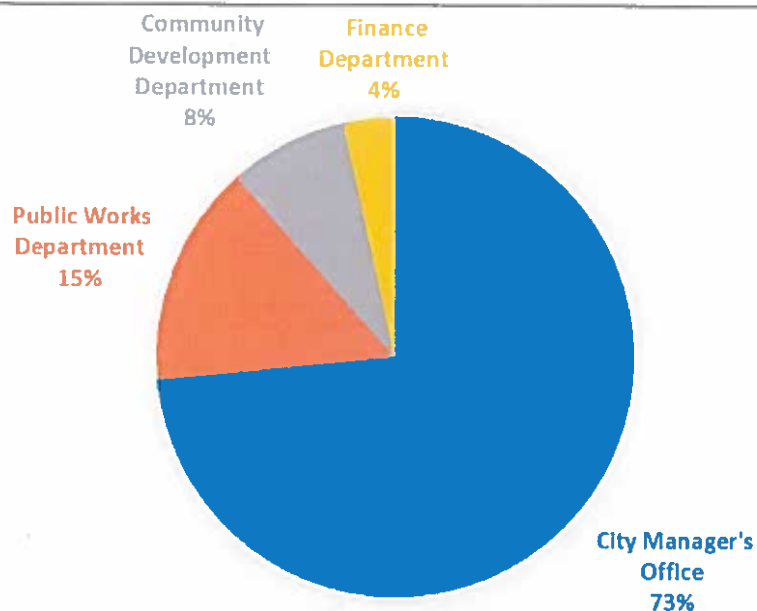
The Cost Study (Attachment 3) summarizes the findings of the CAP Implementation Cost Analysis conducted by EPIC at the University of San Diego. The analysis estimates staffing costs for the activities that would need to be conducted to achieve the GHG emission reduction targets included in the CAP. The goals of this analysis are to:

- Estimate total staffing costs to Solana Beach to implement GHG reduction measures included in CAP over the first five fiscal years; and
- Estimate the staffing impact to implement CAP measures.

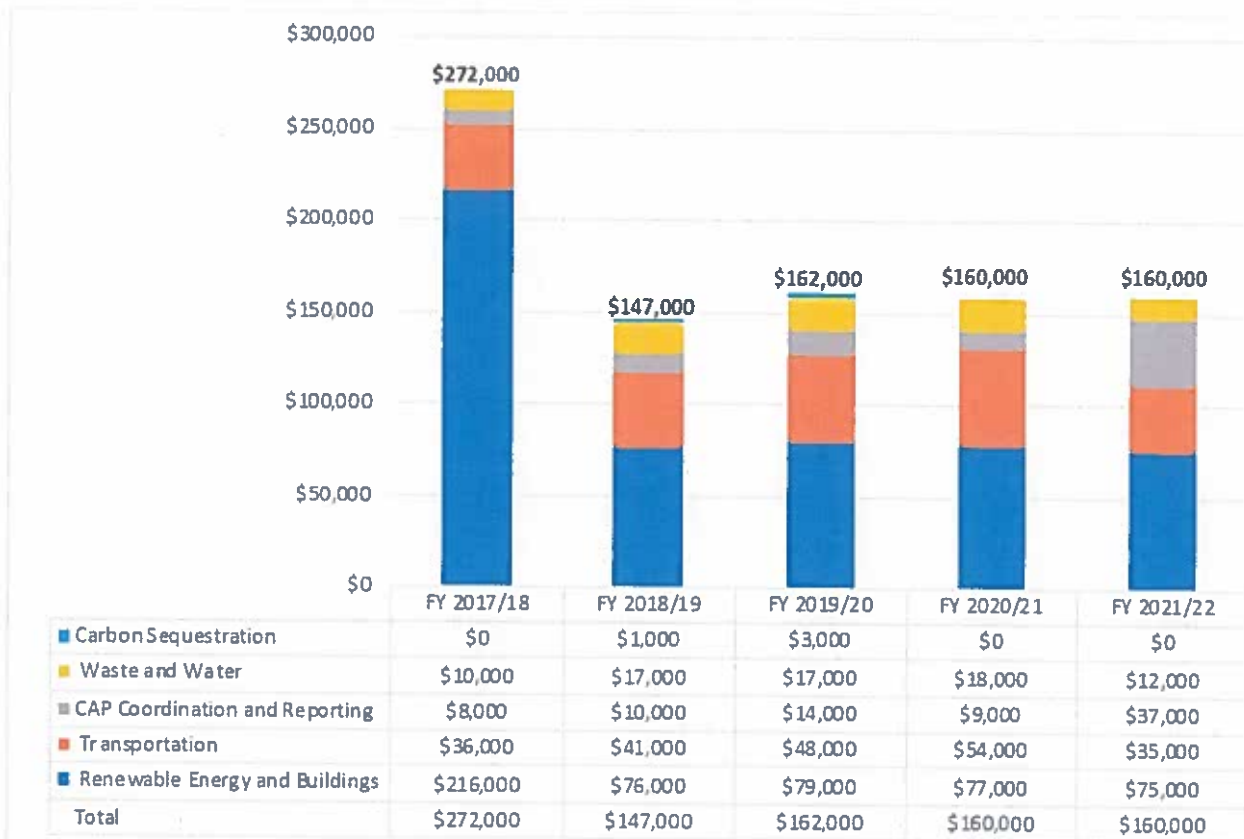
While the analysis for the Cost Study evaluated costs for the first five fiscal years, CAP measures could have associated costs beyond the time frame presented in the report. Staffing cost estimates in the report represent those anticipated to be incurred by the City to implement CAP measures, including costs to develop and execute programs, and conduct education and outreach activities. Costs associated with CAP coordination and reporting, including costs to assess the performance of CAP measures annually, complete regular GHG inventory updates, coordinate implementation and performance-tracking activities among departments, and prepare CAP updates are also included here. How effectively CAP measures can reduce both GHGs and the costs borne by Solana Beach residents and businesses are not considered in the report. It is important to note that Staffing cost results represent total costs and do not distinguish between those associated with existing programs and those developed specifically for the CAP.

The following key findings summarize the results of the analysis in the Cost Study:

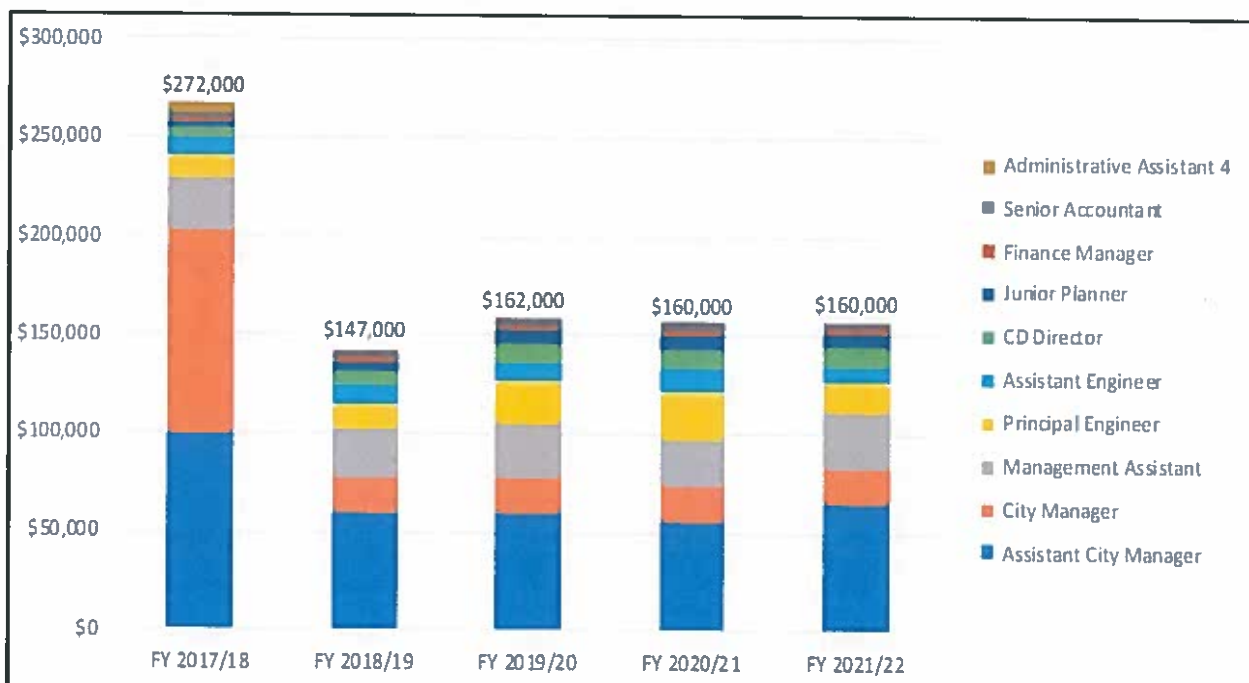
- Total staffing costs are estimated at \$900,000 over the first five fiscal years, with \$272,000 in FY 2017-18 and between \$145,000 and \$160,000 annually over the remaining four fiscal years.
- Existing staffing capacity is sufficient to implement CAP measures at this time. Estimated annual staffing needs to implement CAP activities would be 1.3 full time equivalents (FTE) in FY 2017-18, about 0.8 FTE for FY 2018-19, 0.9 FTE in FY 2020-21, and 0.8 FTE in the final fiscal year of the analysis period. A higher staffing need in the early years of CAP implementation is common and represents the startup nature of many of the associated programs, which could be new lines of work. This pattern is also affected by the work in the first fiscal year by the City Manager's Office to implement a Community Choice Aggregation (CCA) Program. The highest staffing impacts would occur in the City Manager's Office in FY 2017-18. The Assistant City Manager would require 0.4 FTE, the City Manager 0.3 FTE, and the Management Assistant 0.3 FTE. The contribution of these three positions drops in the remaining four fiscal years.
- The City Manager's Office would represent 73% of total staffing costs to implement CAP measures over the first five fiscal years, followed by Public Works with 15%. These two Departments would account for nearly 90% of all staffing costs.



Total CAP Implementation Costs by Strategy



Total Staff Cost by Position



In addition to the measures included in the CAP, this analysis estimates the staffing costs associated with CAP coordination and reporting activities, including conducting regular inventories, monitoring CAP progress, updating the CAP, and interdepartmental coordination. These activities account for about \$78,000 over the five-year period.

CEQA COMPLIANCE STATEMENT:

The Proposed Project is statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) per 2018 State CEQA Guidelines §15262 since the activity only involves as a planning study for possible future actions which the City has not approved, adopted, or funded.

FISCAL IMPACT:

The fiscal impact of City Staff time and resources needed to implement the CAP is described extensively in the Cost Study. The costs associated with each measure to the community will be analyzed separately and brought to Council for consideration before the adoption of any new ordinance, program or policy. One of the key benefits of having the CAP as a guiding document is that it allows the Council flexibility on approving any ordinance, program or policy by analyzing the costs and benefits. This also allows further dialogue to occur between the City and those that may be impacted by the proposed measures as they are brought to Council for consideration.

WORK PLAN:

Environmental Sustainability – Policy Development – Climate Action Plan Implementation

OPTIONS:

- Approve Staff Recommendation and approve Resolution 2018-087 approving the CAP Implementation Plan and Cost Study.
- Do not approve Staff Recommendation.
- Provide further direction to Staff.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council approve Resolution 2018-087 approving the CAP Implementation Plan and Cost Study.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2018-087
2. CAP Implementation Plan
3. CAP Cost Study

RESOLUTION NO. 2018- 087

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE CLIMATE ACTION PLAN IMPLEMENTATION PLAN AND COST STUDY

WHEREAS, On July 12, 2017, the City Council adopted the City's first-ever Climate Action Plan (CAP) providing a comprehensive roadmap to address the challenges of climate change in the City; and,

WHEREAS, City Staff and the Climate Action Commission (CAC) worked with the San Diego Association of Governments (SANDAG) to utilize climate planning services through SANDAG's Energy Roadmap Program; and,

WHEREAS, as part of these services, consultant teams were to develop an Implementation Plan and Cost Study associated with the CAP after adoption; and,

WHEREAS, over the past year, the City, CAC and the consultants have been working on developing the Implementation Plan and Cost Study and have discussed this in public at multiple CAC meetings; and,

WHEREAS, the CAC approved the Implementation Plan and Cost Study at their May 16, 2018 meeting.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.

//
//
//
//
//
//
//

2. That the City Council approves the CAP Implementation Plan and Cost Study.

PASSED AND ADOPTED this 27th day of June 2018, at a regular meeting of the City Council of the City of Solana Beach, California, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSENT: Councilmembers –

ABSTAIN: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

DRAFT FINAL



City of Solana Beach

Climate Action Plan Implementation Plan

March 2018

City of Solana Beach
Draft Final Climate Action Plan Implementation Plan

PREPARED BY:
City of Solana Beach

IN CONSULTATION WITH:
Ascent Environmental, Inc.
Energy Policy Initiatives Center

Prepared in partnership with the San Diego Association of Governments (SANDAG) and the Energy Roadmap Program. This Program is partially funded by California utility customers and administered by San Diego Gas & Electric Company under the auspices of the California Public Utilities Commission.

March 2018

TABLE OF CONTENTS

Section	Page
1. INTRODUCTION	5
1.1. Climate Action Plan Overview.....	5
1.2. Implementation Plan.....	5
1.2.1. Implementation Timeframe	6
1.2.2. Funding	6
1.2.3. Implementation Coordination	10
2. CAP IMPLEMENTATION	11
2.1. Measure and Action Implementation.....	11
2.1.1. Transportation	12
Measure T-1 Increase EVs and alternative fuel vehicles (AFVs) vehicle miles traveled (VMT) to 30 percent of total VMT	12
Measure T-2 Increase commuting by vanpools to 20% of labor force.....	15
Measure T-3 Reduce average commuter trip distance by 1 mile.....	17
Measure T-4 Increase commuting by mass transit to 10% of labor force.....	19
Measure T-5 Increase preferred parking for EVs and AFVs to 20% of eligible parking spots.....	22
Measure T-6 Retime four traffic signals	24
Measure T-7 Promote telecommuting to achieve 10% participation	24
Measure T-8 Convert municipal gasoline fueled vehicle fleet to EVs to achieve 50% gasoline reduction.....	26
Measure T-9 Increase commuting by walking to 5% of labor force	27
Measure T-10 Increase commuting by bicycling by achieving approximately 17 bike lane miles	29
Measure T-11 Promote alternative work schedule to achieve participation from 1% of labor force.....	31
2.1.2. Renewable Energy and Buildings	33
Measure E-1 Implement a Community Choice Aggregation program, subject to City Council approval	33
Measure E-2 Achieve 10.8 MW residential rooftop solar photovoltaic systems.....	35

Measure E-3 Achieve 2 MW commercial rooftop solar photovoltaic systems	37
Measure E-4 Solar hot water heating at 20 percent of existing commercial spaces	39
Measure E-5 Solar hot water heating at 25% of new homes and home retrofits	41
Measure E-6 Reduction in non-space/water heating residential natural gas use by 15%.....	42
Measure E-7 Residential energy efficiency retrofits to achieve 15% reduction	44
Measure E-8 Commercial energy efficiency retrofits to achieve 15% reduction	45
2.1.3. Waste and Water.....	47
Measure W-1 Divert 90% of waste from landfills and capture 85% of landfill gas emissions	47
Measure W-2 Implementation of existing water rate and billing structure.....	52
Measure W-3 Expand recycled water program to reduce potable water consumption by 10%	52
Measure W-4 Capture 100 percent of emissions from wastewater treatment.....	53
Measure W-5 Divert 90% of waste from landfills and capture 85% of landfill gas emissions	53
2.1.4. Carbon Sequestration (Urban Tree Planting).....	57
Measure U-1 The City will achieve 30 percent of developed areas covered by urban tree canopy (Urban Tree Planting Program)	57
3. IMPLEMENTATION MONITORING AND CAP UPDATES.....	59
3.1. CAP Presentations and Report	59
3.2. CAP and Inventory Updates	59
4. ONGOING ENGAGEMENT	61
5. CONCLUSION.....	62

1. Introduction

1.1. Climate Action Plan Overview

The City of Solana Beach (City) 2017 Climate Action Plan (CAP) provides the City with a roadmap to address two climate change challenges: how the City will reduce its greenhouse gas (GHG) emissions, and how the City will improve its resilience to climate change over the long term. The CAP not only builds upon past and current City efforts in combating climate change, but also enables the City to meet State legislative and regulatory guidance. It builds upon the goals and policies of the City's General Plan policies by establishing GHG emissions targets and identifying achievable actions to reduce GHG emissions.

Key highlights from the CAP include:

- A baseline GHG inventory (2010) for community activities occurring in the City. Emissions sectors evaluated include: Transportation, Electricity, Natural Gas, Solid Waste, and Water Consumption.
- In 2010, communitywide sources in the City emitted 139,216 metric tons of carbon dioxide equivalent (MTCO_{2e}), with the greatest emissions coming from the Transportation sector, followed by the Electricity sector.
- In consideration and support of State GHG reduction targets, the City's CAP includes GHG reduction targets of reaching 15 percent below 2010 baseline levels by 2020 and 50 percent below 2010 levels by 2035. To meet reduction targets, the City will need to reduce emissions to 118,334 MTCO_{2e} by 2020 and 69,608 MT CO_{2e} by 2035.
- To achieve 2020 and 2035 targets, the CAP includes strategies, measures, and actions, focused in four key policy sectors (Transportation, Renewable Energy and Buildings, Waste and Water, and Carbon Sequestration [Urban Tree Planting]), that focus on GHG reductions for communitywide activities.

The CAP outlines strategies developed to lower community GHG emissions to the identified reduction targets. Specific measures and associated actions for each strategy are outlined in detail in the CAP document. The CAP also outlines strategies and measures for the City to improve community resiliency and to adapt to the current and future impacts of climate change.

1.2. Implementation Plan

Achieving the 2020 and 2035 reduction targets will require implementation of the reduction strategies, measures, and actions identified in the CAP. This CAP Implementation Plan (Implementation Plan) builds upon the CAP's Implementation and Monitoring Chapter (Chapter 5) and outlines in more detail how the City will implement CAP measures and how the CAP will be updated and monitored over time to ensure continued effectiveness in reducing GHG emissions. Implementation of certain strategies, measures, and actions will require that the City develop and implement new ordinances, programs, and plans, or modify existing ones. This requires careful consideration of the operational and capital resources needed, as well as timing, phasing, and monitoring of implementation.

As the City begins to implement the CAP, the Implementation Plan will serve as a guidance document for City staff. The Implementation Plan provides detailed information for each of the measures set forth in the CAP. It is important to note that this Implementation Plan does not contain information on costs for implementation.

While high-level staffing needs are presented by City department in this Implementation Plan, more detailed information regarding costs and staffing needs for implementation is provided in the City's 2018 CAP Implementation Cost Study (Cost Study). The Cost Study, along with this Implementation Plan, are meant to be used together as the initial roadmap for City staff. The Implementation Plan will specifically assist City staff in monitoring progress towards established targets and will provide a framework for assessing the success and effectiveness of the various measures and actions. Monitoring and assessment of the CAP implementation process will provide key insights into which measures and actions have been most successful in terms of implementation, and GHG reductions will serve to inform policy and strategy development for future CAP updates.



Given that the GHG reduction strategies included in the CAP span a variety of activity sectors, the CAP implementation process will be a collaborative and inter-departmental City effort with various departments taking primary responsibility or secondary responsibility for the implementation of specific measures and actions. Public participation will also be crucial in implementing specific actions of the CAP.

1.2.1. Implementation Timeframe

The Implementation and Monitoring Chapter (Chapter 5) of the CAP estimates the basic timeframe for implementation of each measure. In this Implementation Plan, additional information is provided for each action. Many measures and actions will take years to fully implement; however, it is imperative that their implementation begin within the next few years to reach the GHG reduction targets of the CAP. This is especially true of City actions that require community participation after initial implementation and those that will help achieve the 2020 GHG reduction target.

1.2.2. Funding

Success of the CAP will require capital improvements, investments, and increased operations and maintenance costs. The Implementation Plan and associated Cost Study will serve as a resource when considering what programs, projects, and staffing need to be included in City budgets to implement the CAP. While some of the measures and actions in the CAP can be funded by allocated monies from departmental budgets or the City's general fund, the City will need to be diligent in seeking cost-effective implementation, strategic funding opportunities, and using partnerships to share overall costs. All measures with potentially significant costs will be brought to City Council for consideration and approval.

There are many regional, statewide, and federal programs and grant opportunities that may be used to help fund and implement certain elements of the CAP. The City should also monitor private and public funding sources for new grant and rebate opportunities. The following table summarizes funding and financing options for CAP implementation.

Potential Funding Sources for CAP Implementation

Potential Funding Sources for CAP Implementation	
Resource	Description
Affordable Housing and Sustainable Communities (AHSC) Program	AHSC distributes California greenhouse gas reduction fund (GGRF) funds to disadvantaged communities. Eligible projects include: providing affordable housing, transit-oriented development (TOD), transit, complete streets, and active transportation projects that reduce greenhouse gas (GHG) emissions and vehicle miles traveled.
California Air Resources Board Programs (CARB)	CARB offers several grants, incentives, and credit programs to reduce on-road and off-road transportation emissions. Residents, businesses, and fleet operators can receive funds or incentives depending on the program. The following programs can be used to fund local measures: Air Quality Improvement Program AB 118), Loan Incentives Program, California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program, Clean Vehicle Rebate Project, and the Low Carbon Transportation Program.
California Department of Transportation Programs	Caltrans offers several programs and grants supporting sustainable transportation initiatives, including: Low Carbon Transit Operations, Active Transportation Grant Program, Transit and Intercity Rail Capital Program, Strategic Partnership Grants, and the Sustainable Transportation Planning Grant.
California Department of Resource Recycling and Recovery (CalRecycle) GHG Reduction Grant and Loan Program	CalRecycle provides financial incentives for capital investments to build composting/digestion infrastructure and recycling manufacturing facilities that will result in reduced GHG emissions
California Energy Commission (CEC) and California Public Utilities Commission (CPUC) Programs	CEC and CPUC offer a variety of programs and grants that are specific to local government, business, and residential applications. They include: Multi-Family Affordable Housing Solar Roofs Programs (CPUC), Local Government Challenge Program (CEC), Electric Program Investment Challenge (CPUC), Alternative and Renewable Fuel and Vehicle Technology Program (CEC), and the Energy Upgrade California Program (CEC and CPUC).
California Natural Resources Agency (CNRA) Urban Greening Grant Program	CNRA funds projects that reduce GHGs by sequestering carbon, decreasing energy consumption and reducing vehicle miles traveled, while establishing and enhancing parks and open space, using natural solutions to improve air and water quality and reducing energy consumption, and creating more walkable and bike-able trails.
Center for Sustainable Energy (CSE)	CSE is a mission-driven nonprofit organization providing clean energy program design and management and technical advisory services. Governments, regulators, utilities, businesses, property owners and consumers can utilize CSE partnerships to develop customized solutions that help lower energy costs and increase accessibility to clean energy technologies.
Community Choice Aggregation (CCA) Revenue	If implemented by a local public partnership or through the City, a local CCA program would generate revenue that may be used to fund or incentivize GHG reduction measures and actions.
Department of Energy	Qualified Energy Conservation Bonds (QECCBs) enable qualified State, tribal, and local government issuers to borrow money at attractive rates to fund energy conservation projects. QECCBs are taxable bonds, but QECCBs are issued as direct subsidy bonds and are among the lowest-cost public financing tool.

Potential Funding Sources for CAP Implementation	
Resource	Description
	Clean Renewable Energy Bonds (CREBs) finance public renewable energy projects. The bondholder receives federal tax credits in lieu of a portion of the traditional bond interest, resulting in lower effective interest rates for the borrower.
Federal Housing Administration's Energy Efficient Mortgages (EEM) Program	Credits a home's energy efficiency features in the mortgage itself. To verify a home's energy efficiency, an EEM typically requires a home energy rating of the house by a home energy rater before financing is approved. EEMs typically are used to purchase a new home that is already energy efficient, such as an ENERGY STAR® qualified home.
Federal Income Tax Credits for Energy Efficiency	Provides tax credits for energy efficiency upgrades for homes.
Federal Transit Administration (FTA) Programs	FTA has a variety of available grants and programs available for transit agencies and local governments including: Job Access and Reverse Commute and New Freedom Programs and Buses and Bus Grants Program.
Municipal Bonds	There are two basic types of municipal bonds: General Obligation Bonds and Revenue Bonds. General Obligation Bonds often require voter assent and tend to have lower interest rates than Revenue Bonds. With Revenue Bonds, the principal and interest are secured by revenues derived from tolls, charges, or rents from the facility built with the proceeds of the bond issuance.
Partnership for Sustainable Communities	A multi-agency partnership between U.S. Department of Housing and Urban Development, U.S. Department of Transportation, and the U.S. Environmental Protection Agency that offers grant funding to help build more viable, walkable, and environmentally sustainable communities.
Private Funding	<p>Private equity can be used to finance energy improvements, with returns realized as future cost savings.</p> <p>Power Purchase Agreements involve a private company that purchases, installs, and maintains a renewable energy technology through a contract that typically lasts 15 years. After 15 years, the company would uninstall the technology or sign a new contract.</p> <p>On-Bill Financing (OBF) can be promoted to businesses for energy-efficiency retrofits. Funding from OBF is a no-interest loan that is paid back through the monthly utility bill. Lighting, refrigeration, heating, ventilation, and air conditioning, and light-emitting diode (LED) streetlights are all eligible projects.</p>
Property Assessed Clean Energy (PACE) Programs	PACE programs allow property owners to finance energy efficiency, water efficiency, and renewable energy projects on existing and, in some cases, new residential and commercial structures through a voluntary special tax assessment on the property. PACE programs provide financing for these types of improvements without requiring a down payment or payment of the full or partial up-front capital cost of the improvement.
Proposition 1: State Coastal Conservancy Grant	Provides funds for multi-benefit ecosystem and watershed protection and restoration projects.
Proposition 39: California Clean Energy Jobs Act Grants	Funds energy efficiency and clean energy projects at eligible local educational agencies — including county offices of education, school districts, charter schools and State special schools.

Potential Funding Sources for CAP Implementation	
Resource	Description
San Diego Association of Governments (SANDAG)	<p>The TransNet Extension Ordinance provides funding for two competitive grant programs that support local efforts to increase walking, biking, and transit use throughout the region: the Smart Growth Incentive Program and Active Transportation Grant Program.</p> <p>The Energy Roadmap Program is a collaboration between SANDAG and San Diego Gas & Electric (SDG&E). It is funded primarily by California utility customers under the auspices of the CPUC. The SANDAG Energy Roadmap Program provides free energy assessments and energy management plans, as well as energy engineering and climate planning technical services, to SANDAG member agencies.</p>
SDG&E Programs	<p>SDG&E offers a number of programs tailored to support local governments. The Local Government Partnerships Program and the Power Your Drive Program help cities and counties more efficiently use energy and reduce their greenhouse gas emissions. SDG&E also offers many customer programs that promote energy efficiency, including EcoChoice and the Comprehensive Audit Program.</p> <p>The Go Solar Initiative provides a variety of rebates for existing and new homes for projects such as solar photovoltaics, lighting, refrigeration, heating and ventilation, thermal technologies, and solar hot water projects. Single-family homes, commercial development, and affordable housing are eligible. Offers on-Bill Financing (OBF), a no-interest loan that is paid back through the monthly utility bill. SDG&E is one of the utilities participating in the Go Solar initiative.</p>
Solar Tax Credits	<p>The federal solar tax credit, also known as the investment tax credit, allows residents and businesses to deduct 30 percent of the cost of installing a solar energy system from your federal taxes through 2019.</p>
Statewide Energy Efficiency Collaborative (SEEC)	<p>SEEC provides support to cities and counties to help them reduce GHG emissions and save energy. SEEC is an alliance between three statewide non-profit organizations and California's four Investor-Owned Utilities. SEEC provides the following at no cost: education and tools for climate action planning and reducing energy use; opportunities for peer-to-peer networking; and technical assistance and recognition for local agencies that promote sustainability. Resources through SEEC include ClearPath and the CivicSpark fellowship program.</p>
Strategic Growth Council (SGC)	<p>SGC provide grants to fund sustainable community planning, natural resource conservation, and development and adoption. These include the Sustainable Communities Planning Grant and Incentives Program that supports local land use planning related to climate and the State's statutory planning opportunities. These grants will support the development and/or implementation of a specific portion of a land use plan, land protection or management practice, or development project (e.g., Climate Action or Adaptation Plans, GHG inventories).</p>
<p><i>Notes: AB = Assembly Bill; AHSC = Affordable Housing and Sustainable Communities Program; CARB = California Air Resources Board; CalRecycle = California Department of Resources Recycling and Recovery; Caltrans = California Department of Transportation; CCA = Community Choice Aggregation; CEC = California Energy Commission; CNRA = California Natural Resources Agency; CREB = Clean Renewable Energy Bond; CSE = Center for Sustainable Energy; CPUC = California Public Utilities Commission; EEM = Energy Efficient Mortgages; FTA = Federal Transit Administration; GHG = greenhouse gas; GGRF = Greenhouse Gas Reduction Fund; On Bill Financing = OBF; PACE = Property Assessed Clean Energy; QECB = Qualified Energy Conservation Bond; SANDAG: San Diego Association of Governments; SDG&E = San Diego Gas and Electric; SEEC = Statewide Energy Efficiency Collaborative SGC = Strategic Growth Council; TOD = Transit-Oriented Development</i></p> <p><i>Source: Ascent Environmental 2018</i></p>	

1.2.3. Implementation Coordination

Implementation of the CAP will require extensive collaboration between City departments, as well as local and regional agencies. City departments that will be required to play a key role in the implementation of the CAP include, but are not limited to, the City Manager’s Office, Engineering and Public Works, Community Development, and Finance and Budget.

