



CITY OF BUELLTON

CITY COUNCIL AGENDA

**Regular Meeting of June 12, 2014 – 6:00 p.m.
City Council Chambers, 140 West Highway 246
Buellton, California**

Materials related to an item on this agenda, as well as materials submitted to the City Council after distribution of the agenda packet, are available for public inspection in the Office of the City Clerk, located at 107 West Highway 246, during normal business hours.

CALL TO ORDER

Mayor John Connolly

PLEDGE OF ALLEGIANCE

Vice Mayor Leo Elovitz

ROLL CALL

Council Members Ed Andrisek, Judith Dale, Holly Sierra, Vice Mayor Leo Elovitz, and Mayor John Connolly

REORDERING OF AGENDA

PUBLIC COMMENTS

Speaker Slip to be completed and turned in to the City Clerk prior to commencement of meeting. Any person may address the Council on any subject pertaining to City business, including all items on the agenda not listed as a Public Hearing, including the Consent Agenda and Closed Session. Limited to three (3) minutes per speaker. By law, no action may be taken at this meeting on matters raised during Public Comments not included on this agenda.

CONSENT CALENDAR

(ACTION)

The following items are considered routine and non-controversial and are scheduled for consideration as a group. Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion. Members of the Public may speak on Consent Agenda items during the Public Comment period.

- 1. Minutes of May 22, 2014 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2013-14**
- 3. Resolution No. 14-12 – “A Resolution of the City Council of the City of Buellton, California, Acknowledging the Receipt of and Ordering the Filing of the Annual Statement of Investment Policy for Fiscal Year 2014-15 with the City Council”**
❖ (Staff Contact: Finance Director Carolyn Galloway-Cooper)

4. **Resolution No. 14-13 – “A Resolution of the City Council of the City of Buellton, California, Establishing an Appropriation Limit for Fiscal Year 2014-15 Pursuant to Article XIII-B of the California Constitution”**
❖ *(Staff Contact: Finance Director Carolyn Galloway-Cooper)*
5. **Resolutions Pertaining to General Municipal Election to be Held November 4, 2014**
❖ *(Staff Contact: City Clerk Linda Reid)*
 - A. **Resolution No. 14-14 – “A Resolution of the City Council of the City of Buellton, California, Calling and Giving Notice of the Holding of a General Municipal Election to be Held on Tuesday, November 4, 2014 for the Election of Certain Officers as Required by the Provisions of the Laws of the State of California Relating to General Law Cities”**
 - B. **Resolution No. 14-15 – “A Resolution of the City Council of the City of Buellton, California, Requesting the Board of Supervisors of the County of Santa Barbara to Consolidate a General Municipal Election to be Held on Tuesday, November 4, 2014 with the General Election Pursuant to Section 10403 of the Elections Code”**
 - C. **Resolution No. 14-16 – “A Resolution of the City Council of the City of Buellton, California, Adopting Regulations for Candidates for Elective Office Pertaining to Candidate’s Statements, Materials Submitted to the Electorate, and the Cost Thereof, Submitted to the Voters at an Election to be Held on Tuesday, November 4, 2014”**
 - D. **Resolution No. 14-17 – “A Resolution of the City Council of the City of Buellton, California, Providing for the Filing of Rebuttal Arguments for City Measures Submitted at Municipal Elections”**
6. **Biennial Review of Conflict of Interest Code**
❖ *(Staff Contact: City Clerk Linda Reid)*
7. **Resolution No. 14-11 – “A Resolution of the City Council of the City of Buellton, California, Adopting the 2013 Santa Barbara Countywide Integrated Regional Water Management (IRWM) Plan”**
❖ *(Staff Contact: Public Works Director Rose Hess)*
8. **Memorandum of Understanding with the City of Solvang - Cooperation in the Area of Recreation**
❖ *(Staff Contact: Recreation Coordinator Kyle Abello)*

PRESENTATIONS

PUBLIC HEARINGS

(POSSIBLE ACTION)

- 9. Resolution No. 14-09 – “A Resolution of the City Council of the City of Buellton, California, Regarding the Commitments and Publishing the Report Required by Central Coast Water Authority Resolution Nos. 92-02 and 92-11”**
 ❖ *(Staff Contact: Public Works Director Rose Hess)*

COUNCIL MEMBER COMMENTS

COUNCIL ITEMS

WRITTEN COMMUNICATIONS

COMMITTEE REPORTS

BUSINESS ITEMS

(POSSIBLE ACTION)

- 10. Approval of Memorandum of Understanding for Inter-Regional Transit Services - Breeze Route 200 and Wine Country Express**
 ❖ *(Staff Contact: Public Works Director Rose Hess)*
- 11. Review of Revised Contract with Buellton Chamber of Commerce for Operation of the Visitors Bureau**
 ❖ *(Staff Contact: City Manager Marc Bierdzinski)*

CITY MANAGER’S REPORT

CLOSED SESSION ITEMS

(POSSIBLE ACTION)

- 12. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
(Government Code Section 54956.8)
Property: Assessor’s Parcel Number 099-670-005
Negotiator: City Manager, Marc Bierdzinski
Parties: City of Buellton/Willemsen Liv Tr, Jake & Jeannette Willemsen Trustees
Purpose: Possible Acquisition Terms and Price

ADJOURNMENT

The next meeting of the City Council will be held on Thursday, June 26, 2014 at 6:00 p.m.

CITY OF BUELLTON

CITY COUNCIL MEETING MINUTES
Regular Meeting of May 22, 2014
City Council Chambers, 140 West Highway 246
Buellton, California

CALL TO ORDER

Mayor John Connolly called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

Council Member Judith Dale led the Pledge of Allegiance

ROLL CALL

Present: Council Members Ed Andrisek, Judith Dale, Holly Sierra (Via Telephone), Vice Mayor Leo Elovitz, and Mayor John Connolly

Staff: City Manager Marc Bierdzinski, Assistant City Attorney Stephen McEwen, Finance Director Carolyn Galloway-Cooper, Public Works Director Rose Hess, Station Commander Lt. Shawn O'Grady, and City Clerk Linda Reid

REORDERING OF AGENDA

None

PUBLIC COMMENTS

Lew Adkins, Buellton, discussed the sidewalk improvements on East Highway 246 and requested that the existing asphalt be smoothed out and the holes be filled. Mr. Adkins asked for an update regarding the vehicular opening at Albertson.

John Dorwin, Buellton, spoke about the sidewalk improvements on East Highway 246 and requested that the asphalt be striped to eliminate damage to the surface.

Larry Rankin, Buellton, discussed utility undergrounding at the Village Project.

Sharon Currie, Buellton, stated the Vintners Festival was well managed. Ms. Currie spoke in support of the Visitors Bureau and stated that their efforts have created a positive image shift for the City of Buellton and that real estate values in Buellton have increased.

Ron Anderson, President of the Buellton Chamber of Commerce and Visitors Bureau spoke about the International Council of Shopping Centers (ICSC) Convention in Las Vegas and the progress the Visitors Bureau has made with developers and businesses coming to Buellton.

Kathy Vreeland, Executive Director of the Buellton Chamber of Commerce and Visitors Bureau, stated that the ICSC Convention in Las Vegas was very successful and businesses and developers are excited to come to Buellton.

City Manager Bierdzinski introduced Contract City Planner Irma Tucker to the Council. Ms. Tucker stated she looks forward to working for the City of Buellton.

CONSENT CALENDAR

- 1. Minutes of May 8, 2014 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2013-14**
- 3. Revenue and Expenditure Reports through April 30, 2014**
- 4. Approval Authorizing the Auction or Disposal Surplus of City Vehicles**
- 5. Acceptance of the Flying Flags Sewer Line Improvement Project**
- 6. Amendment No. 4 to Lease Agreement with Sheriff's Department**

MOTION:

Motion by Council Member Sierra, seconded by Mayor Connolly, approving Consent Calendar items 1-6 as listed.

VOTE:

Motion passed by a roll call vote of 5-0, with Council Members Andrisek, Connolly, Dale, Elovitz, and Sierra voting yes.

PRESENTATIONS

None

PUBLIC HEARINGS

None

COUNCIL MEMBER COMMENTS

Council Member Sierra announced the Senior Center is hosting "Picnic in the Park" on Saturday and there is a Veterans Memorial Ceremony in Solvang on Memorial Day.

Council Member Andrisek discussed the construction of the asphalt path on East Highway 246.

COUNCIL ITEMS

None

WRITTEN COMMUNICATIONS

None

COMMITTEE REPORTS

Council Member Sierra announced that she attended the Santa Barbara County Association of Governments (SBCAG) and Air Pollution Control District (APCD) meetings and provided oral reports regarding the meetings.

Council Member Andrisek announced that he attended the Central Coast Water Authority (CCWA) Board Meeting and provided an oral report regarding the meeting.

BUSINESS ITEMS

7. Review of Zaca Creek Golf Course Lease Terms

RECOMMENDATION:

That the City Council amend the Zaca Creek Golf Course lease with Mike Brown as noted in the staff report.

STAFF REPORT:

City Manager Bierdzinski presented the staff report.

SPEAKERS/DISCUSSION:

Butch Breeden, Summerland, submitted an email regarding the Golf Course, which was distributed to the Council and made part of the record.

Terri Benson, submitted an email regarding the Golf Course, which was distributed to the Council and made part of the record.

Mike Brown, operator of the Zaca Creek Golf Course addressed the Council about operating the Golf Course, operation of the First Tee program, and having a golf program for youth through the Buellton Recreation Center.

Tim Onnen, Buellton, spoke about the First Tee program moving to Lompoc.

Mark Cavanaugh, Buellton, stated that Mr. Brown has done a great job with the Zaca Creek Golf Course.

Kathy Vreeland, Executive Director of the Buellton Chamber of Commerce and Visitors Bureau, stated Mr. Brown has done an amazing job bringing the Golf Course back to life.

Larry Rankin, Buellton, questioned the City subsidizing water for the Golf Course.

The City Council discussed the following issues:

- Finding methods to help Mr. Brown to make the Golf Course more successful
- Working with the City's Recreation Department to create a youth golf program
- Having Mr. Brown present a business and maintenance plan for the Golf Course
- Repayment of the unpaid lease payments of \$10,000
- Water usage at the Golf Course

DOCUMENTS:

Staff report with attachment (Existing Golf Course lease, lease and water payment history, profit/loss statement)

MOTION:

Motion by Council Member Sierra, seconded by Council Member Andrisek, authorizing the City Manager to execute the amended lease agreement with Mike Brown for the operation and maintenance of the Zaca Creek Golf Course and bring back discussion regarding unpaid lease payments and maintenance and equipment plan.

VOTE:

Motion passed by a roll call vote of 5-0, with Council Members Andrisek, Connolly, Dale, Elovitz, and Sierra voting yes.

8. Authorization to Initiate Discussion regarding McMurray Road Right-of-Way Acquisition

RECOMMENDATION:

That the City Council authorize the City Manager and City Attorney to initiate discussion of right-of-way acquisition for the McMurray Road Widening and Traffic Signal Improvement Project with the new property owners.

STAFF REPORT:

Public Works Director Hess presented the staff report.

DISCUSSION:

The City Council discussed the importance of widening McMurray Road.

DOCUMENTS:

Staff report with attachment (Site Plan)

MOTION:

Motion by Council Member Dale, seconded by Council Member Sierra, authorizing the City Manager and City Attorney to initiate discussion of right-of-way acquisition for the McMurray Road Widening and Traffic Signal Improvement Project with the new property owners.

VOTE:

Motion passed by a roll call vote of 5-0, with Council Members Andrisek, Connolly, Dale, Elovitz, and Sierra voting yes.

9. Resolution No. 14-10 – "A Resolution of the City Council of the City of Buellton, California, Adopting the Fiscal Year 2014-15 Budget"

RECOMMENDATION:

That the City Council consider adoption of Resolution No. 14-10.

STAFF REPORT:

Finance Director Galloway-Cooper presented the staff report.

DOCUMENTS:

Staff Report with attachments (Resolution No. 14-10 and Fiscal Year 2014-15 Budget)

DISCUSSION:

The City Council discussed the following issues:

- Funding for the Bike and Trails Plan and designating a fund for this project
- Setting up a separate economic development fund in the future

MOTION:

Motion by Mayor Connolly, seconded by Council Member Dale approving and adopting Resolution No. 14-10 – "A Resolution of the City Council of the City of Buellton, California, Adopting the Fiscal Year 2014-15 Budget"

VOTE:

Motion passed by a roll call vote of 5-0, with Council Members Andrisek, Connolly, Dale, Elovitz, and Sierra voting yes.

CITY MANAGER'S REPORT

City Manager Bierdzinski provided an informational report for the record.

CLOSED SESSION ITEMS

**10. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code Section 54956.8)**

Property: Assessor's Parcel Numbers 099-670-005 and 099-660-032 through 035

Negotiator: Marc Bierdzinski, City Manager

Parties: City of Buellton/Willemsen Liv Tr, Jake & Jeannette Willemsen Trustees

Purpose: Possible Acquisition Terms and Price

The City Council met in closed session to discuss Item 10. No reportable action was taken.

ADJOURNMENT

Mayor Connolly adjourned the regular meeting at 7:30 p.m. The next regular meeting of the City Council will be held on Thursday, June 12, 2014 at 6:00 p.m.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

BACK-UP/SUPPORT DATA IS AVAILABLE FOR COUNCIL REVIEW IN CITY HALL

The following is a list of claims to be ratified and approved for payment by the City Council at the
June 12, 2014 Council Meeting.

Listed below is a brief summary of the attached claims:

EXHIBIT A		<u>\$ 379,135.67</u>
EXHIBIT B		<u>\$ 52,975.24</u>
Other Pay	5/19/14	\$ 1,982.90
Council Pay	5/23/14	\$ 2,290.71
Staff Payroll	5/30/14	\$ 38,414.36
Other Pay	5/30/14	<u>\$ 2,549.55</u>
TOTAL AMOUNT OF CLAIMS:		<u><u>\$ 477,348.43</u></u>

AUTHORIZATION IS HEREBY GIVEN TO THE CITY TREASURER TO PAY ALL CLAIMS AS REVENUES BECOME AVAILABLE.

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-000-2306-000 - Long-Term Care Deduction 22178 5/16/14-5/31/14 - M. Bierdzins	90 CaIPERS LONG-TERM CARE PROGRAM 1	Paid	84.25
A001-000-2306-000 - Long-Term Care Deduction	*** Account total ***		84.25
A001-169-1201-000 - Pre-Paid Expense 22147 FY 14/15 WC/Liab Annual Contri	72 CA JOINT POWERS INS AUTHORITY 1 4	Paid Paid	108,707.00 55,854.00
A001-169-1201-000 - Pre-Paid Expense	*** Account total ***		164,561.00
A001-202-2002-000 - Sales & Use Tax Payable 22209 Thru 5/19/14 - B. Knecht	193 FIRST NATIONAL BANK OF OMAHA 1	Paid	-7.20
A001-202-2002-000 - Sales & Use Tax Payable	*** Account total ***		-7.20
A001-202-2003-000 - SYVTBID Payable 22213 3/14 SYVTBID Fees	101 CITY OF SOLVANG 1	Paid	17,406.00
A001-202-2003-000 - SYVTBID Payable	*** Account total ***		17,406.00
A001-215-2815-000 - Park/Damage Charge 22197 5/14 Deposit Refund - RV Park	0 SANDRA ZEPEDA 1	Paid	40.00
22198 5/14 Deposit Refund - RV Park	0 ROSARIO MAGANA 1	Paid	40.00
22199 5/14 Deposit Refund - RV Park	0 MARIA LUQUIN 1	Paid	40.00
22200 5/14 Deposit Refund - RV Park	0 AREO INDUSTRIES, LLC 1	Paid	40.00
A001-215-2815-000 - Park/Damage Charge	*** Account total ***		160.00
A001-216-2825-000 - Developer Deposit 22148 4/12/14 - 5/16/14 Live Oak Lns	819 JOHN F. RICKENBACH 1	Paid	4,050.00
A001-216-2825-000 - Developer Deposit	*** Account total ***		4,050.00
A001-401-5101-000 - Medical Benefit 22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA 1	Paid	475.30
22133 4/14 FSA Fees	782 WAGE WORKS 1	Paid	8.08
A001-401-5101-000 - Medical Benefit	*** Account total ***		483.38
A001-401-5301-000 - Office Supplies 22193 4/14 LOCC Dinner Banner	654 HENRY L. HUDSON dba 1	Paid	82.35
22207 Thru 5/19/14 - L. Reid	193 FIRST NATIONAL BANK OF OMAHA 2	Paid	43.50
A001-401-5301-000 - Office Supplies	*** Account total ***		125.85

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-401-5603-000 - Computer Maintenance &Software 22131 5/14 Laptop Maint - Connolly	655 COAST NETWORKX, INC. 1	Paid	190.00
A001-401-5603-000 - Computer Maintenance &Software	*** Account total ***		190.00
A001-401-6301-000 - Miscellaneous 22207 Thru 5/19/14 - L. Reid	193 FIRST NATIONAL BANK OF OMAHA 3	Paid	112.56
A001-401-6301-000 - Miscellaneous	*** Account total ***		112.56
A001-402-5101-000 - Medical Benefit 22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA 2	Paid	93.84
A001-402-5101-000 - Medical Benefit	*** Account total ***		93.84
A001-402-6301-000 - Miscellaneous 22207 Thru 5/19/14 - L. Reid	193 FIRST NATIONAL BANK OF OMAHA 1	Paid	37.99
A001-402-6301-000 - Miscellaneous	*** Account total ***		37.99
A001-403-5101-000 - Medical Benefit 22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA 3	Paid	56.31
22133 4/14 FSA Fees	782 WAGE WORKS 2	Paid	8.08
A001-403-5101-000 - Medical Benefit	*** Account total ***		64.39
A001-403-5301-000 - Office Supplies 22186 4/29/14 Supplies #7001202916	469 STAPLES CONTRACT & COMMERCIAL, 1	Paid	26.99
A001-403-5301-000 - Office Supplies	*** Account total ***		26.99
A001-403-5306-000 - Advertising - Legal 22137 5/14 Legal Notice	285 SANTA MARIA TIMES dba 1	Paid	106.19
22201 5/14 Legal Notice	285 SANTA MARIA TIMES dba 1	Paid	136.26
A001-403-5306-000 - Advertising - Legal	*** Account total ***		242.45
A001-410-5301-000 - Office Supplies 22134 5/14 Police Dept Letterhead	797 ESLY O. GUZMAN HERRERA dba 1	Paid	432.00
22187 4/25/14 Supplies #7001196231	469 STAPLES CONTRACT & COMMERCIAL, 2	Paid	34.32
A001-410-5301-000 - Office Supplies	*** Account total ***		466.32
A001-410-5305-000 - Equipment Rental 22143 5/14 CH Copier Lease	713 COASTAL COPY, LP 1	Paid	484.92
A001-410-5305-000 - Equipment Rental	*** Account total ***		484.92

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-410-5603-000 - Computer Maintenance &Software	655 COAST NETWORKX, INC.		
22195 5/14 Email Group Maint	1	Paid	47.50
22210 Thru 5/19/14 - M. Bierdzinski	193 FIRST NATIONAL BANK OF OMAHA		
	2	Paid	100.00
A001-410-5603-000 - Computer Maintenance &Software	*** Account total ***		147.50
A001-410-5805-000 - Visitors Bureau			
22214 3/14 TOT Allocation	121 COC/BBA/VISITORS INFORMATION		
	1	Paid	27,429.77
A001-410-5805-000 - Visitors Bureau	*** Account total ***		27,429.77
A001-410-5807-000 - Community Organization Support			
22140 FY 13/14 3red Qtr Prgm Support	365 PEOPLE HELPING PEOPLE		
	1	Paid	2,159.48
22211 Thru 5/19/14 - R. Hess	193 FIRST NATIONAL BANK OF OMAHA		
	1	Paid	202.16
A001-410-5807-000 - Community Organization Support	*** Account total ***		2,361.64
A001-410-6017-000 - Emergency Operations			
22141 4/14 Satelite Phone Svcs	706 SATCOM GLOBAL, INC.		
	1	Paid	53.11
A001-410-6017-000 - Emergency Operations	*** Account total ***		53.11
A001-410-6301-000 - Miscellaneous			
22176 4/14 Credit Card Process Fee	529 TRANSFIRST HEALTH & GOVERNMENT		
	1	Paid	581.19
22207 Thru 5/19/14 - L. Reid	193 FIRST NATIONAL BANK OF OMAHA		
	4	Paid	23.10
A001-410-6301-000 - Miscellaneous	*** Account total ***		604.29
A001-420-5101-000 - Medical Benefit			
22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA		
	4	Paid	201.76
22133 4/14 FSA Fees	782 WAGE WORKS		
	3	Paid	16.15
A001-420-5101-000 - Medical Benefit	*** Account total ***		217.91
A001-420-6201-000 - Contract Services			
22175 FY 13/14 4th QTR Sales Tax Aud	227 HINDERLITER, DE LLAMAS & ASSOC		
	1	Paid	921.32
A001-420-6201-000 - Contract Services	*** Account total ***		921.32
A001-501-6208-000 - Contract Services - Fire Dept			
22144 4/14 - 6/14 Firefighter/Parame	448 SB CO FIRE DEPARTMENT		
	1	Paid	47,058.00
A001-501-6208-000 - Contract Services - Fire Dept	*** Account total ***		47,058.00
A001-501-6210-000 - Contract Svcs - Police -CA IGG			
22145 4/14 Motorcycle Maint #5520	450 SB CO SHERIFF'S DEPARTMENT		
	1	Paid	1,037.34
A001-501-6210-000 - Contract Svcs - Police -CA IGG	*** Account total ***		1,037.34

