



# CITY OF BUELLTON

## CITY COUNCIL AGENDA

**Regular Meeting of January 26, 2017 – 6:00 p.m.**

**City Council Chambers, 140 West Highway 246**

**Buellton, California**

Copies of staff reports or other written documentation relating to each item of business referred to on this Agenda are on file in the office of the City Clerk and are available for public inspection

### **CALL TO ORDER**

Mayor Holly Sierra

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

Council Members Dan Baumann, John Connolly, Foster Reif, Vice Mayor Ed Andrisek, and Mayor Holly Sierra

### **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 Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion.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 January 12, 2017 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2016-17**
- 3. Revenue and Expenditure Reports through December 31, 2016**  
❖ (Staff Contact: Finance Director Carolyn Galloway-Cooper)

- 4. Financial Report for the Second Quarter Ending December 31, 2016**  
 ❖ *(Staff Contact: Finance Director Carolyn Galloway-Cooper)*

**PRESENTATIONS**

**PUBLIC HEARINGS**

**(POSSIBLE ACTION)**

- 5. Ordinance No. 17-02 – “An Ordinance of the City Council of the City of Buellton, California, Amending Section 8.04.030.C of the Buellton Municipal Code Relating to Parking of Recreational Vehicles, Trailers and Boats” (Introduction and First Reading)**  
 ❖ *(Staff Contact: City Manager Marc Bierdzinski)*

**COUNCIL MEMBER COMMENTS**

**COUNCIL ITEMS**

**WRITTEN COMMUNICATIONS**

*Written communications are included in the agenda packets. Any Council Member, the City Manager, or City Attorney may request that a written communication be read into the record.*

**COMMITTEE REPORTS**

*This Agenda listing is the opportunity for Council Members to give verbal Committee Reports on any meetings recently held for which the Council Members are the City representatives thereto.*

**BUSINESS ITEMS**

**(POSSIBLE ACTION)**

- 6. Direction on Downey Circle Water Meter Size Reduction and Costs**  
 ❖ *(Staff Contact: Public Works Director Rose Hess)*
- 7. Mid-Year Progress Report from the Buellton Visitors Bureau for the Period July 2016 through December 2016**  
 ❖ *(Staff Contact: City Manager Marc Bierdzinski)*

**CITY MANAGER’S REPORT**

**CLOSED SESSION ITEMS**

**(POSSIBLE ACTION)**

- 8. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
**Significant exposure to litigation pursuant to Government Code section 54956.9, subdivision (d) (2) (one case)**

- 9. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
(Government Code Section 54956.8)**  
**Property: Assessor's Parcel Number 099-283-001 (480 Central Avenue) and 099-283-010 (495 Avenue of Flags)**  
**Negotiator: Marc Bierdzinski, City Manager**  
**Parties: City of Buellton/Leslie K Houston EGST Trust/Nancy Lee Williams, Williams Revocable Trust**  
**Purpose: Possible Acquisition Terms and Price**

**ADJOURNMENT**

The next meeting of the City Council will be held on Thursday, February 9, 2017 at 6:00 p.m.

# **CITY OF BUELLTON**

## **CITY COUNCIL MEETING MINUTES**

**Regular Meeting of January 12, 2017**  
**City Council Chambers, 140 West Highway 246**  
**Buellton, California**

### **CALL TO ORDER**

Mayor Holly Sierra called the meeting to order at 6:00 p.m.

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

**Present:** Council Members Dan Baumann, John Connolly, Foster Reif, Vice Mayor Ed Andrisek, and Mayor Holly Sierra

**Staff:** City Manager Marc Bierdzinski, Finance Director Carolyn Galloway-Cooper, Public Works Director Rose Hess, City Attorney Steve McEwen, Station Commander Lt. Shawn O'Grady, Contract City Planner Irma Tucker, and City Clerk Linda Reid

### **REORDERING OF AGENDA**

None

### **PUBLIC COMMENTS**

Janet Hill, Buellton, requested the City Council review the water rate increase and its impact on Downey Circle residents.

Kathy Vreeland, Executive Director of the Buellton Chamber of Commerce and Visitors Bureau announced several upcoming events.

### **CONSENT CALENDAR**

- 1. Minutes of December 8, 2016 Special City Council Meeting**
- 2. Minutes of December 8, 2016 Regular City Council Meeting**
- 3. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2016-17**

**MOTION:**

Motion by Vice Mayor Andrisek, seconded by Council Member Connolly approving Consent Calendar Items 1 through 3 as listed.

**VOTE:**

Motion passed by a roll call vote of 5-0.

Council Member Baumann – Yes

Council Member Connolly – Yes

Council Member Reif – Yes

Vice Mayor Andrisek - Yes

Mayor Sierra – Yes

**PRESENTATIONS**

None

**PUBLIC HEARINGS**

None

**COUNCIL MEMBER COMMENTS/ITEMS**

Vice Mayor Andrisek acknowledged the passing of several Valley residents.

Mayor Sierra announced the City’s 25<sup>th</sup> birthday on February 1 and invited the public to stop by City Hall on that day for refreshments.

Mayor Sierra requested that the City Attorney describe the difference between a City Manager and a City Administrator. City Attorney McEwen provided an explanation.

Vice Mayor Andrisek requested that staff agendize discussion regarding a change to the video streaming process to allow viewers to see presentations on the white board.

Mayor Sierra requested that staff agendize the water meter issue at Downey Circle for discussion.

**WRITTEN COMMUNICATIONS**

None

## COMMITTEE REPORTS

Vice Mayor Andrisek announced that he attended the Central Coast Water Authority (CCWA) Operating Committee meeting today and provided an oral report regarding the meeting.

Council Member Reif announced he attended the Buellton Chamber of Commerce Economic Development meeting and provided an oral report regarding the meeting.

Mayor Sierra announced that she attended a Central Coast Collaborative on Homelessness meeting and provided an oral report regarding the meeting.

## BUSINESS ITEMS

### 4. Direction Regarding Draft Avenue of Flags Specific Plan

#### **RECOMMENDATION:**

That the City Council provide comments and direction to staff to proceed with preparation of a final Draft Avenue of Flags Specific Plan and required environmental studies / CEQA review.

#### **STAFF REPORT:**

Contract City Planner Irma Tucker presented the staff report.

#### **SPEAKERS/DISCUSSION:**

Correspondence was received, distributed to Council, and made part of the record from Carol Carbine, Helga George, Ph.D., and Thekla Sanford.

The following speakers provided their suggested changes and additions to the Avenue of Flags Specific Plan:

- Peggy Brierton, Buellton, (provided a handout for the record)
- Leo Elovitz, Buellton
- Judi Stauffer, Buellton
- Pete Robertson, Buellton
- Richard Crutchfield, Buellton
- Judith Dale, Buellton
- Finn Runge, Buellton

The City Council discussed the following issues:

- Discussion of the development opportunity reserve program (DOR)
- Update regarding property owner and business owner meetings
- CEQA master document and how that will help developers
- Economic development programs to fund improvements

- Whether current projects on the Avenue of Flags are looking into the benefits from DOR
- Remove the CFD/EIFD financing mechanisms and add mid-block crosswalks
- List the facilities that could be installed on the medians as an optional section of the Specific Plan
- Delete the Ranch style architecture and include the Art Deco architecture with additional restrictions on its use
- Eliminate diagonal parking on the right side of the roadways
- Revise Median 2 as flex-space with the provision of infrastructure

**DOCUMENTS:**

Staff report with attachments as listed in the staff report.

**DIRECTION:**

The City Council agreed by consensus to direct staff to proceed with the preparation of a final Draft Avenue of Flags Specific Plan and required environmental studies/CEQA review with the following changes:

- Eliminate the CFD/EIFD
- Review mid-block crosswalk locations
- Take all the structures off the medians and have it as a separate section that shows the type of buildings that could be placed on the medians
- Median 2 – show as a cobble stone paved area with flex space to be used as parking and event areas. Stub out infrastructure including fiber optics. Show possible location of restroom building
- Review the removal of angled parking on the right side of the roadway.
- Delete the Ranch style architecture and add more details on when Art Deco may be used
- Provide an implementation mechanism for the DOR

5. **Urgency Ordinance No. 17-01 – “An Urgency Ordinance of the City Council of the City of Buellton, California, Under Government Code Section 65858(a), Establishing a 45-day Moratorium on Non-Medical Marijuana Facilities and Marijuana Cultivation, Except for Private Indoor Cultivation of Six Marijuana Plants or Less, Which Shall be Subject to Reasonable Regulations”**

**RECOMMENDATION:**

That the City Council approve Urgency Ordinance No. 17-01.

**STAFF REPORT:**

City Attorney Steve McEwen presented the staff report.

**SPEAKERS/DISCUSSION:**

Leo Elovitz, Buellton, discussed the urgency ordinance and suggested the Council collect more information on the issue before making a decision regarding regulations.

**DOCUMENTS:**

Staff report with attachments as listed in the staff report.

**MOTION:**

Motion by Council Member Baumann, seconded by Vice Mayor Andrisek approving Urgency Ordinance No. 17-01 - "An Urgency Ordinance of the City Council of the City of Buellton, California, Under Government Code Section 65858(a), Establishing a 45-day Moratorium on Non-Medical Marijuana Facilities and Marijuana Cultivation, Except for Private Indoor Cultivation of Six Marijuana Plants or Less, Which Shall be Subject to Reasonable Regulations" by title only and waive further reading.

