



# CITY OF BUELLTON

## CITY COUNCIL AGENDA

**Regular Meeting of June 13, 2019 – 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 Holly Sierra

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

Council Members Dave King, Art Mercado, John Sanchez, 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. Public Speakers using a translator are allotted a total of six (6) minutes to speak, unless simultaneous translation equipment is used.

### **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 Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion.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 23, 2019 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19**

3. **Resolution No. 19-15 – “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 2019-20 with the City Council”**  
❖ *(Staff Contact: Finance Director Shannel Zamora)*
4. **Resolution No. 19-16 – “A Resolution of the City Council of the City of Buellton, California, Establishing an Appropriation Limit for Fiscal Year 2019-20”**  
❖ *(Staff Contact: Finance Director Shannel Zamora)*
5. **Approval of Inter-Regional Transit Services: a) Breeze Route 200 Amendment No. 1 and b) Memorandum of Understanding Wine Country Express**  
❖ *(Staff Contact: Public Works Director Rose Hess)*
6. **Van Rental Agreement Between the City of Buellton and the Buellton Union School District**  
❖ *(Staff Contact: Recreation Coordinator Kyle Abello)*
7. **Resolution No. 19-17 “A Resolution of the City Council of the City of Buellton, California, Identifying Signing Authority for Caltrans Documents”**  
❖ *(Staff Contact: Public Works Director Rose Hess)*

## PRESENTATIONS

8. **Recognition of Barbara Knecht’s Dedicated Service to the City of Buellton**

## PUBLIC HEARINGS

(POSSIBLE ACTION)

9. **Resolution No. 19-10 – “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/ITEMS

## WRITTEN COMMUNICATIONS

## COMMITTEE REPORTS

## BUSINESS ITEMS

(POSSIBLE ACTION)

10. **Library Management Services Agreement between the City of Goleta and the City of Buellton**  
❖ *(Staff Contact: City Manager Marc Bierdzinski)*
11. **Resolution No. 19-14 – “A Resolution of the City Council of the City of Buellton, California, Regarding Red Curb Addition and Removal on McMurray Road”**  
❖ *(Staff Contact: Public Works Director Rose Hess)*

- 12. Consideration of a Proposition 68 Grant Application for the Santa Ynez Valley Community Aquatics Park Complex, Conceptual Approval of Joint Use/Lease Agreement with the Santa Ynez Valley Union High School District and the Santa Ynez Valley Community Aquatics Foundation, and Allocation of Proposition 68 Per Capita Program Funds**  
❖ *(Staff Contact: Recreation Coordinator Kyle Abello)*
  
- 13. City Manager Appointment, Approval of City Manager Employment Agreement, and Creation of Medical Expense Reimbursement Agreement**  
❖ *(Staff Contact: City Attorney Greg Murphy)*

**CITY MANAGER’S REPORT**

**CLOSED SESSION ITEMS**

**(POSSIBLE ACTION)**

- 14. Closed Session Pursuant to Government Code Section 54957(b)(1):  
PUBLIC EMPLOYEE APPOINTMENT  
Title: City Manager**

**ADJOURNMENT**

The next regular meeting of the City Council will be held on Thursday, June 27, 2019 at 6:00 p.m.

# CITY OF BUELLTON

**CITY COUNCIL MEETING MINUTES**  
**Regular Meeting of May 23, 2019**  
**City Council Chambers, 140 West Highway 246**  
**Buellton, California**

## CALL TO ORDER

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

## PLEDGE OF ALLEGIANCE

## ROLL CALL

**Present:** Council Members Dave King, Art Mercado, and John Sanchez,  
Vice Mayor Ed Andrisek and Mayor Holly Sierra

**Staff:** City Manager Marc Bierdzinski, City Attorney Greg Murphy,  
Public Works Director Rose Hess, Finance Director Shannel  
Zamora, Planning Director Andrea Keefer, Lt. Eddie Hsueh, and  
City Clerk Linda Reid

## PUBLIC COMMENTS

Carolyn Abate, spoke against a single payer healthcare system.

Shelley Grand, Director of Zaca Center Preschool thanked the City Council for their support of the preschool.

## CONSENT CALENDAR

1. **Minutes of May 13, 2019 Special City Council Meeting**
2. **Minutes of May 9, 2019 Regular City Council Meeting**
3. **List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19**
4. **Monthly Treasurer's Report – April 30, 2019**

### **MOTION:**

Motion by Council Member King, seconded by Council Member Mercado, approving Consent Calendar Items 1 through 4 as listed.

**VOTE:**

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

Council Member King – Yes

Council Member Mercado – Yes

Council Member Sanchez - Yes

Vice Mayor Andrisek – Yes

Mayor Sierra – Yes

**PRESENTATIONS**

None

**PUBLIC HEARINGS**

None

**COUNCIL MEMBER COMMENTS/ITEMS**

Council Member Sanchez announced that he, Mayor Sierra, and Kathy Vreeland attended the Visit Santa Barbara’s 2019 Annual General Meeting and Tourism Celebration at Rosewood Miramar Beach Hotel on May 15.

Vice Mayor Andrisek announced the Veterans of Foreign War Memorial Day Celebration on Monday at 10:00 a.m. in Solvang. Mr. Andrisek questioned why the banners on the Avenue of Flags are not changed regularly. Mr. Bierdzinski stated that Kathy Vreeland is in charge of the banners and is the contact person.

Council Member Andrisek announced that he, Mayor Sierra, Council Member Art Mercado, and staff members attended the Channel Counties League of California Cities dinner in Paso Robles.

Mayor Sierra thanked the City and Council Member Sanchez for collecting children’s bicycles to be refurbished and given to children in need.

Mayor Sierra requested and the Council agreed by consensus to agendaize discussion regarding allowing a CBD testing lab in Buellton.

**WRITTEN COMMUNICATIONS**

None

**COMMITTEE REPORTS**

Council Member Mercado announced that he attended the Buellton Chamber of Commerce Board meeting and provided an oral report regarding the meeting.

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

Mayor Sierra announced that she attended the board meeting for Santa Barbara County Association of Governments (SBCAG) and provided an oral report regarding the meeting. Mayor Sierra also announced that she and staff met with Caltrans to discuss the new medians on Highway 246.

## **BUSINESS ITEMS**

### **5. Contract for Law Enforcement Services Between the County of Santa Barbara and the City of Buellton for Fiscal Year 2019-20**

#### **RECOMMENDATION:**

That the City Council approve the Fiscal Year 2019-20 contract with the County of Santa Barbara for Law Enforcement Services and authorize the Mayor to execute the contract.

#### **STAFF REPORT:**

City Manager Bierdzinski presented the staff report.

#### **DISCUSSION:**

The City Council thanked the Santa Barbara County Sheriff's Department for their service to Buellton and the transparent monthly reports that they provide the Council.

#### **DOCUMENTS:**

Staff report with attachments as listed in the staff report.

#### **MOTION:**

Motion by Council Member King, seconded by Council Member Mercado approving the Fiscal Year 2019-20 contract with the County of Santa Barbara for Law Enforcement Services.

#### **VOTE:**

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

Council Member King – Yes

Council Member Mercado – Yes

Council Member Sanchez - Yes

Vice Mayor Andrisek – Yes

Mayor Sierra – Yes

**6. Resolution No. 19-13 – “A Resolution of the City Council of the City of Buellton, California, Adopting the Biennial Fiscal Year 2019-20 and 2020-21 Budget”**

**RECOMMENDATION:**

That the City Council consider the adoption of Resolution No. 19-13.

**STAFF REPORT:**

Finance Director Zamora presented the staff report.

**DOCUMENTS:**

Staff report with attachment as listed in the staff report.

**SPEAKERS/DISCUSSION:**

The City Council discussed future expenditures such as part-time employees which can be added to the budget through a budget adjustment.

**MOTION:**

Motion by Council Member Mercado, seconded by Council Member King approving Resolution No. 19-13 – “A Resolution of the City Council of the City of Buellton, California, Adopting the Biennial Fiscal Year 2019-20 and 2020-21 Budget”

**VOTE:**

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

Council Member King – Yes

Council Member Mercado – Yes

Council Member Sanchez - Yes

Vice Mayor Andrisek – Yes

Mayor Sierra – Yes

**7. Review and Direction to Staff Regarding Avenue of Flags Median Two Design Plan**

**RECOMMENDATION:**

That the City Council review the draft plans and provide staff with additional recommendations as necessary.

**STAFF REPORT:**

Public Works Director Hess presented the staff report.

**DOCUMENTS:**

Staff report with attachment as listed in the staff report.

**SPEAKERS/DISCUSSION:**

Ron Milligan, Landscape Architect with MNS Engineers discussed the revised design plan for median two on the Avenue of Flags.

Peggy Brierton, Buellton spoke in support of the revised design plan for median two. Ms. Brierton requested that the outside sidewalk be removed and the center walkway be increased in width. She also suggested adding electric car chargers and crosswalks to the plans.

The City Council discussed the following issues:

- Include brighter street lights
- Removing the sidewalk around the outside of the median
- Adding crosswalks to the plan

**DIRECTION:**

The City Council agreed by consensus to approve the Avenue of Flags Median Two Design Plan with changes listed above and directed staff to move forward with more detailed plans for Council review.

8. **Resolution No. 19-12 – "A Resolution of the City Council of the City of Buellton, California, Approving the CalPERS Exception to the 180-Day Wait Period Pursuant to Government Code Sections 7522.56 and 21224"**

**RECOMMENDATION:**

That the City Council consider the adoption of Resolution No. 19-12.

**STAFF REPORT:**

H.R. Director Reid presented the staff report.

**DOCUMENTS:**

Staff report with attachment as listed in the staff report.

**MOTION:**

Motion by Mayor Sierra, seconded by Council Member Mercado approving Resolution No. 19-12 – "A Resolution of the City Council of the City of Buellton, California, Approving the CalPERS Exception to the 180-Day Wait Period Pursuant to Government Code Sections 7522.56 and 21224"

**VOTE:**

Motion failed by a roll call vote of 2-3.

Council Member King – No

Council Member Mercado – Yes

Council Member Sanchez - No

Vice Mayor Andrisek – No

Mayor Sierra – Yes

**CITY MANAGER'S REPORT**

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

**CLOSED SESSION ITEMS**

- 9. Closed Session Pursuant to Government Code Section 54957(b)(1):  
PUBLIC EMPLOYEE APPOINTMENT  
Title: City Manager**

The City Council met in closed session to discuss Item 9. No reportable action was taken.

**ADJOURNMENT**

Mayor Sierra adjourned the regular meeting at 8:23 p.m. The next regular meeting of the City Council will be held on Thursday, June 13, 2019 at 6:00 p.m.

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Holly Sierra  
Mayor

ATTEST:

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Linda Reid  
City Clerk

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 2

To: The Honorable Mayor and City Council

From: Shannel Zamora, Finance Director

Meeting Date: June 13, 2019

Subject: List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2018/19

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**BACKGROUND**

Staff is required to submit a check register to the City Council for approval every council meeting for the most recently completed check register (Attachment 1).

The check register for the period 05/15/2019 through 06/04/2019 has been prepared in accordance to Government Code 37202 and City Code 3.08.070. The check register lists all vendor payments for the specified period above, along with claimant's name, a brief description of the goods or service purchased, amount of demand, check number, check date and the account number(s) associated with each payment.

The total amount of checks, 05/15/2019 through 06/04/2019, and electronic fund transfers issued for the period of 05/15/2019 through 06/04/2019 was \$485,887.51.

**FISCAL IMPACT**

Payments made to the various vendors were consistent with the approved City's Biennial Budget for FY 2017/18 and FY 2018/19. Cash is available for the payment disbursements of the above liabilities.

**RECOMMENDATION**

That the City Council review and accept the check register for the period 05/15/2019 through 06/04/2019.

**ATTACHMENTS**

Attachment 1 – Claims

**CONSOLIDATED CLAIMS DISBURSEMENT**

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

The following is a list of claims for the period of **May 15, 2019 through June 4, 2019** for ratification by the City Council at the **June 13, 2019** City Council Meeting.

**EXHIBIT A - A/P Packets processed**

A/P Packet #APPKT01021	7,154.50
A/P Packet #APPKT01019	87,106.56
A/P Packet #APPKT01016	254,610.18
A/P Packet #APPKT01014	72,847.80
Total A/P Packets:	<u>\$421,719.04</u> (11 pages)

Utility Packet #UBPKT01560 86.02 (1 page)

Total of checks issued: \$421,805.06

**EXHIBIT B - Payments via Electronic Fund Transfer (EFT)**

EFT Total: \$19,472.20

**Payroll processed**

CC Payroll	5/23/2019	2,265.47
Staff Payroll	5/24/2019	42,344.78
Total Payroll:		<u>\$44,610.25</u>

**TOTAL AMOUNT OF CLAIMS:** \$485,887.51

Payments via Electronic Fund Transfer (EFT):  
From 05/15/2019 through 06/04/2019

CalPERS - Classic	5/24/2019	150.94
Payroll Tax - EDD	5/24/2019	108.20
CalPERS - PEPR	5/24/2019	60.57
Payroll Tax - IRS	5/24/2019	70.48
CalPERS - Classic	5/28/2019	5,600.95
Payroll Tax - EDD	5/28/2019	2,923.76
CalPERS - PEPR	5/28/2019	2,906.44
Payroll Tax - IRS	5/28/2019	7,469.56
Bank Fees	5/31/2019	36.30
Bank Fees	6/4/2019	145.00

**Total** 19,472.20



# Check Disbursements - City Council - June 13, 2019

By Payment Number

Payment Dates 05/15/2019 - 06/04/2019

Payment Number	Payment Date	Vendor #	Vendor Name	Account Number	Project Account #	Payment Amount
	Payable Number	Description				Item Amount
37885	5/21/2019	000326	MNS ENGINEERS, INC.			55,377.50
	72660	4/1-30/2019 - CITY ENGINEER/PUBLIC WORKS		025-554-60800		3,052.50
	72661	4/1-30/2019 - CITY/TRANSPORTATION PLANNING		029-557-60800		2,800.00
	72662	4/1-30/2019 - CITY/EASEMENT MAPPING		020-601-60830		4,855.00
	72663	4/1-30/2019 - CITY STORM WATER MANAGEMENT PLAN		001-551-60800		10,767.50
	72664	4/1-30/2019 - CITY/UPDATE WATER		020-601-60830		437.50
	72665	4/1-30/2019 - CITY/MCMURRAY ROAD SIGNAL UPGRADE		092-307-60800		4,057.50
	72666	4/1-30/2019 - PED-SFTY-IMPRVMNTS/HWY246&SYC		092-306-70005		8,475.00
	72667	4/1-30/2019 - BACKFLOW PREVENTION PROGRAM		020-601-60830		4,187.50
	72668	4/1-30/2019 - INDUSTRIAL WAY STREET LIGHTING		092-311-70005		262.50
	72669	4/1-30/2019 - 2018/19 RD MAINT&CTYWDE CNCRTE REP		092-317-70000		437.50
	72670	4/1-30/2019 - MEDIAN 2 PARKING LOT		092-215-70000		7,752.50
	72671	4/1-30/2019 - SD INLET RETROFIT & SAFETY IMPRVMNTS		001-551-60800		8,292.50
37886	5/21/2019	001111	TETRA TECH, INC.			17,470.30
	51432572	EngrngSrvcs->3/29/2019 - Encroachment Permits		025-557-60800		1,542.46
	51432573	EngrngSrvcs->3/29/2019 - Crossroads		001-22416	90010-070	1,476.77
	51432574	EngrngSrvcs->3/29/2019 - Townhomes		001-22416	90021-070	984.94
	51432575	EngrngSrvcs->3/29/2019 - 73 Industrial Way FigMtn		001-22416	90037-070	391.41
	51432576	EngrngSrvcs->3/29/2019 - 5-Acre Bldng @ Ind Way		001-22416	90044-070	688.83
	51432577	EngrngSrvcs->3/29/2019 - NghbrhdPrk/OpnSp@Vlg		001-22416	90017-070	740.33
	51432578	EngrngSrvcs->3/29/2019 - Network @ Industrial Way		001-22416	90044-070	4,140.60
	51439294	EngrngSrvcs->4/26/2019 - Encroachment Permits		025-557-60800		880.69
	51439295	EngrngSrvcs->4/26/2019 - Crossroads		001-22416	90010-070	269.09
	51439296	EngrngSrvcs->4/26/2019 - Townhomes		001-22416	90021-070	440.34
	51439297	EngrngSrvcs->4/26/2019 - 73 Industrial Way FigMtn		001-22416	90037-070	391.42
	51439298	EngrngSrvcs->04/26/2019 - 5-Acre Bldng @ Ind Way		001-22416	90044-070	366.96
	51439300	EngrngSrvcs->4/26/2019 - NghbrhdPrk/OpnSp@ Vlg		001-22416	90017-070	366.96
	51439301	EngrngSrvcs->4/26/2019 - Network@ Industrial Way		001-22416	90044-070	4,789.50
37887	5/22/2019	000005	ABALONE COAST ANALYTICAL, INC.			1,972.50
	4599	APRIL 2019 - WWTP - CHEMICAL ANALYSIS		005-701-61111		1,556.00
	4603	APRIL 2019 - DWTP - CHEMICAL ANALYSIS		020-601-61111		416.50
37888	5/22/2019	011105	ADRIENNE WALTER			54.00
	INV0010622	3/14-5/14/2019 - CYCLE TRAINING		001-511-67140		54.00
37889	5/22/2019	000509	ALAN NEEDHAM dba			18,896.23
	26122	3/26&28/2019 - RVP - E DRAINAGE CHANNEL		001-552-60258		1,200.00
	26180	4/3/2019 - RVP - IRRIGATION REPAIR		001-552-60258		167.93
	26191	APRIL 2019 - MNTHLY LNDSCEPE - PRKS&MEDIANS		001-552-60800		11,200.00
	26191	APRIL 2019 - MNTHLY LNDSCEPE - FACLTIES&STS		001-556-60800		3,960.00
	26277	4/10/2019 - OVP-P3 - DRAINAGE		001-552-60256		1,168.30
	26307	5/1/2019 - RVP - EAST DRAINAGE CHANNEL CLEAN-OUT		001-552-60258		1,200.00
37890	5/22/2019	001367	ANA JARAMILLO			100.00
	INV0010629	5/12/2019 - REFUND RVP SECURITY DEPOSIT		001-22510		100.00
37891	5/22/2019	001365	ANA'S GRAND EXCURSIONS			1,670.33
	INV0010614	5/17/2019 - REC - YELLOWSTONE - GUIDE		001-511-67135	54018-040	1,670.33
37892	5/22/2019	000028	ARAMARK UNIFORM SERVICES INC			601.20
	INV0010610	April 2019 - Mats/Towels Service		001-558-60800		480.96
	INV0010610	April 2019 - Mats/Towels Service		005-701-60800		120.24

Check Disbursements - City Council - June 13, 2019

Payment Dates: 05/15/2019 - 06/04/2019

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account #	Payment Amount Item Amount
37893	5/22/2019 INV0010630	001368 5/11/2019 - REFUND - RVP SECURITY DEPOSIT	ASHLEE MADRID	001-22510		100.00 100.00
37894	5/22/2019 2506 2510	000718 4/22/2019 - DWTP - TECH SRVC - WELL 9 5/2/2019 - WWTP - COMMERCIAL INTERNET SRVC-2018	AUTOSYS, INC.	020-601-60250 005-701-60210		1,837.50 337.50 1,500.00
37895	5/22/2019 INV0010631	001099 5/21/2019 - REIMBURSEMENT - GFOA TREASURY EXAM	Ben Hernandez	001-420-60710		239.98 239.98
37896	5/22/2019 INV0010633	000121 May 2019 - TOT Allocation per Contract	BUELLTON VISITORS BUREAU	001-410-67790		37,500.00 37,500.00
37897	5/22/2019 300002045	000680 JULY2019-JUNE2020 - ANNUAL MEMBERSHIP RENEWAL	CA ASSOC. FOR LOCAL ECONOMIC DVLPMT	001-402-60650		350.00 350.00
37898	5/22/2019 ENVIR00872 PROPO1806 PROPO1806 PROPO1806	000072 7/2019-6/2020 - POLLUTION LIABILITY INS PREMIUM 7/2019-6/2020 - ALL RISK PROPERTY INS POLICY 7/2019-6/2020 - ALL RISK PROPERTY INS POLICY 7/2019-6/2020 - ALL RISK PROPERTY INS POLICY	CA JOINT POWERS INS AUTHORITY	001-15000 001-15000 005-15000 020-15000		23,191.00 1,222.00 7,323.00 7,323.00 7,323.00
37899	5/22/2019 INST156362	000088 5/14/2019 - SUPPLIES - POSTAGE MACHINE	CCI CENTRAL, INC.	001-410-61130		183.35 183.35
37900	5/22/2019 21106	000655 4/10-5/10/2019 - APC REPLACEMENT BATTERIES	COAST NETWORKX, INC.	001-410-72300		141.99 141.99
37901	5/22/2019 852279	000118 4/16/2019 - CH/HR - OVERAGE CHARGES	COASTAL COPY, INC.	001-410-61130		36.87 36.87
37902	5/22/2019 INV0010632	000122 5/18-6/17/2019 - CC CHMBRS - INTERNET SERVICE	COMCAST CABLE	001-410-61292		150.42 150.42
37903	5/22/2019 19-346	000138 4/25/2019 - OVP - LAMPS & BALLASTS	D.L. ELECTRIC, INC.	001-552-60256		227.00 227.00
37904	5/22/2019 INV0010616	000142 APRIL 2019 - MONTHLY JANITORIAL SERVICE	DANIEL FITZGERALD dba	001-558-60800		1,200.00 1,200.00
37905	5/22/2019 INV0010626	011169 3/14-5/14/2019 - BEGINNING VIOLIN	DIANE BYINGTON dba	001-511-67140		28.00 28.00
37906	5/22/2019 94X00002	000598 APRIL 2019 - WWTP - WASTE HANDLING BIO SOLIDS	ENGEL & GRAY, INC.	005-701-60800		7,336.77 7,336.77
37907	5/22/2019 S100002178.001 S100002188.001 S100002539.001 S100002541.001	001364 4/29/2019 - DWTP - MISC MAINT/REPAIR ITEMS 4/29/2019 - DWTP - MISC MAT'LS/SUPPLIES 5/2/2019 - DWTP - MATLS/SUPPLIES 5/2/2019 - MATLS/SUPPLIES	FAMCON PIPE & SUPPLY-SM	092-610-74100 092-610-74100 092-610-74100 092-610-74100		2,888.79 1,450.32 1,457.86 (141.15) 121.76
37908	5/22/2019 37620 37662	000187 5/1/2019 - SAFETY EQUIPMENT 5/2/2019 - MATLS/SUPPLIES	FARM SUPPLY COMPANY	001-558-67600 001-552-60258		70.31 37.24 33.07
37909	5/22/2019 7344981 7420643 7453552 CM304977	000191 4/3/2019 DWTP - Materials 4/24/2019 - DWTP - Materials 4/30/2019 - DWTP - Misc Materials 5/3/2019 - DWTP - Materials	FERGUSON ENTERPRISES, INC #1350	092-610-74100 092-610-74100 092-610-74100 092-610-74100		1,453.90 938.20 392.86 193.96 (71.12)
37910	5/22/2019 F18038	000649 JAN-MAR 2019 - QUARTER MAINT SERVICE	FLUID RESOURCE MANAGEMENT, INC.	005-701-60800		1,655.40 870.40

Check Disbursements - City Council - June 13, 2019

Payment Dates: 05/15/2019 - 06/04/2019

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account #	Payment Amount Item Amount
	W17921	1/24/2019 - ZCGC - LIFT STATION REPAIR		005-701-60250		785.00
37911	5/22/2019 INV0010620	001089 4/9-5/14/2019 - FLOW YO-YOGA	GINA SIGMAN	001-511-67140		108.00 108.00
37912	5/22/2019 11368-OL	001366 5/15/2019 - RVP - WOOD FIBER INSTALLED	JETMULCH INC	001-552-60258		7,206.59 7,206.59
37913	5/22/2019 1297	000395 APRIL 2019 - RVP&OVP - MONTHLY JANITORIAL SERVICE	JOSE RAFAEL RUIZ dba	001-552-60800		1,750.00 1,750.00
37914	5/22/2019 1609	001173 5/13/2019 - WWTP - Tag# 320JD - Vehicle Maintenanc	JV Outdoor Power Equipment	005-701-60270		372.45 372.45
37915	5/22/2019 INV0010624	011300 3/9-4/14/2019 - KUNDALINI YOGA	KAREN PALMER	001-511-67140		28.00 28.00
37916	5/22/2019 INV0010618 INV0010618 INV0010618 INV0010618 INV0010619	000779 4/23/2019 - TKT# 14590 - SEWER PLANT 4/24/2019 - TKT# 14591 - SEWER PLANT 4/17/2019 - TKT# 14589 - 651 CENTRAL 4/25/2019 - TKT# 14592 - HYD VLV - PARK&KAREN 3/19/2019 - TKT# 14578 - 471 CALOR DR	LASH CONSTRUCTION, INC.	005-701-60250 005-701-60250 020-601-60250 092-610-74100 020-601-60250		12,950.61 1,927.05 3,901.93 2,752.93 2,202.35 2,166.35
37917	5/22/2019 142162	000280 5/9/2019 - NtcPblcHrng - Res# 19-10	LEE CENTRAL COAST NEWSPAPERS	001-403-60520		137.67 137.67
37918	5/22/2019 INV0010623	001132 4/9-5/14/2019 - PILATES	MAILE INEMAN	001-511-67140		50.00 50.00
37919	5/22/2019 4609500 4616470	000310 4/30/2019 - WWTP - 11 Yard Roll Off Rental (2) 5/3/2019 - WWTP - Exchng 11 Yard Roll-off (2)	MARBORG INDUSTRIES	092-706-74100 092-706-74100		871.62 130.00 741.62
37920	5/22/2019 INV0010613	001225 5/16/2019 - Planning Commission Meeting	MARCILO SARQUILLA	001-565-50010		50.00 50.00
37921	5/22/2019 INV0010621	011343 4/9-5/14/2019 - YOGA CLASS	MARIANNE MADSEN	001-511-67140		460.00 460.00
37922	5/22/2019 INV0010615 INV0010615	000941 5/17/2019 - REIMBURSEMENT - SHOE INSOLES 5/17/2019 - REIMBURSEMENT - SHOE INSOLES	MICHAEL J. GREEN	001-558-67600 020-601-67600		122.99 61.49 61.50
37923	5/22/2019 INV0010611 INV0010611 INV0010611 INV0010611 INV0010611 INV0010611 INV0010611 INV0010611 INV0010611 INV0010611 INV0010611	000352 4/5-5/6/2019 - Electric Utilities 4/5-5/6/2019 - Electric Utilities	P G & E	001-410-61241 001-501-61241 001-510-61241 001-550-61241 001-552-61241 001-556-61241 001-556-61241 001-565-61241 005-701-61241 020-601-61241		25,971.69 633.52 449.41 204.07 4,410.16 432.08 89.76 195.88 8,236.70 11,320.11
37924	5/22/2019 1347798	000861 5/2/2019 - WWTP - CHEMICAL TREATMENT	POLYDYNE INC.	005-701-61111		1,304.80 1,304.80
37925	5/22/2019 INV0010612	001327 5/16/2019 - Planning Commissioner Meeting	ROBERT PAUL BLOKDYK	001-565-50010		50.00 50.00
37926	5/22/2019 1109	001354 APRIL 2019 - WWTP - SALARIES FOR OPERATION	SANTA YNEZ COMMUNITY SERVICES	005-701-60830		2,031.58 2,031.58

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Payment Amount	
					Project Account #	Item Amount
37927	5/22/2019	000438	SANTA YNEZ VALLEY HARDWARE			603.05
	INV0010609	April 2019 - Misc Maint/Repair		001-552-60256		49.04
	INV0010609	April 2019 - Misc Maint/Repair		001-558-60250		19.37
	INV0010609	April 2019 - Misc Maint/Repair		001-558-61140		70.51
	INV0010609	April 2019 - Misc Maint/Repair		005-701-60250		295.15
	INV0010609	April 2019 - Mat'ls/Supplies		005-701-61140		143.23
	INV0010609	April 2019 - Misc Maint/Repair		020-601-61127		25.75
37928	5/22/2019	000894	Santa Ynez Valley Hotel Assn., Inc. dba			35,130.55
	CM0000132	APRIL 2019 - TBID - ADMIN FEES		001-44250		(716.95)
	INV0010634	APRIL 2019 - SYVTBID		001-22160		35,847.50
37929	5/22/2019	000448	SB CO FIRE DEPARTMENT			51,476.00
	M19-052	FY2018-20 Q4 (Apr,May&June)-Firefighter/Paramedic		001-501-60810		51,476.00
37930	5/22/2019	000450	SB CO SHERIFF'S DEPARTMENT			4,573.67
	18-5089	3/9/2019 - SECURITY - SCOR BIKE RIDE		001-501-60800		4,573.67
37931	5/22/2019	000465	SP MAINTENANCE SERVICES, INC.			2,516.50
	70710	APRIL 2019 - STREET SWEEPING SERVICES		001-558-60800		2,516.50
37932	5/22/2019	000489	STEVE'S WHEEL & TIRE			688.69
	1-74788	5/3/2019 - VEHICLE MAINTENANCE		005-701-60270		344.35
	1-74788	5/3/2019 - VEHICLE MAINTENANCE		020-601-60270		344.34
37933	5/22/2019	011475	SUE EISAGUIRRE dba			120.00
	INV0010625	4/11-5/14/2019 - NATURE TRACK		001-511-67140		120.00
37934	5/22/2019	000979	THADDEUS JECKELL			98.00
	INV0010627	4/9-5/14/2019 - WRESTLING		001-511-67140		98.00
37935	5/22/2019	011491	THOMAS CHAMBERLAIN			420.00
	INV0010628	4/18-5/14/2019 - ARCHERY		001-511-67140		420.00
37936	5/22/2019	000529	TRANSFIRST HEALTH & GOVERNMENT SVCS			259.23
	ARINV107660	April 2019 - REC - CC Merchant Fees		001-410-60900		259.23
37937	5/22/2019	000535	UNDERGROUND SERVICE ALERT			28.15
	420190069	APRIL 2019 - NEWTKTCHRGs/MNTHLYDBMAINTFEE		005-701-60800		14.07
	420190069	APRIL 2019 - NEWTKTCHRGs/MNTHLYDBMAINTFEE		020-601-60800		14.08
37938	5/22/2019	000551	VALLEY TOOL RENTALS			53.34
	17823.1.1	5/1/2019 - PW - NO PARKING SIGNS		001-558-60560		53.34
37939	5/22/2019	000556	VERIZON WIRELESS			565.07
	9829694427	5/9-6/8/2019 - WIRELESS PHONE SERVICE		001-410-67705		66.45
	9829694427	5/9-6/8/2019 - WIRELESS PHONE SERVICE		001-511-61290		36.84
	9829694427	5/9-6/8/2019 - WIRELESS PHONE SERVICE		001-558-67705		127.04
	9829694427	5/9-6/8/2019 - WIRELESS PHONE SERVICE		005-701-67705		167.23
	9829694427	5/9-6/8/2019 - WIRELESS PHONE SERVICE		020-601-67705		167.51
37940	5/22/2019	001207	WAGeworks INC.			141.00
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		001-401-50400		21.69
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		001-402-50400		10.85
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		001-403-50400		10.85
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		001-420-50400		18.52
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		001-511-50400		19.25
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		001-558-50400		17.35
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		001-565-50400		9.45
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		005-701-50400		16.52
	INV1406228	April 2019 - FSA/AFLAC Admin Fees		020-601-50400		16.52
37941	5/22/2019	000768	WEX BANK			2,585.39
	58976960	APRIL 2019 - FUEL CHARGES		001-511-61280		877.41