Obligat'n	Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-511-5101-000	- Medical Benefit			
	22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA 5	Paid	357.59
	22133 4/14 FSA Fees	782 WAGE WORKS 4	Paid	16.15
		*** Account total ***		373.74
A001-511-5101-000	- Medical Benefit			
A001-511-5301-000	- Office Supplies			
	22187 4/25/14 Supplies #7001196231	469 STAPLES CONTRACT & COMMERCIAL, 1	Paid	31.00
	22188 4/29/14 Supplies #7001202914	469 STAPLES CONTRACT & COMMERCIAL, 1	Paid	90.81
		*** Account total ***		121.81
A001-511-5301-000	- Office Supplies			
A001-511-5306-000	- Advertising			
	22135 4/14 Rec Ctr Ads	280 LEE CENTRAL COAST NEWSPAPERS 1	Paid	701.41
	22209 Thru 5/19/14 - B. Knecht	193 FIRST NATIONAL BANK OF OMAHA 3	Paid	17.92
		*** Account total ***		719.33
A001-511-5306-000	- Advertising			
A001-511-5506-000	- Fuel-Vehicles			
	22209 Thru 5/19/14 - B. Knecht	193 FIRST NATIONAL BANK OF OMAHA 4	Paid	194.00
		*** Account total ***		194.00
A001-511-5506-000	- Fuel-Vehicles			
A001-511-5507-000	- Maintenance-Vehicles			
	22203 5/14 Rec Bus - BIT Inspection	830 MATT SATTERTHWAITE dba 1	Paid	225.49
		*** Account total ***		225.49
A001-511-5507-000	- Maintenance-Vehicles			
A001-511-5509-000	- Maintenance/Repair			
	22209 Thru 5/19/14 - B. Knecht	193 FIRST NATIONAL BANK OF OMAHA 6	Paid	130.63
		*** Account total ***		130.63
A001-511-5509-000	- Maintenance/Repair			
A001-511-5801-000	- Buellton Recreation Program			
	22151 4/19/14 - 5/14/14 Soccer	11188 EDWIN PORTILLO 1	Paid	259.00
	22152 4/16/14-5/16/14 Pilates/Zumba	11170 DONELLE MARTIN 1	Paid	212.50
		2	Paid	212.50
	22153 4/16/14 - 5/16/14 Cycle Traini	11321 LAURA COGAN 1	Paid	60.00
	22154 4/16/14 - 5/14/14 Wrestling	11145 CASEY ELLIS 1	Paid	42.00
	22155 4/19/14 - 5/14/14 Kundalini Yo	11300 KAREN PALMER 1	Paid	116.20
	22156 4/16/14 - 5/14/14 Yoga Class	11343 MARIANNE MADSEN 1	Paid	288.00

Obligat'n	Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-511-5801-000	Buellton Recreation Program			
		*** Continued ***		
	22157 4/19/14 - 5/14/14 Tai Chi Relx	11476 STEPHEN F. DUNLAP 1	Paid	252.00
	22158 4/19/14 - 5/14/14 Flamenco Dan	11336 LAURA GARCIA dba 1	Paid	115.50
	22159 4/19/14 - 5/14/14 Boxing	11130 VICTOR M. CONTRERAS 1	Paid	28.00
	22160 4/19/14 - 5/14/14 zumba	11310 KORENE J. RAFUSE 1	Paid	37.80
	22161 4/19/14 - 5/14/14 Zumba/Kickbo	11244 HERMILA SANCHEZ 1	Paid	84.00
		2	Paid	66.50
	22189 5/14 Return Credit #7001214268	469 STAPLES CONTRACT & COMMERCIAL, 1	Paid	-95.43
	22208 Thru 5/19/14 - K. Abello	193 FIRST NATIONAL BANK OF OMAHA 1	Paid	3,053.95
	22209 Thru 5/19/14 - B. Knecht	193 FIRST NATIONAL BANK OF OMAHA 2	Paid	323.74
A001-511-5801-000	Buellton Recreation Program			5,056.26
		*** Account total ***		
A001-511-5801-001	Recreation Program 50/50			
	22208 Thru 5/19/14 - K. Abello	193 FIRST NATIONAL BANK OF OMAHA 2	Paid	67.50
	22215 10/13-12/13 Rec Prgm Expenses	113 CITY OF SOLVANG 1	Paid	2,060.80
	22216 1/14-3/14 Rec Prgm Exp/WC & In	113 CITY OF SOLVANG 1	Paid	576.79
A001-511-5801-001	Recreation Program 50/50			2,705.09
		*** Account total ***		
A001-511-5802-000	Buellton Rec Program Trips			
	22209 Thru 5/19/14 - B. Knecht	193 FIRST NATIONAL BANK OF OMAHA 5	Paid	4,073.64
	22212 Thru 5/19/14 - P. Smith	193 FIRST NATIONAL BANK OF OMAHA 1	Paid	293.25
A001-511-5802-000	Buellton Rec Program Trips			4,366.89
		*** Account total ***		
A001-511-6201-000	Contract Services			
	22179 5/14 Rec Ctr/Gym Janitorial	395 JOSE RAFAEL RUIZ dba 1	Paid	2,105.00
A001-511-6201-000	Contract Services			2,105.00
		*** Account total ***		
A001-552-5501-000	Operational Supplies			
	22174 4/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA 4	Paid	10.51
A001-552-5501-000	Operational Supplies			10.51
		*** Account total ***		
A001-552-5509-001	Maintenance/Repair-Riverview			
	22190 5/14 Riverview Park Playground	732 RECREATION REPUBLIC INC. 1	Paid	45.45
A001-552-5509-001	Maintenance/Repair-Riverview			45.45
		*** Account total ***		

Obligat'n	Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-552-6201-000 - Contract Services				
22163	5/14 Park Restrooms/Fountains	395 JOSE RAFAEL RUIZ dba 1	Paid	1,650.00
22166	4/25/14 Pest Control Various	804 ANIMAL & INSECT PEST MANAGEMEN 1	Paid	149.50
22167	4/7/14 Pest Control Various	804 ANIMAL & INSECT PEST MANAGEMEN 1	Paid	149.50
22172	5/14 Irrigation Labor	781 VALLEY CREST LANDSCAPE MAINT, 1	Paid	880.00
22173	5/14 Landscape Maint	781 VALLEY CREST LANDSCAPE MAINT, 2	Paid	2,720.00
		3	Paid	1,277.00
A001-552-6201-000 - Contract Services				*** Account total ***
				6,826.00
A001-552-6508-000 - Equipment				
22138	5/14 2014 Pace Outback V Nose	711 ALL AMERICAN TRAILERS NORTH 1	Paid	4,959.80
22171	5/14 - Utility Cart	77 CAL-COAST MACHINERY, INC 1	Paid	538.92
A001-552-6508-000 - Equipment				*** Account total ***
				5,498.72
A001-556-6201-000 - Contract Services				
22173	5/14 Landscape Maint	781 VALLEY CREST LANDSCAPE MAINT, 1	Paid	4,675.00
A001-556-6201-000 - Contract Services				*** Account total ***
				4,675.00
A001-558-5101-000 - Medical Benefit				
22132	6/14 Dental/Vision Premiums	820 ACWA/JPIA 6	Paid	418.93
22133	4/14 FSA Fees	782 WAGE WORKS 5	Paid	12.92
A001-558-5101-000 - Medical Benefit				*** Account total ***
				431.85
A001-558-5402-000 - Travel & Training				
22211	Thru 5/19/14 - R. Hess	193 FIRST NATIONAL BANK OF OMAHA 5	Paid	9.00
A001-558-5402-000 - Travel & Training				*** Account total ***
				9.00
A001-558-5501-000 - Operational Supplies				
22174	4/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA 3	Paid	7.86
A001-558-5501-000 - Operational Supplies				*** Account total ***
				7.86
A001-558-5503-000 - Tools				
22174	4/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA 1	Paid	180.16
A001-558-5503-000 - Tools				*** Account total ***
				180.16
A001-558-5504-000 - Laundry / Uniforms				
22181	5/14 - Uniform Reimbursement	268 KEVIN WOLFCAL 1	Paid	93.58

Obligat'n	Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-558-5504-000	- Laundry / Uniforms			
	22196 5/14 - Shirts/Logo - B. Covarr	461 BRIAN HUTCHINSON dba		
		1	Paid	125.28
A001-558-5504-000	- Laundry / Uniforms			
			*** Account total ***	218.86
A001-558-5507-000	- Maintenance - Vehicles			
	22164 4/14 - Hitch, Rpr Kit, Antifre	801 O'REILLY AUTOMOTIVE STORES, IN		
		1	Paid	27.69
A001-558-5507-000	- Maintenance - Vehicles			
			*** Account total ***	27.69
A001-558-5509-000	- Maintenance / Repair			
	22174 4/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA		
		2	Paid	20.21
A001-558-5509-000	- Maintenance / Repair			
			*** Account total ***	20.21
A001-558-5510-000	- Safety Equipment			
	22146 4/14 - Safety Supplies	413 SUSAN CAMPBELL dba		
		2	Paid	166.67
	22180 5/14 Safety Boots - Joe G	800 CARR'S BOOT SHOP, INC. dba		
		3	Paid	46.66
	22185 5/14 Plng Addl Alarm Svcs	176 EXCLUSIVE ALARMS		
		1	Paid	596.00
A001-558-5510-000	- Safety Equipment			
			*** Account total ***	809.33
A001-558-5701-000	- Telephone			
	22177 5/14 PW/CM Cell Phone Chgs	556 VERIZON WIRELESS		
		1	Paid	401.35
A001-558-5701-000	- Telephone			
			*** Account total ***	401.35
A001-558-6201-000	- Contract Services			
	22168 4/14 Mat & Towel Svcs	28 ARAMARK UNIFORM SERVICES		
		2 Surplus	Paid	263.62
A001-558-6201-000	- Contract Services			
			*** Account total ***	263.62
A001-565-5101-000	- Medical Benefit			
	22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA		
		7	Paid	197.19
	22133 4/14 FSA Fees	782 WAGE WORKS		
		6	Paid	24.24
A001-565-5101-000	- Medical Benefit			
			*** Account total ***	221.43
A001-565-5301-000	- Office Supplies			
	22150 5/14 Rubber Stamp	56 BOB'S RUBBER STAMPS, INC.		
		1	Paid	15.00
A001-565-5301-000	- Office Supplies			
			*** Account total ***	15.00
A001-565-5305-000	- Equipment Rental			
	22139 4/21/14 - 5/20/14 Plng Copier	744 GE CAPITAL INFO TECH SOLUTIONS		
		1	Paid	535.00
A001-565-5305-000	- Equipment Rental			
			*** Account total ***	535.00

Obligat'n	Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-565-5306-000	- Advertising - Legal			
	22136 5/14 - Legal Notice	285 SANTA MARIA TIMES dba 1	Paid	274.41
A001-565-5306-000	- Advertising - Legal	*** Account total ***		274.41
A001-565-5603-000	- Computer Maintenance &Software			
	22210 Thru 5/19/14 - M. Bierdzinski	193 FIRST NATIONAL BANK OF OMAHA 1	Paid	27.00
A001-565-5603-000	- Computer Maintenance &Software	*** Account total ***		27.00
A005-169-1201-000	- Pre-Paid Expense			
	22147 FY 14/15 WC/Liab Annual Contri	72 CA JOINT POWERS INS AUTHORITY 2	Paid	13,588.00
		5	Paid	10,817.00
A005-169-1201-000	- Pre-Paid Expense	*** Account total ***		24,405.00
A005-701-5101-000	- Medical Benefit			
	22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA 8	Paid	323.58
	22133 4/14 FSA Fees	782 WAGE WORKS 7	Paid	9.69
A005-701-5101-000	- Medical Benefit	*** Account total ***		333.27
A005-701-5402-000	- Travel & Training			
	22205 Thru 6/15 Grade 3 Newew-Sanche	482 SWRCB 1	Paid	300.00
	22206 Thru 6/15 Grade 2 Renew-Greer	482 SWRCB 1	Paid	230.00
	22211 Thru 5/19/14 - R. Hess	193 FIRST NATIONAL BANK OF OMAHA 3	Paid	202.61
A005-701-5402-000	- Travel & Training	*** Account total ***		732.61
A005-701-5501-000	- Operational Supplies			
	22146 4/14 - Safety Supplies	413 SUSAN CAMPBELL dba 1	Paid	25.38
	22184 5/14 - WWTP Operation Supplies	796 ROSE HESS 1	Paid	32.12
	22211 Thru 5/19/14 - R. Hess	193 FIRST NATIONAL BANK OF OMAHA 2	Paid	24.00
A005-701-5501-000	- Operational Supplies	*** Account total ***		81.50
A005-701-5502-000	- Chemicals / Analysis			
	22162 5/14 Three 55 Gal Drums Hdrol	27 AQUA BEN CORPORATION 1	Paid	1,866.24
A005-701-5502-000	- Chemicals / Analysis	*** Account total ***		1,866.24
A005-701-5503-000	- Tools			
	22174 4/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA 5	Paid	172.62
A005-701-5503-000	- Tools	*** Account total ***		172.62

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A005-701-5504-000 - Laundry / Uniforms			
22181 5/14 - Uniform Reimbursement	268 KEVIN WOLFCALÉ		
	2	Paid	93.59
A005-701-5504-000 - Laundry / Uniforms	*** Account total ***		93.59
A005-701-5510-000 - Safety Equipment			
22146 4/14 - Safety Supplies	413 SUSAN CAMPBELL dba		
	3	Paid	166.66
22180 5/14 Safety Boots - Joe G	800 CARR'S BOOT SHOP, INC. dba		
	2	Paid	46.67
A005-701-5510-000 - Safety Equipment	*** Account total ***		213.33
A005-701-6201-000 - Contract Services			
22168 4/14 Mat & Towel Svcs	28 ARAMARK UNIFORM SERVICES		
	1 MAT & TOWEL SVCS	Paid	65.90
22170 4/14 Sludge Disposal Svcs	598 ENGEL & GRAY, INC.		
	1	Paid	5,318.32
22194 4/13 Regulatory Compliance Srv	677 WALLACE GROUP		
	1	Paid	3,420.54
22202 5/14 WWTP/Wtr Sample Deliverie	679 COURIER SYSTEMS		
	1	Paid	72.22
A005-701-6201-000 - Contract Services	*** Account total ***		8,876.98
A020-169-1201-000 - Pre-Paid Expense			
22147 FY 14/15 WC/Liab Annual Contri	72 CA JOINT POWERS INS AUTHORITY		
	3	Paid	13,588.00
	6	Paid	11,681.00
A020-169-1201-000 - Pre-Paid Expense	*** Account total ***		25,269.00
A020-210-2101-000 - Customer Deposits			
22142 Dep Rfd/Clsg Bill	0 BLUE SKY		
	1	Paid	12.05
A020-210-2101-000 - Customer Deposits	*** Account total ***		12.05
A020-601-5101-000 - Medical Benefit			
22132 6/14 Dental/Vision Premiums	820 ACWA/JPIA		
	9	Paid	337.66
22133 4/14 FSA Fees	782 WAGE WORKS		
	8	Paid	9.69
A020-601-5101-000 - Medical Benefit	*** Account total ***		347.35
A020-601-5402-000 - Travel & Training			
22204 5/14 Grade D2 - Ochoa	151 CALIF DEPT OF PUBLIC HEALTH		
	1	Paid	60.00
22211 Thru 5/19/14 - R. Hess	193 FIRST NATIONAL BANK OF OMAHA		
	4	Paid	172.08
A020-601-5402-000 - Travel & Training	*** Account total ***		232.08
A020-601-5501-000 - Operational Supplies			
22165 4/14 - Inlet Filter	0 MATT-CHLOR. INC.		
	1	Paid	139.60
A020-601-5501-000 - Operational Supplies	*** Account total ***		139.60

Obligat'n	Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A020-601-5502-000	Chemicals / Analysis			
	22169 5/14 Ammonium Sulfate	27 AQUA BEN CORPORATION 1	Paid	2,311.43
	22191 5/14 Cylinder Return - CM	248 JCI JONES CHEMICALS, INC. 1	Paid	-1,049.99
	22192 5/14 Chlorine	248 JCI JONES CHEMICALS, INC. 1	Paid	4,380.09
A020-601-5502-000	Chemicals / Analysis	*** Account total ***		5,641.53
A020-601-5503-000	Tools			
	22174 4/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA 6	Paid	172.62
A020-601-5503-000	Tools	*** Account total ***		172.62
A020-601-5504-000	Laundry / Uniforms			
	22181 5/14 - Uniform Reimbursement	268 KEVIN WOLFCAL 3	Paid	93.59
A020-601-5504-000	Laundry / Uniforms	*** Account total ***		93.59
A020-601-5509-000	Maintenance / Repair			
	22182 5/14 WTP Emergency Rpr	718 AUTOSYS, INC. 1	Paid	427.68
A020-601-5509-000	Maintenance / Repair	*** Account total ***		427.68
A020-601-5510-000	Safety Equipment			
	22146 4/14 - Safety Supplies	413 SUSAN CAMPBELL dba 4	Paid	166.66
	22180 5/14 Safety Boots - Joe G	800 CARR'S BOOT SHOP, INC. dba 1	Paid	46.67
A020-601-5510-000	Safety Equipment	*** Account total ***		213.33
A020-601-6201-000	Contract Services			
	22202 5/14 WWTP/Wtr Sample Deliverie	679 COURIER SYSTEMS 2	Paid	72.23
A020-601-6201-000	Contract Services	*** Account total ***		72.23
A027-559-6212-000	Lompoc- Wine Country Express			
	22149 6/14 Transit Svcs	107 CITY OF LOMPOC 1	Paid	1,666.66
A027-559-6212-000	Lompoc- Wine Country Express	*** Account total ***		1,666.66
A092-604-6507-000	Improvements			
	22183 5/14 SCADA Integration Program	718 AUTOSYS, INC. 1	Paid	3,162.50
A092-604-6507-000	Improvements	*** Account total ***		3,162.50
* Report total *			*** Total ***	379,135.67

Payments via Electronic Fund Transfer (EFT):

Staff 5/15 Payroll Taxes	5/20/14	10,251.18
Other 5/19 Payroll Taxes	5/20/14	59.71
Council 5/23 Payroll Taxes	5/28/14	117.59
Staff 5/30 Payroll Taxes	6/2/14	10,312.53
Other 5/30 Payroll Taxes	6/2/14	428.95
June Health Premiums	6/3/14	16,332.01
May Deffered Comp Plan	6/3/14	15,014.40
June Life Ins Premiums	6/3/14	458.87
Total		\$ 52,975.24 ✓

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 3

To: The Honorable Mayor and City Council

From: Carolyn Galloway-Cooper, Finance Director

Meeting Date: June 12, 2014

Subject: Resolution No. 14-12 – “A Resolution of the City Council of the City of Buellton, California, Acknowledging the Receipt of and Ordering the Filing of the Annual Statement of Investment Policy for Fiscal Year 2014-15 with the City Council”

BACKGROUND

California Government Code Section 53646(a)(2) previously required the annual filing of a Statement of Investment Policy with the State Controller’s Office. The law has now been revised to state that the policy “may” be filed annually.

The City of Buellton Investment Policy is attached for filing under Resolution No. 14-12 and its Exhibit “A”. The basic premise underlying the City’s Investment Policy is to insure that money is always safe and available when needed. The objective of this Policy is to accurately monitor and forecast expenditures and revenues through daily projected cash flow analysis to enable investment of funds to the fullest extent possible.

FISCAL IMPACT

The filing of the agenda item will not have any fiscal impact on the City.

RECOMMENDATION

That the City Council adopt Resolution No. 14-12 - “A Resolution of the City Council of the City of Buellton, California, Acknowledging the Receipt of and Ordering the Filing of the Annual Statement of Investment Policy for Fiscal Year 2014-15 with the City Council”

ATTACHMENT

Resolution No. 14-12 with Investment Policy attached as Exhibit “A”.

RESOLUTION NO. 14-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, ACKNOWLEDGING THE RECEIPT OF AND ORDERING THE FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2014-15 WITH THE CITY COUNCIL

WHEREAS, Section 53646(a)(2) of the California Government Code states that an annual Statement of Investment Policy may be filed by local agencies; and,

WHEREAS, the Finance Director of the City of Buellton declares the annual Statement of Investment Policy to be as set forth in Exhibit "A" attached hereto; and,

WHEREAS, all legal prerequisites have occurred prior to the adoption of this Resolution.

NOW, THEREFORE, THE CITY COUNCIL DOES RESOLVE, DECLARE, DETERMINE, AND REQUEST AS FOLLOWS:

SECTION 1. The City Council hereby finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

SECTION 2. The annual Statement of Investment Policy for the City of Buellton has been prepared and filed by the City Finance Director and presented to the City Council for the Fiscal Year 2014-15 in compliance with Section 53646(a)(2) of the California Government Code.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 12th day of June, 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

CITY OF BUELLTON

STATEMENT OF INVESTMENT POLICY

PURPOSE

This Statement is intended to provide guidelines for the prudent investment of the City’s temporary idle cash, and outlines the policies for maximizing the efficiency of the City’s cash management system. The ultimate goal is to enhance the economic status of the City while protecting its pooled cash.