**VOTE:**

Motion passed by a roll call vote of 5-0.

Council Member Baumann – Yes

Council Member Connolly – Yes

Council Member Reif – Yes

Vice Mayor Andrisek – Yes

Mayor Sierra – Yes

**6. Discussion and Direction Regarding Amendments to Marijuana Regulations Following Proposition 64**

**RECOMMENDATION:**

That the City Council provide direction to staff on the amendment of the City's existing marijuana regulations and present a proposed ordinance to the Planning Commission before final approval by the City Council.

**STAFF REPORT:**

City Attorney Steve McEwen presented the staff report.

**SPEAKERS/DISCUSSION:**

Leo Elovitz, Buellton, suggested the Council collect more information on this issue before making a decision regarding regulations.

Judith Dale, Buellton, discussed where marijuana plants could be grown and suggested further information be gathered before developing final regulations.

The City Council discussed the following issues:

- What neighboring cities and Santa Barbara County are doing with regard to this issue
- Gather additional information regarding recreational marijuana and report back to Council

**DOCUMENTS:**

Staff report with attachments as listed in the staff report.

**DIRECTION:**

The City Council agreed by consensus to direct staff to collect additional information regarding recreational marijuana and report back to the City Council.

**7. Discussion Regarding Two-Year Budget Proposal Beginning with Fiscal Years 2017-18 and 2018-19**

**RECOMMENDATION:**

That the City Council approve a two-year budget process beginning with Fiscal Year 2017-18.

**STAFF REPORT:**

Finance Director Carolyn Galloway-Cooper presented the staff report.

**DOCUMENTS:**

Staff report with attachments as listed in the staff report.

**MOTION:**

Motion by Vice Mayor Andrisek, seconded by Council Member Baumann approving a two-year budget process beginning with Fiscal Year 2017-18.

**VOTE:**

- Motion passed by a voice vote of 5-0.
- Council Member Baumann – Yes
- Council Member Connolly – Yes
- Council Member Reif – Yes
- Vice Mayor Andrisek – Yes
- Mayor Sierra – Yes

**CITY MANAGER’S REPORT**

City Manager Bierdzinski provided an informational report to the City Council.

**ADJOURNMENT**

Mayor Sierra adjourned the regular meeting at 9:30 p.m. The next regular meeting of the City Council will be held on Thursday, January 26, 2017 at 6:00 p.m.

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Holly Sierra  
Mayor

ATTEST:

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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 **January 26, 2017** Council Meeting.

Listed below is a brief summary of the attached claims:

EXHIBIT A *	A/P Packet #APPKT00420	23,925.89 (2 pages)
	A/P Packet #APPKT00413	48,041.00 (3 pages)

Total Packets:	<u>\$71,966.89</u>
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EXHIBIT B	<u>\$63,552.41</u>
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Staff Payroll	1/6/2017	41,585.80
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Total Payroll:	<u>\$41,585.80</u>
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<b>TOTAL AMOUNT OF CLAIMS:</b>	<u><b>\$177,105.10</b></u>
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\* The A/P Packets above will be approved on Council Agenda date of 01/26/2017  
 Checks to be signed on 01/26/17 tie to A/P Packet #APPKT00420  
 Checks previously signed by staff to avoid late fees relate to:  
 A/P Packet #APPKT00413

Payments via Electronic Fund Transfer (EFT):  
From 12/31/2016 through 01/17/2017

Hasler - Fee	1/3/2017	50.00
CalPERS - Medical	1/9/2017	22,236.80
CalPERS - Classic	1/9/2017	13,738.48
Payroll Tax - IRS	1/9/2017	8,554.01
CalPERS - PEPPRA	1/9/2017	3,600.69
Payroll Tax - EDD	1/9/2017	2,465.31
DCP-AUL	1/10/2017	12,422.40
The Hartford	1/10/2017	472.72
Bank Fees	1/12/2017	12.00

**Total**

63,552.41



By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: General Checking-General Checking</b>						
000248	JCI JONES CHEMICALS, INC.	01/26/2017	Regular	0.00	3,654.76	34019
000819	JOHN F. RICKENBACH	01/26/2017	Regular	0.00	4,320.00	34020
000365	PEOPLE HELPING PEOPLE	01/26/2017	Regular	0.00	15,309.90	34021
000450	SB CO SHERIFF'S DEPARTMENT	01/26/2017	Regular	0.00	157.63	34022
001030	Shannel Zamora	01/26/2017	Regular	0.00	38.79	34023
000582	VINTAGE WALK, LLC OWNERS ASSO	01/26/2017	Regular	0.00	104.00	34024
001063	Wells Fargo Vendor Fin Serv	01/26/2017	Regular	0.00	340.81	34025

**Bank Code General Checking Summary**

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	9	7	0.00	23,925.89
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>9</b>	<b>7</b>	<b>0.00</b>	<b>23,925.89</b>

### Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH	1/2017	23,925.89
			23,925.89



By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: General Checking-General Checking</b>						
000005	ABALONE COAST ANALYTICAL, INC.	01/10/2017	Regular	0.00	605.00	33973
000509	ALAN NEEDHAM dba	01/10/2017	Regular	0.00	16,493.13	33974
000387	ALBERTSONS, LLC.	01/10/2017	Regular	0.00	28.51	33975
000444	ALFREDO J. BELLO dba	01/10/2017	Regular	0.00	47.52	33976
000076	CAL-COAST IRRIGATION, INC.	01/10/2017	Regular	0.00	97.04	33977
000090	CaPERS LONG-TERM CARE PROGRA	01/10/2017	Regular	0.00	84.25	33978
000112	CLARK PEST CONTROL	01/10/2017	Regular	0.00	282.00	33979
000655	COAST NETWORK, INC.	01/10/2017	Regular	0.00	600.00	33980
000118	COASTAL COPY, INC.	01/10/2017	Regular	0.00	236.71	33981
000122	COMCAST CABLE	01/10/2017	Regular	0.00	127.29	33982
000122	COMCAST CABLE	01/10/2017	Regular	0.00	171.22	33983
000122	COMCAST CABLE	01/10/2017	Regular	0.00	233.60	33984
000122	COMCAST CABLE	01/10/2017	Regular	0.00	236.05	33985
000679	COURIER SYSTEMS	01/10/2017	Regular	0.00	150.00	33986
000142	DANIEL FITZGERALD dba	01/10/2017	Regular	0.00	1,200.00	33987
000629	ED ANDRISEK	01/10/2017	Regular	0.00	35.10	33988
000187	FARM SUPPLY COMPANY	01/10/2017	Regular	0.00	844.48	33989
001040	FRONTIER COMMUNICATIONS	01/10/2017	Regular	0.00	1,779.23	33990
000826	GENUINE PARTS COMPANY INC	01/10/2017	Regular	0.00	27.48	33991
000813	HOME DEPOT CREDIT SERVICES	01/10/2017	Regular	0.00	681.04	33992
000252	JIM VREELAND FORD	01/10/2017	Regular	0.00	194.82	33993
000827	JOSEPH GRAUER	01/10/2017	Regular	0.00	125.00	33994
000545	KROS ANDRADE dba	01/10/2017	Regular	0.00	757.80	33995
000286	LEAGUE OF CALIFORNIA CITIES	01/10/2017	Regular	0.00	3,297.00	33996
000280	LEE CENTRAL COAST NEWSPAPERS	01/10/2017	Regular	0.00	369.60	33997
000835	METRO VENTURES LTD	01/10/2017	Regular	0.00	4,680.00	33998
000353	MICHAEL J. BOGGESS dba	01/10/2017	Regular	0.00	550.00	33999
000059	MOTOR PRODUCTS INC. dba	01/10/2017	Regular	0.00	20.41	34000
000342	NIELSEN BUILDING MATERIALS,INC	01/10/2017	Regular	0.00	89.84	34001
000801	O'REILLY AUTOMOTIVE STORES, INC	01/10/2017	Regular	0.00	130.53	34002
000861	POLYDYNE INC.	01/10/2017	Regular	0.00	1,720.44	34003
000380	PRAXAIR DISTRIBUTION, INC.	01/10/2017	Regular	0.00	140.49	34004
000390	QUINN COMPANY	01/10/2017	Regular	0.00	1,035.07	34005
000405	RINCON CONSULTANTS, INC.	01/10/2017	Regular	0.00	5,108.00	34006
000429	SAFETY-KLEEN CORP.	01/10/2017	Regular	0.00	357.07	34007
000438	SANTA YNEZ VALLEY HARDWARE	01/10/2017	Regular	0.00	375.20	34008
000450	SB CO SHERIFF'S DEPARTMENT	01/10/2017	Regular	0.00	713.15	34009
000978	Staples Credit Plan	01/10/2017	Regular	0.00	812.09	34010
000507	THE GAS COMPANY	01/10/2017	Regular	0.00	39.42	34011
000507	THE GAS COMPANY	01/10/2017	Regular	0.00	114.22	34012
000521	TODD PIPE & SUPPLY	01/10/2017	Regular	0.00	49.62	34013
000998	TOM JOHNSON RESTORATIONS	01/10/2017	Regular	0.00	1,000.00	34014
001071	Tractor Supply Co	01/10/2017	Regular	0.00	24.43	34015
000535	UNDERGROUND SERVICE ALERT	01/10/2017	Regular	0.00	6.00	34016
000543	USA BLUEBOOK INC	01/10/2017	Regular	0.00	477.14	34017

Check Register

Packet: APPKT00413-2017-01-10 Special Run - PAYMENT

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
000768	WEX BANK	01/10/2017	Regular	0.00	1,894.01	34018

Bank Code General Checking Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	51	46	0.00	48,041.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<u>51</u>	<u>46</u>	<u>0.00</u>	<u>48,041.00</u>

### Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH	1/2017	48,041.00
			<hr/> 48,041.00

**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: January 26, 2017

Subject: Revenue and Expenditure Reports through December 31, 2016

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**BACKGROUND**

The attached reports compare month-to-month data covering the period July 1, 2016 through December 31, 2016. The reports are prepared monthly and submitted to Council on the second meeting of each month. Monthly reports are posted to the City's website. Upon monthly review, adjustments may be necessary and staff will update on the website.