The following table outlines the potential City department staffing costs associated with implementation of the CAP. Costs for the first five years are presented in terms of staffing impact and the number of full-time equivalent (FTE) employees needed to implement CAP measures, monitor CAP progress, update the CAP and GHG inventory, and prepare the CAP Monitoring Report. The City Manager’s Office account for more than half of the staffing impact from the CAP, with the majority of work occurring in the first year of CAP implementation. The City Manager’s Office would serve as the primary department responsible for monitoring and reporting progress towards meeting CAP goals and emission reduction targets. The City Manager’s Office will also be the primary department to seek regional and grant funding and to coordinate larger outreach efforts. Engineering and Public Works account for the second greatest staffing impact, followed by Community Development, and Finance and Budget. Both Engineering and Public Works and Community Development will play a significant role in helping to coordinate and collaborate on CAP implementation. For more detailed information on staffing costs by position and overall staffing impacts, refer to the City’s Cost Study.

Department Staffing Costs by Fiscal Year					
Department	Fiscal Year 2017/18 (FTE)	Fiscal Year 2018/19 (FTE)	Fiscal Year 2019/20 (FTE)	Fiscal Year 2020/21 (FTE)	Fiscal Year 2021/22 (FTE)
City Manager ¹	1.05	0.57	0.56	0.51	0.57
Engineering & Public Works ²	0.13	0.14	0.19	0.21	0.13
Community Development ³	0.05	0.08	0.11	0.11	0.11
Finance & Budget ⁴	0.03	0.04	0.04	0.04	0.04
TOTAL	1.27	0.83	0.90	0.87	0.84
<p><i>Notes: FTE = Full-Time Equivalent</i></p> <p><i>Columns may not add to totals due to rounding</i></p> <p>¹ Assumes staffing for the following positions: City Manager, Assistant City Manager, Management Assistant, and Administrative Assistant.</p> <p>² Assumes staffing for the following positions: Principal Engineer, and Assistant Engineer.</p> <p>³ Assumes staffing for the following positions: Community Development Director, and Junior Planner.</p> <p>⁴ Assumes staffing for the following positions: Finance Manager, and Senior Accountant.</p> <p>Source: Ascent Environmental 2018, EPIC 2018</p>					

2. CAP Implementation

This section outlines a detailed plan for implementation of each City measure and action that will help the City ensure goals and targets of the CAP are achieved. Through implementation of the CAP, the City will be required to modify or develop new ordinances, policies, programs, and projects. The City will incur costs to implement the CAP, including, but not limited to, initial start-up, ongoing administration, and enforcement costs. While some actions and supporting measures will only require funding from public entities, others will result in increased costs for businesses, contractors, and residents. Under each strategy and measure, each action is analyzed in this section with tables that summarize details for implementation. The actions were evaluated to assess tasks, timeline, and responsible parties required for implementation.

The implementation tables are meant to be updated regularly and to provide a snapshot of the implementation strategy; they are not meant to be static and do not provide a complete analysis of all considerations needed for implementation. It is also important to note that the scope of this Implementation Plan does not include consideration of the adaptation strategies and measures outlined in Chapter 4 of the CAP. The City’s Cost Study will also need to be considered to support this Implementation Plan.

2.1. Measure and Action Implementation

This section provides an implementation plan for each strategy and measure proposed in the CAP, with action implementation presented in a table format. Implementation is first organized by the four strategies identified in the CAP: Transportation, Renewable Energy and Buildings, Waste and Water, and Carbon Sequestration (Urban Tree Planting).

Following each strategy are details on the CAP’s GHG-reducing measures:

Measures	High-level programs, policies, or projects the City will implement that will cause a direct and measurable reduction in GHG emissions. The CAP has a total of 30 GHG-reducing measures.
GHG Reduction Potential	The estimated reduction in local GHG emissions if the performance metric is met. The reduction is presented in MTCO _{2e} .

The action implementation tables that follow each measure consist of the following information:

Actions	Specific details on the types of programs, policies, projects, and steps that will help the City achieve the GHG reduction potential of each City measure. While actions are not quantified, they each contribute to the total GHG reduction potential of a measure.
Responsible Department	The department(s) that will primarily be responsible for planning, implementing, and tracking specific measures and actions. Departments refer to those within the City structure (i.e., City Manager, Engineering & Public Works, Community Development, and Finance & Budget Departments).
Supporting Department	The department(s) that will support the responsible department in planning, implementing, and tracking actions. Supporting departments refer to those within the City structure (i.e., City Manager, Engineering & Public Works, Community Development, and Finance & Budget Departments).
Task Type	Categorizes the main procedure or task associated with implementation of each action.

Implementation Timeline The estimated time frame for which the major implementation effort will occur. Can be categorized as Short-Term (will occur within the next three years), Mid-Term (will occur within the next five years), Long-Term (will occur within the next 10 years), or Ongoing (already occurring).

Implementation Tasks The steps and/or tasks that need to be completed to accomplish the action.

2.1.1. Transportation

Measure T-1: Increase electric vehicles (EVs) and alternative fuel vehicles (AFVs) vehicle miles traveled (VMT) to 30 percent of total VMT

This measure would reduce emissions by replacing fossil fuel-driven vehicles with EVs and other AFVs that have lower GHG emissions. The CAP goal is to increase the percentage of VMT driven by EVs and other AFVs to 30 percent of total VMT by 2035.

T-1
GHG Reduction Potential
17,495 MTCO₂e

T-1.1: Support public and private sector provisions of alternative fueling stations in the City and adjacent cities.			
Implementation Details			
Responsible Department	City Manager	Supporting Departments	Community Development/ Engineering & Public Works
Task Type	Research	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Use other cities and jurisdictions who have used public-private partnerships to provide alternative fueling stations as case studies. Research EV charging companies operating in the region to gain pricing and service information. Use Center for Sustainable Energy and other similar resources to research the EV auto industry market in the region to understand EV sales trends and driver characteristics. Seek opportunities for pilot projects with regional EV charging companies and businesses operating in the City. 		
<i>Notes: EV = Electric Vehicle</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

T-1.2: Require EV charging stations and EV charger-ready wiring in commercial/multi-family and residential structures (both new construction and substantial remodels) as follows: residential EV charger-ready wiring; commercial and multi-family EV charger-ready wiring at all garages; and EV chargers in quantities proportional to the total parking spaces available.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Ordinance	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> Continue to implement Ordinance 480 (October 2017). Consider passing an ordinance that requires EV charging stations in new developments, as well as significant redevelopments. 		

T-1.2: Require EV charging stations and EV charger-ready wiring in commercial/multi-family and residential structures (both new construction and substantial remodels) as follows: residential EV charger-ready wiring; commercial and multi-family EV charger-ready wiring at all garages; and EV chargers in quantities proportional to the total parking spaces available.

Notes: EV = Electric Vehicle

Source: Ascent Environmental 2017, EPIC 2017.

T-1.3: Collaborate with SANDAG to increase EVs in the region.

Implementation Details

Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Work with neighboring cities to increase EV infrastructure along major thoroughfares and throughout the region. • Identify opportunities to collaborate with SANDAG on current strategies to promote EV charging infrastructure in the region. 		

Notes: EV = Electric Vehicle; SANDAG = San Diego Association of Governments

Source: Ascent Environmental 2017, EPIC 2017.

T-1.4: Provide incentives for the City's residents to increase use of EVs.

Implementation Details

Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Continue process to streamline the residential permitting process for EVSE to incentivize residents. • Promote benefits of CARB's Clean Vehicle Rebate Project and provide specific information on incentives, prices, and qualifications for the rebate. • Promote State and Federal websites which promote EV benefits and provide information on vehicle types, fuel economy, and vehicle performance (i.e. fueleconomy.gov). • Identify opportunities to promote benefits of EVs at local events (e.g., farmers markets), at relevant City offices, on the City website, including the City's Green Flash homepage, and through targeted media campaigns. • Conduct outreach and education to encourage businesses and commercial property owners convert private parking spaces to EV and AFV preferred parking. 		

Notes: AFV =Alternative Fuel Vehicle; CARB = California Air Resources Board; EV = Electric Vehicle; EVSE = Electric Vehicle Service Equipment

Source: Ascent Environmental 2017, EPIC 2017.

T-1.5: Explore grant funding for EV chargers.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Research	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Participate in the San Diego Regional Clean Cities Coalition Grant Assistance program to seek grant funding opportunities for EV charging infrastructure and pilot projects. Research qualifying tax credits for commercial and residential properties for EVSE installation. Promote SDG&E Power Your Drive Program, or potential CCA equivalent program, to City residents and businesses. 		
<p><i>Notes: EV = Electric Vehicle; EVSE = Electric Vehicle Service Equipment; SDG&E = San Diego Gas and Electric</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-1.6: Advocate for an EV car sharing fleet network to serve the City.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Advocacy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify car sharing services operating in the County, specifically companies using EVs or AFVs in their fleet. Identify opportunities to promote EV car sharing fleet network through industry collaboration and pilot projects. Identify opportunities to promote EV car sharing programs that specifically promote EV vehicle fleets. For non-EV vehicle fleet, prioritize low-carbon fuels for City fleet, including biodiesel, compressed natural gas, and propane. Coordinate with SANDAG's iCommute program and other regional EV efforts. 		
<p><i>Notes: AFV =Alternative Fuel Vehicle; EV = Electric Vehicle; SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-1.7: Explore barriers for EV charging for garage-free homes; install charging infrastructure integrated into streetlights; support use of electric bikes.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development/ Engineering & Public Works
Task Type	Research/Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify areas with barriers for EV charging in the City. Identify areas throughout the City where charging infrastructure could be integrated into streetlights. Promote the use of electric bikes in City operations, where feasible. Explore a Citywide and regional bike sharing program. 		
<p><i>Notes: EV = Electric Vehicle; N/A = Not Applicable</i></p>			

T-1.7: Explore barriers for EV charging for garage-free homes; install charging infrastructure integrated into streetlights; support use of electric bikes.

Source: Ascent Environmental 2017, EPIC 2017.

Measure T-2: Increase commuting by vanpools to 20% of labor force

This measure would reduce VMT from single-occupancy vehicles by promoting ridesharing. The City will increase vanpooling to 20 percent of its labor force.

T-2
GHG Reduction Potential
608 MTCO₂e

T-2.1: Collaborate with SANDAG to identify the longest commute distances and associated employers to add vanpooling.

Implementation Details

Responsible Department	Community Development	Supporting Department	N/A
Task Type	Collaboration	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide information on tax incentives for businesses who participate in the Qualified Transportation Fringe Benefit program (governed under Section 132[f] of the IRS Code). Conduct a business commute survey with participating City businesses to gather employee commute data including commute distance, frequency and transportation mode choice. Gather and utilize available commute data for the City, prepared by SANDAG. Consider adopting a TDM plan/ordinance for any new large employer (i.e., 50 employees or more). 		

Notes: IRS = Internal Revenue Service; N/A = Not Applicable; SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management

Source: Ascent Environmental 2017, EPIC 2017.

T-2.2: Collaborate with SANDAG on successfully implementing its North Coast TDM Plan (SANDAG 2013) and connect the City's employers and residents to travel-planning resources.

Implementation Details

Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Advocacy	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Utilize existing data in the North Coast TDM Plan regarding commute characteristics in future transportation planning efforts. Use multiple methods of communication and marketing to promote TDM measures for employers and employees. Partner with local businesses and community-based organizations to carry-out initiatives included in the North Coast TDM Plan. Advocate for Interstate 5 high-occupancy vehicle lanes to and from City on-ramps and off-ramps to relieve congestion and reduce commute times. 		

T-2.2: Collaborate with SANDAG on successfully implementing its North Coast TDM Plan (SANDAG 2013) and connect the City’s employers and residents to travel-planning resources.
<i>Notes: SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management</i>
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>

T-2.3: Review KPIs in SANDAG’s TDM Implementation Plan (SANDAG 2012) at least once annually.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Administrative	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> Review KPIs in SANDAG’s TDM Implementation Plan and choose the most relevant indicators to be measured and monitored related to vanpool commuting. Annually evaluate goal implementation measures and refine implementation practices based on measure performance. 		
<i>Notes: KPI = Key Performance Indicators; SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

T-2.4: Explore modifying the Solana Beach Municipal Code parking standard requirements to incentivize provision of parking stalls for carpool or vanpool vehicles as a credit toward parking requirements.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	City Manager
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Utilize SANDAG Smart Growth Tool Box and Regional Parking Management Toolbox to research options for new parking standards for car and vanpool priority parking. Use similar jurisdictions who have updated parking standards as case studies to gain insight on best practices (i.e. MTC Parking Code Guidance). Utilize USGBC guidance on green parking standards and reduced parking footprint measures. 		
<i>Notes: SANDAG = San Diego Association of Governments; MTC = Metropolitan Transportation Commission; USGBC = United States Green Building Council</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

T-2.5: Advocate for Interstate 5 high-occupancy vehicle lanes at least to and from City on-ramps and offramps.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	N/A
Task Type	Advocacy	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify agencies and stakeholders to work with on advocating for high-occupancy vehicle lanes on Interstate 5. Support the SANDAG/Caltrans Build NCC Project that is extending HOV lanes on I-5. Research funding opportunities to promote high-occupancy vehicle lanes. 		
<i>Notes: Caltrans = California Department of Transportation; HOV = High-Occupancy Vehicle; N/A = Not Applicable; NCC = North Coast Corridor; SANDAG = San Diego Association of Governments</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

Measure T-3: Reduce average commuter trip distance by 1 mile

This measure would reduce average trip distance from commuter trips by the labor force by one mile. The current average commute distance in the City is 15 miles. The City contains adequate sites designated for mixed-use and higher density residential to accommodate its share of the regional housing need. These sites are generally located where mixed-use and compact infill development is encouraged, such as along the planned multi-modal boulevards and adjacent to existing commercial areas. Accommodating additional housing in these locations would serve to reduce commuter trip distances. The City will reduce average commuter trip distance of its labor force by one mile.

<p>T-3 GHG Reduction Potential 464 MTCO₂e</p>

T-3.1: Improve land use and transportation planning to provide a well-connected transportation network. Higher-density and mixed-use neighborhoods with complete street design provide infrastructure for vehicles, bicycles, and pedestrians, allowing a shift from single-occupancy vehicles.			
Implementation Details			
Responsible Department	Community Development/ Engineering & Public Works	Supporting Department	City Manager
Task Type	Policy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Utilize SANDAG Smart Growth Tool Box and Regional Parking Management Toolbox to research strategies for a well-connected transportation network. Use similar jurisdictions who have well-connected transportation networks as case studies to gain insight on best practices. Identify areas suitable in the City to provide increased bicycle and pedestrian access. Utilize USGBC Council guidance on green parking standards and reduced parking footprint measures, including bicycle parking requirements. Prioritize development of projects that include a well-connected transportation network and access to alternative modes of transportation. Support projects that prioritize mass transit and a well-connected transportation network over projects that prioritize the automobile. 		
<i>Notes: SANDAG = San Diego Association of Governments; USGBC = United States Green Building Council</i>			

T-3.1: Improve land use and transportation planning to provide a well-connected transportation network. Higher-density and mixed-use neighborhoods with complete street design provide infrastructure for vehicles, bicycles, and pedestrians, allowing a shift from single-occupancy vehicles.

Source: Ascent Environmental 2017, EPIC 2017.

T-3.2: Concentrate commercial, mixed-use, and medium to high density residential development along transit corridors and near activity centers that can be served efficiently by public transit and alternative transportation modes (Policy LU-3.1).

Implementation Details

Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Policy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Utilize SANDAG TOD resources, including TOD white papers, to guide policy for implementation of Policy LU-3.1. Utilize SANDAG TOD Strategy "Recommended Strategies" in future General Plan and Specific Plan updates. Consider Zoning Code update to include TOD overlay zones. Prioritize active transportation projects that connect TOD areas with surrounding areas. 		

Notes: SANDAG = San Diego Association of Governments; TOD = Transit-Oriented Development

Source: Ascent Environmental 2017, EPIC 2017.

T-3.3: Enable residents to reduce their commutes by allowing and encouraging the creation of live/work units for artists, craftspeople, and other professions, promoting home occupations and telecommuting, and supporting other means of achieving a jobs/housing balance (Policy LU-3.2).

Implementation Details

Responsible Department	Community Development	Supporting Department	N/A
Task Type	Policy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Use cities that have adopted live/work ordinances as case studies and use policies appropriate to the City to be included in a Live/Work Ordinance, Live/Work Overlay Zone, or Live/Work District. Use the City of San Diego Regulation (Ch.14 General Regulations §141.0311 Live/Work Quarters) for guidance on updating planning standards regarding live/work units and districts. Consider adopting development incentives or streamlined permitting for mixed-use and live/work projects within designated live/work districts. Consider adopting development incentives or streamlined permitting to encourage live/work units within designated areas of the City. 		

Notes: N/A = Not Applicable

Source: Ascent Environmental 2017, EPIC 2017.

T-3.4: Identify and prioritize infrastructure improvements needed to support increased use of alternatives to private vehicle travel, including transit, bicycle, and pedestrian modes (Policy LU-3.3).			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Policy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Utilize SANDAG Smart Growth Planning Toolbox regarding multi-modal streets to inform transportation planning in the City. Consult SANDAG's Regional Plan to guide City and regionally relevant transportation planning projects. Prioritize projects in the City's 2005 Bicycle Transportation Plan that will reduce VMT for trips within the City and create important regional connections. Update/Compile existing information within the Bikeway Master Plan and associated documents into a comprehensive Active Transportation Plan. 		
<p>Notes: N/A = Not Applicable; SANDAG = San Diego Association of Governments; VMT = Vehicle Miles Travelled</p> <p>Source: Ascent Environmental 2017, EPIC 2017.</p>			

Measure T-4: Increase commuting by mass transit to 10% of labor force

This measure would reduce VMT by single-occupancy vehicles by promoting use of public transportation. The City will achieve 10 percent mass transit ridership by its labor force.

<p>T-4 GHG Reduction Potential 429 MTCO₂e</p>
--

T-4.1: Advocate for funding of bus enhancements (i.e., Express [limited stops]) or BRT on the 101 Coast Highway.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	City Manager
Task Type	Advocacy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify potential partnerships with UCSD and NCTD in advocating for bus transit improvements (i.e. Route 101: Oceanside to V.A./UCSD via Hwy. 101) including but not limited to, express buses, transit stop improvements, and outreach and marketing for students. Promote the UCSD Triton U-Pass for UCSD students living in Solana Beach or commuting to work in Solana Beach. Advocate with other cities in northern San Diego County for increased transit services and frequency, focusing on specific strategies to reduce regional traffic congestion and commute-related VMT for City residents. Continue to apply for transit planning and project grants from regional, State, and federal agencies the focus on increasing local and regional transit ridership (e.g., Caltrans Sustainable Transportation Planning Grant for the Lomas Santa Fe Corridor Study). 		
<p>Notes: BRT = Bus Rapid Transit; Caltrans = California Department of Transportation; NCTD = North County Transit District; UCSD = University of California San Diego; VMT = Vehicle Miles Travelled</p> <p>Source: Ascent Environmental 2017, EPIC 2017.</p>			

T-4.2: Advocate to NCTD and SANDAG to improve transit service and promote east-west shuttle on Lomas Santa Fe Drive. Support measures that prioritize mass transit over automobile projects.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Advocacy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Seek potential grant funding to research shuttle service systems for east-west shuttle on Lomas Santa Fe Drive, including partnerships with San Diego MTS, NCTD, and SANDAG (e.g., Caltrans Sustainable Transportation Planning Grant for the Lomas Santa Fe Corridor Study). Research and consider public-private partnerships with transportation network companies to provide shuttle and/or ride hailing services to City residents. Conduct feasibility study for shuttle on Lomas Santa Fe Drive, focused specifically on better connecting City residents to Amtrak and regional transit services. Continue to research and apply for any available grants from regional, State, and federal agencies focused on shuttle services, transit connections and/or increasing transit ridership (i.e. FAST act grant opportunities). 		
<p><i>Notes: Caltrans = California Department of Transportation; FAST = Fixing America's Surface Transportation; MTS = Metropolitan Transit System; NCTD = North County Transit District; SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-4.3: Collaborate with SANDAG on successfully implementing its North Coast TDM Plan and connect the City's employers and residents to travel-planning resources.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Utilize mode share data in the SANDAG NCC TDM Plan specific to the City and the NCC and TDM strategies to track mode split and mode shift. Connect residents and business owners with iCommute and Shiftsandiego.com website for commute planning and information. Provide information highlighting the benefits of TDM measures (e.g., SANDAG website) for employees, business owners, and City residents. Provide residents and business owners with information about mobile apps for trip planning, commute cost calculators, and real-time transit information. Utilize NCC TDM Plan targets and consider adoption of City-specific targets for SOV trip reductions. Actively promote mass transit to residents through outreach and targeted educational and marketing materials (e.g., website or e-blast). 		
<p><i>Notes: NCC = North Coast Corridor; SANDAG = San Diego Association of Governments; SOV = Single-Occupancy Vehicle; TDM = Transportation Demand Management</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-4.4: Improve connectivity (by public transit, bicycle infrastructure, and pedestrian walkways) to the Solana Beach train station for access to commuter rail.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> • Use SANDAG’s Smart Growth Toolbox, specifically the Smart Growth Design Guidelines and the Complete Streets resources, to inform active transportation planning and the development of an Active Transportation Plan. • Use the San Diego Regional Bicycle Plan to inform priority projects in the City and in the NCC. • Work with Amtrak to develop first-last mile solutions for City residents to encourage transit commuting using the SANDAG First-Last Mile Solutions for Transit Centers document. • Ensure the development of the Active Transportation Plan includes connections to the City train station for active transportation modes using the SANDAG Smart Growth Design Guidelines. 		
<p><i>Notes: NCC = North Coast Corridor; SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-4.5: Implement the General Plan’s Circulation Element for a “Complete Streets” approach in designing streets, which considers every transportation mode and user for applicable arterial streets and incorporates multi-modal design and principles in all projects.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Policy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Incorporate “Complete Streets” designs into all future right of way projects within the City, and use SANDAG Smart Growth Toolbox resources to inform discretionary project review. • Consider official City adoption of chosen Complete Streets design guidelines to inform transportation planning projects in the City (i.e. NACTO guidelines, SANDAG Smart Growth Design Guidelines). • Continue to seek funding from active transportation planning grant opportunities from State and federal agencies (e.g., Caltrans Sustainable Transportation Planning Grant for the Lomas Santa Fe Corridor Study) and use funds to develop an Active Transportation Plan. 		
<p><i>Notes: Caltrans = California Department of Transportation; NACTO = National Association of City Transportation Officials; SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

Measure T-5: Increase preferred parking for EVs and AFVs to 20% of eligible parking spots

Providing increased parking for EVs and AFVs would encourage the transition from conventional vehicles to low-emission vehicles. The City will increase preferred parking for EVs and AFVs.

T-5
GHG Reduction Potential
325 MTCO₂e

T-5.1: Identify eligible on-street parking spots and spots in City-owned lots for conversion to preferred parking for EVs and AFVs.			
Implementation Details			
Responsible Department	Engineering & Public Works/ Community Development	Supporting Departments	City Manager
Task Type	Research	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Conduct a Parking Inventory Study to identify eligible public parking spaces and areas in the City for EV and AFV Charging Stations. Utilize San Diego REVI Working Group resources to inform EV/AFV planning in the City (e.g., Regional Planning for Public Charging in San Diego, San Diego Regional Plug-In EV Readiness Plan, 2014, San Diego Regional Alternative Fuel Readiness Plan, 2016). Work with EV vendors and utility (i.e. SDG&E Power Your Drive Program or potential CCA equivalent program) to install EV charging stations at City-owned parking lots, parks, and properties, and set target for charging stations in the City. 		
<p><i>Notes: AFV = Alternative-Fueled Vehicle; EV = Electric Vehicle; REVI = Regional Plug-in Electric Vehicle Infrastructure; SDG&E = San Diego Gas and Electric</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-5.2: Explore modifying the Solana Beach Municipal Code parking standard requirements to incentivize parking stalls for EVs and charging stations as a credit toward parking requirements.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	City Manager
Task Type	Ordinance	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Conduct a Parking Inventory Study to identify eligible EV parking spaces and track progress towards 20% EV/AFV parking space goal. Use cities that have implemented EV parking programs as case studies to understand options for future updates to the Municipal Code. Explore options for incentivizing EV parking spaces as credits towards parking requirements, including preferred location, free parking for EV/AFV in City owned spaces, and free limited charging. Review suggested Code Changes for Nonresidential Buildings Technical and Cost Analysis Report for deeper understanding of costs and benefits of code changes and mechanisms to implement changes. Use OPR's Plug-In Electric Vehicle Infrastructure Permitting Checklist and the Zero-Emission Vehicles in California: Community Readiness Guidebook to inform EV planning decisions. Use model EV Ordinance from OPR and California Building Officials AB1236 Tool Kit to update City building code to be "EV ready." 		

T-5.2: Explore modifying the Solana Beach Municipal Code parking standard requirements to incentivize parking stalls for EVs and charging stations as a credit toward parking requirements.	
	<ul style="list-style-type: none"> Conduct outreach with the City's businesses and commercial property owners to encourage the conversion of private parking spaces to EV and AFV preferred parking.
<p><i>Notes: AB = Assembly Bill; AFV = Alternative-Fueled Vehicle; EV = Electric Vehicle; OPR = Governor's Office of Planning and Research</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>	

T-5.3: Install dedicated stalls for EV parking and charging stations at City facilities.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	City Manager
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Set specific parking standard ration for EV to non-EV spaces (i.e. 1:5). Install 25 (or new appropriate number based on calculations) publicly accessible 240-V charging stations at locations community-wide. 		
<p><i>Notes: EV = Electric Vehicle; V = Volt</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-5.4: Conduct outreach and education for the City's businesses and commercial property owners to encourage the conversion of private parking spaces to EV and AFV preferred parking.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Set specific parking standard ration for EV to non-EV spaces (i.e. 1:5). Install 25 (or new appropriate number based on calculations) publicly accessible 240-V charging stations at locations community-wide. Research and explore options for implementing an EV car sharing network to serve the city. Consider options for installing EV chargers as part of street lamp infrastructure. 		
<p><i>Notes: AFV = Alternative-Fueled Vehicle; EV = Electric Vehicle; V = Volt</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

Measure T-6: Retime four traffic signals

Retiming traffic signals would have traffic flow smoothing effects leading to reduced fuel use by on-road vehicles at affected intersections. The City will retime four traffic signals.

T-6
GHG Reduction Potential
144 MTCO₂e

T-6.1: Conduct a traffic study to identify candidate traffic lights along arterials that could be re-timed.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	N/A
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify staff resources and/or consulting resources needed to conduct a traffic signal study. Use study results to analyze options for traffic system timing improvements and implement most appropriate option(s). Initiate ongoing monitoring of changes and track long-term results and GHG reductions associated with measure. 		
<i>Notes: N/A = Not Applicable; CAC = Climate Action Commission; GHG = greenhouse gas</i> <i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

T-6.2: Retime identified traffic signals to reduce delays and vehicle idling.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	N/A
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Ensure traffic study and traffic signal system updates include recommendations to reduce delays and vehicle idling. Ensure traffic study and subsequent recommendations include GHG reduction quantification of recommended traffic signal system updates. 		
<i>Notes: GHG = greenhouse gas; N/A = Not Applicable</i> <i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

Measure T-7: Promote telecommuting to achieve 10% participation

Telecommuting can contribute to VMT reduction by allowing employees to work from home and avoid a daily commute. The CAP goal is to achieve participation from 10 percent of the eligible labor force. The City will promote telecommuting and increase telecommuting participation to 10 percent.

T-7
GHG Reduction Potential
86 MTCO₂e

T-7.1: Collaborate with SANDAG on successfully implementing its North Coast TDM Plan (SANDAG 2013) and connect the City’s employers and residents to travel-planning resources.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Collaboration	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Connect residents and business owners with iCommute and Shiftsandiego.com website for information about telecommuting options. • Provide information highlighting the benefits of telecommuting (see SANDAG’s website) for employees and employers on City’s website. • Consider adopting telecommuting policy for City staff (i.e. flexible work schedules, remote working, and condensed work schedules). 		
<p><i>Notes: SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-7.2: Review KPIs in SANDAG’s TDM Implementation Plan at least once annually.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Administrative	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> • Use some or all the KPIs in the NCC TDM Plan to monitor progress on TDM and related measures in the City: <ul style="list-style-type: none"> ➤ Activities: quantification of TDM program marketing and outreach activities; ➤ Awareness: exposure to and awareness of TDM programming and knowledge of access to non-SOV modes; ➤ Participation: participation in TDM programming aimed to facilitate use of non-SOV modes; ➤ Satisfaction: satisfaction with execution and delivery of TDM programming; and ➤ Impacts: initial and continued shifts to non-SOV modes with TDM program assistance. 		
<p><i>Notes: KPI = Key Performance Indicators; NCC = North Coast Corridor; SOV = Single-Occupancy Vehicle; TDM = Transportation Demand Management</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-7.3: Work with local office-based businesses to encourage telecommuting. Telecommuting should not impede on normal business practices and may not be suitable for businesses that require physical employee presence, such as retail storefronts and warehouses.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Outreach	Implementation Timeline	Mid-Term

T-7.3: Work with local office-based businesses to encourage telecommuting. Telecommuting should not impede on normal business practices and may not be suitable for businesses that require physical employee presence, such as retail storefronts and warehouses.