OBJECTIVE

The City’s cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to obtain the highest yield obtainable as long as investments meet the criteria established for safety and liquidity. Yield shall become a consideration only after the basic requirements of safety and liquidity have been met.

POLICY

The City of Buellton operates its temporary pooled idle cash investments under the “Prudent Investor Standard” (Government Code Section 53600.3). The Prudent Investor Standard states, in essence, that in investing or managing property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency. This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and permissible under applicable law including Government Code Section 53600 et seq.

Investments may be made in the following media:

- Securities of the United States Government, or its agencies
- Certificate of Deposit (or time deposits) placed with commercial banks and/or savings and loan companies
- Negotiable Certificates of Deposit
- Commercial Paper
- Money Market funds rated “AAAm” or AAAM-G” or better by Standard & Poor’s Corporation
- Local Agency Investment Fund (State Pool) Demand and Deposits
- Repurchase Agreements (Repos)

Criteria for selecting investments and the order of priority are:

1. **Safety**: The safety and risk associated with an investment refer to the potential loss of principal, interest or a combination of these amounts. The City only operates in those investments that are considered very safe.
2. **Liquidity**: This refers to the ability to “cash in” at any moment in time with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the unexpected need for funds occurs.
3. **Yield**: Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

SAFEKEEPING

Securities purchased from brokers/dealers will be held in third party safekeeping by the trust department of Valley Oaks Bank or other designated third party trust, in the name of the City of Buellton.

INVESTMENT OBJECTIVE

The cash management system of the City of Buellton is designed to accurately monitor and forecast expenditures and revenues, thus insuring the investment of monies to the fullest extent possible. Attempts are made to obtain the highest interest yields possible as long as investments meet the criteria required for safety and liquidity.

MONTHLY REPORTS

The City Finance Director, as the investment officer, is to submit monthly reports to the local governing body to demonstrate that sufficient cash flow liquidity is available to meet the succeeding month's estimated expenditures. In addition, a monthly report of investments with a maturity greater than one year from the date of purchase will be submitted to the local governing body.

CITY CONSTRAINTS

Buellton strives to maintain the level of investment of all idle funds, as near 100 percent as possible, through daily and projected cash flow determinations. Idle cash management and investment transactions are the responsibility of the City Finance Director. The basic premise underlying the City's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

DEPOSITORIES

The Finance Director will establish selection criteria for pre-approval of institutions with which to do business. To qualify for selection, an institution must have an office in California. A written listing of approved institutions will be maintained by the Finance Director.

BROKER/DEALERS

To provide for the optimum yield in the investment of the City's funds, the City's investment procedures shall be designed to encourage competitive bidding on transactions from approved brokers/dealers. In order to be approved by the City, the dealer must be a primary dealer reporting to the New York Federal Reserve, unless a comprehensive credit and capitalization analysis reveals that the firm is adequately financed to conduct public business; the dealer must be experienced in institutional trading practices and familiar with the California Government Code as related to investments; and other criteria as may be established in the investment procedures.

The Finance Director will periodically conduct a credit analysis of each financial institution and securities broker/dealer to determine the financial condition of such agency and reduce the risk of default.

LIMIT ON TERM TO MATURITY

The City Finance Director or his/her representative is not to invest any City monies in investments allowed under this policy that have a term remaining to maturity in excess of five years from the date of investment, unless the City Council has granted express authority to make such investment. The City Finance Director must request authority from the legislative body three months prior to the date of investment.

SAFEKEEPING AND CUSTODY

To protect against potential fraud and embezzlement, the assets of the City shall be secured through third-party custody and safekeeping procedures. The Finance Director shall be bonded to protect the public against possible embezzlement and malfeasance. Safekeeping procedures shall be reviewed annually by the independent auditor and any irregularities noted should be reported promptly to the City Manager and the City Council.

PERFORMANCE EVALUATION AND OPERATIONS AUDIT

The monthly investment reports submitted to the City Council shall contain sufficient information to permit an independent organization to evaluate the performance of the investment program.

ETHICS

All persons authorized to place or approve investments shall report annually on Form 700 of the Fair Political Practices Commission all required economic interests for that year.

ANNUAL REVIEW

This Statement of Investment Policy is to be submitted to the City Council annually for review and approval. It is to continue to serve as the basis for the responsibilities and actions taken by the City Finance Director relative to the investment of the City's idle funds.

(End)

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 4

To: The Honorable Mayor and City Council

From: Carolyn Galloway-Cooper, Finance Director

Meeting Date: June 12, 2014

Subject: Resolution No. 14-13 – “A Resolution of the City Council of the City of Buellton, California, Establishing an Appropriation Limit for Fiscal Year 2014-15 Pursuant to Article XIII-B of the California Constitution”

BACKGROUND

In 1979, the voters of the State of California passed Proposition 4, the “Gann Initiative”, which added Article XIII-B to the State Constitution. This Article provides that the City’s annual appropriations be subject to certain State limitations based upon budgeted appropriations for Fiscal Year 1978-79 and adjusted annually for changes in population and cost of living or personal income. New legislation under Proposition 98 and 111 modified the original provisions of the law, allowing exemptions for qualified capital projects and adjustment factor changes.

The City’s limitation is calculated each year and established by a resolution of the City Council. The limitation for fiscal year 2014-15 is \$9,339,493. The Gann spending limitation is calculated by taking the prior year’s limitation of \$9,313,415 and adjusting it by the growth factor in the California Per Capita Personal Income and the change in the population within the City of Buellton. The appropriations subject to the limit is \$4,476,000, which is \$4,863,493 less than the appropriation limit.

Therefore, the City of Buellton is in compliance with Article XIII-B of the California Constitution for fiscal year 2014-15. The Article XIII-B is not a restricting factor for the City of Buellton due to the combination of modest population growth and continued General Fund spending on qualified capital projects. These factors will continue to be monitored annually and if the use of alternative growth factors as authorized by Proposition 111 would result in a more advantageous appropriation limit, staff will revise the appropriations limit.

Per Government Code 7910 documentation used in the determination of the appropriations limit is available to the public upon request.

FISCAL IMPACT

There will be no fiscal impact to the City because appropriations are below the limit.

RECOMMENDATION

That the City Council adopt Resolution No. 14-13 – “A Resolution of the City Council of the City of Buellton, California, Establishing an Appropriation Limit for Fiscal Year 2014-15 Pursuant to Article XIII-B of the California Constitution”

ATTACHMENTS

Resolution No. 14-13 with Calculation of Appropriations Limit for Fiscal Year 2014-15
attached as Exhibit A
Attachment 1 - Letter dated May 2014 from California Department of Finance

RESOLUTION NO. 14-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, ESTABLISHING AN APPROPRIATION LIMIT FOR FISCAL YEAR 2014-15

WHEREAS, Article XIII-B of the California Constitution provides that the total annual appropriations limit of this City shall not exceed the appropriations limit for the prior year, except as adjusted for changes in the cost of living or personal income and population, or as otherwise provided for in said Article XIII-B and implementing State statutes; and,

WHEREAS, pursuant to said Article XIII-B of said California Constitution, the City is required to set its appropriation limit for each fiscal year, and has made available to the public the documentation used in the determination of said appropriation limit; and,

WHEREAS, in 1990, the voters of California adopted Proposition 111 which amended Article XIII-B of the California Constitution; and,

WHEREAS, among the changes implemented by Proposition 111 are adjustments to the growth factors used to calculate the annual appropriation limit; and,

WHEREAS, Proposition 111 established Fiscal Year 1986-87 as the base year for calculating the annual Appropriation Limit and permits the City to re-establish annual Appropriation Limit for all succeeding years based upon the new growth factors; and,

WHEREAS, a resolution establishing the annual appropriations limit is to be adopted at a regularly scheduled meeting of the City Council.

WHEREAS, all legal prerequisites have occurred prior to the adoption of this Resolution.

NOW, THEREFORE, THE CITY COUNCIL DOES RESOLVE, DECLARE, DETERMINE, AND REQUEST AS FOLLOWS:

SECTION 1. The City Council hereby finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

SECTION 2. The Council of the City of Buellton elects to use the change in California per capita income as the cost of living adjustment factor and the annual population change for the City of Buellton as the population adjustment.

SECTION 3. The appropriation limit is amended for Fiscal Year 2014-15 and is hereby set forth as Exhibit "A" in the amount of \$9,339,493.

SECTION 4. The City reserves the right to adjust or amend the appropriations limit based upon the use of alternative growth factors as authorized by Proposition 111 if such changes or revisions would result in a more advantageous appropriation limit, now or in the future.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 12th day of June, 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

EXHIBIT "A"

CITY OF BUELLTON
Calculation Using Per Capita Personal Income and Population Change
Annual Appropriations Subject to Gann Limit
Fiscal Year 2015

Appropriations Subject to Limitation

Fiscal year 2015 adopted revenues	\$6,160,441
Less:	
Non-proceeds of tax	(1,443,441)
Qualified Capital Outlay	(241,000)
Plus:	
User-fees in excess of costs	-
	<hr/>
Total Appropriations Subject to limitation	<u>\$4,476,000</u>

Appropriations Limit

Fiscal year 2014 appropriation limit, adopted	\$9,313,415
A. California per Capita adjustment	.9977
B. Population adjustment	<u>1.0051</u>
Change factor (A X B)	1.0028
Increase in appropriation limit	<u>\$ 26,078</u>
Fiscal year 2014-15 appropriation limit	<u>\$9,339,493</u>



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2014

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, mandates the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2014, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2014-15. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2014-15 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code section 2228 for further information regarding the appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2014.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

KEELY M. BOSLER
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2014-15 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2014-15	-0.23

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2014-15 appropriation limit.

2014-15:

Per Capita Cost of Living Change = -0.23 percent
 Population Change = 0.95 percent

Per Capita Cost of Living converted to a ratio: $\frac{-0.23 + 100}{100} = 0.9977$

Population converted to a ratio: $\frac{0.95 + 100}{100} = 1.0095$

Calculation of factor for FY 2014-15: $0.9977 \times 1.0095 = 1.0072$

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2013 to January 1, 2014 and Total Population, January 1, 2014

County City	<u>Percent Change</u>	<u>Population Minus Exclusions</u>		<u>Total</u>
	2013-2014	1-1-13	1-1-14	1-1-2014
Santa Barbara				
Buellton	0.51	4,868	4,893	4,893
Carpinteria	2.51	13,113	13,442	13,442
Goleta	0.69	29,994	30,202	30,202
Guadalupe	0.51	7,108	7,144	7,144
Lompoc	1.21	39,369	39,846	43,314
Santa Barbara	0.68	89,753	90,365	90,385
Santa Maria	0.69	100,411	101,103	101,103
Solvang	1.23	5,298	5,363	5,363
Unincorporated	1.10	132,732	134,196	137,552
County Total	0.92	422,646	426,554	433,398

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 5

To: The Honorable Mayor and City Council

From: Linda Reid, City Clerk

Meeting Date: June 12, 2014

Subject: Resolutions Pertaining to General Municipal Election to be Held on November 4, 2014

- A. Resolution No. 14-14 – “A Resolution of the City Council of the City of Buellton, California, Calling and Giving Notice of the Holding of a General Municipal Election to be Held on Tuesday, November 4, 2014 for the Election of Certain Officers as Required by the Provisions of the Laws of the State of California Relating to General Law Cities”
- B. Resolution No. 14-15 – “A Resolution of the City Council of the City of Buellton, California, Requesting the Board of Supervisors of the County of Santa Barbara to Consolidate a General Municipal Election to be Held on Tuesday, November 4, 2014 with the General Election Pursuant to Section 10403 of the Elections Code”
- C. Resolution No. 14-16 – “A Resolution of the City Council of the City of Buellton, California, Adopting Regulations for Candidates for Elective Office Pertaining to Candidate’s Statements, Materials Submitted to the Electorate, and the Cost Thereof, Submitted to the Voters at an Election to be Held on Tuesday, November 4, 2014”
- D. Resolution No. 14-17 – “A Resolution of the City Council of the City of Buellton, California, Providing for the Filing of Rebuttal Arguments for City Measures Submitted at Municipal Elections”

BACKGROUND

In the past, the City has requested that the Board of Supervisors of the County of Santa Barbara consolidate the City of Buellton’s Municipal Election with the General Election. This consolidation has been shown to be an economic and efficient method to conduct the election. The election in Buellton will involve **three** City Council seats.

In order to consolidate the election and to implement the election process, several procedural resolutions need to be adopted and approved by the City Council. These resolutions will request the County Board of Supervisors to consolidate the City's election with other elections conducted by the County, will officially give notice of the election for the City Council seats, will set regulations pertaining to candidates' statements, and will allow the filing of rebuttal arguments for City Measures.

Attached herewith for your review and consideration are the necessary resolutions to initiate the election process:

- A. Resolution No. 14-14 officially gives notice of the municipal election and the purpose thereof. The official title is Resolution No. 14-14 – "A Resolution of the City Council of the City of Buellton, California, Calling and Giving Notice of the Holding of a General Municipal Election to be Held on Tuesday, November 4, 2014 for the Election of Certain Officers as Required by the Provisions of the Laws of the State of California Relating to General Law Cities"
- B. Resolution No. 14-15 requests the County Board of Supervisors to consolidate the City's general election with other State, County, School District and Special District elections. The official title is Resolution No. 14-15 – "A Resolution of the City Council of the City of Buellton, California, Requesting the Board of Supervisors of the County of Santa Barbara to Consolidate a General Municipal Election to be Held on November 4, 2014 With the General Election Pursuant to Section 10403 of the Elections Code"
- C. Resolution No. 14-16 adopts regulations pertaining to candidates' statements submitted to the voters. The official title is Resolution No. 14-16 – "A Resolution of the City Council of the City of Buellton, California, Adopting Regulations for Candidates for Elective Office Pertaining to Candidates' Statements Submitted to the Voters at an Election to be Held on Tuesday, November 4, 2014"
- D. Resolution No. 14-17 – "A Resolution of the City Council of the City of Buellton, California, Providing for the Filing of Rebuttal Arguments for City Measures Submitted at Municipal Elections"

FISCAL IMPACT

Included in the Fiscal Year 2013-14 City Clerk's budget is an appropriation of \$5,000 to cover the expenses of the General Municipal Election. As the final cost accounting of the City's share of the election expenses will not be determined until after the election date, it may be necessary to appropriate an additional amount at that time.

RECOMMENDATION

That the City Council adopt Resolution Nos. 14-14, 14-15, 14-16, and 14-17 all pertaining to the General Municipal Election scheduled for November 4, 2014.

ATTACHMENTS

Resolution No. 14-14

Resolution No. 14-15

Resolution No. 14-16

Resolution No. 14-17

RESOLUTION NO. 14-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014 FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES

WHEREAS, under the provisions of the laws relating to General Law Cities in the State of California, a General Election shall be held on November 4, 2014 for the election of Municipal Officers; and

NOW, THEREFORE, THE CITY COUNCIL DOES RESOLVE, DECLARE, DETERMINE, AND REQUEST AS FOLLOWS:

SECTION 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities, there is called and ordered to be held in the City of Buellton, California, on Tuesday, November 4, 2014, a General Municipal Election for the purpose of electing three Members of the City Council for the full term of four years.

SECTION 2. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 3. That the polls for the election shall be open at 7:00 a.m. of the day of the election and shall remain open continuously from that time until 8:00 p.m. of the same day when the polls shall be closed, except as provided in Section 14401 of the Elections Code of the State of California.

SECTION 4. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 5. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form, and manner as required by law.

SECTION 6. That the City Clerk shall certify to the passage and adoption of this resolution.

PASSED, APPROVED, and ADOPTED this 12th day of June 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

RESOLUTION NO. 14-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014 WITH THE GENERAL ELECTION PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE

WHEREAS, under the provisions of the laws relating to General Law Cities in the State of California, a General Municipal Election shall be held on November 4, 2014 for the election of Municipal Officers.

NOW, THEREFORE, THE CITY COUNCIL DOES RESOLVE, DECLARE, DETERMINE, AND REQUEST AS FOLLOWS:

SECTION 1. That pursuant to the requirements of Section 10403 of the Elections code, the Board of Supervisors of the County of Santa Barbara is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 4, 2014 for the purpose of electing three Members of the City Council.

SECTION 2. That pursuant to the requirements of the laws of the State of California relating to General Law Cities there is called and ordered to be held in the City of Buellton, California, on Tuesday, November 4, 2014, a General Municipal Election for the purposes of electing three Members of the City Council for the full term of four years.

SECTION 3. That the Board of Supervisors is requested to direct the County Elections Division to take any and all steps necessary for the conducting of the consolidated election.

SECTION 4. That the City Council recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees pursuant to Section 10002 of the Elections Code to reimburse the County in full for the cost of services performed upon presentation of a bill.

SECTION 5. That the City will be providing the following services:

- (a) Notice of election will be published, in time, form and manner required by law.
- (b) Accept and process official candidate nomination papers, which include verification as to whether candidate statements and ballot designations meet all legal requirements.
- (c) Upon certification by the Elections Division, issue certificates of election.

- (d) Take any other action necessary that is not the responsibility of the County Elections Official.

SECTION 6. That the City Council recognizes that the County Elections Official will be providing the following services:

- (a) Verify nomination petitions as requested.
- (b) Designate polling places and provide supplies and equipment.
- (c) Appoint and train election officers.
- (d) Furnish any and all official ballots, sample ballots, notices, and printed material.
- (e) Provide and process absentee voter requests.
- (f) Provide polling places for the election, which shall be open at 7:00 a.m. of the day of the election and shall remain open continuously until 8:00 p.m. of the same day when the polls shall be closed, except as provided in Section 14401 of the Elections Code.
- (g) Ensure that the ballots used at the election are in the proper form and content required by law.
- (h) Count ballots and canvass the returns.
- (i) Declare results and certify election.
- (j) Take any other action necessary in order to properly and lawfully conduct the election.
- (k) Prepare and mail all invoices regarding election costs.

PASSED, APPROVED, and ADOPTED this 12th day of June, 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

RESOLUTION NO. 14-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS, MATERIALS SUBMITTED TO THE ELECTORATE AND THE COST THEREOF, REGARDING AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement.

NOW, THEREFORE, THE CITY COUNCIL DOES RESOLVE, DECLARE, DETERMINE, AND REQUEST AS FOLLOWS:

SECTION 1. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an election to be held in the City of Buellton on November 4, 2014 may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. That the candidate shall be required to pay for the cost of printing the candidate's statement in English and any other language requested by the candidate.

SECTION 3. That the City Clerk shall provide each candidate or the candidate's representative a copy of this resolution at the time nominating petitions are issued.

SECTION 4. That all previous resolutions establishing council policy of payment for candidate's statements are repealed.

SECTION 5. That this resolution shall apply only to the election to be held on November 4, 2014 and shall then be repealed.

SECTION 6. That the City Clerk shall certify to the passage and adoption of this resolution.

PASSED, APPROVED, and ADOPTED this 12th day of June 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

RESOLUTION NO. 14-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT MUNICIPAL ELECTIONS

WHEREAS, § 9285 of the Elections Code of the State of California authorizes the City Council, by majority vote, to adopt provisions to provide for the filing of rebuttal arguments for city measures submitted at municipal elections;

NOW, THEREFORE, THE CITY COUNCIL DOES RESOLVE, DECLARE, DETERMINE, AND REQUEST AS FOLLOWS:

SECTION 1. That pursuant to §9285 of the Elections Code of the State of California, when the elections official has selected the arguments for and against the measure which will be printed and distributed to the voters, the elections official shall send a copy of an argument in favor of the proposition to the authors of any argument against the measure and a copy of an argument against the measure to the authors of any argument in favor of the measure immediately upon receiving the arguments.

The author or a majority of the authors of an argument relating to a city measure may prepare and submit a rebuttal argument not exceeding 250 words or may authorize in writing any other person or persons to prepare, submit, or sign the rebuttal argument.

SECTION 2. That all previous resolutions providing for the filing of rebuttal arguments for city measures are repealed.

SECTION 3. That the provisions of Section 1 shall apply at the next municipal election scheduled for November 4, 2014 and at each municipal election after that time.

SECTION 4. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED this 12th day of June 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 6

To: The Honorable Mayor and City Council

From: Linda Reid, City Clerk

Meeting Date: June 12, 2014

Subject: Biennial Review of Conflict of Interest Code

BACKGROUND

The Political Reform Act requires every local government agency to review its conflict of interest code biennially to determine if it is accurate or, alternatively, that the code must be amended. Once the determination has been made, a notice must be submitted to the code reviewing body no later than October 1 of even-numbered years.

The City Council is the code reviewing body for City agencies. Therefore, the City Council must notify each City agency to review its code and submit a notice to the City Council that either amendments are required or that no amendments are necessary. Notices must be submitted to the City Council by October 1, 2014.

To facilitate this process, I have prepared the attached memorandum to the affected City agencies indicating the requirement for the review.

FISCAL IMPACT

This agenda item in itself will not have any fiscal impact on the City.