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Payment Number	Payment Date	Vendor #	Vendor Name	Account Number	Project Account #	Payment Amount
	Payable Number	Description				Item Amount
	58976960	APRIL 2019 - FUEL CHARGES		001-558-61280		569.32
	58976960	APRIL 2019 - FUEL CHARGES		005-701-61280		569.33
	58976960	APRIL 2019 - FUEL CHARGES		020-601-61280		569.33
37943	5/29/2019	000509	ALAN NEEDHAM dba			394.40
	26330	4/25&26/2019 - ZCGC - IRRIGATION REPAIR		001-552-60255		394.40
37944	5/29/2019	000718	AUTOSYS, INC.			5,872.50
	2519	5/15-16/2019 - DWTP - IT Programming		020-601-60800		1,885.00
	2520	5/17-21/2019 - WWTP SCADA - IT Programming		005-701-60800		3,987.50
37945	5/29/2019	001214	AVAYA Financial Services			384.38
	33528014	JUNE 2019 - TELEPHONE SYSTEM LEASE		001-410-60310		384.38
37946	5/29/2019	000065	BURKE, WILLIAMS & SORENSEN, LLP			13,976.50
	240910	APRIL 2019 - RETAINER - LEGAL SERVICES		001-404-60840		10,250.00
	240911	APRIL 2019 - RETAINER - LEGAL SERVICES		001-404-60840		3,726.50
37947	5/29/2019	000090	CalPERS LONG-TERM CARE PROGRAM			84.25
	12881092	2019-05-16 - CALPERS Long Term Care Program		001-22166		84.25
37948	5/29/2019	000112	CLARK PEST CONTROL			159.00
	23932381	5/21/2019 - PD/LIB - PEST CONTROL		001-558-60800		159.00
37949	5/29/2019	000122	COMCAST CABLE			176.22
	INV0010672	5/25-6/24/2019 - REC - TELEPHONE/INTERNET SERVICE		001-511-61290		176.22
37950	5/29/2019	000122	COMCAST CABLE			286.01
	INV0010671	5/26-6/25/2019 - CH/PLNG - INTERNET SERVICES		001-410-61292		286.01
37951	5/29/2019	001340	D&H Water Systems Inc.			42,568.79
	I2019-0579	5/22/2019 - DWTP - GAS SYSTEM		092-603-74100		42,568.79
37952	5/29/2019	000176	EXCLUSIVE ALARMS INC			95.00
	08526	5/22/2019 - CH - SERVICE CALL PANIC TRANSMITTERS		001-558-60250		95.00
37953	5/29/2019	001364	FAMCON PIPE & SUPPLY-SM			237.73
	S100003683.001	5/16/2019 - DWTP - PIPE 8"		092-610-74100		237.73
37954	5/29/2019	000191	FERGUSON ENTERPRISES, INC #1350			161.63
	7547226	5/23/2019 - DWTP - HYDRANT PARTS		092-610-74100		161.63
37955	5/29/2019	000193	FIRST NATIONAL BANK OF OMAHA			7,369.78
	INV0010675	K ABELLO - CC THROUGH 5/16/2019		001-511-60800		79.95
	INV0010675	K ABELLO - CC THROUGH 5/16/2019		001-511-67140		1,632.62
	INV0010676	M BIERDZINSKI - CC THROUGH 5/16/2019		001-402-60710		382.60
	INV0010676	M BIERDZINSKI - CC THROUGH 5/16/2019		001-410-60900		230.92
	INV0010676	M BIERDZINSKI - CC THROUGH 5/16/2019		001-565-60650		407.88
	INV0010677	R HESS - CC THROUGH 5/16/2019		001-558-60250		49.28
	INV0010677	R HESS - CC THROUGH 5/16/2019		001-558-60710		21.21
	INV0010677	R HESS - CC THROUGH 5/16/2019		001-558-61127		357.95
	INV0010677	R HESS - CC THROUGH 5/16/2019		005-701-60250		49.27
	INV0010677	R HESS - CC THROUGH 5/16/2019		005-701-60710		500.12
	INV0010677	R HESS - CC THROUGH 5/16/2019		005-701-61140		87.85
	INV0010677	R HESS - CC THROUGH 5/16/2019		020-601-60250		49.27
	INV0010678	A KEEFER - CC THROUGH 5/16/2019		001-565-60710		60.00
	INV0010679	B KNECHT - CC THROUGH 5/16/2019		001-511-60210		155.88
	INV0010679	B KNECHT - CC THROUGH 5/16/2019		001-511-60250		21.54
	INV0010679	B KNECHT - CC THROUGH 5/16/2019		001-511-60800		90.00
	INV0010679	B KNECHT - CC THROUGH 5/16/2019		001-511-67135		1,048.37
	INV0010679	B KNECHT - CC THROUGH 5/16/2019		001-511-67135	54028-040	201.25
	INV0010679	B KNECHT - CC THROUGH 5/16/2019		001-511-67135		113.67
	INV0010679	B KNECHT - CC THROUGH 5/16/2019		001-511-67140		78.17
	INV0010680	A MERCADO - CC THROUGH 5/16/2019		001-401-60710		236.58

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Payment Amount	
					Project Account #	Item Amount
	INV0010681	L REID - CC THROUGH 5/16/2019		001-401-61130		133.80
	INV0010681	L REID - CC THROUGH 5/16/2019		001-403-60710		314.12
	INV0010681	L REID - CC THROUGH 5/16/2019		001-410-60900		366.27
	INV0010682	H SIERRA - CC THROUGH 5/16/2019		001-401-60710		85.00
	INV0010683	P SMITH - CC THROUGH 5/16/2019		001-511-60250		107.55
	INV0010683	P SMITH - CC THROUGH 5/16/2019		001-511-67140		160.00
	INV0010684	S ZAMORA - CC THROUGH 5/16/2019		001-558-60710		348.66
37957	5/29/2019	001040	FRONTIER COMMUNICATIONS			1,846.66
	INV0010670	5/19-6/18/2019 - TELEPHONE SERVICES		001-410-67705		342.74
	INV0010670	5/19-6/18/2019 - TELEPHONE SERVICES		001-565-67705		411.20
	INV0010670	5/19-6/18/2019 - TELEPHONE SERVICES		005-701-67705		578.61
	INV0010670	5/19-6/18/2019 - TELEPHONE SERVICES		020-601-67705		514.11
37958	5/29/2019	000543	HD SUPPLY FACILITIES MAINTENANCE, LTD.			1,509.80
	897271	5/15/2019 - WWTP - MAT'L/SUPPLY		005-701-73500		1,509.80
37959	5/29/2019	001369	JACK OWEN, JR.			100.00
	INV0010667	3/12/2019 - PLNG - ADMIN HRNG OFFICER		001-565-60800		50.00
	INV0010668	3/12/2019 - PLNG - ADMIN HEARING OFFICER		001-565-60800		50.00
37960	5/29/2019	000248	JCI JONES CHEMICALS, INC.			2,182.91
	789368	5/22/2019 - WTP - CHEMICALS (BOL#582673)		020-601-61111		2,632.91
	CM789394	5/22/2019 - WTP - BOL# 582673 RTND 3 MT		020-601-61111		(450.00)
37961	5/29/2019	000252	JIM VREELAND FORD			66.25
	26034	4/16/2019 - REC - VEHICLE MAINTENANCE		001-511-60270		66.25
37962	5/29/2019	000395	JOSE RAFAEL RUIZ dba			390.00
	1315	5/12&19/2019 - RVP - CLN BBQ GRILLS/PU TRASH		001-552-60800		390.00
37963	5/29/2019	000273	KURT GREER			362.08
	INV0010674	5/28/2019 - REIMBURSEMENT - PANTS(2) & BOOTS		005-701-60131		200.00
	INV0010674	5/28/2019 - REIMBURSEMENT - PANTS(2) & BOOTS		005-701-67600		162.08
37964	5/29/2019	000310	MARBORG INDUSTRIES			786.70
	4607487	4/30/2019 - WWTP - 11 YD ROLL-OFF		092-706-74100		786.70
37965	5/29/2019	000330	MONTE'S AUTO BODY, INC.			3,838.04
	37646-CITY BUELL	5/21/2019 - PW - VEHICLE REPAIR		020-601-60270		3,838.04
37966	5/29/2019	000801	O'REILLY AUTOMOTIVE STORES, INC.			18.31
	4372-434052	11/8/2018 - PW - MISC MAT'L/SUPPLIES		020-601-61127		18.31
37967	5/29/2019	000380	PRAXAIR DISTRIBUTION, INC.			49.75
	89521390	4/20-5/20/2019 - WWTP - CYLINDER RENTAL		005-701-61111		49.75
37968	5/29/2019	000390	QUINN COMPANY			1,440.00
	WO030043604	5/20/2019 - EQUIP REPAIR		001-558-60270		480.00
	WO030043604	5/20/2019 - EQUIP REPAIR		005-701-60270		480.00
	WO030043604	5/20/2019 - EQUIP REPAIR		020-601-60270		480.00
37969	5/29/2019	000432	SANTA BARBARA NEWS-PRESS			233.25
	INV0010673	6/14/19-6/14/20 - ANNUAL SUBSCRIPTION RENEWAL		001-410-60650		233.25
37970	5/29/2019	001116	SANTA YNEZ VALLEY STAR			128.00
	4164	5/21/2019 - RED - AD - MAY B ISSUE		001-511-60510		128.00
37971	5/29/2019	000681	STATEWIDE TRAFFIC SAFETY & SIGNS, INC.			93.70
	03012947	5/7/2019 - PW - SIGNS		001-558-60560		93.70
37972	5/29/2019	000521	TODD PIPE & SUPPLY			508.11
	INV0010669	APRIL 2019 - MISC MAINT/REPAIR ITEMS		001-552-60258		41.82
	INV0010669	APRIL 2019 - MISC MAINT/REPAIR ITEMS		001-558-60250		12.02
	INV0010669	APRIL 2019 - MISC MAINT/REPAIR ITEMS		020-601-60250		308.16

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	INV0010669	APRIL 2019 - MISC MAINT/REPAIR ITEMS		020-601-60270		96.24
	INV0010669	APRIL 2019 - MISC MATL/SUPPLIES		020-601-61127		49.87
37973	5/29/2019 INV00011792-062	000582 JUNE 2019 - HOA - 597 AOF #101	VINTAGE WALK, LLC OWNERS ASSOC.	001-410-60900		124.00 124.00
37974	5/29/2019 01-1348436	000563 5/22/2019 - PO - DOOR REPAIRS	VORTEX INDUSTRIES, INC.	001-558-60250		1,183.00 1,183.00
37975	5/29/2019 69635034	001063 JUNE 2019 - CH - COPIER LEASE	Wells Fargo Vendor Fin Serv	001-410-60310		340.81 340.81
37976	5/29/2019 69658723	001063 JUNE 2019 - REC - COPIER LEASE	Wells Fargo Vendor Fin Serv	001-511-60310		139.00 139.00
37977	6/4/2019 INV0010697	001184 May 2019 - Misc Supplies	ALBERTSONS/SAFEWAY	001-511-67140		30.00 30.00
37978	6/4/2019 INV0010691	000105 4/25-5/25/2019 - Irrigation - 595 2nd/OakVllyPark	CITY OF BUELLTON	001-552-61211		1,126.75 1,126.75
37979	6/4/2019 21135 21146	000655 5/28/2019 - Tkt# T2019-0529-0037-Trblsht Tyler Sys June 2019 - Guardian Monthly Service	COAST NETWORK, INC.	001-410-60210 001-410-60210		1,045.00 250.00 795.00
37980	6/4/2019 854072 855019	000118 4/18-5/17/2019 - #7975/8092/8079-CpierOvrgrs 4/29-5/28/2019 - REC - Copies Overages	COASTAL COPY, INC.	001-410-61130 001-511-61130		555.79 460.59 95.20
37981	6/4/2019 INV0010695	000122 5/29-6/28/2019 - WWTP - Internet Services	COMCAST CABLE	005-701-60210		236.01 236.01
37982	6/4/2019 INV0010685	001145 June 2019 - Membership Renewal	Costco Wholesale	001-410-60650		240.00 240.00
37983	6/4/2019 INV0010696 INV0010696 INV0010696	000172 May2019-Msgs/June2019-MsgSrvc May2019-Msgs/June2019-MsgSrvc May2019-Msgs/June2019-MsgSrvc	ECHO COMMUNICATIONS	001-558-60800 005-701-60800 020-601-60800		120.30 40.10 40.10 40.10
37984	6/4/2019 INV0010690	001370 2019-05-23 - REFUND - RVP - SECURITY DEPOSIT	Family Service Agency of Santa Barbara	001-22510		400.00 400.00
37985	6/4/2019 142991	000280 5/23/2019-PW-NtclnvtngBids-PedImprvmnts-246/Syc	LEE CENTRAL COAST NEWSPAPERS	001-403-60520		229.32 229.32
37986	6/4/2019 143033	000280 5/23/2019 - Plng - NtcPblcHrng (19-TE-02)	LEE CENTRAL COAST NEWSPAPERS	001-565-60520		171.51 171.51
37987	6/4/2019 142964	000280 5/23/2019-PW-NtclnvtngBids-2018-19 RoadMaintPrjct	LEE CENTRAL COAST NEWSPAPERS	001-403-60520		226.50 226.50
37988	6/4/2019 3991	000353 May 2019 - COB Website Maintenance	MICHAEL J. BOGGESS dba	001-410-61292		100.00 100.00
37989	6/4/2019 INV0010693	001371 5/25/2019 - REFUND - RVP - SECURITY DEPOSIT	Montserrat Pineda	001-22510		200.00 200.00
37990	6/4/2019 INV0010692 INV0010692	000379 June 2019 - Utility Billing - Postage June 2019 - Utility Billing - Postage	POSTMASTER	005-701-61131 020-601-61131		520.00 260.00 260.00
37991	6/4/2019 4224	001116 6/3/2019 - REC - Advertisement - June A Issue	SANTA YNEZ VALLEY STAR	001-511-60510		128.00 128.00

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37992	6/4/2019 AI06190062	000706 Srvc->5/31/2019 - Iridium SIM Card - GSA Plan	SATCOM GLOBAL, INC.	001-410-60014		50.79 50.79
37993	6/4/2019 1932	000892 5/22/2019 - REC - Camp T-shirts	SC incorporated	001-511-67140	51004-040	781.91 781.91
37994	6/4/2019 INV0010694	000507 4/25-5/24/2019 - VB - Utilities Gas	SoCalGas	001-410-61230		3.00 3.00
37995	6/4/2019 INV0010686	000507 4/26-5/23/2019 - CH - Utility Gas	SoCalGas	001-410-61230		21.31 21.31
37996	6/4/2019 INV0010687	000507 4/26-5/23/2019 - LIB - Utilities Gas	SoCalGas	001-510-61230		17.33 17.33
37997	6/4/2019 INV0010688 INV0010688 INV0010688	000978 4/16-5/15/2019 - Misc Office Supplies 4/16-5/15/2019 - Misc Office Supplies 4/16-5/15/2019 - Misc Office Supplies	Staples Credit Plan	001-403-61130 001-410-61130 001-511-67140		356.77 54.30 255.10 47.37
37998	6/4/2019 INV0010689 INV0010689 INV0010689 INV0010689	000521 May 2019 - Misc Maint/Repair Items May 2019 - Misc Maint/Repair Items May 2019 - Misc Maint/Repair Items May 2019 - Misc Maint/Repair Items	TODD PIPE & SUPPLY	001-410-60900 001-552-60258 020-601-61140 092-610-74100		111.87 7.68 35.58 67.44 1.17
37999	6/4/2019 385864228	000904 5/20-6/20/2019 - PLNG - Copier Lease	US BANK EQUIPMENT FINANCE	001-565-60310		482.34 482.34
<b>Payment Total:</b>						<b>421,719.04</b>

## Report Summary

### Fund Summary

Fund	Payment Amount
001 - General Fund	249,543.95
005 - Sewer Fund	46,956.89
020 - Water Fund	44,784.87
025 - Gas Tax Fund	5,475.65
029 - Transportation Planning	2,800.00
092 - Capital Improvement Proj Fund	72,157.68
<b>Grand Total:</b>	<b>421,719.04</b>

### Account Summary

Account Number	Account Name	Payment Amount
001-15000	Pre-Paid Expense	8,545.00
001-22160	SYVTBID Payable	35,847.50
001-22166	Long-Term Care Deduction	84.25
001-22416	Developer Deposit	15,047.15
001-22510	Park/Damage Charge	800.00
001-401-50400	Medical Benefit	21.69
001-401-60710	Travel & Training	321.58
001-401-61130	Office Supplies	133.80
001-402-50400	Medical Benefit	10.85
001-402-60650	Membership & Publications	350.00
001-402-60710	Travel & Training	382.60
001-403-50400	Medical Benefit	10.85
001-403-60520	Advertising - Legal	593.49
001-403-60710	Travel & Training	314.12
001-403-61130	Office Supplies	54.30
001-404-60840	Contract Services-Legal Fees	13,976.50
001-410-60014	Emergency Operations	50.79
001-410-60210	Computer Maintenance &Software	1,045.00
001-410-60310	Equipment Rental	725.19
001-410-60650	Membership & Publications	473.25
001-410-60900	Miscellaneous/CalPERS Unfunded Liability	988.10
001-410-61130	Office Supplies	935.91
001-410-61230	Utilities - Gas	24.31
001-410-61241	Utilities - Electric	633.52
001-410-61292	Internet Access/ Website Maint	536.43
001-410-67705	Telephone	409.19
001-410-67790	Visitors Bureau	37,500.00
001-410-72300	Computer Equipment	141.99
001-420-50400	Medical Benefit	18.52
001-420-60710	Travel & Training	239.98
001-44250	Miscellaneous	(716.95)
001-501-60800	Contract Services	4,573.67
001-501-60810	Contract Services - Fire Dept	51,476.00
001-501-61241	Utilities - Electric	449.41
001-510-61230	Utilities - Gas	17.33
001-510-61241	Utilities - Electric	204.07
001-511-50400	Medical Benefit	19.25
001-511-60210	Computer Maint & Software	155.88
001-511-60250	Maintenance/Repair	129.09
001-511-60270	Maintenance-Vehicles	66.25
001-511-60310	Equipment Rental	139.00
001-511-60510	Advertising	256.00
001-511-60800	Contract Services	169.95
001-511-61130	Office Supplies	95.20
001-511-61280	Fuel-Vehicles	877.41
001-511-61290	Telephone/Internet	213.06
001-511-67135	Buellton Rec Program Trips	3,033.62

## Account Summary

Account Number	Account Name	Payment Amount
001-511-67140	Buellton Recreation Program	4,096.07
001-550-61241	Utilities - Electric	4,410.16
001-551-60800	Contract Services	19,060.00
001-552-60255	Maintenance/Repair-Golf Course	394.40
001-552-60256	Maintenance/Repair-Oak Park	1,444.34
001-552-60258	Maintenance/Repair-River View	9,884.99
001-552-60800	Contract Services	13,340.00
001-552-61211	Utilities - Water	1,126.75
001-552-61241	Utilities - Electric	432.08
001-556-60800	Contract Services	3,960.00
001-556-61241	Utilities - Electric	89.76
001-558-50400	Medical Benefit	17.35
001-558-60250	Maintenance / Repair	1,358.67
001-558-60270	Maintenance - Vehicles	480.00
001-558-60560	Signs	147.04
001-558-60710	Travel & Training	369.87
001-558-60800	Contract Services	4,396.56
001-558-61127	Tools	357.95
001-558-61140	Operational Supplies	70.51
001-558-61280	Fuel - Vehicles	569.32
001-558-67600	Safety Equipment	98.73
001-558-67705	Telephone	127.04
001-565-50010	Planning Commission Salaries	100.00
001-565-50400	Medical Benefit	9.45
001-565-60310	Equipment Rental	482.34
001-565-60520	Advertising - Legal	171.51
001-565-60650	Membership & Publications	407.88
001-565-60710	Travel & Training	60.00
001-565-60800	Contract Services	100.00
001-565-61241	Utilities - Electric	195.88
001-565-67705	Telephone	411.20
005-15000	Pre-Paid Expense	7,323.00
005-701-50400	Medical Benefit	16.52
005-701-60131	Laundry / Uniforms	200.00
005-701-60210	Computer Maintenance &Software	1,736.01
005-701-60250	Maintenance / Repair	6,958.40
005-701-60270	Maintenance - Vehicles	1,196.80
005-701-60710	Travel & Training	500.12
005-701-60800	Contract Services	12,369.08
005-701-60830	Contract Services-Engineering	2,031.58
005-701-61111	Chemicals / Analysis	2,910.55
005-701-61131	Postage	260.00
005-701-61140	Operational Supplies	231.08
005-701-61241	Utilities - Electric	8,236.70
005-701-61280	Fuel - Vehicles	569.33
005-701-67600	Safety Equipment	162.08
005-701-67705	Telephone	745.84
005-701-73500	Equipment	1,509.80
020-15000	Pre-Paid Expense	7,323.00
020-601-50400	Medical Benefit	16.52
020-601-60250	Maintenance / Repair	5,614.21
020-601-60270	Maintenance - Vehicles	4,758.62
020-601-60800	Contract Services	1,939.18
020-601-60830	Contract Services-Engineering	9,480.00
020-601-61111	Chemicals / Analysis	2,599.41
020-601-61127	Tools	93.93
020-601-61131	Postage	260.00
020-601-61140	Operational Supplies	67.44

**Account Summary**

Account Number	Account Name	Payment Amount
020-601-61241	Utilities - Electric	11,320.11
020-601-61280	Fuel - Vehicles	569.33
020-601-67600	Safety Equipment	61.50
020-601-67705	Telephone	681.62
025-554-60800	Contract Services	3,052.50
025-557-60800	Contract Services	2,423.15
029-557-60800	Contract Services	2,800.00
092-215-70000	Conceptual Plan and Feasibility	7,752.50
092-306-70005	Design and Permitting	8,475.00
092-307-60800	Contract Services	4,057.50
092-311-70005	Design and Permitting	262.50
092-317-70000	Conceptual Plan and Feasibility	437.50
092-603-74100	Construction and Improvements	42,568.79
092-610-74100	Construction and Improvements	6,945.57
092-706-74100	Construction and Improvements	1,658.32
<b>Grand Total:</b>		<b>421,719.04</b>

**Project Account Summary**

Project Account Key		Payment Amount
**None**		404,018.40
51004-040	Summer Camp 2019	781.91
54018-040	Yellowstone National Park 5/28-6/3/19	1,670.33
54028-040	Dodgers vs Diamondbacks 8/11/19	201.25
90010-070	Crossroads Ctr at The Village	1,745.86
90017-070	Village Park	1,107.29
90021-070	Village Capital Pacific Townhomes	1,425.28
90037-070	Fig Mountain Brewing	782.83
90044-070	The Industrial Network	9,985.89
<b>Grand Total:</b>		<b>421,719.04</b>



UBPKT01562 - Refunds 01 UBPKT01560 Regular

Account	Name	Date	Check #	Amount	Code	Receipt	Amount	Type
10-05400-002	TROESTER, RUSSEL & KRISTINE	5/28/2019	37942	86.02			86.02	Generated From Billing
<b>Total Refunds: 1</b>			<b>Total Refunded Amount:</b>	86.02				

**Revenue Code Summary**

Revenue Code	Amount
996 - UNAPPLIED CREDITS	86.02
<b>Revenue Total:</b>	86.02

**General Ledger Distribution**

Posting Date: 05/28/2019

Account Number	Account Name	Posting Amount	IFT
<b>Fund: 020 - WATER FUND</b>			
020-10000	Claim On Pooled Cash	-86.02	Yes
020-22420	Unapplied Credits	86.02	
		<b>020 Total:</b>	0.00
<b>Fund: 999 - POOLED CASH</b>			
999-10001	Pooled Cash - General Checking	-86.02	
999-27000	Due To Other Funds	86.02	Yes
		<b>999 Total:</b>	0.00
		<b>Distribution Total:</b>	0.00

**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: Shannel Zamora, Finance Director

Meeting Date: June 13, 2019

Subject: Resolution No. 19-15 – “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 2019-20 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. 19-15 and 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. The City’s Investment Portfolio as of May 2019 is shown in the following table:

	Percent of Portfolio	Yield	Maturity Term	Maturity Date	Par Value	Market Value
<b>Local Agency Investment Fund - LAIF</b>	86.40%	2.55%	n/a	n/a	\$8,372,076.64	\$ 8,372,076.64
<b>Certificates of Deposits</b>						
<b>(Held with Multi-Securities Bank)</b>						
Direct Federal Credit Union	1.03%	2.75%	16 mo.	1/24/2020	100,000.00	100,210.00
Goldman Sachs Bank	2.06%	2.75%	2 yrs.	5/11/2020	200,000.00	200,566.00
Wells Fargo Bank	2.57%	2.25%	5 yrs.	8/16/2022	249,000.00	246,141.48
Sallie Mae Bank	1.03%	3.20%	5 yrs.	5/9/2023	100,000.00	102,002.00
First Technoloy Bank Fed Cr Un	1.06%	3.60%	5 yrs.	12/26/2023	103,000.00	106,782.16
First Technoloy Bank Fed Cr Un	1.03%	3.35%	5 yrs.	2/6/2024	100,000.00	102,592.00
Comenity Cap Bank	1.65%	2.80%	5yrs.	4/15/2024	160,000.00	160,118.40
Morgan Stanley Bank	1.03%	2.75%	5 yrs.	5/2/2024	100,000.00	99,817.00
<b>Multi-Securities Bank - Cash in Holding</b>						119,342.98
<b>Money Market (Held with Rabobank)</b>	2.13%	0.20%		n/a	206,333.30	206,333.30
<b>Total City Investments</b>	<u>100.00%</u>	5.24%			<u>\$9,690,409.94</u>	<u>\$ 9,815,981.96</u>

**FISCAL IMPACT**

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

**RECOMMENDATION**

That the City Council consider adoption of Resolution No. 19-15 - “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 2019-20 with the City Council”

**ATTACHMENTS**

Resolution No. 19-15 (Exhibit A)

**RESOLUTION NO. 19-15**

**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 2019-20 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 2019-20 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 13th day of June, 2019.

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Holly Sierra  
Mayor

ATTEST:

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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 Rabobank 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: Shannel Zamora, Finance Director

Meeting Date: June 13, 2019

Subject: Resolution No. 19-16 – “A Resolution of the City Council of the City of Buellton, California, Establishing an Appropriation Limit for Fiscal Year 2019-20”

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**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 limitation for Fiscal Year 2019-20 is \$12,806,233. The Gann spending limitation is calculated by taking the prior year’s limitation of \$12,018,978 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 \$7,173,919 which is under than the appropriation limit by \$5,632,314.

Therefore, the City of Buellton is in compliance with Article XIII-B of the California Constitution for Fiscal Year 2019-20. 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.

Under Government Code section 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 consider adoption of Resolution No. 19-16 – “A Resolution of the City Council of the City of Buellton, California, Establishing an Appropriation Limit for Fiscal Year 2019-20”

**ATTACHMENTS**

Resolution No. 19-16 (Exhibit A)  
Attachment 1 - Letter dated May 2019 from California Department of Finance

**RESOLUTION NO. 19-16**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, ESTABLISHING AN APPROPRIATION LIMIT FOR FISCAL YEAR 2019-20**

**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 the 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; 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 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 2019-20 and is hereby set forth as Exhibit "A" in the amount of \$12,806,233.

**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 13th day of June, 2019.

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Holly Sierra  
Mayor

ATTEST:

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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 2019-20**

**Appropriations Subject to Limitation**

Fiscal year 2019-20 adopted revenues	\$9,130,888
Less:	
Non-proceeds of tax	(1,540,969)
Qualified Capital Outlay*	(416,000)
Plus:	
User-fees in excess of costs	-
	<hr/>
Total Appropriations Subject to limitation	<u>\$7,173,919</u>

**Appropriations Limit**

Fiscal year 2018-19 appropriation limit, adopted	\$ 12,018,978
A. California per Capita adjustment	1.0385
B. Population adjustment	<u>1.0260</u>
Change factor (A X B)	1.0655
Increase in appropriation limit	<u>\$ 787,255</u>
Fiscal year 2019-20 appropriation limit	<u>\$12,806,233</u>

*\*Qualified Capital Outlay: Appropriation for a fixed asset with a useful life of 10 years or more and a value which equals or exceeds \$100,000.*



DEPARTMENT OF  
**FINANCE**

GAVIN NEWSOM - GOVERNOR  
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 2019

Dear Fiscal Officer:

**Subject: Price Factor and Population Information**

### **Appropriations Limit**

California Revenue and Taxation Code section 2227 requires the Department of 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, 2019, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2019-20. 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 2019-20 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the 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. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section 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 requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

### **Population Certification**

The population certification program applies only to cities and counties. California 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, 2019.**

**Please Note:** The 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.

KEELY BOSLER  
Director  
By:

Vivek Viswanathan  
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 2019-20 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2019-20	3.85

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

**2019-20:**

Per Capita Cost of Living Change = 3.85 percent  
 Population Change = 0.47 percent

Per Capita Cost of Living converted to a ratio:  $\frac{3.85 + 100}{100} = 1.0385$

Population converted to a ratio:  $\frac{0.47 + 100}{100} = 1.0047$

Calculation of factor for FY 2019-20:  $1.0385 \times 1.0047 = 1.0434$

Fiscal Year 2019-20

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019**

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	2018-2019	1-1-18	1-1-19	1-1-2019
Santa Barbara				
Buellton	2.60	5,315	5,453	5,453
Carpinteria	-0.60	13,762	13,680	13,680
Goleta	1.80	32,179	32,759	32,759
Guadalupe	2.60	7,640	7,839	7,839
Lompoc	-0.57	40,994	40,759	43,649
Santa Barbara	0.25	93,279	93,512	93,532
Santa Maria	0.67	106,645	107,356	107,356
Solvang	-0.46	5,849	5,822	5,822
Unincorporated	0.28	141,476	141,866	144,503
County Total	0.43	447,139	449,046	454,593

\*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: Rose Hess, Public Works Director

Meeting Date: June 13, 2019

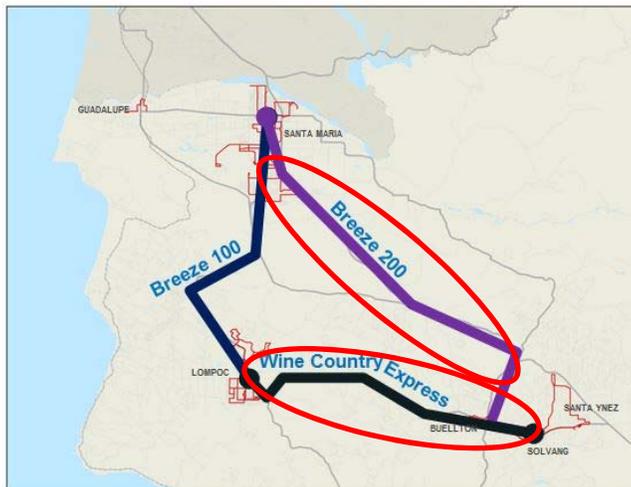
Subject: Approval of Inter-Regional Transit Services: a) Breeze Route 200 Amendment No. 1 and b) Memorandum of Understanding Wine Country Express

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**BACKGROUND**

Three inter-regional transit services currently connect the urbanized areas of the northern Santa Barbara 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, 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 these services.