The expenditures are slightly under budget for the 2016-17 Fiscal Year. Revenue is below target due to timing differences and expected to meet budget by year end.

**FISCAL IMPACT**

The Revenue and Expenditure Reports provide the community with an understanding of the financial activity of the City's funds on a monthly basis.

**RECOMMENDATION**

That the City Council receive and file the attached reports for informational purposes.

**ATTACHMENT**

Attachment 1 - Revenue and Expenditure Reports through December 31, 2016

2016

50%

2017

Account Number	Description	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY: 2016-17
001-41005	Property Tax - Secured					185,289	469,114							654,403
001-41010	Property Tax - Unsecured				52,023									52,023
001-41015	Homeowners Exemptions													-
001-41020	Franchise Fees	6,149	6,988	18,206	11,540	6,145								49,028
001-41025	Sales Tax	152,500	152,500	250,128	150,800									705,928
001-41030	Sales Tax Compensation		279,846											279,846
001-41035	Transient Occupancy Tax (TOT)	209,559	184,553	164,629	147,288	138,761								844,790
001-41040	Property Transfer Tax	5,442	1,786	4,975	2,424	3,126								17,753
001-42010	Zoning Clearance	225	90	135	135	225	361							1,171
001-42015	Small Permits	1,000	4,000				600							5,600
001-43005	Motor Vehicle in Lieu Tax													-
001-43010	MV License Fee													-
001-43015	COPS Grant													-
001-43020	CA Indian Gaming Grant													-
001-43035	CA Prop 1B Revenue													-
001-43040	Beverage Container Grant						5,000							5,000
001-44005	Buellton Recreation Program	20,708	12,731	8,237	8,784	10,815	8,201							69,474
001-44010	Recreation Program (50/50)				5,159									5,159
001-44015	Buellton Rec Pgm Trips	6,136	500	2,721	372	1,396	1,709							12,833
001-44020	Park Reservation Fees	750	320	280	360									1,710
001-44025	Event Applic Fee/Temp Use	155		255	255	55								720
001-44035	Cost Reimbursement													-
001-44105	Interest	183	2,949	7,332	916	22	535							11,936
001-44250	Miscellaneous	1,259	828	243	863	672	907							4,772
001-45005	Criminal Fines and Penalties	57	42	62	42	146								349
001-45010	Fines and Fees	1,483	1,888	1,120	1,519	332								6,342
001-49010	Rent	7,965	7,180	7,435	8,033	7,798	6,945							45,355
001-49526	Mandated Cost													-
001-49532	Code Enforcement Fines				100									100
001-49548	Document Sales													-
001-49578	Law Enforcement Cost Recovery													-
001-49585	Miscellaneous Permits	25												25
001-49617	Surplus Property Sales													-
001-49632	Time Extension Fees													-
001-49636	Transfer In - Successor Agency													-
														-
	<b>TOTAL REVENUE (ACTUAL THROUGH DEC):</b>	<b>413,596</b>	<b>656,200</b>	<b>465,757</b>	<b>390,612</b>	<b>354,781</b>	<b>493,371</b>	-	-	-	-	-	-	<b>2,774,318</b>

Percentage Received: 40%  
 Original Budget 6,999,437  
 Budget: 6,999,437

City of Buellton  
 General Fund Monthly Expenditures ( Unaudited)  
 FY: 2016-17

sz 1-18-17

50%



2016

2017

Department No.	Description	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY: 2016-17
001-401	City Council	8,692	9,356	11,110	9,511	8,747	10,725							58,141
001-402	City Manager	16,954	16,648	24,642	16,812	16,832	17,256							109,144
001-403	City Clerk	7,706	7,824	13,539	11,554	7,707	7,465							55,794
001-404	City Attorney	38	10,744	14,288	9,454	13,296	10,241							58,060
001-410	Non-Departmental	188,164	56,919	53,853	60,324	79,408	46,222							484,891
001-420	Finance	14,943	16,271	15,993	15,906	15,767	14,691							93,572
001-501	Police and Fire	284,694	145,833	192,766	144,178	191,470	1,186							960,126
001-510	Library	323	141,996	332	307	219	196							143,373
001-511	Recreation	52,377	59,403	46,594	38,754	31,706	32,691							261,525
001-550	Street Lights	4,794	4,810	4,925	4,882	4,968	3,267							27,645
001-551	Storm Water	2,946	14,540	16,035	9,805	16,489	5,940							65,755
001-552	Public Works - Parks	36,133	17,318	17,001	5,003	35,813	16,572							127,841
001-556	Public Works - Landscape	4,262	4,098	5,083	384	11,540	88							25,456
001-557	Public Works - Engineering		10,538	7,738	9,955	8,325	10,190							46,745
001-558	Public Works - General	31,768	46,099	48,976	43,642	53,817	64,202							288,505
001-565	Planning/Community Dev	45,986	28,549	24,147	26,480	26,807	20,603							172,571
	Transfer to CIP fund 92 (updated in June)													-
	<b>TOTAL EXPENDITURES (ACTUAL THROUGH DEC):</b>	<b>699,778</b>	<b>590,946</b>	<b>497,021</b>	<b>406,952</b>	<b>522,911</b>	<b>261,535</b>	-	-	-	-	-	-	<b>2,979,143</b>

Percentage spent: 43%  
 Budget: 6,999,437

**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: January 26, 2017

Subject: Financial Report for the Second Quarter Ending December 31, 2016

---

**BACKGROUND**

Four times each year, City staff completes a comprehensive analysis of City finances, including projected fund balances, revenues to date, departmental budgets, expenditures, encumbrances and potential budget adjustments. This financial report focuses on the Second Quarter and summarizes the quarter ended December 31, 2016 for the General Fund and Enterprise Funds.

The attached report provides an overview of the current economic outlook on the Local, State and National levels; General Fund revenues, expenditures, projected fund balances; and activity in the two Enterprise Funds. Though this information is not audited and does not contain all the usual periodic adjustments, accruals or disclosures, the information does provide a picture of the City's activity and developing financial trends.

**FISCAL IMPACT**

The Interim financial statement provides the community with an understanding of the financial activity of the City's primary funds.

**RECOMMENDATION**

That the City Council receives, reviews, and files this Second Quarter Financial Report.

**ATTACHMENT**

Attachment 1 - Quarterly Financial Report for the period ending December 31, 2016

# CITY OF BUELLTON



## QUARTERLY FINANCIAL REPORT

Second Quarter Ending December 31, 2016

January 26, 2017

### Overview

The purpose of this financial report is to provide financial information for the City of Buellton. This report focuses on the second quarter of fiscal year 2016-17 and covers the period July 1, 2016 through December 31, 2016. The report is presented quarterly and concentrates on the General Fund and Enterprise Funds. The quarterly financial report presents the City's financial position, considers economic factors and highlights trends based on the City's budget versus what actually occurred during the period. A discussion of other economic factors provides a means of comparing the local economy against larger economic events that may affect the City of Buellton. This quarterly financial report is a valuable tool to the Council, staff and general public.

### US Economy

The Federal Reserve increased its key interest rate by 0.25 percent in December. The rate increase will affect millions of Americans, including home buyers, savers and investors. The Federal Reserve released a new forecast and projects U.S. economic growth in 2017 to be 1.9 percent and 2.1 percent the following year, both slightly better than their previous projection in September. The national unemployment rate was 4.6 percent in November, slightly lower than a year ago at 5 percent. The unemployment rate is an economic indicator about the strength of the job market and the status of household finances. Low unemployment indicates a tight labor market, where employers have a tougher time finding people to fill jobs and often must pay more to attract them. Businesses accumulated \$68.6 billion worth of inventory this quarter, down from \$85.5 billion in the previous quarter.

### State Economy

California's seasonally adjusted unemployment rate fell slightly to 5.3 percent in November 2016, down 0.2 percentage point from October. Civilian employment increased by 47,000 in November to 18,417,000 persons. On a year-over basis, civilian employment was up 551,000 persons (3.1 percent). California's sales and use tax (SUT) increased a quarter-cent in 2012 under Proposition 30, which expires on January 1, 2017. As a result, sales tax rates in California – which vary across cities and counties, currently ranging from 7.5 percent to 10 percent – will drop to the 7.25 percent to 9.75 percent range. The state's lowest rate of 7.25 percent as of January 1, 2017, is the second highest in the nation. Tennessee is highest at 8.5 percent and Washington ranks third at 7 percent.