RECOMMENDATION

That the City Council direct the City Manager on its behalf to notify each City agency of the requirement to review its Conflict of Interest Code and submit the 2014 Local Agency Biennial Notice to the City Council that either amendments are required or that no amendments are necessary.

ATTACHMENT

Attachment 1 - Memorandum dated June 12, 2014 to Affected Agencies

CITY OF BUELLTON

MEMORANDUM

To: The Honorable Mayor and City Council

From: Linda Reid, City Clerk

Date: June 12, 2014

RE: Conflict of Interest Code – Local Agency Biennial Report

In accordance with requirements of the Political Reform Act, you are hereby directed to perform the biennial review of the Conflict of Interest Code for your respective agency and to submit to the City Council no later than October 1, 2014, a notice that either amendments are required or that no amendments are necessary.

cc: City Attorney

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 7

To: The Honorable Mayor and City Council

From: Rose Hess, Public Works Director

Date: June 12, 2014

Subject: Resolution No. 14-11 - “A Resolution of the City Council of the City of Buellton, California, Adopting the 2013 Santa Barbara Countywide Integrated Regional Water Management (IRWM) Plan”

BACKGROUND

In July 26, 2012, the Council approved a Memorandum of Understanding (MOU) for the Cooperating Partners to participate in the Integrated Regional Watershed Management Plan (IRWMP) process and continue to pursue Proposition 84 implementation grant funding and update the existing IRWMP.

The Integrated Regional Water Management (IRWM) Plan addresses regional, short and long term watershed based planning, reviewing both water quantity and water quality issues, flood control and climate change. The plan needs to be updated every 5 years or more frequently as necessary to incorporate the most current goals and objectives of the Department of Water Resources and the State Water Resources Control Board.

The IRWMP also includes a list of various local projects, which would address the various goals in the plan. All participating agencies are encouraged to submit their projects for inclusion on the list. This is a key component in order for the local agencies and the region to pursue grant funding.

Regional stakeholders have been participating in the development of an update to the 2007 IRWM Plan since early 2012. The IRWM Plan 2013 provides information from newer planning documents, policies, workshops, meetings, data gathering, and IRWM Plan 2013 workgroups. The IRWM Plan 2013 was completed by the Santa Barbara County IRWM Cooperating Partners that is comprised of over 30 water agencies, jurisdictions, water and sanitary districts, and non-profit organizations from throughout the County.

FISCAL IMPACT

There is no fiscal impact with the approval of the 2013 IRWM Plan.

RECOMMENDATION

That the City Council adopt Resolution No. 14-11 - “A Resolution of the City Council of the City of Buellton, California, Adopting the 2013 Santa Barbara Countywide Integrated Regional Water Management (IRWM) Plan” and authorize the City Manager to execute a Memorandum of Understanding to Participate in the Statewide Proposition 84 process and Integrated Regional Water Management Plan (IRWMP) in Santa Barbara County.

ATTACHMENTS

Resolution No. 14-11

[2013 IRWM Plan - Online](#)

RESOLUTION NO. 14-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, ADOPTING THE 2013 SANTA BARBARA COUNTYWIDE INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) PLAN

I. THE CITY COUNCIL OF THE CITY OF BUELLTON DOES HEREBY FIND AND DETERMINE AS FOLLOWS:

- A. In 2002 Senate Bill 1672 created the Integrated Regional Water Management Act to encourage local agencies to work cooperatively to manage local and imported water supplies to improve the quality, quantity, and reliability.
- B. In November 2002 – California voters pass Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, which provides \$500,000,000 (CWC §79560-79565) to fund competitive grants for projects consistent with an adopted IRWM plan.
- C. In 2005 Santa Barbara County, 30 cities, special districts, joint power authorities and private companies created an Integrated Regional Management Planning Process to promote and practice integrated regional water management strategies to ensure sustainable water uses, reliable water supplies, better water quality, environmental stewardship, efficient urban development, protection of agricultural and watershed awareness through the development of an Integrated Regional Water Management (IRWM) plan.
- D. In 2007 the first IRWM Plan was adopted by all participating 30 cities, special districts, joint power authorities and private companies.
- E. Proposition 84 provides \$5.388 billion statewide for various types of projects including:
 - protecting rivers, lakes and streams;
 - improving flood control
 - sustainable communities and the reduction of climate change;
 - protecting beaches, bays and coastal waters;
 - parks and natural education facilities;
 - forest and wildlife conservation; and
 - statewide water planning;
- F. \$1 billion of the \$5.388 billion was allocated towards IRWM (Integrated Regional Water Management), which included \$900 million for 11 funding areas (regional) and \$100 million allocated inter-regionally;
- G. The Santa Barbara County Water Agency, on behalf of the 30 cities, special districts, joint power authorities and private companies and non-profits entitled the Cooperating Partners, applied for and received grant funding through

Proposition 84 to update the 2007 IRWM Plan to meet current IRWM Plan Guidelines from the Department of Water Resources.

- H. The Santa Barbara County Water Agency became the Grantee for and the lead agency on behalf of the Cooperating Partners for preparation of the 2013 IRWM Plan.
 - I. The Santa Barbara County Water Agency, as the lead agency on behalf of the Cooperating Partners prepared a Notice of Exemption in accordance with CEQA for preparation of the 2013 IRWM Plan.
 - J. The 2013 IRWM Plan was completed in accordance with DWR's 2012 Plan Standards and Guidelines and submitted to DWR for review and approval.
 - K. The 2013 IRWM Plan was approved by DWR on May 15, 2014.
 - L. On April 9, 2014, the Santa Barbara County IRWM solicited projects for consideration into a 2014 Drought Solicitation Application for DWR funding and the projects received through the Santa Barbara County IRWM solicitation process have been incorporated into the Plan as an addendum to the Project list.
- II. NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BUELLTON DOES HEREBY RESOLVE AS FOLLOWS:
- A. The foregoing recitals are true and accurate.
 - B. The City Council of the City hereby adopts the Santa Barbara Countywide 2013 Integrated Regional Water Management Plan in the form presented to the Council at this meeting.
 - C. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, and ADOPTED this 12th day of June 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 8

To: The Honorable Mayor and City Council

From: Kyle Abello, Recreation Coordinator

Meeting Date: June 12, 2014

Subject: Memorandum of Understanding with the City of Solvang -
Cooperation in the Area of Recreation

BACKGROUND

Over the past eleven years, the cooperative relationship between the Cities of Buellton and Solvang in the area of recreation services has been governed by a Memorandum of Understanding (M.O.U.) that has been renewed on an annual basis. The existing M.O.U. with the City of Solvang expires on June 30, 2014.

The cooperative working relationship that has grown out of the agreement has proven mutually beneficial to both Cities, and therefore staff recommends approval of the following M.O.U. which continues the cooperation between Buellton and Solvang in the area of Recreation.

Attached for your consideration is the Memorandum of Understanding with the City of Solvang.

FISCAL IMPACT

None

RECOMMENDATION

That the City Council consider approval of a Memorandum of Understanding with the City of Solvang in the area of Recreation.

ATTACHMENT

Attachment 1 - Memorandum of Understanding with the City of Solvang for FY 2014/15

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“M.O.U.”) is made and entered into effective as of June 30, 2014, by and between the City of Solvang, a California Municipal Corporation (“Solvang”) and the City of Buellton, a California Municipal Corporation (“Buellton”).

Recitals

Solvang and Buellton desire to enter into this M.O.U. for the purpose of providing mutual assistance in the development and operation of recreation programs. It is the shared goal of both Cities to offer excellent parks and recreational opportunities in the spirit of cooperation rather than competition.

NOW, THEREFORE in consideration of the mutual promises contained in this M.O.U., Solvang and Buellton agree as follows:

Both Cities agree to provide mutual assistance and guidance in the cooperative development and operation of recreation programs. Assistance shall include, but shall not be limited to, staffing for joint recreational and leisure related activities, event registration intake and scheduling, joint program accounting of revenues and expenditures, access to and use of City facilities, use of City office facilities and related office equipment, shared use of recreation buses, shared responsibility for any major repair or maintenance items for recreation buses, and coordination of joint events, field trips, and activities.

The term of this M.O.U. is for a period of one (1) year from the commencement date. Either party may terminate this M.O.U. by giving thirty (30) day written notice to the other party.

Both parties understand that the purpose of this M.O.U. is to continue the cooperative development of recreation programs and to further recreation services in the Santa Ynez Valley through regional cooperation. Both parties affirm the mutual benefits of the existing relationship in the area of recreation services which may include youth and adult programs, excursions, sports leagues, enrichment classes, special events, and other recreational programs. Both parties recognize that residents of the unincorporated areas of the County of Santa Barbara make up a significant portion of participants in recreation programs administered by the two Cities. Efforts will be made in future agreements to secure County of Santa Barbara financial participation to cover residents of the unincorporated areas of the County.

The parties to this M.O.U. shall comply with all acceptable State and local laws, statutes, codes, practices, regulations, and rules in effect during the term of this M.O.U.

Buellton shall indemnify, defend, and hold harmless Solvang, and its officers, employees, and agents from and against any and all causes, actions, claims, liabilities, obligations, judgments or damages including reasonable attorney’s fees and costs of litigation arising from Buellton’s activities and performance of the services under this M.O.U. excepting only those actions, claims, liabilities, obligations, judgments or damages arising out of the negligence of Solvang.

Solvang shall indemnify, defend, and hold harmless Buellton, and its officers, employees, and agents from and against any and all causes, actions, claims, liabilities, obligations, judgments or damages including reasonable attorney’s fees and costs of litigation arising from Solvang’s activities and performance of the services under this M.O.U. excepting only those actions, claims, liabilities, obligations, judgments or damages arising out of the negligence of Buellton.

No amendment to or modification of this M.O.U. shall be valid unless made in writing and approved by each party’s City Council.

In the event litigation or other proceedings are required to enforce or interpret any provisions of this M.O.U., the prevailing party in such litigation or other proceedings shall be entitled to an award of reasonable attorney’s fees, cost expenses, in addition to any other relief to which it may be entitled.

This M.O.U. is the final and exclusive expression of the parties with respect to the matters addressed and supersedes all other agreements or understanding whether oral or written prior to the execution of this M.O.U. No amendment or modification to this M.O.U. shall be valid and binding unless in writing appropriately executed by the parties.

CITY OF SOLVANG

By: _____
Jim Richardson
Mayor

ATTEST:

Mary Ellen Rio
City Clerk

CITY OF BUELLTON

By: _____
John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 9

To: The Honorable Mayor and City Council

From: Rose Hess, Public Works Director

Meeting Date: June 12, 2014

Subject: Resolution No. 14-09 – “A Resolution of the City Council of the City of Buellton, California, Regarding the Commitments and Publishing the Report Required by Central Coast Water Authority Resolution Nos. 92-02 and 92-11”

BACKGROUND

On January 23, 1992, the Central Coast Water Authority (CCWA) Board of Directors approved CCWA Resolution No. 92-2, which formally approved construction of the Mission Hills and Santa Ynez Extensions and associated facilities. Resolution No. 92-2 included the following:

“CCWA adopts the following conditions of approval for the project. With the adoption of these conditions, CCWA finds that the environmental impacts of the project associated with the potential for growth inducement are insignificant:

1. The Santa Ynez Extension and Mission Hills Extension Mitigation Monitoring Program shall be implemented and enforced throughout the project construction and operation, unless modified after appropriate California Environmental Quality Act (CEQA) review and approval by CCWA.
2. The Santa Maria Valley Water Treatment Plant Mitigation Monitoring Program shall be implemented and enforced through the project construction and operation, unless modified after appropriate CEQA review and approval by CCWA.
3. CCWA shall require each Water Supply Agreement contractor to commit, prior to the contractor’s use of project water, that the water supplied to the contractor by the project will be used first to offset the contractor’s proportionate share of groundwater basin overdraft, if any, and to improve water quality for its customers, if appropriate, before being made available for other purposes. Such a commitment can be manifested in a number of different ways, including but not limited to adoption of an ordinance or resolution or adoption of a water management plan or program which brings groundwater supply and demand into balance.”

On February 27, 1992, the CCWA Board of Directors adopted Resolution No. 92-11, which complied with the terms of a Settlement Agreement between CCWA and two local organizations, which had threatened to institute litigation concerning the CCWA's compliance with CEQA in connection with the project. Resolution No. 92-11 added a new Condition #4 to the above-stated three conditions of approval:

4. "Each contractor shall commit to prepare and shall publish a report on its annual and long term water supply, beginning in the year that State Water Project (SWP) water first is delivered and annually thereafter for so long as the contractor continues to receive SWP water. This report shall include a calculation which quantifies, over the time period of the contractor's water management plan or the report, whichever is longer: (1) the obligation to offset groundwater overdraft and improve water quality, if any, set forth in the prior condition; and (2) reasonable estimates of total supplies available to the contractor, including but not limited to local supplies and the contractor's prediction regarding SWP urban delivery capacity, determined from State Department of Water Resources (DWR) operations studies. The report shall also include a calculation of the available water supply for the ensuing year and the amount of SWP water necessary to fulfill the contractor's obligations as set forth in Condition 3. The report shall contain sufficient information to monitor compliance with Condition No. 3 above. This report shall be presented for adoption to the contractor's Board of Directors at a public hearing. The report shall be distributed at local libraries and at each contractor's office and shall be available for public review at least 30 days prior to the Board hearing".

Condition No. 3 requires that a commitment be made with regard to use of SWP water. Condition No. 4 requires that annual reports be prepared concerning certain matters relating to water supply and demand, beginning with the year that SWP water first is delivered and thereafter for so long as SWP water is received.

In view of the above requirements, we have prepared the appropriate Resolution, which complies with the requirements of said Condition Nos. 3 and No. 4. The proposed Resolution adopts the annual report, attached hereto as Exhibit "A" regarding the City's long term water supply.

FISCAL IMPACT

The fiscal impact to the City will be the publication costs of the annual report and the staff time required to prepare said report.

RECOMMENDATION

That the City Council conduct a public hearing and consider the adoption of Resolution No. 14-09 - "A Resolution of the City Council of the City of Buellton, California, Regarding the Commitments and Publishing the Report Required by Central Coast Water Authority Resolution Nos. 92-02 and 92-11"

ATTACHMENT

Resolution No. 14-09

RESOLUTION NO. 14-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, REGARDING THE COMMITMENTS AND PUBLISHING THE REPORT REQUIRED BY CENTRAL COAST WATER AUTHORITY RESOLUTION NOS. 92-02 AND 92-11

I. THE CITY COUNCIL OF THE CITY OF BUELLTON DOES HEREBY FIND AND DETERMINE AS FOLLOWS:

- A. The City of Buellton (“City”) has a Water Supply Agreement with the Central Coast Water Authority (“Authority”); and
- B. One of the conditions of approval of the Santa Ynez and Mission Hills Extensions to the Coastal Branch Phase II of the State Water Project as found in Central Coast Water Authority Resolutions 92-2 and 92-11 requires the following commitments:
 - 1. Prior to the City’s use of State Water Project water, the City will commit that the use of that water will be used first to offset the contractor’s proportionate share of groundwater basin overdraft, if any, and to improve water quality for its customers, if appropriate, before being made available for other purposes.
 - 2. Beginning in the year that State Water Project water is first delivered and annually thereafter, the City will commit to prepare and publish an annual report on its long-term water supply. This report shall include a calculation which quantifies:
 - (a) the obligation to offset groundwater overdraft and improve water quality, if any, set forth in the prior condition; and
 - (b) reasonable estimates of total supplies available to the City, including but not limited to local supplies and the contractor’s prediction regarding State Water Project urban delivery capacity, determined from State Department of Water Resources (DWR) operations studies; and
 - (c) the available water supply for the ensuing year and the amount of State Water Project water necessary to fulfill the contractor’s obligations; and
 - (d) sufficient information to monitor compliance; and

- C. This resolution has been presented for adoption to the City Council of the City of Buellton at a public hearing and the Annual Long-Term Water Supply Report (“Report”) attached as Exhibit “A” to this Resolution has been distributed to local libraries and City Hall for public review for a period of time in excess of 30 days prior to the hearing.

II. NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BUELLTON DOES HEREBY RESOLVE AS FOLLOWS:

- A. The City Council of the City of Buellton (“City”) hereby commits to using State Water Project water, which it receives to first offset the City’s proportionate share of groundwater basin overdraft, if any, and to improve water quality for its consumers, if appropriate, before making such water available for other purposes.
- B. The City Council of the City hereby adopts the Annual Long-Term Water Supply Report (“Report”) attached as Exhibit “A” to this Resolution.
- C. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, and ADOPTED this 12th day of June 2014.

John Connolly
Mayor

ATTEST:

Linda Reid
City Clerk

EXHIBIT "A"

**CITY OF BUELLTON
ANNUAL LONG-TERM WATER SUPPLY REPORT**

The City's proportionate share of groundwater basin overdraft is zero based on its calculation of the City's existing prescriptive right to appropriate and use Santa Ynez River Underflow water.

If a determination was made that the City has no existing prescriptive rights, the City's proportionate share of the Santa Ynez River Underflow overdraft would be 1110 acre feet per year based on:

- A. The proportionate amount of the City's pumping estimated to be 634 acre feet in 2014, compared with
- B. The estimated total gross pumping of 476 acre feet, and
- C. The estimated annual overdraft in the basin is 0 (zero) acre feet.

The use of State Water Project water within the City in lieu of pumping by the City from the Santa Ynez River will result in current conditions that are essentially in supply/demand balance and the amount of reduced pumping as a result of using State Water Project water will equal or exceed the amount set forth in B or C above.

Based upon authority reports, there is no evidence at this time of any need to improve water quality for the benefit of City consumers. However, utilization of up to 578 acre feet of treated State Water Project water within the City in any given year will have a positive effect on both the City's consumers given the higher quality of State Water Project water and the groundwater basin users as a result of return flow of significantly higher quality.

The water supplies reasonably available to the City during Fiscal Year 2014 and for the cumulative long term (five years) is estimated to be (in acre feet):

	<u>2014</u>	<u>Long Term</u>
1. Buellton Uplands Basin	1,000	5,000
2. Santa Ynez River Underflow <i>(based on water rights permit)</i>	1,385	6,925
3. State Water Project <i>(based on contract)</i>	<u>578</u>	<u>2,890</u>
Total Available Supplies	2,963	14,815

The amount of water estimated to be required to meet demands within the City during fiscal year 2014 and over the long term (five years) is estimated to be (in acre feet):

	<u>2014</u>	<u>Long Term</u>
1. Estimated water demand Santa Ynez River	635	3,175
2. Estimated water demand Groundwater Basin	<u>635</u>	<u>3,175</u>
Total Demand	1,270	6,350

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 10

To: The Honorable Mayor and City Council

From: Rose Hess, Public Works Director

Meeting Date: June 12, 2014

Subject: Approval of Memorandum of Understanding for Inter-Regional Transit Services - Breeze Route 200 and Wine Country Express

BACKGROUND

Three inter-regional transit services currently connect the urbanized areas of the North County. The services include:

1. The Breeze Route 100 connecting the Cities of Lompoc and Santa Maria via Vandenberg Air Force Base;
2. The Breeze Route 200 connecting the Cities of Santa Maria, Buellton and Solvang and the unincorporated community of Los Alamos; and
3. The Wine Country Express connecting the Cities of Lompoc, Buellton and Solvang



The participating jurisdictions operate the services through three separate Memorandums of Understanding (MOU) that are unique to each service. All three MOUs are set to expire on June 30, 2014.

The City of Buellton participates in the Breeze Route 200 and the Wine Country Express. The MOUs recommended will continue all three transit services for five additional years, or until June 30, 2019.

These transit services are governed by a MOU between the partnering jurisdictions that benefit from the service. For example, the Wine Country Express connecting the Cities of Lompoc, Buellton and Solvang is governed by a MOU that is signed by “funding partners” including the Cities of Lompoc, Buellton and Solvang, and the County of Santa Barbara. On all three MOUs, the Santa Barbara County Association of Governments (SBCAG) signs as “party” but does not provide funding to operate the service.

Each of the MOUs establishes a technical committee consisting of city and county staff as well as a representative from SBCAG, and a policy committee consisting of elected officials from the funding entities, to review service performance and assure the viability of service, operating efficiency and achieving a 20% farebox ratio. The technical committee provides reports and makes recommendations to the policy committee for continual monitoring of how the transit service is performing. The Breeze Route 100 and the Wine Country Express are achieving a 20% farebox ratio which means that 20% or more of the service’s operating costs are met through revenue obtained from passenger fares. The Breeze Route 200 is one and half years into its three year pilot project phase and is currently achieving a 16% farebox recovery ratio. As a pilot service, it has a three year trial phase with a goal of achieving a 20% farebox recovery ratio by the end of three years. It is currently on target with meeting 20% by the end of the three year trial phase.