Each of the MOUs establishes a working group consisting of city and county staff as well as a representative from SBCAG, to review service performance and assure the viability of service, operating efficiency and achieving a 20% farebox ratio. The Breeze Route 200 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 City of Buellton only participates in the Breeze Route 200 and the Wine Country Express transit routes. The MOU for the Wine Country Express is recommended to continue for five additional years, or until June 30, 2024. The MOU for the Breeze Route 200 has not yet been finalized amongst all the cooperating partners, therefore an Amendment No.1 is being recommended to extend the existing MOU for a period of 1 year.

The following are additional information for each of the routes Buellton is a partner to:

**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 2018: approximately 5,552
- 2018 Farebox Recovery Ratio: 20%
- Estimated Cost to Operate in FY 2019/20: \$33,000 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 2018: approximately 11,500
- 2013 Farebox Recovery Ratio: 20%
- Estimated Cost to Operate in FY 2019/20: \$20,000 per funding partner

**FISCAL IMPACT**

The City of Buellton's estimated annual share of transit operations for the two transit services is \$55,000 (\$20,000 for Wine Country Express and \$33,000 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 adopted 2019/20-2020/21 Budget.

**RECOMMENDATION**

That the City Council approve and authorize the Mayor to execute a) Amendment No. 1 for Breeze Route 200 and b) the MOU for Wine Country Express.

**ATTACHMENTS**

Attachment 1 – Breeze Route 200 Amendment No. 1  
Attachment 2 – Wine Country Express Memorandum of Understanding

## AMENDMENT #1 to

### MEMORANDUM OF UNDERSTANDING FOR BREEZE ROUTE 200

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

This Amendment #1 to the Memorandum of Understanding (“MOU”), dated May July 1, 2014, by and between the City of Santa Maria, City of Solvang, City of Buellton, County of Santa Barbara, and Santa Barbara County Association of Governments (“SBCAG”), collectively referred to as “the Parties,” for the funding and operation of the transit service known as the “Breeze” is hereby agreed to by the Parties

A. Section #1 of MOU is amended as follows and shall go into effect on the date this Amendment #1 is fully executed by all parties.

#### **1. Project Description**

The Breeze Route Continue Project (“PROJECT”) will provide regularly scheduled, fixed-route, intercity bus service between Santa Maria, 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 seventy-two (72) 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 2020, contingent on the availability of funding.

B. This Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

C. In all other respects, the MOU and amendments shall remain unchanged and in full force and effect.

**[Signatures commence on Page 2]**

IN WITNESS WHEREOF, the parties have executed this Amendment:

**CITY OF BUELLTON**

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

\_\_\_\_\_  
Date

Approved as to Form:

By:\_\_\_\_\_

Greg Murphy, City Attorney for City of Buellton

**[Signatures continued on Page 3]**

**CITY OF SOLVANG**

\_\_\_\_\_  
Ryan Toussaint, Mayor

\_\_\_\_\_  
Date

Approved as to Form:

By: \_\_\_\_\_

Counsel for City of Solvang

**[Signatures continued on Page 4]**

**CITY OF SANTA MARIA**

\_\_\_\_\_  
Kevin P. McCune, Director of Public Works

\_\_\_\_\_  
Date

**ATTEST**

**By:** \_\_\_\_\_

Approved as to Form:

CITY ATTORNEY

By: \_\_\_\_\_  
Philip F. Sinco  
Assistant City Attorney

**[Signatures continued from Page 5]**

**COUNTY OF SANTA BARBARA**

\_\_\_\_\_

\_\_\_\_\_

Date

ATTEST:

By: \_\_\_\_\_  
Clerk of the Board

Approved as to Form:  
DENNIS A. MARSHALL,  
COUNTY COUNSEL

By: \_\_\_\_\_  
, Senior Deputy,

Robert W. Geis,  
Auditor-Controller

By: \_\_\_\_\_

Risk Management  
Ray Aromatorio,

By: \_\_\_\_\_  
Risk Manager

**[Signatures continued on Page 6]**

**SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS**

\_\_\_\_\_  
Alice Patino, Chair

\_\_\_\_\_  
Date

ATTEST

By: \_\_\_\_\_

Marjie Kirn, Executive Director

Approved as to Form:  
DENNIS A. MARSHALL,  
COUNTY COUNSEL

By: \_\_\_\_\_  
William M. Dillon, Senior Deputy,  
Counsel for SBCAG

**[End of Signatures]**

**WINE COUNTRY EXPRESS**  
**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE CITIES OF LOMPOC, BUELLTON, AND SOLVANG AND**  
**THE COUNTY OF SANTA BARBARA**

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

**Effective Date: On or about July 1, 2019**

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”), the County of Santa Barbara, a local governmental State agency (the “County”), **collectively referred to herein as “FUNDING PARTNERS”**, 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 service 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. Description**

The Wine Country Express Continuation Project (the “SERVICE”) will provide regularly-scheduled, fixed-route, intercity bus service between Lompoc, Buellton, and Solvang. The SERVICE 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 on July 1, 2019, or on the date when all **PARTIES** have signed this MOU, whichever occurs later. This MOU will remain in effect until June 30, 2024, contingent on the availability of funding and service performance.

## **2. Lead Agency**

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

## **3. Service**

This MOU contains the budget, funding obligations, and performance requirements for the SERVICE. Annual performance measures for the term of the SERVICE will provide thresholds to gauge the SERVICE’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 this 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 **SERVICE** 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 of 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 SERVICE will operate six days a week, Monday through Saturday. To the extent practicable, the services will provide, as possible, 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 SERVICE will operate a minimum of three (3) round-trips per day in the morning, mid-day and afternoon. Service may be expanded above minimum levels with the unanimous approval of the FUNDING PARTNERS. The service shall include stops in Lompoc, Buellton and 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 SERVICE, after deducting all passenger and other operating revenue, Federal Transit Administration and other grants.

The primary source of funding for the SERVICE will be Transportation Development Act funds. Lompoc, Buellton, Solvang and the County will provide Transportation Development Act funds or Local Measure A funds as matching funds, or other local funding if it becomes available. If additional 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 SERVICE.

Lompoc will, on an annual basis, provide an annual projection to the **PARTIES** for the net operating costs, after deducting passenger fares and other operating revenue and operating assistance from any state and federal grants for the purpose of the SERVICE. The annual projection will also include the vehicle replacement costs and infrastructure costs specific to operate the SERVICE. The annual projection will be equally divided to each PARTY as their contribution. **PARTIES** agree to commit their respective Transportation Development Act and/or Local Measure A apportionments for the operation of the SERVICE and vehicle replacements for this SERVICE. This allocation is subject to PARTIES respective governing bodies

## 9. Securing Funding

The **PARTIES** will work cooperatively to pursue other federal or state grant opportunities where appropriate for the SERVICE 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. Lompoc may seek assistance from the other PARTIES with preparation of grant applications

If a local match is required to receive grant funding, then 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. Lompoc will prepare and distribute the annual report to PARTIES upon receiving its' year-end closeout information.

## 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 or longer if required by any granting agency providing funds for the Service. 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. Working Group

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

- Lompoc
- Santa Barbara County
- Buellton
- Solvang

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

SBCAG shall be a non-voting member unless a majority vote to remove. Additional non-voting members may be added and removed by majority vote.

The Working Group will meet as necessary to discuss the performance and make recommendations on the SERVICE.

### **13. Performance Measures**

The Working Group, shall develop performance measures and evaluate the effectiveness of the service based on the following performance measures:

- Fare box 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

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 SERVICE will evaluate performance reports prepared by Lompoc based on performance indicators for the service annually.

### **14. Bus Equipment**

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

Lompoc shall utilize a bus from the City of Lompoc Transit (Colt) fleet for the operation of the PROJECT. A projected replacement service life for this bus shall be five (5) years at which time the contributions from the PARTIES shall be used for that purchase.

### **15. Service Contracting**

Lompoc will prepare any Request for Proposals (RFP) needed for the provision of operating services by a CONTRACTOR for the SERVICE. 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 SERVICE. Lompoc will be responsible for the sale of advertising, if any, on the SERVICE. Proceeds from such advertising shall be included in the operating revenues of the Service.

### **16. Fares**

One-way fares for the service will be \$2.00 for adults and \$1.00 for seniors and persons with disabilities. Monthly passes will be \$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 the approval of Lompoc City Council to maintain performance mandates.

## **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. Amendment**

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

## **19. Termination**

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

## **20. Integration**

This Agreement represents the entire and integrated agreement among **THE PARTIES** and supersedes any and all other negotiations, representations, and 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.

## **21. 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.

## **22. 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.

## **23. Warranty of Authority**

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

## **24. 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.

## **25. 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**.

## **26. 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**

Aviation/Transportation Administrator  
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, 2<sup>nd</sup> Floor  
Santa Barbara, CA 93101

**27. 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 Holly Sierra

\_\_\_\_\_  
Date

Approved as to Form:

Greg Murphy

City Attorney for City of Buellton

By:\_\_\_\_\_

Greg Murphy, City Attorney for City of Buellton

**CITY OF LOMPOC**

\_\_\_\_\_  
Mayor Janelle Osborne

\_\_\_\_\_  
Date

**ATTEST**

**By:** \_\_\_\_\_

Approved as to Form:

Jeff Malawy

City Attorney

By: \_\_\_\_\_

Jeff Malawy, City Attorney

**CITY OF SOLVANG**

\_\_\_\_\_  
Mayor Ryan Toussaint

\_\_\_\_\_  
Date

**ATTEST**

**By:** \_\_\_\_\_

Approved as to Form:

Dave Fleishman

City Attorney

By: \_\_\_\_\_

Dave Fleishman, 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

## 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 **PARTIES** 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 elected officials, 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 **PARTIES**.

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 the **PARTIES** and their elected officials, 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 elected officials, 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 **PARTY** and any other insured or additional insured under the policy.

7. Proof of Coverage –CONTRACTOR shall furnish Certificates of Insurance to the **PARTIES** 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 **PARTIES**, 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.:     6

To: The Honorable Mayor and City Council

From: Kyle Abello, Recreation Coordinator

Meeting date: June 13, 2019

Subject: Van Rental Agreement Between the City of Buellton and the  
Buellton Union School District

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**BACKGROUND**

The Summer Day Camp operated by the Buellton Recreation Department involves field trips and activities with the children. In order to accommodate as many children as possible for these field trips, additional vehicles are needed from time to time beyond the passenger buses owned by the City. The Buellton Union School District has offered the rental of their nine passenger van. The attached agreement (Attachment 1) identifies the conditions of use, costs, liability, and insurance responsibilities.

**FISCAL IMPACT**

The rental fee to be paid by the City of Buellton to the Buellton Union School District is \$0.58 per mile. It is estimated that the rental fee for the entire summer will be approximately \$650.

**RECOMMENDATION**

That the City Council consider approval of the Van Rental Agreement between the City of Buellton and the Buellton Union School District.

**ATTACHMENTS**

Attachment 1-Van Rental Agreement

## RENTAL AGREEMENT

Buellton Union School District  
and  
City of Buellton

This **RENTAL AGREEMENT** (“Agreement”) is made and entered into effective on the \_\_\_th day of \_\_\_\_, 2019, by and between the CITY OF BUELLTON, a California municipal corporation (“City”) and the BUELLTON UNION SCHOOL DISTRICT, a school district duly organized and operated under the laws of the State of California (“District”).

### 1. **RECITALS:**

- A. The District owns one nine-passenger van (“Van”), which the District is willing to rent to the City.
- B. The City operates a Summer recreation program/camp for children.
- C. The City recognizes the need for an additional van for transporting children in the Summer recreation program to various locations for camp activities.

### 2. **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions contained herein, the City and the District agree as follows:

- A. Use of Van by City
  - 1. The District hereby grants to the City the right and privilege of using the Van, for public, community and/or recreational purposes in accordance with the terms and conditions of this Agreement and in accordance with applicable law.
  - 2. The Van shall be rented to the City at the cost of \$0.58 per mile to be paid within 30 days of receipt of invoice.
  - 3. In the event the District’s governing Board should determine that City’s use of the Van is inconsistent with District’s use of the Van for school purposes or that City’s use interferes with the education programs and activities of District, the Parties agree to resolve such dispute pursuant to Section 9 of this Agreement.

4. The District and the City agree that they will share in the use of said Van and will coordinate the times and programs necessary to allow the best appropriate use of the Van.
5. The City will enroll the drivers in the DMV pull notice program.

B. Maintenance and Repair

1. The District shall pay for the recurring costs of operating, maintaining, and repairing the Van. The City and District agree, to the extent possible, to each be responsible for, and to perform, the day-to-day maintenance and clean-up of their respective uses and activities of the Van and to coordinate such maintenance and repair efforts to best serve the purposes and intent of this Agreement.

3. Term

The term of this Agreement shall be for the duration of the Buellton Recreation Program/Camps from June 10, 2019 through June 30, 2020.

4. Indemnification and Insurance

A. The City agrees to and does hereby indemnify, hold harmless and defend the District, its governing board, its officers, agents and employees from every claim or demand or expense of any nature whatsoever, including but not limited to injury to or death of person(s) or damage to any property which arises as a result of the negligence or willful misconduct of the City, its officers, agents or employees in the performance of this Agreement.

B. The District agrees to and does hereby indemnify, hold harmless and defend the City, its City Council members, its officers, agents and employees from every claim or demand or expense of any nature whatsoever, including but not limited to injury to or death of person(s) or damage to any property which arises as a result of the negligence or willful misconduct of the District, its officers, agents or employees in the performance of this Agreement.

E.

1. The City and the District each agree to maintain comprehensive general liability insurance either through an insurance carrier licensed to do business in the State of California or through a joint powers insurance authority with the amount of said

insurance required to be at least \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate.

2. The City and the District each agree to maintain automobile liability insurance either through an insurance carrier licensed to do business in the State of California or through a joint powers insurance authority with the amount of said insurance required to be at least \$1,000,000.00 per accident.
3. The City and the District each agree to provide 30 days written notice to the other party if it proposes any substitution, change, or other modification of the aforementioned insurance coverage which will result in a decrease in the scope or the amount of such coverage.

**5. Notices**

Any notices to be given hereunder by either party to the other in writing may be effected either by personal delivery or by mail. Mailed notices shall be addressed to the address of the parties to be notified which appears below, but each party may change its address by written notice given in accordance with this paragraph. Notices delivered personally will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated and received as of 10 calendar days following the date of mailing of the notice.

CITY OF BUELLTON

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

BUELLTON UNION  
SCHOOL DISTRICT

Buellton Union School District  
Attn: Superintendent  
301 Second Street  
P. O. Box 75  
Buellton, CA 93427

**6. Entire Agreement**

This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to the subject matter of this Agreement, and contains all of the covenants

**7. Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the State of California. Any legal action in which enforcement of the terms and conditions of this Agreement is requested, or in which it is alleged that a breach of this Agreement has taken place, shall be filed and prosecuted in the County of Santa Barbara, California.

**8. Breach of Agreement**

If either party defaults in the performance of any of the terms or conditions of this Agreement, it shall have 30 days after service upon it of written notice of such default in which to cure the default by rendering a satisfactory performance. In the event that the defaulting party fails to cure its default within such period of time, the non-defaulting party shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity, or under this Agreement. This failure of a party to object to any default in the performance of the terms and conditions of this Agreement shall not constitute a waiver of either that term or condition or any other term or condition of this Agreement.

**9. Dispute Resolution**

In the event of a dispute pertaining to the agreement, the City and the District shall each appoint an authorized representative to cooperate in developing a mutually agreeable problem resolution plan.

In the event the parties fail to resolve the dispute as set forth above, the dispute will be referred to non-binding mediation. Thereafter, either party may assert its other rights and remedies under this Agreement within a court of competent jurisdiction.

**10. Attorney Fees**

If any legal proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorney's fees, which shall be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

**11. Severability**

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

**12. Successors and Assigns**

- A. Neither party may assign its interest in this Agreement without the express written consent of the other party.
- B. The terms and conditions of this Agreement shall be binding on the successors and assigns of the parties to this Agreement.

**13. Employees**

- A. For purposes of this Agreement, all persons employed in the performance of services and functions for the City shall be deemed City employees and no City employee shall be considered as an employee of the District under the jurisdiction of the District, nor shall such City employees have any District pension, civil service, or other status while an employee of the City.
- B. For purposes of this Agreement, all persons employed in the performance of services and functions for the District shall be deemed District employees and no District employee shall be considered as an employee of the City or under jurisdiction of the City, nor shall such District employees have any City pension, civil service, or other status while an employee of the District.

**14. Applicable Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of California and to the extent that there is any conflict

between this Agreement and the laws of the State of California, the laws of the State of California shall prevail.

IN WITNESS WHEREOF, the District and the City have executed this Agreement as of the date first above written.

(Signatures on the following page)

**BUELLTON UNION SCHOOL DISTRICT**

By: \_\_\_\_\_  
Randy Haggard, Superintendent

**ATTEST:**

\_\_\_\_\_  
Terri Schrepel, Secretary to the Board

**CITY OF BUELLTON**

By: \_\_\_\_\_  
Holly Sierra, Mayor

**ATTEST:**

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

**APPROVED AS TO FORM BY THE CITY  
ATTORNEY FOR THE CITY OF BUELLTON**

\_\_\_\_\_  
Greg Murphy, 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

Meeting Date: June 13, 2019

Subject: Resolution No. 19-17 - “A Resolution of the City Council of the City of Buellton, California, Identifying Signing Authority for Caltrans Documents”

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**BACKGROUND**

The City has received an Active Transportation Grant (ATP) Grant from the State of California for the construction phase of the Highway 246/Sycamore Road Pedestrian Improvement Project. The California Transportation Commission (CTC) has authorized the allocation and funding of our grant effective May 15, 2019, in the amount of \$684,000. In order to continue the process of funding, the City will need to execute multiple documents through Caltrans, including the State-Aid Master Agreement and the Program Supplemental Agreement. In addition to these agreements, the City must submit a certified Resolution that identifies the representatives who is authorized to sign on the Agency’s behalf. To facilitate and expedite documents required by the State, the representatives typically designated are the City Manager and the Public Works Director. The required resolution is provided.

**FISCAL IMPACT**

Approval of this resolution has no fiscal impact to the City.

**RECOMMENDATION**

That the Council consider approval of Resolution No. 19-17 – “A Resolution of the City Council of the City of Buellton, California, Identifying Signing Authority for Caltrans Documents”

**ATTACHMENTS**

Resolution No. 19-17

**RESOLUTION NO. 19-17**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, IDENTIFYING SIGNING AUTHORITY FOR CALTRANS DOCUMENTS**

**WHEREAS**, the City of Buellton is eligible to receive Federal and/or State funding for certain Transportation Projects through the California Department of Transportation; and

**WHEREAS**, Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements and other such similar documents, need to be executed with the California Department of Transportation before such funds could be claimed; and

**WHEREAS**, the City wishes to delegate authorization to execute these agreements and any amendments thereto to the City Manager and Public Works Director.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Buellton does hereby resolve, determine, and order as follows:

**SECTION 1.** The City Manager and Public Works be authorized to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements and any amendments thereto with the California Department of Transportation.

**SECTION 2.** The City Clerk shall certify to the adoption of this Resolution.

**PASSED, APPROVED and ADOPTED** this 13th day of June, 2019.

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Holly Sierra  
Mayor

ATTEST:

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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 13, 2019

Subject: Resolution No. 19-10 – “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”

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**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. Resolution No. 19-10 adopts the annual report, attached to Resolution No. 19-10 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 consider the adoption of Resolution No. 19-10 - “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”

**ATTACHMENTS**

Resolution No. 19-10 (with Exhibit A - Water Supply Report 2019)

## **RESOLUTION NO. 19-10**

### **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 13<sup>th</sup> day of June 2019.

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Holly Sierra  
Mayor

ATTEST:

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Linda Reid  
City Clerk

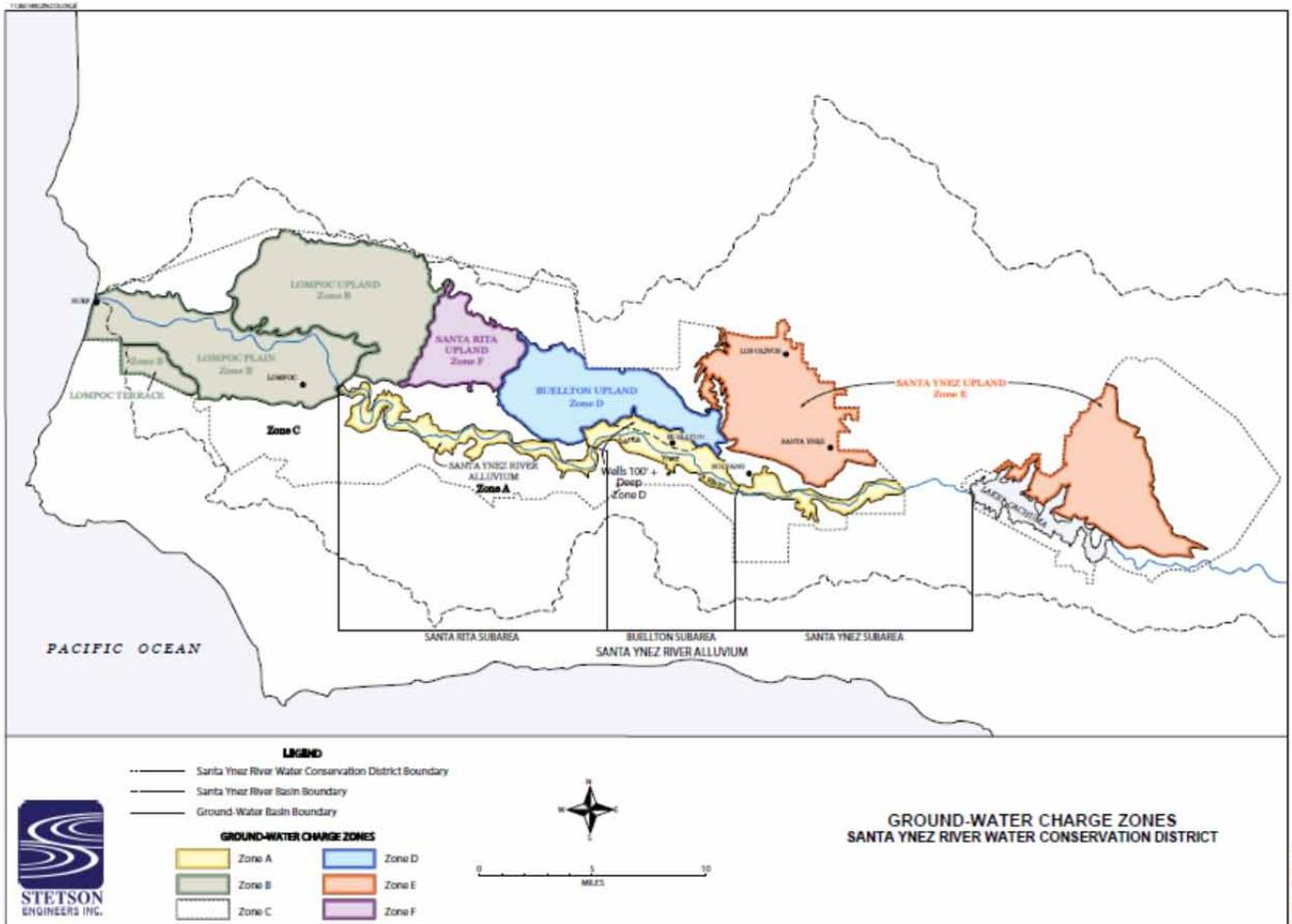


**ANNUAL WATER SUPPLY REPORT**  
June 2019

Prepared by:  
Rose Hess

## 1.0 Introduction

The City of Buellton’s water is supplied by Groundwater and supplemented by State Water Project. The Groundwater is supplied from the Buellton Uplands Groundwater Basin and the Santa Ynez River Underflow. The groundwater sources are shown in Figure 1 (identified as Zone D and Zone A).



**Figure 1. Groundwater Basins**

The City currently has four (4) wells as part of the water supply system: three (3) shallow wells in the Santa Ynez Underflow and one (1) in the Buellton Uplands. The City also has a 5<sup>th</sup> well, located in the Santa Ynez Underflow. However, this well is used purely for irrigation purposes for the Zaca Creek Golf Course.

The City is also a participant of the State Water Project through the Central Coast Water Authority (CCWA). CCWA owns and operates water treatment facilities and pipeline that delivers water from the State Water Project to the project participants in Santa Barbara and San Luis Obispo Counties. Buellton has one (1) turn-out from the CCWA pipeline that delivers water directly to the City’s distribution system. Figure 2 provides a general exhibit of the State Water line.



**Figure 2. State Water Project**

## 2.0 Production

The City has two water treatment facilities. The McMurray Water Treatment Plant treats water pumped from the three wells in the Santa Ynez River Underflow. The City's permit to draw from the Santa Ynez River Underflow is currently 1385 acre-feet per year. The City's 246 Water Treatment Plant treats water pumped from one well in the Buellton Uplands. There are currently no permit restrictions on pumping from the Buellton Uplands. During normal and wet years, the primary wells utilized are in the Santa Ynez River Underflow. During dry/drought years, the primary well utilized is in the Buellton Uplands. Table 1 shows the total production for each source by month.

The City's State Water Project allocation is 578 acre-feet. In January 2018, the Department of Water Resources (DWR) notified its contractors that the deliveries would be only 20% of the allocations. In April 2018, the allocation increased to 30%, and in May 2018, the final allocation raise was to 35%.

In 2018, the City produced 1,026.1 acre-feet of water (approximately 334,354,000 gallons) from its groundwater supply. Total water supply produced/received in 2018 (groundwater plus State Water Project) was 1,191.4 acre-feet (approximately 388,218,814 gallons).

With the 2018 population of 5098, the water produced on an average daily basis was 155 gallons/day/capita.

**Table 1. Water Production 2018**

	<b>Buellton Uplands</b>	<b>Santa Ynez River Underflow</b>	<b>State Water Project</b>	<b>Total 2018</b>
<b>Production Amounts (AF)</b>	<b>326.9</b>	<b>699.2</b>	<b>165.3</b>	<b>1191.4</b>

### 3.0 Supply

The City of Buellton’s water is supplied by Groundwater and supplemented by State Water Project. The City’s groundwater basins are informally managed by the Santa Ynez River Water Conservation District. Formed in 1939 for the primary purpose of protecting water rights on the lower Santa Ynez River, the District has overseen the groundwater basins from Santa Ynez to Lompoc (as shown in Figure 1, page 1). The District provides an annual report summarizing the groundwater production and charges and a status of groundwater and surface water supplies.

In May 2019, the Santa Ynez River Water Conservation District published its 41<sup>st</sup> Engineering and Survey Report on Water Supply Conditions. This report summarizes the conditions of supply and basin storage, particularly during Spring which provides the best direct indication of the groundwater conditions during the past year. The 2 monitoring wells within the City of Buellton reflecting the Buellton Upland basin showed a slight decrease of water level in the past year. Under normal water supply conditions, the Santa Ynez River Alluvium (Santa Ynez River Underflow) is replenished yearly. During extended drought periods, some shortages may occur, particularly in the Lompoc Basin area. During these times, a water rights release may occur from Lake Cachuma to provide replenishment. Although not a formal drought year, rainfall totals in 2018 were less than 2017. One release occurred in August 2018, which ran through September 2018. In the past year, the City did not experience any issues with shortages from its supply in the Santa Ynez River Underflow.

During normal conditions, both groundwater supply sources are in good condition and for planning purposes are equally utilized for production of water. Table 2 provides a summary of water supply reasonably available to the City during the Fiscal Year 2018 and for a cumulative long term period (5 years). Operationally, the City utilizes one of the two groundwater sources as the primary resource based on needs and efficiency. Due to permitting rights, the primary wells the City utilizes are in the Santa Ynez River Underflow during normal and wet years. However, during dry/drought years, the primary well utilized is in the Buellton Uplands.

**Table 2. Water Supply Availability**

	<b>Buellton Uplands</b>	<b>Santa Ynez River Underflow</b>	<b>State Water Project</b>	<b>Total 2019</b>
<b>FY 2019 (AF)</b>	<b>1,000</b>	<b>1,385</b>	<b>578</b>	<b>2,963</b>
<b>Cumulative Long Term Projection (AF)</b>	<b>5,000</b>	<b>6,925</b>	<b>2,890</b>	<b>14,815</b>

The following Table 3 is an estimate of the water demand anticipated during Fiscal Year 2018 and over the long term (5 year) period. These estimates are well within the Supply Available in Table 2.

**Table 3. Water Demand Forecast – 5 Years**

	<b>Buellton Uplands</b>	<b>Santa Ynez River Underflow</b>	<b>Total 2019</b>
<b>FY 2019 (AF)</b>	<b>750</b>	<b>750</b>	<b>1,400</b>
<b>Cumulative Long Term Projection (AF)</b>	<b>3,750</b>	<b>3,750</b>	<b>7,000</b>

The City also utilizes State Water Project as part of its water supply. Buellton’s State Water Project allocation is 578 acre-feet, but is subject to availability by the State. The City may utilize State Water Project water in lieu of (or in addition to) pumping from the Santa Ynez River Underflow or the Buellton Uplands. At this time, State Project Water is used to supplement the City’s peak water demands or if any of the City’s water facilities is under repair.

## 4.0 Groundwater Management

On November 10, 2016, the City Approved Resolution No. 16-26, deciding to become a Groundwater Sustainability Agency with the Santa Ynez River Water Conservation District to pursuant to the Sustainable Groundwater Management Act (SGMA). This provides the organization of the Central Management Area and begins our SGMA compliance and formal groundwater management, further protecting the long term sustainability of the City’s groundwater basin supply. The Central Management Area is shown in Figure 3. During 2018, the formation of the Central Management Area was finalized. Under the lead of the Santa Ynez River Water Conservation District, a Request for Proposals was published, and subsequently consulting contract awarded to Stetson Engineers, for the groundwork for the SGMA compliance. Grant Agreement was also finalized with the Department of Water Resources under Prop 1b to assist in funding these early SGMA studies required for completion.