### City of Buellton

The City's General fund ended the second quarter of 2016-17 with almost \$6.5 Million in fund balance and finished the quarter with about \$6 Million in cash reserves. Assets in the General Fund were reduced at June 30, 2016 because of the dissolution of the Redevelopment Agency. This caused fund balance to be lower than expected at the beginning of the 2016-17 fiscal year. Revenues for the period reached 40 percent of budget while expenditures stayed within appropriations, ending the quarter at 43 percent. The Enterprise funds completed the quarter with negative results. Both funds experienced net operating losses for the quarter. Rate increases in November 2016 are expected to reverse future operating deficits and fund planned capital improvement projects. Details are provided in a later discussion.

**GENERAL FUND**

**General Fund Balance**

The chart below shows that with 50 percent of the year complete, revenues are slightly below projections at 40% while expenditures fell below expected at 43 percent of appropriations. “Revenue versus budget” gaps are explained in the next paragraph.

<b>General Fund - Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	<b>Percent</b>
Balance, at Start of Year	\$ 7,500,000	\$ 6,700,000	
Revenues *	6,999,437	2,774,318	40%
Expenditures *	(6,999,937)	(2,979,143)	43%
Expenditures - Restricted Cash			
Balance, at End of Quarter	<u>\$ 7,499,500</u>	<u>\$ 6,495,175</u>	

The chart below provides summary comparison information on revenues and expenditures for the quarter ending December 31, 2016 versus the prior year quarter ending December 31, 2015. Total revenues are higher in the prior year by almost \$800,000. The major cause of this variance is due to higher Property Tax receipts resulting from a one-time distribution after the Redevelopment dissolution. Expenditures are lower in this fiscal year compared to the prior year by over \$2.5 million. The cause is due to required payouts resulting from the Redevelopment dissolution. Revenue and expenditure activity ended the fiscal year within appropriations and key revenue sources maintained steady streams. Budgeted Capital projects include Storm Drain Cleaning/Retrofit, Facilities Maintenance, Painting of City Hall, City Hall Roof and Restroom Repairs, Village Park improvements, Road Maintenance and Industrial Way Streetlights. Project activity during the quarter included Storm Drains and Industrial Way Streetlights. Painting of City Hall was completed during the previous quarter.

<b>General Fund</b>	<b>2016-17</b>	<b>2015-16</b>	<b>Over (Under)</b>
<b>Revenues:</b>			
Taxes	2,603,771	3,292,717	(688,946)
Fees and Permits	6,771	26,590	(19,819)
Fines and Penalties	6,545	20,250	(13,705)
Charges For Current Services	89,896	96,430	(6,534)
Other Revenues	67,335	95,727	(28,392)
<b>Total Revenues</b>	<u>2,774,318</u>	<u>3,531,714</u>	<u>(757,396)</u>
<b>Expenditures:</b>			
General Government	2,945,966	5,499,510	(2,553,544)
Capital	33,177	35,972	(2,795)
<b>Total Expenditures</b>	<u>2,979,143</u>	<u>5,535,482</u>	<u>(2,556,339)</u>

**Top Five Revenues**

Top Five Revenues	Budget	YTD Actual	Percent
Sales Tax	2,250,000	985,774	44%
TOT	1,850,000	844,790	46%
Property Tax	1,223,000	724,179	59%
MVLF	422,400	-	0%
Franchise Fees	220,000	49,028	22%
Other Revenues	1,034,037	170,547	16%
<b>Total Revenues</b>	<b>6,999,437</b>	<b>2,774,318</b>	<b>40%</b>

**Sales Tax**

Sales Tax is below target because of payment delays during the quarter. Sales Tax payments fluctuate each month in conjunction with seasonal flows and receipts are one month behind. For example, the December revenue has not been received resulting in five months total sales tax to date. The City's Sales Tax is the top revenue source in the General Fund and ended the quarter at 44 percent. Strong revenue streams from local sales tax are expected to increase as new businesses continue to open at the Crossroads Center.

**Transient Occupancy Tax (TOT)**

TOT revenue is less than expected because of the timing of receipts, similar to Sales Tax. Receipts include five months of revenue as of December and based on budgeted levels are expected to exceed target by year-end. Total receipts ended the quarter at 46 percent of expected revenue. Payments for the reporting period are due on the 20<sup>th</sup> of the following month and as previously mentioned, causes revenue streams to lag one month.

**Property Tax**

The City's property tax revenues are received later in the fiscal year at intervals set by the Santa Barbara County Auditor-Controller. Property tax is above target at 59 percent and expected to exceed target by the end of the fiscal year. The City's ongoing share of property tax is expected to increase based on new development in progress.

**Motor Vehicle License Fees**

Payments for 2016-17 have not been received during the second quarter. Allocations from the State of California are paid throughout the fiscal year. The City expects an allocation in January. This revenue source is trending upwards based on historic receipts.

**Franchise Fees**

Franchise fees are received monthly, quarterly and annually. The majority of the City's Franchise Fees are collected from MarBorg Industries, the City's solid waste service provider. Other franchise fees are received from various utilities. Franchise Fees are falling short of budget at 22 percent due to timing of payments but will meet anticipated amounts within the fiscal year.

**Expenditures**

The chart below summarizes operating costs by department and shows that two budget units are over budget. The General fund is within budget at the end of the second quarter for all departments in total.

Department Expenditures	Budget	YTD Actual	% Expended
City Council	131,503	58,141	44%
City Manager	233,381	109,144	47%
City Clerk	116,525	55,794	48%
City Attorney	175,000	58,060	33%
Non-Departmental	1,608,096	484,891	30%
Finance	189,614	93,572	49%
Police and Fire	1,981,688	960,126	48%
Library	148,541	143,373	97%
Recreation	481,904	261,525	54%
Street Lights	55,000	27,645	50%
Storm Water	195,600	65,755	34%
Public Works - Parks	331,000	127,841	39%
Public Works - Landscape	106,000	25,456	24%
Public Works - Engineering	110,000	46,745	42%
Public Works - General	662,771	288,505	44%
Planning (Comm Dev)	473,314	172,570	36%
Transfer to CIP Fund 92	-	-	
<b>Total All Departments</b>	<b>6,999,937</b>	<b>2,979,143</b>	<b>43%</b>

As of December 31, 2016 or 50 percent of the year expended, the General Fund budget ended the quarter at 43 percent spent. Actual General Fund expenditures were under \$3 Million. Almost all Budget Units ended the quarter within budget except for Recreation and Library. The Recreation Department's costs exceeded budget due to increased activity and staffing requirements for seasonal employees. The Library costs will average out by the end of the fiscal year. Total contract costs for the Library are paid in accordance with the contract at the beginning of the fiscal year. The overall General Fund did not experience a budget deficit because numerous departments ended the quarter under budget. CIP projects include Storm Drains, Facilities Maintenance, City Hall Painting and Repairs (Painting of City Hall completed in the prior quarter), Village Park Improvements, Road Maintenance and Industrial Way Streetlights. There are no budget amendments required for the General Fund this quarter.

Expenditures By Type	Budget	YTD Actual	% Expended
Staffing	1,750,451	752,358	43%
Contract Services	2,897,329	1,485,339	51%
Telecomm and Utilities	228,150	112,719	49%
Supplies and Materials	27,950	12,678	45%
Other Operating Costs	2,026,557	580,076	29%
Minor Capital & CIPs	69,500	35,972	52%
<b>Total by Type</b>	<b>6,999,937</b>	<b>2,979,143</b>	<b>43%</b>

The chart above shows General Fund operating costs and minor CIP expenditures summarized by type. With 50 percent of the year expended, all budget categories are within budget with the exception of contract services. This variance is due to the Library contract payment, paid at the beginning of the fiscal year. The overall General Fund operating and minor CIP expenditures adhered to the City's Municipal Budget through the second quarter of 2016-17.

**ENTERPRISE FUNDS**

The Statement of Revenues and Expenses for the second quarter of Fiscal Year 2016-17 are shown below.

**Revenues and Expenses**

<b>Enterprise Funds</b>	<b>Water</b>	<b>Wastewater</b>
Revenues		
Charges for Service	815,080	391,159
Interest Income	1,987	1,805
Total Operating Revenues	817,067	392,964
Other Revenues*	21,528	8,161
Total Revenues	838,595	401,125
Expenses		
Operating	434,843	438,544
Depreciation	80,000	128,000
State Water	448,280	-0-
Total Operating Expenses	963,123	566,544
Operating Profit (Loss)	(146,056)	(165,419)
Transfers Out - CIP	18,883	28,924

\*Connection Fees used for CIP with restrictions; cannot be used for Operating costs.

**Water Fund**

Operating expenditures exceeded operating revenues causing the Water fund to experience a net operating loss of over \$146,000 in the second quarter of Fiscal Year 2016-17 (excludes Connection Fee revenue and Capital Improvement Project expenses). The Water fund utilizes connection fees and reserves to fund Capital Improvement projects (CIPs) which are budgeted at \$500,000 in the current fiscal year. The total CIP budget for fiscal year 2016-17 includes Reservoirs 1 & 2 Improvements, Water Treatment Plant Facilities Improvements, Water Treatment Plant Backwash Reclamation Improvement Project and Water Distribution System Improvements. Water rate increases took place in November 2016. The rate increases will help reverse the operating deficit and fund the capital improvements. The Water Fund ended the second quarter with approximately \$1.6 Million in cash reserves.