The following are additional information for each of the Routes:

Breeze Route 100

- Destinations: Connects the Cities of Lompoc and Santa Maria via Vandenberg Air Force Base
- Service Commencement: 2005
- Service Level: 8 round trips per day
- Passengers Carried in 2013: approximately 51,000
- 2013 Farebox Recovery Ratio: 20%
- Cost to Operate in FY 2014/2015: \$180,000 per funding partner

Breeze Route 200* (City of Buellton partners)

- Destinations: Connects the Cities of Santa Maria, Buellton and Solvang, and the unincorporated community of Los Alamos
- Service Commencement: 2013
- Service Level: 3 round trips per day
- Passengers Carried in 2013: approximately 5,700
- 2013 Farebox Recovery Ratio: 10%
- Cost to Operate in FY 2014/2015: \$20,000 per funding partner

Wine Country Express* (City of Buellton partners)

- Destinations: Connects the Cities of Lompoc, Buellton and Solvang
- Service Commencement: 2008
- Service Level: 3 round trips per day
- Passengers Carried in 2013: approximately 11,500
- 2013 Farebox Recovery Ratio: 30%
- Cost to Operate in FY 2014/2015: \$11,500 per funding partner

FISCAL IMPACT

The City of Buellton's estimated annual share of transit operations for the two transit services is \$31,500 (\$11,500 for Wine Country Express and \$20,000 for Breeze Route 200). These costs have been allocated under the City's local Measure A Program of Projects, and have been programmed in the 2014/15 Budget.

RECOMMENDATION

That the City Council approve and authorize the Mayor to execute the Memorandum of Understanding for a) Breeze Route 200 and b) Wine Country Express.

ATTACHMENTS

- Attachment 1 – Breeze Route 200 Memorandum of Understanding
- Attachment 2 – Wine Country Express Memorandum of Understanding

BREEZE ROUTE 200

MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITIES OF SANTA MARIA, BUELLTON, AND SOLVANG, THE COUNTY OF SANTA BARBARA AND THE SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

Regarding Continuation of the Breeze Route 200 Project to Provide Regular, Fixed-Route, Public Transit Service between Santa Maria, Los Alamos, Buellton, and Solvang

Effective Date: On or about July 1, 2014

This Memorandum of Understanding (MOU) is entered into between the City of Santa Maria, a municipal corporation ("Santa Maria"), the City of Buellton, a municipal corporation ("Buellton"), the City of Solvang, a municipal corporation ("Solvang"), and the County of Santa Barbara, a local governmental State agency (the "County"), **collectively referred to herein as "FUNDING PARTNERS"**, and the Santa Barbara County Association of Governments, a public body, hereinafter referred to as "SBCAG," all collectively referred to herein as **"PARTIES" or "The PARTIES"** for the purpose of defining agency roles, responsibilities, and commitments in conjunction with the continuation of a project to provide regular, fixed-route public transportation service on the Highway 101/246 corridor between Santa Maria, Los Alamos, Buellton, and Solvang.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, **The PARTIES** agree as follows:

1. Project Description

The Breeze Route 200 Continuation Project ("PROJECT") will provide regularly-scheduled, fixed-route, intercity bus service between Santa Maria, Los Alamos, Buellton, and Solvang. The PROJECT will be open to the public, for all trip purposes, and will be fully accessible to persons with disabilities. Santa Maria, in coordination with Buellton, Solvang and the County will operate the service. The service will continue approximately sixty (60) additional months, commencing on July 1, 2014 or on the date when all **PARTIES** have signed the MOU, whichever occurs later, and remaining in effect until June 30, 2019, contingent on the availability of funding.

2. Lead Agency

Santa Maria shall be the sole administrator of the PROJECT and shall be responsible for service contracting with a qualified bus operator ("CONTRACTOR") and compliance with all federal and state requirements.

3. Service Proposal

This MOU contains the budget, funding obligations, and performance requirements for the PROJECT. Annual performance measures for the term of the PROJECT will provide thresholds to gauge the PROJECT's performance. If the service is failing to meet one or more performance measures, then reasonable efforts will be made to modify the service to improve performance. The service may also be discontinued by termination of the MOU after reasonable efforts have been made.

4. Procurement of Insurance Coverage and Indemnification

THE PARTIES agree to procure and maintain liability insurance in an amount sufficient to protect against claims that may be filed against **THE PARTIES** for the services they provide, or **THE PARTIES** may elect to self-insure against such claims as provided by their respective government policies.

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to Government Code Section 895.6, **THE PARTIES** agree all losses or liabilities incurred by a **PARTY** shall not be shared pro rata but instead **THE PARTIES** agree pursuant to Government Code Section 895.4, each **PARTY** hereto shall fully indemnify and hold each of the other **PARTIES**, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying **PARTY**, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such **PARTY** under this Agreement. No **PARTY**, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other **PARTIES** hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this Agreement.

5. Contractor Insurance

Santa Maria shall require the CONTRACTOR of the PROJECT to comply with the indemnity and insurance requirements specified in Attachment A and provide all **PARTIES** with copies of the Certificates of Insurance, including the endorsement(s) naming **THE PARTIES** as additional insureds.

6. Nondiscrimination

Santa Maria shall require CONTRACTOR to comply with the nondiscrimination requirements of funding agencies, including the following nondiscrimination language insofar as consistent with those requirements:

During the performance of this Agreement, CONTRACTOR and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee, applicant for employment or service customer because legally protected characteristics or conduct including sex, race, color, ancestry, religious creed, national origin, physical disability, medical condition, age, or marital status. Contractor shall insure that the evaluation and treatment of their employees, applicants for employment and service customers are free from such discrimination

7. Service Plan

The PROJECT will operate five days a week, Monday through Friday. To the extent practicable, the services will provide for efficient interlinking connections between Santa Maria Area Transit (SMAT), Santa Ynez Valley Transit (SYVT), the Wine Country Express, and other transit services.

The PROJECT will provide three (3) round-trips per weekday in the morning, mid-day and afternoon. The service will operate generally between the transit center in Santa Maria, Buellton Town Center (Highway 246 and McMurray Road), and Solvang Park in Solvang, with stops at intermediate locations subject to change as demand warrants, and including a stop in the community of Los Alamos at Ferini Park.

8. Funding

The **FUNDING PARTNERS** will share equally in the net costs associated with the PROJECT, after deducting all passenger and other operating revenue and Federal Transit Administration grants even if goal of \$20,000 per FUNDING PARTNER's net cost (stated in Paragraph 13) is exceeded.

The primary source of funding for the PROJECT will be Federal Transit Administration 5311f Intercity Transit funds. The cities of Santa Maria, Buellton, and Solvang and the County of Santa Barbara will also provide Transportation Development Act funds or Local Measure A funds as matching funds, or other local funding if it becomes available. Federal Transit Administration 5311f funding has been secured for the first year of project and will be pursued to fund the second year and subsequent years with the assistance of SBCAG. If additional Federal Transit Administration 5311f funds are not secured after the first year, the parties will work cooperatively to identify other matching fund sources or, if other funding sources are not available, may choose to terminate the Breeze Route 200 Project.

Santa Maria will, on a monthly basis, invoice the other **FUNDING PARTNERS** for actual net operating costs, after deducting all passenger and other operating revenue and any state or federal grants. The invoice should clearly detail monthly expenditures and revenues applied to the program in determining the "net program" costs. It should also demonstrate the allocation of net costs to each participating agency. Each local agency shall indicate, with each payment, the source(s) of

funding used to make the payment. Payment shall be due thirty (30) days after the date of the invoice. Buellton, Solvang and the County have the option of including funding for the PROJECT in their annual Transportation Development Act claims so that SBCAG may make a direct payment of Transportation Development Act funds for the PROJECT to Santa Maria instead of monthly invoicing.

FUNDING PARTNERS agree to annually commit estimated amount of Transportation Development Act contribution for the operation of the PROJECT when SBCAG publishes the Annual Transportation Development Act Apportionment. The Working Group in Section 12 can make recommendations to adjust to the Transportation Development Act contribution from each of the **FUNDING PARTNERS** for the approval of the Policy Committee. This allocation is subject to final budget approval by Santa Maria, Buellton, and Solvang City Councils and the County's Board of Supervisors.

9. Securing Funding

With assistance from SBCAG, the **FUNDING PARTNERS** will work cooperatively to pursue other federal or state grant opportunities where appropriate for the PROJECT in order to augment or reduce the Federal Transit Administration, Transportation Development Act and local funds needed for continuation of the service.

Santa Maria will be responsible for submitting grant applications. SBCAG staff will assist Santa Maria with preparation of grant applications.

If a local match is required to receive grant funding, the **FUNDING PARTNERS** will share equally in the matching funds needed to meet the required local match, and will execute the necessary paperwork to facilitate receipt of grants.

10. Reporting

Santa Maria shall submit or have CONTRACTOR prepare and submit report(s) to the **PARTIES** that demonstrate compliance with this Agreement.

11. Records, Audit and Review

Santa Maria shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent transit operator, and where necessary shall require CONTRACTOR to keep such records, and shall maintain or require the maintenance of such records for at least five (5) years following the termination of this Agreement. Such records shall include documents necessary to show compliance with Paragraph 13 "Performance Measures." All accounting records shall be kept in accordance with generally accepted accounting principles. Any **PARTY** shall have the right to audit and review all such documents and records at any time during Santa Maria's or CONTRACTOR's regular business hours upon reasonable notice.

12. Policy Committee and Working Group

The Policy Committee for the PROJECT shall consist of the following individuals or such successors as may be appointed by the local agency representatives:

- The County Supervisor (appointed by Board of Supervisors)
- Buellton City Council representative on the SBCAG board
- Santa Maria City Council representative on the SBCAG board
- Solvang City Council representative on the SBCAG board
- SBCAG (Ex-officio)

The SBCAG Executive Director or designee will be an ex-officio (non-voting) representative on the Policy Committee. The Policy Committee shall meet a minimum of once a year to review and approve interagency agreements, budgets, and service plans, including fare structures, for the following year.

Committee may take any action by a vote of three (3) affirmative votes.

A Working Group will be established consisting of staff representatives of the following agencies:

- Santa Maria
- County
- Buellton
- Solvang
- SBCAG (Ex-officio) (non-voting)

The Working Group may take any action by a vote of three (3) affirmative votes.

The Working Group will assist in the development and evaluation of detailed service plans, routes, schedules, budget, performance measures, and other service details. The Working Group shall be appraised on the selection of the service contractor by Santa Maria.

Pursuant to the Brown Act, SBCAG staff will serve as staff to the Policy Committee and will prepare and make meeting agendas and materials available to the public.

SBCAG staff will also serve as staff to the Working Group.

13. Performance Measures

The Working Group, as established in Section 12, shall develop performance measures and evaluate the effectiveness of the service based on the following performance measures:

- farebox recovery ratio (goal of 20%)

- operating cost per passenger
- operating cost per vehicle service hour
- passengers per vehicle service hour
- passengers per vehicle service mile
- passengers per trip
- net operating cost per each of the **FUNDING PARTNERS** (annual goal of \$20,000 or less over term of MOU)

As required by the Federal Transit Administration, Santa Maria, as the administrator of the service will collect and report financial (operating expenses) and non-financial (ridership) data to the National Transit Database.

The Working group for the PROJECT will evaluate performance reports prepared by Santa Maria based on performance indicators for the service biannually

14. Bus Equipment

The PROJECT service will utilize Americans with Disabilities Act (ADA) compliant transit buses suitable for freeway operations.

If Santa Maria utilizes an existing bus from another agency, possession of the vehicle title shall be transferred to the City of Santa Maria.

If Santa Maria purchases a new bus, it shall be registered to Santa Maria, for the specific use of the service. Should the bus be sold as a result of termination of the MOU, all proceeds from the sale shall be equally split among the then current FUNDING PARTNERS of the respective service.

15. Service Contracting

Santa Maria will prepare any Request for Proposals (RFP) needed for the provision of operating services by a CONTRACTOR for the PROJECT. The RFP shall meet all applicable federal requirements. The Working Group will review and provide input on the scope of work. Alternatively, with the approval of the Working Group, Santa Maria may amend an existing transit service contract to provide the PROJECT service. Santa Maria will also be responsible for the sale of advertising, if any, on the PROJECT.

16. Fares

One-way fares for the service will be set initially at \$2.00 for adults and \$1.00 for seniors and persons with disabilities. Monthly passes will be set initially at \$75 for adults and \$37.50 for seniors and persons with disabilities. All local transit agencies will work together to insure that transfers are free from the intercommunity service to local systems. Fare changes shall be subject to approval by the Policy Committee.

Santa Maria, in coordination with **FUNDING PARTNERS** will hold the required hearing prior to implementing any fare changes to the service.

The Policy Committee for the PROJECT shall determine the inter-service transfer fare per recommendation from the PROJECT Working Group.

17. Marketing

Marketing activities, promotional materials, printed schedules, etc. will be developed by Santa Maria. Marketing costs are included in the anticipated annual operating cost as stated in Section 13 – Performance Measures. All **PARTIES** will work cooperatively to develop marketing strategies that maximize ridership and effectiveness of the services. The service will be promoted by all **PARTIES**. All **PARTIES** will post the service schedule and other information on their websites. SBCAG's existing guaranteed-ride-home program will be available to users of the service through the Traffic Solutions program. The guaranteed-ride-home service is not the responsibility of the **FUNDING PARTNERS** and is not a part of this agreement.

18. Long-Term Continuation of Service

The Working Group shall evaluate the PROJECT annually. At the end of four years of service under this agreement, the Working Group will evaluate the service and if warranted by the performance of the bus service, based on measures included in Section 13, develop a plan for the continuation and cost sharing of the service for review by the Policy Committee. The Policy Committee shall recommend whether to continue or discontinue the service.

19. Amendment

This Agreement may be amended or extended only by the written consent of all **PARTIES**.

20. Termination

Any **PARTY** to this MOU may terminate its participation under this Agreement by giving 90 days written notification to the other **PARTIES**.

21. Integration

This Agreement represents the entire and integrated Agreement between **THE PARTIES** and supersedes any and all other negotiations, representations, and/or agreements, either oral or in writing, between **THE PARTIES** hereto with respect to the subject matter hereof, and no other agreement, statement or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.

22. California Law to Apply.

This Agreement shall be construed under and in accordance with the laws of the State of California. All obligations created under this Agreement are performable in California.

23. Jurisdiction

Jurisdiction and venue of all lawsuits over the terms of this Agreement shall be in the superior court of Santa Barbara County, State of California.

24. Warranty of Authority

Each person signing this Agreement on behalf of a **PARTY** warrants that he or she has authority to do so.

25. Waivers

The waiver by any **PARTY** to this Agreement of any term, covenant, or condition of this Agreement or of any provision, ordinance, or law, shall not be deemed to be a continuing waiver of such term, covenant, condition, or law, or of any subsequent breach or violation of the same, or of any other term, covenant, and ordinance of law. Failure to enforce with respect to a default shall not be construed as a waiver.

26. Severability

The provisions of this Agreement are severable. If any part of this Agreement is held invalid by a court of competent jurisdiction, then the remainder of the Agreement shall remain in full force and effect unless amended or modified by mutual written consent of **THE PARTIES**.

27. Points of Contact

All notices referenced in this Agreement shall be in writing and shall be given by first class mail addressed as follows, or at such other address or to such person **THE PARTIES** may from time to time designate in writing:

City of Santa Maria
Transit Services Manager
110 South Pine Street, Suite 101
Santa Maria, CA 93458

City of Buellton
Public Works Director
107 West Highway 246
Buellton, CA 93427

City of Solvang
Public Works Director
411 Second Street
Solvang, CA 93463

County of Santa Barbara
Alternative Transportation Manager
123 East Anapamu Avenue, 2nd Floor
Santa Barbara, CA 93101

SBCAG
Executive Director
260 N. San Antonio Road, Suite B
Santa Barbara, CA 93012

28. Counterpart Signatures & Effective Date

THE PARTIES agree that this Agreement may be signed in counterparts and shall become effective when fully executed by all **PARTIES**.

CITY OF SANTA MARIA

Mayor Alice Patino

Date

ATTEST

By: _____

Approved as to Form:

Philip F. Sinco

Assistant City Attorney

By: _____

Philip F. Sinco, Assistant City Attorney

CITY OF BUELLTON

Mayor John Connolly

Date

Approved as to Form:

Ralph Hanson

City Attorney of Buellton

By:_____

Ralph Hanson, City of Attorney of Buellton

CITY OF SOLVANG

Mayor Jim Richardson

Date

ATTEST

By: _____

Approved as to Form:

Roy Hanley

City Attorney

By: _____

Roy Hanley, City Attorney for City of Solvang

COUNTY OF SANTA BARBARA

Supervisor Steve Lavagnino, Chair

Date

ATTEST:

By: _____

Clerk of the Board

Approved as to Form:

MICHAEL C. GHIZZONI,
COUNTY COUNSEL

By: _____

Michael R. Ledbetter, Senior Deputy,
Counsel for County

By: _____

Robert W. Geis, Auditor-Controller

By: _____

Risk Management

SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

Supervisor Steve Lavagnino, Chair

Date

ATTEST

By: _____

Clerk of the Board

Approved as to Form:

MICHAEL C. GHIZZONI,
COUNTY COUNSEL

By: _____

William M. Dillon, Senior Deputy,
Counsel for SBCAG

Attachment A

CONTRACTOR shall comply with the following requirements. CONTRACTOR shall not subcontract any services provided under this Agreement without the written consent of the City of Santa Maria and full compliance by any subcontractor with the requirements of this Agreement.

1. Indemnification –CONTRACTOR (TRANSPORTATION COMPANY) agrees to indemnify, defend (with counsel reasonably approved by legal counsel for **THE PARTIES**) and hold harmless **THE PARTIES** and their authorized officers, employees, agents and volunteers from and against any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses (including but not limited to attorneys’ fees) incurred by **THE PARTIES** on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. CONTRACTOR shall notify **THE PARTIES** immediately in the event of any accident or injury arising out of or in connection with this Agreement. This Indemnification provision shall survive any expiration or termination of this Agreement.

2. Insurance. Insurance Specifications –CONTRACTOR agrees to provide insurance set forth in accordance with the requirements herein. If CONTRACTOR uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the contract services.

Without in any way affecting the indemnity herein provided and in addition thereto, CONTRACTOR shall secure and maintain throughout the Agreement term the following types of insurance with limits as shown:

A Workers’ Compensation/Employers Liability – A program of Workers’ Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer’s Liability with one million dollar (\$1,000,000) limits covering all persons including volunteers providing services on behalf of CONTRACTOR and all risks to such persons under this Agreement.

If CONTRACTOR has no employees, it may certify or warrant to **THE PARTIES** that it does not currently have any employees or individuals who are defined as “employees” under the Labor Code and the requirement for Workers’ Compensation coverage will be waived by the County’s Risk Manager.

B. Commercial/General Liability Insurance –CONTRACTOR shall carry General Liability Insurance covering all operations performed by or on behalf of CONTRACTOR providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence and a two million dollar (\$2,000,000) general aggregate limit.

C. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than three million dollars (\$3,000,000) for bodily injury and property damage, per occurrence.

D. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability. An Additional Insured Endorsement shall be provided on the Umbrella policy as it relates to the primary policies requiring an Additional Insured Endorsement.

3. Additional Insured – All policies, except for the Workers’ Compensation, Errors and Omissions and Professional Liability policies, shall contain endorsements naming and their officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for **THE PARTIES** to vicarious liability but shall allow coverage for **THE PARTIES** to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

4. Waiver of Subrogation Rights –CONTRACTOR shall require the carriers of required coverages to waive all rights of subrogation against **THE PARTIES**, their officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit CONTRACTOR and CONTRACTOR’s employees or agents from waiving the right of subrogation prior to a loss or claim. SUBCONTRACTOR hereby waives all rights of subrogation against **THE PARTIES**.

5. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by **THE PARTIES**.

6. Severability of Interests –CONTRACTOR agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between CONTRACTOR and **THE PARTIES** or between any FUNDING PARTNER and any other insured or additional insured under the policy.

7. Proof of Coverage –CONTRACTOR shall furnish Certificates of Insurance to the CITY OF SANTA MARIA Department administering the Agreement evidencing the insurance coverage, including Additional Insured Endorsements, as required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and CONTRACTOR shall maintain such insurance from the time CONTRACTOR commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this Agreement, CONTRACTOR shall furnish a copy of the Declaration page for all applicable policies and will provide complete copies of the policies and endorsements immediately upon request.

8. Acceptability of Insurance Carrier – Unless otherwise approved by **THE PARTIES**, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best’s Insurance Guide rating of “A- VII”.

9. Deductibles and Self-Insured Retention – Any and all deductibles in excess of \$10,000 shall be declared to the **THE PARTIES**. A Self-Insured Retention is not acceptable.

WINE COUNTRY EXPRESS

MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITIES OF LOMPOC, BUELLTON, AND SOLVANG, THE COUNTY OF SANTA BARBARA AND THE SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

Regarding Continuation of the Wine Country Express Project to Provide Regular, Fixed-Route, Public Transit Service between Lompoc, Buellton, and Solvang

Effective Date: On or about July 1, 2014

This Memorandum of Understanding (MOU) is entered into between the City of Lompoc, a municipal corporation ("Lompoc"), the City of Buellton, a municipal corporation ("Buellton"), the City of Solvang, a municipal corporation ("Solvang"), and the County of Santa Barbara, a local governmental State agency (the "County"), **collectively referred to herein as "FUNDING PARTNERS"**, and the Santa Barbara County Association of Governments, a public body, hereinafter referred to as "SBCAG," all collectively referred to herein as **"PARTIES" or "The PARTIES"** for the purpose of defining agency roles, responsibilities, and commitments in conjunction with the continuation of a project to provide regular, fixed-route public transportation service on the Highway 246 corridor between Lompoc, Buellton, and Solvang.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, **The PARTIES** agree as follows:

1. Project Description

The Wine Country Express Continuation Project ("PROJECT") will provide regularly-scheduled, fixed-route, intercity bus service between Lompoc, Buellton, and Solvang. The PROJECT will be open to the public, for all trip purposes, and will be fully accessible to persons with disabilities. Lompoc, in coordination with Buellton, Solvang and the County will operate the service. The service will continue approximately sixty (60) additional months, commencing on July 1, 2014 or on the date when all **PARTIES** have signed the MOU, whichever occurs later, and remaining in effect until June 30, 2019, contingent on the availability of funding.