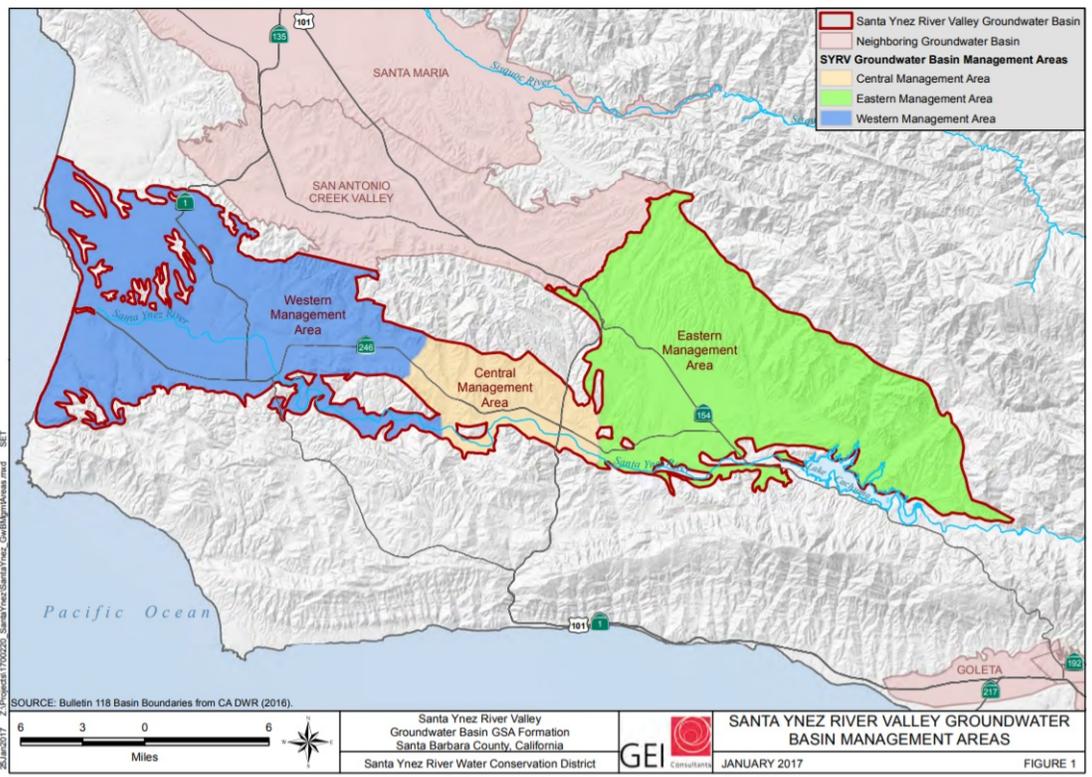
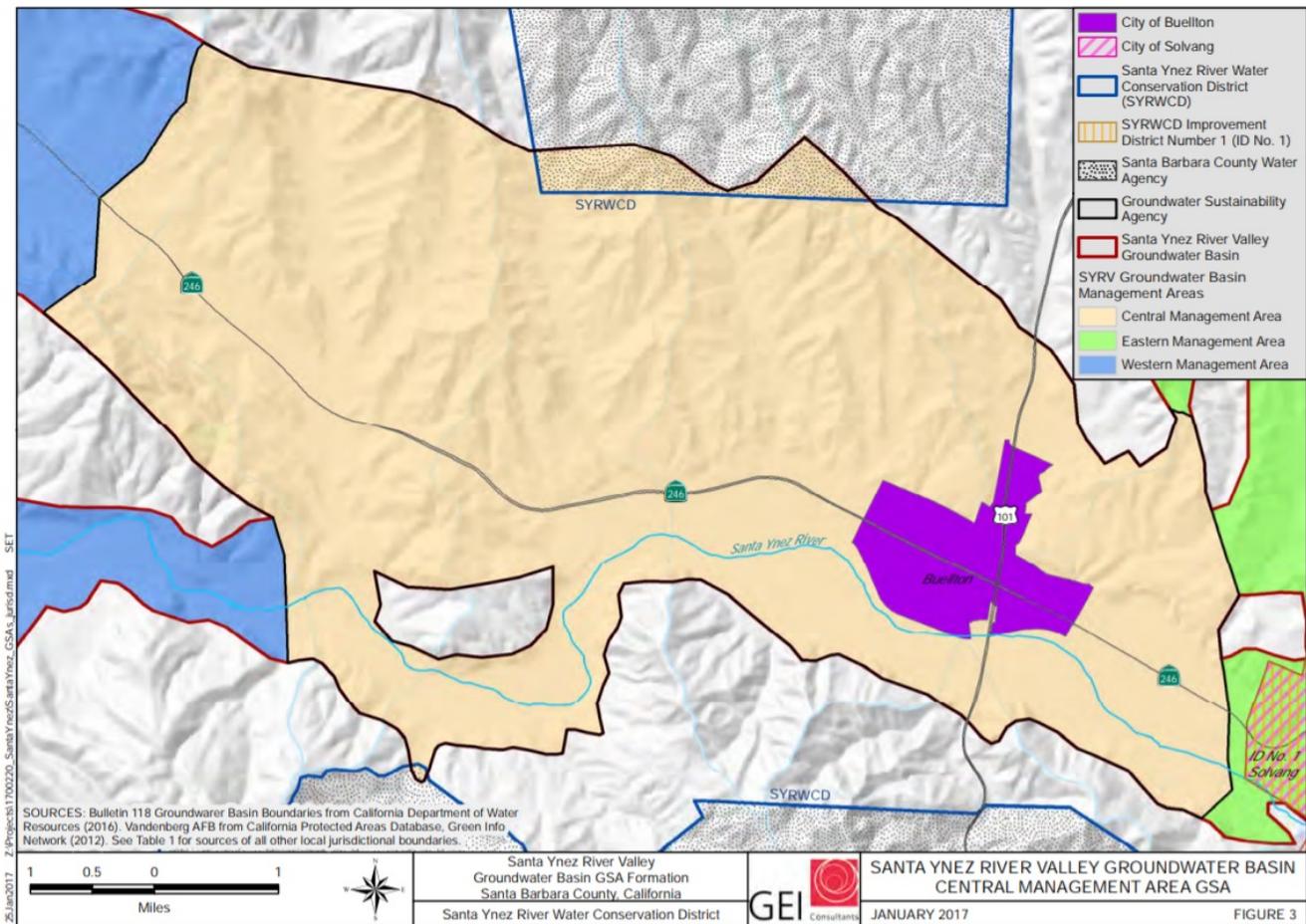


Figure 3. SGMA Basins



**Figure 4. Central Management Area**

Local organization of the Central Management Area will continue in 2019 with the following general milestones:

- Finalizing the Intra-Management Area Administrative Agreement amongst the three GSA’s,
- Establishment of a Citizen Advisory Group (CAG) for the Central Management Area, and
- Commencement of work by Stetson Engineers, which includes:
  - Development of the Data Management Plan,
  - Development of the Stakeholder Engagement Plan, and
  - Development of the Hydrogeologic Conceptual Model and Groundwater Conditions

## 5.0 Groundwater Replenishment/Recycled Water

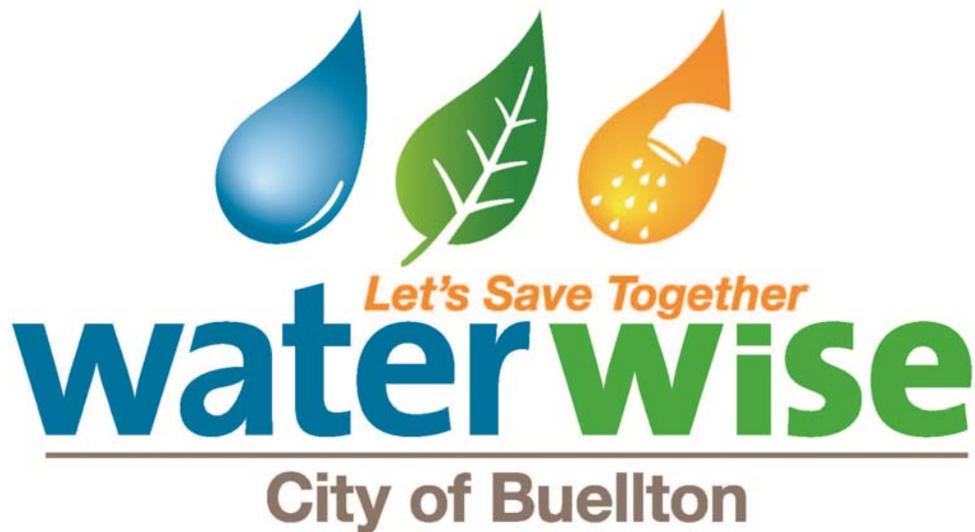
The City of Buellton's does contribute to the replenishment of the groundwater systems. The City's wastewater treatment plant currently discharges approximately 480,000 gallons of secondary treated effluent per day (2018 average daily flows) into infiltration basins. Specific studies on the extent of actual replenishment have not been conducted.

A Recycled Water Feasibility evaluation has been previously conducted by staff. At this time, the cost-benefit to construct the necessary plant improvements and city-wide infrastructure to treat, produce and deliver tertiary treated, Title 22 compliant effluent cannot be met. In addition, there is also a limited amount of potential users that could utilize the reclaimed water. While this option is not currently feasible, it will remain an option to review periodically as grant funding becomes available or if alternative opportunities surface.

## 6.0 Conservation

In 2014, the City of Buellton adopted Resolution 14-19, declaring a Stage Two Water Conservation Requirement. This is pursuant to the State Water Resource Control Board's regulations declaring a State of Emergency due to severe drought conditions. Residents and businesses are required to reduce water consumption and limit outdoor irrigation in order to meet these requirements.

In an effort to advocate water conservation, the City has implemented outreach programs in conjunction with Santa Barbara County and other local jurisdictions. This outreach can be recognized as:



Currently, the City provides water conservation shower heads free to residents and businesses. In addition, during 2018 the City Council provided local funds to re-establish the Cash-4-Grass rebate program.

**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: Marc Bierdzinski, City Manager

Meeting Date: June 13, 2019

Subject: Library Management Services Agreement between the City of Goleta and the City of Buellton

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**BACKGROUND**

Attachment 1 is the Agreement for Library Services between the City of Goleta and the City of Buellton to memorialize the transfer of the Buellton Library to Zone 4 (Goleta). The Agreement includes the funding details as well as the agreed upon maintenance responsibilities. Coding of the books is underway and the transfer to Zone 4 will occur on July 1, 2019.

**FISCAL IMPACTS**

The cost to the City for Fiscal Year 2019-20 is \$193,728 which the City Council has previously approved and has included in the Fiscal Year 2019-20 approved budget. However, it appears that the County of Santa Barbara will be allocating approximately an additional one-time \$20,000 towards the Buellton library which will reduce the City's required funding for Fiscal Year 2019-20.

**RECOMMENDATION**

That the City Council approve the agreement with the City of Goleta for library services and authorize the City Manager to execute the contract.

**ATTACHMENTS**

Attachment 1 – Agreement for Library Services

Project Name: Buellton Library Lease and Management Services Agreement

## LEASE AND AGREEMENT FOR THE PROVISION OF LIBRARY MANAGEMENT SERVICES BETWEEN THE CITY OF BUELLTON AND THE CITY OF GOLETA AT THE BUELLTON LIBRARY

This LEASE AND AGREEMENT FOR THE PROVISION OF LIBRARY MANAGEMENT SERVICES ("AGREEMENT") is made and entered into this \_\_\_ day of \_\_\_\_\_, 2019, by and between CITY OF BUELLTON, a municipal corporation, (hereinafter referred to as "BUELLTON") and the CITY OF GOLETA, a municipal corporation (hereinafter referred to as "GOLETA") (collectively referred to herein as the "PARTIES").

A. GOLETA is a party to that certain agreement entitled Agreement for Operation of a County-Wide Library System dated July 1, 2018, ("COUNTY AGREEMENT") pursuant to which the County of Santa Barbara ("COUNTY") has compelled Goleta, as a condition of receiving library funding, to manage BUELLTON's library commencing July 1, 2019, the effective date of BUELLTON'S placement into Library Zone 4.

B. By virtue of the County's transfer of BUELLTON from Library Zone 1 to Library Zone 4, the City of Santa Barbara is no longer eligible to manage the BUELLTON library and BUELLTON does not have the personnel able and/or available to perform the services required under this AGREEMENT and has therefore requested that GOLETA administer and operate its library.

C. Pursuant to this contract, GOLETA will administer, manage, and operate the LIBRARY, and for that purpose will provide personnel and other resources, tools, programs and services including lending books and other materials, cataloging the LIBRARY's collection, and other related activities consistent with the operation of a free public library.

**NOW, THEREFORE**, in consideration of the foregoing and the promises herein contained, the PARTIES hereby agree as follows:

### 1. **SCOPE OF SERVICES**

Subject to the terms and conditions set forth herein, GOLETA agrees to operate and manage the BUELLTON LIBRARY ("LIBRARY") in accordance with the terms of this AGREEMENT and in conformance with GOLETA'S standard policies, procedures and standards for library operation. Operation and management of the LIBRARY shall include, but shall not be limited to, the lending of books and other materials, the cataloging of the LIBRARY's collection, and the provision of personnel, resources, tools, programs and services consistent with the operation of a free public library. GOLETA agrees to operate the LIBRARY by providing free library services to the patrons of the

LIBRARY. All of the collection materials in the LIBRARY, including those belonging to BUELLTON, shall be equally available to all of the inhabitants within the Black Gold Cooperative Library System (hereinafter referred to as "Black Gold"). A detailed Statement of Work is attached as Exhibit "A" to this AGREEMENT and incorporated herein by reference.

GOLETA'S performance under this AGREEMENT is contingent upon the continued existence of the COUNTY AGREEMENT and funding thereunder and this AGREEMENT shall be subject to termination as provided in Section 9 herein should the COUNTY AGREEMENT expire, be terminated or be modified in a manner as to materially affect, as determined by GOLETA'S City Council in its sole discretion, GOLETA'S obligations, commitments or costs or as to reduce the COUNTY'S funding obligations to GOLETA.

## **2. FUNDING AND PAYMENT**

Funding for the operation of the LIBRARY shall be provided by BUELLTON to GOLETA by way of the annual collection of a library management fee as calculated and collected by GOLETA, and as agreed upon annually by the PARTIES. BUELLTON shall compensate GOLETA for the provision of LIBRARY management services to BUELLTON, as detailed in Exhibit "B" (Payment Methodology) attached hereto and incorporated herein by reference. A management fee amount shall be determined annually by GOLETA, and its calculation shall be based on the cost model detailed in Exhibit "C" attached hereto and incorporated herein by reference. The estimated fee amount for the first year of services (July 1, 2019 - June 30, 2020) is detailed in Exhibit "D" (Proposed Operating Budget) attached hereto and incorporated herein by reference.

## **3. LEASE AND PREMISES**

BUELLTON agrees to lease to GOLETA, on the terms and conditions, hereinafter set forth, and in its "as is condition", those premises as follows for the purpose of operating the LIBRARY:

That portion of that certain real property located at 140 West Highway 246, Buellton CA, 93427 as more particularly described on Exhibit E, Legal Description but limited to that area depicted as "library" on Exhibit E-1, Site Plan, attached herewith and incorporated herein by this reference.

Pursuant to Section 7 of the COUNTY AGREEMENT, GOLETA shall occupy and have exclusive use of the premises for the administration, management, and operation of said LIBRARY as provided herein for the term of this AGREEMENT and any extensions thereof.

GOLETA shall pay to BUELLTON an annual lease rental rate of One Dollar (\$1.00).

Title to the LIBRARY improvements shall remain in BUELLTON during the term and shall remain in BUELLTON upon the expiration or termination of this AGREEMENT.

BUELLTON shall pay and discharge all taxes and assessments, including special assessments, if any, levied upon the premises.

If the premises are totally destroyed by fire or other casualty, this AGREEMENT shall terminate. If a casualty renders ten percent or less of the floor space of the premises unusable for the purpose intended, BUELLTON shall promptly repair the premises, but in any event within 120 days of the casualty, or GOLETA may terminate this AGREEMENT by written notice to BUELLTON.

If a casualty renders more than ten percent of floor space of the premises unusable, GOLETA may choose to remain and BUELLTON shall promptly repair the premises within 120 days of the casualty, or GOLETA may terminate this AGREEMENT by written notice to BUELLTON, within 10 days of the casualty. If the casualty renders fifty percent or more of the floor space unusable, this AGREEMENT may be terminated at the option of GOLETA or BUELLTON.

Except as provided herein, BUELLTON shall not make any structural alterations to the LIBRARY without providing at least thirty (30) days prior written notice to GOLETA. To the extent feasible, BUELLTON shall make such alterations only at such time as does not conflict with GOLETA's operation of the LIBRARY. BUELLTON may perform such structural alterations without thirty (30) days prior written notice to GOLETA if, in BUELLTON's sole discretion, such alterations are immediately necessary to protect public health or safety, to protect the contents of the LIBRARY, or to remedy an emergency. BUELLTON shall endeavor to afford GOLETA advance notice of structural alterations performed in such circumstances.

GOLETA shall not be obligated to nor shall it make any structural alteration to the LIBRARY without the express written consent of BUELLTON. For purposes of this provision, a "structural alteration" shall be any modification that results in a change in the structural integrity of the LIBRARY, or change in the location, design, area or size of any wall, window or door. A "structural alteration" also shall include any modification that alters the gross cubic area of the LIBRARY and any substantive modification to finish materials.

#### **4. TERM**

The term of this AGREEMENT shall be concurrent with the term of the COUNTY AGREEMENT and shall, only for the first year, commence upon the execution of this AGREEMENT by the PARTIES and end on June 30, 2020. THE PARTIES may mutually elect to extend this Agreement for five successive one (1) year terms subject to the approval of the GOLETA City Manager. BUELLTON shall notify GOLETA of such election in writing no less than 180 calendar days prior to the termination date of this

AGREEMENT. Within sixty (60) days after receipt of such notice from BUELLTON, GOLETA shall provide written notice of acceptance or rejection of such extension.

If this AGREEMENT is not extended or renewed, or if GOLETA fails to respond to BUELLTON 's request for extension as provided in the preceding paragraph, and BUELLTON has no other arrangement for administration and operation of the LIBRARY, all terms and conditions of this AGREEMENT shall remain in full force and effect not to exceed six (6) months.

## **5. LIBRARY MATERIALS COLLECTION, FURNISHINGS AND EQUIPMENT**

### **A. Library Materials.**

All digital media and physical books, periodicals, audio/video materials, and other Library resources and tools (collectively known as "Materials") contained in the LIBRARY on the beginning date of this Agreement, are the property of BUELLTON. In addition, all Materials contained in the LIBRARY at the termination or expiration of this AGREEMENT are and shall remain the property of BUELLTON. As part of its operational responsibilities as set forth herein, GOLETA shall have the discretion and responsibility for selecting and purchasing all Materials for the LIBRARY's collection on behalf of BUELLTON, utilizing the funding described herein and donations specifically designated for collection materials. GOLETA shall also have the discretion to de-select and re-assign materials to best meet the needs of the community.

Some donated Materials and Materials previously purchased, but which are no longer in circulation, may be sold or disposed of by GOLETA as appropriate. All funds received for the sale or disposal of any such materials shall be deposited into the account for operation of the LIBRARY and shall be used solely for LIBRARY purposes.

### **B. Furnishings and Equipment.**

All furnishings and equipment contained in and designated for use solely in the LIBRARY, including but not limited to book shelves, desks, tables, chairs, study carrels, RFID equipment and software, telecommunication and computer equipment and systems, office machines, and appliances, are and shall continue to be the property of BUELLTON. Any future additions to the LIBRARY's furnishings and equipment purchased with funds provided for or by BUELLTON, including reserve funds, shall be the property of BUELLTON. In the event that any furnishings, equipment or supplies are purchased for use in the LIBRARY by another entity, such furnishings, equipment or supplies shall be deemed the property of BUELLTON. This provision shall apply to all security system equipment and upgrades purchased by GOLETA for the LIBRARY, including self-check machines, new security gates, and any other equipment purchased for the purpose of facilitating the conversion of the LIBRARY's security system to an RFID based system.

**6. MAINTENANCE OF RECORDS**

GOLETA shall keep reasonably itemized and detailed records and reports pertaining to the management of the LIBRARY as required by law or grants in accordance with generally accepted accounting principles, and shall be available to BUELLTON for inspection after reasonable prior notice to GOLETA. Records shall be retained in accordance with GOLETA'S record retention schedule and shall be conveyed to BUELLTON upon expiration or termination of this AGREEMENT.

**7. FRIENDS OF THE LIBRARY**

A. THE PARTIES recognize the important role a Friends of the Library ("Friends") organization plays in assisting the LIBRARY in its provision of quality service to the community. THE PARTIES recognize that the funds raised and provided by the Friends are important to the ongoing operation of the LIBRARY and as such, serve a public purpose. Any incidental public support provided to the Friends through this AGREEMENT is an appropriate expense in support of this public purpose.

B. Unless otherwise specifically stated or designated by the donor, all donations made to or at the LIBRARY shall be deemed to be made to the LIBRARY.

**8. EMERGENCY**

In the event of a catastrophic, unplanned and/or reasonably unforeseeable event or emergency which (a) results in the closure or inability of the library to open for more than one week, (b) results in a significant loss of library materials, and/or (c) which significantly impairs the ability of the LIBRARY to maintain the current level of library service, THE PARTIES shall meet as soon as possible to determine and mutually agree upon how and in what manner to proceed with LIBRARY operations.

**9. TERMINATION**

A. Without Cause.

At any time during the term of this AGREEMENT or any extension thereof, either of the PARTIES to this AGREEMENT may, on six (6) months' prior written notice to the other party, terminate this AGREEMENT without cause.

Notwithstanding the foregoing, GOLETA may terminate this AGREEMENT should the COUNTY AGREEMENT expire, be terminated, notice of termination be given by the COUNTY or be modified in a manner as to materially affect, as determined by GOLETA'S City Council in its sole discretion, GOLETA'S obligations, commitments or costs or as to reduce the COUNTY'S funding obligations to GOLETA. Termination in that circumstance shall be effective immediately upon written notice to BUELLTON or at some other time specified in the notice.

B. For Default.

Default by GOLETA:

Except as otherwise set forth in other provisions of this AGREEMENT, this AGREEMENT shall not be subject to termination for any default of GOLETA, but BUELLTON may enforce the AGREEMENT or any provision therein as otherwise allowed by law. If GOLETA fails to cure a default that BUELLTON is permitted to cure, then BUELLTON may in its sole discretion perform such cure. In the event that BUELLTON elects to cure the default, GOLETA shall reimburse BUELLTON for all costs incurred by BUELLTON in performing the cure, as well as for all damages proximately caused to BUELLTON because of the default.

BUELLTON shall have such other rights or remedies as may be provided by law or equity. The use of each such right and remedy shall be cumulative, and shall not preclude BUELLTON from pursuing other rights and remedies that may exist now or in the future.

Default by BUELLTON:

Except as otherwise set forth in other provisions of this AGREEMENT, this AGREEMENT shall not be subject to termination for any default of BUELLTON, but GOLETA may enforce the AGREEMENT or any provision therein as otherwise allowed by law. If BUELLTON does not cure a default that GOLETA is permitted to cure, then GOLETA may in its sole discretion perform such cure. In the event that GOLETA elects to cure the default, BUELLTON shall reimburse GOLETA for all costs incurred by GOLETA in performing the cure, as well as for all damages proximately caused to GOLETA because of the default.

GOLETA shall have such other rights or remedies as may be provided by law or equity. The use of each such right and remedy shall be cumulative, and shall not preclude GOLETA from pursuing other rights and remedies that may exist now or in the future.

**10. ASSIGNMENT**

GOLETA shall not assign this AGREEMENT or any part thereof or any monies payable hereunder without the prior written consent of BUELLTON. Any attempt to assign without such written consent shall be void.

**11. INSURANCE**

GOLETA is insured through its membership in the California Joint Powers Insurance Authority ("CJPIA"). The CJPIA Memorandum of Coverage includes coverages that satisfy the following requirements:

A. GENERAL AND AUTOMOBILE LIABILITY INSURANCE: The general liability insurance shall include personal injury liability coverage, shall afford coverage for all operations of GOLETA at the LIBRARY, and shall include contractual liability for the AGREEMENT between BUELLTON and GOLETA. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles which are operated on behalf of GOLETA pursuant to GOLETA's activities hereunder. BUELLTON and its officers, employees and agents shall be named as "Additional Insured" on any policy. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$5,000,000 per occurrence combined single limit for bodily injury and property damage. Personal injury coverage should also be in the amount of not less than \$1,000,000 per occurrence and aggregate. Said policy or policies shall contain a provision that such insurance as is afforded by this policy shall be primary and contributory to the full limits stated in the declarations, and if THE PARTIES have other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only.

B. WORKERS' COMPENSATION INSURANCE: Statutory Workers' Compensation and Employer's Liability Insurance shall cover all GOLETA staff while performing any work incidental to the performance of this AGREEMENT. The policy shall provide that no cancellation, major change in coverage, or expiration shall be effective or occur until at least thirty (30) calendar days after receipt of such notice by BUELLTON.

BUELLTON is insured through its membership in the California Joint Powers Insurance Authority ("CJPIA"). BUELLTON's insurance covers the contents of the LIBRARY and against loss or damage by fire, lightning, vandalism, malicious mischief and such perils ordinarily defined as "extended coverage." Such insurance covers the full insurable replacement value of the LIBRARY.

## **12. INDEMNITY**

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 that all losses or liabilities incurred by a party shall not be shared pro rata but instead all parties agree that pursuant to Government Code Section 895.4, GOLETA shall fully defend, indemnify and hold BUELLTON, its elected and appointed officials, officers, 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 acts or omissions of GOLETA, its elected and appointed officials, officers, employees and agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement and BUELLTON shall fully defend, indemnify and hold GOLETA, its elected and appointed officials, officers, 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 acts or omissions of BUELLTON. No party, nor any elected or appointed official, officer, employee or agent thereof shall be responsible for any damage, claim, expense,

cost, or liability occurring by reason of the acts or omissions 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. The indemnity provided by each party pursuant to this Section shall survive the expiration or termination of this AGREEMENT.

**13. DESIGNATED REPRESENTATIVE**

GOLETA will designate its City Manager as the representative for administering this AGREEMENT on behalf of GOLETA. BUELLTON will designate its City Manager as the representative for administering this AGREEMENT on behalf of BUELLTON. Changes in designated representatives shall be made only after advance written notice to the other party. BUELLTON and its authorized representatives shall have the right to enter the LIBRARY at all reasonable times for inspection, maintenance, restoration or posting of notices. BUELLTON shall conduct such activities in a manner that will cause the least possible inconvenience for GOLETA.

**14. INDEPENDENT CONTRACTOR**

The PARTIES, in the performance of this Agreement, will be acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of one another. The parties intend that an independent contractor relationship will be created by this AGREEMENT. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

**15. ENTIRE AGREEMENT AND AMENDMENT**

In conjunction with the matters considered herein, this AGREEMENT contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This AGREEMENT may be altered, amended or modified only by an instrument in writing, executed by the parties to this AGREEMENT and by no other means. Each party waives their future right to claim, contest or assert that this AGREEMENT was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

**16. COMPLIANCE WITH LAW**

GOLETA shall, at its sole cost and expense, comply with all county, state and federal ordinances and statutes now in force or which may hereafter be in force with regard to this AGREEMENT.

## 17. CALIFORNIA LAW

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

## 18. HAZARDOUS MATERIALS

### A. Warranties and Representations

BUELLTON warrants that hazardous substances have not been released upon the LIBRARY property; that BUELLTON has no knowledge of any release of hazardous substances on the LIBRARY property; that it has no knowledge or reason to believe that there are hazardous substances on the LIBRARY property; and that it shall comply with all law concerning the use, release, storage and disposal of hazardous substances.

### B. Notice

Each party shall immediately notify the other upon discovery that hazardous substances have been released on the LIBRARY property.

### C. Indemnity

#### 1. *BUELLTON's Obligation.*

BUELLTON shall indemnify, defend and hold harmless GOLETA, its elected and appointed officials, officers, employees and agents from and against any and all liability, expenses (including defense costs and legal fees), and claims for damages of any nature whatsoever (including, but not limited to, bodily injury, death or property damage) arising from or connected with the presence of hazardous substances on the LIBRARY property, excepting only liability for hazardous substances placed on the LIBRARY property by GOLETA.

#### 2. *GOLETA's Obligation.*

GOLETA shall indemnify, defend and hold harmless BUELLTON, its elected and appointed officials, officers, employees and agents from and against any and all liability, expenses (including defense costs and legal fees), and claims for damages of any nature whatsoever (including, but not limited to, bodily injury, death or property damage) arising from or connected with the introduction of hazardous substances onto the LIBRARY property by GOLETA.

#### 3. *Survival of Obligation.*



**22. COUNTERPARTS AND ELECTRONIC/FACSIMILE SIGNATURES**

This Agreement may be executed in several counterparts, which may be facsimile or electronic copies. Each counterpart is fully effective as an original, and together constitutes one and the same instrument.

**23. AUTHORITY**

Each of the PARTIES represents and warrants that its City Council approved this AGREEMENT and authorized its respective City Manager to execute the same.

**In concurrence and witness whereof**, this AGREEMENT has been executed by the PARTIES effective on the date and year first above written.

**CITY OF GOLETA**

**CITY OF BUELLTON**

\_\_\_\_\_  
Michelle Greene, City Manager

\_\_\_\_\_  
Marc Bierdzinski, City Manager

**ATTEST**

**ATTEST**

\_\_\_\_\_  
Deborah Lopez, City Clerk

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

**APPROVED AS TO FORM**

**APPROVED AS TO FORM**

\_\_\_\_\_  
Winnie Cai, Assistant City Attorney

\_\_\_\_\_  
Gregory M. Murphy, City Attorney

**Exhibit A**  
**Statement of Work**

**1. DELIVERY OF SERVICES.**

GOLETA, through its Library Department, shall deliver general library management services to BUELLTON according to the terms and conditions set forth herein.

**2. GENERAL LIBRARY MANAGEMENT SERVICES.**

GOLETA agrees to provide general library management services for BUELLTON, which include administration, management, and operations of library services, and will provide personnel and other resources, tools, programs and services, including lending books and other materials, cataloging the LIBRARY's collection and other related activities consistent with the operation of a free public library. GOLETA shall not employ any personnel, purchase or rent supplies, equipment or services, or incur any expenses in the name of BUELLTON.

**3. LEVEL OF SERVICE AND STAFFING LEVELS.**

A. LEVEL OF SERVICE AND STAFFING LEVELS RECOMMENDATION: The level of service and staffing levels for general library management services, along with its proposed operational budget for the following fiscal year will be recommended to BUELLTON by GOLETA on or before March 1 of each year with service level adjustments (if needed) occurring July 1 of the following year. GOLETA will provide BUELLTON with a list of GOLETA's proposed staffing levels for the LIBRARY for review. Staffing levels shall not be reduced by GOLETA without the approval of BUELLTON, including proposed reductions due to any furloughs or other work-schedule reductions, staffing and scheduling of GOLETA employees. Where proposed reductions in staffing levels are the result of mid-year budgeting changes by GOLETA or an unexpected reduction in funding from the County of Santa Barbara, BUELLTON shall have the option of providing additional financial support to maintain staffing levels previously agreed to between the PARTIES as set forth herein.