Implementation Tasks	<ul style="list-style-type: none"> • Work with eligible employers (i.e. office-based) to conduct Employee Travels Surveys to understand telecommuting preferences and characteristics for employees. Use commuting patterns mapped by SANDAG to further inform the process. • Provide information on benefits of telecommuting to employers in the City, targeting ideal candidates for telecommuting (i.e. computer-based work, long commute distances).
<p><i>Notes: SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>	

T-7.4: Conduct educational outreach to residents and businesses to disseminate information about resources, such as SANDAG’s iCommute program, to reduce commuter trips.

Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Outreach	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Identify 3-5 largest employers appropriate for increased telecommuting and provide information on benefits of telecommuting, as well as resources and tools (see SANDAG TDM Program Resources). • Utilize SANDAG Telework Pilot Project resources to highlight regional relevance and feasibility of telecommuting practices for employers in the City. • Use SANDAG Telework Pilot Project results to inform targeted outreach for employees and employers likely to switch to telecommuting. • Explore other forms of outreach to disseminate information to a wider audience including, but not limited to, posting to the City’s website and preparing outreach materials. 		
<p><i>Notes: SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

Measure T-8: Convert municipal gasoline-fueled vehicle fleet to EVs to achieve 50% gasoline reduction

The City maintains a vehicle fleet for municipal operations use. Converting municipal gasoline-fueled vehicle fleet to EVs or AFVs will reduce gasoline use and reduce GHG emissions. The current fleet gasoline consumption is approximately 12,000 gallons. The CAP goal is to reduce gasoline consumption in the municipal fleet by 50 percent. The City will reduce its current gasoline consumption by 50 percent.

T-8
GHG Reduction Potential
56 MTCO₂e

T-8.1: Replace the City’s municipal fleet with EVs and AFVs to achieve the 50 percent reduction in gasoline consumption from current levels.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	City Manager
Task Type	Program	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Allocate specific funds or funding mechanisms to cover increased cost of purchasing EV’s and AFV’s. Utilize San Diego Regional Clean Cities resources and services to plan the fleet transition process and apply for available grant funding. Develop fleet transition timeline to achieve 50% gasoline reduction target from City fleet vehicles and continually track and report on fleet transition progress. 		
<i>Notes: AFV = Alternative-Fueled Vehicle; EV = Electric Vehicle</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

T-8.2: Adopt a clean vehicle purchasing policy for new fleet vehicles.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Policy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify staff resources and stakeholders involved in vehicle purchasing policy decision and explore fuel options for various vehicle types. Develop policy with relevant stakeholders and City staff that will implement the policy (i.e. Public Works, General Services). Adopt policy through appropriate planning process (i.e. City Council adoption). 		
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

Measure T-9: Increase commuting by walking to 5% of labor force

This measure would reduce emissions by encouraging more commuters to walk to work. The City will increase the labor force commuting by walking to five percent.

<p>T-9 GHG Reduction Potential 16 MTCO₂e</p>
--

T-9.1: Implement the General Plan’s Circulation Element for a “Complete Streets” approach in designing streets, which considers every transportation mode and user for applicable arterial streets and incorporates multi-modal design and principles in all projects.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development

T-9.1: Implement the General Plan’s Circulation Element for a “Complete Streets” approach in designing streets, which considers every transportation mode and user for applicable arterial streets and incorporates multi-modal design and principles in all projects.			
Task Type	Policy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Use SANDAG Smart Growth Tool Box and Design Guidelines to inform complete streets projects and the development of the Active Transportation Plan. • Consider conducting a Community Travel Survey to better understand residents commute behavior and opportunities to promote walking. • Incorporate walking commute goals into relevant land use decisions, specifically those that address jobs-housing balance issues. • Promote and prioritize live/work and mixed-use development projects to increase number of residents who can easily walk to work. • Monitor implementation of the General Plan through tracking of pedestrian-specific improvements (i.e. miles of new sidewalk installed, number of intersection safety improvements). 		
<p><i>Notes: SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-9.2: Implement the General Plan’s Circulation Element and develop and implement a Pedestrian Master Plan that would comprehensively review and plan for pedestrian improvements and identify mobility linkages to promote walkability and safety for pedestrians.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Plan	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Prioritize projects in the City’s Comprehensive Active Transportation Strategy that promote walking trips and would increase ability for walking commute trips. • Identify gaps in the sidewalk network within the City and prioritize projects that would increase connectivity to employment centers in the City. • Prioritize implementation of Goal B-8.0 in the Comprehensive Active Transportation Strategy document and corresponding policies to inform design decisions for discretionary projects in the City. • Work with Bike Walk Solana and other advocacy groups to help develop and support pedestrian infrastructure projects in the City. • Consider development of a Pedestrian Master Plan or incorporating pedestrian planning into an Active Transportation Plan. 		
<p><i>Notes:</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

Measure T-10: Increase commuting by bicycling by achieving approximately 17 bike lane miles

The City currently has 10 miles of bicycle lanes within its 3.5 square mile jurisdiction, translating to approximately three bike lane miles per square mile. The City is currently implementing a plan to increase this number to 13 lane miles by 2019, or approximately four bike lane miles per square mile. The CAP goal is to achieve an additional mile per square mile by 2035, or approximately five bike lane miles per square mile. This converts to approximately 17 bike lane miles by 2035.

T-10
GHG Reduction Potential
11 MTCO₂e

T-10.1: Implement the General Plan’s Circulation Element and continue to update and implement the City’s Bicycle Transportation Plan that identifies optimal bicycle routes to optimal destinations in the City, connects the regional bicycle path network, and prioritizes effective bicycle path routes for implementation.

Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Plan	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Use recommendations in Ch. 6 Active Transportation Network Recommendations of the Comprehensive Active Transportation Strategy document to prioritize bicycle planning and projects in the City. Use SANDAG’s Smart Growth Tool Box and Design Guidelines to inform bicycle planning projects and the development of a future Active Transportation Plan. Conduct a Community Travel Survey to better understand residents’ commute behavior and opportunities to promote biking to work and other destinations. Incorporate bike commute mode share goals into relevant future land use decisions that may increase City’s bike mode share. Monitor implementation of the general plan through tracking of bicycle specific improvements (i.e. miles of new sidewalk installed, number of intersection safety improvements). 		
<i>Notes: SANDAG = San Diego Association of Governments</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

T-10.2: Adopt and implement the Comprehensive Active Transportation Strategy that provides the foundation for improved bicycle and pedestrian facilities within the City and connections to adjacent jurisdictions and greater regional networks over the next 15 years.

Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Policy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Prioritize projects in the City’s Comprehensive Active Transportation Strategy that promote walking trips and would increase ability for walking commute trips. Identify gaps in sidewalk network within the City and prioritize projects that would increase connectivity to employment centers in the City. Prioritize implementation of Goal B-8.0 in the Comprehensive Active Transportation Strategy document and corresponding policies to inform design decision for discretionary projects in the City. 		

T-10.2: Adopt and implement the Comprehensive Active Transportation Strategy that provides the foundation for improved bicycle and pedestrian facilities within the City and connections to adjacent jurisdictions and greater regional networks over the next 15 years.	
	<ul style="list-style-type: none"> • Work with Bike Walk Solana and other advocacy groups to help develop and support pedestrian infrastructure projects in the City. • Prioritize bicycle infrastructure projects in the Comprehensive Active Transportation Strategy that would increase bike commute mode share in the City.
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>	

T-10.3: Make existing bike lanes more user-friendly.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Identify locations to install additional bicycle racks and repair stations. • Implement green bike boxes at key locations, e.g., Hwy 101 at Lomas Santa Fe going north. Green bike boxes are painted queuing areas for bicyclists to wait safely at intersections and get through an intersection before vehicles. This would improve bicycle positioning, increase bicycle safety, and decrease right turn waiting times and, in turn, vehicle idling. • Add buffered bike lanes, as well as wider bike lanes wherever mentioned to continue to improve bicycle facilities in the City. • As part of active transportation planning efforts, during special events, locate the first new bicycle repair station directly in front of City Hall to continue Bike Solana Beach branding. 		
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

T-10.4: Increase the number of publicly available bike parking spaces in the City.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Update the City's development code to increase bike parking requirements for new development and large renovations in the City. • Reference CALGreen Tier 1 bicycle parking requirements to increase requirements in the City. • Include measures in the anticipated Active Transportation Plan to increase bike parking for all appropriate land uses. 		
<i>Notes: CALGreen = California Green Building Standards Code</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

Measure T-11: Promote alternative work schedule to achieve participation from 1% of labor force

T-11
GHG Reduction Potential
9 MTCO₂e

An alternative work schedule serves to reduce VMT by avoiding commuter trips during rush hour traffic. The City will increase the labor force with a four-day-a-week work schedule to one percent.

T-11.1: Identify employers in the City that could be candidates for alternative work schedules.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	City Manager
Task Type	Research	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Conduct a Community Travel Survey to better understand residents' commute behavior and opportunities to promote alternative work schedules. Identify potential employers through the Travel Survey and conduct a pilot program with one or two participating employers. After successful implementation of the pilot program, expand advocacy and education to other employers. 		
Source: Ascent Environmental 2017, EPIC 2017.			

T-11.2: Collaborate with SANDAG to encourage alternative work schedules for the City's employees.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A
Task Type	Collaboration	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Use NCC TDM Plan's alternative work schedule strategies to work with employers in the City to develop a pilot program. Use available staff and resources at SANDAG to provide educational workshops for employers wishing to implement alternative work schedule policies. 		
Notes: N/A = Not Applicable; NCC = North Coast Corridor; SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management			
Source: Ascent Environmental 2017, EPIC 2017.			

T-11.3: Conduct surveys for City residents to identify opportunities for alternative work schedules for commuters that work outside the City.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	City Manager
Task Type	Research	Implementation Timeline	Long-Term

T-11.3: Conduct surveys for City residents to identify opportunities for alternative work schedules for commuters that work outside the City.	
Implementation Tasks	<ul style="list-style-type: none"> • Use SANDAG resources and/or consultant resources to conduct a City Commuter Travel Survey. • Identify the 3-5 largest employers in the City and region with employees that work outside the City to begin surveying the population.
<p><i>Notes: SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>	

T-11.4: Collaborate with SANDAG on successfully implementing its North Coast TDM Plan and connect the City's employers and residents to travel-planning resources.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Collaboration	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Connect residents and business owners with Shiftsandiego.com website for information about alternative work schedules. • Provide information highlighting the benefits of alternative work schedules (see SANDAG Website) for employees and employers on City website. • Adopt targets to achieve a 1% labor force participation rate for a condensed four-day work week. • Adopt alternative work schedules policy for City staff to promote benefits of the policy. 		
<p><i>Notes: SANDAG = San Diego Association of Governments</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-11.5: Review KPIs in SANDAG's TDM Implementation Plan at least once annually.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Administrative	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> • Consider using some or all the KPIs in the NCC TDM Plan to monitor progress on TDM and related measures in the City: <ul style="list-style-type: none"> ➤ Activities: quantification of TDM program marketing and outreach activities; ➤ Awareness: exposure to and awareness of TDM programming and knowledge of access to non-SOV modes; ➤ Participation: participation in TDM programming aimed to facilitate use of non-SOV modes; ➤ Satisfaction: satisfaction with execution and delivery of TDM programming; and ➤ Impacts: initial and continued shifts to non-SOV modes with TDM program assistance." (KPIs NCC TDM Plan P. 46). 		
<p><i>Notes: KPI = Key Performance Indicators; NCC = North Coast Corridor; SANDAG = San Diego Association of Governments; SOV = Single-Occupancy Vehicle; TDM = Transportation Demand Management</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

T-11.6: Conduct educational outreach to residents and businesses to disseminate information about resources such as SANDAG's iCommute program to reduce commuter trips.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Outreach	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify the 3-5 largest employers in the City and region eligible for increased alternative work schedules and provide information on benefits of alternative work schedules, as well as resources and tools (e.g., SANDAG TDM Program Resources). Utilize SANDAG's Telework Pilot Project resources to highlight regional relevance and feasibility of alternative work schedule practices for employers in the City. 		
<i>Notes: SANDAG = San Diego Association of Governments; TDM = Transportation Demand Management</i> <i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

2.1.2. Renewable Energy and Buildings

Measure E-1: Implement a Community Choice Aggregation program, and provide 100 percent renewable energy by 2035

The CAP goal is to achieve 100 percent renewable electricity supply from this measure by 2035. The City can expand its supply of renewable energy through Community Choice Aggregation (CCA). CCA programs enable local governments to aggregate electricity demand within their jurisdictions to procure alternative energy supplies while maintaining the existing electricity provider for transmission and distribution services. Typically for these programs, residents are automatically enrolled but can opt-out at any time. A CCA program would aid in reducing GHG emissions in the City by reducing the emissions factor for electricity. The goal of this measure is to supply 100 percent renewable electricity through a CCA program. It should be noted that while the majority of the electricity supply in the City is anticipated to be from the CCA, a portion of the electricity may still be supplied by other sources, including SDG&E (which is assumed to achieve the mandated 50 percent renewable mix in 2030), and the installation of residential and commercial solar PV systems. Because SDG&E's supply is assumed to meet the 50 percent renewable mix by 2030, consistent with State regulations, the overall mix of electricity in the City would be 96 percent renewables. For more information on the renewable electricity mix in 2035 and assumptions made, please refer to Appendix B to the CAP.

<p>E-1 GHG Reduction Potential 10,466 MTCO₂e</p>
--

E-1.1: Continue with implementation of a CCA to achieve the 100 percent renewable energy goal, based on the technical analysis conducted previously.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Finance & Budget
Task Type	Program	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> Continue to develop the CCA program for a potential June 1, 2018 launch. Finalize Risk Management Policy and Procurement Strategy for City Council approval. 		

E-1.1: Continue with implementation of a CCA to achieve the 100 percent renewable energy goal, based on the technical analysis conducted previously.	
	<ul style="list-style-type: none"> • Procure power and complete all necessary regulatory requirements through the CPUC and CAISO. • Finalize rates through approval of City Council. • Launch the CCA.
<p><i>Notes: CCA = Community Choice Aggregation; CAISO = California Independent System Operator; CPUC = California Public Utilities Commission</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>	

E-1.2: Explore opportunities to collaborate with other cities in the region for a regional CCA for San Diego County.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> • Continue to collaborate with neighboring jurisdictions in the San Diego region to assist them with CCA development or a potential partnership in a CCA JPA • Conduct joint meetings to share information and share resources, where feasible • . 		
<p><i>Notes: CCA = Community Choice Aggregation; Joint Powers Authority = JPA</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-1.3: Explore opportunities to source renewable energy – whether via CCA or otherwise – from our region.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Research	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Promote the City's CCA 100% renewable energy opt in option, or SDG&E EcoChoice program for City residents, businesses, and relevant organizations to encourage individuals to purchase 100% renewable energy for their home or business. • Enroll the city in the CCA's 100 renewable energy opt in option. 		
<p><i>Notes: CCA = Community Choice Aggregation; SDG&E = San Diego Gas and Electric</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-1.4: Support statewide energy decarbonization, renewable energy, and similar initiatives and consider supporting the State call for federal carbon fee and dividend legislation, pending Council consideration and approval.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A

E-1.4: Support statewide energy decarbonization, renewable energy, and similar initiatives and consider supporting the State call for federal carbon fee and dividend legislation, pending Council consideration and approval.			
Task Type	Advocacy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Work with relevant State agencies and organizations to advocate for statewide energy decarbonization and renewable energy by participating in public meetings, writing letters of support for relevant legislation and initiatives, and working with regional and state representatives. • Include all relevant information and materials about statewide energy decarbonization, carbon fee and dividend program, and other related initiatives in the City's outreach efforts for implementation of the CAP, including, but not limited to, the City's Green Flash homepage. 		
<p><i>Notes: CAP = Climate Action Plan; N/A = Not Applicable;</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

Measure E-2: Achieve 10.8 MW residential rooftop solar photovoltaic systems

Residential solar PV capacity was approximately 0.4 megawatts (MW) from approximately 18 interconnected systems in 2010. In the past few years, residential solar system installation has increased rapidly in the City, with more than 70 systems interconnected in 2015 alone, and a total of 1.6 MW at the end of 2015. This measure assumes that this trend will continue, with 0.5 MW capacity added every year in the residential sector. The City will reach 10.8 MW, or approximately 2,000 single-family and multi-family homes, of residential rooftop solar PV systems.

<p>E-2 GHG Reduction Potential 5,858 MTCO₂e</p>

E-2.1: Work with SDG&E and local non-profit organizations, or through the City's CCA, to reach 100 percent of households annually with targeted educational and marketing materials (e.g., website or e-blast).			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Conduct outreach using materials from the CSI rebate program to highlight the benefits of residential solar and financing opportunities for purchasing and installation of residential solar systems. • Set out targets and timeline for conducting outreach. • Periodically monitor outreach progress and conduct analysis on effectiveness of outreach measures used and change accordingly. • Work with SDG&E and PACE to promote residential solar and financing opportunities through targeted outreach campaigns, including, but not limited to, the City's Green Flash homepage, at local events (e.g., farmers markets), and through targeted media campaigns. 		
<p><i>Notes: CCA = Community Choice Aggregation; CSI = California Solar Initiatives; N/A = Not Applicable; PACE = Property Assessed Clean Energy; SDG&E = San Diego Gas and Electric</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-2.2: Continue to provide expedited permitting incentives for installation of rooftop solar PV systems on residential buildings.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Ordinance	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> Continue to implement Ordinance 456 (September 2015). Monitor performance of Ordinance 456 and track the rate of PV system installation before and after establishment of the Ordinance. 		
<p><i>Notes: PV = Photovoltaic</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-2.3: Conduct educational outreach to residents about incentives available for installation of PV systems.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify opportunities to promote solar PV resources and programs at local events (e.g., farmers markets), at relevant City offices, on the City website (including the City's Green Flash homepage), and through targeted media campaigns. Provide solar system information pertaining to permitting, financing, and installation in the City's Planning Department and planning counter to promote installation of residential solar systems. 		
<p><i>Notes: PV = Photovoltaic</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-2.4: Explore the development of an ordinance requiring installation of solar PV systems for major remodel/renovation projects.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Analyze historic permitting data on remodeling and renovations in the City to assess feasibility and pertinence of adopting a solar PV ordinance for major remodel/renovation projects. Use other cities who have adopted similar ordinances as case studies to gain insight on best practices and feasibility of ordinance for the City. Consider options for incentivizing homeowners to install solar PV during the renovation or remodeling process, such as waiving permitting fees, streamlined permitting processes, and providing information about financing options. 		

E-2.4: Explore the development of an ordinance requiring installation of solar PV systems for major remodel/renovation projects.

Notes: PV = Photovoltaic

Source: Ascent Environmental 2017, EPIC 2017.

Measure E-3: Achieve 2 MW commercial rooftop solar photovoltaic systems

The commercial solar PV capacity in the City was less than 0.1 MW, with less than five systems interconnected in 2010. Ten new systems have been interconnected at commercial spaces since 2010 and new opportunities for commercial solar PV systems are available citywide. Under this measure, the City will reach 2 MW of commercial rooftop solar PV systems.

E-3
GHG Reduction Potential
1,085 MTCO₂e

E-3.1: Work with SDG&E, or through a CCA, to reach 100 percent of businesses and schools annually with targeted educational and marketing materials (e.g., website or e-blast).

Implementation Details

Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Conduct outreach using materials from CSI rebate program to highlight the benefits of non-residential solar systems and financing opportunities. Set targets and timeline for conducting outreach. Periodically monitor outreach progress and conduct analysis on effectiveness of outreach measures used and change accordingly. Work with CCA, SDG&E, and other organizations to promote non-residential solar and financing opportunities through targeted outreach campaigns, including, but not limited to, the City's Green Flash homepage, at local events (e.g., farmers markets), and through targeted media campaigns. Work with local schools to encourage solar PV development. 		

Notes: CCA = Community Choice Aggregation; California Solar Initiatives; N/A = Not Applicable; PV = Photovoltaic; SDG&E = San Diego Gas and Electric

Source: Ascent Environmental 2017, EPIC 2017.

E-3.2: Continue to provide expedited permitting incentives for installation of rooftop solar PV systems on commercial buildings.

Implementation Details

Responsible Department	Community Development	Supporting Department	N/A
Task Type	Ordinance	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> Continue implementation of Ordinance 456 (September 2015). 		

E-3.2: Continue to provide expedited permitting incentives for installation of rooftop solar PV systems on commercial buildings.	
	<ul style="list-style-type: none"> Monitor performance of Ordinance 456 and track the rate of PV system installation before and after establishment of the Ordinance.
<p><i>Notes: N/A = Not Applicable; PV = Photovoltaic</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>	

E-3.3: Conduct educational outreach to local businesses about incentives available for installation of PV systems.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify opportunities to promote solar PV resources and incentives at local events (e.g., farmers markets), at relevant City offices, on the City website (including the City's Green Flash homepage), and through targeted media campaigns. Work with regional green building organizations to conduct workshops with local green building contractors on non-residential solar systems. Explore opportunities for public/private partnership for rooftop solar on commercial buildings and large residential projects. 		
<p><i>Notes: PV = Photovoltaic</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-3.4 Through the City's CCA, support the development of community solar projects that benefit all residents, including lower-income communities.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Promote working with San Diego GRID Alternatives to expand residential solar installations in the low-income communities. Identify subsidies available, including, but not limited to, the Go Solar California Initiative for low-income residents to install solar PV. Identify opportunities for community solar projects at schools, public parking lots (solar carport), and community organizations. Promote the development of community solar projects through outreach and targeted educational and marketing materials. 		
<p><i>Notes: CCA = Community Choice Aggregation; N/A = Not Applicable; PV = Photovoltaic</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-3.5: Explore the development of a mandatory ordinance requiring “solar ready” or the installation of solar PV systems for new commercial development and major remodel/renovation projects, pending Council consideration and approval.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Use OPR’s Solar Permitting Guidebook to inform the type of ordinance the City should consider adopting. • Use other cities (e.g., City of San Francisco) that have adopted similar ordinances as case studies to gain insight on best practices and how to best design a non-residential solar PV ordinance for new non-residential construction. • Work with City Council and key stakeholders on adoption of an ordinance requiring mandatory solar system installation for future non-residential projects. 		
<i>Notes: N/A = Not Applicable; OPR = Governor’s Office of Planning and Research; PV = Photovoltaic</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

E-3.6: Establish policies, programs, and ordinances that promote the siting of new onsite PV generation and energy storage, pending Council consideration and approval.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Use OPR, CEC, and related resources (i.e. AB 2713) to inform the type of ordinance the City should consider adopting. • Use other cities that have adopted similar ordinances as case studies to gain insight on best practices and how best to design an ordinance requiring energy storage systems and how best to integrate with PV solar systems. • Work with City Council and key stakeholders on adoption of mandatory solar system installation for energy storage systems. 		
<i>Notes: AB = Assembly Bill; CEC = California Energy Commission; N/A = Not Applicable; OPR = Governor’s Office of Planning and Research; PV = Photovoltaic</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

Measure E-4: Solar hot water heating at 20 percent of existing commercial spaces

On average, six percent of commercial building energy use is for water heating. The CAP aims to retrofit 20 percent of existing commercial spaces in the City with solar hot water heaters (SHW). It was assumed that 60 percent of existing water heaters are fueled by natural gas, while the remaining 40 percent are fueled by electricity. The City will retrofit 20 percent of its existing commercial spaces with SHWs.

<p>E-4 GHG Reduction Potential 2,811 MTCO₂e</p>

E-4.1: Work with SDG&E, or through a CCA, to reach 100 percent of businesses annually with targeted educational and marketing materials (e.g., website or e-blast).			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Conduct outreach using materials from CSI rebate program to highlight the benefits of commercial SHWs (i.e. savings) and include resources from CCA, gosolarcalifornia.com, SDG&E, and the CEC. Set targets and timeline for conducting outreach. Periodically monitor outreach progress and conduct analysis on effectiveness of outreach measures used and change accordingly. Work with CCA and SDG&E to promote non-residential solar hot water heating systems and financing opportunities through targeted outreach campaigns, including, but not limited to, the City's Green Flash homepage, at local events (e.g., farmers markets), and through targeted media campaigns. 		
<p><i>Notes: CCA = Community Choice Aggregation; CEC = California Energy Commission; California Solar Initiatives; N/A = Not Applicable; SDG&E = San Diego Gas and Electric</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-4.2: Promote the installation of SHWs by publicizing incentives, rebates, and financing options, such as PACE financing, CSIs, or CSI-Thermal Program, for existing commercial buildings by posting on the City's website or e-blast.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide solar hot water system information pertaining to permitting, financing and installation at the City's Planning Department planning counter, on the Planning Department website, and in City promotional materials to promote installation of residential SHW systems. Partner with key local organizations and businesses (i.e. contractors, green building council) to assist in outreach efforts and promotion of SHW systems. 		
<p><i>Notes: CSI = California Solar Initiatives; PACE = Property Assessed Clean Energy; SHW = Solar Hot Water Heaters</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-4.3: Explore the development of a mandatory ordinance requiring installation of SHWs for major remodel/renovation projects.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	City Manager
Task Type	Ordinance	Implementation Timeline	Mid-Term

E-4.3: Explore the development of a mandatory ordinance requiring installation of SHWs for major remodel/renovation projects.	
Implementation Tasks	<ul style="list-style-type: none"> • Use CSI resources to inform the type of ordinance the City should consider adopting. • Use other cities that have adopted similar ordinances as case studies to gain insight on best practices and how best to design a SHW ordinance. • Consult with City Council and key stakeholders on adoption of SHW ordinance for major commercial remodels and renovations.
<p><i>Notes: California Solar Initiatives; SHW = Solar Hot Water Heaters</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>	

Measure E-5: Solar hot water heating at 25% of new homes and home retrofits

E-5
GHG Reduction Potential
539 MTCO₂e

The CAP goal is retrofit 25 percent of existing homes with SHWs and install SHWs in 25 percent of new homes in the City

E-5.1: Work with SDG&E, or through a CCA, to reach 100 percent of households annually with targeted educational and marketing materials (e.g., website or e-blast).			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Conduct outreach to highlight the benefits of residential SHWs (i.e. savings) and include resources from CCA, gosolarcalifornia.com, SDG&E, and the CEC. • Set targets and timeline for conducting outreach. • Periodically monitor outreach progress and conduct analysis on effectiveness of outreach measures used and change accordingly. • Work with CCA and SDG&E to promote residential SHWs and financing opportunities through targeted outreach campaigns, including, but not limited to, the City's Green Flash homepage, at local events (e.g., farmers markets), and through targeted media campaigns. 		
<p><i>Notes: CEC = California Energy Commission; N/A = Not Applicable; SDG&E = San Diego Gas and Electric; SHW = Solar Hot Water Heaters</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-5.2: Promote the installation of SHWs by publicizing incentives, rebates, and financing options, such as PACE financing, CSI, or CSI-Thermal Program, for existing residential buildings by posting on the City's website or e-blast.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Short-Term

E-5.2: Promote the installation of SHWs by publicizing incentives, rebates, and financing options, such as PACE financing, CSI, or CSI-Thermal Program, for existing residential buildings by posting on the City’s website or e-blast.	
Implementation Tasks	<ul style="list-style-type: none"> • Provide SHW information pertaining to permitting, financing, and installation at the City’s Planning Department planning counter, on the Planning Department website, and in City promotional materials to promote installation of residential solar hot water heating systems. • Partner with key local organizations and businesses (i.e. contractors, green building council) to assist in outreach efforts and promotion of SHWs.
<i>Notes: CSI = California Solar Initiatives; N/A = Not Applicable; PACE = Property Assessed Clean Energy; SHW = Solar Hot Water Heaters</i> <i>Source: Ascent Environmental 2017, EPIC 2017.</i>	

E-5.3: Explore the development of an ordinance requiring installation of SHWs for new homes and major remodel/renovation projects.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Use CSI resources to inform the type of ordinance the City should consider adopting. • Use other cities that have adopted similar ordinances as case studies to gain insight on best practices and how best to design a SHW ordinance. • Consult with City Council and key stakeholders on adoption of a residential SHW ordinance for new homes and large remodels and renovations. 		
<i>Notes: California Solar Initiatives; N/A = Not Applicable; SHW = Solar Hot Water Heaters</i> <i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

Measure E-6: Reduction in non-space/water heating residential natural gas use by 15%

In California, approximately 22 percent of household end-use natural gas consumption is from non-space and water heating natural gas use. Other natural gas use includes cooking appliances, clothes washers and dryers, dishwashers, and other small appliances. The CAP goal is to reduce 15 percent of the non-space/water heating natural gas use by 2035. The City will reduce non-space/water heating residential natural gas use by promoting energy efficient appliance upgrades, rebates, and expedited permitting services.

<p>E-6 GHG Reduction Potential 359 MTCO₂e</p>

E-6.1: Provide incentives to reduce 15 percent of non-space/water heating natural gas use, such as dryers, ovens, and cooktops, for new and existing residential buildings by 2035.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development

E-6.1: Provide incentives to reduce 15 percent of non-space/water heating natural gas use, such as dryers, ovens, and cooktops, for new and existing residential buildings by 2035.			
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide energy efficiency appliance upgrade information pertaining to permitting, financing, and installation at local events (e.g., farmers markets), at relevant City offices, on the City website (including the City's Green Flash homepage), and through targeted media campaigns. Partner with key local organizations and businesses (i.e. contractors, green building council) to assist in outreach efforts and promotion of energy efficient appliance upgrades, rebates, and financing. 		
Source: Ascent Environmental 2017, EPIC 2017.			