2. Lead Agency

Lompoc shall be the sole administrator of the PROJECT and shall be responsible for service contracting with a qualified bus operator ("CONTRACTOR") and compliance with all federal and state requirements.

3. Service Proposal

This MOU contains the budget, funding obligations, and performance requirements for the PROJECT. Annual performance measures for the term of the PROJECT will provide thresholds to gauge the PROJECT's performance. If the service is failing to meet one or more performance measures, then reasonable efforts will be made to modify the service to improve performance. The service may also be discontinued by termination of the MOU after reasonable efforts have been made.

4. Procurement of Insurance Coverage and Indemnification

THE PARTIES agree to procure and maintain liability insurance in an amount sufficient to protect against claims that may be filed against **THE PARTIES** for the services they provide, or **THE PARTIES** may elect to self-insure against such claims as provided by their respective government policies.

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to Government Code Section 895.6, **THE PARTIES** agree all losses or liabilities incurred by a **PARTY** shall not be shared pro rata but instead **THE PARTIES** agree pursuant to Government Code Section 895.4, each **PARTY** hereto shall fully indemnify and hold each of the other **PARTIES**, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying **PARTY**, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such **PARTY** under this Agreement. No **PARTY**, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other **PARTIES** hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this Agreement.

5. Contractor Insurance

Lompoc shall require the CONTRACTOR of the PROJECT to comply with the indemnity and insurance requirements specified in Attachment A and provide all **PARTIES** with copies of the Certificates of Insurance, including the endorsement(s) naming **THE PARTIES** as additional insureds.

6. Nondiscrimination

Lompoc shall require CONTRACTOR to comply with the nondiscrimination requirements of funding agencies, including the following nondiscrimination language insofar as consistent with those requirements:

During the performance of this Agreement, CONTRACTOR and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee,

applicant for employment or service customer because legally protected characteristics or conduct including sex, race, color, ancestry, religious creed, national origin, physical disability, medical condition, age, or marital status. Contractor shall insure that the evaluation and treatment of their employees, applicants for employment and service customers are free from such discrimination

7. Service Plan

The PROJECT will operate five days a week, Monday through Friday. To the extent practicable, the services will provide for efficient interlinking connections between City of Lompoc Transit (COLT), Santa Ynez Valley Transit (SYVT), the Breeze Routes 100 and 200, and other transit services.

The PROJECT will provide three (3) round-trips per weekday in the morning, mid-day and afternoon. The service will operate generally between the Lompoc Transit Facility, Buellton Town Center (Highway 246 and McMurray Road), and Solvang Park in Solvang, with stops at intermediate locations subject to change as demand warrants.

8. Funding

The **FUNDING PARTNERS** will share equally in the net costs associated with the PROJECT, after deducting all passenger and other operating revenue and Federal Transit Administration grants.

The primary source of funding for the PROJECT will be Federal Transit Administration 5316 Jobs Access/Reverse Commute funds. Lompoc, Buellton, Solvang and the County will also provide Transportation Development Act funds or Local Measure A funds as matching funds, or other local funding if it becomes available. If additional Federal Transit Administration 5316 funds are not secured, the **PARTIES** will work cooperatively to identify other matching fund sources or, if other funding sources are not available, may choose to terminate the PROJECT.

Lompoc will, on a monthly basis, invoice the other **FUNDING PARTNERS** for actual net operating costs, after deducting all passenger and other operating revenue and any state or federal grants. The invoice should clearly detail monthly expenditures and revenues applied to the program in determining the "net program" costs. It should also demonstrate the allocation of net costs to each participating agency. Each local agency shall indicate, with each payment, the source(s) of funding used to make the payment. Payment shall be due thirty (30) days after the date of the invoice. Buellton, Solvang and the County have the option of including funding for the PROJECT in their annual Transportation Development Act claims so that SBCAG may make a direct payment of Transportation Development Act funds for the PROJECT to Lompoc instead of monthly invoicing.

FUNDING PARTNERS agree to annually commit estimated amount of Transportation Development Act contribution for the operation of the PROJECT

when SBCAG publishes the Annual Transportation Development Act Apportionment. The Working Group in Section 12 can make recommendations to adjust to the Transportation Development Act contribution from each of the **FUNDING PARTNERS** for the approval of the Policy Committee. This allocation is subject to final budget approval by Lompoc, Buellton, and Solvang City Councils and the County's Board of Supervisors.

9. Securing Funding

With assistance from SBCAG, the **FUNDING PARTNERS** will work cooperatively to pursue other federal or state grant opportunities where appropriate for the PROJECT in order to augment or reduce the Federal Transit Administration, Transportation Development Act and local funds needed for continuation of the service.

Lompoc will be responsible for submitting grant applications. SBCAG staff will assist Lompoc with preparation of grant applications.

If a local match is required to receive grant funding, the **FUNDING PARTNERS** will share equally in the matching funds needed to meet the required local match, and will execute the necessary paperwork to facilitate receipt of grants.

10. Reporting

Lompoc shall submit or have CONTRACTOR prepare and submit report(s) to the **PARTIES** that demonstrate compliance with this Agreement.

11. Records, Audit and Review

Lompoc shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent transit operator, and where necessary shall require CONTRACTOR to keep such records, and shall maintain or require the maintenance of such records for at least five (5) years following the termination of this Agreement. Such records shall include documents necessary to show compliance with Paragraph 13 "Performance Measures." All accounting records shall be kept in accordance with generally accepted accounting principles. Any **PARTY** shall have the right to audit and review all such documents and records at any time during Lompoc's or CONTRACTOR's regular business hours upon reasonable notice.

12. Policy Committee and Working Group

The Policy Committee for the PROJECT shall consist of the following individuals or such successors as may be appointed by the local agency representatives:

- The County Supervisor (appointed by Board of Supervisors)

- Buellton City Council representative on the SBCAG board
- Lompoc City Council representative on the SBCAG board
- Solvang City Council representative on the SBCAG board
- SBCAG (Ex-officio)

The SBCAG Executive Director or designee will be an ex-officio (non-voting) representative on the Policy Committee. The Policy Committee shall meet a minimum of once a year to review and approve interagency agreements, budgets, and service plans, including fare structures, for the following year.

Committee may take any action by a vote of three (3) affirmative votes.

A Working Group will be established consisting of staff representatives of the following agencies:

- Lompoc
- County
- Buellton
- Solvang
- SBCAG (Ex-officio) (non-voting)

The Working Group may take any action by a vote of three (3) affirmative votes.

The Working Group will assist in the development and evaluation of detailed service plans, routes, schedules, budget, performance measures, and other service details. The Working Group shall be appraised on the selection of the service contractor by Lompoc.

Pursuant to the Brown Act, SBCAG staff will serve as staff to the Policy Committee and will prepare and make meeting agendas and materials available to the public.

SBCAG staff will also serve as staff to the Working Group.

13. Performance Measures

The Working Group, as established in Section 12, shall develop performance measures and evaluate the effectiveness of the service based on the following performance measures:

- farebox recovery ratio (goal of 20%)
- operating cost per passenger
- operating cost per vehicle service hour
- passengers per vehicle service hour
- passengers per vehicle service mile
- passengers per trip
- net operating cost per each of the **FUNDING PARTNERS** (annual goal of \$11,500 or less over term of MOU)

As required by the Federal Transit Administration, Lompoc, as the administrator of the service will collect and report financial (operating expenses) and non-financial (ridership) data to the National Transit Database.

The Working group for the PROJECT will evaluate performance reports prepared by Lompoc based on performance indicators for the service biannually

14. Bus Equipment

The PROJECT service will utilize Americans with Disabilities Act (ADA) compliant transit buses suitable for freeway operations.

Lompoc shall utilize a bus from the Colt fleet for the operation of the Project.

15. Service Contracting

Lompoc will prepare any Request for Proposals (RFP) needed for the provision of operating services by a CONTRACTOR for the PROJECT. The RFP shall meet all applicable federal requirements. The Working Group will review and provide input on the scope of work. Alternatively, with the approval of the Working Group, Lompoc may amend an existing transit service contract to provide the PROJECT service. Lompoc will also be responsible for the sale of advertising, if any, on the PROJECT.

16. Fares

One-way fares for the service will be set initially at \$2.00 for adults and \$1.00 for seniors and persons with disabilities. Monthly passes will be set initially at \$75 for adults and \$37.50 for seniors and persons with disabilities. All local transit agencies will work together to insure that transfers are free from the intercommunity service to local systems. Fare changes shall be subject to approval by the Policy Committee. Lompoc, in coordination with **FUNDING PARTNERS** will hold the required hearing prior to implementing any fare changes to the service.

The Policy Committee for the PROJECT shall determine the inter-service transfer fare per recommendation from the PROJECT Working Group.

17. Marketing

Marketing activities, promotional materials, printed schedules, etc. will be developed by Lompoc. Marketing costs are included in the anticipated annual operating cost as stated in Section 13 – Performance Measures. All **PARTIES** will work cooperatively to develop marketing strategies that maximize ridership and effectiveness of the services. The service will be promoted by all **PARTIES**. All **PARTIES** will post the service schedule and other information on their websites. SBCAG's existing guaranteed-ride-home program will be available to users of the service through the

Traffic Solutions program. The guaranteed-ride-home service is not the responsibility of the **FUNDING PARTNERS** and is not a part of this agreement.

18. Long-Term Continuation of Service

The Working Group shall evaluate the PROJECT annually. At the end of four years of service under this agreement, the Working Group will evaluate the service and if warranted by the performance of the bus service, based on measures included in Section 13, develop a plan for the continuation and cost sharing of the service for review by the Policy Committee. . The Policy Committee shall recommend whether to continue or discontinue the service.

19. Amendment

This Agreement may be amended or extended only by the written consent of all **PARTIES**.

20. Termination

Any **PARTY** to this MOU may terminate its participation under this Agreement by giving 90 days written notification to the other **PARTIES**.

21. Integration

This Agreement represents the entire and integrated Agreement between **THE PARTIES** and supersedes any and all other negotiations, representations, and/or agreements, either oral or in writing, between **THE PARTIES** hereto with respect to the subject matter hereof, and no other agreement, statement or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.

22. California Law to Apply.

This Agreement shall be construed under and in accordance with the laws of the State of California. All obligations created under this Agreement are performable in California.

23. Jurisdiction

Jurisdiction and venue of all lawsuits over the terms of this Agreement shall be in the superior court of Santa Barbara County, State of California.

24. Warranty of Authority

Each person signing this Agreement on behalf of a **PARTY** warrants that he or she has authority to do so.

25. Waivers

The waiver by any **PARTY** to this Agreement of any term, covenant, or condition of this Agreement or of any provision, ordinance, or law, shall not be deemed to be a continuing waiver of such term, covenant, condition, or law, or of any subsequent breach or violation of the same, or of any other term, covenant, and ordinance of law. Failure to enforce with respect to a default shall not be construed as a waiver.

26. Severability

The provisions of this Agreement are severable. If any part of this Agreement is held invalid by a court of competent jurisdiction, then the remainder of the Agreement shall remain in full force and effect unless amended or modified by mutual written consent of **THE PARTIES**.

27. Points of Contact

All notices referenced in this Agreement shall be in writing and shall be given by first class mail addressed as follows, or at such other address or to such person **THE PARTIES** may from time to time designate in writing:

City of Lompoc
Public Works Director
100 Civic Center Plaza
Lompoc, CA 93436

City of Buellton
Public Works Director
107 West Highway 246
Buellton, CA 93427

City of Solvang
Public Works Director
411 Second Street
Solvang, CA 93463

County of Santa Barbara
Alternative Transportation Manager
123 East Anapamu Avenue, 2nd Floor
Santa Barbara, CA 93101

SBCAG
Executive Director
260 N. San Antonio Road, Suite B
Santa Barbara, CA 93012

28. Counterpart Signatures & Effective Date

THE PARTIES agree that this Agreement may be signed in counterparts and shall become effective when fully executed by all **PARTIES**.

CITY OF BUELLTON

Mayor John Connolly

Date

Approved as to Form:

Ralph Hanson

City Attorney of Buellton

By:_____

Ralph Hanson, City of Attorney of Buellton

CITY OF LOMPOC

Mayor John Linn

Date

ATTEST

By: _____

Approved as to Form:

Joseph W. Pannone

City Attorney

By: _____

Joseph W. Pannone, City Attorney

CITY OF SOLVANG

Mayor Jim Richardson

Date

ATTEST

By: _____

Approved as to Form:

Roy Hanley

City Attorney

By: _____

Roy Hanley, City Attorney for City of Solvang

COUNTY OF SANTA BARBARA

Supervisor Steve Lavagnino, Chair

Date

ATTEST:

By: _____

Clerk of the Board

Approved as to Form:

MICHAEL C. GHIZZONI,
COUNTY COUNSEL

By: _____

Michael R. Ledbetter, Senior Deputy,
Counsel for County

By: _____

Robert W. Geis, Auditor-Controller

By: _____

Risk Management

SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

Supervisor Steve Lavagnino, Chair

Date

ATTEST

By: _____

Clerk of the Board

Approved as to Form:

MICHAEL C. GHIZZONI,
COUNTY COUNSEL

By: _____

William M. Dillon, Senior Deputy,
Counsel for SBCAG

Attachment A

CONTRACTOR shall comply with the following requirements. CONTRACTOR shall not subcontract any services provided under this Agreement without the written consent of the City of Lompoc and full compliance by any subcontractor with the requirements of this Agreement.

1. Indemnification –CONTRACTOR (TRANSPORTATION COMPANY) agrees to indemnify, defend (with counsel reasonably approved by legal counsel for **THE PARTIES**) and hold harmless **THE PARTIES** and their authorized officers, employees, agents and volunteers from and against any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses (including but not limited to attorneys' fees) incurred by **THE PARTIES** on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. CONTRACTOR shall notify **THE PARTIES** immediately in the event of any accident or injury arising out of or in connection with this Agreement. This Indemnification provision shall survive any expiration or termination of this Agreement.

2. Insurance. Insurance Specifications –CONTRACTOR agrees to provide insurance set forth in accordance with the requirements herein. If CONTRACTOR uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the contract services.

Without in any way affecting the indemnity herein provided and in addition thereto, CONTRACTOR shall secure and maintain throughout the Agreement term the following types of insurance with limits as shown:

A Workers' Compensation/Employers Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with one million dollar (\$1,000,000) limits covering all persons including volunteers providing services on behalf of CONTRACTOR and all risks to such persons under this Agreement.

If CONTRACTOR has no employees, it may certify or warrant to **THE PARTIES** that it does not currently have any employees or individuals who are defined as “employees” under the Labor Code and the requirement for Workers’ Compensation coverage will be waived by the County’s Risk Manager.

B. Commercial/General Liability Insurance –CONTRACTOR shall carry General Liability Insurance covering all operations performed by or on behalf of CONTRACTOR providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence and a two million dollar (\$2,000,000) general aggregate limit.

C. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than three million dollars (\$3,000,000) for bodily injury and property damage, per occurrence.

D. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability. An Additional Insured Endorsement shall be provided on the Umbrella policy as it relates to the primary policies requiring an Additional Insured Endorsement.

3. Additional Insured – All policies, except for the Workers’ Compensation, Errors and Omissions and Professional Liability policies, shall contain endorsements naming and their officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for **THE PARTIES** to vicarious liability but shall allow coverage for **THE PARTIES** to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

4. Waiver of Subrogation Rights –CONTRACTOR shall require the carriers of required coverages to waive all rights of subrogation against **THE PARTIES**, their officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit CONTRACTOR and CONTRACTOR’s employees or agents from waiving the right of subrogation prior to a loss or claim. SUBCONTRACTOR hereby waives all rights of subrogation against **THE PARTIES**.

5. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by **THE PARTIES**.

6. Severability of Interests –CONTRACTOR agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between CONTRACTOR and **THE PARTIES** or between any FUNDING PARTNER and any other insured or additional insured under the policy.

7. Proof of Coverage –CONTRACTOR shall furnish Certificates of Insurance to the CITY OF LOMPOC Department administering the Agreement evidencing the insurance coverage, including Additional Insured Endorsements, as required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and CONTRACTOR shall maintain such insurance from the time CONTRACTOR commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this Agreement, CONTRACTOR shall furnish a copy of the Declaration page for all applicable policies and will provide complete copies of the policies and endorsements immediately upon request.

8. Acceptability of Insurance Carrier – Unless otherwise approved by **THE PARTIES**, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best’s Insurance Guide rating of “A- VII”.

9. Deductibles and Self-Insured Retention – Any and all deductibles in excess of \$10,000 shall be declared to the **THE PARTIES**. A Self-Insured Retention is not acceptable.

CITY OF BUELLTON
City Council Agenda Staff Report

City Manager Review: MPB
Council Agenda Item No.: 11

To: The Honorable Mayor and City Council

From: Economic Development Task Force
By: Marc P. Bierdzinski, City Manager

Date: June 12, 2014

Subject: Review of Revised Contract with Buellton Chamber of Commerce
for Operation of the Visitors Bureau

BACKGROUND

In 2013, the City Council directed staff, through the Economic Development Task Force (EDTF), to review and amend the contract with the Buellton Chamber of Commerce for operation of a Visitor's Bureau (VB). The EDTF met three times on this item and the meeting minutes are included as Attachment 1.

The original contract with the Chamber of Commerce has been amended six times, with the most recent amendment changing the TOT allocation to the VB from 10% to 20.83%. A summary of the existing contract and six amendments is included as Attachment 2. It was a City Council decision to allocate additional TOT funds to the VB as a result of the voter approved increase of 2% to the TOT the City collects. The ballot measure did not specify where the funds would or should be allocated.

The proposed amended contract with the Chamber of Commerce as recommended by consensus from the EDTF is provided as Attachment 3. New and modified provisions to the contract are highlighted in yellow. The added provisions reflect new reporting requirements and the involvement of the City and EDTF in assisting in review of the annual work plan and budget.

The Chamber/VB Board of Directors has approved the wording noted in Attachment 3. However, the Chamber members and the City members of the EDTF could not agree on how often the contract would be reviewed and extended. The Chamber felt two years was appropriate while the City members thought a review every year along with the annual work plan and budget was more appropriate. The City Council should decide on whether the contract should be reviewed each year or every other year.

Attachment 4 is the current TOT expenditures by the VB for FY 13-14. Details of each category are available at the City and VB. Attachment 5 is a summary list of projects that the VB has been working on this fiscal year. Attachment 6 is the VB's proposed work plan and budget for FY 14-15. The VB has provided their audit for FY 12-13 (available at the City). The VB ended FY 12-13 with an approximate \$50,000 surplus of cash.

Subsequent to the EDTF meetings and the consensus by the EDTF, Council Members and EDTF Members Dale and Elovitz believe another option should be considered along with the proposed amended contract. They would like to have the City Council consider going out for a Request for Proposals (RFP) process for visitor bureau services to see what other services may be available. The Chamber would be able to submit a proposal. In the interim during the RFP process, the existing Chamber contract (Attachment 2) would remain in effect (with the 20.83% TOT allocation).

The recommended action from the EDTF would be to direct staff to enter into the amended contract (Attachment 3) with the Chamber of Commerce that would replace the existing contract (Attachment 2). The City Council also should direct staff on the one year versus two year review period. The City Council may also consider any other changes to the contract that they so desire and may also consider the option proposed by Council Members Dale and Elovitz.

FISCAL IMPACT

The TOT allocation to the VB remains at 20.83% under the amended contract.

RECOMMENDATION

That the City Council direct the City Manager to execute the amended contract with the Chamber of Commerce for operation of a Visitors Bureau with clarification on a one year versus two year review period.

ATTACHMENTS

- Attachment 1 – Economic Development Task Force Minutes
- Attachment 2 – Summary of Original Contract
- Attachment 3 – Proposed Amended Contract
- Attachment 4 – Monthly TOT Expenditure Summary
- Attachment 5 – Summary of TOT Expenditures
- Attachment 6 – Proposed VB FY 14-15 Work Plan and Budget

ECONOMIC DEVELOPMENT TASK FORCE

Meeting Minutes

June 12, 2013, 7:00 a.m.

Planning Department Conference Room

I. Introductions

Meeting called to order at 7:00 a.m.

Present: Judith Dale, Leo Elovitz, Ron Anderson, Megan DeCicco, Marc Bierdzinski

II. Administrative Items

None

III. Review of Revised Kosmont Company Proposal

The task force reviewed the revised proposal and had the following comments:

- Add a provision to the contract to allow for the extension of the contract to further the implementation program after the main work program is complete
- Is 24 hours enough to complete task 7?
- Will the market analysis possibly stop a business from coming to town (that is planning to come to town such as ones in Crossroads)?
- Kosmont needs to stay in touch with stakeholders throughout the process

Contract and revised proposal will go to the City Council on June 27.