B. LEVEL OF SERVICE ENHANCEMENT: BUELLTON may request GOLETA to provide an enhanced level of regular library-related services, including without limitation, additional staffing and/or hours of operation, one-time or periodic services. BUELLTON will provide GOLETA with this request in writing and GOLETA shall provide a written response within 30 days, including a proposed budget detailing the cost of such enhanced services and a list of any added or different type of personnel necessitated by such requested changes. Any enhancements in operations, staffing levels, or hours of operations must be agreed to by THE PARTIES. For any enhanced level of regular library-related services, GOLETA will charge the applicable management fee commensurate with costs estimated to be incurred for the enhanced services. Proposed changes shall be presented as needed to the City of Buellton City Council, the Goleta

City Council, Goleta Library Ad Hoc Committee, and County Library Advisory Committee for input, as described in the Agreement for Operations between GOLETA and the County of Santa Barbara.

C. LIBRARY STAFFING: All persons required for the performance of GOLETA'S responsibilities under this AGREEMENT shall be selected and employed by GOLETA, and shall at all times be and remain agents or employees of GOLETA. No persons employed or retained by GOLETA for performance of its duties under this AGREEMENT shall at any time be deemed or considered to be the agents or employees of BUELLTON.

GOLETA shall be responsible for the selection, supervision, training, discipline, and scheduling of all LIBRARY staff. The operating and personnel procedures of the Library Department of GOLETA will at all times apply to GOLETA'S operation of the LIBRARY.

Prior to the appointment or transfer of a Supervising Librarian/Branch Supervisor to the LIBRARY, GOLETA shall, through its Library Director, meet and discuss with BUELLTON, the proposed appointment or transfer. BUELLTON shall have the right to request different personnel than those proposed; however, the ultimate decision regarding appointment or transfer resides with GOLETA. The parties recognize that GOLETA has the sole responsibility and authority for making personnel decisions relating to its employees.

D. HOURS OF OPERATION: The LIBRARY's hours of operation are:

Mondays, Tuesdays, and Wednesdays: 11:00a.m. - 7:00p.m.

Thursdays: Closed

Fridays and Saturday: 12:00p.m. - 5:30p.m.

Sundays: Closed

The LIBRARY's planned holiday closures each year are:

New Year's Day

Martin Luther King Jr. Day

President's Day

Memorial Day

Independence Day

Labor Day

Veteran's Day

Thanksgiving

Day After Thanksgiving

Christmas Eve

Christmas Day

New Year's Eve

Any proposed changes to the LIBRARY'S normal operating hours, including changes to normally scheduled holiday closures, shall be communicated by GOLETA to BUELLTON with reasonable advance notice, and subject to approval from BUELLTON. GOLETA shall not effect changes to the LIBRARY's normal operating hours without written approval from BUELLTON.

#### **4. GRANT ADMINISTRATION AND PROGRAMS**

The administrative function will also include the ability and authority for GOLETA to apply, administer and implement grant opportunities for the benefit of BUELLTON with the expressed written permission of the Designated Representative of BUELLTON. If the additional level of service is tied to a grant program, BUELLTON will be invoiced for actual, additional costs above the grant award for the applicable time period unless GOLETA and BUELLTON agree otherwise. This assumes that any grant funds are received directly by GOLETA, BUELLTON may request and GOLETA may provide cost estimates prior to implementation of a grant and/or program. BUELLTON understands that actual, additional costs may vary slightly (high or low) from original estimates.

Any supplemental, material expenses related to ongoing programs will be recommended by GOLETA to BUELLTON in advance of purchase. BUELLTON understands and accepts that if a supplemental item related to an ongoing program is not approved by GOLETA, BUELLTON may exercise the option to refrain from further work on the grant or program. GOLETA will apply departmental and or city-wide overhead to a grant cost when the provisions of the grant allow for the accounting of overhead expense. BUELLTON understands and accepts that the net cost of grant overhead may become an expense to BUELLTON when other provisions are not agreed upon in writing by both parties in advance of the implementation of the grant. BUELLTON understands and accepts any ongoing fiscal, staffing, and/or programmatic obligations incurred in the acceptance of a grant. An example of such obligation may include a grant requirement to retain a staffing position for a time period beyond the original grant award period.

#### **5. FACILITY UPKEEP, MAINTENANCE AND REPAIR**

GOLETA and BUELLTON will share maintenance responsibilities at the LIBRARY as detailed in Exhibit A-1.

#### **6. INFORMATION TECHNOLOGY SUPPORT**

GOLETA agrees to provide Information Technology (IT) support services to the LIBRARY for all telecommunications equipment, computers and internet, printers, copy machines, and other IT-related equipment and services. Contracted staff from Synergy Computing Inc. will be utilized for these services. Estimated costs are provided in Exhibit D, Proposed Operating Budget for Fiscal Year 2019-20.

GOLETA agrees to administer the LIBRARY's telephone account and payments on BUELLTON's behalf. This service will be subject to the management fee charges described in Exhibit C.

**7. EXCLUDED EXPENSES**

The following are EXCLUDED from this AGREEMENT and the responsibility of the entity indicated:

A. Custodial services and supplies needed for the operation of the LIBRARY and LIBRARY restrooms. (BUELLTON)

B. Water, sewer, refuse, electric and gas. (BUELLTON)

GOLETA shall not be responsible for funding, or fronting funds, to cover any overall budget deficits the LIBRARY may experience as a result of total expenses exceeding total available revenues. Refer to Exhibit D to view the LIBRARY's Proposed Operating Budget for Fiscal Year 2019-20.

**Exhibit A-1  
Maintenance and Repair Responsibilities**

	<b>ITEM</b>	<b>NOT APPLICABLE</b>	<b>GOLETA</b>	<b>BUELLTON</b>	<b>Notes</b>
<b>1 Building Exterior</b>					
	Repair Walls			X	
	Painted Surfaces			X	
	Door and Window Trim			X	
	Doors, Hardware			X	
	Windows: Hardware and Screens			X	
	Locks			X	
	Roof			X	
	Rain gutters			X	
	Flashing			X	
	Down spouts			X	
	Pest Control			X	
	<b>Lighting</b>				
	Bulbs			X	
	Fixtures			X	
	Transformers			X	
	Fluorescent Lights			X	
	Ballast			X	
	<b>Handrails</b>			X	
	<b>Signs</b>			X	
	<b>Timers</b>	X			
	<b>Sewer Pipes</b>			X	
	<b>Decking</b>	X			
	<b>Exterior Patios</b>	X			
	<b>Water Softener, Filter and Conditioner</b>				
	<b>Stairs</b>			X	
	<b>Roof Drains</b>			X	
	<b>Drinking Fountains</b>			X	
	<b>Gates</b>	X			
	<b>Gas/Water pipe lines</b>			X	
	<b>Electrical Lines</b>			X	
	<b>Phone/Computer/Cable Lines</b>		X		
<b>2 Building Interior</b>					
	Walls (structural)			X	
	Painted Surfaces		X		

	Door Hardware			X	
	Locks			X	
	General Cleaning		X		
	Floor, Sweeping and Cleaning			X	
	Carpet, Vacuum and Cleaning			X	
	Window Coverings		X		
	Trash		X		
	<b>Lighting</b>				
	Bulbs		X		
	Fixtures		X		
	Transformers		X		
	Flourescent Lights		X		
	Ballast		X		
	Emergency Lights		X		
	<b>Handrails (ADA)</b>			X	
	<b>Signs</b>	X			
	<b>Timers</b>	X			
	<b>Drinking Fountains</b>	X			
	<b>Ceiling</b>		X		
	<b>Showers</b>	X			
	<b>Toilet/Urinals (Replacement)</b>			X	
	<b>Toilet/Urinals (Maintenance)</b>			X	
	<b>Sink &amp; Faucets (Replacement)</b>			X	
	<b>Sink &amp; Faucets (Maintenance)</b>			X	
	<b>Gas Pipe Lines</b>			X	
	<b>Water Pipe Lines</b>			X	
	<b>Sewer Pipe Lines/Drains</b>			X	
	<b>Phone Lines &amp; Jacks</b>		X		
	<b>Computer Lines &amp; Jacks</b>		X		
	<b>TV Cable &amp; Jacks</b>		X		
	<b>Phones</b>		X		
	<b>Towel Racks</b>	X			
	<b>Garbage Disposal</b>	X			
	<b>Refrigerator/microwave</b>	X			
	<b>Stove</b>	X			
	<b>Counter Tops, replacement</b>	X			
	<b>Cabinets, replacement</b>	X			

	<b>Dish Washer</b>	X			
	<b>Trash Compactor</b>	X			
<b>3 Grounds</b>					
	Drinking Fountains			X	
	Mail Boxes	X			
	Fences			X	
	Trash bins			X	
	Trash enclosures			X	
	Bike Racks			X	
	Signs			X	
	Litter Pick-Up			X	
	<b>Lighting</b>				
	Parking Lot			X	
	Driveways			X	
	Walkways			X	
	Timers (external)	X			
	Timers (internal)	X			
	Signs			X	
	<b>Cleaning, Sidewalks, Walkways, Parking Lots</b>			X	
<b>4 Landscaping</b>					
	Trees			X	
	Shrubs			X	
	Flowers			X	
	Lawn			X	
	Watering			X	
	Sprinkler, Repair and Replace			X	
	Headers			X	
	Rodent/Pest Control			X	
	Seeding			X	
	Fertilizer			X	
	Plant Trimmings			X	
	Plant Replacement			X	
	Tree Care & Trimming			X	
<b>5 Mechanical Systems</b>					
	Electrical Panels, Breaker, Interior			X	
	Electrical Fuses, Interior			X	
	Electrical Receptacle, Switches, Interior			X	
	Electrical Central Switches			X	
	Elevator	X			
	Heating			X	
	Air Conditioning			X	

	Water Heater			X	
<b>6 Roadways/Parking Lots Repair &amp; Maintenance</b>					
	Striping			X	
	ADA Accessibility Signage			X	
	Asphalt Surface, Curbing			X	
	Cement Surface, Curbing			X	
	Wheel Stops			X	
	Drainage			X	
	Signs			X	
<b>7 Fire Equipment</b>					
	Sprinklers			X	
	Hoses	X			
	Extinguisher (interior)			X	
	Alarm Systems	X			
	Smoke Detectors			X	
<b>8 Other Items</b>					
	Paper supplies, dispensers, soaps in restrooms			X	
	Interior janitorial products and services (lobby)			X	
	Interior Floor Waxing, Sweeping			X	
	Window Washing (interior & exterior)		interior	exterior	
	Exterior sweeping entry, sidewalk and walkways			X	
	Janitorial service for public areas or common use			X	
	Broken window glass or door glass			X	
	Refuse, Rubbish and Garbage Disposal			X	
	Cleaning Storage Rooms, Utility Rooms			X	
	Exterminating			X	
	Carpet Replacement, Linoleum Replacement		X	Initial only	
	Library Drop Box		X		
	Building Foundation			X	

## **Exhibit B Payment Methodology**

### **1. GENERAL COMPENSATION**

#### A. Reimbursable Expenses.

Subject to the terms of this AGREEMENT, BUELLTON shall pay to GOLETA the costs incurred by GOLETA in providing the services contracted for or otherwise authorized under the terms of this AGREEMENT, including:

- i. Salaries and benefits of all GOLETA employees engaged therein for positions defined in Exhibit D-1: Library Staffing.
- ii. Direct supervision
- iii. Clerical support;
- iv. Direct services and supplies
- v. Department-applied overhead as identified in the management fee calculation
- vi. Management services
- vii. Any actual, additional costs associated with supplemental library operation services; and,
- viii. Any other mutually agreed upon expense that arises during the term of the AGREEMENT. Examples include BUELLTON'S request to participate in a GOLETA bid process, or sharing a purchasing contract for the purpose of quantity discount to the benefit of both parties.

### **2. ANNUAL RECOMPUTATION OF COMPENSATION**

#### A. Recomputation of Proposed Operational Budget for Library Management Services.

Except as otherwise specific hereinafter, the total amount charged for Library Management Services shall be recomputed annually with an estimate provided by GOLETA on or before March 1<sup>st</sup> of each calendar year for the following fiscal year, with the fiscal year defined as July 1<sup>st</sup> through June 30<sup>th</sup>. A final recomputation will be provided by GOLETA for the fiscal year beginning July 1<sup>st</sup> on or before June 1<sup>st</sup> of the same year. The recomputation calculation shall be determined by GOLETA based on revised estimated costs of providing Library Management Services from the previous fiscal year.

The recomputation formula will specifically include actual costs for items specific in Exhibit B, Paragraph 1. The total agreement amount for the applicable fiscal year will be effective July 1<sup>st</sup> of that fiscal year, subject to review by BUELLTON. Staff representatives of GOLETA and BUELLTON are advised to meet during the calculation process and prior to any formal presentation before their respective

governing bodies. In the event cost increases will have a detrimental impact to BUELLTON'S budget, GOLETA staff will meet with BUELLTON, upon its request, and discuss staffing or operation adjustments to mitigate costs.

- i. The annual cost computation (Proposed Operating Budget) will be provided to BUELLTON as Exhibit D and will be referred to as First (1<sup>st</sup>) Annual Cost Computation (Proposed Operating Budget), Second Annual Cost Computation (Proposed Operating Budget if this Agreement is extended), and Third (3<sup>rd</sup>) Annual Cost Computation (Proposed Operating Budget) if this Agreement is further extended.

#### B. Increases to Service Level Requested by Buellton.

In the event that BUELLTON desires to increase the then-existing type or level of staffing provided under the terms of this AGREEMENT, in addition to other procedures set forth in this AGREEMENT, BUELLTON will make a written request to GOLETA in December of each year for changes to be applied to the succeeding fiscal year. BUELLTON'S request shall detail the specific type and level of staffing BUELLTON desires, with BUELLTON acknowledging that the costs of such services may impact the total, negotiated agreement for the relevant fiscal year. GOLETA shall review said annual request within thirty (30) days of GOLETA's receipt thereof and acknowledge acceptance or rejection by letter to BUELLTON'S Designated Representative. Upon notice from GOLETA of acceptance or partial acceptance of said request, and the cost of providing the type or level of staffing therein agreed upon, the parties shall prepare and execute a written amendment to this AGREEMENT as to the terms and conditions set forth in said annual request and acceptance; all other terms set forth in this Agreement shall continue in full force and effect. In the event GOLETA rejects all or any portion of said annual request, the then-existing type and level of staffing shall remain in full force and effect, as modified by the acceptable portions of said annual request, until such time that the parties reach agreement as to the rejected portions of said annual request. An increase in level of service recommended by GOLETA, or decrease requested by BUELLTON, is subject to the procedures set forth in Paragraph 2 of Exhibit A and not this Paragraph.

#### C. Payment Process.

The total estimated cost for the applicable fiscal year will be invoiced annually to BUELLTON for full payment on or before the 25<sup>th</sup> of July for the annual payment. The purpose of this annual payment in the first month of the fiscal year, is to ensure total funding available for operations, and in addition, to benefit both parties administratively. BUELLTON'S payment shall be made by check or electronic transfer. A check shall be made payable to order of "City of Goleta" and mailed to the GOLETA address 130 Cremona Drive, Suite B, Goleta, CA 93117. If such payment is not delivered to the GOLETA office within thirty days of the respective due date, GOLETA is entitled to recover interest thereon. Said interest shall be

assessed using GOLETA'S pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the GOLETA office described on said invoice.

### **3. ADDITIONAL LIBRARY MANAGEMENT SERVICES**

#### A. Annual Agreement

BUELLTON costs for One-time or Periodic Library Management Services, as defined in Exhibit A, Paragraph 2, Section B, item ii, will not be included in the total contract amount.

#### B. Estimates

BUELLTON may request an estimated cost from GOLETA as described in paragraph 2(A) for budget preparation and planning purposes for the fiscal year or in advance of a planned event. BUELLTON understands and accepts that such an estimate in no way represents any minimum or maximum charge to BUELLTON.

#### C. Cost Tracking & Invoicing

The actual costs related to providing additional or special library management services will be tracked through GOLETA'S Financial System (currently Incode 8 and soon Incode 10), and reviewed prior to preparing a summary invoice. GOLETA will send an invoice within 90 days of conclusion of the work performed. A detailed listing of these charges will be kept on file at the GOLETA office and made available to BUELLTON upon written request. These records will be maintained for a period of one year after the day of the original invoice.

#### D. Payment Process

BUELLTON payment for additional or supplemental library management services is due to GOLETA within thirty (30) days of the date of the invoice. Payment will be made payable to: "City of Goleta" and mailed to: City of Goleta, Attention: Finance, 130 Cremona Drive, Suite B, Goleta, CA 93117. If such payment is not delivered to the GOLETA office within thirty days after the date of the invoice, GOLETA is entitled to recover interest thereon. Said interest shall be assessed using GOLETA'S pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the GOLETA office described on said invoice.

## **Exhibit C Cost Model**

The cost model determines the overall cost of providing library management services to BUELLTON, including the estimated management fee of support staff. The cost model is inclusive of budget line items to operate the branch library, and includes accounts related to staff salary and benefits, services and supplies, and capital outlay. In addition to the cost estimates, GOLETA'S cost model includes a management fee that is representative of the administrative overhead from support staff of providing library management services. The annual proposed operating budget represents the total cost for the library management operations for the following fiscal year.

### **1. Proposed Operating Budget**

On or before March 1 of each year of this AGREEMENT, GOLETA will provide BUELLTON with a copy of its proposed operating budget for BUELLTON library for the following fiscal year. Any changes to the LIBRARY budget during the current fiscal year of this AGREEMENT, including any unanticipated reductions or increases, which would affect services or hours open to the public, will be communicated to BUELLTON as soon as possible. BUELLTON shall have the exclusive authority to accept or reject any changes or reductions in service levels or service hours requested by GOLETA. Where proposed reductions in service are the result of mid-year budgeting changes by GOLETA or an unexpected reduction in funding from the County of Santa Barbara, BUELLTON shall have the option of providing additional financial support to maintain service levels previously agreed to between THE PARTIES as set forth herein.

### **2. Salary and Benefits**

This is the actual hourly cost of salary and benefits paid to the Library employee's classification for library management services based on staffing levels approved. Subject to future increases due to benefit and salary changes.

### **3. Services and Supplies**

This category is the estimated direct cost of services and supplies to support the BUELLTON library. The line item accounts are consistent with GOLETA'S chart of accounts and were originally estimated based on information received at the time. This section of costs accounts for expenditures that can be directly charged against the library and clearly identified. Major costs include Black Gold Fees, IT services, courier delivery services, and GOLETA's management fee. Subject to future changes, due to changes in cost of contracts fees, or unanticipated direct costs.

**4. Capital Equipment/Outlay.**

This category is the estimated direct cost of book acquisitions (including processing fees) or other future capital outlay.

**5. Management Fee.**

The management fee is the estimated cost of support and administration provided by GOLETA support department staff. It includes support from General Government, Finance, and Goleta Library. The management fee is calculated using a time and materials survey cost model that incorporates the hourly labor and benefit rate of GOLETA staff that would be directly supporting the BUELLTON library. The model identifies direct tasks performed by staff and other direct costs provided to the library branches with reasonable assumptions. The cost model is to be used as a starting point for the first year and subject to future adjustments based on changes to direct tasks involved, staffing labor and benefit rates and service level adjustments. City-wide indirect overhead cost was not applied to the labor and benefit rates of staff. The management fee is subject to change annually due to increases in labor and benefit rates or updates to time and materials survey, and will be communicated to BUELLTON during the annual operating budget proposal.

**6. True-up to actual cost.**

The first-year cost estimates are based on information received from prior management, along with assumptions made for the upcoming year on estimated costs. Because this cost model estimates the costs for the upcoming year, a comparison of what was estimated and actually experienced will be performed after the close of next year. The difference in actual costs, whether higher (due to actual costs exceeding estimated costs) or lower (due to estimated costs exceeding actual costs), is then included in the costs estimated for two years later in order to true-up the estimated costs billed next year to the actual costs incurred. Due to the timing of actual costs known, being in the new fiscal year, there is a two-year lag for the true-up adjustment. Below is a sample schedule over a five-year period showing the estimated timing of the true-up being applied:

Years	1st Year	2nd Year	3rd Year	4th Year	5th Year
<b>Fiscal Year</b>	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
<b>Budget Period</b>	July 1, 2019 - June 30, 2020	July 1, 2020 - June 30, 2021	July 1, 2021 - June 30, 2022	July 1, 2022 - June 30, 2023	July 1, 2023 - June 30, 2024
<b>Actual Costs Known</b>	<i>1st year in progress</i>	October 2020	October 2021	October 2022	October 2023
<b>Budget Proposal for next FY</b>	2nd Year - March 2020	3rd Year - March 2021 (1st True-up)	4th Year - March 2022 (2nd True-up)	5th Year - March 2023 (3rd True-up)	6th Year - March 2024 (4th True-up)
<b>True-up Actual Costs Experienced</b>	<i>no actual costs known until after FY</i>	<i>actual 1st year costs known, but in middle of 2nd year</i>	1st Year True-up	2nd Year True-up	3rd Year True-up

The top row indicates the year, and the date below shows the activity taking place, outlining the timing of when the actual costs are known, the timing of next fiscal year's budget proposal, and when the true-up is being applied and experienced. During the 1<sup>st</sup> year, actual costs are not known until after completion of the 1<sup>st</sup> year, while we are in the 2<sup>nd</sup> year. During the 2<sup>nd</sup> year, the 3<sup>rd</sup> year budget proposal will be developed, and the true-up will be applied to that budget. The 1<sup>st</sup> year true up is then experienced in the 3<sup>rd</sup> year. The table cells are color coded, to correspond with the period the information belongs to.

**Exhibit D**  
**Proposed Operating Budget for Fiscal Year 2019-20**  
**(July 1, 2019 - June 30, 2020)**

Buellton - Library		FY 19-20 Proposed
<b>Revenues</b>		
Donations		\$ 2,050.00
Fees and Service Charges		\$ 3,150.00
County Per Capita		\$ 82,438.00
City Contribution		\$ 141,641.00
Library Fines		\$ 3,000.00
Other Revenue		\$ 4,300.00
<b>Total Revenues</b>		<b>\$ 236,579.00</b>
<b>Expenditures</b>		
<b>Salary and Benefits</b>		
<b>Total Salary and Benefits</b>		<b>\$ 145,700.00</b>
<b>Supplies and Services:</b>		
Black Gold		\$ 19,163.00
Office Supplies & Expense		\$ 2,665.00
Special Supplies and Expense		\$ 4,115.00
Facilities Maint.		\$ 7,000.00
Non-Contractual Services (Custodial/Copier)		\$ 2,400.00
Advertising		\$ 200.00
Printing & Binding		\$ 150.00
Messenger/Delivery		\$ 8,760.00
Postage/Delivery		\$ 500.00
Telephone		\$ 1,600.00
Internet/Cable		\$ 2,800.00
Vehicle Fuel and Maintenance		\$ 265.00
IT Services and Software (Direct Costs)		\$ 18,848.28
<b>Total Supplies and Services</b>		<b>\$ 68,466.28</b>
<b>Capital Equipment:</b>		
Book Acquisitions		\$ 39,119.00
<b>Total Capital Equipment</b>		<b>\$ 39,119.00</b>
<b>Subtotal Expenditures</b>		<b>\$ 253,285.28</b>
<b>Support Time and Materials (Mgmt. Fee):</b>		
	Gen Gov	\$ 13,078.45
	Finance	\$ 4,305.65
	Library	\$ 17,997.45
<b>Total Support Staff Time and Materials</b>		<b>\$ 35,381.55</b>
<i>Conversion to Admin Fee Rate</i>		<i>13.97%</i>
<b>Total Expenditures</b>		<b>\$ 288,666.83</b>
<b>Net Revenues Over Expenditures</b>		<b>\$ (52,087.83)</b>

## Exhibit D-1 Library Staffing

The purpose of this section is to incorporate into this agreement, the specific library staffing, including salary and benefits levels and authorized hours per/week for BUELLTON.

### SCHEDULE OF AUTHORIZED POSITIONS FOR BUELLTON LIBRARY

BUELLTON LIBRARY STAFF: FY 2019-2020								
Buellton								
Position	Status	Class	Base Wage	Salaries	Benefits	Total S/B	Authorized Hrs/Week	Benefit Level
Senior Library Technician	Reg/FT	104/1	\$25.13	\$52,000	\$20,500	\$72,500	40	Full time
Library Technician	Hourly	103/1	\$22.79	\$18,100	\$1,400	\$19,500	15	N/A**
Library Technician	Hourly	103/1	\$22.79	\$18,100	\$1,400	\$19,500	15	N/A**
Library Assistant I	Hourly	101/2	\$20.90	\$15,800	\$1,300	\$17,100	15	N/A**
Library Assistant I (Vacant)	Hourly	101/2	\$20.90	\$15,800	\$1,300	\$17,100	15	N/A**
<b>Total</b>						<b>\$145,700</b>		

\*\* CA Paid Sick Leave (24 hours)

*Salary and benefits have been rounded and include a 3% salary increase effective on the first pay period after January 1, 2020, subject to the Memorandum of Understanding with SEIU, Local 620. Future staffing levels, authorized hours, and rates are dependent upon funding provided by BUELLTON.*

**Exhibit E**  
**Legal Description**

Legal Description

Lot No. 28, San Carlos de Jonata, Map 4, being a portion of a

PART OF TRACT NO. 8 of the Rancho San Carlos de Jonata, according to map entitled "Map of Survey made by F. F. Flourney of part of the Rancho San Carlos de Jonata for the Santa Ynez Valley Development Co., Santa Barbara County, California, February 1910," recorded April 8, 1910, pasted in Volume 5 of Maps and Surveys at Pages 51 to 56, both inclusive, said Tract #8 being shown on sheet pasted on Pages Nos. 53 and 54, to wit:

COMMENCING at a 3/4" pipe located on the center line of County Road to Lompoc 498.1 feet east of pipe at intersection point between center line of said road and the westerly line of Tract #8 (all pipes mentioned, except pipe at place of beginning, are shown on map of survey made by F. F. Flourney of Part of the Rancho San Carlos de Jonata and filed in the Santa Barbara County Recorder's office) and running thence 1st, on center line of above mentioned road S. 65 deg. 0' 20" E. 300 feet to a 3/4" pipe in asphalt pavement; thence 2nd S. 25 deg. 0' W. 580.8 feet to a 3/4" pipe; thence 3rd N. 65 deg. 0' 20" W. 300 feet to a 3/4" pipe; thence 4th N. 25 deg. 0' E., 580.8 feet to place of beginning.

RESERVING and excepting from said described land all oil, petroleum and other hydrocarbon substances, including natural gas in and upon said premises, and the same rights and privileges in respect to said land as those set forth and contained in that certain indenture of lease, reference to which is hereby made, heretofore entered into by and between the Santa Ynez Valley Development Co., a corporation, as first party, and Henry Joseph Crocker, as second party, on the 24th day of October, 1906, recorded on the 8th day of April, 1907, in Book "H" of Leases, page 351 et seq., records of said Santa Barbara County.

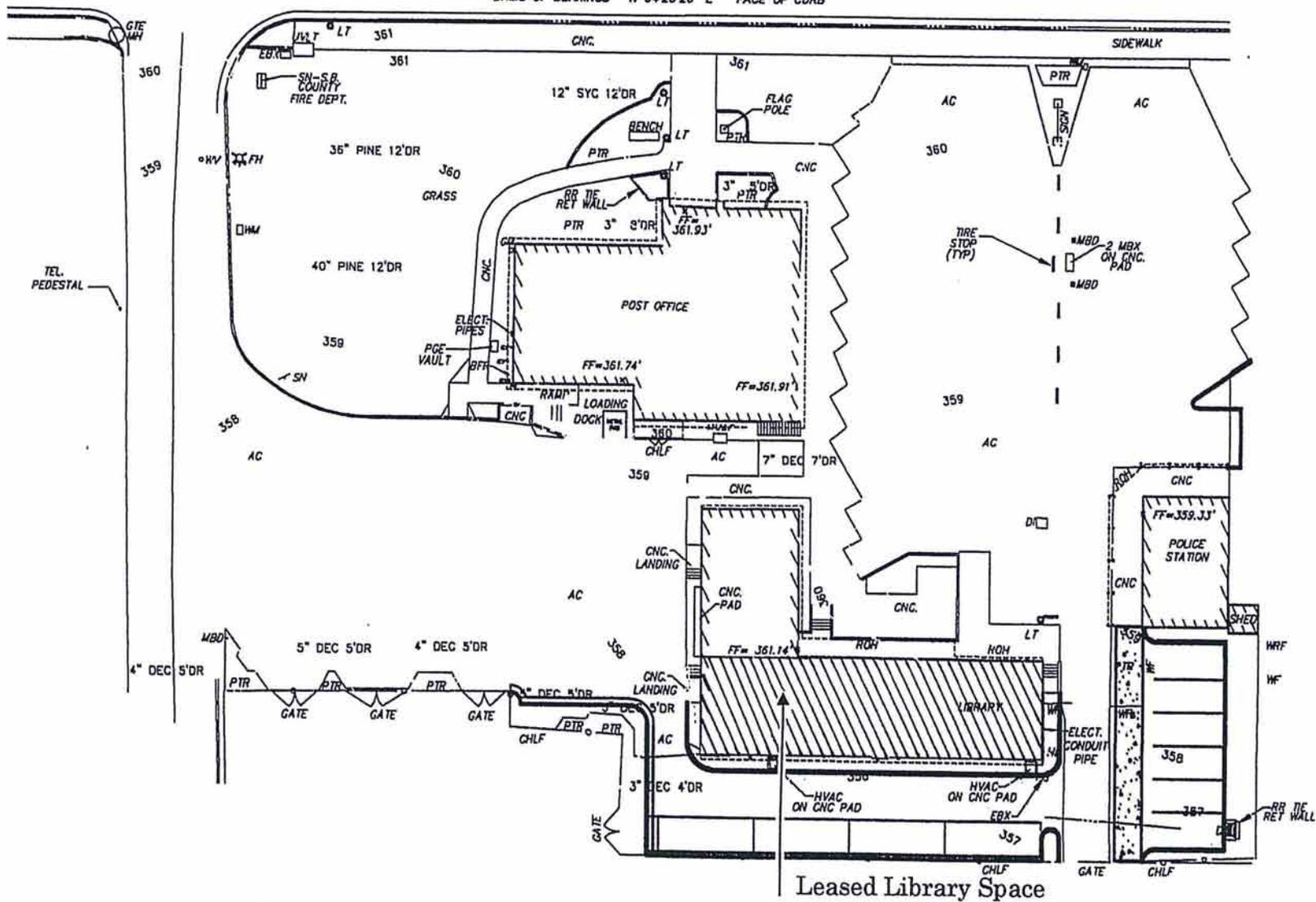
TOGETHER with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

**Exhibit E-1  
Site Plan**

North ↑

# HIGHWAY 246

BASIS OF BEARINGS N 64°26'26" E FACE OF CURB



**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: Rose Hess, Public Works Director

Meeting Date: June 13, 2019

Subject: Resolution No. 19-14 – “A Resolution of the City Council of the City of Buellton, California, Regarding Red Curb Addition and Removal on McMurray Road”

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**BACKGROUND**

On April 25, 2019 the City Council discussed the issues regarding visibility issues on the intersections of McMurray Road and north and south Valley Vineyard Circles and the need of on-street parking on south McMurray Road. The following are a synopsis of the discussion:

*McMurray Road at Valley Vineyard (North and South)*

The City has received several complaints from residents at the new Village Townhomes regarding issues with sight visibility while waiting on Valley Vineyard Circle at McMurray Road. Staff has reviewed existing site conditions and had also set up a temporary “No Parking” restriction for a portion of McMurray Road south of Valley Vineyard Circle (north). Currently, the on-street parking on McMurray Road is recessed with protective bulb-outs at Valley Vineyard Circle (both north and south). There is adequate line of sight provided, even when vehicles are parked. However, when large trucks are parked closer to the intersection, that line of sight is obstructed.