E-6.2: Provide expedited permitting incentives for replacement of natural gas space and water heaters.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Use CEC, ACEEE, USGBC, and other resources to help inform the type of streamlining the City should consider adopting. Use other cities that have adopted similar ordinances/procedures as case studies to gain insight on best practices and how best to design a streamlined process for replacement of natural gas space and water heaters Consult with key stakeholders (i.e. contractors) to develop streamlining framework for replacement of natural gas space and water heaters. Adopt streamlined process to incentivize replacement of natural gas space and water heaters and continually monitor to track progress of replacements. 		
Notes: ACEEE= American Council for an Energy-Efficient Economy; CEC = California Energy Commission; N/A = Not Applicable; USGBC = United States Green Building Council			
Source: Ascent Environmental 2017, EPIC 2017.			

E-6.3: Explore the development of an ordinance requiring non-natural gas appliances in new residential development.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Explore the development of an ordinance requiring non-natural gas appliances in new residential development. 		
Notes: N/A = Not Applicable			
Source: Ascent Environmental 2017, EPIC 2017.			

Measure E-7: Residential energy efficiency retrofits to achieve 15% reduction

E-7
GHG Reduction Potential
59 MTCO₂e

The City will achieve 15 percent reduction in energy from programs for single-family and multi-family homes.

E-7.1: Work with SDG&E, or through a CCA, to reach 100 percent of households annually with targeted educational and marketing materials (e.g., website or e-blast).			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Conduct outreach to highlight the benefits of residential energy efficiency retrofits and include resources from ACEEE, USGBC, CEC, SDG&E, and other relevant organizations. • Set targets and timeline for conducting outreach. • Periodically monitor outreach progress and conduct analysis on effectiveness of outreach measures used and change accordingly. • Work with CCA and SDG&E to promote residential energy efficiency retrofits through targeted outreach campaigns, including, but not limited to, the City's Green Flash homepage, at local events (e.g., farmers markets), and through targeted media campaigns. 		
<i>Notes: ACEEE= American Council for an Energy-Efficient Economy; CEC = California Energy Commission; N/A = Not Applicable; SDG&E = San Diego Gas and Electric; USGBC = United States Green Building Council</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

E-7.2: Publicize incentives, rebates, and financing options, such as PACE financing and/or CSI for existing residential buildings, by posting on the City's website or e-blast.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Provide energy efficiency upgrade incentives, rebates, and financing information at local events (e.g., farmers markets), at relevant City offices, on the City website (including the City's Green Flash homepage), and through targeted media campaigns. • Partner with key local organizations to assist in outreach efforts and promotion of energy efficiency strategies. 		
<i>Notes: N/A = Not Applicable; SDG&E = San Diego Gas and Electric</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

Measure E-8: Commercial energy efficiency retrofits to achieve 15% reduction

E-8
 GHG Reduction Potential
37 MTCO₂e

The City will achieve 15 percent reduction in electricity and natural gas consumption from commercial spaces.

E-8.1: Work with SDG&E, or through a CCA, to reach 100 percent of businesses annually with targeted educational and marketing materials (e.g., website or e-blast).			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Conduct outreach to highlight the benefits of commercial energy efficiency strategies and include resources from ACEEE, USGBC, CEC, SDG&E, and other relevant organizations. Set targets and timeline for conducting outreach. Periodically monitor outreach progress and conduct analysis on effectiveness of outreach measures used and change accordingly. Work with CCA and SDG&E to promote commercial energy efficiency strategies through targeted outreach campaigns, including, but not limited to, the City's Green Flash homepage, at local events (e.g., farmers markets), and through targeted media campaigns. 		
<i>Notes: ACEEE= American Council for an Energy-Efficient Economy; CEC = California Energy Commission; N/A = Not Applicable; SDG&E = San Diego Gas and Electric; USGBC = United States Green Building Council</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

E-8.2: Publicize incentives, rebates, and financing options, such as PACE Financing, CSI, or CSI-Thermal Program, for existing commercial buildings by posting on the City's website or e-blast.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide energy efficiency upgrade incentives, rebates, and financing information at local events (e.g., farmers markets), at relevant City offices, on the City website, including the City's Green Flash homepage, and through targeted media campaigns. Partner with key local organizations to assist in outreach efforts and promotion of energy efficiency strategies. 		
<i>Notes: CSI = California Solar Initiatives; N/A = Not Applicable; PACE = Property Assessed Clean Energy</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

E-8.3: Increase use of solar technology on municipal-owned buildings.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Conduct solar siting feasibility study to assess opportunities for installation of PV solar on municipal-owned buildings and facilities. Develop timeline for solar technology installation on City buildings that enables City to reach the 15 percent energy use reduction goal. Incorporate solar installation projects into the City's Capital Improvement Program to reach the 15 percent energy use reduction goal. 		
<p><i>Notes: PV = Photovoltaic</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-8.4: Develop a ZNE policy for municipal-owned buildings.			
Implementation Details			
Responsible Department	City Manager	Supporting Departments	Community Development/ Engineering & Public Works
Task Type	Policy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Use OPR, CEC, CPUC, and related resources to inform the type of policy the City should consider adopting. Use other cities that have adopted similar ordinances as case studies to gain insight on best practices and how best to design a policy to achieve ZNE use for municipal building operations. Work with City Council and key stakeholders on adoption of a ZNE policy for municipal-owned buildings. Consider adopting a more stringent ZNE policy, such as achieving ZNE by 2018. 		
<p><i>Notes: CEC = California Energy Commission; CPUC = California Public Utilities Commission; N/A = Not Applicable; OPR = Governor's Office of Planning and Research; ZNE = Zero Net Energy</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

E-8.5: Prepare and adopt an energy efficiency and reduction plan for municipal facilities.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Plan	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify staff resources and/or consulting resources needed to prepare an energy efficiency and reduction plan (Energy Plan). Develop energy plan in line with State policy regarding building energy use, production, and storage, as well as in accordance set forth in the City's CAP. 		
<p><i>Notes: CAP = Climate Action Plan; N/A = Not Applicable</i></p>			

E-8.5: Prepare and adopt an energy efficiency and reduction plan for municipal facilities.
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>

E-8.6: Explore City government carbon accountability at the departmental level.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Policy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> • Include in the Energy Plan a department-level energy use analysis to benchmark and identify high energy users. • Include in the Energy Plan policies and strategies to reduce unnecessary or wasteful energy use at the department level. • Conduct Citywide energy use competition to see which City department can reduce their average energy use the most. 		
<i>Notes: N/A = Not Applicable</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

2.1.3. Waste and Water

Measure W-1: Divert 90% of waste from landfills and capture 85% of landfill gas emissions

The CAP goal is to achieve 90 percent waste diversion by 2035. In addition, the CAP goals also include achieving a landfill gas capture rate of 85 percent by 2035. Landfill gas is a mix of predominantly methane and carbon dioxide that can be captured and utilized onsite as a fuel to operate boiler systems and/or to generate electricity. Increasing gas capture reduces direct emissions and reduces energy consumption and associated emissions.

<p>W-1 GHG Reduction Potential 3,389 MTCO₂e</p>

W-1.1: Adopt a policy that requires all City-sponsored events (and City-funded non-profit events) to be zero-waste (e.g., use recyclable and compostable materials and provide corresponding waste receptacles), and promote zero-waste events to community organizations and businesses.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Policy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Adopt a Zero-Waste Events policy for the City and City-sponsored or affiliated events, and monitor and report on compliance with the policy. 		

W-1.1: Adopt a policy that requires all City-sponsored events (and City-funded non-profit events) to be zero-waste (e.g., use recyclable and compostable materials and provide corresponding waste receptacles), and promote zero-waste events to community organizations and businesses.	
	<ul style="list-style-type: none"> • Use existing resources (e.g., the Solana Center for Environmental Innovation and Eco-Cycle Zero-Waste Event Toolkit) and examples (e.g., City of San Francisco Zero-Waste Event Checklist) to develop and implement the policy. • Develop and implement a City Green Purchasing Plan to use recyclable and compostable purchased goods and services.
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>	

W-1.2: Adopt a policy that requires a minimum of 75 percent of construction and demolition waste be recycled or re-used.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	City Manager
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Update the City's Construction and Demolition Recycling Ordinance to increase recycling minimum from 50% to 75%. • Consider lowering the project valuation requiring compliance with the updated Ordinance (current valuation is \$100,000). • Conduct educational outreach to builders and construction companies about ways to reuse and recycle construction and demolition waste. 		
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-1.3: Develop an Organics Diversion Program to eliminate organic waste from landfills.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Develop an Organics Diversion Program to eliminate organic waste from landfills. • Use existing resources (e.g., CalRecycle Organics Material Management Page, Institute for Local Government) and relevant legislation (i.e. AB 1826) to inform development of the program. • Coordinate with other agencies in San Diego that operate landfills to facilitate development of organics processing facilities. Work through the Regional Solid Waste Association to partner with other jurisdictions to provide education/outreach. • Use educational materials from existing resources (e.g., Solana Center for Environmental Innovation) to educate residents and business owners to reduce organic waste. Work with local waste haulers to upgrade recycling facilities to recycle organic waste. 		
<i>Notes: AB = Assembly Bill; CalRecycle = California Department of Resources Recycling and Recovery</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-1.4: Start and implement a pilot education program on organics recycling.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development/ Engineering & Public Works
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify grant funding opportunities for pilot organics recycling programs for City residents and schools. Partner with local schools to develop organic recycling programs. Partner with waste management contractors to develop content and presentations for a pilot education program. Use educational materials from existing resources (e.g., the Solana Center for Environmental Innovation) to reduce organic waste. 		
<p><i>Notes: CalRecycle = California Department of Resources Recycling and Recovery</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

W-1.5: Develop a food waste prevention plan for restaurants in the City and collaborate with other municipalities to develop a regional plan.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development/ Engineering & Public Works
Task Type	Plan	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Develop a food waste prevention plan for restaurants in the City. Track grant funding opportunities to prepare a plan under CalRecycle's Food Waste Prevention and Rescue Grant Program. Through RSWA and the County TAC, work with other municipalities to develop a regional food waste prevention plan. 		
<p><i>Notes: CalRecycle = California Department of Resources Recycling and Recovery; RSWA = Regional Solid Waste Association; TAC = Technical Advisory Committee</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

W-1.6: Provide public education to promote textile recycling (e.g., mattresses, carpets, clothing, and other textiles).			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Education	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide information regarding the benefits of textile and mattress recycling at participating City businesses and City buildings. Prepare educational materials that promote and educate residents and business owners on the benefits of textile recycling. Work with City contracted waste haulers to promote textile and mattress recycling services or resources. 		

W-1.6: Provide public education to promote textile recycling (e.g., mattresses, carpets, clothing, and other textiles).
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>

W-1.7: Advocate to the agencies that own and operate landfills serving the City to encourage increased methane capture at the landfills.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Outreach	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Support City contracted waste haulers and regional landfill operator efforts to increase methane capture at landfills. Identify potential grant funding opportunities to assist landfill agencies in capturing more methane at facilities. Consider specifying minimum methane capture in City contracts with landfill operators, making it one of the criteria for landfill selection. 		
<i>Notes: N/A = Not Applicable</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-1.8: Explore creation of regional compost facility with other municipalities.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Collaboration	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Partner with local agencies and/or private entities that operate/oversee major landfills to develop regional compost facilities. Identify potential areas suitable for a regional compost facility. 		
<i>Notes: N/A = Not Applicable</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-1.9: Expand opportunities for food production and neighborhood-scale distribution, including community gardens, especially for low-income communities.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	City Manager
Task Type	Program	Implementation Timeline	Mid-Term

W-1.9: Expand opportunities for food production and neighborhood-scale distribution, including community gardens, especially for low-income communities.	
Implementation Tasks	<ul style="list-style-type: none"> • Use St. Leo Mission Catholic Church's community garden and the Boys and Girls Club La Colonia Branch as case studies to determine best management practices, including funding opportunities, for developing community gardens. • Identify sites suitable for community gardens in the City, prioritizing locations that would be accessible to low-income residents.
<p><i>Notes: N/A = Not Applicable</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>	

W-1.10: Develop and implement a City Green Purchasing Plan and set targets to reduce carbon emissions associated with purchased goods and services.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Plan/Policy	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Adopt a Zero-Waste Events policy for the City and City-sponsored or affiliated events and monitor and report on compliance with the policy. • Use existing resources (e.g., the Solana Center for Environmental Innovation and Eco-Cycle Zero-Waste Event Toolkit) and examples (e.g., City of San Francisco Zero-Waste Event Checklist) to develop and implement the policy. • Develop and implement a City Green Purchasing Plan to use recyclable and compostable purchased goods and services. 		
<p><i>Notes: N/A = Not Applicable</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

W-1.11: Explore and support development of local and regional biogas resources, including anaerobic digestion of food scraps.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Collaboration	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Partner with local agencies and/or private entities that operate/oversee major landfills to develop regional compost facilities. • Identify potential areas suitable for a regional compost facility. • Promote the siting and use of an aerobic digester in the region. 		
<p><i>Notes: N/A = Not Applicable</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

W-1.12: Develop and implement a Zero-Waste Plan, pending Council consideration and approval.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development/ Engineering & Public Works
Task Type	Plan	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Identify cities with Zero-Waste Plans to determine best practices. Track achievement of 90% diversion goal to determine next steps for Zero-Waste Plan. Continue coordination with local and regional agencies to expand organics waste reduction to allow achievement of zero-waste. 		
Notes: N/A = Not Applicable			
Source: Ascent Environmental 2017, EPIC 2017.			

Measure W-2: Implementation of existing water rate and billing structure

In October 2015, the board of directors of Santa Fe Irrigation District approved a rate proposal to raise the rates by an average of nine percent annually over the following three years beginning in February 2016, thereby achieving a compounded increase of 30 percent in the three years from 2016 to 2018. Reduction in water use would reduce the energy associated with upstream water supply, water treatment, and distribution. This measure does not have specific City actions but would aid in reducing GHG emissions from water consumption beyond the 2010 baseline.

W-2
GHG Reduction Potential
407 MTCO₂e

W-2.1: Implementation of existing water rate and billing structure.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	N/A
Task Type	N/A	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> No City actions, as reductions are already occurring under existing rate structure. 		
Notes: N/A = Not Applicable			
Source: Ascent Environmental 2017, EPIC 2017.			

Measure W-3: Expand recycled water program to reduce potable water consumption by 10%

This measure aims to achieve a 10 percent reduction in potable water use by 2035 by specifically targeting irrigation water use in commercial and multi-family landscaping. Replacing potable water with recycled water reduces the upstream, conveyance, and treatment energy use associated with the potable water supply.

W-3
GHG Reduction Potential
292 MTCO₂e

W-3.1: Expand the current recycled water program and purple pipe infrastructure.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	N/A
Task Type	Program	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Develop and implement an expanded purple pipe network and recycled water program in coordination with the Santa Fe Irrigation District. Promote new development to utilize recycled water. 		
Notes: N/A = Not Applicable			
Source: Ascent Environmental 2017, EPIC 2017.			

Measure W-4: Capture 100 percent of emissions from wastewater treatment

The goal of the CAP is to achieve a 100 percent methane capture rate from wastewater treatment by 2035 by collaborating with the wastewater treatment operators.

W-4
GHG Reduction Potential
66 MTCO₂e

W-4.1: Advocate to the San Elijo Wastewater Treatment Plant for 100 percent methane capture.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Advocacy	Implementation Timeline	Long-Term
Implementation Tasks	<ul style="list-style-type: none"> Work with the San Elijo Treatment Plant to conduct a feasibility study to achieve 100 percent methane capture. 		
Source: Ascent Environmental 2017, EPIC 2017.			

Measure W-5: Water conservation

The City will reduce water use by implementing a variety of actions that include but are not limited to, promoting water conservation practices, educating property owners on water efficiency financing tools, implementing PACE programs in the City, and providing incentives for rainwater catchment systems.

W-5
GHG Reduction Potential
66 MTCO₂e

W-5.1: Implement PACE Programs in the City and continue to assess other efficiency financing tools for possible use in the community.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A

W-5.1: Implement PACE Programs in the City and continue to assess other efficiency financing tools for possible use in the community.			
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Continue to work with PACE financing programs to promote energy efficiency and water conservation upgrades for residents in the City. Use results of the smartphone water monitoring app opportunity with HydroSmart Technologies to inform future water conservation policies and programs for the City. 		
<p><i>Notes: N/A = Not Applicable; PACE = Property Assessed Clean Energy</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

W-5.2: Educate property owners about eligibility for PACE financing.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Education	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Explore new opportunities to promote PACE programs through City promotional materials and City website, including the City's Green Flash homepage. Provide PACE financing information at the City planning counter and other City buildings. 		
<p><i>Notes: PACE = Property Assessed Clean Energy</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

W-5.3: Actively promote water efficiency rebate programs offered by San Diego County Water Authority and Metropolitan Water District.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide information on water efficiency rebate programs offered by the San Diego County Water Authority and Metropolitan Water District (i.e. San Diego WaterSmart) at the City planning counter, City buildings, and the City website. Work with relevant environmental organizations to support volunteer promotion of water efficiency rebate programs for residents. Identify opportunities to promote rebate programs at local events (e.g., farmers markets), on the City website (including the City's Green Flash homepage), and through targeted media campaigns. 		
<p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

W-5.4: Maintain a water waste reporting public education and enforcement program to repair leaks and decrease over-irrigation.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	N/A
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Work with Public Works, Parks, and other relevant departments to conduct water waste report to identify leaks and opportunities for decrease irrigation. Provide information to the public on results of the report on the City website and continually update and educate the public on water waste prevention efforts. 		
Notes: N/A = Not Applicable			
Source: Ascent Environmental 2017, EPIC 2017.			

W-5.5: Promote programs/resources to help customers convert to more water-efficient landscaping.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Community Development
Task Type	Program	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide information on water-efficient landscaping rebates and information offered by the San Diego County Water Authority (i.e. Turf Replacement Program) at the City planning counter, City buildings, and the City website, including the City's Green Flash homepage. Work with relevant local organizations to support volunteer promotion of water-efficient landscaping rebates and programs. Identify opportunities to promote water-efficient landscaping resources and programs at local events (e.g., farmers markets), on the City website, and through targeted media campaigns. 		
Source: Ascent Environmental 2017, EPIC 2017.			

W-5.6: Encourage greywater use for landscaping.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works/ Community Development
Task Type	Outreach	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Provide information on water-efficient landscaping rebates and information offered by the San Diego County Water Authority (i.e. Turf Replacement Program) at the City planning counter, City buildings, and the City website, including the City's Green Flash homepage. Work with relevant local organizations to support volunteer promotion of water-efficient landscaping rebates and programs. Identify opportunities to promote water-efficient landscaping resources and programs at local events (e.g., farmers markets), on the City website, and through targeted media campaigns. 		

W-5.6: Encourage greywater use for landscaping.			
<i>Notes: N/A = Not Applicable</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-5.7: Provide incentives for installation of rainwater catchment systems on roofs to use rainwater generated.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	N/A
Task Type	Program	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Develop a rain barrel rebate program that includes an educational component. Review programs from other cities (e.g., City of San Diego) to determine potential program components. 		
<i>Notes: N/A = Not Applicable</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-5.8: Work with the Santa Fe Irrigation District to track per capita water consumption in the City separately.			
Implementation Details			
Responsible Department	City Manager	Supporting Department	Engineering & Public Works
Task Type	Project	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Coordinate with the Santa Fe Irrigation District to track per capita water consumption and allow measurement of progress against City goals. 		
<i>Notes: N/A = Not Applicable</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-5.9: Support water rate structures that provide incentives to conserve and reuse water, including greywater use.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	N/A
Task Type	Project	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> Coordinate with local water districts on rate studies. If rate study recommendations are deemed feasible, develop timeline for implementation and implement new water rate structures according to the timeline. 		
<i>Notes: N/A = Not Applicable</i>			
<i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

W-5.10: Continue to implement the City’s outdoor landscaping ordinance.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A
Task Type	Ordinance	Implementation Timeline	Ongoing
Implementation Tasks	<ul style="list-style-type: none"> Continue implementation of City Ordinance 467 (December 2015). 		
<i>Notes: N/A = Not Applicable;</i> <i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

2.1.4. Carbon Sequestration (Urban Tree Planting)

Measure U-1: The City will achieve 30 percent of developed areas covered by urban tree canopy (Urban Tree Planting Program)

Trees and vegetation can provide shade and cooling through transpiration and evaporation processes, which reduce the temperature of the environment around them. Well-shaded streets and parking areas can reduce the heat-island effect of higher air and structure temperatures in an urban setting. Trees and vegetation also reduce GHG emissions through sequestration by decreasing the concentration of carbon dioxide in the atmosphere. The City’s goal is to achieve urban tree canopy coverage in 30 percent of developed areas by 2035, or 2,107 acres of land in the City. The most recent urban tree canopy assessment in San Diego region, based on high-resolution Light Detection and Ranging (LiDAR) data, shows that Solana Beach has 22 percent existing urban tree canopy.

U-1
GHG Reduction Potential
986 MTCO₂e

U-1.1: Implement the Urban Tree Planting Program to achieve the City’s goal to cover 2,107 acres of developed areas with urban tree canopy by 2035. The program would require new development to plant trees to achieve an equivalent canopy coverage. Furthermore, the City would plant trees at City-owned properties and public areas to achieve the same canopy coverage. Public areas would cover open space, streets, and parking lots.			
Implementation Details			
Responsible Department	Engineering & Public Works	Supporting Department	Community Development
Task Type	Ordinance	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> Develop a new ordinance or update the existing Landscape Ordinance to require new development to plant trees to achieve equivalent canopy cover. Develop an Urban Forest Management Plan to identify planting locations and maintenance procedures at City-owned properties and public areas to achieve identified canopy coverage. Use existing resources (e.g., U.S. Forest Service, California Urban Forests Council) and examples from other cities (e.g., San Diego) to inform the type of Urban Forest Management Plan to be developed by the City. Coordinate with the City of San Diego to track tree canopy LiDAR measurements for future years. 		
<i>Notes: LiDAR = Light Detection and Ranging</i> <i>Source: Ascent Environmental 2017, EPIC 2017.</i>			

U-1.2: Educate and encourage residents and businesses to maintain and care for existing trees and plant new trees.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	Engineering & Public Works
Task Type	Education	Implementation Timeline	Short-Term
Implementation Tasks	<ul style="list-style-type: none"> • Develop educational materials and workshops for residents and business owners to provide information on tree care and maintenance. • Rely on existing resources, such as the California Urban Forests Council and City of San Diego, to leverage educational materials and resources. • Identify key program champions and develop volunteer network to implement the program with residents and businesses. 		
<p><i>Notes: N/A = Not Applicable</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

U-1.3: Continue to research and monitor developments of Blue Carbon for sequestration.			
Implementation Details			
Responsible Department	Community Development	Supporting Department	N/A
Task Type	Administrative	Implementation Timeline	Mid-Term
Implementation Tasks	<ul style="list-style-type: none"> • Identify staff member responsible for tracking and reporting science related to Blue Carbon sequestration. • Research and identify materials from The Blue Carbon Initiative for consideration. • Coordinate with the San Diego Regional Climate Collaborative on Blue Carbon science. • Coordinate with local universities to track Blue Carbon research. 		
<p><i>Notes: N/A = Not Applicable</i></p> <p><i>Source: Ascent Environmental 2017, EPIC 2017.</i></p>			

3. Implementation Monitoring and CAP Updates

The CAP will need to be updated and maintained in order to remain relevant and effective. Key City staff will evaluate and monitor plan performance over time and make recommendations to alter or amend the CAP if it is not achieving the proposed reduction targets. This process allows City staff to make timely adjustments to existing measures; replace ineffective or obsolete measures; or add new measures as technology, federal and State programs, and circumstances change. Adjustments will be made to the CAP if measures fall short of their targets or additional actions become available. The Implementation Plan strives to maintain flexibility to allow for the City to implement and achieve the most effective CAP.

The implementation tables in Section 2 are designed to highlight the key implementation metrics for all measures and actions. As implementation begins, it is anticipated that the City will spend two years after the CAP's adoption for initial start-up and to initiate data tracking. City staff will need to track implementation tasks and pertinent metrics for each action. Similar to CAP implementation, the monitoring process will be a collaborative, inter-departmental effort in which monitoring for each measure and action will be conducted primarily by the departments and staff tasked with responsibility for implementation. This process allows monitoring of CAP implementation to remain accurate and allows various City departments to play an integral role in the CAP implementation process.

3.1. CAP Presentations and Report

City staff will prepare an initial presentation to the City Council in 2018 and, starting in 2019, City staff will prepare a yearly presentation to City Council that summarizes the inventory, achievements to date, and provides a status of implementation using data and content collected through CAP monitoring.

The CAP Monitoring Report will serve as a publicly available document that provides annual updates on CAP implementation progress, GHG reductions achieved, and other important milestones in the CAP implementation process. The report will inform the City Council and the general public about implementation progress on the specific actions and supporting measures being implemented, as well as overall progress towards the City's GHG reduction targets. The CAP Monitoring Report will also serve to inform City staff on the success and cost-effectiveness of the various actions and supporting measures being implemented, allowing future CAP updates to prioritize effective supporting measures and eliminate inefficient or ineffective policies.

The CAP Monitoring Report will be developed using the information gathered during the implementation monitoring process. The report will identify ways to adapt the CAP to maintain the desired reduction path. The first CAP Monitoring Report will be developed every two years starting in 2019 and will be presented to City Council once complete.

3.2. CAP and Inventory Updates

GHG Emissions Inventory Updates

In conjunction with CAP monitoring, GHG inventory updates will be necessary to assess progress and inform future CAP updates. An updated GHG inventory, using current data and assumptions, will allow the City to more accurately monitor GHG emissions occurring in the City over time, observe how CAP implementation is affecting overall emissions rates for each emission category, and observe how the City's emissions are affected by various external factors (i.e. State policy and economic growth in the region). This helps to inform future CAP policy decisions.

Through climate planning services offered via its Energy Roadmap Program, the San Diego Association of Governments (SANDAG) will update the City's GHG emissions inventory every two years, with the first scheduled update to occur in 2018. The collaboration with SANDAG's Energy Roadmap Program will provide a regularly scheduled and consistent GHG inventory update process, allowing the City to observe how emissions categories perform over time in relation to the CAP implementation process. The GHG inventory updates will provide a comparison to the 2010 baseline inventory and the 2020, 2030, and 2050 emission projections. The Energy Roadmap Program will also provide consistency for GHG inventory updates, through the use of the same reliable regional data sources that will provide a useful comparison of emissions between updates.

Although these updates will be conducted by SANDAG and their supporting contractors, City staff time and resources will be required to coordinate and participate in the GHG inventory updates.

Measure Review and CAP Updates

In addition to updating the City's emissions inventory, City staff will also evaluate the capacity, cost, effectiveness, and benefits of each individual measure. Evaluating CAP measure performance entails monitoring the level of community participation, costs, and barriers to implementation, as well as actual reductions in fuel consumption, vehicle miles traveled, energy usage, water usage, landfilled waste, or other activities that result in GHG emissions reductions. By evaluating whether the implementation of a measure is on track to achieve its reduction potential, the City can identify successful measures and reevaluate or replace under-performing ones.

As the City continues to implement the CAP actions and supporting measures, regularly scheduled CAP updates will be required. Beginning in 2022, CAP updates will be prepared every five years and will be based on the findings from the City Council presentations, CAP Monitoring Report, and GHG inventory updates. The CAP updates are necessary to account for any new State or federal legislation that may affect the CAP or implementation of the CAP, any new technologies that may affect or inform CAP policies, and information gathered in the CAP implementation monitoring process that may be useful for future CAP policy decisions. Future CAP updates can also serve to provide renewed focus on emissions categories that may not have been the focus of past CAP implementation efforts or may not have been feasible at the time. For example, innovations in renewable energy and energy efficiency in recent years have allowed for cost-effective and rapid deployment of these technologies to achieve GHG reductions. Future CAP updates may focus on GHG reductions strategies that were previously more difficult to implement, such as transportation strategies, due to a lack of appropriate technologies or a high upfront implementation cost.

CAP updates will include an assessment and update of the GHG inventory, updated progress towards overall GHG reduction goals, adjustments to reduction measures and actions, as necessary, and any changes to land use projections to achieve consistency with zoning and General Plan land use designations and policies. Once complete, future CAP updates will be recommended for adoption by City Council. City staff time and resources will be necessary to complete the CAP update process.

The figure below outlines the CAP implementation and monitoring schedule.