**Wastewater Fund**

Operating expenditures exceeded operating revenues causing the Wastewater fund to experience a net operating loss of over \$165,000 in the second quarter of 2016-17 (excludes Connection Fee revenue and Capital Improvement Project expenses). The Sewer fund utilizes connection fees and reserves to fund Capital Improvement projects (CIPs) which are budgeted at \$250,000 in 2016-17. The total CIP budget for fiscal year 2016-17 includes Wastewater Treatment Plant Facilities Improvements, Sewer Collection System Clean (CCTV) and Sewer Line Replacement. Wastewater rate increases took place in November 2016. The rate increases will help reverse the operating deficit and fund the capital improvement projects. The Wastewater fund ended the second quarter with about \$1.4 Million in cash reserves.

**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: Marc Bierdzinski, City Manager

Meeting Date: January 26, 2017

Subject: Ordinance No. 17-02 – “An Ordinance of the City Council of the City of Buellton, California, Amending Section 8.04.030.C of the Buellton Municipal Code Relating to Parking of Recreational Vehicles, Trailers, and Boats” (Introduction and First Reading)

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**BACKGROUND**

The City Council directed staff to prepare an ordinance amending the Municipal Code Section relating to the parking of recreational vehicles, trailers, and boats on private property. Specifically, the City Council asked for the following revisions:

- A maximum storage of two recreational vehicles, trailers, and boats per residential property.
- Such recreational vehicles, trailers, and boats may be stored in side and rear yards screened by a six-foot high fence.
- One recreational vehicle, trailer, or boat may be stored in the front yard subject to the following restrictions:
  - May be located on the third car driveway if the lot has a three-car garage.
  - May be stored on a paved extension to an existing driveway on the short side of the lot with a setback of five feet to all property lines (Attachment 1 is an exhibit showing the area). The City Council originally requested a 10-foot setback from the front property line. However, after looking at a 10-foot setback, staff determined that it would be an unusable area and, therefore, recommends a five-foot setback.

Attached Ordinance No. 17-02 provides the proposed changes to Section 8.04.030.C based on the above direction.

The purpose of the ordinance is to improve the aesthetics and safety of the City’s residential neighborhoods. The presence of large numbers of recreational vehicles, trailers, and boats parked in the front yard open areas of residential neighborhoods can lead to visual blight, which can, in turn, diminish property values. Such outside storage,

if not adequately regulated, can affect sight lines, thus creating potential safety hazards. Research by staff has determined that there are approximately 60 recreational vehicles, trailers, and boats currently being parked or stored outside in the front yards on residential properties in the City. The proposed amendments to the City's nuisance regulations regarding recreational vehicles, trailers, and boats are intended to ensure that such items are parked or stored in an orderly manner that preserves neighborhood aesthetics and public health, safety, and welfare to the greatest extent possible while also allowing property owners to continue parking or storing recreational vehicles, trailers, and boats at their private residences.

### **RECOMMENDATION**

Staff recommends that the City Council consider the introduction and first reading of Ordinance No. 17-02 - "An Ordinance of the City Council of the City of Buellton, California, Amending Section 8.04.030.C of the Buellton Municipal Code Relating to Parking of Recreational Vehicles, Trailers, and Boats" by title only and waive further reading.

### **ATTACHMENTS**

Ordinance No. 17-02  
Attachment 1 – Exhibit Showing Parking Areas

**ORDINANCE NO. 17-02**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, AMENDING SECTION 8.04.030.C OF THE BUELLTON MUNICIPAL CODE RELATING TO PARKING OF RECREATIONAL VEHICLES, TRAILERS, AND BOATS**

**WHEREAS**, the City would like to amend the locational restrictions for parking recreational vehicles, boats, and trailers on private property; and

**WHEREAS**, all legal prerequisites have occurred prior to adoption of this Ordinance.

**THE CITY COUNCIL OF THE CITY OF BUELLTON DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1:** All proceedings having been duly taken as required by law, and upon review of the information provided in the staff report, consideration of the testimony given at the public hearing, as well as other pertinent information, the City Council finds the following:

**A. Record.** Prior to rendering a decision on any aspect of the proposed ordinance amendments, the City Council considered the following:

1. All public testimony, both written and oral, received in conjunction with that certain public hearing conducted by the City Council on January 26, 2017 (“Public Hearing”).
2. All oral, written and visual materials presented by City staff in conjunction with the Public Hearing.
3. The following informational documents which, by this reference, are incorporated herein.
  - a. That certain written report submitted to the City Council dated January 26, 2017 (the “Staff Report”).

**B. Public Review.** On the basis of evidence hereinafter listed, all administrative procedures and public participation requirements prescribed in the Buellton Municipal Code have been lawfully satisfied:

1. A notice was published in a legal section of a newspaper on January 12, 2017 (the “Public Notice”), a minimum of ten (10) days in advance of the Public Hearing conducted on January 26, 2017.

2. The Public Notice was posted in two public locations on January 12, 2017, a minimum of 10 days in advance of the Public Hearing.

- C. **Environmental Clearance.** This project is exempt from the California Environmental Quality Act because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

**SECTION 2:** The following sections of the Buellton Municipal Code are hereby amended, in words and figures, as follows (deletions in strikeout, additions in underline):

**“8.04.030 Public nuisances designated**

C. Improper Parking of Recreational Vehicles, Boats and Trailers. Improper parking of a recreational vehicle, boat or trailer, as set forth in this subsection, shall constitute a public nuisance. In all zones in the city, a recreational vehicle, as defined in Section 19.12.020, boat, or a trailer, as defined in Section 19.12.020, may be parked or stored only in the following manner:

1. A recreational vehicle, boat, or trailer may be parked or stored in any enclosed structure as long as the structure otherwise conforms to the zoning requirements of the particular zone where located.

2.a- Residential Property. ~~No more than two A-recreational vehicles, boats, or trailers may be parked or stored outside of an enclosed structure on~~ a residentially zoned lot. The following locational restrictions shall apply:

a. Two recreational vehicles, boats, or trailers may be parked or stored in the side or rear yard of the property provided that such recreational vehicles, boats, or trailers are screened behind a six-foot high wall or fence, no closer than three feet to any building, structure, and property line (see Figure 8A), and parked or stored on a pad composed of concrete, pavers, compacted base, or gravel.

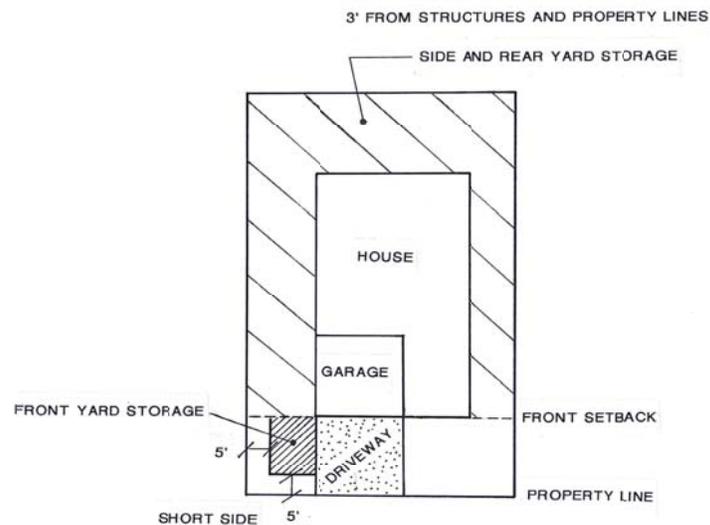


FIGURE 8A

b. One recreational vehicle, boat, or trailer may be parked or stored in the front setback area as follows:

i. If the property has a three-car garage and driveway, the third car portion of the driveway can be used for parking or storage of the recreational vehicle, boat, or trailer; or

ii. An addition to the driveway to the garage may be used for parking or storage of a recreational vehicle, boat, or trailer on the short side of the property as shown in Figure 8A. The parking or storage area can be no closer than five feet to all property lines. The parking or storage pad shall be composed of concrete or pavers. Compacted base or gravel is not permitted.

c. The driveway may be used for temporary parking for loading and unloading for a period not exceeding 72 hours.

~~Within the front yard area or street side yard area, the recreational vehicle, boat, or trailer shall be parked on a surface paved with a minimum of two inches of asphalt, concrete, turf block, or pavers on a suitable base. A gravel surface approved by the planning director may also be permitted. The recreational vehicle, boat, or trailer shall be parked no closer than three feet to the main building and no closer than five feet to the front property line. Only one recreational vehicle, boat, or trailer shall be parked within the front yard area or street side yard area.~~

3b. Commercial/Industrial Property. No registered owner, legal owner, driver, renter, and/or lessee of any recreational vehicle, boat, or trailer shall park or store, or allow the recreational vehicle, boat, or trailer to be parked or stored, on any unpaved surface within the yard or setback areas of any commercial, industrial or vacant lot. The surface upon which a recreational vehicle, boat, or trailer is parked or stored shall provide adequate vehicle support together with dust, weed, and erosion control for the driveway, parking area and area underneath the recreational vehicle, boat, or trailer.

43. No part of the recreational vehicle, boat, or trailer may extend over the public sidewalk or parkway.

54. A recreational vehicle, boat, or trailer shall not be parked or stored in a manner that constitutes a safety hazard or poses a danger to any person.

6. All storage of recreational vehicles, boats, and trailers shall conform to this ordinance within six months of its adoption.”

**SECTION 3:** If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance irrespective of the fact that any one or more sections, subsections, subdivision, sentences, clauses, phrases or portions thereof be declared invalid or unconstitutional.