The final recommendation was to utilize the existing 180 feet of red curb for the existing bus stop by shifting the existing red curb north by 140 feet. In addition, 50 feet of new red curb is proposed south of the south Valley Vineyard Circle.

*McMurray Road South of Buellton Town Center Driveway*

Council requested to review the existing parking restriction on south McMurray Road. Council originally adopted Resolution 99-02 on January 14, 1999 to create “No Parking Zones” along McMurray Road south of Highway 246. Currently, this section of McMurray Road has red curb from the driveway all the way to the south driveway to the building’s rear delivery area. This is approximately 150 feet of red curb and there does

not appear to be any line of sight issues. There is a fire hydrant at the south end. Additional on-street parking would benefit the adjacent businesses, which is the main consideration for the removal of red curbs.

The final recommendation was to remove the red curbs.

Attached Resolution No. 19-14 incorporates the findings and recommendations discussed at the April 25, 2019 meeting. Exhibit A to the resolution provides an aerial view of these areas.

### **FISCAL IMPACT**

Approval of curb painting and signage and/or removal of curb painting will have minimal Fiscal Impact as the markings can be completed by staff.

### **RECOMMENDATION**

That the City Council consider the adoption of Resolution No. 19-14 – “A Resolution of the City Council of the City of Buellton, California, Regarding Red Curb Addition and Removal on McMurray Road.”

### **ATTACHMENTS**

Resolution No. 19-14 (Exhibit A)

**RESOLUTION NO. 19-14**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, REGARDING RED CURB ADDITION AND REMOVAL ON MCMURRAY ROAD**

**WHEREAS**, certain portions of the Santa Barbara County Code, including Chapter 23: Motor Vehicles and Traffic, have been adopted as part of the Buellton Municipal Code Section 10.01.010; and

**WHEREAS**, California Vehicle Code Section 22507 and Section 23-11.1 of the Santa Barbara County Code authorizes the City Council, by Resolution, to designate limited, no parking, loading, and bus zones; and

**WHEREAS**, the conditions on north McMurray Road at the north and south intersections of Valley Vineyard Circle have certain line of site issues with the parking of trucks and large vehicles, which can be minimized by the restriction of certain parking south of the intersections; and

**WHEREAS**, the City can address this issue by relocating approximately 180 feet of red curb on McMurray Road north by 140 feet, as shown on Exhibit "A" attached hereto and proposing 50 feet of new red curb on McMurray Road; and

**WHEREAS**, along south McMurray Road, south of the Buellton Town Center driveway, additional on-street parking is desired and portions of the existing red curbing has been deemed superfluous by Council; and

**WHEREAS**, the City can address this issue with the proposed removal of approximately 115 feet of existing red curb on south McMurray Road, as shown on Exhibit "A" attached hereto.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Buellton does hereby resolve, determine, and order 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 City Council hereby restricts parking on north McMurray Road, as shown on Exhibit "A" attached hereto and incorporated by this reference.

**SECTION 3.** The City Council hereby removes red curbing on south McMurray Road, as shown on Exhibit "A" attached hereto and incorporated by this reference.

**SECTION 4.** The City Council hereby approves and directs the maintenance of red curb markings as shown on Exhibit "A."

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

**PASSED, APPROVED and ADOPTED** this 13th day of June, 2019.

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Holly Sierra  
Mayor

ATTEST:

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Linda Reid  
City Clerk

Exhibit A – McMurray Road

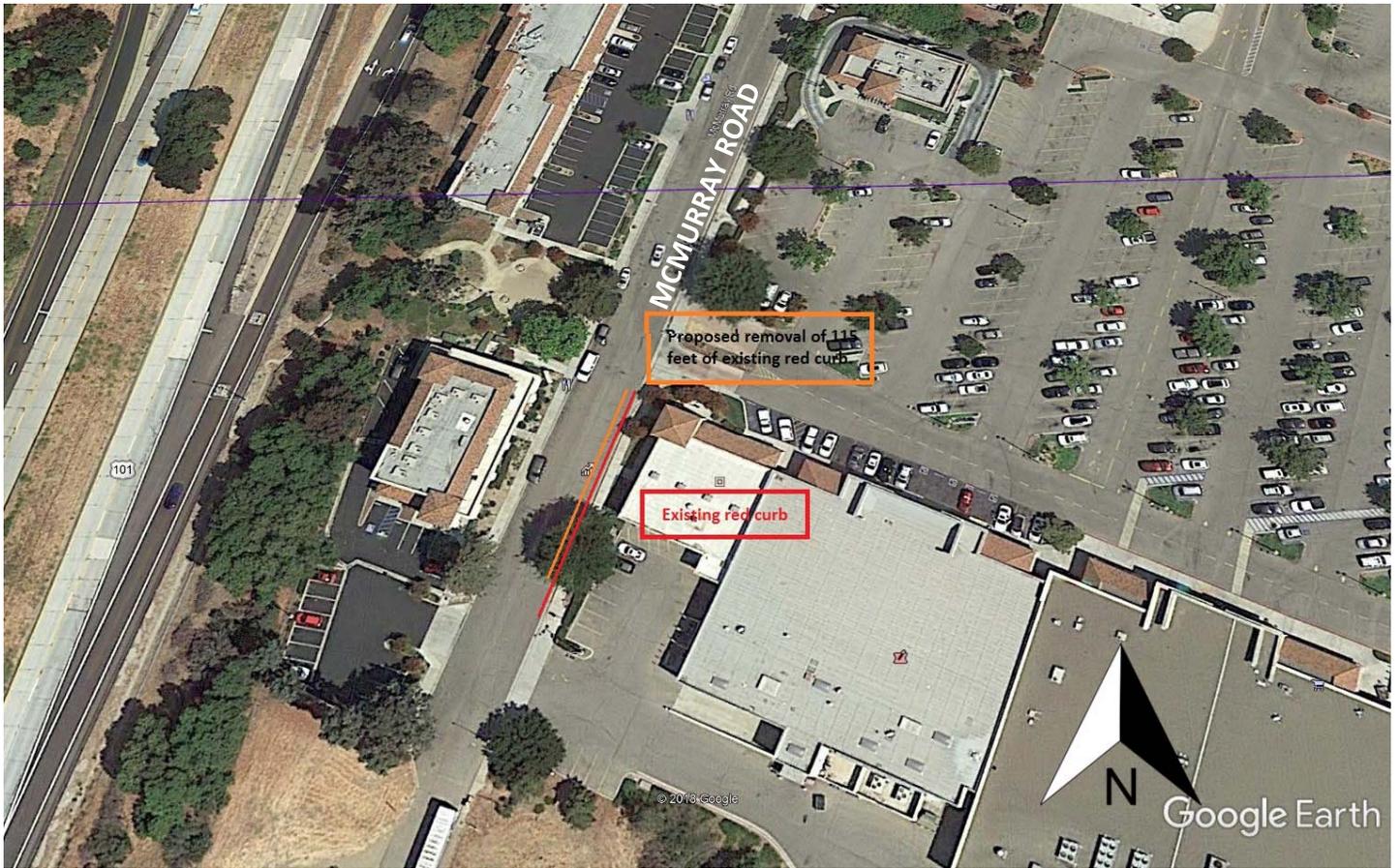
**EXHIBIT A TO RESO 19-14**

**NORTH MCMURRAY ROAD**



EXHIBIT A TO RESO 19-14

SOUTH MCMURRAY ROAD



**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 12

To: The Honorable Mayor and City Council

From: Kyle Abello, Recreation Coordinator

Meeting date: June 13, 2019

Subject: Consideration of a Proposition 68 Grant Application for the Santa Ynez Valley Community Aquatics Park Complex, Conceptual Approval of Joint Use/Lease Agreement with the Santa Ynez Valley Union High School District and the Santa Ynez Valley Community Aquatics Foundation, and Allocation of Proposition 68 Per Capita Program Funds

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**BACKGROUND**

Buellton and the entire Santa Ynez Valley have the least access to public aquatics in Santa Barbara County (See Attachment 1). Annually, only 96 hours of public swim time is available during the summer months, and with the age of the current high school pool and recent construction, even that has not been consistent. For our summer day camp, we have been forced to shuttle our kids to the Lompoc and Santa Maria pools to swim.

To address this, the Santa Ynez Valley Community Aquatics Foundation (Foundation) was formed in 2015 specifically to raise and provide the necessary funds for design, development, installation and continued operations of two pools; a competition pool and a recreational/therapeutic pool including ancillary facilities on the site of the Santa Ynez Valley Union High School District (District). The District will allow the Santa Ynez Valley Community Aquatics Park Complex (Project) to be open seven days a week; even when school is in session. An aquatics complex such as this would not only provide access for youth camps and swimming lessons, but collaborative programs with the Buellton Senior Center such as water aerobics, adult exercise and even special events. This Project will open the doors for year round aquatics programming for youth, adults and seniors of all ability levels. Programming will include learn to swim, aqua therapy, Master's swim, competitive swim, waterpolo and dive, Special Olympics, Water Safety & Lifeguard training, general recreation, and more. See Attachment 2 for the Project Funding Snapshot.

In June of 2018, California voters approved Proposition 68, a Parks, Environment & Water Bond. This authorized \$4 billion dollars in general obligation bonds. There are multiple programs that are listed under Prop 68, but the focus and eligibility of this Project are in the Statewide Park Development Program (SPDP) and the Per Capita Program (PCP).

**Proposition 68 Statewide Park Development Program (SPDP):**

There are multiple rounds of funding for this program, and in this particular round the amount available is \$254,942,000. The SPDP is a competitive grant process which requires that the project must involve either development or a combination of acquisition and development to create a new park. The SPDP Grant Application Guide can be found at

[https://www.parks.ca.gov/pages/1008/files/Final\\_Prop.\\_68\\_SPP\\_Application\\_Guide\\_1.2\\_2.2019.pdf](https://www.parks.ca.gov/pages/1008/files/Final_Prop._68_SPP_Application_Guide_1.2_2.2019.pdf)

The Foundation is requesting that the City be the lead applicant in the SPDP, and with that request they have offered to provide the professional grant writer to complete both the SPDP and the PCP grant applications. The Foundation will continue 100% of their fundraising efforts and would continue to be a major programming partner once the Project is built. The grant award the Foundation is seeking would be for \$6.3 million. In addition to the actual design and construction costs, grant funds may also be used to purchase any required construction related insurance in addition to the City's existing policy.

In order to qualify for the SPDP grant funds, the City would need to enter into a Joint Use/Lease Agreement with the School District for the term of construction. Upon completion the District would be responsible for maintenance of the facility and the City would be responsible for programming and scheduling, much like our current partnership with the Buellton Union School District for the operation of the Recreation Center. If the Council agrees in concept, they may direct staff to return with a draft Agreement for approval that would formalize the roles and responsibilities of each entity and detail the insurance and indemnification requirements.

The final grant notice from the State requires that grantees ensure the operation of the project site for 30 years which would be the proposed term for a Joint Use/Lease Agreement with the District as described above. The City's insurer, CJPIA, has indicated that there are many examples of similar agreements among member cities, and if the Council desires to move forward, they and the City Attorney would review a draft Agreement (see Attachment 3).

**Proposition 68 Per Capita Program (PCP):**

A portion of Proposition 68 funds are earmarked for local governments on the basis of population. Small cities like Buellton can expect the minimum allocation of \$200,000. The PCP Grant Application Guide can be found at: [https://www.parks.ca.gov/pages/1008/files/Per\\_Capita\\_Program\\_Procedural\\_Guide\\_with\\_five\\_percent\\_March\\_2019\\_Draft\\_3.6.19.pdf](https://www.parks.ca.gov/pages/1008/files/Per_Capita_Program_Procedural_Guide_with_five_percent_March_2019_Draft_3.6.19.pdf)

The Foundation has asked that the City consider allocating the City's Proposition 68 Per Capita Program funds to the Project as well. These funds, expected to be in the amount of \$200,000, can only be used for land acquisition or new development of park lands. Since the City currently does not have any eligible projects, this allocation would ensure the capture of these State grant dollars for a Project that would benefit Buellton residents and the entire Valley. The Foundation will be requesting the same Per Capita Program allocation from the City of Solvang and the County of Santa Barbara.

Staff recommends that the City Council consider this rare opportunity to gain what amounts to a municipal pool without bearing the on-going maintenance costs of the facility. This would require the City acting as the lead in the Proposition 68 grant process, allocating the City's Proposition 68 grant funds to the project, and entering into a joint use agreement with the District and Foundation.

**FISCAL IMPACT**

The Foundation will provide professional grantwriting services to complete both the SPDP and PCP Grant Applications so the City staff time spent on the applications will be minimal. There is no cost to submit the grants to the State.

The Proposition 68 Per Capita Program requires a 20% City match in funds. Based on Buellton's small population, the likely award from the State would be \$200,000, payable in the form of reimbursement of project expenses; therefore, the fiscal impact is estimated at \$40,000 from the City's General Fund.

Note: The disbursement of any City matching funds is contingent upon the State award of Proposition 68 grant funds to the City.

**RECOMMENDATION**

That the City Council consider:

- a) Acting as the lead in the Proposition 68 Statewide Park Development Program Grant Application for the Santa Ynez Valley Community Aquatics Complex;
- b) Conceptually approving of a Joint Use/Lease Agreement with the Santa Ynez Valley Union High School District and the Santa Ynez Valley Community Aquatics Foundation and direct staff to bring back a draft Agreement to Council for approval.

c) Allocating Buellton's Proposition 68 Per Capita Program funds towards the Project.

**ATTACHMENTS**

Attachment 1: Public Access to SB County Aquatics facilities

Attachment 2: Project Funding Snapshot

Attachment 3: Sample Lease Agreement from California JPIA

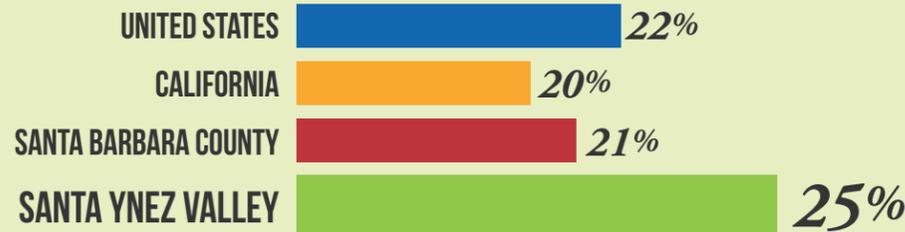
# PUBLIC ACCESS TO SANTA BARBARA COUNTY AQUATICS FACILITIES

*Least Access for Santa Ynez Valley*

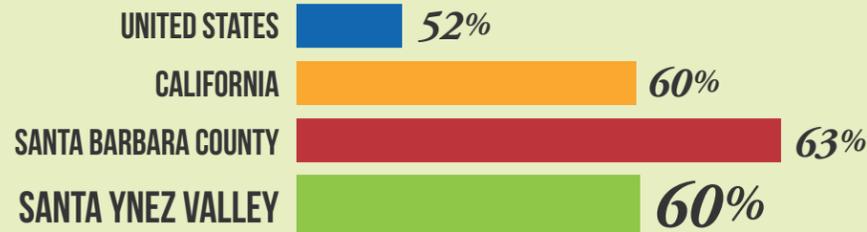
## Demographic Comparison Snapshot

(% of population: Source U.S. Census Bureau)

### Seniors (65+)



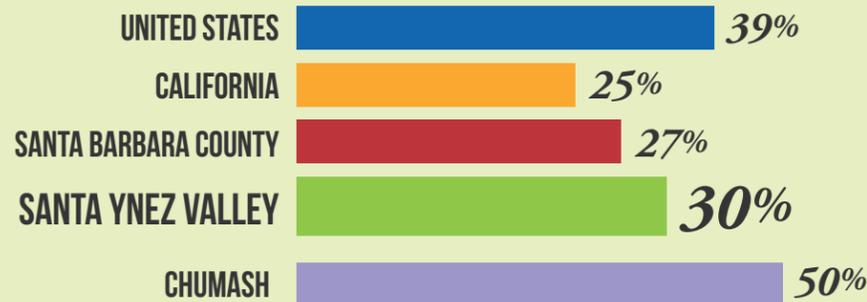
### Free & Reduced Eligible Youth



### Developmentally Disabled



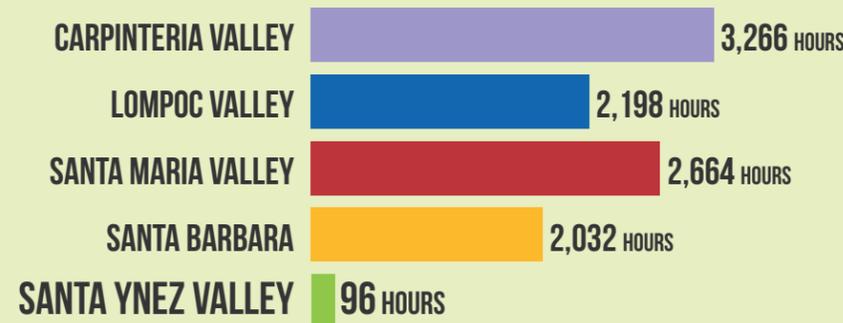
### Adults Heart Disease/Obesity Risk



## Public Access to Aquatics Programming Annual Hours

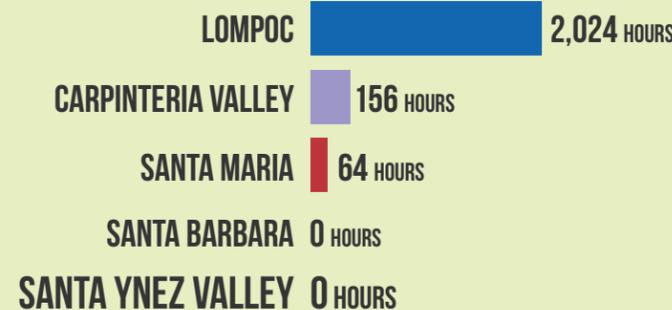
### Public Swimming

*Recreational for All Ages*



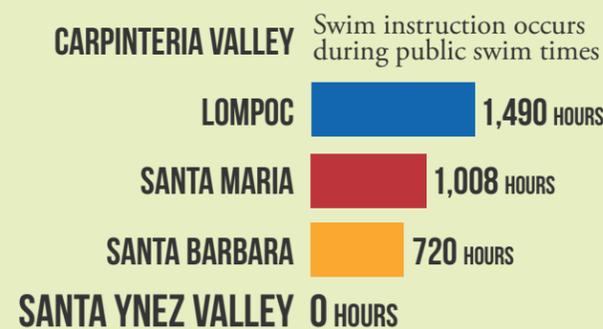
### Warm Water / Active Learning

*Therapy, Aquarobics, Water Safety, Less-able Access*



### Learn To Swim

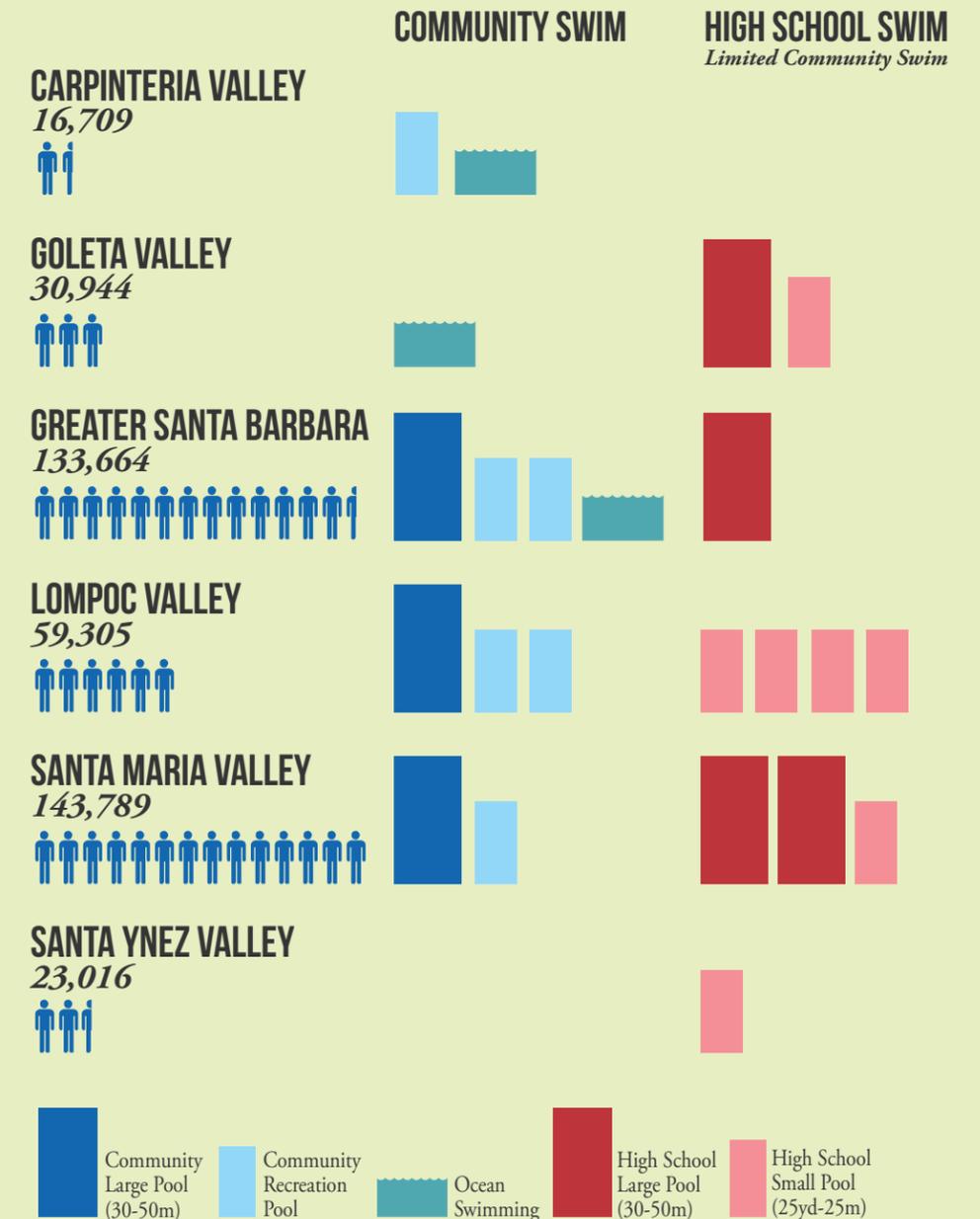
*Free to all 3rd graders, Fee-based, Individual Instruction*



## Available Aquatics Facilities Santa Barbara County

(Sources: U.S. Census Bureau; City Parks & Rec Departments; School Districts)

### Population & Pools by Community



## HEALTH & WELLNESS PROGRAMMING PARTNERS

- SYV Union High School • City of Buellton • City of Solvang • County of Santa Barbara • Stuart C. Gildred YMCA • Santa Ynez Band of Chumash Indians & Tribal Health Clinic
- SYV Youth Recreation • SYV Swim Club • LA84 Foundation • USA Swimming • National Youth Sports Health & Safety Institute

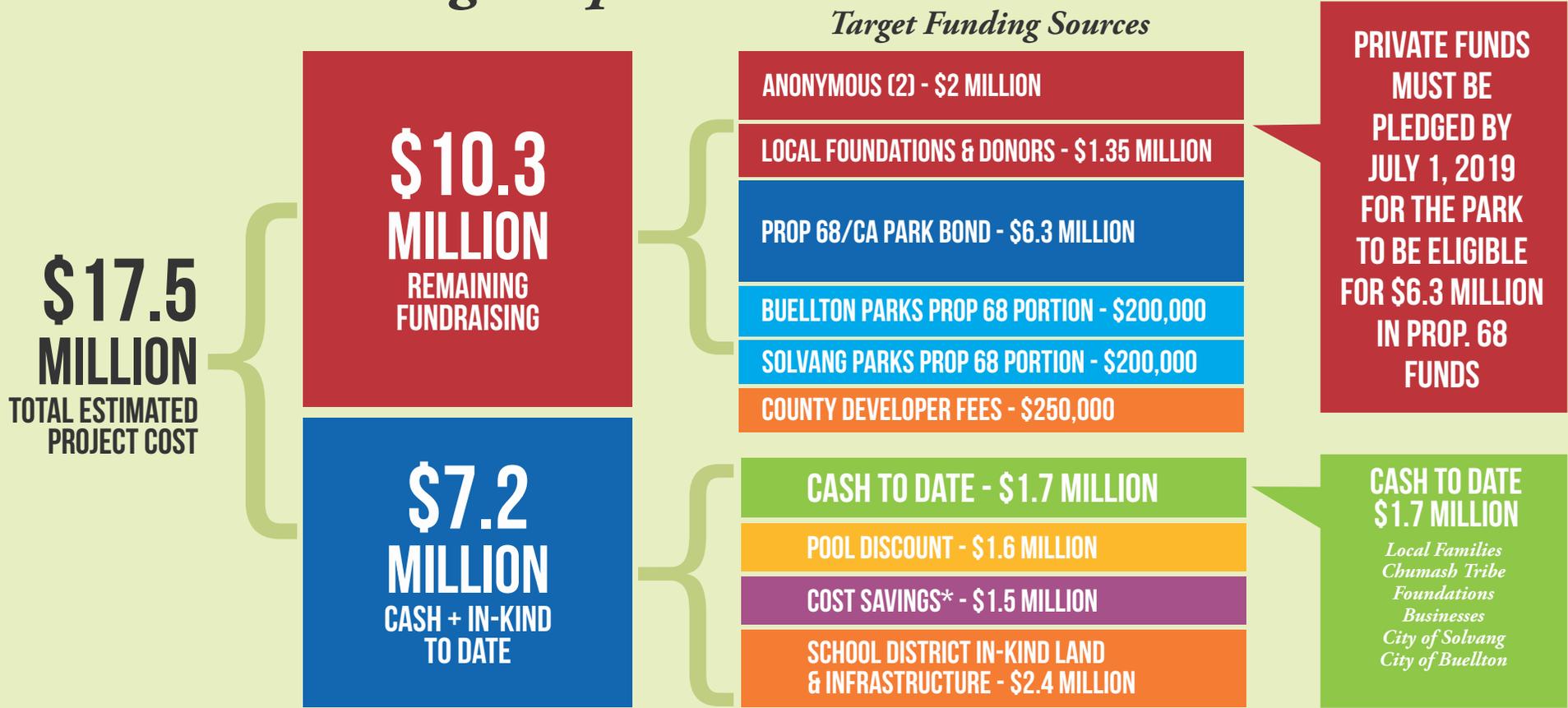


syvaquatics@gmail.com  
 (805) 694-8232  
 Santa Ynez, CA 93460

# SANTA YNEZ VALLEY COMMUNITY AQUATICS COMPLEX

*Community-based Programming for All with an Emphasis on Underserved Residents*

## 2019 Fundraising Snapshot



*Estimated Project Cost April 2019*

\*Recognized as cost efficiencies by avoiding county planning and oversight process, shared parking, property taxes, etc.

## HEALTH & WELLNESS PROGRAMMING PARTNERS

SYV Union High School District • City of Buellton • City of Solvang • County of Santa Barbara  
 Stuart C. Gildred YMCA • Santa Ynez Band of Chumash Indians & Tribal Health Clinic  
 SYV Youth Recreation • SYV Swim Club • LA84 Foundation • USA Swimming  
 National Youth Sports Health & Safety Institute



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 Santa Ynez  
 CA 93460

## CALIFORNIA JPIA RESOURCE

**Document Name:**  
**Commercial Lease Agreement**

**Purpose:**  
 This template sets forth the responsibilities for leasing of buildings.

**Replacing Document:**  
 None

**To Whom Does it Apply:**  
 This template applies to individuals responsible for drafting lease agreements.

**Note:**  
 The Authority has two additional resources that may be helpful in the development of written agreements.

1. Contractual Risk Transfer Manual for California Public Agencies
2. Contractual Risk Transfer: Strategically managing Risk Training

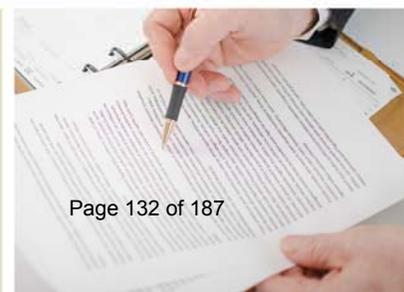
### Important:

This reference material is compiled for use by Authority members in the preparation, development and implementation of risk management policies, programs, and procedures. Since this document is designed to meet the needs of the general pool membership, please be aware that the present form is best considered a template for use by your agency in drafting specific documents. This template should not be construed as legal advice. Accordingly, any resulting policy, program or procedure that results from this template should always be reviewed and approved as is customary by your agency, including the purview of any necessary legal and/or governing body authorities to ensure the policy being developed meets the unique needs of your jurisdiction. Policies should be implemented after proper training has been provided.

This reference material is to be considered proprietary and confidential and may not be disclosed to any person without the express, prior permission of the California JPIA. This reference material is for Authority member use only and does not apply in any criminal or civil proceeding. This reference material should not be construed as a creation of a higher legal standard of safety or care in an evidentiary sense with respect to third party claims.



*Providing innovative risk management solutions  
 for our public agency partners*



**AGENCY NAME  
COMMERCIAL LEASE AGREEMENT**

**[This is a lease where the agency is leasing agency property to a third party]**

This Commercial Lease Agreement ("Lease") is made and effective \_\_\_\_\_, by and between [Insert agency name] ("LANDLORD") and [Insert tenant name] ("TENANT").

LANDLORD is the owner of land and improvements commonly known and numbered as \_\_\_\_\_ (the "Building") and legally described as follows ("Leased Premises"):

---

**[Legal Description of Leased Premises]**

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

**I. TERM**

LANDLORD hereby leases the Leased Premises to TENANT, and TENANT hereby leases the same from LANDLORD, for an "Initial Term" beginning \_\_\_\_\_ and ending \_\_\_\_\_.

LANDLORD shall use its best efforts to give TENANT possession as nearly as possible at the beginning of the Lease Term. If LANDLORD is unable to timely provide the Leased Premises, rent shall abate for the period of delay. TENANT shall make no other claim against LANDLORD for any such delay.

Any holding after the terms of this agreement expires, with LANDLORD's consent, shall create a month-to-month tenancy that either party may terminate by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.

**II. BASE RENT**

**A.** TENANT agrees to pay Base Rent at the rate of (*CHECK ONE ONLY*):

- (1)** \$ \_\_\_\_\_ per month, for the term of the agreement
- (2)** \$ \_\_\_\_\_ per month, for the first 12 months of the agreement.