2017	<p>CAP Adopted City Council adopts plan and staff begins to implement CAP measures.</p>
2017-2019	<p>Initial Set-up Staff performs initial start-up tasks and implementation of data tracking.</p>
2018	<p>Inventory Update City staff conducts update to inventory every two years starting with the 2016 inventory year.</p>
2018	<p>Initial Presentation to City Council City Staff prepares initial presentation to City Council.</p>
2019	<p>Presentation to City Council City Staff prepares presentation to the City Council annually starting in 2020. The presentation summarizes the inventory and achievements to date and provides a status of implementation.</p>
2019/2021/2022	<p>Measure Status Review/CAP Monitoring Report/CAP Update City staff, in coordination with the City Council, conducts updates to inventory, reviews measure performance, provides an initial review of the status of implementation, summarizes achievements to date, and makes recommended changes to the CAP if measures prove infeasible, and prepares report to City Council. The report will identify ways to adapt the plan to maintain the desired reduction path. City staff prepares a CAP update based on the recommendations and findings in the report. The report is conducted every two years, starting in 2019, while the CAP update is conducted every five years.</p>

4. Ongoing Engagement

As the City continues to implement and monitor progress on the CAP, continued engagement with and participation by the community is a critical component in successfully achieving progress towards meeting GHG reduction goals. Continued support and political will to implement the CAP can be achieved through meaningful and continued engagement with the community. Active community engagement throughout the CAP implementation process will also support residents’ and business’ sense of ownership over the CAP and responsibility for its successful implementation. This will ensure CAP implementation continues to be a priority for City staff and elected officials. Engagement will include outreach to individual residents and businesses, community organizations, developers, property owners, schools, and other local and regional government

agencies. While the CAP focuses on measures and actions in which the City has a primary role, a number of measures and actions require partnerships and collaboration in order to be effective. Ongoing engagement will be overseen by key City staff, as outlined in the Implementation Tables in Section 2.

Educating the public about the CAP implementation process, how the public can help support CAP implementation, how the CAP may affect City residents, and the variety of community benefits (i.e. cost savings, walkability, etc.) that will be realized through CAP implementation is critical for meeting CAP goals and targets. Public education strategies for the CAP implementation process will cover a broad range of topics related to various components of the City's CAP. Along with general public education about the CAP, outreach efforts will include focused educational campaigns specific to sectors of the public that will be directly involved and/or impacted by the various actions being implemented. While not all actions will require outreach efforts, several actions must include public education outreach efforts to ensure successful implementation (see Implementation Tables in Section 2). Specific organizations and stakeholders most appropriate for outreach efforts will be finalized during the implementation process.

5. Conclusion

Achieving significant and permanent GHG reductions for the City through CAP measures and actions remains a difficult task that requires thoughtful and careful implementation and monitoring. CAP implementation requires funding and resources for administration and staffing, financing and budgeting, implementation of measures and actions, monitoring and reporting, and continued public engagement.

Information in this Implementation Plan and the associated Cost Study will be used by City staff to begin allocating funding and staff resources for implementation, implementing measures and actions, establishing tracking and monitoring mechanisms, and planning for future GHG inventory and CAP updates. The City will be diligent in seeking cost-effective implementation mechanisms and strategic funding opportunities, using partnerships and grants to share the costs where feasible. This Implementation Plan is the first step towards effectively implementing the CAP. Additional resources will be needed to create a workplan and allocate budget for each measure and action outlined in the CAP.

Climate Action Plan Implementation Cost Analysis

A Preliminary Estimate of City of Solana Beach Staffing Costs

March 2018

Prepared for the City of Solana Beach



Prepared by the Energy Policy Initiatives Center



Prepared in partnership with the San Diego Association of Governments (SANDAG) and the Energy Roadmap Program. This Program is partially funded by California utility customers and administered by San Diego Gas & Electric Company under the auspices of the California Public Utilities Commission.

About EPIC

The Energy Policy Initiatives Center (EPIC) is a nonprofit academic and research center of the USD School of Law that studies energy policy issues affecting the San Diego region and California. EPIC integrates research and analysis, law school study, and public education, and serves as a source of legal and policy expertise and information in the development of sustainable solutions that meet our future energy needs.

For more information, please visit the EPIC website at www.sandiego.edu/epic.

Table of Contents

Executive Summary	i
1 Introduction	1
1.1 Organization of Report	1
2 CAP Implementation Cost Analysis Overview	2
2.1 Process to Estimate CAP Implementation Costs.....	2
2.1.1 Identify CAP Tasks	2
2.1.2 Establish Preliminary Cost Estimates	3
2.1.3 Quality Control and Update to Departments	3
2.2 Costs Evaluated	4
3 Results – Staffing Costs.....	5
3.1 Overall Results.....	5
3.2 Staffing Costs by Department	5
3.3 Staffing Costs by Staff Position	6
3.4 Staffing Costs by CAP Measure.....	7
3.4.1 CAP Coordination and Reporting	8
3.5 Staffing Cost by CAP Strategy.....	9
4 Results – Staffing Impacts (FTE)	11
4.1 Overall Staff Impacts.....	11
4.2 Staffing Impacts by Department	11
4.3 Staffing Impacts by Position	12
4.4 Staff Impacts by Measure.....	13
4.4.1 CAP Coordination and Reporting	14
4.5 Staff Impact by CAP Strategy.....	14
5 Limitations	16
5.1 Staff Costs Only	16
5.2 Preliminary Estimate.....	16
5.3 CAP Time Horizon	16
5.4 GHG Emissions	16
6 Conclusion	17
6.1 Next Steps and Recommendations	17

EXECUTIVE SUMMARY

This report summarizes the findings of the City of Solana Beach (Solana Beach) Climate Action Plan (CAP) Implementation Cost Analysis conducted by the Energy Policy Initiatives Center (EPIC) at the University of San Diego. The analysis estimates staffing costs for the activities that would need to be conducted to achieve the GHG emission reduction targets included in the CAP. The goals of this analysis are to:

- estimate total staffing costs to Solana Beach to implement GHG reduction measures included in CAP over the first five fiscal years; and
- estimate the staffing impact to implement CAP measures.

While the analysis for this report evaluated costs for the first five fiscal years, CAP measures could have associated costs beyond the time frame presented here. Staffing cost estimates in this report represent those anticipated to be incurred by Solana Beach to implement CAP measures, including costs to develop and execute programs, and conduct education and outreach activities. Costs associated with CAP coordination and reporting, including costs to assess the performance of CAP measures annually, complete regular GHG inventory updates, coordinate implementation and performance-tracking activities among departments, and prepare CAP updates are also included here. How effectively CAP measures can reduce both GHGs and the costs borne by Solana Beach residents and businesses are *not* considered in this report.

Staffing cost results represent total costs and do not distinguish between those associated with existing programs and those developed specifically for the CAP. Staffing impacts are shown in full-time equivalent (FTE).

Key Findings

The following key findings summarize the results of the analysis conducted for this report.

Total Staffing Costs Would be about \$900,000 over the First Five Fiscal Years

Estimated staffing costs to implement CAP measures over the first five fiscal years would be about \$900,000, \$272,000 in FY 2017-18 and between \$145,000 and \$160,000 annually over the remaining four fiscal years (Table 1).

Table 1 Staffing Cost to Implement the CAP

	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total
Annual Cost	\$272,000	\$147,000	\$162,000	\$160,000	\$160,000	\$901,000
% of CAP Total	30%	16%	18%	18%	18%	100%

Existing Staffing Capacity Is Sufficient to Implement CAP Measures

Estimated annual staffing needs to implement CAP activities would be 1.3 FTE in FY 2017-18, about 0.8 FTE for FY 2018-19, 0.9 FTE in through FY 2020-21, and 0.8 FTE in the final fiscal year of the analysis period (Table 2). Higher staffing needs in the early years of CAP implementation is common and represents the startup nature of many of the associated programs, which could be new lines of work.

This pattern is also affected by the work in the first fiscal year by the City Manager’s Office to implement a Community Choice Aggregation (CCA) Program (Measure E-1). The highest staffing impacts would occur in the City Manager’s Office in FY 2017-18. The Assistant City Manager would require 0.4 FTE, the City Manager 0.3 FTE, and the Management Assistant 0.3 FTE. The contribution of these three positions drops in the remaining four fiscal years.

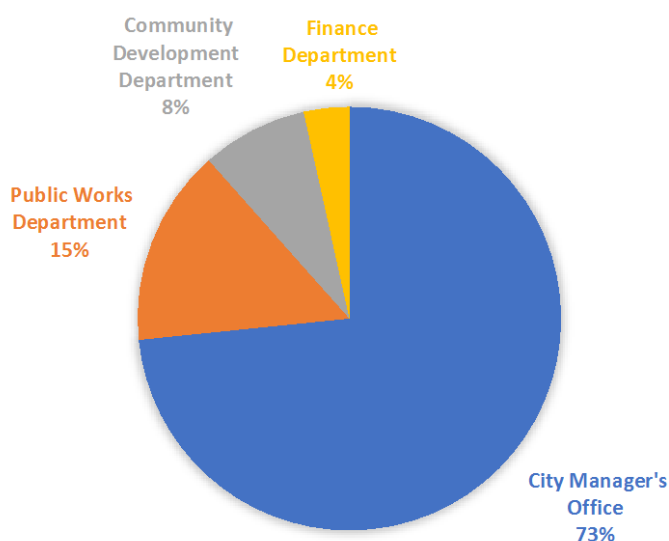
Table 2 Annual Staffing Impact (FTE) to Implement CAP Measures

	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Annual Staffing Need	1.3	0.8	0.9	0.9	0.8

Most Costs are Associated with the City Manager’s Office

The City Manager’s Office would represent 73% of total staffing costs to implement CAP measures over the first five fiscal years, followed by Public Works with 15%. These two Departments would account for nearly 90% of all staffing costs (Figure 1).

Figure 1 Total Personnel Expenses by Department (Years 1-5)



Similar to the staffing impact, three positions in the City Manager’s Office would represent about 72% of total personnel costs associated with CAP implementation. The Assistant City Manager would have the highest estimated total staffing costs over the first five fiscal years of CAP implementation with about \$339,000 (38% of total costs). The City Manager would have the second highest staffing cost with about \$175,000 (19% of total staffing costs), followed by the Management Assistant with \$129,000 (14%).

Implementing a CCA Program Would Account for Nearly Half of Total Staffing Costs

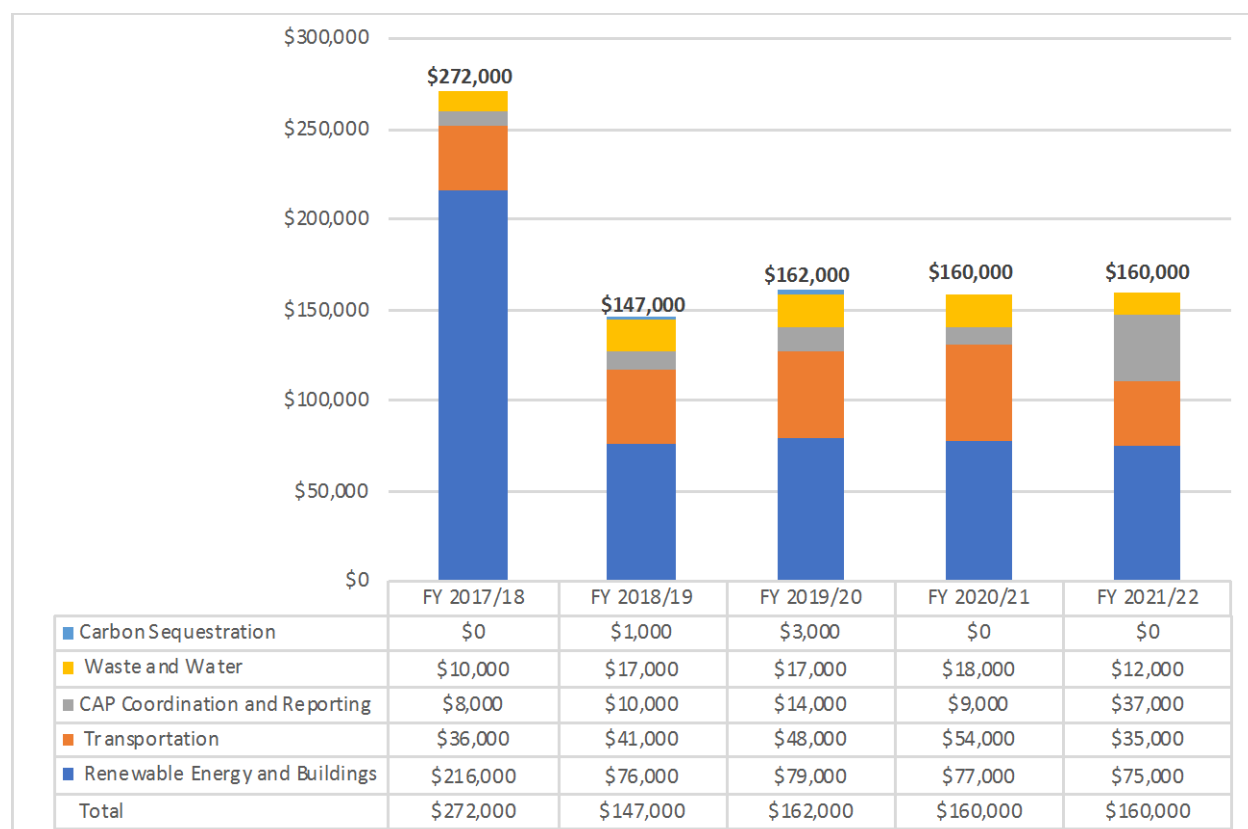
Measure E-1 (Implement a CCA Program) would have the highest total staffing cost during the five-year period with about \$371,000, or 41%, of total staffing costs. The cost in FY 2017-18 would be about \$200,000 and then drop to between \$40,000 and \$45,000 annually for the remaining four fiscal years. Measure T-1 (Electric and Alternative Fuel Vehicle) would have the second highest costs with \$54,000

(6% of total costs). Measure E-8 (Commercial Energy Efficiency Retrofits) would have the next highest total staffing costs with approximately \$4,900, about 5% of total.

The Renewable Energy and Buildings Strategy Would Have the Highest Staffing Costs

The Renewable Energy and Buildings strategy would have the highest associated staffing costs with a total of nearly \$523,000, about 60% of the total staffing costs (Figure 2). The staffing costs for this strategy are due mainly to Measure E-1 (Implement a CCA program), which would represent about 70% of the total staffing costs for the Renewable Energy and Buildings strategy. Figure 2 also includes CAP coordination and reporting costs, such as conducting regular inventories and monitoring measures. These activities are not formally included in the CAP as a strategy, but are an important cost to be considered.

Figure 2 Total CAP Implementation Costs by Strategy



Next Steps and Recommendations

Understanding the estimated annual staffing costs and impacts is necessary to determine the cost of implementing the draft CAP, especially since staffing costs are likely a significant cost incurred by Solana Beach. However, several additional steps could complement this analysis to provide a more comprehensive cost estimate.

- **Estimate Other CAP Implementation Costs** – Solana Beach will incur additional costs to implement the CAP beyond staffing costs. Other costs could include consultants, materials and supplies, and capital expenditures. Estimating these costs would provide a more comprehensive view of CAP implementation costs.

- **Determine Incremental CAP Implementation Costs** – This analysis estimates total staffing costs and does not distinguish between existing activities and programs that would have been implemented regardless of CAP adoption and new activities that would be implemented only as a result of CAP adoption. Determining which cost are new as a result of the CAP could help Solana Beach understand the incremental costs associated with the CAP.
- **Consider Estimating the Cost Impacts to Solana Beach Residents and Businesses** – This analysis focuses on Solana Beach staffing costs and does not consider the potential financial impacts to homes and businesses located in the city. Conducting a benefit-cost analysis provides information on how cost-effectively each CAP measure can reduce GHG emissions and provides estimates on the financial impacts to those who participate in the programs or policies. However, CAP measure will be presented to the City Council for approval.

1 INTRODUCTION

This report summarizes the findings of the City of Solana Beach (Solana Beach) Climate Action Plan (CAP) Implementation Cost Analysis conducted by the Energy Policy Initiatives Center (EPIC) at the University of San Diego. The analysis estimates staffing costs for the activities that would need to be conducted to achieve the GHG emission reduction targets included in the CAP. The goals of this analysis are to:

- estimate total staffing costs to Solana Beach to implement GHG reduction measures included in CAP over the first five fiscal years; and
- estimate the staffing impact to implement CAP measures.

While the analysis for this report evaluated costs for the first five fiscal years, CAP measures could have associated costs beyond the time frame presented here. Staffing cost estimates in this report represent those anticipated to be incurred by Solana Beach to implement CAP measures, including costs to develop and execute programs, and conduct education and outreach activities. Costs associated with CAP coordination and reporting, including costs to assess the performance of CAP measures annually, complete regular GHG inventory updates, coordinate implementation and performance-tracking activities among departments, and prepare CAP updates are also included here. How effectively CAP measures can reduce both GHGs and the costs borne by Solana Beach residents and businesses are *not* considered in this report.

Staffing cost results represent total costs and do not distinguish between those associated with existing programs and those developed specifically for the CAP. Staffing impacts are shown in full-time equivalent (FTE).

1.1 Organization of Report

Section 2 of the report provides an overview of the CAP implementation cost analysis. The results for the estimated staffing costs required to implement CAP measures are presented in Section 3. The staffing impacts, presented in FTE, are summarized in Section 4. A discussion of the limitations of this analysis is included in Section 5 and a brief conclusion and summary of possible next steps is provided in Section 6.

2 CAP IMPLEMENTATION COST ANALYSIS OVERVIEW

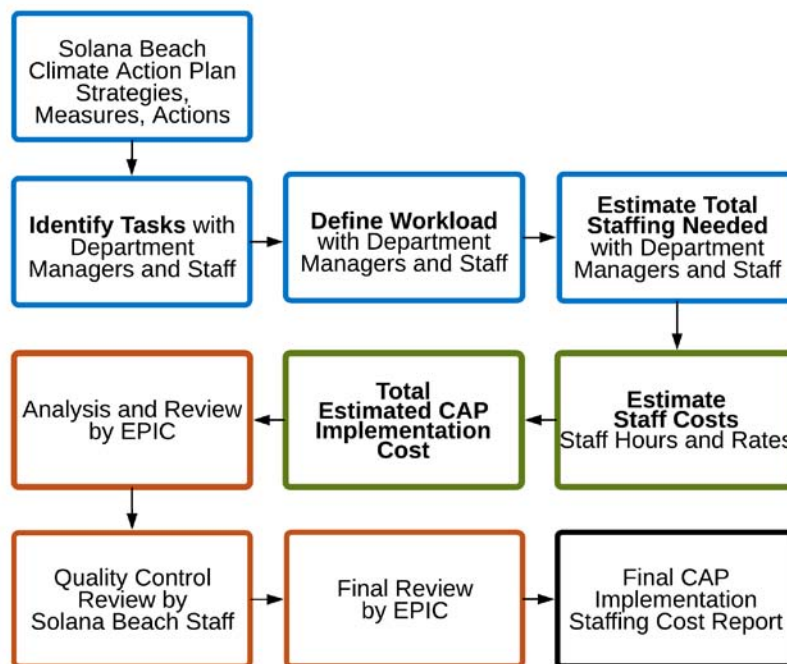
This report estimates staffing costs anticipated during the first five fiscal years of CAP implementation. The staffing costs presented are estimates based on input and discussions with Solana Beach staff that would be involved in its implementation and the anticipated implementation activity included in the Climate Action Plan Implementation Plan developed by Ascent Environmental, Inc. The costs are based on the best available information and can help each of these departments develop near-term budgets. To account for changes in CAP implementation activities, cost, and staffing impacts, the estimates included here can be updated in the future in concert with regular CAP monitoring and updating efforts. This would provide sufficient time to better understand how implementation activities may actually occur allowing for synchronization with the Solana Beach’s budget process.

The following sections summarize the process used to estimate CAP implementation costs and the overall framework used to identify and evaluate costs.

2.1 Process to Estimate CAP Implementation Costs

The general steps in the process to estimate CAP implementation costs were to: (1) determine the tasks required to implement CAP actions; (2) define workload associated with these tasks; and, (3) estimate staffing levels and associated costs. Figure 3 illustrates the general process used to identify resource gaps (blue boxes), estimate the cost of those resources (green boxes), compile results, conduct a review, and update appropriate Solana Beach staff (orange boxes).

Figure 3 Process to Develop CAP Implementation Staffing Cost Estimate

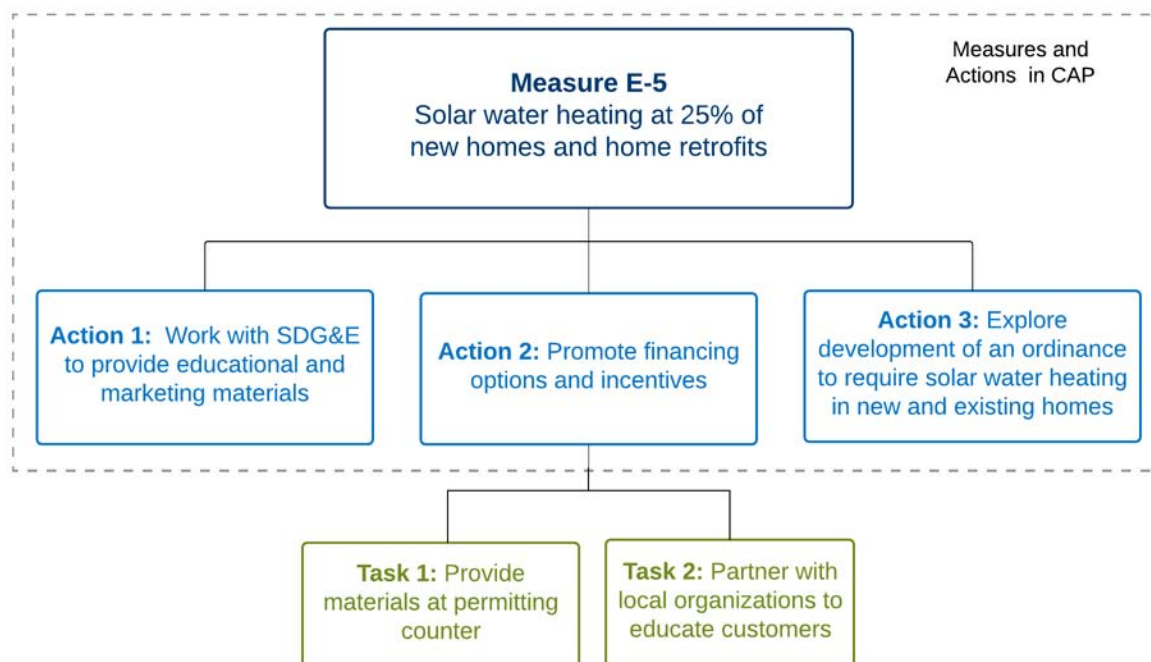


2.1.1 Identify CAP Tasks

The first step was for Solana Beach staff to identify tasks that represent the expected workload. The CAP comprises measures that include specific programs, policy actions, and associated tasks that will

be implemented to reduce GHG emissions. To better understand the potential workload and more accurately estimate associated costs, Solana Beach staff, assisted by Ascent Environmental, Inc., identified preliminary tasks for each action as part of the Climate Action Plan Implementation Plan. Figure 4 illustrates the relationship between the CAP measures, actions, and examples of implementation tasks.

Figure 4 Hierarchy of Measures, Actions, and Example Tasks



2.1.2 Establish Preliminary Cost Estimates

Once the tasks were identified, Solana Beach staff developed estimates for the staffing effort (in hours) required to implement CAP actions. To facilitate and standardize the collection of implementation cost data provided by Solana Beach staff across several departments, EPIC created a data collection template. Solana Beach staff and EPIC conducted meetings with department managers and staff representatives to further discuss cost estimates and cost data collection.

The cost estimates presented in this study reflect the staffing costs to implement the CAP adopted in July 2017. The cost estimates are based on reasonable assumptions of the work effort needed to implement the CAP actions. If the CAP measures change over time, implementation costs could be different from those reported here and would need to be adjusted.

2.1.3 Quality Control and Update to Departments

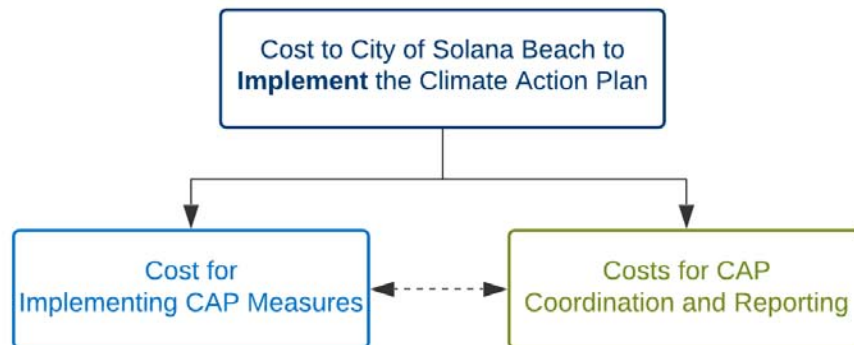
Quality control and data validation occurred at several stages. Primary validation occurred after total estimated costs were collected. EPIC and Solana Beach staff then performed an internal quality control check, updated key managers, and reviewed costs with department managers and staff. Based on this initial review, some cost components were updated to create consistency across all departments and to create a complete data set. Solana Beach staff also conducted a detailed consistency check to ensure internal cost reporting consistency. EPIC conducted a final review of all costs prior to inclusion in this report.

2.2 Costs Evaluated

In general, two broad types of costs can be considered in CAP implementation cost estimates: those incurred to implementing programs and activities related to CAP measures (including education and outreach, ordinance development, and conducting retrofits on city facilities), and those related to overall CAP coordination and reporting (including updating the GHG inventory, the monitoring and reporting progress, and updating the CAP) (Figure 5). There is a relationship between these two categories. Data on activity to implement CAP measures is needed to monitor and report CAP progress. Also, coordination among departments can identify effective methods to implement CAP measures.

While Solana Beach should anticipate a range of potential incremental costs to implement the CAP, including consultants, materials and supplies, and capital expenditures, this report focuses on staffing costs. All cost estimates, which are based on current fiscal year staff hourly rates with an assumed annual increase of 2.5%, are presented in 2017 dollars.

Figure 5 Implementation Cost Types Included in Analysis



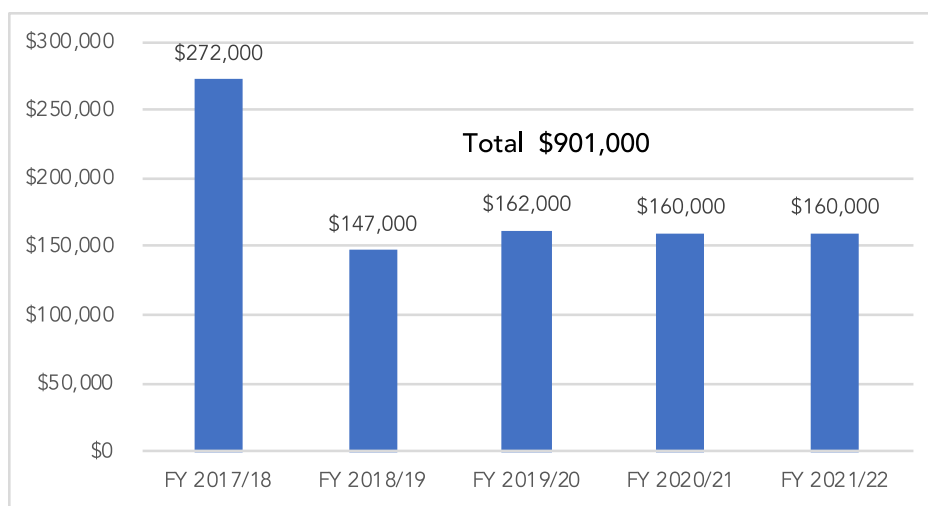
3 RESULTS – STAFFING COSTS

This section presents the results of the Solana Beach CAP Implementation Cost Analysis and answers the question: **What are the staffing costs to Solana Beach to implement the CAP over the first five fiscal years?** It presents an overall summary of staffing costs for the first five fiscal years and summarizes results by Solana Beach department, staff position, CAP measure, and CAP strategy.

3.1 Overall Results

Figure 6 summarizes the estimated staffing costs related to CAP implementation. The total staffing costs to implement CAP actions for the first five fiscal years is estimated to be about \$901,000. Of this total, \$272,000 (30% of total) would occur in the current fiscal and represent the start-up nature of many CAP activities. The level of staffing costs for the remaining four fiscal years are relatively steady at between about \$145,000 and \$160,000 annually.

Figure 6 Personnel Cost to Implement the CAP



3.2 Staffing Costs by Department

The Solana Beach CAP Implementation Cost Analysis estimated incremental costs for each affected department to illustrate how CAP staffing costs and workload would be distributed across the Solana Beach organizational structure. The highest percentage of total estimated incremental costs for CAP implementation are in the City Manager's Office, which represents about 73% of total costs, followed by Public Works, with about 15% (Figure 7). These two departments represent nearly 90% of all staffing costs. Measure E-1 (Implement a CCA Program), subject to City Council approval, represents about 50% of the total staffing costs for the City Manager's Office. Increasing bike lanes (Measure T-10) represents about 30% of the total staffing costs for the Public Works Department, followed by increasing commuting by walking (Measure T-g) and diverting waste from landfills and capturing landfill gas emissions (Measure W-1), which each represent about 10% of total costs.