**SECTION 4:** The City Clerk: (i) shall certify as to the passage of this Ordinance and shall cause the same to be published as required by law; (ii) is hereby authorized and directed to make typographical, grammatical and similar corrections in the final text of the Ordinance so long as such corrections do not constitute substantive changes in context; and (iii) cause the Buellton Municipal Code to be reprinted by adding the language contained within Section 2 of this Ordinance.

**PASSED, APPROVED, AND ADOPTED** this \_\_\_\_ of February, 2017.

\_\_\_\_\_  
Holly Sierra  
Mayor

**ATTEST:**

\_\_\_\_\_  
Linda Reid  
City Clerk

3' FROM STRUCTURES AND PROPERTY LINES

SIDE AND REAR YARD STORAGE

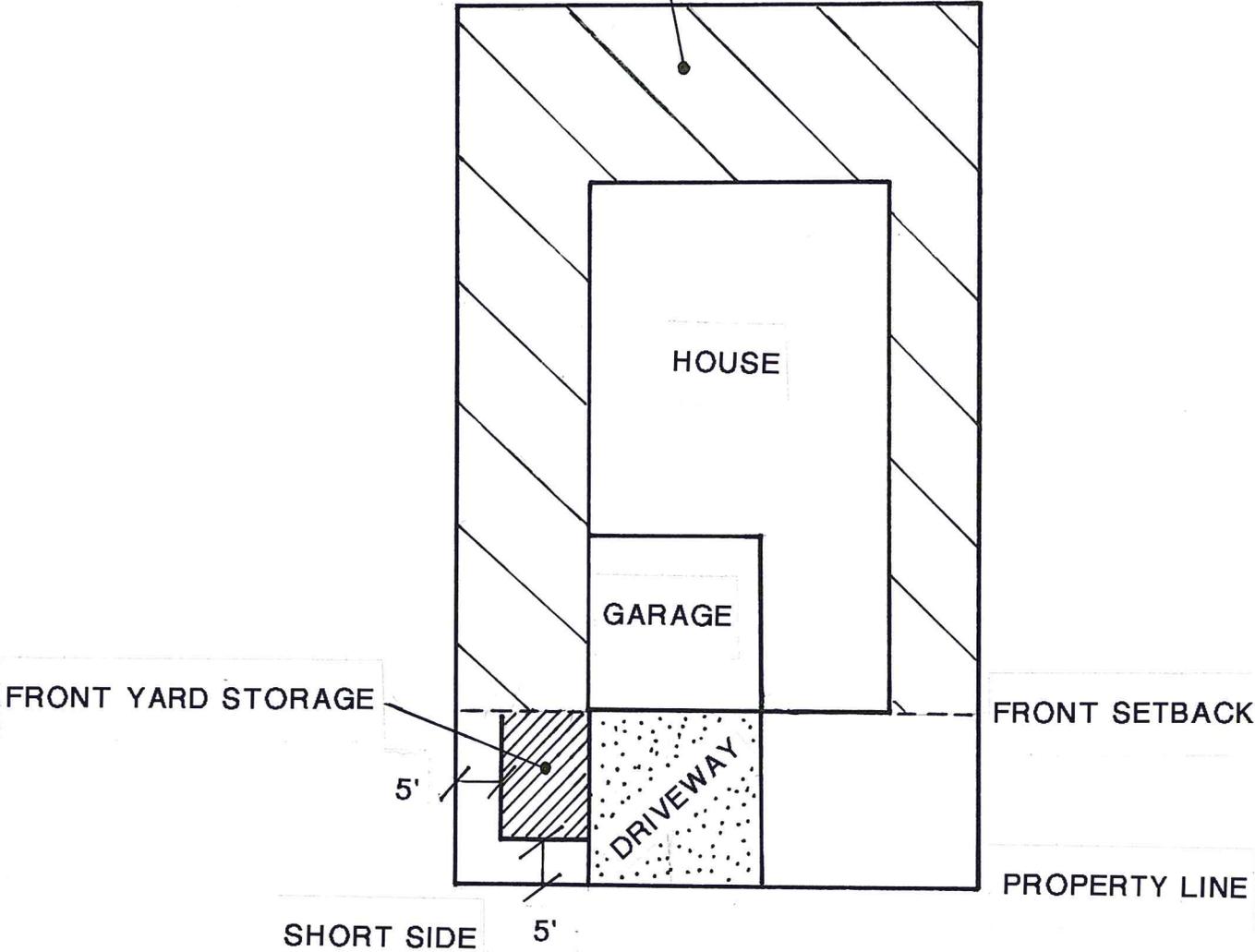


FIGURE 8A

**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: Rose Hess, Public Works Director

Meeting Date: January 26, 2017

Subject: Direction on Downey Circle Water Meter Size Reduction and Costs

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**BACKGROUND**

On September 22, 2016, the City Council conducted a public hearing and approved Resolution No. 16-19 setting forth the increases to monthly water and wastewater rates following the Proposition 218 requirements. The rate increases were based on the study conducted by Water Consultancy which evaluated the operational costs for both water and wastewater including a cost of service allocation. The monthly water meter charges were updated to reflect the volumetric capacity of each meter size. Rates became effective as of November 1, 2016.

Since the implementation of the new rates, staff has received requests from property owners on Downey Circle for additional consideration for their homes. The prior rate for 1” meters was \$26.65. The newly implemented rate for 1” meters is \$86.26. There are 11 homes on Downey Circle, all of which have 1” water meters. These meters were installed at time of construction in 1996. Sizing is assumed to be due to fire sprinklers which were included as amenities during construction.

There are a total of 25 single family residences (including the 11 on Downey Circle) that have 1” water meters. We do not know the basis of need for 1” meters at the various locations. At this point, City staff recommends as an alternative that the Downey Circle Residents (or any property owner within the City faced with the same circumstances) downsize their water meter. The City has an application (Attachment 1) available on the website and at City Hall. Property owners are responsible to ensure that the meter size requested is sufficient to meet their water needs. The costs associated with the request are: 1) the actual meter (based on the requested meter size – for ¾” meter = \$235) and 2) the labor (ranges from 1 man-hour and up) charges on actual time – which is based on each location’s circumstance. Any additional plumbing work, if necessary on the private side would be the responsibility of the property owner.

Staff has contacted the Fire Department regarding the requests and their recommendation is the same as the City's - that the property owner hire a professional to verify their water needs. Based on the building codes in effect at the time of construction, the property owners are not obligated to provide a private fire sprinkler system. This is an issue raised as a concern by one of the Downey Circle residents. At the time of construction of the Downey Circle homes, fire sprinkler requirements were not mandatory in the building code.

To date, the City has received one request to change a water meter by one Downey Circle property owner. The property owner signed the application and waivers and paid the water charge and labor cost for his replacement. Staff has followed up with the resident to see if there have been any issues since the change, of which there were none.

Council may review the information and has the ability to waive the cost of labor and or materials for the Downey Circle properties.

### **FISCAL IMPACT**

Any costs (labor and materials) associated with the reduction of meters on Downey Circle would be absorbed within the current FY 16-17 Water Operations Budget.

### **RECOMMENDATION**

Staff recommends that the City Council review the request by Downey Circle property owners and provide direction to staff to continue to allow the reduction in meter size using the current application (Attachment 1) and consider waiving the meter cost and City staff time to install the meters with the signed applications from Downey Circle property owners.

### **ATTACHMENT**

Attachment 1 – Change of Water Meter Application



# City of Buellton

## CHANGE OF WATER METER APPLICATION

*This application shall be used when property owners request for an increase or decrease of meter size.*

**METER FEE: 3/4" meter = \$235; 1" meter = \$310; 1 1/2" meter = \$1010; 2" meter \$1185  
PLUS Labor charges for actual time to replace the meter, at \$60/hour.**

*(This fee is subject to change as the cost of the actual materials change with the vendors and as personnel costs change.)*

If this request is for an increase, a new Can and Will Serve Request Letter is required and will be subject to additional water/sewer connection fees.

Request Date: _____	Existing Meter Size: _____	Requested Meter Size: _____
Site Address: _____		
APN (Assessor's Parcel Number): _____		
Property Owner's Name: _____ Property Owner's Mailing Address: _____		
Property Owner's Phone No.: _____	Reason for Change: _____	
Property Owner's Email Address: _____		
Type of Property: <input type="checkbox"/> SFR <input type="checkbox"/> MFR <input type="checkbox"/> Commercial: <input type="checkbox"/> Industrial: <input type="checkbox"/> Other:		
Does Property have a sprinkler system connected to water line or is it separate?: _____		
I understand that costs incurred are based on Time and Materials. The deposit paid today may be less than owed and I understand that I will be responsible to pay the difference by my next water bill or water may be shut-off.		Owner's Initials: _____
I am aware that the City will only replace the meter. I understand that I am responsible from the service end of the meter to and through my structure and any improvements necessary to modify my plumbing or fixtures. I understand the City does not guarantee the flow or pressure beyond the meter, and that the change in meter size may have adverse effects on water service, including, without limitation, inadequate flow or pressure. In voluntarily requesting this meter change, I assume all such risks.		Owner's Initials: _____
I understand that it is incumbent upon me to contact a professional to recalculate my flow requirements to service my property, structure, fire service. The City has not, and will not determine my flow requirements.		Owner's Initials: _____

The undersigned property owner further agrees to comply with all rules and regulations of the City of Buellton. The undersigned also agrees to fully release, discharge, indemnify, defend (with counsel reasonably acceptable to Buellton), and hold harmless Buellton, its officers, employees, agents, and volunteers from any claims or liability, including, without limitation, damages, expenses, costs, fines, attorneys' fees, and expert fees, arising, in whole or in part, directly or indirectly, from the change in meter size, including, without limitation, damage caused during installation of the new meters, impacts to private plumbing, fixtures, structures, fire service or any private property due to change in the meter size, and construction activities related to replacing defective or inadequate meters.