Commencing the 13<sup>th</sup> month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

Index of the Bureau of Labor Statistics of the Department of Labor for all Urban Customers ("CPI") for \_\_\_\_\_ (the city nearest to the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.

- (3) \$ \_\_\_\_\_ per month for the period commencing \_\_\_\_\_ and ending \_\_\_\_\_ and \$ \_\_\_\_\_ per month for the period commencing \_\_\_\_\_ and ending \_\_\_\_\_ and \$ \_\_\_\_\_ per month for the period commencing \_\_\_\_\_ and ending \_\_\_\_\_ and
- (4) In accordance with the attached rent schedule.
- (5) Other: \_\_\_\_\_.

**B.** Base Rent is payable in advance on the 1<sup>st</sup> (or  \_\_\_\_\_) day of each calendar month, and is delinquent on the next day.

**C.** If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If TENANT has paid one full month's Base Rent in advance of the Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

### **III. RENT**

**A.** Definition: "Rent" shall mean all monetary obligations of TENANT to LANDLORD under the terms of this agreement, except security deposit.

**B.** Payment: Rent shall be paid to (Name) \_\_\_\_\_ at (Address) \_\_\_\_\_, or at any other location specified by LANDLORD in writing to TENANT.

**C.** Timing: Base Rent shall be paid as specified in Paragraph 2. All other Rent shall be paid within 30 days after TENANT is billed by LANDLORD.

### **IV. EARLY POSSESSION**

TENANT is entitled to possession of the Leased Premises on \_\_\_\_\_. If TENANT is in possession prior to the Commencement Date, during this time (i) TENANT is not obligated to pay Base Rent, and (ii) TENANT  is  is not obligated to pay Rent other than Base Rent. Whether or not TENANT is obligated to pay Rent prior to Commencement Date, TENANT is obligated to comply with all other terms of this agreement.

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**V. SECURITY DEPOSIT**

- A. TENANT agrees to pay the LANDLORD \$ \_\_\_\_\_ as a Security Deposit.
  
- B. The Security Deposit shall be held by LANDLORD without liability for interest and as security for the performance by TENANT of TENANT's covenants and obligations under this Lease, it being expressly understood that the Security Deposit shall not be considered an advance payment of rental or a measure of LANDLORD's damages in case of default by TENANT. Unless otherwise provided by mandatory non-waivable law or regulation, LANDLORD may commingle the Security Deposit with LANDLORD's other funds. LANDLORD may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of rent or to satisfy any other covenant or obligation of TENANT hereunder. Following any such application of the Security Deposit, TENANT shall pay to LANDLORD on demand the amount so applied in order to restore the Security Deposit to its original amount. If TENANT is not in default at the termination of this Lease, the balance of the Security Deposit remaining after any such application shall be returned by LANDLORD to TENANT. If LANDLORD transfers its interest in the Premises during the term of this Lease, LANDLORD may assign the Security Deposit to the transferee and thereafter shall have no further liability for the return of such Security Deposit.

**VI. USE**

The premises are for sole use as \_\_\_\_\_.  
No other use is permitted without the LANDLORD's prior written consent. Notwithstanding the forgoing, TENANT shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. TENANT must abide by all applicable laws and regulations affecting use of the Leased Premises.

**VII. SUBLEASE AND ASSIGNMENT**

TENANT shall have the right with LANDLORD's written consent, which consent shall not be unreasonably withheld, to assign this Lease to a corporation with which TENANT may merge or consolidate, to any subsidiary of TENANT, to any corporation under common control with TENANT, or to a purchaser of substantially all of TENANT's assets. Except as set forth above, TENANT shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without LANDLORD's written consent, such consent not to be unreasonably withheld or delayed.

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**VIII. REPAIRS**

During the Lease Term, TENANT shall make, at TENANT's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems or the roof, the exterior walls and hallways, however including inside walls and all plaster, tile, structural glass and glazing, light fixtures, interior plumbing, hereby waiving all rights as provided in Sections 1941 and 1942 of the Civil Code of the State of California. LESSEE shall, in maintaining said premises in good sanitary order and condition, hire or furnish their own janitorial service without expense to the LESSOR.

**IX. ALTERATIONS AND IMPROVEMENTS**

TENANT, at TENANT's expense, shall have the right following LANDLORD's written consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as TENANT may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. TENANT shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. Any and all alterations to the Leased Premises must be made in a workmanlike manner. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by TENANT at the commencement of the Lease Term or placed or installed on the Leased Premises by TENANT thereafter, shall remain TENANT's property free and clear of any claim by LANDLORD. TENANT shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by TENANT at TENANT's sole expense.

**X. PROPERTY TAXES [Public agencies do not pay property taxes on real property; agency legal counsel should be consulted – this section may be deleted]**

LANDLORD shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease Term on the Leased Premises, and all personal property taxes with respect to LANDLORD's personal property, if any, on the Leased Premises. TENANT shall be responsible for paying all personal property taxes with respect to TENANT's personal property at the Leased Premises.

**XI. INSURANCE**

**A.** If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of TENANT or any

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

of TENANT's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and TENANT shall be responsible for the costs of repair not covered by insurance.

- B.** LANDLORD shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as LANDLORD shall deem appropriate. TENANT shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.
- C.** Without limiting TENANT's indemnification of AGENCY, and prior to commencement of Lease, TENANT shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Agency.

**General liability insurance.** TENANT shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

**Automobile liability insurance.** [Optional] TENANT shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the TENANT arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

**Workers' compensation insurance.** [Optional] TENANT shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000). TENANT shall submit to AGENCY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of AGENCY, its officers, agents, employees, and volunteers.

**Property insurance.** Upon commencement of construction of tenant improvements and betterments, or installation of equipment, with approval of AGENCY, TENANT shall obtain and maintain insurance on TENANT's improvements and betterments. Policy shall be provided for replacement value on an "all risk" basis. There shall be no coinsurance penalty provision in any such policy.

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*Note: In most leases, the landlord provides property insurance and the tenant provides liability insurance. When the property includes substantial tenant improvements, the lease may require the tenant to insure those improvements. In a few cases, such as "triple net" leases, the tenant also provides the other property insurance. Legal and insurance advice may be appropriate in such cases.*

**Commercial property insurance.** Upon commencement of construction of tenant improvements and betterments, or installation of equipment, with approval of AGENCY, TENANT shall obtain and maintain insurance on TENANT's and any improvements. Coverage shall be at least as broad as the Insurance Services Offices broad causes of loss form CP 10 20, and approved of in writing by AGENCY. Coverage shall be sufficient to insure 100% of the replacement value and there shall be no coinsurance provisions. The policy shall include an inflation guard endorsement, 100% rents coverage, contents coverage, coverage for personal property of others, ordinance or law and increased cost of construction coverage. AGENCY shall be included as an insured and as loss payee on any such insurance. AGENCY shall not be liable for any business income or other consequential loss sustained by LESSEE. AGENCY shall not be liable for any loss of LESSEE's personal property even if such loss is caused by negligence of AGENCY, AGENCY's employees or agents.

**Boiler and machinery insurance** with limits of not less than actual replacement cost for all property and improvements, encompassing explosion and breakdown. LESSEE shall obtain and deliver to AGENCY, along with copies of all policies of insurance required here, a joint loss endorsement for property and boiler and machinery policies. The AGENCY is to be added as insured to boiler and machinery coverage. LESSEE also agrees to provide builder's all-risk insurance using an inland marine form during the period of any major alteration or improvement, using the broadest form available. AGENCY shall be named as loss payee under all first party coverages.

**Commercial pollution legal liability** with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate. *(If no such exposure exists, this coverage requirement may be deleted.)*

### **Other Insurance Provisions or Requirements**

**Proof of insurance.** TENANT shall provide certificates of insurance to AGENCY as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by AGENCY's risk manager prior to commencement of performance. Current certification of insurance shall be kept on file with AGENCY at all times during the term

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

of this contract. AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time.

**Duration of coverage.** TENANT shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by TENANT, his agents, representatives, employees, or subconsultants.

**Primary/noncontributing.** Coverages provided by LESSEE shall be primary and any insurance or self-insurance procured or maintained by AGENCY shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of AGENCY before the AGENCY's own insurance or self-insurance shall be called upon to protect it as a named insured.

**Agency's rights of enforcement.** In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, AGENCY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by AGENCY will be promptly reimbursed by TENANT or AGENCY will withhold amounts sufficient to pay premium from TENANT payments. In the alternative, AGENCY may cancel this Agreement.

**Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the AGENCY's Risk Manager.

**Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against AGENCY, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow TENANT or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. TENANT hereby waives its own right of recovery against AGENCY, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

**Enforcement of contract provisions (non estoppel).** TENANT acknowledges and agrees that any actual or alleged failure on the part of

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the AGENCY to inform TENANT of non-compliance with any requirement imposes no additional obligations on the AGENCY nor does it waive any rights hereunder.

**Requirements not limiting.** Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the TENANT maintains higher limits than the minimums shown above, the AGENCY requires and shall be entitled to coverage for the higher limits maintained by the TENANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the AGENCY.

**Notice of cancellation.** TENANT agrees to oblige its insurance agent or broker and insurers to provide to AGENCY with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage. Proof of such obligation shall be in the form of a special endorsement.

**Additional insured status.** General liability policies shall provide, or be endorsed to provide, that AGENCY and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall include endorsement covering liabilities arising out of the TENANT's "operations" in the leased space. This provision shall also apply to any excess/umbrella liability policies.

**Prohibition of undisclosed coverage limitations.** None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to AGENCY and approved of in writing.

**Separation of insureds.** A severability of interests provision must apply for all additional insureds ensuring that LESSEE insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

**Pass through clause.** TENANT agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by TENANT, provide the same minimum insurance coverage and endorsements required of TENANT. TENANT agrees to monitor and review all such coverage and assumes all

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responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. TENANT agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to AGENCY for review.

**Agency’s right to revise specifications.** The AGENCY reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the TENANT ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the TENANT, the AGENCY and TENANT may renegotiate TENANT’s compensation.

**Self-insured retentions.** Any self-insured retentions must be declared to and approved by AGENCY. AGENCY reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by AGENCY.

**Timely notice of claims.** TENANT shall give AGENCY prompt and timely notice of claims made or suits instituted that arise out of or result from TENANT’s performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

**Additional insurance.** TENANT shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection.

TENANT’s personal property, fixtures, equipment, inventory and vehicles are not insured by LANDLORD against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause.

**XII. INDEMNITY**

Except for the sole negligence of AGENCY, LESSEE shall defend, indemnify and keep and hold AGENCY, including AGENCY’s officers, employees and agents, their successors and assigns, harmless from any and all costs, liability, damage or expense (including costs of suit and fees and expenses of legal services) claimed by anyone by reason of injury to or death of persons, or damage to or destruction of property, including property of LESSEE, sustained in, on or about the demised premises or arising out of LESSEE’s use or occupancy thereof, as a proximate result of the acts or omissions of LESSEE, its employees and agents, or its contractors, licensees, invitees or subtenants, their successors and assigns or arising out of the condition of the property. AGENCY shall, by appropriate, written notice to LESSEE, advise LESSEE as soon as practicable regarding any potential liability of LESSEE under this Section.

Landlord’s Initials (\_\_\_\_)(\_\_\_\_) Tenant’s Initials (\_\_\_\_)(\_\_\_\_)

**XIII. UTILITIES**

TENANT shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by TENANT on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by LANDLORD. In the event that any utility or service provided to the Leased Premises is not separately metered, LANDLORD shall pay the amount due and separately invoice TENANT for TENANT's pro rata share of the charges. TENANT shall pay such amounts within fifteen (15) days of invoice. TENANT acknowledges that the Leased Premises are designed to provide standard office use for electrical facilities and standard office lighting. TENANT shall not use any equipment or devices that utilize excessive electrical energy or which may, in LANDLORD's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

**XIV. SIGNS**

Following LANDLORD's written consent, TENANT shall have the right to place on the Leased Premises, at locations selected by TENANT, any signs which are permitted by applicable zoning ordinances and private restrictions. LANDLORD may refuse consent to any proposed signage that is in LANDLORD's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. LANDLORD shall assist and cooperate with TENANT in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for TENANT to place or construct the foregoing signs. TENANT shall repair all damage to the Leased Premises resulting from the removal of signs installed by TENANT. TENANT authorizes the LANDLORD to place a "For Sale" sign on the Leased Premises at any time, and a "For Lease" sign on the Leased Premises within the ninety (90) day period preceding termination of this Agreement.

**XV. ENTRY**

LANDLORD shall have the right to enter upon the Leased Premises and Building at reasonable hours to inspect the same, provide reasonable agreed upon services, or to show the Leased Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers or contractors provided LANDLORD shall not thereby unreasonably interfere with TENANT's business on the Leased Premises. LANDLORD shall endeavor to give TENANT forty-eight (48) hours notice of the intent to enter the Leased Premises, but absent an emergency or exigent circumstance, shall give the TENANT at least twenty-four (24) hours notice of intent to enter.

**XVI. PARKING**

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

During the term of this Lease, TENANT shall have the non-exclusive use in common with LANDLORD, other tenants of the Leased Premises and Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by LANDLORD. LANDLORD reserves the right to designate parking areas within the Leased Premises or in reasonable proximity thereto, for TENANT and TENANT's agents and employees.

**XVII. BUILDING RULES**

TENANT will comply with the rules of the Leased Premises and Building adopted and altered by LANDLORD from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by LANDLORD to TENANT in writing. The initial rules for the Building are attached hereto as Exhibit "A" and incorporated herein for all purposes.

**XVIII. DAMAGE AND DESTRUCTION**

Subject to Section 11 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for TENANT's purposes, then TENANT shall have the right within ninety (90) days following damage to elect by written notice to LANDLORD to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for TENANT's purposes, LANDLORD shall promptly repair such damage at the cost of the LANDLORD. In making the repairs called for in this paragraph, LANDLORD shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of LANDLORD. During the period of non-used under this paragraph, TENANT shall be relieved from paying rent and other charges during any portion of the Lease Term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for TENANT's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to TENANT. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond TENANT's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for TENANT's purposes.

**XIX. DEFAULT**

If default shall at any time be made by TENANT for any reasons, including but not limited in the payment of rent when due to LANDLORD as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

shall have been given to TENANT by LANDLORD, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by TENANT, and such default shall continue for fifteen (15) days after notice thereof in writing to TENANT by LANDLORD without correction thereof then having been commenced and thereafter diligently prosecuted, LANDLORD may declare the term of this Lease ended and terminated by giving TENANT written notice of such intention, and if possession of the Leased Premises is not surrendered, LANDLORD may reenter said premises. LANDLORD shall have, in addition to the remedy above provided, any other right or remedy available to LANDLORD on account of any TENANT default, either in law or equity. LANDLORD shall use reasonable efforts to mitigate its damages.

**XX. QUIET POSSESSION**

LANDLORD covenants and warrants that upon performance by TENANT of its obligations hereunder, LANDLORD will keep and maintain TENANT in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

**XXI. CONDEMNATION**

If any legally, constituted authority condemns the Leased Premises and/or Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and LANDLORD and TENANT shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

**XXII. SUBORDINATION**

TENANT accepts this Lease subject and subordinate to all existing mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but TENANT agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion.

**XXIII. NOTICE**

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

If	to	Landlord to:
<hr/>		
If	to	Tenant to:
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LANDLORD and TENANT shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

**XXIV. BROKERS**

TENANT represents that TENANT was not shown the Leased Premises by any real estate broker or agent and that TENANT has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

**XXV. WAIVER**

The waiver of any breach of any term, condition and/or obligation under this Lease shall not be construed as a continuing waiver of the same breach or a waiver if any subsequent breach.

**XXVI. SUCCESSORS**

The provisions of this Lease shall extend to and be binding upon LANDLORD and TENANT and their respective legal representatives, successors and assigns.

**XXVII. CONSENT**

LANDLORD shall not unreasonably withhold or delay its consent with respect to any matter for which LANDLORD's consent is required or desirable under this Lease. TENANT shall not unreasonably withhold or delay its consent with respect to any matter for which TENANT's consent is required or desirable under this Lease.

**XXVIII. PERFORMANCE**

If there is a default with respect to any of LANDLORD's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from TENANT to LANDLORD specifying the default, TENANT may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until TENANT shall have been fully reimbursed for such expenditures. If this Lease terminates prior to

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

TENANT's receiving full reimbursement, LANDLORD shall pay the unreimbursed balance to TENANT on demand.

**XXIX. COMPLIANCE WITH LAW**

TENANT shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to TENANT's use of the Leased Premises. LANDLORD shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

LESSOR, not LESSEE, shall at its sole cost cause the Premises and Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, including without limitation, the Americans with Disabilities Act, regulating the use, occupancy or improvement of the Premises, except to the extent such compliance is made necessary as a result of LESSEE's particular use of or alterations or improvement to the Premises. In such latter event, compliance with such statutes, ordinances, rules, regulations or requirements with regard to the Building shall be the responsibility of LESSEE at LESSEE's sole cost and expense.

**XXX. FINAL AGREEMENT**

This Lease terminates and supersedes all prior understandings or agreements on the subject matter hereof by and between LANDLORD and TENANT. This Agreement may be modified only by a further writing that is duly executed by both parties.

**XXXI. GOVERNING LAW**

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of California.

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

Tenant \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
(Print name)

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

Tenant \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
(Print name)

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

**Landlord agrees to rent the Premises on the above terms and conditions.**

Landlord \_\_\_\_\_ Date \_\_\_\_\_  
(owner or agent with authority to enter into this agreement)

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

Landlord \_\_\_\_\_ Date \_\_\_\_\_  
(owner or agent with authority to enter into this agreement)

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

**Agency relationships are confirmed as above. Real estate brokers who are not also Landlord in this agreement are not a party to the agreement between Landlord and Tenant.**

Real Estate Broker (Leasing Firm) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_

By (Agent) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Real Estate Broker (Leasing Firm) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_

By (Agent) \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Landlord's Initials (\_\_\_\_)(\_\_\_\_) Tenant's Initials (\_\_\_\_)(\_\_\_\_)

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 13

To: The Honorable Mayor and City Council

From: Gregory M. Murphy, City Attorney

Meeting date: June 13, 2019

Subject: City Manager Appointment, Approval of City Manager Employment Agreement, and Creation of Medical Expense Reimbursement Agreement

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**BACKGROUND**

At the City Council meeting of January 10, 2019, City Manager Marc Bierdzinski advised the City Council of his planned retirement on June 30, 2019. Mr. Bierdzinski explained that this notice of nearly six months would provide ample time for a professional search for a new City Manager as well as continuity both in the general operations of City Hall and in particular in preparing the next two-year budget cycle for adoption by the Council prior to July 1, 2019.

Subsequently, the City retained the executive search firm Ralph Andersen and Associates to assist the City in attracting and retaining a qualified candidate for the position of City Manager. After a lengthy process, including preliminary and final interviews, the City Council selected Gilbert Scott Wolfe as the most qualified candidate to become Buellton's next City Manager.

Mr. Wolfe has more than 30 years' experience working for and with local governments in California. He comes to Buellton from the City of Westlake Village, which he has served for 19 years and where he is currently the Planning Director/Deputy City Manager. He has also worked for the cities of Palmdale, Thousand Oaks, and Moorpark, and has worked with many other governmental agencies through his work in both the public and private sectors. His background is rooted in planning and community development, but his experience as a small-city generalist covers a range of municipal functions including housing, code enforcement, environmental planning and regulation, public works, traffic and circulation, technology and telecommunications, solid waste/recycling management, community services, and intergovernmental relations.

Mr. Wolfe has concluded negotiations with the Ralph Andersen firm and our office and has agreed to the terms of the attached contract. In order to provide for health insurance benefits necessary to ensure that Mr. Wolfe maintains the level of benefit he had in his previous position, it is necessary to adopt a Medical Expense Reimbursement Plan (“MERP”). As per Section 3.01 of the MERP, at this time only the City Manager will be eligible for the plan’s benefits. That said, there is no legal barrier to extending the MERP to other employees at a later time if such extension becomes necessary as a policy matter.

Mr. Wolfe will be ready to begin work with the City on Monday, July 1. In the interim, he will continue to learn about the City of Buellton and its practices and policies.

### **FISCAL IMPACT**

The City Manager’s salary has been included in the budget for the next two fiscal years and there should be no fiscal impact to the City in hiring the City Manager or approving the MERP to provide the stated health insurance benefit.

### **RECOMMENDATION**

That the City Council:

- a) Adopt the Medical Expense Reimbursement Plan attached as Attachment 2; and then
- b) Appoint Gilbert Scott Wolfe to the position of City Manager of the City of Buellton; and
- c) Approve the City Manager contract attached as Attachment 1

### **ATTACHMENTS**

Attachment 1 - City Manager Contract

Attachment 2 - Medical Expense Reimbursement Plan

## CITY MANAGER EMPLOYMENT AGREEMENT

This CITY MANAGER EMPLOYMENT AGREEMENT (“Agreement”) is entered into as of July 1, 2019, between the City of Buellton (“City”) and Gilbert Scott Wolfe (“Wolfe”). In consideration of the mutual promises and agreements set forth below, City and Wolfe agree as follows:

### **A. RECITALS.**

City desires to appoint and hire Wolfe as its City Manager (“City Manager”) and Wolfe desires to accept the appointment and the employment as the City Manager pursuant to the terms and conditions of this Agreement.

### **B. AGREEMENT.**

1. **EMPLOYMENT.** City agrees to employ Wolfe to render services as its City Manager on the terms and conditions set forth in this Agreement, and Wolfe accepts such employment on the terms and conditions set forth in this Agreement.

2. **TERM.**

a. The initial term of this Agreement shall commence on July 1, 2019 and shall continue for a three-year term ending on June 30, 2022, or on the date of earlier termination of Wolfe’s employment in accordance with Section 6 below.

b. The City Council shall then have the option in its sole discretion to renew this Agreement for up to two additional one-year terms, in accordance with Section 6.c., below. In the event of renewal, the Agreement shall continue for a term of one year, or until the date of earlier termination of Wolfe’s employment in accordance with Section 6 below.

3. **POSITION AND DUTIES.** Wolfe shall serve as City Manager of City of City. Wolfe shall have those powers and duties set forth in City’s Municipal Code Section 2.08.060 for service as City Manager as well as those powers and duties set forth in the City’s Municipal Code and Personnel Rules. The City Council of the City (“City Council”) shall have the power to determine such other specific duties and responsibilities that Wolfe must perform under this Agreement and the means and manner by which Wolfe must perform those duties and responsibilities. Wolfe agrees to devote

all of his business time, skill, attention, and best efforts to the discharge of the duties and responsibilities assigned to him by the City Council during the term of his employment.

4. **HOURS AND LOCATION OF WORK.** Wolfe must devote the time necessary to adequately perform the duties of City Manager. The parties expect that a minimum of 40 hours per week, including additional time outside of normal business hours, will be required to satisfy this requirement. To the maximum extent possible (and excepting time necessary for City business such as meetings outside the City with other local and state agencies and organizations and to make inspections within the City of City property and facilities), Wolfe will be available in person at the City during regular business hours, Monday through Friday. The parties agree that Wolfe's presence in person is necessary in order to provide adequate availability to the City Council, City staff, and members of the community. In addition, Wolfe acknowledges and agrees that he will report to work when necessary for City operations, regardless of regularly scheduled hours, scheduled vacation leave, or holiday, to the extent such presence is reasonably possible. The position of City Manager is an exempt position under California and federal wage and hour law, and Wolfe acknowledges that he will not be entitled to any compensation for overtime.

5. **CONFLICT OF INTEREST.**

- a. In accordance with Government Code section 1126, during the period of Wolfe's employment, Wolfe may not accept, without the express prior written consent of the City Council, any other employment or engage, directly or indirectly, in any other business, commercial, or professional activity, whether or not to pecuniary advantage, that is or may be competitive with the City, that might cause a conflict of interest with the City, or that otherwise might interfere with the business or operation of the City or the satisfactory performance of Wolfe's duties as City Manager.
- b. Wolfe represents and warrants to City that Wolfe presently has no interest, and represents that Wolfe will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or interfere in any way with performance of Wolfe's services under this Agreement.

- c. Wolfe acknowledges and agrees that public employment, especially the position of City Manager, carries with it great public trust and responsibility. Wolfe agrees to perform his duties in accordance with the laws and rules governing public employment and will undertake those duties in a manner that avoids acts of an inappropriate or illegal nature and reasonably avoids those acts which may give rise to even the appearance of impropriety.
- d. Wolfe will adhere to the International City/County Association (“ICMA”) Code of Ethics.

6. **AT-WILL EMPLOYMENT STATUS, EXCLUSION FROM CLASSIFIED SERVICE, AND TERMINATION.**

- a. **At-Will Employment.** Wolfe acknowledges that he is an at-will employee of City who will serve at the pleasure of the City Council at all times during the period of service under this Agreement. With respect to the manner in which Wolfe’s employment with the City may be terminated, the terms of the City’s personnel rules, procedures, ordinances, resolutions, (collectively “Personnel Rules”), do not apply to Wolfe’s employment, and nothing in this Agreement is intended to, or does, confer upon Wolfe any right to any property interest in continued employment, or any due process right to a hearing before or after a decision by the City Council to terminate his employment, except as is expressly provided in this Section. Nothing contained in this Agreement will in any way prevent, limit or otherwise interfere with the right of the City to terminate the services of Wolfe as provided in this Section. And nothing in this Agreement will prevent, limit or otherwise interfere with the right of Wolfe to resign at any time from this position with City, subject only to the provisions set forth in sub-section d, below. The parties further acknowledge and agree that Wolfe is not subject to a probationary period.
- b. **Termination by City Not for Cause.** City may terminate Wolfe for any reason, and at any time, with or without cause, by providing Wolfe with the following (collectively, “Severance Payment”). City will provide Wolfe with up to six months of base salary, less applicable deductions, with any extension of benefits required by law (e.g., COBRA benefits) with the requirement that in exchange for the Severance Payment Wolfe must execute a settlement, waiver and

release document prepared by the City Attorney, of all claims against the City arising from or related to Wolfe's employment.

- i. **Maximum Amount.** Notwithstanding the foregoing, the parties acknowledge and agree that in no event may the Severance Payment exceed the maximum cash settlement amount established under Government sections 53260 - 53261 in effect as of the effective date of this Agreement.
  - ii. **Form of Payment.** Payment of the Severance Payment will be made at the discretion of the City, either in one lump sum or in incremental payments concurrent with the City's regular payroll schedule or procedure in place at the time of termination.
  - iii. **Reimbursement of Payment.** In the event that Wolfe is convicted of a crime involving an abuse of office or position, as defined in California Government Code section 53243.4, Wolfe shall be required to fully reimburse City in accordance with California Government Code sections 53243, 53243.1, and/or 53243.2.
- c. **Non-Renewal.** The City Council has sole discretion to determine whether to renew this Agreement upon its expiration. At least six months prior to the expiration of the term then in effect, the Council will provide written notice to Wolfe regarding the intended renewal or non-renewal of this Agreement. If the Council declines to renew this Agreement, Wolfe acknowledges that his employment will terminate upon expiration of the Agreement, unless the Council or Wolfe terminates Wolfe's employment earlier under another provision of this Section. Wolfe further agrees that he is not entitled to receive any Severance Payment from the City due to non-renewal, although the City Council may in its sole discretion elect to provide some form of compensation.
- d. **Termination by Wolfe.** Wolfe may separate from his employment for any reason and terminate this Agreement. Unless waived by the City Council, Wolfe must provide at least 60 calendar days' advance written notice of intended separation. City will have the option, in its complete discretion, to make Wolfe's separation effective at any time

prior to the end of such notice period, provided City pays Wolfe all compensation due and owing through the last day actually worked, plus an amount equal to the base salary, and group insurance benefits Wolfe would have earned through the balance of the above notice period. If Wolfe exercises this option to terminate this Agreement, Wolfe acknowledges and agrees that he is not entitled to receive any Severance Payment, although the City Council may in its sole discretion elect to provide some form of severance compensation.

- e. **Termination by City for Cause.** City may immediately terminate Wolfe's employment and this Agreement at any time by providing Wolfe written notice of cause for termination; provided, however, that Wolfe will have the right to address the City Council in a closed session (or open session if requested by Wolfe) regarding the grounds for such termination within 10 days of receipt of the notice of termination. This right to address the City Council will not alter the effective date of termination set forth in the notice of termination unless the City Council elects to do so following its meeting with Wolfe. In the event of a termination for cause, the City is not required to provide any Severance Payment under this Paragraph or any further salary to Wolfe, once the termination takes effect.
  - i. "Termination for cause" is defined as termination because of demonstrable, or otherwise reasonably proven or admitted conduct that is materially prejudicial to the City, as determined by the City Council.
  - ii. "Cause" may include, but is not limited to the following: conviction of a felony, conviction of a misdemeanor involving moral turpitude, or the entry of a plea of nolo contendere or a plea bargain to either such offense; material dishonesty; willful or persistent material breach of duties; engaging in unlawful or otherwise prohibited discrimination, retaliation, or harassment of employees or any third party in violation of the City's Personnel Rules and/or Policies; significant unauthorized absences under applicable City Personnel Rules and this Agreement; continued breach of this Agreement after receipt of written notification regarding such breach; unauthorized

disclosure of Confidential or Proprietary information (as defined below) relating to the City; failure to make reasonable improvements with respect to goals or other performance items mutually agreed upon by Wolfe and the City Council as specified in written performance evaluations; or a serious violation of any of the other examples of misconduct included in City's Personnel Rules.

- iii. Except as provided in this Agreement or except when Wolfe has a California or federal constitutional right to a name clearing hearing, Wolfe otherwise expressly waives any rights provided for employees in the Classified Service under the City's Personnel Rules, or under state or federal law to any form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination.
  
- f. **Extended or Long-Term Incapacity.** If, as a result of a long-term or permanent disability, sickness, accident, injury, mental incapacity or other personal health-related reason, Wolfe is unable to perform his essential duties after exhausting all accrued sick leave, personal leave, management leave, vacation or other available paid/unpaid leave under the City's Personnel Rules or state or federal law, City will have the option to terminate Wolfe's employment and this Agreement, subject to the Severance Payment requirements of this Section. In exercising this option, the City will comply with its obligations under applicable state and federal disability and public retirement laws.
  
- g. **Death; Designation of Recipient.** This Agreement will immediately terminate upon the death of Wolfe and all accrued salary, leave, compensation and other benefits will be paid to Wolfe's estate as required by applicable law. No Severance Payment will be made in the event of Wolfe's death. In accordance with Government Code section 53245, Wolfe may file with the City a designation of a person who, notwithstanding any other provision of law, will, on the death of Wolfe, be entitled to receive all warrants or checks that would have been payable to the Wolfe had he survived. Wolfe may change the designation from time to time. A person so designated may claim such warrants or checks from the City. On sufficient proof of identity, the City will

deliver the warrants or checks to the claimant. A person who receives a warrant or check pursuant to Government Code section 53245 is entitled to negotiate it as if he were the payee.