IV. Review of Chamber Service Contract

The task force reviewed the requirements of the service contract with the Chamber for operation of the visitor's bureau including the 6 amendments. Staff to contact City Attorney about wording of the contract and the possibility of adding economic development services. Reporting requirements need to be updated. Staff to prepare draft revised contract for review by task force and Chamber Board of Directors.

V. Chamber Social Media and Outreach (Time Permitting)

Tabled until next meeting.

VI. Topics for Next Meeting

Chamber service contract, Chamber social media and outreach, and meeting with Kosmont.

VII. Adjournment

Meeting adjourned at 8:10 a.m.

ECONOMIC DEVELOPMENT TASK FORCE

Meeting Minutes

February 25, 2014, 7:00 a.m.

Planning Department Conference Room

I. Introductions

Meeting was convened at 7:00 am.

Attendees: Judith Dale, Leo Elovitz, Ron Anderson, Matt Snyder, Marc Bierdzinski, Carolyn Galloway-Cooper

II. Administrative Items

None

III. Chamber Visitor's Bureau Contract

The task force discussed the following requested changes to the contract:

- In Section 1, include economic development tasks. Consider taking tasks from Chamber lease agreement and making them the responsibility of the Visitor's Bureau
- In Section 3, provide a more detailed time frame for receiving and reporting on money received and spent
- In Section 4.2, adjust the reporting framework for a 6-month month review, including budget, timelines, proposed events, and a summary of what has occurred

Carolyn to work with Chamber on an improved budget reporting format.

The task force to review Visitor's Bureau activities at their meetings and will report to the City Council at the 6-month review periods.

IV. Topics for Next Meeting

Review of a new draft Chamber/Visitor's Bureau contract. Review Chamber lease agreement for Vintage Walk space.

V. Adjournment

Meeting was adjourned at 8:10 am.

ECONOMIC DEVELOPMENT TASK FORCE

Meeting Minutes

April 1, 2014, 7:00 a.m.

Planning Department Conference Room

I. Introductions

Meeting was convened at 7:00 am.

Attendees: Judith Dale, Ron Anderson, Marc Bierdzinski, Carolyn Galloway-Cooper

Absent: Leo Elovitz, Matt Snyder

II. Administrative Items

Mentioned the closed session item on the Willemsen property.

III. Kosmont Proposal for FY 14-15

The task force reviewed the proposal from Kosmont Companies for Fiscal Year 14-15 and agreed that the City should budget for this work.

IV. Chamber/Visitor's Bureau Contract

The task force reviewed the April 2014 draft of the contract and agreed it is ready to move forward to the Chamber Board and City Council. One change to Section 1.1 about adding wording for attracting tourists and businesses. Ron Anderson also felt the contract should be for two years, but Judith Dale thought a yearly review is best.

V. Topics for Next Meeting

None discussed.

VI. Adjournment

Meeting was adjourned at 7:32 am.

SUMMARY OF EXISTING CONTRACT AND AMENDMENTS

Service Contract by and between the City of Buellton And the Buellton Business Association/Chamber of Commerce for Operation of a Visitors Bureau

This CONTRACT by and between the CITY OF BUELLTON, a California General Law City (hereinafter referred to as CITY) and the BUELLTON BUSINESS ASSOCIATION/CHAMBER OF COMMERCE (hereinafter referred to as BBA/COC) for city advertisement and promotion of city facilities and for operation of a VISITORS BUREAU (hereinafter referred to as BUREAU) in the City (the CONTRACT) is entered into on the ____ day of ____ 2013, by and between the CITY and the BBA/COC on the following terms and conditions.

RECITALS

WHEREAS, the BUREAU operated under the direction of the BBA/COC and pursuant to a service contract with the CITY during the CITY's 1993-94 fiscal year; and

WHEREAS, the BBA.COC in its operation of the BUREAU has demonstrated that it has expertise and ability to promote and advertise local commercial, tourist related and other facilities and events for the benefit of the community; and

WHEREAS, the CITY derives substantial revenue from commercial activities in the CITY through its share of sales tax and transient occupancy tax revenue and from tourist interest and community recognition of the CITY and from such events as might promote conventions, visitations and interstate traffic to the CITY; and

WHEREAS, the CITY's revenue and ability to provide services to the public would be severely diminished if its sales tax and transient occupancy taxes were curtailed or eliminated; and

WHEREAS, the CITY does not at this time desire the establishment of a department and the employment of staff to promote the commercial and tourist related activities in the CITY through which sales and transient occupancy taxes are generated; and

WHEREAS, the CITY wishes to engage the services of the BBA/COC to operate the BUREAU to provide the advertising and promotion of the commercial and tourist related business in the CITY and the BBA/COC wishes to provide said services to the CITY through the operation of the BUREAU in consideration of financial assistance to be granted by the CITY.

NOW, THEREFORE, THE PARTIES AGREE, in consideration of the foregoing facts and the conditions and terms set forth herein, as follows:

1. AGREEMENT TO CONTRACT FOR SERVICES

1.1 CITY hereby engages BBA/COC to operate and maintain a BUREAU to promote and invite trade and business meetings, celebrations and conventions whereby businesses and individuals from outside the CITY may become acquainted with the CITY, and to advertise, promote and provide information regarding the CITY facilities, local products, art work, agricultural, mineral, climatic, educational and other features, its musical and other cultural activities, conventions and other gatherings, and such other assets of the CITY as the BBA/COC and CITY deem worthy of advertising and promotion (CITY FACILITIES) by such means within the budgetary restraints of BUREAU, including without limitation, signs and billboards (as permitted by law), primary and secondary advertising, direct mail, representation at conferences, fairs, events, exhibits and other similar activities, the preparation and circulation of maps and brochures, and the operation of a visitor's information office.

1.2 BBA/COC hereby agrees through the BUREAU to advertise and promote the CITY FACILITIES by any or all of those means listed in Subsection 1.1, above, or such other means which CITY and BBA/COC deem appropriate and which are within the BUREAU's budgetary restraints.

2. TERM OF THIS CONTRACT, TERMINATION, AMENDMENT AND RENEWAL

2.1 Term of this Contract. This CONTRACT shall become effective as of July 1, 1997, and shall continue in effect until terminated as hereinafter provided in Section 2, below, or amended or renewed pursuant to the terms of Section 2 (the TERM) of the original CONTRACT.

2.2 Termination. Either party may terminate this CONTRACT without cause upon 90 days written notice given to the other as provided in Section 9.4 of the original CONTRACT.

2.3 Amendment or Renewal of this Contract. This CONTRACT may be amended or renewed only by a writing, executed by both of the parties hereto, which sets forth the terms upon which the amendment or the renewal shall be based, including without limitation, the period of time for which the amendment or renewal applies and any compensation to be paid for the amendment and/or renewal.

3. CONSIDERATION TO BE PAID FOR SERVICES OF BBA/COC'S OPERATION OF BUREAU

In consideration of the services to be provided by BUREAU on behalf of the CITY FACILITIES, CITY will provide a sum equal to 20.83 percent (20.83%) of the transient occupancy tax, as received each month, starting March 1, 2013 to BBA/COC exclusively for BUREAU services rendered during the TERM. These funds will be placed in a checking account separate from BBA/COC funds and a separate accounting of the dispersal of said funds will be kept by the BUREAU. Said consideration shall be paid by the CITY no more frequently than monthly. The BUREAU will provide a monthly report of all expenditures to the CITY. In the event an earlier termination pursuant to Subsection 2.2, the CITY shall compensate BBA/COC for BUREAU services rendered through the effective date of the termination period.

4. SPECIFIC SERVICES SHALL BE REQUIRED OF THE BUREAU

4.1 Services and Costs. The provisions of Section 1, above, notwithstanding, the BUREAU shall provide, and hereby agrees to provide, the specific services set forth below, to wit:

- a. A Visitor's Information Office (the OFFICE) in suitable quarters staffed by competent personnel which shall be open not less than 42 hours a week and shall provide promotional material, advertising, direction and advice and other information about CITY FACILITIES to those seeking information at said OFFICE; and
- b. Telephone service to include fax service, listing and telephone response at the OFFICE to inquiries about commercial and visitor facilities, events and requests for directions and advice; and
- c. Signing and advertising to promote tourism and businesses located within the CITY.

4.2 Plans and Activities. The BBA/COC through the BUREAU shall furnish to the CITY the following:

- a. By September 30 of each calendar year, an annual line item budget for the BUREAU's entire operation will be submitted to the City;
- b. An annual program list containing programs and specific tasks including timetables for the accomplishment of specific objectives from the first year;
- c. A six-month progress report by March 1 of each calendar year and a nine-month effectiveness report by June 1 of each calendar year, detailing the extent to which the annual activity planned for the fiscal year has been met, will be submitted to the City.

5. HOLD HARMLESS AND INDEMNITY

The BBA/COC hereby agrees to defend, protect, indemnify and hold harmless CITY, its officers, employees and agents from any and all claims arising directly or indirectly out of the activities of the BBA/COC and/or BUREAU unless due to the CITY's negligence which will be performed pursuant to this CONTRACT and/or any other activities conducted by the BUREAU and the BBA/COC, including without limitation, any and all claims for personal injury or death of any third party or member or employee of the BUREAU (including the BBA/COC) or any and all claims made by reason of an injury or injuries, or any other harm, to the real or personal property of a third party of the BUREAU (including the BBA/COC).

6. INSURANCE

The BUREAU and/or the BBA/COC shall during the TERM provide all workers' compensation insurance at BUREAU's and/or BBA/COC's expense for any and all employees employed by the BUREAU and/or the BBA/COC and shall defend, protect, indemnify and hold harmless CITY, its officers, employees and agents from any claim arising by failure of BBA/COC or the BUREAU to provide such workers' compensation insurance. BUREAU and/or BBA/COC shall maintain public liability and property damage insurance in the amount of One Million Dollars (\$1,000,000) which names the CITY as an additional insured. Certificates of insurance for public liability and property damage insurance showing the CITY as additional insured shall be provided to the CITY within fourteen (14) days of the execution of this CONTRACT. Failure to provide insurance required by this Section 6 shall be a material breach of this CONTRACT.

7. BREACHES OF THE TERMS OF THIS CONTRACT

In the event of a breach of a term or condition of this CONTRACT by one party, the other party shall give notice to the breaching party of the alleged breach as provided in Section 9.4, below. The breaching party shall have thirty (30) days within which to cure said breach. If said breach is not cured within the 30-day period, the non-breaching party shall have the right to terminate this CONTRACT by written notice given as provided in Section 9.4 and said termination shall be effective at delivery of said notice as said delivery is deemed to have occurred pursuant to Section 9.4, below. The forgoing notwithstanding, this Section 7 shall not operate to limit the use of all legal remedies available to the non-breaching party.

8. NO DISCRIMINATION IN EMPLOYMENT AND CONTRACTS

The BBA/COC and its BUREAU operation shall refrain from any discriminatory practices with respect to race, country of origin or ethnicity, gender, sexual preferences, age or

religious preferences in its membership practices and operations, in the employment of personnel for the BUREAU (including the BBA/COC) and in contracting for services rendered by or through it pursuant to this CONTRACT.

9. MISCELLANEOUS PROVISIONS

9.1 Complete Agreement Between the Parties. This CONTRACT represents the complete agreement of the parties regarding the subject matter contained herein and no prior or contemporaneous, written or oral, representation by one party to the other which it is not contained herein shall have any effect on the matters contained herein.

9.2 Construction. This CONTRACT has been entered into and executed in the State of California and it shall be construed pursuant to the law of said State. The use of headings, captions and numbers in this CONTRACT is for the purpose of ease of reading and identification of information and such headings, captions and numbers shall not be construed to alter the plain meaning of the text of this CONTRACT. This CONTRACT shall not be construed against or in favor of either party by reason of the fact that one party acted as scrivener for the mutually agreed upon terms contained herein.

9.3 Authorization to Execute. Each party represents to the other that the person or persons executing this CONTRACT on behalf of that party has been duly authorized to do so.

9.4 Notice. Whenever notice is required to be given by one party to the other pursuant to this CONTRACT or is necessary to exercise a term or condition of this CONTRACT, the party giving notice shall do so in writing, which is dated and delivered by either personal messenger, commercial messenger or the United State Postal Service with postage prepaid to the other party at the address set forth below or such other address as either party may provide the other from time to time. When delivery is personal or by messenger said notice shall be deemed received when delivered. When notice is sent by the United State Postal Service, notice shall be deemed delivered upon the fifth (5th) day after the postmark shown on the envelope in which said notice is sent. The addresses to which notice should be sent are:

If to CITY: City of Buellton
 Attn: City Manager
 107 W. Highway 246
 P.O. Box 1819
 Buellton, CA 93427

Cc: City Attorney

If to BUREAU: Buellton Business Association/Chamber of
Commerce
Attn: Executive Director
595 Avenue of Flags, Suite 101
Buellton, CA 93427

Cc: President of BBA/COC

9.5 Independent Contractor Status. It is understood and agreed by the parties that the BBA/COC and its BUREAU are operating as an independent contractor in conducting the duties and obligations under this CONTRACT and that neither party shall be deemed or construed to be an employee or agent of the other. The BBA/COC and/or its BUREAU has represented to CITY that the BBA/COC and its BUREAU have an employer identification number and will and shall make all tax reports and statements required by federal and state law.

9.6 Records and Audit. All records of the BBA/COC that pertain to the BUREAU and all records of the BUREAU shall be open to inspection by the CITY upon reasonable notice and during normal business hours. Upon request of the CITY, the BBA/COC will submit to an audit of BUREAU operations conducted by a certified public accountant to evaluate the BUREAU's compliance with its budget as provided in Section 4.2.a of this CONTRACT.

This CONTRACT has been executed as of the date first noted above.

CITY OF BUELLTON

BUELLTON BUSINESS ASSOCIATION/CHAMBER OF COMMERCE

ATTEST:

APRIL 15, 2014 DRAFT
Service Contract by and between the City of Buellton
And the Buellton Business Association/Chamber of
Commerce for Operation of a Visitors Bureau

This CONTRACT by and between the CITY OF BUELLTON, a California General Law City (hereinafter referred to as CITY) and the BUELLTON BUSINESS ASSOCIATION/CHAMBER OF COMMERCE (hereinafter referred to as BBA/COC) for operation of a VISITORS BUREAU (hereinafter referred to as BUREAU) for advertising and promotion of city facilities and attraction of tourist in the City (the CONTRACT) is entered into on the ____ day of _____ 2014, by and between the CITY and the BBA/COC on the following terms and conditions.

NOW, THEREFORE, THE PARTIES AGREE, in consideration of the foregoing facts and the conditions and terms set forth herein, as follows:

1. AGREEMENT TO CONTRACT FOR SERVICES

1.1 CITY hereby engages BBA/COC to operate and maintain a BUREAU to:

- Promote and invite trade and business meetings, celebrations and conventions whereby businesses and individuals from outside the CITY may become acquainted with the CITY;
- Advertise, promote and provide information regarding the CITY facilities, local products, art work, agricultural, mineral, climatic, educational and other features, its musical and other cultural activities, conventions and other gatherings, and such other assets of the CITY as the BBA/COC and CITY deem worthy of advertising and promotion (CITY FACILITIES);
- Identify months and weeks of low visitation rates and provide methods to increase visitation numbers during this period and include in the yearly budget and marketing plan; and
- Perform economic development and marketing activities in consultation with the Economic Development Task Force and City Council.

The above tasks shall be accomplished by such means within the budgetary restraints of BUREAU, including without limitation, signs and billboards (as permitted by law), primary and secondary advertising, direct mail, representation at conferences, fairs, events, exhibits and other similar activities, the preparation and circulation of maps and brochures, and the operation of a visitor's information office.

1.2 BBA/COC hereby agrees through the BUREAU to advertise and promote the CITY FACILITIES by any or all of those means listed in Subsection 1.1, above, or such other means which CITY and BBA/COC deem appropriate and which are within the BUREAU's budgetary restraints.

2. TERM OF THIS CONTRACT, TERMINATION, AMENDMENT AND RENEWAL

2.1 **Term of this Contract.** This CONTRACT shall become effective as of July 1, 2014, and shall be reviewed, amended, and renewed on a yearly bi-annual basis as part of the CITY review of the proposed budget and marketing plan listed in Section 4.2(a).

Comment [MB1]: Time frame to be determined by City Council

2.2 **Termination.** Either party may terminate this CONTRACT without cause upon 60 days written notice given to the other as provided in Section 9.4 of the CONTRACT.

2.3 **Amendment or Renewal of this Contract.** This CONTRACT may be renewed, amended, and/or reviewed as stated in Section 2.1 under the same terms and conditions unless a 60 day written notice is provided by either party to amend or cancel the contract.

3. CONSIDERATION TO BE PAID FOR SERVICES OF BBA/COC'S OPERATION OF BUREAU

In consideration of the services to be provided by BUREAU on behalf of the CITY FACILITIES, CITY will provide a sum equal to 20.83 percent (20.83%) of the transient occupancy tax, as received each month, starting March 1, 2013, to BBA/COC exclusively for BUREAU services rendered during the TERM. These funds will be placed in a checking account separate from BBA/COC funds and a separate accounting of the dispersal of said funds will be kept by the BUREAU. Said consideration shall be paid by the CITY within two months of the City receiving said funds, however no more frequently than monthly. The BUREAU will provide a detailed monthly report of all expenditures to the CITY that is understandable to a lay person. In the event an earlier termination pursuant to Subsection 2.2, the CITY shall compensate BBA/COC for BUREAU services rendered through the effective date of the termination period.

4. SPECIFIC SERVICES SHALL BE REQUIRED OF THE BUREAU

4.1 **Services and Costs.** The provisions of Section 1, above, notwithstanding, the BUREAU shall provide, and hereby agrees to provide, the specific services set forth below:

- a. A Visitor's Information Office (the OFFICE) in suitable quarters staffed by competent personnel which shall be open not less than 42 hours a week and shall provide

promotional material, advertising, direction and advice and other information about CITY FACILITIES to those seeking information at said OFFICE; and

b. Telephone service to include fax service, listing and telephone response at the OFFICE to inquiries about commercial and visitor facilities, events and requests for directions and advice; and

c. Signing and advertising to promote tourism and businesses located within the CITY; and

d. Internet presence to include Visitor Bureau (VB) website and such other applications, advertisements, ad words, trip planning, advice, and consultation as the budget and the BUREAU allow and recommend; and

e. The making of monetary grants, and/or sponsorships of events held within the Santa Ynez Valley that will increase tourism and general commercial activity within the City of Buellton; and

f. Attending retail trade shows as identified by the BUREAU, CITY or its economic development consultant; and

g. Perform market research surveys during events to determine where visitors are coming from, where they are staying, and how they heard of the event. This can be performed by existing staff or through a contract vendor; and

h. Work with other organizations to promote the Santa Ynez Valley as a destination.

4.2 Plans and Activities. The BBA/COC through the BUREAU shall furnish to the CITY the following:

a. By April 30 of each fiscal year, a proposed budget and marketing plan for the BUREAU's entire operation for the upcoming fiscal year shall be submitted and reviewed by the City Council, and shall include the following: a description of major economic and tourism goals; grants and sponsorships for events; proposed strategies to accomplish goals; timelines for the goals; grants and funding for other organizations; a line item budget; and whether or not the goals and objectives from the prior fiscal year were met. The Economic Development Task Force shall provide input on the plan prior to presenting to the full City Council;

b. By August 31, the fiscal year-end report for the BUREAU's activities shall be submitted for review by the City Council and shall contain a list of programs and specific tasks that occurred, the attendance at each event, total visitation numbers, grants or funding provided to other organizations (including the BBA/COC), and if the objectives and marketing plans from the budget were met and the effectiveness of the plan and programs.

c. A progress report to the City Council is due by January 31 detailing the extent to which the goals and strategies of the annual budget and marketing plan for the fiscal year are being met, including data on visitation numbers. Adjustments shall also be included as appropriate.

d. Monthly status reports via e-mail shall be provided to the City Manager for presentation to the City Council, or the BUREAU may make the presentation directly to the City Council. At minimum, the report shall include the activities and expenditures of the BUREAU that occurred the prior month.

e. Failure to provide the reports required in Section 4.2, a through d, will result in the withholding of the TOT allocation until such time as the reports are submitted. Failure to submit the reports within 90 days will result in the loss of the TOT revenue for those months not in compliance.

5. HOLD HARMLESS AND INDEMNITY

The BBA/COC hereby agrees to defend, protect, indemnify and hold harmless CITY, its officers, employees and agents from any and all claims arising directly or indirectly out of the activities of the BBA/COC and/or BUREAU unless due to the CITY's negligence which will be performed pursuant to this CONTRACT and/or any other activities conducted by the BUREAU and the BBA/COC, including without limitation, any and all claims for personal injury or death of any third party or member or employee of the BUREAU (including the BBA/COC) or any and all claims made by reason of an injury or injuries, or any other harm, to the real or personal property of a third party of the BUREAU (including the BBA/COC).

6. INSURANCE

The BUREAU and/or the BBA/COC shall during the TERM provide all workers' compensation insurance at BUREAU's and/or BBA/COC's expense for any and all employees employed by the BUREAU and/or the BBA/COC and shall defend, protect, indemnify and hold harmless CITY, its officers, employees and agents from any claim arising by failure of BBA/COC or the BUREAU to provide such workers' compensation insurance. BUREAU and/or

BBA/COC shall maintain public liability and property damage insurance in the amount of One Million Dollars (\$1,000,000) which names the CITY as an additional insured. Certificates of insurance for public liability and property damage insurance showing the CITY as additional insured shall be provided to the CITY within fourteen (14) days of the execution of this CONTRACT. Failure to provide insurance required by this Section 6 shall be a material breach of this CONTRACT.