Property Owner Name: _____	Deposit Amount Paid: _____
Property Owner Signature: _____	Date Paid: _____

COB STAFF ONLY		
Date Request Submitted: _____	New Meter No: _____ Meter Reading: _____	Date Installed: _____
Labor Cost: _____ Materials Cost: _____	Monies Owed: Date Paid:	Refund Due: Date Paid:

**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: Marc Bierdzinski, City Manager

Meeting Date: January 26, 2017

Subject: Mid-Year Progress Report from the Buellton Visitors Bureau for the Period July 2016 through December 2016

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**BACKGROUND**

Attachment 1 is the required six-month progress report on Visitors Bureau activities from July 2016 through December 2016, as required by the City's contract with the Chamber of Commerce for operation of the Visitors Bureau. The progress report was posted on the City's website. The Visitors Bureau will make a presentation and be available to answer questions from the City Council.

The Chamber is working on putting together the RFQ for hiring the marketing firm pursuant to their new contract. Their plan is to work with a firm to put together the RFQ, review the responses to the RFQ, select a firm, and then come up with the plan to budget and implement in Fiscal Year 17-18. The Chamber has hired a PR Agency to begin outreach to travel writers and respond to media leads following the upcoming trade shows they will be attending.

**RECOMMENDATION**

That the City Council receive the mid-year progress report from the Buellton Visitors Bureau.

**ATTACHMENT**

Attachment 1 – July 2016 through December 2016 Mid-Year Report



## Buellton Visitors Bureau 6 month report (July 2016-December 2016)

The Chamber of Commerce is pleased to have been awarded the renewal of the contract with the City to operate the Visitors Bureau (VB). The contract was renewed in November 2016 and the Visitors Bureau continued the marketing efforts on a month to month basis from July 1, 2016 until the time of the renewal. The following report is of the activities that have occurred in the first 6 months of the fiscal year July 1, 2016 – December 31, 2016.

Buellton is growing and with the expansion new hotel development continues and renovations have either wrapped up or continue to move forward. Occupancy has dipped a little due to a decrease in inventory on the market, but this will improve as renovations reach completion and new rooms come online.

The VB continues to brand Buellton as a place to Eat, Stay, & Play with the addition of, “In Santa Barbara Wine Country”. Our goal with the addition of SB Wine Country is to both identify the close proximity of Buellton to the Santa Barbara and highlight that we are in wine country. Since a majority of travelers are coming for the wine, we feel strongly that we need to begin using the same messaging as our vintners association to provide consistency in our branding.

Our marketing efforts thus far have taken place through a variety of platforms such as: digital, print, social media, and on an individual and cooperative level. The Visitors Bureau continues to market on a domestic and international level attracting tourists from around the globe.

### **Income/Expenses**

Income received from July – December is \$211,514.41. (This is based on TOT collected between May-Oct, '16)

Expenses incurred from July 1 – December 31 are \$177,869.71.

The VB was operating on a month to month basis during a majority of this time frame and was very cautious with spending until a contract was secured.

### **Co-Op**

Canadian Traveler – Partnered with Central Coast Tourism partners to produce a Central Coast section in the Canadian Traveler recognizing the Canadian market as high importance for our region. With the co-op we received 2 (½) pages ad in America Yours to Discover and Explore, 50 thousand run of network online banners, one highlight article, 5 e-blasts and 2 newsletters, along with one full page bonus in the Canadian Traveler.



California Road Trips – Partnered with Central Coast Tourism partners to showcase our region as a destination and a recommended California Road Trip. We were featured in 12 countries with a circulation of 240 thousand and our message was translated in the various languages corresponding with each country. The countries included: China, UK, Mexico, Brazil, Australia, France, Germany, Scandinavia, Italy, Japan, Korea, and India. These guides were also circulated in the California Welcome Centers in the varying languages for our global travelers in market.

### **Print / Digital**

Westways Discover – We partnered with Solvang CVB and Visit SYV to produce a 2 page spread featuring a three day road trip through the Valley for the Discover section of Westways in their March/April edition. We also secured the following 2 pages for our local tourism partners, who received a discounted rate to purchase a 1/6 page ad. This allowed for a 4 page spread highlighting Buellton and the Santa Ynez Valley. Circulation is 500,000 So Cal AAA households with incomes over \$100k.

Yosemite Journal – We partnered with Central Coast Tourism partners to leverage our visibility within the region and cost of advertising. Ad buy included: ½ page ad, ½ page advertorial, in print and digital editions on Nook, iPad, and Kindle. Also included are: integration into Central Coast itineraries, a pin on the California map to identify Buellton’s location, quarterly posts on Facebook, and participation in the Coast to Yosemite Road Trip sweepstakes, which is also promoted on social media. The winner will receive a grand package including overnight stays, attractions, and meals from participating partners. Through this buy, we generate leads which are followed up by sending additional information about Buellton.

SYV Destination Guide – ½ page ad in the Santa Ynez Valley/Solvang Destination guide to continue to brand Buellton as a destination within the Valley, highlighting places to Eat, Stay, and Play. Over 90,000 copies printed and distributed via trade shows, festivals, Visitors Centers, direct mailings in Santa Ynez, SB, and Montecito along with Laguna Beach and Newport Beach. Guides are also delivered to local hotels, museums, and restaurants, UK, Denmark international offices and to cruise ships arriving in Santa Barbara. A digital version of the publication is also available on the VisitSYV and Solvang websites.

Santa Barbara Destination Guide – Full page ad with 100 words advertorial within the Santa Ynez Valley section. 90,000 total distribution, digital publications on SantaBarbaraCA.com (over one million visits yearly), and digital platforms for smart phones and tablet devices. These guides are also displayed in visitor centers, hotels, airports, trade shows, in market and direct mailings.

PCPA – Renewed Rack Brochure listing. Distribution in Display racks throughout the area including visitor centers and hotels. This brochure advertises upcoming plays for the summer season at the Solvang Festival Theater.

Certified Folder – ½ panel ad in the Traveler Info Guide (a free map to visitors). Distribution to 370 visitor locations throughout the state from San Francisco to Ventura. 100,000 copies printed. We also distribute our Buellton Rack Card in the Pismo Welcome Center and Santa Barbara airport through Certified Folder.



California Visitor Guide- New this year, the Central Coast will receive a separate 8 page insert in the CA Visitor Guide. This is the first time the Central Coast will have this pull out section. Buellton participated with other partners to highlight the Central Coast in this section. In addition to the insert we will also have a stand- alone 1/6 page ad in the guide as well. Distribution 500,000 on newsstands, sales missions, consumer and travel trade shows, California Welcome Centers, Visitor Centers, targeted list of spas, salons, professional offices, country clubs, and auto centers nationwide, Sunset, Coastal Living, and Southern Living magazine events. Digital version on Visit CA website with a link to our website.

Wine Country - 15,000 magazines with over 320 locations from Paso Robles to Malibu. Copies are also mailed to Central Valley, LA and Orange Counties and San Francisco South Bay area. Targeting in-market as well as key areas of our market. We have been able to expand our section for Buellton and have added local restaurants and wine tasting rooms to our section to better highlight the wine industry in Buellton.

California Welcome Center (CWC) - Placement of a Ceiling Banner at the CA Welcome Center in Oxnard along with display of collateral materials. Over 30,000 visitors a year, 1800 direct referrals to Buellton, exposure on CWC website with over 129,000 unique visits.

Horizon Travel & Lifestyle –

-(Midwest) ½ page ad and ½ page editorial in the November edition of the Horizon Travel Magazine, inserted into the Wall Street Journal with cover mention. 100,000 distribution.

-(Canada) ½ page ad and ½ page editorial in the January /February 2017 edition of Horizon Travel – Magazine inserted into the Toronto Star with cover mention. 100,000 distribution.

-(California) ½ page ad & ½ page editorial in September California edition of Horizon Travel Magazine, inserted into the Wall Street Journal.

-120 (5) second spots on the ABC Good Morning America Screen in Times Square August 30-September 5.

-10,480 (5) second commercials on 10 screens in the Path in Toronto Sept 1-Sept 30. The PATH is a 29km network of pedestrian tunnels beneath the office towers of downtown Toronto. The Screens are viewed by 100,000 people per day.

-120 (5) second spots on the ABC Good Morning America Screen in Times Square Nov 22-28.

-21,260 (5) second spots on 10 screens in The PATH in Toronto from January 1-February 28. -168 (5) second spots on one screen in Dundas Square from February 1-7. The Dundas Square is a public square in Toronto (similar to Times Square) that hosts music, film, and community events.

-168 (5) second spots on giant LED screen on East Gardiner Expressway at the Canadian National Exhibition which holds events, conventions, and sporting events, from Feb 1-7 with 900 thousand vehicle impressions

This ad buy is to entice visitors in cold climates to come explore Buellton and the Central Coast during the winter or to plan for spring and summer travel. It provides print pieces and digital components to reach the market in multiple forms of media. Digital copies are also available online at [Horizontravelmag.com](http://Horizontravelmag.com) with link to [VisitBuellton.com](http://VisitBuellton.com)



## **Trade Shows**

CA RV Show – Partnered with Highway West Vacations (Flying Flags) to attend this 10 day show. Over 30,000 people attend with the intent to purchase and or shop RV's and discover new destinations. Flying Flags takes an airstream down to showcase to the visitors and show specials and prizes are given out during the show. A full page ad is also placed in the show program that is available to all attendees, RV Dealers, and exhibitors upon entering.