Figure 7 Total Staff Cost by Department (Years 1-5)

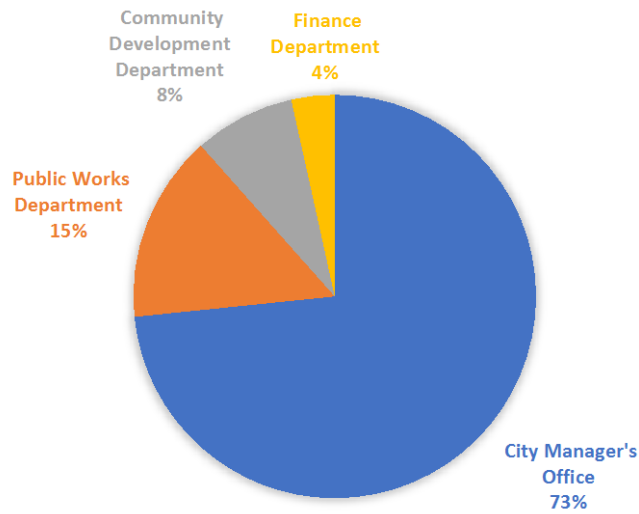
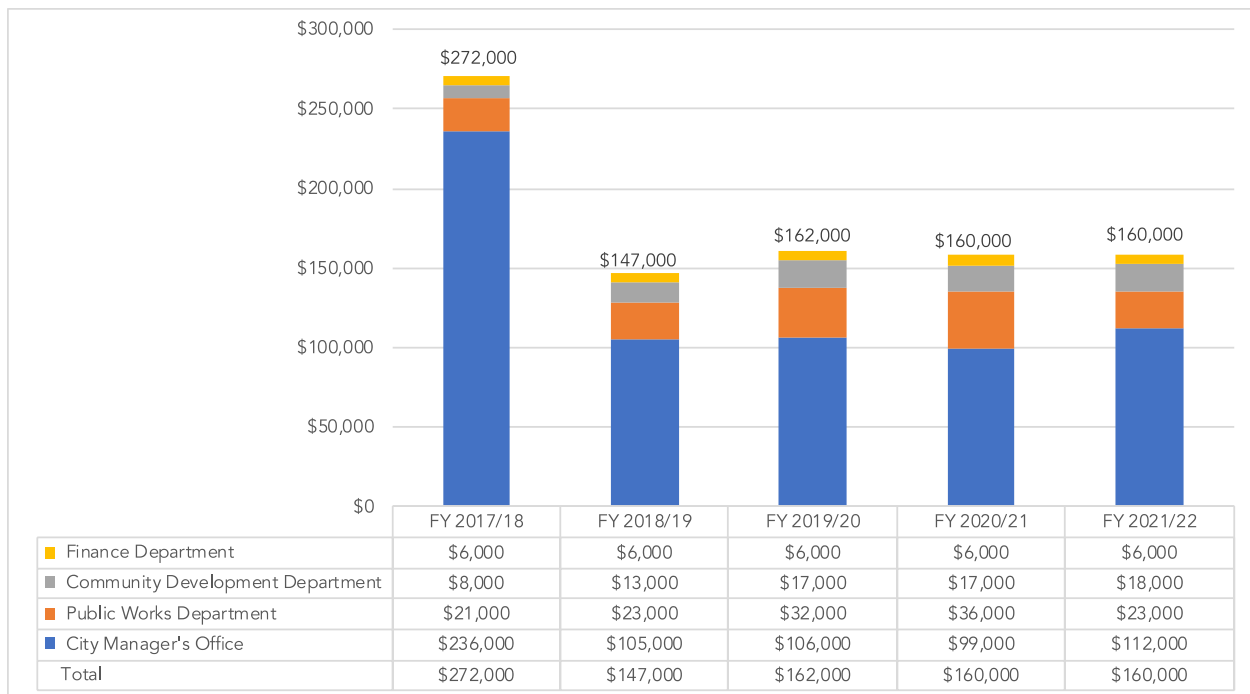


Figure 8 shows the annual staffing cost results for each department.

Figure 8 Total Personnel Cost to Implement the CAP by Department

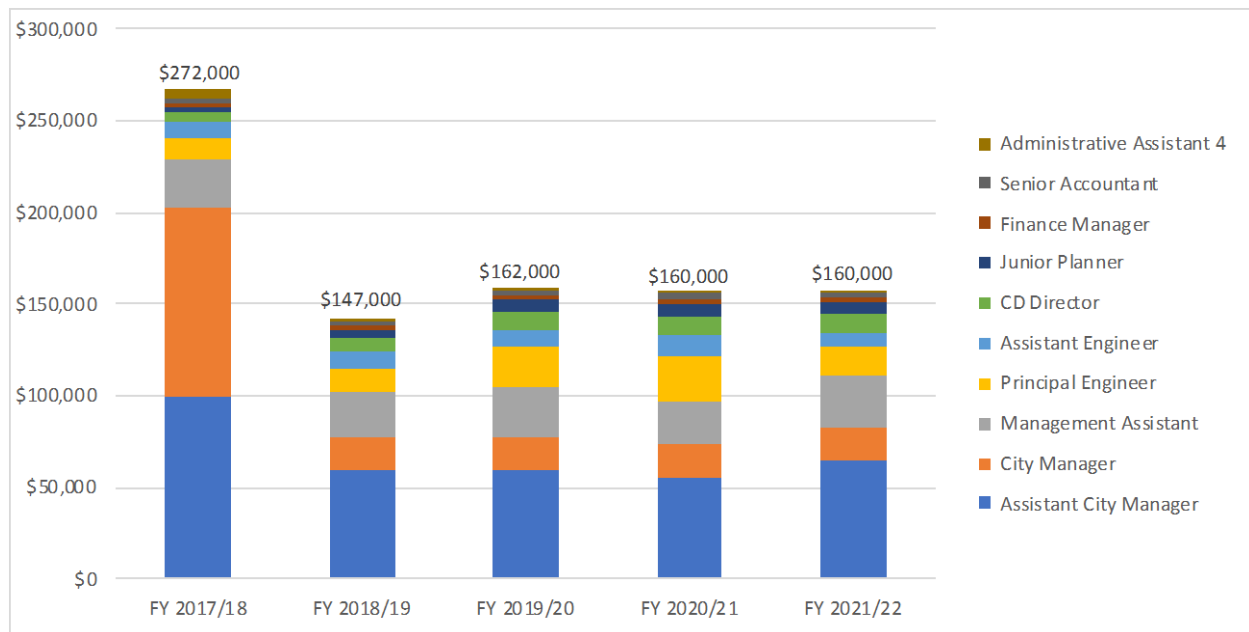


3.3 Staffing Costs by Staff Position

This section breaks down total staffing costs by staff position and provides a more granular perspective that allows for personnel planning associated with CAP implementation. It provides further detail for total costs and the incremental portion of costs associated with new programs.

The Assistant City Manager’s position in the City Manager’s Office would have the highest estimated total staffing costs over the first five fiscal years of CAP implementation, about \$339,000 (38% of total costs). Of the total for this position, \$100,000 would occur in FY 2017-18 and \$229,000 over the final four fiscal years, an average of between \$50,000 and \$60,000 annually over this period. The City Manager would have the second highest staffing cost of about \$175,000 (19% of total costs). About \$100,000 of these costs would occur in FY 2017-18 and \$75,000 in the remaining fiscal years. These two positions account for nearly 60% of total personnel costs associated with CAP implementation during the first five fiscal years. Figure 9 show the estimated cost by staff position for each participating Solana Beach department.

Figure 9 Total Staff Cost by Position



Work associated with three CAP measures would account for about 55% of the total staffing cost for the Assistant City Manager position: Implement a CCA Program (Measure E-1), subject to City Council approval, with about \$120,000 in costs over the five-year period (35% of total staffing costs for this position), Measures T-1 (Electric Vehicles and Alternative Fuel Vehicles) and E-2 (Residential Rooftop Solar Photovoltaic Systems) each would have a staffing cost of about \$30,000, about 10% of total costs for this position.

Costs associated with the City Manager’s participation in CAP implementation would be about \$175,000 over the five-year period, all associated with the Measure E-1. Similar to the cost distribution in Figure 9 above, about 60% of the costs associated with the City Manager and Assistant City Manager positions would occur in FY 2017-18, mainly due to the anticipated program development activities related to implementing a Community Choice Aggregation program (Measure E-1).

3.4 Staffing Costs by CAP Measure

The CAP implementation cost analysis also determined the total cost and staffing impact for each CAP measure. Table 3 below presents the estimated total staffing costs to implement each CAP measure in for the first five fiscal years. Measure E-1 (Implement a CCA Program) would have the highest total staffing cost during the five-year period with about \$371,000, or 41% of total staffing costs. The cost in

FY 2017-18 would be about \$200,000 and then drop to between \$40,000 and \$45,000 annually for the remaining four fiscal years. Measures T-1 (Electric Vehicles and Alternative Fuel Vehicles) would have a total cost of \$54,000 (6% of total) and E-8 (Commercial Energy Efficiency Retrofits) would cost about \$49,000 (5% of total).

3.4.1 CAP Coordination and Reporting

In addition to the measures included in the CAP, this analysis estimates the staffing cost associated with CAP coordination and reporting activities, including conducting regular inventories, monitoring CAP progress, updating the CAP, and interdepartmental coordination. These activities, which account for about \$78,000 over the five-year period, are not included as part of a CAP Measure and are therefore omitted from the totals presented in Table 3 below. These costs are included in total cost values presented in other sections of this report. The Assistant City Manager Position would account for about 35% of these estimated costs over five years.

Table 3 Staffing Cost by CAP Measure

CAP Measures	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	Total*	% of CAP Total
E-1	\$201,000	\$41,000	\$42,000	\$43,000	\$44,000	\$371,000	41%
T-1	\$9,000	\$12,000	\$11,000	\$11,000	\$11,000	\$54,000	6%
E-8	\$6,000	\$13,000	\$12,000	\$10,000	\$8,000	\$49,000	5%
E-2	\$5,000	\$9,000	\$10,000	\$10,000	\$10,000	\$44,000	5%
W-1	\$4,000	\$9,000	\$11,000	\$10,000	\$5,000	\$39,000	4%
T-10	\$14,000	\$13,000	\$3,000	\$5,000	\$4,000	\$39,000	4%
T-5	\$4,000	\$4,000	\$7,000	\$5,000	\$3,000	\$23,000	3%
E-3	\$1,000	\$5,000	\$6,000	\$5,000	\$5,000	\$22,000	2%
W-5	\$4,000	\$6,000	\$4,000	\$2,000	\$2,000	\$18,000	2%
T-9	\$0	\$0	\$8,000	\$7,000	\$1,000	\$16,000	2%
T-3	\$0	\$0	\$1,000	\$7,000	\$5,000	\$13,000	1%
T-4	\$0	\$1,000	\$3,000	\$5,000	\$2,000	\$11,000	1%
T-7	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000	1%
T-11	\$1,000	\$2,000	\$2,000	\$2,000	\$1,000	\$8,000	1%
E-4	\$0	\$2,000	\$2,000	\$3,000	\$2,000	\$9,000	1%
T-2	\$2,000	\$2,000	\$1,000	\$1,000	\$1,000	\$7,000	1%
E-7	\$0	\$1,000	\$2,000	\$2,000	\$2,000	\$7,000	1%
T-8	\$0	\$1,000	\$3,000	\$2,000	\$1,000	\$7,000	1%
W-3	\$0	\$0	\$0	\$4,000	\$2,000	\$6,000	1%
E-5	\$0	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000	0%
U-1	\$0	\$1,000	\$3,000	\$0	\$0	\$4,000	0%
T-6	\$0	\$0	\$3,000	\$2,000	\$0	\$5,000	1%
W-4	\$0	\$0	\$1,000	\$0	\$0	\$1,000	0%
E-6	\$0	\$0	\$0	\$0	\$0	\$0	0%
W-2	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total	\$263,000	\$137,000	\$147,000	\$151,000	\$122,000	\$820,000	91%

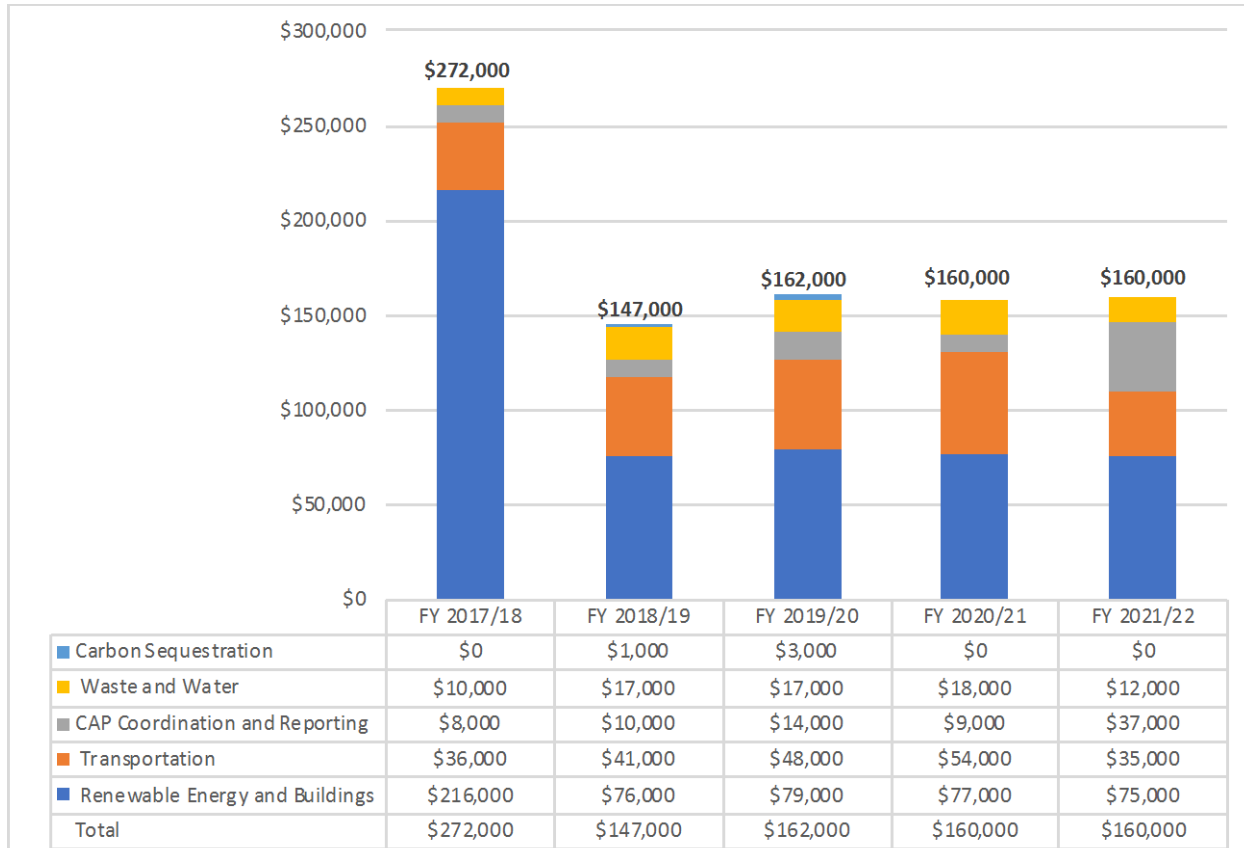
*The totals presented are for CAP measures and do not include costs related to CAP Coordination and Reporting. Values may not sum to totals due to rounding.

3.5 Staffing Cost by CAP Strategy

The Solana Beach CAP is organized into five broad strategies: Transportation, Renewable Energy and Buildings, Waste and Water, and Carbon Sequestration. Costs related to CAP Coordination and Reporting are included here. The Renewable Energy and Buildings strategy would have the highest associated staffing costs with a total of nearly \$523,000, or about 58% of overall costs. The staffing costs for this strategy are due mainly to Measure E-1 (Implement a CCA Program), which would represent about 70% of the total staffing costs for the Renewable Energy and Buildings strategy. About \$216,000 associated with this strategy would be incurred in FY 2017-18 and between about \$75,000 and

\$80,000 annually over the next four fiscal years. The Transportation strategy would be the second highest cost strategy with \$214,000, or 24% of total costs. Annual costs for this strategy are relatively steady and range between \$35,000 and \$55,000. Figure 10 summarizes these results.

Figure 10 Total Staff Cost by CAP Strategy



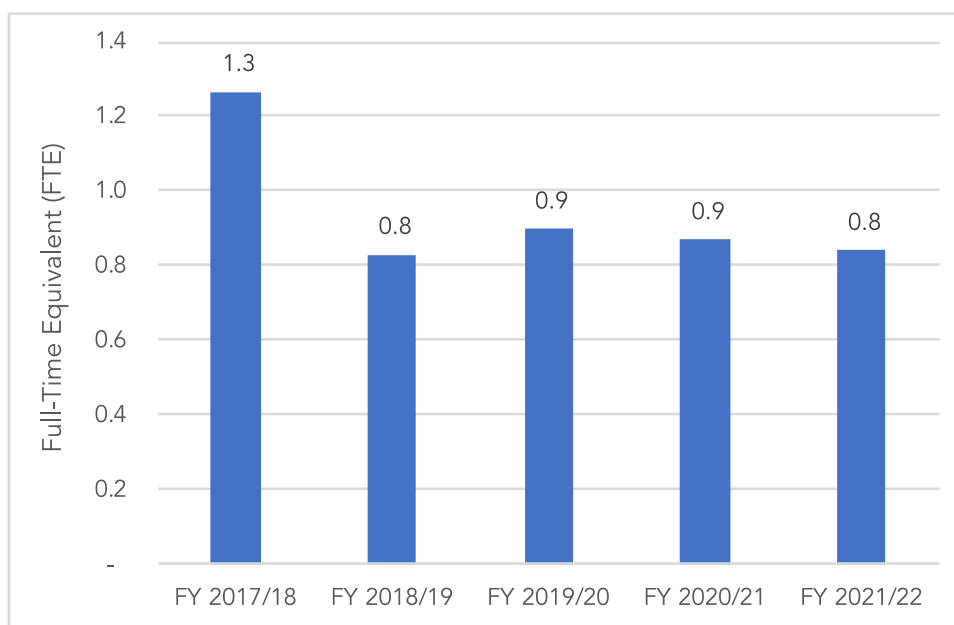
4 RESULTS – STAFFING IMPACTS (FTE)

The section presents the results of the Solana Beach CAP Implementation Cost analysis and answers the question: **What are the staffing impacts to Solana Beach to implement the CAP over the first five fiscal years?** It presents annual staffing needs over the first five fiscal years of CAP implementation. Results are broken down by Solana Beach department, staff position, CAP measure, and CAP strategy.

4.1 Overall Staff Impacts

Estimated annual staffing needs to implement CAP activities would be 1.3 FTE in FY 2017-18, about 0.8 FTE in FY 2018-19, 0.9 FTE in FY 2019/20 and FY 2020-21, and 0.8 FTE in the final fiscal year of the analysis period.¹ Higher staffing needs in the early years of CAP implementation is common and represents the startup nature of many of the associated programs, which could be new lines of work. This pattern is also affected by the work FY 2017-18 by the City Manager's Office to implement a CCA Program (Measure E-1). Figure 11 summarizes these results.

Figure 11 Summary of Annual Staffing Impacts (FTE) to Implement CAP Measures



The following sections present staffing impacts in more detail. Results are annual staffing needs, or the total FTE required to implement the anticipated CAP activities in each fiscal year. Also, it was assumed that all additional CAP efforts could be absorbed by existing staff and no new staff positions would be needed.

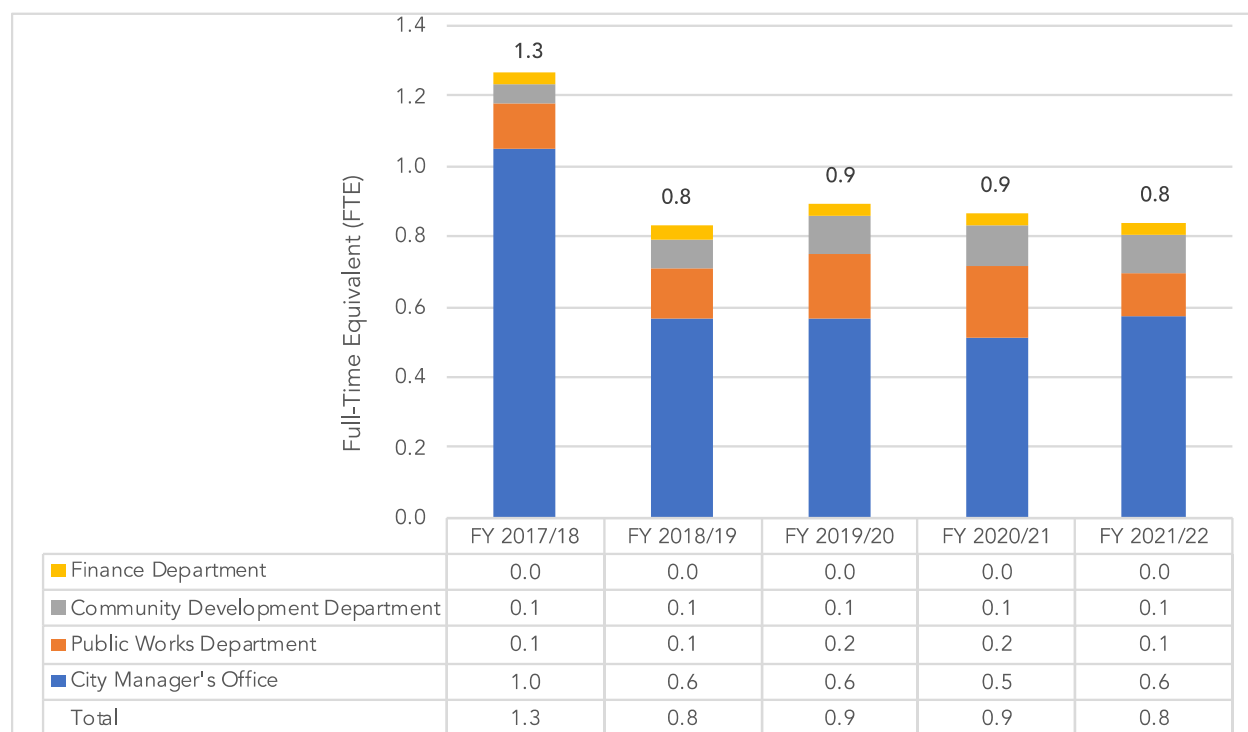
4.2 Staffing Impacts by Department

Similar to the distribution of staffing costs, the City Manager's Office would have the highest staffing impact with a total of 1 FTE in FY 2017-18 and between 0.5 and 0.6 FTE for the remaining four fiscal

¹ To convert hours to full-time equivalent (FTE), 2,080 hours is considered full-time.

years of the analysis period (Figure 12). The Public Works Department would have the second highest level of staffing needs as a result of the CAP with between 0.1 FTE and 0.2 FTE over the five-year period. These two departments account for over 90% of annual staffing impacts in FY 2017-18 and about 85% for the remaining four fiscal years.

Figure 12 Total Staff Impact (FTE) by Department²

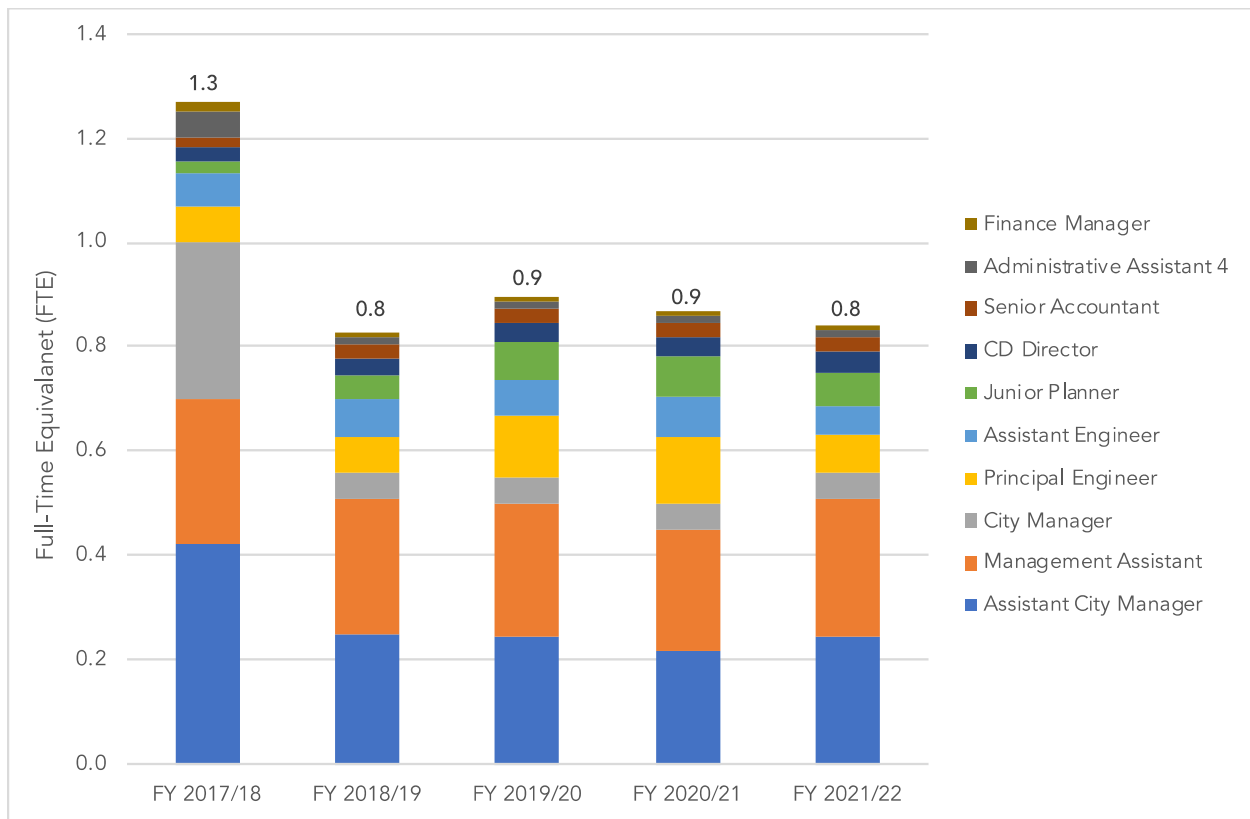


4.3 Staffing Impacts by Position

Three of the positions most affected by CAP implementation are in the City Manager’s Office: the Assistant City Manager, Management Assistant, and City Manager positions would account for nearly 80% of all staffing needs in FY 2017-18 and between 55% and 80% of the annual totals over the final four fiscal years. The Assistant City Manager would require 0.4 FTE in the first fiscal year and about 0.2 FTE annually for the remaining four fiscal years. The Management Assistant would require 0.3 FTE each year except FY 2020/21, which would require 0.2 FTE. The City Manager would require about 0.3 FTE in FY 2017-18 and 0.1 FTE annually in the remaining four fiscal years. The Assistant and Principal Engineer positions in the Public Works Department would also have among the highest staffing impact from CAP implementation with about 0.1 FTE annually over the five-year analysis period. Figure 13 summarizes these results.

² Values may not sum to totals due to rounding.

Figure 13 Total Staffing Impact (FTE) for Affected Positions



4.4 Staff Impacts by Measure

Measure E-1 (Implement a CCA Program) would have the highest staffing impact with 0.8 FTE in FY 2017/18 and 0.2 FTE annually the remaining four fiscal years of the analysis period. Measure T-1 (Electric and Alternative Fuel Vehicles) 0.1 FTE annually over the five-year period and Measure E-8 (Commercial Energy Efficiency Retrofits) would require 0.1 FTE annually in the final four fiscal years of the analysis. These three CAP measures would represent about 50% of the total staffing impact over the first five-year implementation period. Table 4 summarizes staffing impact by CAP measure.

Table 4 Total Staff Effort (FTE) by CAP Measure

CAP Measures	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
E-1 Community Choice Aggregation	0.8	0.2	0.2	0.2	0.2
T-1 Electric and Alternative Fuel Vehicles	0.1	0.1	0.1	0.1	0.1
E-8 Commercial Energy Efficiency Retrofits	0.0	0.1	0.1	0.1	0.1
T-10 Bike Lanes	0.1	0.1	0.0	0.0	0.0
E-2 Residential Solar Photovoltaic Systems	0.0	0.1	0.1	0.1	0.1
W-1 Waste Diversion and Landfill Gas Capture	0.0	0.1	0.1	0.1	0.0
E-3 Commercial Rooftop Photovoltaic Systems	0.0	0.0	0.0	0.0	0.0
T-5 Preferred Parking for Alternative Fuel Vehicles	0.0	0.0	0.0	0.0	0.0
W-5 Water Conservation	0.0	0.0	0.0	0.0	0.0
T-9 Walking	-	0.0	0.0	0.0	0.0
T-3 Average Commuter Trip Distance	-	-	0.0	0.1	0.0
T-11 Alternative Work Schedule	0.0	0.0	0.0	0.0	0.0
T-7 Telecommuting	0.0	0.0	0.0	0.0	0.0
E-4 Solar Water Heating (Existing Commercial)	0.0	0.0	0.0	0.0	0.0
T-4 Mass Transit	0.0	0.0	0.0	0.0	0.0
E-7 Residential Energy Efficiency Retrofits	0.0	0.0	0.0	0.0	0.0
T-8 Convert Municipal Fleet to Electric Vehicles	0.0	0.0	0.0	0.0	0.0
T-2 Vanpools	0.0	0.0	0.0	0.0	0.0
E-5 Solar Water Heating (Existing Homes)	0.0	0.0	0.0	0.0	0.0
W-3 Recycled water Program	-	-	-	0.0	0.0
U-1 Carbon Sequestration (Urban Tree Planting)	0.0	0.0	0.0	0.0	-
T-6 Traffic Signals Retiming	-	-	0.0	0.0	0.0
W-4 Wastewater Treatment Emissions Capture	0.0	0.0	0.0	0.0	0.0
E-6 Residential Natural Gas Efficiency	0.0	0.0	0.0	0.0	0.0
W-2 Existing Water Rate and Billing Structure	0.0	0.0	-	-	-
Total CAP Measures*	1.2	0.8	0.8	0.8	0.6

*Does not include staffing impact from CAP Coordination and Reporting activities.