7. BREACHES OF THE TERMS OF THIS CONTRACT

In the event of a breach of a term or condition of this CONTRACT by one party, the other party shall give written notice to the breaching party of the alleged breach as provided in Section 9.4, below. The breaching party shall have thirty (30) days within which to cure said breach. If said breach is not cured within the 30-day period, the non-breaching party shall have the right to terminate this CONTRACT by written notice given as provided in Section 9.4 and said termination shall be effective at delivery of said notice as said delivery is deemed to have occurred pursuant to Section 9.4, below. The forgoing notwithstanding, this Section 7 shall not operate to limit the use of all legal remedies available to the non-breaching party.

8. NO DISCRIMINATION IN EMPLOYMENT AND CONTRACTS

The BBA/COC and its BUREAU operation shall refrain from any discriminatory practices with respect to race, country of origin or ethnicity, gender, sexual preferences, age or religious preferences in its membership practices and operations, in the employment of personnel for the BUREAU (including the BBA/COC) and in contracting for services rendered by or through it pursuant to this CONTRACT.

9. MISCELLANEOUS PROVISIONS

9.1 Complete Agreement Between the Parties. This CONTRACT represents the complete agreement of the parties regarding the subject matter contained herein and no prior or contemporaneous, written or oral, representation by one party to the other which it is not contained herein shall have any effect on the matters contained herein.

9.2 Construction. This CONTRACT has been entered into and executed in the State of California and it shall be construed pursuant to the law of said State. The use of headings, captions and numbers in this CONTRACT is for the purpose of ease of reading and identification of information and such headings, captions and numbers shall not be construed to alter the plain meaning of the text of this CONTRACT. This CONTRACT shall not be construed against or in favor of either party by reason of the fact that one party acted as scrivener for the mutually agreed upon terms contained herein.

9.3 Authorization to Execute. Each party represents to the other that the person or persons executing this CONTRACT on behalf of that party has been duly authorized to do so.

9.4 Notice. Whenever notice is required to be given by one party to the other pursuant to this CONTRACT or is necessary to exercise a term or condition of this CONTRACT, the party giving notice shall do so in writing, which is dated and delivered by either personal messenger, commercial messenger or the United State Postal Service with postage prepaid to the other party at the address set forth below or such other address as either party may provide the other from time to time. When delivery is personal or by messenger said notice shall be deemed received when delivered. When notice is sent by the United State Postal Service, notice shall be deemed delivered upon the fifth (5th) day after the postmark shown on the envelope in which said notice is sent. The addresses to which notice should be sent are:

If to CITY: City of Buellton
 Attn: City Manager
 107 W. Highway 246
 P.O. Box 1819
 Buellton, CA 93427

Cc: City Attorney

If to BUREAU: Buellton Business Association/Chamber of
 Commerce
 Attn: Executive Director
 597 Avenue of Flags, Suite 101
 P.O. Box 231
 Buellton, CA 93427

Cc: President of BBA/COC

9.5 Independent Contractor Status. It is understood and agreed by the parties that the BBA/COC and its BUREAU are operating as an independent contractor in conducting the duties and obligations under this CONTRACT and that neither party shall be deemed or construed to be an employee or agent of the other. The BBA/COC and/or its BUREAU has represented to CITY that the BBA/COC and its BUREAU have an employer identification number and will and shall make all tax reports and statements required by federal and state law.

9.6 Records and Audit. All records of the BBA/COC that pertain to the BUREAU and all records of the BUREAU shall be open to inspection by the CITY upon reasonable notice and

during normal business hours. Upon request of the CITY, the BBA/COC will submit to an audit of BUREAU operations conducted by a certified public accountant to evaluate the BUREAU's compliance with its budget as provided in Section 4.2.a of this CONTRACT. Monthly expenditure reports on the use of the TOT funds shall be provided to the CITY.

This CONTRACT has been executed as of the date first noted above.

CITY OF BUELLTON

By: _____
John Connolly, Mayor

BUELLTON BUSINESS ASSOCIATION/CHAMBER OF COMMERCE

By: _____
Ron Anderson, President

ATTEST:

Linda Reid, City Clerk

Kathy Vreeland, BBA/COC Executive Director

BUELLTON VISITOR'S BUREAU
Profit & Loss
 July 2013 through February 2014

	<u>Jul 13</u>	<u>Aug 13</u>	<u>Sep 13</u>	<u>Oct 13</u>	<u>Nov 13</u>	<u>Dec 13</u>	<u>Jan 14</u>	<u>Feb 14</u>	<u>Mar 14</u>	<u>Apr 14</u>	<u>May 14</u>	<u>Jun 14</u>	<u>TOTAL</u>
Expense													
5001 Member Dues & Subscriptions	74.88	0.00	376.18	0.00	0.00	0.00	0.00	185.00	0.00	15.75			651.81
5002 Sponsorships and Donations	700.00	1,000.00	0.00	0.00	0.00	0.00	0.00	5,000.00	0.00	150.00			6,850.00
5003 Conference and Meeting	0.00	0.00	295.35	267.62	93.45	0.00	216.88	768.14	0.00	837.26			2,478.70
5004 Economic Development	0.00	5.00	2,566.32	1,950.78	0.00	15,000.00	5,108.95	1,647.75	7,475.39	901.33			34,655.52
5300 Advertising	1,089.30	2,504.60	410.63	32,604.96	3,558.86	2,732.23	8,149.67	4,189.35	4,275.00	1,500.00			61,014.60
5400 Event Expenses	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			300.00
5500 Trade Shows	0.00	2,411.00	1,689.00	336.63	113.33	36.00	1,676.14	208.52	1,959.00	1,754.59			10,184.21
6100 Employee Services	5,411.07	7,350.15	6,036.38	6,301.17	6,029.96	6,208.39	7,083.94	6,008.77	6,407.77	5981.39			62,818.99
6400 Taxes	432.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			432.05
7110 Office Supplies	46.45	212.34	72.74	313.05	85.98	251.25	130.72	29.72	34.95	10.44			1,187.64
7120 Telephone/Internet	3.56	125.06	238.42	4.11	123.63	240.36	121.02	5.87	237.66	121.30			1,220.99
7125 Office Alarm	0.00	0.00	76.50	0.00	0.00	76.50	0.00	0.00	76.50	0.00			229.50
7130 Office Equipment	68.00	294.45	340.06	279.38	120.69	291.11	165.69	231.06	153.86	146.48			2,090.78
7140 Computer Equipment	0.00	0.00	0.00	0.00	0.00	0.00	196.84	0.00	0.00	0.00			196.84
7150 Cleaning & Janitorial	0.00	356.25	90.00	90.00	90.00	180.00	90.00	0.00	45.00	90.00			1,031.25
7170 Postage & Shipping	102.00	44.80	51.60	5.60	541.20	159.00	34.60	593.72	44.80	11.2			1,588.52
7180 Rent - Storage	59.25	0.00	215.25	139.98	133.50	133.50	133.50	133.50	133.50	133.50			1,215.48
7195 Miscellaneous	0.00	0.00	0.00	0.00	0.00	24.64	0.00	0.00	0.00	0.00			24.64
7200 Professional Fees	150.00	0.00	1,800.00	150.00	1,863.75	150.00	150.00	150.00	150.00	150.00			4,413.75
Total Expense	8,436.56	14,303.65	14,258.43	42,443.28	12,754.35	25,482.98	23,257.95	19,151.40	20,993.43	11,803.24			192,885.27

ATTACHMENT 5

Program Expenses

Member Dues & Subscriptions

- Newspaper subscriptions
- CCTC Membership

Sponsorship & Donations

- Arts on the Avenue
- Muddy Madness
- 805 Criterium Bike Race
- FAM Tour
- Media hosting
- Wheels & Windmills Car show
- Extrememe Hot Shot Mud Run

Conference & Meetings

- Vehicle Mileage
- Board Meetings
- County Tourism luncheons
- CCTC Conferences and meetings

Economic Development

- ICSC Membership
- ICSC Conferences (San Diego, Monterey, Las Vegas. Conference Fee, Hotel & travel)
- Avenue of Flags & Hwy 246 Flag Pole Banners & Hardware
- Kosmont Contract
- Reconstruct and reface McMurray Rd Billboard

Advertising

Bus Wrap

Billboards

Co-op Advertising

- Certified Folder brochure racks -CA Welcome Centers in Pismo/Oxnard and the SB Airport
- Montecito Bank & Trust B2B

Print Advertsing

- PCPA Theaterfest brochure
- Rack Cards
- Visit SYV / Solvang Visitor Guide
- Yosemite Journal
- CCTC Maps
- Vintner's back cover

Web

- Web Hosting & Redesign
- Sports Destination

Graphic Design

- Rack Cards
- Print Ads
- Trade Show Give Aways
- Billboard face
- Pop Up Screen
- B2B give away
- Vintner's back cover design
- Bus Wrap
- Website redesign
- Eat, Stay & Play design

E Marketing

- Social Media
- Models & Makeup
- Photo shoot supplies & props
- Art Direction
- Photographer

Other Adv

- Visitor Bags
- Scarecrow Fest

Trade Shows

- RV Show
- LA Times Travel Show
- IPW Trade Show
- Booth Fees, Travel and hotel costs

Employee Services

Wages & Salaries

Payroll Taxes

Contract Labor

Workmens Comp

Liability Insurance

Taxes

Property Tax

Maintenance

Office Supplies

Telephone / Internet

Office Alarm

Office Equipment

Rental

Maintenance

Computer Equipment

Cleaning & Janitorial

Postage & Shipping

Rent Storage

Professional Fees

Accounting

Bookkeeping



2014-2015

The Buellton Chamber of Commerce is contracted with the City of Buellton to operate a Visitor's Bureau (VB) for the promotion of Buellton. Along with promoting tourism, the VB also operates a visitor's center and has also been tasked with the Economic Development task for the City.

Funding for the Visitors Bureau comes from a percentage of the Transient Occupancy Tax (TOT) collected by the City of Buellton along with a portion from the County of Santa Barbara. The Bureau is paid on a monthly basis reflecting the TOT generated from two months prior. The VB budget reflects the projected income and expenses as determined by the Board of Directors.

As outlined in the budget, the VB will continue to market Buellton as a destination on a domestic and international level. By working individually and cooperatively with other entities, the VB will entertain new markets, as well as continue to build awareness in current markets, through print, digital, and attending trade shows. By showcasing our lodging & camping properties, restaurants, wineries, breweries, distillery, museums, and other attractions; the VB will continue to brand Buellton as a destination where visitors may come to, "Eat, Stay, & Play".

Realizing a majority of the funding is for tourism promotion; the Board of Directors and Staff look at various opportunities and determine the best use of funds and how they should be spent. For the fiscal year of 2014-2015 the breakdown is as follows:

Ongoing – The VB will continue to display Rack Cards in California Welcome Centers to the North and South of Buellton to attract travelers heading into our area. The Rack Cards display images of things to do in Buellton along with a map of the location of Buellton in relationship to Santa Barbara, Los Angeles, and San Francisco. The card also includes a list of the events taking place in Buellton, a photo of the Visitors Center, a QR code that directs individuals to the Visit Buellton website, and contact information.

Billboards – The Chamber of Commerce operates the 4 Billboards that border Buellton to the North and South. Since these boards are directional and promote Buellton to the traveler, the expenses are passed onto the VB as tourism promotion.

Co-op – The VB takes advantage of opportunities that are made available through the Central Coast Tourism Council (CCTC), Visit California (the State's Tourism Bureau), and local agencies to promote Buellton on regional, domestic, and international levels. Opportunities may come in print, digital, and trade shows.

Print – The VB has cut back in some of the print because of digital and social media on the rise, however, there are still places where print has proven to be beneficial and has allowed for tracking measures. The VB will be looking to do a cooperative print program with the CCTC in the Canadian Traveler, California Road Trips, and on the CCTC map. The VB is looking into three other publications, Sunset, Westways, and the Solvang/Santa Ynez Valley visitor's guide, but these ads will be contingent upon content we may provide and whether or not we are able to receive advertorial or editorial along with the ad. Those discussions are still taking place.

Web – The VB is in the process of redesigning the Visit Buellton Website to include the new images that were taken in the last fiscal year and to compliment the new colors, logo and slogan of, “Eat, Stay, & Play!” New features will be added to the site including booking tools, links to open table for the restaurants participating in that service, translation feature, and media page to name a few.

Graphic Design – We continue to work with UVA Design for our graphic work, which covers the website, ads-both print and digital, maps, trade show materials, and graphics for the, “Welcome to” billboard off McMurray Road.

E-Marketing – The VB plans to work with an agency who will assist with SEO (Search Engine Optimization) and SEM (Search Engine Marketing) for the Visit Buellton website. The service will assist with increasing visibility and ranking for our website. The VB has also looked into a service that will assist with the outreach for press releases. Basically this will allow for targeted marketing and outreach on various topics and will provide a tracking service to know what press releases were actually picked up and notification of articles that were written. Finally, the VB will continue to use social media to grow the audience for Buellton and outreach about our area.

Promotional Items – These are items that are used for trade shows and any giveaways we do as a bureau to promote Buellton. We look to put something in the hands of people that they find useful and continue to brand Buellton in the process.

Trade Shows – The VB plans to attend the California RV Show again this year. This show proved to be a very successful show in creating awareness for Flying Flags RV Park, which is a large TOT generator for the City. The Bureau will also be attending the LA Times Travel Show in Los Angeles which proved to be beneficial last year. Southern California continues to be a prime market and by attending this show, allows us to become known for more than pea soup. The LA Travel & Adventure Show takes place in Long Beach which is within our market, but also reaches out to potential new visitors. This is a little south of Los Angeles and the market is a bit different, but still within distance to receive their business. The Bureau is looking into the following shows as well, but some discussion is still taking place as to whether or not they will be feasible or beneficial: Sunset Celebration-this show is only available for us to attend if we advertise in Sunset magazine. This, as noted above, is still in discussion as to whether the VB will advertise. IPW (aka PowWow)-having attended in the past with CCTC, this show allows for international exposure. It is an appointment based show, so meetings take place with interested prospects, however, the CCTC has changed the cost structure this year and the Bureau is still considering if the extra money spent will be best use of funds. If a cooperative booth with the County of Santa Barbara were to attend, the Bureau may consider attending under that umbrella. Go West Summit is a show which brings international tour operators together with suppliers (such as us) together. This would be a new show for the Bureau, so some consideration is still being given. As with any trade show comes; cost, travel, materials, etc. Those expenses are reflected in the budget as well.

Other items shown in the budget include Economic Development. Items under this category include the Hwy 246 Banner system, which we are working on with MNS Engineers. This system will be placed just to the West of Ballard Canyon and allow for organizations to place banners across the highway to

advertise and announce upcoming events. The Bureau will continue its membership with ICSC (International Conference of Shopping Centers) which has proved to be a great organization of retailers for us to reach out to and build relationships. Also, the Bureau will be available to assist with other opportunities that come up pertaining to Economic Development and continue the working relationship with Kosmont Companies.

The VB will continue to support, sponsor, and donate to events taking place in Buellton that may impact our community and bring tourism to Buellton. Familiarization tours (FAM) offered through the state of California or CCTC allow us to showcase Buellton and educate the agents and tour companies of our product. The VB also looks forward to entertaining members of the media who may come in to learn more about our product, stay the night, eat at our restaurants, and submit articles about Buellton to be picked up by various publications. We have seen the impact this can make.

The VB attends local and regional conferences and meetings to stay up on the latest trends and work with other tourism partners on planning, promoting, and strategizing ideas of how to continue to grow and gain our share of the market.

With any business, operational costs such as employee services, office equipment and supplies, accounting and bookkeeping are standard.

The Buellton Visitors Bureau continues to promote Buellton as a place to, "Eat, Stay, & Play!" By creating interest in all we have to do, Buellton is becoming a destination in itself. Our efforts have proven to be productive and revenue generating for the City of Buellton and we look forward to continuing our work.

BUELLTON VISITOR'S BUREAU
Profit & Loss Budget vs. Actual
 July 2014 through June 2015

8:16 AM
 06/04/2014
 Cash Basis

	<u>Jul '14 - Jun 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4000 · Income				
4100 · Program Service Income				
4110 · Buellton City Funding	0.00	350,000.00	-350,000.00	0.0%
4120 · SB County Funding	0.00	2,758.00	-2,758.00	0.0%
Total 4100 · Program Service Income	<u>0.00</u>	<u>352,758.00</u>	<u>-352,758.00</u>	<u>0.0%</u>
Total 4000 · Income	<u>0.00</u>	<u>352,758.00</u>	<u>-352,758.00</u>	<u>0.0%</u>
Total Income	0.00	352,758.00	-352,758.00	0.0%
Expense				
5000 · Program Expenses				
5001 · Member Dues & Subscriptions	0.00	4,000.00	-4,000.00	0.0%
5002 · Sponsorships and Donations	0.00	30,000.00	-30,000.00	0.0%
5003 · Conference and Meeting				
5103 · Vehicle Mileage	0.00	2,000.00	-2,000.00	0.0%
5003 · Conference and Meeting - Other	0.00	900.00	-900.00	0.0%
Total 5003 · Conference and Meeting	<u>0.00</u>	<u>2,900.00</u>	<u>-2,900.00</u>	<u>0.0%</u>
5004 · Economic Development	0.00	40,000.00	-40,000.00	0.0%
5300 · Advertising				
5310 · Ongoing Advertising	0.00	5,000.00	-5,000.00	0.0%
5330 · Billboards	0.00	18,000.00	-18,000.00	0.0%
5340 · Coop Advertising	0.00	15,000.00	-15,000.00	0.0%
5350 · Print Advertising	0.00	8,000.00	-8,000.00	0.0%
5360 · Web	0.00	10,000.00	-10,000.00	0.0%
5370 · Graphic Design	0.00	20,000.00	-20,000.00	0.0%

	<u>Jul '14 - Jun 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5380 · E Marketing	0.00	35,000.00	-35,000.00	0.0%
5390 · Promotional Items	0.00	4,500.00	-4,500.00	0.0%
Total 5300 · Advertising	0.00	115,500.00	-115,500.00	0.0%
5500 · Trade Shows	0.00	15,000.00	-15,000.00	0.0%
Total 5000 · Program Expenses	0.00	207,400.00	-207,400.00	0.0%
6100 · Employee Services				
6110 · Wages & Salaries	0.00	90,000.00	-90,000.00	0.0%
6120 · Payroll Taxes (Employer only)	0.00	7,000.00	-7,000.00	0.0%
6200 · Contract Labor	0.00	8,000.00	-8,000.00	0.0%
6300 · Insurance				
6310 · Workmens Comp	0.00	1,000.00	-1,000.00	0.0%
6320 · Liability Insurance	0.00	1,800.00	-1,800.00	0.0%
Total 6300 · Insurance	0.00	2,800.00	-2,800.00	0.0%
Total 6100 · Employee Services	0.00	107,800.00	-107,800.00	0.0%
6400 · Taxes				
6410 · Property Tax - Unsecured	0.00	450.00	-450.00	0.0%
Total 6400 · Taxes	0.00	450.00	-450.00	0.0%
7000 · Maintenance Expense				
7100 · Office Expense				
7110 · Office Supplies	0.00	1,500.00	-1,500.00	0.0%
7115 · Website Maintenance	0.00	500.00	-500.00	0.0%
7120 · Telephone/Internet	0.00	1,450.00	-1,450.00	0.0%
7125 · Office Alarm	0.00	350.00	-350.00	0.0%
7130 · Office Equipment				
7132 · Rental	0.00	1,800.00	-1,800.00	0.0%
7133 · Maintenance	0.00	1,000.00	-1,000.00	0.0%
Total 7130 · Office Equipment	0.00	2,800.00	-2,800.00	0.0%

	<u>Jul '14 - Jun 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7140 · Computer Equipment	0.00	300.00	-300.00	0.0%
7150 · Cleaning & Janitorial	0.00	1,400.00	-1,400.00	0.0%
7170 · Postage & Shipping	0.00	2,600.00	-2,600.00	0.0%
7180 · Rent - Storage	0.00	1,720.00	-1,720.00	0.0%
7190 · Building Repairs & maintenance	0.00	100.00	-100.00	0.0%
7195 · Miscellaneous	0.00	100.00	-100.00	0.0%
Total 7100 · Office Expense	0.00	12,820.00	-12,820.00	0.0%
7200 · Professional Fees				
7210 · Accounting	0.00	3,500.00	-3,500.00	0.0%
7220 · Bookkeeping & Accounting	0.00	2,000.00	-2,000.00	0.0%
7230 · Legal	0.00	1,500.00	-1,500.00	0.0%
Total 7200 · Professional Fees	0.00	7,000.00	-7,000.00	0.0%
Total 7000 · Maintenance Expense	0.00	19,820.00	-19,820.00	0.0%
Total Expense	0.00	335,470.00	-335,470.00	0.0%
Net Ordinary Income	0.00	17,288.00	-17,288.00	0.0%
Net Income	0.00	17,288.00	-17,288.00	0.0%