Upcoming shows include Travel & Adventure (San Diego/Los Angeles) and IPW (International Pow Wow). These shows are both consumer and appointment based shows allowing us to reach a national and international market.

Also under this category a new booth display backdrop was designed highlighting Buellton in Santa Barbara Wine Country. This will allow those walking by our booth to quickly identify where Buellton is located and provide for a conversation starter.

Fees for shows and trade show expenses are noted in this category.

## **Economic Development**

ICSC Western Conference – We will be attending the ICSC Monterey coming up in the spring.

Billboard wrap – Changed Billboard south of McMurray Rd to highlight the Scarecrow Fest and Winter Fest events.

Avenue / Hwy 246 Pole Banners – The Visitors Bureau continues to update and upgrade the Avenue Banners to highlight what there is to do in the city, events taking place, and welcome visitors into our community. We recently purchased banners to highlight the 25<sup>th</sup> Anniversary of Buellton. They should be installed in the upcoming weeks.

## **Traffic Counts**

Walk-ins – July – Dec 2015 the Visitors Center welcomed and assisted 1,903 Walk-ins. Visitors from around the globe come into our Visitors Center allowing us to share all there is to do in and around Buellton. The time spent with each visitor varies depending on their needs, but we do our best to assure they have the answers they need. On many occasions we have been able to secure a night stay once they realize all there is to do and see.

Calls & Mailing – July – Dec 2015 the Visitors Center communicated with via phone and/or mail 1010 individuals. We receive requests via phone calls and most often it is through email and leads generated through our marketing efforts.



## Events

Winter Fest - The Visitors Bureau partnered with the Buellton Rec Center, Buellton Senior Center, Buellton Historical Society, Buellton Rotary and the Buellton Chamber of Commerce to host the Buellton Winter Fest. We saw an increased crowd this year with approximately 1000 people attending the festivities. They enjoyed Live Music, food, beer, wine, vendors, 20 tons of snow, a light parade, and the tree lighting. This event continues to grow and has become a tradition for many families, as well as attracted people from out of town who stay the night.

## Sponsorship & Donations

Wheels & Windmills – This car show takes place in Solvang, but originated in Buellton and continues to provide overnight stays in our Buellton hotels.

SCOR Solvang Century Bike Ride – This event has provided overnight stays in Buellton and continues to support our community through the years. We will receive advertising with our sponsorship and have a booth at the event to promote Buellton and hand out giveaways.

Quick Draw & Arts Festival – This event took place in November and for the first time it was hosted at Flag is Up Farms. With it moving from Los Olivos and closer to Buellton, we sponsored for the first time to attract visitors to stay in our lodging properties. There also was a variety of events that took place throughout the weekend including locations in Buellton.

Scarecrow Fest – A Valley-wide event promoting local business and overnight stays. Visitors descend on the Valley to tour and vote for their favorite scarecrows. A winner is selected from each community and entered into the Harvest Cup, the valley-wide winner. This event continues to grow and has attracted return visitors.

We expect more and have budgeted for additional sponsorships in the next 6 months.

## Social Media / E Marketing

Facebook, Twitter, Instagram - The VB contracts with Megan Cullen of Santa Ynez Valley Consulting to manage the social media consisting of Facebook, Twitter, and Instagram. We have increased our number of posts and followers on all platforms and continue to promote #VisitBuellton and @VisitBuellton. Twitter stands at 626 followers, Instagram is at 1669 followers, Facebook is at 1,561 and they continue to grow. Our followers have been engaging with our posts and continue to interact with us.



Meltwater Press – The VB uses this service to track editorial and social media conversations pertaining to Buellton. Relevant conversations may be directed to our newsfeed on the website for site visitors to read. This service also offers a data base of various writers who we may reach out to and submit press releases for further attention and interest.

Madden Media – The VB contracted in the last fiscal year with Madden Media to assist with a digital marketing campaign. The campaign ran from November 1, 2015 to October 31, 2016. This was carried out in various ways. A Content Story was developed, a Facebook Sweepstakes campaign was put together, a feature destination banner ad was created, and a program page was developed for Vacationfun.com. Google ad words and Search Engine Marketing contributed to the total impressions and clicks as well. Through this campaign, we received over 5 million impressions, over 33 thousand clicks and over 3 thousand leads.

The contract with Madden Media has not been renewed for this fiscal year as we are working on the RFQ process which will assist with finding a marketing agency to assist with our digital marketing efforts. Since the contract did not go in effect until November, a great deal of our budget was allocated and/or committed to various advertising buys. We plan to complete the RFQ process this spring and look to budget accordingly for the upcoming fiscal year.

In the interim, we have recently entered into a 6 month contract with 360viewPR to assist with our Public Relations efforts and outreach to Travel writers and journalists around the globe. We are looking forward to working with 360view as they come from a tourism background, are from the SB County so they are familiar with our product, and have great contacts in this industry. More reporting will follow once content is produced and leads are generated, but we feel this is an area of the VB that needs to be developed and feel confident 360view will be able to deliver.

#### **Additional Projects Completed and/or in the process**

Billboard Renovation - The VB most recently completed the renovation of the Billboard north Hwy 154 on the Buell property. This sign was falling apart and in disrepair. We worked with contractors to rebuild the face, install new lighting, and apply a new vinyl so it will last for years to come. Keeping with the look and feel of the previous sign and identifying Buellton as 8 miles ahead, we also realized with GPS that we are losing traffic to Hwy 154 and people are bypassing Buellton completely. We utilized a portion of the sign to inform travelers to, "Stay on 101 for Services and Coastal Access". Our goal is to keep travelers on 101 and into Buellton.

Motion Loft Traffic Sensors – The VB recently had installed 6 traffic sensors throughout Buellton. These sensors will provide a variety of benefits to our city with regards to the study of traffic counts in various parts of town. They depict the number of cars passing certain areas on a daily basis, 24/7 – 365 days a year. We entered into a 4 year contract so we could see the patterns over the course of time before, during, and after construction takes place in various areas of Buellton. This data will be useful in attracting and retaining retailers as well as attracting developers. The sensors are able to provide traffic



counts, time of day, weather, traffic totals, peak hours, and offer comparisons as well. We feel this data will play an important part in the conversation with new businesses looking to come to Buellton and provide the existing ones with data that may help them with their own business. For instance, if we see that traffic is heavy between the hours of 5-6pm and a store closes at 5pm in that same area, they may consider staying open an hour later to attract some of the traffic going by. The VB will be happy to show a demonstration of the system and show the reporting it offers.

Buellton Map – The VB is in the process of updating the map to identify the new dining and lodging properties coming to town. We will also be adding an element of Chinese translation to the map to assist our Asian tourists on their visits to our area.

### **Organizations & Meetings**

We take part in various meetings throughout the year and offer support when needed. The following are organizations, committees, and meetings we are a part of or have attended.

Central Coast Tourism Council (CCTC)– Kathy was recently elected to be a Board Member of this organization and sits on the international marketing committee. This is a dynamic organization consisting of tourism partners from Channel Island/Ventura area up to Santa Cruz/Monterey area. It encompasses the entire Central Coast of California and we come together to market our region as a multiple day destination. The CCTC provides cooperative marketing opportunities and ad buys that would otherwise cost the individuals much more going on their own. We are valued by our State Tourism Office for California and have a strong partnership with them as well.

Economic Vitality Team – This is an organization made up of the Chambers of Commerce in Santa Barbara County to come together as an economic representation for the Santa Barbara County. We work on various items for the county such as; broadband, workforce housing, retail attraction, expansion, and retention and so on. This group meets regularly to discuss the needs in the County and fill a void that was much needed.

Economic Development – We meet with developers looking to come to Buellton and assist with any needs they may have. We offer support at a Council level or even County level if necessary. For instance, we spoke in support of the Zip Line project to be placed at the edge of Buellton and have supported our Vintners Association with respect to the Wine Ordinance. We offer support when we feel it appropriate and necessary for the betterment of Buellton.

Spirit of the Valley – Kathy was a presenter at the Spirit of the Valley education workshop hosted by Visit the SYV. The attendees were employees in the industry working at hotels, restaurants, and tourist attractions. Kathy went over the various things to do and see in Buellton and educated the attendees about Buellton so they may better serve their guests/clients.

Kathy continues to meet on a local level with other tourism bureaus and the Vintners Association to see how they may collaborate on upcoming marketing opportunities, events, or projects.



Coming up in the next half of the year, Kathy has planned to meet with business owners on Industrial Way to form a focus group that will come up with a unique name for that area to use for marketing purposes, similar to the Funk Zone in Santa Barbara.

In conclusion, the Buellton Visitors Bureau continues to market on a domestic and international level working collaboratively with neighboring bureaus, regional partners, and state partners. It is in our best interest to place Buellton as a destination on the Central Coast where you may Eat, Stay, and Play in Santa Barbara Wine Country. We appreciate the opportunity to market Buellton and look forward to growing our audience and visitor traffic to Buellton.

Respectfully Submitted,  
Kathy Vreeland, Executive Director