Note that a zero represents a value that due to rounding is not visible in the significant digits presented. A dash (-) represents no staffing impact (or 0 FTE).

4.4.1 CAP Coordination and Reporting

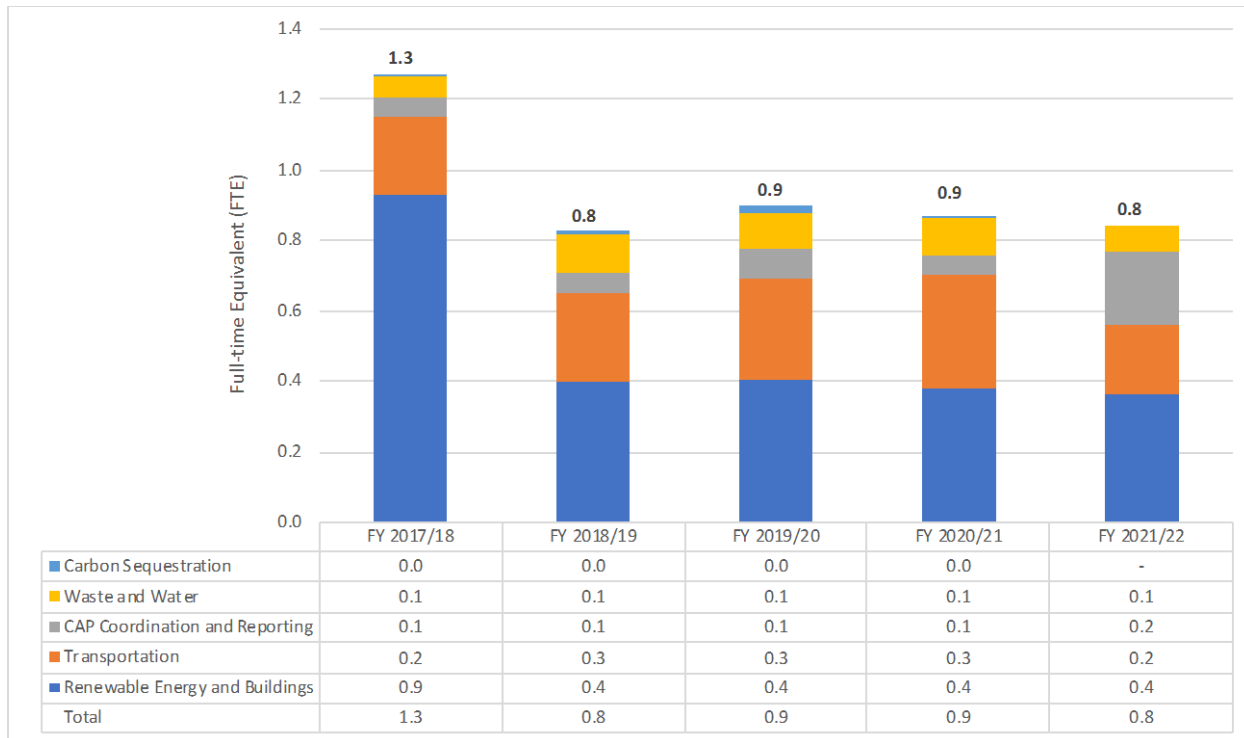
The staffing impact of CAP Coordination and Reporting activities would be minimal relative to other CAP implementation activities, accounting for 0.05 FTE in FY 2017/18, between 0.05 and 0.08 annually through FY 2020/21, and about 0.2 FTE in the final fiscal year. The Assistant City Manager and Management Analysis positions in the City Manager's Office would have the highest staffing needs for CAP Coordination and Reporting, representing about one third of all necessary effort.

4.5 Staff Impact by CAP Strategy

The Renewable Energy and Building Strategy would have the highest associated staffing impact with 0.9 FTE in FY 2017/18, and 0.4 FTE annually for the remaining four fiscal years. The Transportation Strategy would have the second highest staffing impact, with between about 0.2 FTE and 0.3 FTE

annually over the five fiscal years. These two strategies represent about 90% of annual staffing impacts in FY 2017/18 and between about 70% and 80% of annual FTE needs over the remaining four fiscal years. Figure 14 summarizes these findings.

Figure 14 Total Staff Impact (FTE) by CAP Activity Type³



³ Values may not sum to totals due to rounding.

5 LIMITATIONS

There are inherent limitations with any cost analysis that result in a degree of uncertainty that should be taken into account. This cost analysis uses the best information, data, and methods available at the time. Nonetheless the following limitations should be considered.

5.1 Staff Costs Only

This report evaluates only the staffing cost and impact (FTE) to implement CAP measures. It includes preliminary estimates for other costs (like supplies and materials and consultants), but does not allocate these to CAP measures, Solana Beach staff departments, or the other categories in the way staffing costs and impacts are presented. The cost estimates here do not capture cost estimates for consultants, supplies and materials, or capital associated with CAP measures. Additional analysis would be required to develop a more comprehensive estimate of CAP implementation costs.

5.2 Preliminary Estimate

The cost and staffing impact results presented are preliminary estimates. Because there is limited information about the specific tasks that would be required to implement the CAP measures, the estimates included are based on assumptions about the work to be performed. Over time, the specific tasks required to implement final CAP measures will become clearer and considerations for how to coordinate and sequence activities can be made, which may also affect the ultimate cost and staffing required to implement the final CAP.

5.3 CAP Time Horizon

This analysis evaluated Solana Beach's staffing cost and impact (FTE) for the first five years of CAP implementation through FY 2021-22. While the CAP has an implementation horizon of 2035, this report does not estimate costs between FY 2022-23 and 2035. This could cause misinterpretation of some of the findings. For example, certain CAP measures will be implemented and have costs beyond the scope of this initial cost analysis, but only the cost during the first five fiscal years of CAP implementation are captured here. To account for future costs, cost estimates could be updated through the CAP monitoring process.

5.4 GHG Emissions

This report does not consider the GHG emissions associated with CAP measures. It is common for cost analyses to normalize cost across GHG emission reductions in a CAP; this means dividing costs by GHG emissions to derive a cost per ton of carbon-dioxide equivalent (CO₂e) reduced. It is not possible to derive such values from the cost information included in this report, because there is no way to correlate the amount of GHG reductions that would occur due to the specific staffing expenditures estimated for this effort. For example, it would not be accurate to divide costs for the first five fiscal years by the total GHG reduction for 2035, because there could be additional costs associated with achieving those reductions.

6 CONCLUSION

This report summarizes the findings for the Solana Beach CAP implementation Cost Analysis conducted by the Energy Policy Initiatives Center (EPIC) at the University of San Diego. The overall goal of the report is to identify the total and incremental staffing costs and impact (FTE) required to implement CAP Measures.

Estimated staffing costs to implement CAP measures over the first five fiscal years would be \$901,000: about \$272,000 in FY 2017-18 and between about \$145,000 and \$160,000 over the remaining four fiscal years. The City Manager's Office would represent about 73% of total staffing costs to implement CAP measures over the first five fiscal years, followed by Public Works with 15%. These two departments would account for nearly 90% of all staffing costs. Measures E-1 (Implement a CCA Program) would have the highest total staffing cost during the five-year period with about \$371,000, or 41% of total staffing costs.

Estimated annual staffing needed to implement CAP activities would be 1.3 FTE in FY 2017-18, about 0.8 FTE for FY 2018-19, 0.9 FTE for FY 2018/19, 0.9 FTE through FY 2020-21, and 0.8 FTE in the final fiscal year of the analysis period. Higher staffing needs in the early years of CAP implementation is common and represents the startup nature of many of the associated programs, which could be new lines of work. This pattern is also affected by the work in FY 2017-18 by the City Manager's Office to implement a CCA Program (Measure E-1). The highest staffing impacts would occur in the City Manager's Office in the first fiscal year. The Assistant City Manager would require 0.4 FTE, the City Manager 0.3 FTE, and the Management Assistant 0.3 FTE in the first year of the analysis. The contribution of these three positions drops in the remaining four fiscal years.

Given the preliminary nature of this estimate, which is based on the CAP, regular updates may be necessary to monitor costs and to integrate any changes to measures and actions over time.

6.1 Next Steps and Recommendations

Understanding the estimated annual staffing costs and impacts is an important step in determining the cost of implementing the CAP, especially since staffing costs are likely the most significant cost incurred by Solana Beach. However, several additional steps could complement this analysis to provide a more comprehensive cost estimate.

- **Estimate Other CAP Implementation Costs** – Solana Beach will incur additional costs to implement the CAP beyond staffing costs. Other costs could include consultants, materials and supplies, and capital expenditures. Estimating these costs would provide a more comprehensive view of CAP implementation costs.
- **Determine Incremental CAP Implementation Costs** – This analysis estimated total staffing cost and did not distinguish between existing activities and programs that would have been implemented regardless of CAP adoption and new activities that would be implemented only as a result of CAP adoption. Determining which costs are new as a result of the CAP can help Solana Beach understand the incremental costs associated with the CAP.
- **Consider Estimating the Cost Impacts to Solana Beach Residents and Businesses** – This analysis focuses on Solana Beach staffing costs and does not consider the potential cost impacts to homes and businesses located in Solana Beach. Conducting a benefit-cost analysis provides information on how cost-effectively each CAP measure can reduce GHG

emissions and estimates the financial impacts to those who participate in the programs or policies. All CAP measures will be presented to City Council for approval.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: City Manager's Office
SUBJECT: FY 2018/19 Community Grant Program Awards

BACKGROUND:

On May 4, 2004, the City Council adopted Resolution No. 2004-68 approving Council Policy No. 14 establishing the Community Grant Program ("Grant Program") and Application Guidelines for the Grant Program.

At the April 25, 2018 City Council meeting, the City Council authorized the Fiscal Year (FY) 2018/19 Community Grant Program. The FY 2018/19 Adopted Budget contains an appropriation in the amount of \$25,000 to fund the Community Grants Program. The City receives a \$10,000 contribution from EDCO as part of their community enhancement efforts, which is used to fund a portion of this program and was recently increased to \$15,000 based on the new EDCO contract that was approved by Council on June 13, 2018

At the June 13, 2018 City Council meeting, the grant applicants gave a presentation on their respective program requests. There are a total of fifteen (15) applications for a maximum funding request of \$63,100.

This item is before the City Council to select the FY 2018/19 Community Grant Program recipients.

DISCUSSION:

The following fifteen (15) applications were received by the City during the solicitation period.

Applicant	Amount Requested
American Association of University Women	\$5,000
Assistance League Rancho San Dieguito	\$3,000
Boys and Girls Club of San Dieguito	\$5,000
Casa De Amistad	\$5,000
Community Resource Center	\$5,000
La Colonia de Eden Gardens	\$5,000
North Coast Repertory Theatre	\$5,000
North County Immigration & Citizenship Center	\$2,000
Reality Changers	\$5,000
San Dieguito River Valley Conservancy	\$2,500

CITY COUNCIL ACTION: _____

Solana Beach Civic and Historical Society	\$5,000
Solana Beach Disconnect Collective - Platicas	\$5,000
Solana Beach Disconnect Collective - Plug	\$5,000
Solana Beach Soccer Club	\$1,600
St. James & St. Leo Medical Program	\$4,000
Total	\$63,100

The complete applications were included in a separate binder that was distributed to Council prior to the June 13, 2018 City Council meeting. The City’s FY 2018/19 Adopted Budget contains an appropriation in the amount of \$25,000 to be used to fund community grants which will be increased by \$5,000 to \$30,000 based on the recently approved EDCO contract. In past years, the Council has authorized an additional \$5,000 from the Reserve Public Arts Account to be used to fund the North Coast Repertory Theatre grant application.

At the June 13th City Council meeting, Council had questions and made requests of certain applicants. The City has since received supplemental information from La Colonia de Eden Gardens (Attachment 2), Solana Beach Disconnect Collective - Platicas (Attachment 3), and Solana Beach Disconnect Collective – Plug (Attachment 4). Staff has also requested additional information from several applicants as part of the application review process which will be submitted to Council prior to the Council meeting if necessary.

Santa Fe Christian (SFC) Schools Cooperation

Six years ago, the City and SFC created a unique partnership to more efficiently and effectively assist the non-profit organizations that specifically serve the Eden Gardens community. This partnership, which has included a \$15,000 contribution from SFC in past years, has allowed for both the City and SFC to maximize its limited resources to provide the most benefit for this underserved population. Staff has reached out to SFC to inquire if they will be partnering with the City again this year but as of the time of writing this Staff Report, the City has not heard back whether or not SFC will be participating. Once the City receives confirmation of whether or not SFC will participate again this year, Staff will relay the information to Council.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The FY 2018/19 Adopted Budget contains an appropriation in the amount of \$25,000 to be used to fund community grants, subject to the City Council’s discretion. The appropriation is budgeted in the Contribution to Other Agencies expenditure account in the City Council budget unit.

Council is being asked to approve a General Fund appropriation of \$5,000 to the Community Grant revenue account and the Contribution to Other Agencies expenditure account to reflect the increased contribution by EDCO from \$10,000 to \$15,000 per fiscal year based on the recently approved EDCO contract.

In past years, the Council has authorized an additional \$5,000 from the Reserve Public Arts Account to be used to fund the North Coast Repertory Theatre grant application.

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation
- Approve Staff recommendation with modifications
- Deny Staff recommendation and provide direction

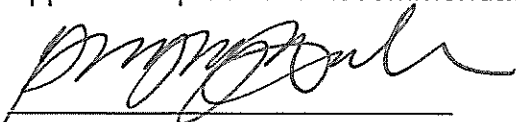
DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Select the FY 2018/19 Community Grant Program recipients and identify an award amount to each recipient.
2. Adopt Resolution No. 2018-086 (Attachment 1)
 - a. Authorizing the funding for the selected community grant applicants for financial assistance under the FY 2018/19 Community Grant Program.
 - b. Appropriating \$5,000 to the Community Grant revenue account and the Contribution to Other Agencies expenditure account in the General Fund.
 - c. Authorizing the City Treasurer to amend the FY 2018/19 Adopted Budget accordingly.

CITY MANAGER RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution 2018-086
2. La Colonia de Eden Gardens supplement
3. Solana Beach Disconnect Collective - Platicas supplement
4. Solana Beach Disconnect Collective – Plug supplement

RESOLUTION NO. 2018-086

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, AUTHORIZING CITY COUNCIL FUNDING FOR SELECTED COMMUNITY GRANT RECIPIENTS FOR FINANCIAL ASSISTANCE UNDER THE FISCAL YEAR (FY) 2018-19 COMMUNITY GRANT PROGRAM

WHEREAS, the City Council approved the offering of the FY 2018-19 Community Grant Program for community service organizations who seek program financial assistance on April 25, 2018; and

WHEREAS, the City Council has approved the allocation of \$30,000 for the purpose of funding the FY 2018-19 Community Grant Program in the FY 2018-19 Adopted Budget; and

WHEREAS, the City Council has received Requests for Financial Assistance for the FY 2018-19 Community Grant Program, reviewed all applications, and has determined the selection of the FY 2018-19 grant recipients and award amounts pursuant to Council Policy No. 14 (Policy) including all subsequent amendments made by the City Council to the Policy.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. Council has reviewed all FY 2018-19 Community Grant requests and has determined the selection of the FY 2018-19 grant recipients and award amounts pursuant to Council Policy No. 14.
3. Council authorizes the appropriation of \$5,000 to the Community Grant revenue account and the Contribution to other Agencies expenditure account in the General Fund.
4. Council authorizes the City Treasurer to amend the FY 2018/19 Adopted Budget accordingly.

PASSED AND ADOPTED this 27th day of June, 2018, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

Patricia Letts

From: Victor Tostado <vict@roadrunner.com>
Sent: Saturday, June 16, 2018 8:06 AM
To: Dan King; Patricia Letts
Cc: 'Manny Aguilar'
Subject: FW: La Colonia De Eden Gardens Foundation (LCEG)

Below is the original message

From: Victor Tostado [<mailto:vict@roadrunner.com>]
Sent: Friday, June 15, 2018 9:39 AM
To: 'Manny Aguilar' <mannya@sbcglobal.net>
Subject: FW: La Colonia De Eden Gardens Foundation (LCEG)

Below is the original message

From: Victor Tostado [<mailto:vict@roadrunner.com>]
Sent: Tuesday, June 12, 2018 5:24 PM
To: 'auruburu@cosb.org' <auruburu@cosb.org>
Cc: 'Manny Aguilar' <mannya@sbcglobal.net>
Subject: La Colonia De Eden Gardens Foundation (LCEG)

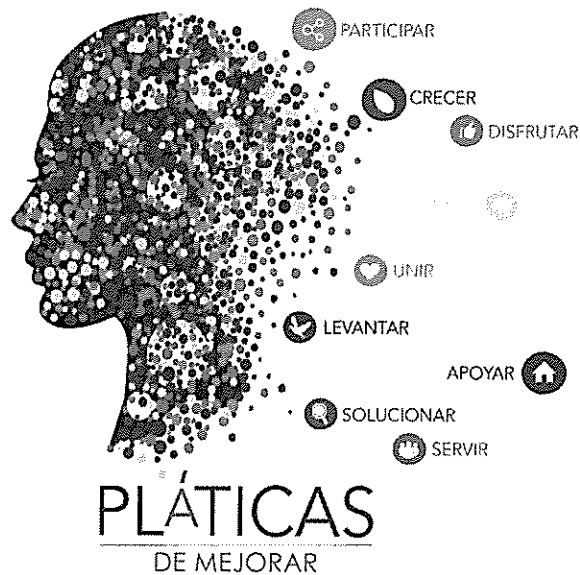
Dear Solana Beach City Manager & Council Members,

As a former board member and treasurer of La Colonia De Eden Gardens Foundations , I have been asked by Manny Aguilar, LCEG Board President to review certain financial documents and a volunteer letter from Pricilla Gonzales Rojo, a LCEG volunteer.

- As to the Income and Expense Report , I find it adequate. Certain items might require a note. It is my understanding that because of certain programmatic changes approved by the Board of Directors, budget projections were just that, projections. A Balance Sheet should be forthcoming.
- As to the letter from Pricilla Gonzales Rojo, LCEG Board Members are well aware of the facts. To characterize the content of the letter my summary is that LCEG needs to polish up their community relations.

Sincerely

Victor Tostado
858-755-3080



Group Structure and Curriculum

The Group will start at 6 on Tuesday and 2 hours will be allocated, coffee and treats will be provided and we will make the environment and space and welcoming as possible. The group will have expectations and guidelines that will be reviewed as needed and we have new participants. It will be an open group that accepts people willing to conform to the guidelines and agree to be solution focused. Upon assessment of the participants, we will identify if they need further, more individualized attention, or a more suitable group. Participants must adhere to group guidelines and maintain respect and positive environment, or they will be warned and may be asked to leave. Emotional and Physical safety is a high priority.

The mission of the groups will be to foster close relationships built on trust, empathy, vulnerability, understanding and support. Through education, self-evaluation and respect, group participants can improve their relationships and build their village to - improve their family life and personal well-being.

The group agenda will be as follows.

- 1)First-Check in, introduction and welcome of new members and positive affirmations, administrative checks and any personal issues that need to be shared or support needed.
- 2)Second-Solutions sought to support group participants and guided dialogue or communication techniques to improve relationships and strengthen connections. Process time to discuss reactions.
- 3) Education Topic consisting of curriculum show below of the 3 main focuses. Educator or facilitator will present topics beforehand and participants will be given the topic for the following week so that they can prepare and present.

4) Closure-closing remarks positive, goal setting, assignments, conclusions and supportive comments.

The 3 main focuses of the group are self-development, child and family development, and community development.

The self-development will consist of interpersonal understandings and identification and awareness of cognitive thoughts and consequent behavior. This includes some insight and understanding of boundaries, emotional reactions and management. Goal setting will be discussed and removing obstacles to one's success. Negative patterns and habits will be identified as well. We will discuss and identify negative self-talk and identify resistance to change. Self-care and self-respect will be reviewed regularly. Relaxation techniques and seeking positive habits and relationships will be addressed. These topics will be reinforced throughout the groups and participants will be empowered to master concepts. Positive changes will be encouraged and praised. Communication skills will be taught and modeled throughout the groups.

Participants and facilitators will role model appropriate positive exchanges.

The Child and Family Development portion will consist of psychoeducational understanding of healthy child and family development. Participants will be encouraged to set goals for themselves and present to group how these behaviors have affected them and discuss further solutions. Childhood development will be reviewed as well as health habits for improved quality of life. Participants will be encouraged to come up with their own goals and reevaluate as necessary.

Community development will consist of psychoeducational cultural difference and resistance discussions. Fears and concerns will be addressed and solutions to these problems. Participants will learn and create their own skills and techniques to create solutions to bond. Participants will create goals and suggestions to address resistance and break some previous patterns. The goal would be for participants to increase their relationship building skills to improve their family and community life.

The educational part of the group will be prepared and support material will be available. and Participants will be encouraged to present. A guest speaker will be scheduled into the education part of the group. Leadership opportunities will be discussed and encouraged. Participants will receive awards and recognition for positive accomplishments. They will be encouraged to work together on group and community endeavors. Lesson plans will be prepared to include topics to increase communication, positive self-talk and healthy relationships.

Groups may also have recommended assignments and education material as an option for participants who are eager to learn more and improve their life. Discussion questions and journaling topics will also be encouraged. Extra assignments and opportunities for growth will be provided.

This program will be open to any Spanish speaking member of the community who will confirm to the guidelines. We have begun to partner with our local schools and community organizations to obtain referrals.



Disconnect Collective, Inc. was created in early 2018 by Monica Stapleton LMFT and Aubri Almandariz M.Ed. An advisory council consisting local Solana Beach community members, business owners, medical and mental health professionals, and educators meet with our board to advise best practices and implement successful curriculum and community outreach efforts. Both Stapleton and Almandariz are bilingual, long term residents, property owners and business owners. With eight children between them ranging from Kindergarten to ninth grade, they became aware of the multiple problems that technology abuse and dependence caused in local families. After researching the alarming mental health state of our youth, they were to do something in the Solana Beach community.

The first thing Disconnect Collective did was reach out to schools and to ensure parents were educated and made aware of the problems these devices caused. We presented the PTA of Earl Warren, Solana Vista and Skyline with some research and suggestions. Disconnect Collective local and the PTA contacted local San Diego SDSU professor Dr. Jean Twenge author of *iGen*: to come present and educate our community. Dr. Twenge is also known for her books *iGen* (2017), *Generation Me* (2006, updated 2014) and *The Narcissism Epidemic* (2009, co-authored with W. Keith Campbell). In the September 2017 issue of *The Atlantic*, Twenge argued that smartphones were the cause behind the sudden increases in mental health issues among teens after 2012. She spoke in our local middle school for hundreds of community members. Her research, (which will be presented in this letter) was what compelled us to do something. Our complementary backgrounds and years of volunteering in the Solana Beach community gave us the tools to begin to address the issues.

Additionally, we had been working on providing research and information for our community to be informed of the dangers of device dependency and solutions. We interviewed dozens of local community members and have some been compiling data in hopes of assessing the mental health of Solana Beach in comparison to the national research. The Disconnect Collective website serves as a centralized resource center for our community. As of June 2018, the website has been visited over 4,000 times and the average user spends over 4 minutes on the site. The website has research and information aiming to decrease iPhone dependency and increase quality of life-which is the mission.

In order to assess the needs of the local community, we spoke with the principals, PTA, community groups, parents and teachers. We have presented some solutions and ideas to several groups and have been asked to speak at some local community and groups as well. We offer several donation-based services consisting of presentations, groups and in home 'Life Technology Improvement plans.' One of the needs we discovered in our interviews was support groups for our Immigrant population. Since the co-founders are Bilingual and qualified to provide this service. La Colonia de Eden Gardens helped us secure a local space and have provided us with referrals. We also attended local ELAC groups and provided parents with information about the groups called 'Platicas de Mejorar,' translated to mean improvement talks.

These groups are Psychosocial educational support groups for Spanish Speaking parents. They are conducted on Tuesdays and the curriculum revolves around 1) Self-development 2) Family and child development and 3) Community Development. Some materials have been purchased for the group and it has been running for about a month. We are working with local groups to bring in speakers to educate and inspire local families. The group is run by Stapleton, a bilingual Licensed Marriage and Family Therapist. Almendariz and Stapleton are collaborating with local professionals to continue to write the curriculum and add more education. We have researched some parenting programs such as 'Parenting with Love and Logic' and 'P.E.T -Parenting Effectiveness Training.' We are awaiting to raise money to purchase the training that is a best fit for the group. To be a trained in these programs is upwards of 800 dollars. More information about 'Platicas de Mejorar' can be found at www.platicasdemejorar.org.

In assessing the needs of the community, dozens of parents felt a need for opportunities to be created for community service. As a result, 'Plug into something better' was created. Disconnect Collective has organized and hosted several events that create opportunities for families to work together with the community. Children can seek intrinsic motivation and the rewards associated helping others and community building. Research shows that seeking external validation from social media, surges of dopamine and other chemicals, harms our mental health and rewires our brain.

As of June, we have held 4 events. We collected food for a homeless shelter and fed them in a shelter. We also watched a documentary and learned about hunger in America. We cleaned up a local church garden and repainted statues. We have cleaned up a local hiking trail and a local lagoon as well. After the events, we watch a documentary and have a discussion as a family. The events have been sponsored by Disconnect Collective and we are working with local business to sponsor us. A grant would enable to us to invite more families provide more opportunities. The events are open to any community members and families. Information can be found on www.DisconnectCollective.org. Our events have been well received and have caught the attention of our local magazine "Ranch and Coast" for the June 2108 issue.

Thank you for the opportunity to explain in more detail our organization. We look forward to serving our community together.

Statistics regarding the mental health of iGen-born approximately between 1995 and 2012. Dr. Jean Twenge is a best selling author and Local San Diego SDSU professor. She named iGen and wrote the iGen book which is the generation born approximately from 1995-2012. Her analysis of data drawn from over 11 million respondents over multiple decades discovered some alarming findings. She is also working with Apple investors to pressure them to keep kids safe

- **Between 2010 and 2016, the number of adolescents who experienced at least one major depressive episode leapt by 60%, according to a nationwide survey conducted by the U.S. Department of Health and Human Services.**
- **Using data collected between 2010 and 2015 from more than 500,000 adolescents nationwide, Twenge's study found kids who spent three hours or more a day on smartphones or other electronic devices were 34% more likely to suffer at least one suicide-related outcome—including feeling hopeless or seriously considering suicide.**
- **Kids who used electronic devices five or more hours a day, 48% had at least one suicide-related outcome.**
- **The suicide rate for girls ages 15 to 19 doubled from 2007 to 2015, when it reached its highest point in 40 years, according to the CDC. The suicide rate for boys ages 15 to 19 increased by 30 percent over the same time period.**
- **In 2015, 36 percent of all teens reported feeling desperately sad or hopeless, or thinking about, planning or attempting suicide, up from 32 percent in 2009. For girls, the rates were higher — 45 percent in 2015 versus 40 percent in 2009.**

- **As a category of accidents, motor vehicle fatality is the leading cause of death to teenagers, representing over one-third of all deaths.**
- **1 out of every 4 car accidents in the United States is caused by texting and driving.**
- **11 teens die every day as a result of texting while driving.**
- **In 2015 42% of teens say they have texted while driving—and texting and driving is the leading cause of death in teens.**

- **One-fourth of teenagers respond to at least one text message every time they drive and 20% of teens and 10% of parents report having multi-text message conversations while driving.**

- **Pedestrians who text are 4x less likely to look before crossing the street, cross in crosswalks, or obey traffic signals.**

- **Governors Highway Safety Association study shows that the number of pedestrians killed in traffic jumped 11 percent last year, to nearly 6,000. That's the biggest single-year increase in pedestrian fatalities ever, and the highest number in more than two decades.**

- **Answering a text takes away your attention for about five seconds. Traveling at 55 mph, that's enough time to travel the length of a football field.**

- **Texting while driving causes a 400% increase in time spent with eyes off the road.**

- **Of all cell phone related tasks, texting is by far the most dangerous activity.**

- **According to a AAA poll, 94% of teen drivers acknowledge the dangers of texting and driving, but 35% admitted to doing it anyway.**

- 21% of teen drivers involved in fatal accidents were distracted by their cell phones.

STRENGTH IN CHILDREN HAS DECLINED BECAUSE OF SEDENTARY LIFESTYLE AND EXCESSIVE SCREEN TIME.

- The number of sit-ups 10-year-olds can do declined by 27.1% between 1998 and 2008
- Arm strength fell by 26% and grip strength by 7%
- While one in 20 children in 1998 could not hold their own weight when hanging from wall bars, one in 10 could not do so in 2008.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: Community Development
SUBJECT: Adopt (2nd Reading) Ordinance 487 Amending the Highway 101 Specific Plan – Specific Plan Amendment No. 17-18-09

BACKGROUND:

The City of Solana Beach Work Plan identified a number of priorities that would address the objective to maintain the small town coastal community charm and character while promoting an outdoor lifestyle and walkable/pedestrian scale community. As discussed at the May 23, 2018 City Council meeting, one of the Community Character Priorities has been to update the Highway 101 Corridor Specific Plan (Specific Plan) that may include amendments to various development standards that would be consistently applied to the entire Highway 101 Corridor. On May 23rd, the City Council received testimony from the public and discussed building heights and number of stories that would maintain the community character and charm of the City while also creating more predictable requirements for developers.

On June 13, 2018, the City Council introduced Ordinance 487 (1st Reading) with an added standard that limits roof decks to be constructed no higher than 20 feet from existing grade. The roof deck limitation does not apply to the Marine Safety Center. This item is before Council to consider adopting Ordinance 487 (Attachment 1) amending the Highway 101 Specific Plan that would help guide new development and redevelopment in the Specific Plan area.

DISCUSSION:

The Specific Plan establishes development standards including, but not limited to, height limits and number of stories for commercial, mixed use, and office/professional uses. As the adopted Specific Plan contemplates periodic review, this item is being

COUNCIL ACTION:

presented to the Council for consideration of a Specific Plan amendment that would address existing development patterns and guide future development within the Specific Plan Districts. On May 23rd, upon receiving public testimony, the City Council discussed modifications to the height limits and the number of story provisions that would more appropriately implement the Specific Plan vision and maintain the existing character and scale of the City. Staff has prepared for adoption Ordinance 487 for City Council consideration based on the May 23rd discussions.

The proposed amendments to the Specific Plan Sections, Tables and Figures are reflected in Exhibit A of the proposed Ordinance with strikeouts indicating deletions and underlines indicating additions. In summary, the proposed changes to Sections 4 and 5 of the Specific Plan would 1) establish a maximum building height of 26 feet and 2 stories for new development; 2) allow a maximum of 3 feet for architectural projections to vary rooflines and create visual interest; 3) create a definition of architectural projections; 4) create provisions that would allow 3 stories within 35 feet for hotel and motel uses; 5) limitation on roof decks to be constructed no higher than 20 feet from existing grade; and 6) the height and roof deck limitations does not apply to the Marine Safety Center.

As currently proposed, the term “architectural projection” would be defined as a decorative or artistic feature that does not have any particular function which is affixed or attached to a building. An architectural projection would include, but not be limited to, a decorative or artistic sculptural element such as a decorative symbol or figure affixed to the building. For the purpose of clarification, but not for the purpose of limitation, the term “architectural projection” would not mean any of the following: the roof structure; the shape of the roof or the roof form; parapet walls at the roof; railings; signage; or roof planters for vegetation.

CEQA COMPLIANCE STATEMENT:

The Proposed Project is exempt from the requirements of the California Environmental Quality Act (CEQA) per 2018 State CEQA Guidelines §15061(b)(3) as a general rule, in that CEQA only applies to projects which have the potential for causing a significant effect on the environment. It can be seen with certainty that a reduction of the maximum building height and number of stories as proposed with this action will have no significant effect on the environment.

FISCAL IMPACT:

There is no fiscal impact as a result of this item.

WORK PLAN:

ITEM # 7 – Land Use and Planning

OPTIONS:


- Approve Staff recommendation and adopt Ordinance No. 487.
- Provide alternative direction and propose modifications to Ordinance No. 487.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt Ordinance 487 (2nd Reading) amending the Highway 101 Specific Plan.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Ordinance No. 487
2. Exhibit A

ORDINANCE 487

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF SOLANA BEACH, CALIFORNIA, AMENDING THE
HIGHWAY 101 CORRIDOR SPECIFIC PLAN**

(SPECIFIC PLAN AMENDMENT NO. 17-18-09)

WHEREAS, the City of Solana Beach City Council originally adopted the Highway 101 Corridor Specific Plan on June 19, 2003, and subsequently amended the Specific Plan on July 28, 2006 by Ordinance 346; and

WHEREAS, on May 23, 2018, the City of Solana Beach City Council received testimony from the public and discussed possible amendments to the Highway 101 Corridor Specific Plan; and

WHEREAS, the South Cedros District already has a maximum building height of 25 feet, a maximum of 2 stories, with up to 3.75 feet allowed for architectural projections; and

WHEREAS, the community's desire to maintain the existing scale, character and charm can be achieved by providing developers a level of predictability through more consistent development standards throughout the Highway 101 Corridor; and

WHEREAS, an amendment establishing a maximum building height of 26 feet, with a maximum number of stories to 2-story buildings, create a definition and allow for architectural features up to three feet, allow a Marine Safety Center up to 30 feet tall within the Plaza District, limiting roof decks to be no higher than 20 feet from existing grade and create provisions that would allow for a maximum of 3-stories within 35 feet for hotel and motel uses was prepared for consideration; and

WHEREAS, on June 13, 2018, the City Council held a duly advertised public hearing to solicit comments, orally and in writing, from the public in consideration of the Highway 101 Corridor Specific Plan amendment.

NOW THEREFORE, the City Council of the City of Solana Beach does ordain as follows:

Section 1. All of the above statements are true.

Section 2. The City Council finds that this action is exempt from the provisions of the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) because there is no possibility that the activity in question may have a significant effect on the environment.

Section 3. The Highway 101 Corridor Specific Plan shall be amended to reduce height limits to 26 feet, with a maximum of 2 stories, allowing a maximum of three feet for architectural features/projections but may not occupy more than 25% of

the roof area, add a definition for architectural features/projections, allow a Marine Safety Center up to 30 feet tall within the Plaza District, limiting roof decks to be no higher than 20 feet from existing grade and allow up to 35 feet and 3 stories for hotel and motel uses as shown in Exhibit A.

Section 4. That Figure 5-1 View Preservation on page 5-8 of Section 5 of the Highway 101 Specific Plan shall be amended to be consistent with the 26 foot height limit.

Section 5. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Chapter, or its application to any other person or circumstance. The City Council declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

EFFECTIVE DATE: This Ordinance shall be effective thirty (30) days after its adoption. Within fifteen (15) days after its adoption, the City Clerk of the City of Solana Beach shall cause this Ordinance to be published pursuant to the provisions of Government Code §36933.

INTRODUCED AND FIRST READ at a regular meeting of the City Council of the City of Solana Beach, California, on the 13th day of June, 2018; and

THEREAFTER ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, on the 27th day of June, 2018, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

EXHIBIT A

The Highway 101 Corridor Specific Plan Subsections 4.2 Commercial Standards, 4.3 Mixed Use Standards and 4.4 Office/Professional Standards shall be amended to read as follows (strikeout indicates a deletion, underline indicated an addition):

4.2 Commercial Standards

Commercial development consists of Light Commercial, Special Commercial, and General Commercial categories. Figure 4-1 illustrates commercial use areas within the Specific Plan area. Table 4-2 identifies development regulations for commercial areas. Permitted and conditionally permitted uses are identified in the Solana Beach Zoning Ordinance.

**Table 4-2
Commercial Development Standards**

	Light Commercial	Special Commercial	General Commercial
Minimum Lot Area (a)	6,000 SF	6,000 SF	6,000 SF
Setbacks :			
Front	15'	10'(b)	0'(d)(f)
Side (Interior)	10'	0'(c)	0'(c)
Side (Street)	10'	10'	0'
Rear	15'	0'(c)	0'(c)
Maximum FAR	1.0:1	1.0:1 (g)	1.2:1
Height Limit **	25' <u>26'</u> /2 S (j) (l)	35' <u>26'</u> /2-3 S (e) (f) (j) (k) (l)	35' <u>26'</u> /2-3 S (e) (f) (j) (k) (l)
Parking	Refer to Zoning Ordinance (h) (l)		
Landscaping	Refer to Zoning Ordinance (h)		

Notes:

SF Square Feet

S Stories

FAR Floor Area Ratio

NA Not Applicable

** Building height greater than 16 feet is subject to View Preservation Ordinance

(a) Applies to proposed subdivisions of land

(b) 30 feet from street centerline or coterminous with front property line, whichever is greater distance from street centerline; where buildings are closer than 30 feet from street centerline, any future building modifications shall maintain or increase the existing building setback from street centerline. For properties along South Cedros that are more than 120 feet south of Lomas Santa Fe Drive (measured from the right-of-way line of Lomas Santa Fe Drive), the front setback is 30 feet from the centerline of the street or coterminous with the front property line, whichever is the greater distance from the street centerline. Where existing structures are closer than 30 feet from the street centerline, they shall be construed to be conforming, provided that any future building additions or replacement structures shall comply with the 30 foot setback.

(c) 10 feet

- For South Cedros Avenue, if parcel abuts residentially zoned property, increase side interior setbacks to 15 ft. for both first and second story.

- For South Cedros Avenue, if parcel abuts residentially zoned property, increase rear setbacks to 15 ft. for both first and second story.

(d) 10 feet

- On frontage abutting any east-west cross street

- On frontage abutting Plaza Street between Acacia and Sierra Avenues

- On frontage abutting Sierra or abutting Highway 101 outside the Plaza District (430' north or 770' south of the centerline of Plaza Street on Highway 101)

- Third floor setback in part of Plaza District south of Plaza Street

-
- *Second floor setback for parcel south of Plaza Street between Acacia and Sierra Avenues*
 - (e) *Special Consideration: Allow special features as part of the Transit Station development if they provide a community-oriented landmark such as a tower or landmark roof form which does not substantially obstruct views 30'± S*
 - (f) *30'± and up to 3-stories for hotel and motel uses, except 30' in the part of the Plaza District west of Highway 101.*
~~*In part of Plaza District west of Highway 101*~~
 - (g) *For South Cedros Avenue, upper level architectural relief is required, as described in Tables 5-2 and 5-3 (pp. 5-30 to 5-34). Side, front, and rear setbacks are required, as described in Table 4-2 (p. 4-4) and in Table 4-3 (p. 4-6).*
 - (h) *For Special Commercial (SC) Zones, along South Cedros Avenue, in the Plaza District, and in the South Cedros District, roof-top parking is disallowed, and roof-top architectural features, screening, and landscaping are required.*
 - (i) *For Special Commercial (SC) Zones, along South Cedros Avenue, in the Plaza District, and in the South Cedros District, approximately 1 commercial parking space per 300 sq. ft. gross floor area, and 1 restaurant/café parking space per 143/133 sq. ft. gross floor area are required.*
 - (j) ~~*For South Cedros Avenue only, maximum building height limit is 25 ft., and a maximum of 2 stories, with up to 15% height increase (3.75 ft.) allowed for architectural projections; A maximum of up to 3 feet may be allowed for architectural projections as defined in Subsection 5.2. All subject to the View Assessment Ordinance. If an architectural projection exceeds the maximum allowed height of a building, then the size of the architectural projection shall be minimized and shall not exceed 3 feet high, 10 feet long, and 2 feet deep. When an architectural projection exceeds the maximum allowed height of a building, there shall only be one architectural projection on the building that exceeds the maximum allowed height of the building.*~~
 - (k) *Maximum of 30' for the City Marine Safety Center (lifeguard facility) in part of the Plaza District west of Highway 101.*
 - (l) *Roof decks or other similar areas capable of occupancy and use shall not be constructed higher than 20 feet above the existing grade of the site. The Marine Safety Center shall be exempt from this requirement.*

4.3 Mixed Use Standards

The mixed use (bonus incentive) is an integral part of the Specific Plan objectives. Mixed use is defined as the development of a parcel(s) or structure(s) with two or more different land uses such as, but not limited to, a combination of residential, office, manufacturing, retail, public, or entertainment in a single or physically integrated group of structures. Residential development shall be permitted as a mixed use with other permitted or conditionally permitted development. The provision of residential development with commercial development shall be encouraged in a mixed use integrated development. Residential dwellings shall be permitted only on the upper floors, basement, and rear 50 percent of the ground floor. Alternatively, residential dwellings may be permitted on any portion of the building (or buildings) pursuant to a development review permit; provided, that total residential development does not exceed 40 percent of gross allowable floor area. Residential dwellings approved pursuant to a development review permit shall be compatible with the intent of the (C) and (LC) zones to preserve and enhance street level pedestrian oriented commercial frontages. Mixed use development is encouraged in areas of the plan, particularly the Plaza District, where multiple activities and pedestrian orientation are considered desirable objectives.

Mixed use development is permitted in the Special Commercial and General Commercial designated areas (Figure 4-1). Development standards for mixed use are contained in Table 4-3.

For South Cedros Avenue, the maximum floor area ratio of mixed-use development is 1.2:1. Upper level architectural relief is required, as described in Table 5-3 (pp. 5-32 to 5-34). Side, front, and rear setbacks are required, as described in Table 4-3 (p. 4-6). A residential deed restriction is required for Mixed-Use floor area ratios, as described in Table 4-3 (p. 4-6).

Development standards for mixed use are contained in Table 4-3. For Mixed Use in the Special Commercial (SC) Zones, along South Cedros Avenue, in the Plaza District, and in the South Cedros District, roof-top parking is disallowed, and roof-top architectural features, screening, and landscaping are required.

**Table 4-3
 Mixed Use Development Standards**

	Special Commercial	General Commercial
Minimum Lot Area (a)	6,000 SF	6,000 SF
Setbacks		
Front	10'(b)	0'(d)(f)
Side (Interior)	0'(c)	0'(c)
Side (Street)	10'	0'
Rear	0'	0'(c)
Maximum FAR	1.2:1*	1.2:1*
Height Limit **	35'26' ¹ / ₂ -3 S (e) (f) (i) (j) (k)	35'26' ¹ / ₂ -3 S (e) (f) (i) (j) (k)
Parking	Refer to Zoning Ordinance (g) (h)	
Landscaping	Refer to Zoning Ordinance (g)	

Notes:

SF *Square Feet*

S *Stories*

NA *Not Applicable*

FAR *Floor Area Ratio*

* *Development Intensity Permitted*

The maximum intensity of non-residential development is a floor area ratio of 1.0:1. The maximum floor area ratio for a mixed use development is 1.2:1. The residential component of a mixed use development shall not exceed 40 percent of the total (residential plus non-residential floor area.

For South Cedros Avenue, upper level architectural relief is required, as described in Table 5-3 (pp. 5-32 to 5-34). Side front, and rear setbacks are required, as described in Table 4-3 (p. 4-6). A residential deed restriction is required for Mixed-Use floor area ratios.

** *Building height greater than 16 feet is subject to the View Assessment Process.*

(a) *Applies to proposed subdivisions of land*

(b) *30 feet from street centerline or coterminous with front property line, whichever is greater distance from street centerline; where buildings are closer than 30 feet from street centerline, any future building modifications shall maintain or increase the existing building setback from*

street centerline. For properties along South Cedros that are more than 120 feet south of Lomas Santa Fe Drive (measured from the right-of-way line of Lomas Santa Fe Drive), the front setback is 30 feet from the centerline of the street or coterminous with the front property line, whichever is the greater distance from the street centerline. Where existing structures are closer than 30 feet from the street centerline, they shall be construed to be conforming, provided that any future building additions or replacement structures shall comply with the 30 feet setback.

- (c) 10 feet
 - For South Cedros Avenue, if parcel abuts residentially (see mixed use) zoned property, increase side interior setbacks to 15 ft. for both first and second story.
 - For South Cedros Avenue, if parcel abuts residentially (see mixed use) zoned property, increase rear setbacks to 15 feet for both first and second story.
- (d) 10 feet
 - On frontage abutting any east-west cross street
 - On frontage abutting Plaza Street between Acacia and Sierra Avenues
 - On frontage abutting Sierra or abutting Highway 101 outside the Plaza District (430' north or 770' south of the centerline of Plaza Street on Highway 101)
 - Third floor setback part of Plaza District south of Plaza Street
 - Second floor setback for parcel south of Plaza Street between Acacia and Sierra Avenues
- (e) Special Consideration: Allow special features as part of the transit station development if they provide a community-oriented landmark such as a tower or landmark roof form which does not substantially obstruct views.
- (f) 30'35' and up to 3-stories for hotel and motel uses, except 30' in the part of the Plaza District west of Highway 101.
~~In part of Plaza District west of Highway 101~~
- (g) For Special Commercial (SC) Zones, along South Cedros Avenue, in the Plaza District, and in the South Cedros District, roof-top parking is disallowed, and roof-top architectural features, screening, and landscaping are required.
- (h) For Special Commercial (SC) Zones, along South Cedros Avenue, in the Plaza District, and in the South Cedros District, approximately 1 commercial parking space per 300 sq. ft. gross floor area, and 1 restaurant/café parking space per 143/133 sq. ft. gross floor area are required.
- (i) ~~For South Cedros Avenue only, maximum building height limit is 25 ft., and a maximum of 2 stories, with up to 15% height increase (3.75 ft.) allowed for architectural projections.~~ A maximum of up to 3 feet may be allowed for architectural projections as defined in Subsection 5.2.; All subject to the View Assessment Ordinance. If an architectural projection exceeds the maximum allowed height of a building, then the size of the architectural projection shall be minimized and shall not exceed 3 feet high, 10 feet long, and 2 feet deep. When an architectural projection exceeds the maximum allowed height of a building, there shall only be one architectural projection on the building that exceeds the maximum allowed height of the building.
- (j) Maximum of 30' for the City's Marine Safety Center (lifeguard facility) in part of the Plaza District west of Highway 101.
- (k) Roof decks or other similar areas capable of occupancy and use shall not be constructed higher than 20 feet above the existing grade of the site. The Marine Safety Center shall be exempt from this requirement.

4.4 Office/Professional Standards

Office development consists of professional and administrative offices such as medical/dental centers and financial services. Figure 4-1 illustrates office use areas (exclusively). Commercial uses areas may also contain office uses. Table

4-4 identifies development regulations for commercial areas. Permitted and conditionally permitted uses are listed in the Solana Beach Zoning Ordinance.

**Table 4-4
 Office, Public/Institutional and Open Space Development Standards**

	Office/Professional	Public/Institutional	Open Space/ Recreation
Minimum Lot Area (a)	6,000 SF	NA	NA
Setbacks:			
Front	25' (c)	25'	25'
Side (Interior)	10'(b)	5'	5'
Side (Street)	5'(b)	5'	5'
Rear	15'	25'	5'
Maximum FAR	1.0:1	2.0:1	0.7:1
Height Limit**	35' 26' ¹ / ₂ S (d) (e) (f)	30' 26' ¹ / ₂ S (e) (f)	15' ¹ / ₁ S
Parking	Refer to Zoning Ordinance		
Landscaping	Refer to Zoning Ordinance		

Notes:

SF Square Feet/S Stories/NA Not Applicable/FAR Floor Area Ratio

(a) Applies to proposed subdivisions of land.

(b) 10 feet if lot line abuts property in a residential zone.

(c) 10 feet in North 101 District north of Solana Vista Drive.

(d) 30-foot height limit north of Solana Vista Drive. A maximum of up to 3 feet may be allowed for architectural projections as defined in Subsection 5.2. If an architectural projection exceeds the maximum allowed height of a building, then the size of the architectural projection shall be minimized and shall not exceed 3 feet high, 10 feet long, and 2 feet deep. When an architectural projection exceeds the maximum allowed height of a building, there shall only be one architectural projection on the building that exceeds the maximum allowed height of the building.

(e) Maximum of 30' for the City's Marine Safety Center (lifeguard facility) in part of the Plaza District west of Highway 101.

(f) Roof decks or other similar areas capable of occupancy and use shall not be constructed higher than 20 feet above the existing grade of the site. The Marine Safety Center shall be exempt from this requirement.

** Building height greater than 16 feet is subject to the View Assessment Ordinance.

The Highway 101 Corridor Specific Plan Subsection 5.2 Architectural Guidelines shall add a paragraph defining "Architectural Features/Projections" to read as follows (strikeout indicates a deletion, underline indicated an addition):

Architectural Projections

The term "architectural projection" shall mean a decorative or artistic feature that does not have any particular function which is affixed or attached to a building. An architectural projection includes but is not limited to a decorative or artistic sculptural element such as a decorative symbol or figure affixed to the building. For the purpose of clarification, but not for the purpose of limitation, the term "architectural projection" does not mean any of the following: the roof

structure; the shape of the roof or the roof form; parapet walls at the roof; railings; signage; or roof planters for vegetation.

The Highway 101 Corridor Specific Plan Section 5 page 5-21 Building Height Limits and Setbacks of the Plaza District Site Planning shall be amended to read as follows (strikeout indicates a deletion, underline indicated an addition):

- ***Building Height Limits and Setbacks:*** Limit the heights of buildings to ~~30~~ 26 feet or two stories and create a vertical façade at the property line with no second story setback for properties along Highway 101 and fronting the Plaza.

ITEM C.5.

This item's report will be posted once it is available.

- C.5. Establish an Internal Service Fund to Receive Funds from the Sanitation Fund to Pay for the Acquisition of Real Property and Approval of the Purchase and Sale Agreement for the Real Property Located at 700 Stevens Avenue.**
1. Adopt **Resolution 2018-069**
 - a. Establishing an internal service fund and approving a repayment plan to receive funds from the Sanitation Fund to Pay for the Acquisition of Real Property; and
 - b. Approve the purchase and sale agreement for the Real Property Located at 700 Stevens Avenue.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 27, 2018
ORIGINATING DEPT: City Manager's
SUBJECT: **Council Consideration of Resolution 2018-088 In Opposition to the Trump Administration's Zero Tolerance Policy and Family Separation of Immigrants**

BACKGROUND:

The City of Solana Beach has a rich heritage that was made possible by immigrants from around the world, many of whose descendants are active citizens in the community. The City has taken actions recently to confirm its position on promoting inclusivity, diversity and equity, including the adoption of Resolution 2017-164 on November 15, 2017, calling upon Congress to continue the existing Deferred Action for Childhood Arrivals (DACA) program and provide DACA recipients with a pathway to permanent residence and eventually US citizenship.

At the request of Councilmember Zahn, this item is before the City Council to consider adoption of Resolution 2018-088 opposing the Trump Administration's "Zero Tolerance" policy and family separation of immigrants.

DISCUSSION:

The Trump Administration recently introduced a "Zero Tolerance" policy calling for the prosecution of all individuals who illegally enter the United States. This policy has the effect of separating parents from their children when they enter the country together, because parents are referred for prosecution and the children are placed in the custody of a sponsor or held in a shelter.

This item is for Council consideration to take a formal action to oppose the Trump Administration's "Zero Tolerance" policy and family separation of immigrants.

COUNCIL ACTION:

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA

FISCAL IMPACT:

There is no fiscal impact as a result of this item.

WORK PLAN:

N/A

OPTIONS:

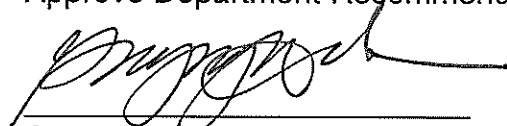
- Consider the request from Councilmember Zahn
- Do not consider the request from Councilmember Zahn
- Provide direction to Staff

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council consider adoption of Resolution 2018-088 in opposition to the Trump Administration's "Zero Tolerance" policy and family separation of immigrants.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2018-088

RESOLUTION 2018-088

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, IN OPPOSITION TO THE TRUMP ADMINISTRATION'S ZERO TOLERANCE POLICY AND FAMILY SEPARATION OF IMMIGRANTS

WHEREAS, the City of Solana Beach has a rich heritage that was made possible by immigrants from around the world, many of whose descendants are active citizens of our City; and

WHEREAS, we are a Welcoming Community for all people including immigrants and refugees; and

WHEREAS, we have previously called on the U.S. Congress to pass a "clean" DREAM Act to protect people who entered our country as minors, and are under threat of deportation; and

WHEREAS, the Trump administration has implemented a "zero tolerance" policy under which the Justice Department has attempted to criminally prosecute persons who cross the Mexican border, even if many could be legally seeking asylum or refugee status; and

WHEREAS, during the last six weeks, 2,342 children were separated from their parents due to this "zero tolerance" policy; and

WHEREAS, despite the President's recent Executive Order, families remain separated and the zero tolerance policy continues; and

WHEREAS, there are multiple reports of immigrant detainees being held in inhumane conditions at Border Patrol facilities; and

WHEREAS, the Administration's policy of punishing innocent children and purposely disrupting families as a deterrent is a human rights abuse that has caused substantial trauma to children and parents; and

WHEREAS, forced family separation and the intentional infliction of injury to children deprives both parent and child of reasonable due process and is a gross departure from the norms of the United States and all civilized societies; and

WHEREAS, the punishment of forced separation is not commensurate with the parent's alleged offense; and

WHEREAS, the United Nations has called for an immediate halt to the practice of separating families entering the United States, claiming that the practice violates their rights as well as international law.

NOW THEREFORE, the City Council of the City of Solana Beach, California does hereby resolve as follows:

1. That the foregoing citations are true and correct
2. The Council declares its opposition to the Trump administration's "zero tolerance" policy, and any federal policy that removes children from families of immigrants who are seeking to enter our country.
3. The City Council calls for the Trump administration to immediately reunite these detained and separated families.
4. The City Council declares its opposition to federal efforts to divert our State's public safety personnel and resources for the purpose of engaging in federal agency roundups and immigration enforcement operations.
5. The City Manager shall forward a copy of this resolution to California's representatives in the United States Senate, the United States House of Representatives, Attorney General Jeff Sessions, and President Donald Trump; our City's State Assembly and Senate representatives; the members of the San Diego County Board of Supervisors; and the mayors and city managers of the cities within San Diego County.

//

//

//

PASSED AND ADOPTED this 27th day of June 2018, at a regular meeting of the City Council of the City of Solana Beach, California, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSENT: Councilmembers –

ABSTAIN: Councilmembers –

DAVID A. ZITO, Deputy Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: June 26, 2018
ORIGINATING DEPT: City Clerk's Office
SUBJECT: Discussion and Consideration of Mayoral Rotation:
Mayor / Deputy Mayor Appointments

BACKGROUND:

On April 5, 2018, Ginger Marshall resigned from the City Council at which time she was holding the rotating position of Mayor. Since that time, Deputy Mayor Zito began presiding over the meetings. However, there is not an appointed alternate to act in Deputy Mayor Zito's absence.

This item is before Council to review and consider how to proceed with the appointments of Mayor and Deputy Mayor for the remainder of the current terms until the December 2018 Mayoral rotation.

DISCUSSION:

Pursuant to Resolution 1996-017 (Attachment 1), guidelines are provided for the nominations and appointments of the Mayor and Deputy Mayor.

CEQA COMPLIANCE STATEMENT: Not a project under CEQA.

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation and make necessary appointments.
- Approve Staff recommendation with alternative amendments / modifications.

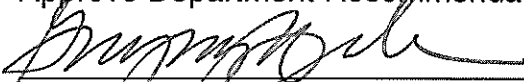
CITY COUNCIL ACTION:

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council review and consider whether to make the appointment of a Mayor and Deputy Mayor for a term until the December 2018 Mayoral rotation and, if so, determine the effective date.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution 1996-017 - Guidelines for Mayor and Deputy Mayor Appointments.

RESOLUTION NO. 96-17

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SOLANA BEACH, CALIFORNIA, ESTABLISHING POLICIES
REGARDING APPOINTMENT OF MAYOR AND DEPUTY MAYOR**

WHEREAS, the City Council is authorized and directed by Government Code Section 36801 to meet after a general municipal election and choose one of its number as mayor and one of its number as mayor pro tempore; and

WHEREAS, the City Council has determined that it is in the best interest of the City of Solana Beach to establish policies regarding the appointment of mayor and mayor pro tempore.

NOW, THEREFORE, the City Council of the City of Solana Beach California, resolves as follows:

1. The City Council shall appoint a mayor and mayor pro tempore on an annual basis. The appointment shall be made at the first City Council meeting of December. The mayor and mayor pro tempore shall serve until their successor is appointed.
2. The mayor and mayor pro tempore shall be selected by the affirmative vote of not less than three members of the City Council.
3. The mayor pro tempore may be referred to as the deputy mayor.
4. When selecting the mayor and mayor pro tempore, the Council shall use the following criteria:
 - a. The deputy mayor shall have first priority to serve as mayor.
 - b. To the extent possible, each member shall be given the opportunity to serve as deputy mayor and then mayor.
 - c. The position of finish for each member at their last election will be an important factor in choosing between members who each have served as mayor or between members who have not previously served as mayor.
 - d. The first place finisher in each election shall have the opportunity to serve a full year term as mayor.

- e. Any member may share their term as mayor with any other member. Priority would be given to those who have not served, or if all have served, priority would be given to the member with the least total terms as mayor.
 - f. If a member accepts a shared term of at least six months as mayor, that shall be deemed a full term as mayor. However, if due to an incapacity a mayor is not able to fulfill a term, a member who is called upon to fill less than six months of the remainder of another member's term as mayor shall not be considered to have served a full term as mayor. The member called upon under such a situation shall be allowed to continue serving as mayor the next full term.
 - g. A person may decline an appointment, but shall lose eligibility unless the person subsequently regains eligibility as a result of re-election. A person who declines to accept a shared term as mayor shall not lose any eligibility.
 - h. The Council may choose to appoint a person to the position of mayor or deputy mayor based on factors other than those set forth in this resolution.
5. This resolution shall supersede all prior resolutions concerning this matter.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Solana Beach, California, at a regular meeting held on the 5th day of February, 1996, by the following vote:

AYES: Councilmembers - Campbell, Dodson, Kellejian, Renteria, Tompkins

NOES: Councilmembers - None

ABSTAIN: Councilmembers - None

ABSENT: Councilmembers - None

Resolution No. 96-17
Page three



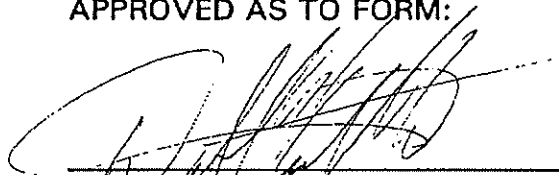
Marion B. Dodson, Mayor

ATTEST:

APPROVED AS TO FORM:



Deborah A. Harrington
City Clerk



Daniel S. Hentschke
City Attorney