- h. **Obligations upon Termination.** Wolfe agrees that all property, including, without limitation, all equipment, tangible property, documents, records, notes, contracts, and computer or other electronically-generated materials furnished to or prepared by Wolfe incident to Wolfe's employment belongs to City and must be returned promptly to City upon termination of Wolfe's employment under any provision of this Section. Wolfe's obligations under this section will survive the termination of Wolfe's employment and this Agreement.
- i. **Benefits upon Termination.** All benefits to which Wolfe is entitled under this Agreement will cease upon Wolfe's termination under any provision of this Section, unless expressly continued either under this Agreement, under any specific written policy or benefit plan applicable to Wolfe, or unless otherwise required by law.
- j. **Forfeiture of Payments.** In accordance with Government Code section 53243 – 53243.4, in the event that Wolfe is convicted of a crime involving an abuse of office or position (as defined in Section 53243.4), Wolfe must reimburse the City for any paid leave pending an investigation or cash settlement (including any Severance Payment) as provided in those provisions.

7. **COMPENSATION AND BENEFITS.** Wolfe shall receive the following compensation and benefits:

- a. **Salary.** Wolfe shall receive an annual salary of One Hundred and Seventy-Five Thousand dollars (\$175,000.00), payable at the normal times as all employees of City. Such salary shall be effective as of July 1, 2019. Wolfe is eligible to receive the same amount of cost of living adjustments ("COLA") as may be received by other City employees as and when authorized by the City Council. The City Council shall have sole discretion in determining whether Wolfe will receive such a COLA.

- b. **Benefits.** Wolfe shall receive such benefits as are provided to other management level City employees under the City's Personnel Rules and in accordance with any plan terms applicable to such employees.
- i. **Medical and Health Insurance.**
- (A) Wolfe shall be entitled to participate in the same health plans (medical, dental, and vision) and health savings or flexible spending programs which are provided to other City employees, and shall pay that portion of the employee and dependent rate or premium as is determined by the City Council for all management level employees.
- (B) Commencing with the first month of Wolfe's eligibility to participate in the group health plan provided to City's employees through the Public Employees' Medical and Hospital Care Act (PEMHCA), the City will reimburse Wolfe for eligible medical expenses in accordance with the City Of Buellton Medical Expense Reimbursement Plan (MERP) in an amount not to exceed seven hundred fifty dollars (\$750.00) per month. The terms will be set forth in a document separate from this Agreement.
- ii. **Retirement.** Wolfe shall also be entitled to participate as a member of the California Public Employees' Retirement System (CalPERS) in the CalPERS plan offered by City to other management level employees of City who are classic members of CalPERS, and to have the City make such contributions to the CalPERS plan as are made on behalf of other management level employees of City.
- iii. **Deferred Compensation.** Wolfe shall also be entitled to participate in the City's deferred compensation plan upon the same terms as other City employees immediately upon the commencement date of this Agreement.

- iv. Education Incentives. Wolfe shall also be entitled to receive any education incentives for which he is eligible under the City's Personnel Rules.

**8. VACATION.**

- a. Upon commencement of the first year of this Agreement, Wolfe shall receive twenty (20) days of vacation. Wolfe shall also be eligible to accrue ten (10) days of vacation per calendar year during his first two full years of employment with the City.
- b. After Wolfe's second full year of employment, Wolfe shall be eligible to accrue fifteen (15) days of vacation per calendar year..
- c. The maximum number of vacation days that may be accrued by Wolfe is forty (40) days. Once Wolfe reaches the maximum accrual, he shall cease vacation accrual until his total number of vacation hours falls below the maximum allowable.

**9. SICK LEAVE.** Wolfe shall be entitled to accrue and use sick leave under the City's Personnel Rules in the same manner as all City employees.

**10. MANAGEMENT LEAVE.** Wolfe shall be entitled to forty (40) hours of Management Leave per calendar year.

**11. VEHICLE ALLOWANCE/USE OF CITY OF VEHICLE.**

- a. Wolfe shall be entitled to a monthly vehicle allowance in the amount of four hundred dollars (\$400) to carry out his required duties and to be available to respond to the demands of City business at all times, including weekends. The allowance shall be used to purchase, lease, or continue to own, a vehicle, as well as to operate and maintain that vehicle. However, Wolfe shall be responsible for paying for liability, property damage, and comprehensive insurance coverage upon such vehicle with liability limits not less than \$100,000 per occurrence/ \$300,000 aggregate, and shall further be responsible for all expenses attendant to the purchase, operation, maintenance, repair, depreciation, and replacement of said vehicle. The City shall not be liable for any damage to Wolfe's vehicle, unless caused by the City's

negligence (Wolfe's negligence excepted). If Wolfe is responsible for an accident while driving his personally owned vehicle while on City business, he is responsible for any increase in his automobile insurance premium.

- b. In lieu of a vehicle allowance, Wolfe shall be entitled to assignment of a City vehicle for his exclusive use at all times during his employment, provided that the use of the vehicle is primarily for business use. Wolfe will be responsible for ensuring routine maintenance and safe operation of the vehicle. However, the City will pay for all such maintenance and operating costs.

**12. BUSINESS AND PROFESSIONAL EXPENSES.**

- a. City shall reimburse Wolfe according to California law and standard City practices for all actual and necessary expenses he incurs in the performance of his official duties as City Manager, including those incurred when traveling on business pertaining to City.
- b. In addition, to the extent authorized in the budget, City agrees to pay the professional dues and subscriptions on behalf of Wolfe which are necessary for Wolfe's continuation or full participation in international, national, regional, state, or local associations and organizations and to attend professional conferences and seminars as necessary and desirable for Wolfe's continued professional participation, growth, and advancement, or for the good of the City.

**13. HOUSING ASSISTANCE.**

- a. City shall reimburse Wolfe for actual moving and temporary housing expenses incurred for relocation of Wolfe's current residence, not to exceed ten thousand dollars (\$10,000), upon presentation of appropriate documentation reflecting such expenses.
- b. In the event Wolfe enters into a purchase agreement for his primary residence within the City limits of Buellton, City shall make available to Wolfe a loan with a principal amount of One Hundred Fifty Thousand Dollars (\$150,000.00), with an annual interest rate of four percent (4%), provided that such loan, when added to any additional loans for the purchase of the residence, shall not exceed ninety five percent (95%) of

the purchase price of the residence. The loan shall be an "interest-only" loan for a period of five years, with repayment in full at the end of the fifth year unless the parties otherwise agree. Loan payments shall be made through bi-weekly payroll deductions, in accordance with Wolfe's signed authorization. The loan may be prepaid earlier without penalty. The loan will be evidenced by a promissory note made by Wolfe payable to City, secured by a deed of trust on the property, and to the extent permitted by any commercial lender from which Wolfe obtains additional financing for the purchase of the residence, City shall have priority lien position over other financing. Wolfe shall be responsible to pay all applicable taxes, insurance and homeowner fees on the property, and Wolfe shall be responsible for maintaining the property in good repair at all times. The promissory note shall be due and payable in full (a) within twelve (12) months following termination of Wolfe's employment by the City for cause, disability, or death pursuant to Section 6 of this Agreement; or (b) within six (6) months following termination of Wolfe's employment by Wolfe for any reason, or the date on which the City determines, in its reasonable discretion, that the property is no longer Wolfe's primary residence for any reason other than his death. The remaining terms of the loan shall be memorialized in a separate agreement between City and Wolfe, and the parties shall cooperate in the development and execution of any additional documents needed to memorialize and secure the loan agreement.

14. **PERFORMANCE REVIEW.** A formal performance review shall take place before the end of each year of this Agreement. During the first year of this Agreement, the City Council shall have the option to conduct quarterly reviews. The City Council will use the performance review to determine the extent, if any, that Wolfe's base salary and/or benefits of Wolfe should be increased. The evaluation shall be conducted in accordance with specific criteria developed by the City Council after consultation with Wolfe. Such criteria may be added to or deleted as the City Council may from time to time determine, after consultation with Wolfe. Nothing in this Agreement shall be construed to limit the Council from conducting additional discussion of Wolfe's performance from time to time, in the Council's discretion.
15. **BOND.** The City will bear the full cost of any fidelity or other bonds required of the City Manager under any law or ordinance.

16. **NONASSIGNMENT.** Wolfe's duties and obligations under this Agreement are personal and are not assignable.
17. **PUBLIC RECORD.** The parties acknowledge that this Agreement is a public record as such term is defined under the California Public Records Act [commencing at Government Code section 6250 and following] and must be made available for inspection and copying to members of the public upon request in accordance with the provisions of the Act.
18. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement and understanding between the parties and contains all of the terms and conditions of the parties' agreement. This Agreement is the complete and final expression of the parties' agreement and supersedes all prior or contemporaneous oral or written negotiations, discussions, representations, or agreements, if any. Wolfe acknowledges that he has not relied on any promises, statements, representations, or warranties except as set forth expressly in this document.
19. **AMENDMENT.** This Agreement, and any and all terms and conditions contained herein, may only be changed, revoked, amended, or superseded by a written document signed by both Wolfe and the Mayor following approval of the City Council.
20. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the State of California.
21. **NO WAIVER.** No party's failure to enforce any provision or provisions of this Agreement will be construed in any way as a waiver of any such provision or provisions, or prevent that party thereafter from enforcing each and every other provision of this Agreement.
22. **PARTIAL INVALIDITY.** The invalidity or unenforceability of any provision or portion of this Agreement will not affect the validity or enforceability of the other provisions or portions of this Agreement.
23. **INTERPRETATION.** No interpretation or construction of any provision or provisions of this Agreement will be influenced by the identity of the party drafting the Agreement.

24. **HEADINGS.** Headings used in this Agreement are for convenience only and shall not be considered part of the terms of the Agreement.

**IN WITNESS WHEREOF**, the parties have executed this Agreement.

**GILBERT SCOTT WOLFE**

**CITY OF BUELLTON**

\_\_\_\_\_  
Gilbert Scott Wolfe

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

**Attest:**

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

**Approved as to Form:**

\_\_\_\_\_  
Gregory M. Murphy, City Attorney

**CITY OF BUELLTON  
MEDICAL EXPENSE REIMBURSEMENT PLAN**

**CITY OF BUELLTON  
MEDICAL EXPENSE REIMBURSEMENT PLAN**

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**CITY OF BUELLTON**  
**MEDICAL EXPENSE REIMBURSEMENT PLAN**

City Of Buellton (Employer) hereby adopts the City Of Buellton Medical Expense Reimbursement Plan (Plan) on the date set forth on the signature page hereof, for the exclusive benefit of its eligible employees and certain members of their families.

**RECITALS**

Whereas:

- A. The Employer provides health benefits to its eligible employees and certain of its retired employees pursuant to the Public Employees' Medical and Hospital Care Act (PEMHCA) that is administered by the Board of Administration of the California Public Employees' Retirement System (CalPERS).
- B. The Employer makes equal minimum contributions towards these benefits for both eligible active employees and eligible retired employees in accordance with PEMHCA's requirements.
- C. If an eligible active employee opts out of the Employer's PEMHCA coverage, the Employer increases the employee's compensation by the amount of an opt-out payment as determined by the Employer from time to time.
- D. The Employer wishes to adopt a plan that reimburses certain of its active employees for all or a portion of their group health insurance premiums, whether for the Employer's PEMHCA coverage or for alternative coverage if the employee opts out of the Employer's PEMHCA coverage.

**OPERATIVE PROVISIONS**

Now, therefore, the Employer adopts the Plan upon the following terms and conditions:

**ARTICLE 1. GENERAL PROVISIONS**

1.01. **Plan Name.**

The name of this Plan is the "City Of Buellton Medical Expense Reimbursement Plan."

1.02. Effective Date.

The effective date of this Plan is July 1, 2019.

1.03. Exclusive Benefit.

It is the intention of the Employer that the Plan is created and maintained for the exclusive benefit of the Employer's eligible Employees.

1.04. Income Tax Status.

The Plan is intended to qualify as a health plan within the meaning of Code sections 105 and 106 covering health expenses through the reimbursement of Employee group health insurance premiums such that any benefits a Participant receives under the Plan shall be excluded from gross income. This Plan is also intended to be "integrated" with another group health plan, as set forth in Internal Revenue Service Notice 2013-54 or subsequent guidance, for purposes of the Patient Protection and Affordable Care Act, the Health Care and Education Reconciliation Act of 2010, any subsequent legislation, and the lawful guidance published thereunder.

1.05. Administrator Of The Plan.

The person(s), individual(s) or committee appointed by the Employer shall be the Administrator of the Plan. The Administrator may engage the services of one or more third parties to assist the Administrator with the administration of the Plan. If the Employer does not appoint an Administrator, the Employer's Finance Director shall be the Administrator.

1.06. Defined Terms.

All initially capitalized terms are defined terms and will be defined in the General Definitions article.

## ARTICLE 2. GENERAL DEFINITIONS

For purposes of this Plan, unless otherwise clearly apparent from the context, the following phrases or terms shall have the following indicated meanings:

2.01. Administrator.

"Administrator" means the person(s), individual(s) or committee appointed by the Employer from time to time with authority and

responsibility to manage and direct the operation and administration of the Plan.

2.02. CalPERS.

"CalPERS" means the California Public Employees' Retirement System.

2.03. Code.

"Code" means the Internal Revenue Code of 1986, as it may be amended from time to time.

2.04. Employee.

"Employee" means an individual who is employed by the Employer as a common law employee of the Employer.

2.05. Employer.

"Employer" means the Employer adopting the Plan and any successor assuming the Plan, which shall be responsible for the administration and management of the Plan except for those duties specifically delegated to the Administrator.

2.06. Participant.

"Participant" means any Employee who has (i) met the Plan's eligibility requirements, (ii) commenced participation in the Plan pursuant to the Commencement Of Participation section, below, and (iii) is or may become eligible to receive a benefit under the Plan.

2.07. PEMHCA.

"PEMHCA" means the Public Employees' Medical and Hospital Care Act as set forth in California Government Code sections 22750 et seq. as in effect from time to time.

2.08. Plan.

"Plan" means the health insurance premium reimbursement plan as set forth herein and any amendments hereto.

2.09. Plan Year.

"Plan Year" means the twelve (12) consecutive month period ending on December 31 of each year.

2.10. Termination Of Employment.

"Termination Of Employment" means no longer being an Employee for any reason.

ARTICLE 3. ELIGIBILITY AND PARTICIPATION

3.01. Eligible Employees; Excluded Employees.

The only Employee who is eligible to participate in the Plan is the Employer's City Manager. All other Employees are excluded from the Plan.

3.02. Eligibility Requirements.

In order to become a Participant in the Plan, an eligible Employee must be eligible to be a participant in the Employer's group health plan through PEMHCA (or any subsequent provider of the Employer's group health plan coverage) and enrolled for coverage under either (i) the Employer's group health plan through PEMHCA (or any subsequent provider of the Employer's group health plan coverage) or (ii) the Participant's spouse's employer's group health plan that provides "minimum value" under the Patient Protection and Affordable Care Act, the Health Care and Education Reconciliation Act of 2010, any subsequent legislation, and the lawful guidance published thereunder.

3.03. Commencement Of Participation.

The Employee shall become a Participant in the Plan on July 1, 2019.

3.04. Participation.

By becoming a Participant, the Employee agrees to be bound by all terms, conditions and covenants of the Plan as then in effect or as thereafter amended.

3.05. Termination Of Participation.

A. Except as otherwise provided elsewhere in the Plan, a Participant will automatically cease to be a Participant on the earliest of the following dates:

1. The date of the Participant's Termination Of Employment;
  2. The date of the Participant's failure to continue to be covered by a group health plan either through the Employer or through the Participant's spouse's employer that provides "minimum value" under the Patient Protection and Affordable Care Act, the Health Care and Education Reconciliation Act of 2010, any subsequent legislation, and the lawful guidance published thereunder;  
or
  3. The date of the termination of the Plan in accordance with the Amendments And Termination article.
- B. Termination of participation shall not affect the right of a Participant to claim benefits for expenses incurred prior to such termination. However, no additional expenses incurred after such termination shall be covered by the Plan. For purposes of the Plan, an expense with respect to the reimbursement of insurance premiums shall be "incurred" when the insurance premiums for the month of coverage are due.
- C. The Administrator may rescind coverage under the Plan of any individual if the individual or someone on behalf of the individual either (i) performs an act, practice, or omission that constitutes fraud or (ii) makes an intentional misrepresentation of material fact in applying for or obtaining coverage, or obtaining benefits, under the Plan. The Administrator may (i) void coverage for the individual for the period of time coverage was in effect or (ii) terminate coverage as of a date to be determined at the Administrator's sole and absolute discretion. The rescission may have a retroactive date; provided, however, that a rescission may have a retroactive date with respect to a group health plan benefit that is provided under this Plan only if the Administrator provides at least thirty (30) days advance written notice to each individual who would be affected by such rescission. The Administrator will refund all Employee contributions paid for any coverage rescinded; provided, however, that the refund will be offset, in whole or in part, by any claims paid by the Plan that would not have been paid but for the fraud or intentional misrepresentation. In addition, the Administrator may exercise its rights under the Repayment Of Overpaid Benefits section, below.
- D. In accordance with Internal Revenue Service Notice 2013-54 or subsequent guidance, each eligible Employee shall be permitted to permanently opt out of and waive future reimbursements under

the Plan at least annually. If an eligible Employee makes such an election, the eligible Employee shall cease to be a Participant under the Plan for all purposes.

#### ARTICLE 4. PLAN BENEFITS

4.01. Self-Insured Benefits.

The benefits payable under this Plan shall be paid from the general assets of the Employer.

4.02. Participant Contributions.

No Participant contributions to this Plan shall be required. The Plan is self-insured and the Employer will make any necessary contributions for the Participants.

4.03. Participant Reimbursements.

- A. Subject to the limitations contained in the Benefit Limitations section, below, and the other provisions of this Plan, the Employer shall reimburse, at least annually, but not more frequently than monthly, each Participant for the group health insurance premiums incurred by the Participant for coverage of the Participant and the Participant's eligible family members under either (i) the Employer's PEMHCA coverage or (ii) alternative coverage provided through the Participant's spouse's employer if the Participant opts out of the Employer's PEMHCA coverage.
- B. The expenses that are covered under this Plan shall be limited to the expenses described above that are incurred during the period when the Employee is a Participant in this Plan.
- C. The reimbursement of premiums shall be subject to receipt of such proof, forms and materials as the Administrator shall require from time to time. The Plan will reimburse a Participant for the Participant's group health insurance premiums only if the Participant provides written verification from an independent third party (e.g., CalPERS) demonstrating that the cost has been incurred and the amount of such expense and the Participant provides such written statement as the Administrator shall require that the cost has not been reimbursed or is not reimbursable under any other health plan. Thus, for example, the Plan will not make advance reimbursements of future or projected costs, nor

will the Plan reimburse premiums or portions of premiums not paid for by the Participant.

- D. The Employer may, in its discretion, pay any or all of the above defined expenses directly in lieu of making reimbursement therefor. In such event, the Employer shall be relieved of all further responsibility with respect to any such medical expense.

4.04. Benefit Limitations.

- A. No reimbursement shall be made under this Plan for amounts of medical expenses which are attributable to amounts taken by the Participant (or any other taxpayer with respect to the Participant) as income tax deductions and allowed by the Internal Revenue Service as income tax deductions under Code section 213 (regarding income tax deductions for medical care as defined in Code section 213(d)) for any taxable year.
- B. No reimbursements shall be made under this Plan for any expenses other than the health insurance premiums listed in the Participant Reimbursements section, above (e.g., the Plan shall make no reimbursements for out-of-pocket medical expenses, copayments, or deductibles).
- C. No reimbursement shall be made under this Plan for amounts of medical expenses that are subject to refunds or reimbursements under any other health plan which may be carried either (i) by the Employer or some other person or entity on behalf of the Participant or (ii) personally by the Participant. To the extent of the coverage under any such other plan, the Employer shall be relieved of any liability hereunder.
- D. The benefit provided under this section is intended to comply with the provisions of Code sections 105 and 106 and with the guidance provided by Revenue Ruling 61-146. This section, therefore, will be deemed to be automatically amended to comply with all legislative changes to, and valid regulations promulgated under, these Code sections, as of the effective date of such legislation or regulations and any subsequent guidance modifying, clarifying or superseding Revenue Ruling 61-146.
- E. The total amount of the reimbursement to a Participant and the Participant's Beneficiary for medical expenses incurred in any one month during a Plan Year shall not exceed seven hundred fifty dollars (\$750).

4.05. Distributions To Incapacitated Participants.

If the Administrator determines that a Participant who is entitled to a payment under the Plan is incapable of personally receiving the payment, the Administrator may make all benefit distributions to the persons or institutions which are providing for the care and maintenance of the distributee and continue to make distributions to them until a duly appointed legal representative of the distributee makes a claim for the payment. Payments made pursuant to the terms of this Distribution To Incapacitated Participants section shall constitute a distribution to the Participant entitled thereto, and shall immediately discharge the Employer, the Administrator, the Plan and all Plan fiduciaries of and from any further liability therefor.

4.06. Repayment Of Overpaid Benefits.

By accepting payment of benefits under the Plan, the Participant receiving the payment agrees that, in the event of overpayment, the Participant will promptly repay the amount of overpayment without interest upon notice by the Administrator; provided that, if the Participant has not repaid the overpayment within thirty (30) days after notice:

- A. The Participant will also pay an amount equal to simple interest at the rate of ten percent (10%) per annum (or the highest rate allowable, if less) on the unpaid amount from the date of overpayment to the date of repayment, and in addition will pay all legal fees, court costs and the reasonable time value of the Administrator or Employer, or any of their employees or agents, related to the collection of such overpayment; and
- B. The Administrator shall arrange to recover the amount of such overpayment from any amount then payable, or that may become payable, to the Participant under the Plan.

ARTICLE 5. PLAN ADMINISTRATION

5.01. Employment Records.

The Employer shall maintain sufficient employment records to determine benefits under the Plan for each Employee. The Employer shall make such records available to the Administrator, in a timely manner, and the Employer shall be responsible for the accuracy of such information, upon which the Administrator is entitled to rely.

5.02. Reports And Disclosure.

The Administrator shall prepare, file and distribute, in a timely manner, all reports and information to be disclosed to Participants as may be required by the Code or applicable State law. The Administrator shall prepare such reports from records kept by it and information furnished by the Employer.

5.03. Retention Of Records.

Every person subject to a requirement to file any description or report or to certify any information thereof under applicable law shall maintain records on the matters of which disclosure is required which will provide in sufficient detail the necessary basic information and data from which the documents thus required may be verified, explained or clarified and checked for accuracy and completeness, and shall include vouchers, worksheets, receipts and applicable resolutions, and shall keep such records available for examination for a period of not less than six (6) years after the filing date of the documents based on the information which they contain.

5.04. Powers And Responsibilities.

- A. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan and to assure that the Plan is being operated for the exclusive benefit of the Participants in accordance with the terms of the Plan, the Code and applicable State law.
- B. The Employer shall periodically review the performance of any fiduciary or other person to whom duties have been delegated or allocated by it under the provisions of the Plan, or pursuant to procedures established hereunder. This requirement may be satisfied by formal periodic review by the Employer or by a qualified person specifically designated by the Employer, through day-to-day conduct and evaluation, or through other appropriate means.

5.05. Designation Of Administrative Authority.

- A. The Employer shall be the Administrator. However, the Employer may appoint another person or persons to serve as the Administrator. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify such

appointee's acceptance by filing written acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or may be removed by the Employer with or without cause by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified.

- B. The Employer, upon the resignation or removal of an Administrator, shall promptly designate in writing a successor to this position. If the Employer does not appoint a successor Administrator, the Employer will function as the Administrator.

#### 5.06. Allocation And Delegation Of Responsibilities.

If more than one person is appointed as the Administrator, the responsibilities of each appointed person may be specified by the Employer and accepted in writing by each Administrator. In the event that the Employer makes no such delegation, the Administrators may allocate the responsibilities among themselves, in which event the Administrators shall notify the Employer in writing of such action and specify the responsibilities of each Administrator. Except where there has been an allocation and delegation of administrative authority pursuant to this section, if there shall be more than one Administrator, they shall act by a majority of their number, but may authorize one or more of them to sign all papers on their behalf. The Administrators may act with or without a meeting being called or held and shall keep minutes of all meetings held and a record of all actions taken by written consent. No Administrator may participate in any decision that involves solely the Administrator's interest as a Participant in the Plan.

#### 5.07. Powers And Duties Of The Administrator.

The primary responsibility of the Administrator is to administer the Plan for the exclusive benefit of the Participants, subject to the specific terms of the Plan. The Administrator shall administer the Plan in accordance with its terms and shall have the power and discretion to interpret and construe the terms of the Plan, to decide any disputes and resolve any ambiguities which may arise relative to the rights of the Employees, past and present, under the terms of the Plan, and to determine all questions arising in connection with the administration, interpretation and application of the Plan. Any such determination by the Administrator shall be conclusive and binding upon all persons. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan; provided, however, that any such procedure, discretionary act,

interpretation or construction shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall comply with the terms of the Code and all regulations issued pursuant thereto. The Administrator shall have all powers necessary or appropriate to accomplish its duties under the Plan.

5.08. Administrative Functions.

The Administrator shall:

- A. Determine Participant eligibility;
- B. Determine the amount of benefits which shall be payable to any person in accordance with the provisions of the Plan, inform the Employer of the amount of such benefits, and provide a full and fair review to any claim for benefits which has been denied in whole or in part;
- C. Designate other person(s) to carry out any duty or power which would otherwise be a fiduciary responsibility of the Administrator under the terms of the Plan including but not limited to delegating certain claims administration duties to a claims administrator, provided that any such delegation or allocation of responsibilities shall be set out in a written instrument executed by the Administrator and the designated party;
- D. Process claims and appeals from claims denied; and
- E. Make recommendations to the Employer concerning any phase of Plan management or administration.

5.09. Appointment And Responsibility Of Representatives.

- A. With the consent of the Employer or its designee, the Administrator shall have the right and the power to appoint one or more representatives, accountants, counsel, specialists, and other advisory and clerical persons as it deems necessary or desirable to assist the Administrator in the administration of the Plan. All usual and reasonable expenses of such representatives, accountants, counsel, specialists, and other advisory and clerical persons may be paid in whole by the Plan, in whole by the Employer (if the Employer agrees to do so in advance), or in part by the Plan and in part by the Employer (if the Employer agrees to do so in advance).

B. The Administrator may designate any person as its agent for any purpose. The designated representative of the Administrator shall be responsible only for those specific powers, duties, responsibilities and obligations specifically given to it by the Administrator. The Administrator, the Employer and any person to whom the Administrator may delegate any duty or power in connection with the Plan's administration may rely upon all tables, valuations, certificates, reports and opinions furnished by any duly appointed actuary, accountant (including employees who are actuaries or accountants), legal counsel, or other specialist, and they shall be fully protected whenever they take action based in good faith in reliance thereon. All actions taken in good faith reliance on advice from the advisors are conclusive upon all persons. Any benefits not paid by the Plan shall not be the responsibility of the designated representatives.

5.10. Appointment Of Fiduciaries And Agents.

The Employer or its designee shall have the right to hire and fire any fiduciary or agent, including the Administrator, or any agent designated pursuant to the Appointment And Responsibility Of Representatives section, above.

5.11. Compensation Of Administrator.

The Administrator(s) shall receive no compensation from the Plan for acting as such, but the Plan shall reimburse the Administrator(s) for all necessary and proper expenses incurred in carrying out its duties under the Plan.

5.12. Use Of Electronic Media.

In accordance with Treasury regulations, the Administrator and the Trustee may use telephonic or electronic media to satisfy the notice requirements under this Plan.

## ARTICLE 6. CLAIMS PROCEDURES

6.01. Request For Information.

Any Participant may request such information concerning the Participant's rights or benefits under the Plan as would be required to be disclosed under part 1, title I of the Employee Retirement Income Security Act (ERISA) if it applied to the Plan. The Administrator shall respond, in writing, within a reasonable time, not to exceed thirty (30)

days, unless the failure to respond results from matters reasonably beyond the Administrator's control.

6.02. Claims For Benefits.

In order to receive benefits under the Plan, the Participant must submit satisfactory proof of entitlement to such a benefit as set forth in this Claims Procedures article.

6.03. Filing Claims.

- A. Any Participant or duly authorized representative of a Participant (Claimant) may file a claim for benefits to which such Claimant believes he or she is entitled. Claims must be made in writing and shall be delivered to the Administrator or a service provider designated by the Administrator. Claimants shall provide the Administrator with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the Plan.
- B. Unless otherwise announced by the Administrator, a claim for benefits incurred during a Plan Year must be made no later than ninety (90) days after the earlier of (i) the end of such Plan Year or (ii) the date of the Participant's Termination Of Employment. Any delinquent claims will not be paid.

6.04. Initial Determination Of Claim.

- A. The Administrator shall have full discretion to grant or deny a claim in whole or in part.
- B. The Administrator will notify the Claimant, in writing, of the granting or denying, in whole or in part, of such claim, within thirty (30) days after receipt of such claim; provided, however, that if the Administrator determines that an extension of time for processing the claim is necessary due to matters beyond the control of the Administrator, this period may be extended no more than fifteen (15) days from the end of the initial thirty (30) day period.
- C. If an extension of time is necessary, the Claimant must be given a written notice to this effect prior to the expiration of the initial thirty (30) day period and the notice must indicate the special circumstances requiring the extension and the date by which a decision will be made. If such an extension is necessary due to a failure of the Claimant to submit the information necessary to

decide the claim, the notice shall specifically describe the required information and the Claimant shall submit the specified information no later than forty-five (45) days from receipt of the notice by the Claimant.

- D. If a claim is denied in whole or in part, the Administrator's notice denying such claim shall set forth, in a manner calculated to be understood by the Claimant, the following:
  - 1. The specific reason or reasons for the denial;
  - 2. Specific reference to pertinent Plan provisions on which the denial is based;
  - 3. A description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such material information is necessary; and
  - 4. An explanation of the Plan's claim review procedures.
- E. If notice of the granting or denying of a claim is not furnished in accordance with the preceding provisions, the claim shall be deemed denied and the Claimant shall be permitted to exercise the Claimant's right to review pursuant to the Claims Appeals section, below.

#### 6.05. Claims Appeals.

If a claim for benefits is fully or partially denied, the following appeal procedures shall apply:

- A. If a Claimant wishes to appeal a denial of a claim, the Claimant or the Claimant's duly authorized representative:
  - 1. May request a review upon written application to the Administrator;
  - 2. May submit written comments, documents, records, and other information relating to the claim; and
  - 3. May obtain, upon request and free of charge reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits.

- B. The written request for review must be received by the Administrator within one hundred eighty (180) days after the Claimant receives notice that the Claimant's claim for Plan benefits has been denied.
- C. The decision on the review shall be made by the Administrator, who may, in its discretion, hold a hearing on the denied claim; provided, however, that the following requirements shall apply:
  - 1. The review of the denied claim shall not afford deference to the initial claim denial and shall be conducted by an appropriate named fiduciary who is neither the individual who made the adverse benefit determination that is the subject of the review nor the subordinate of such individual;
  - 2. If the adverse benefit determination that is the subject of the review was based in whole or in part on a medical judgment, the appropriate named fiduciary of the Plan shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and who shall not be the individual who was consulted in connection with the adverse benefit determination that is the subject of the review, nor the subordinate of such individual.
  - 3. Any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a Claimant's adverse benefit determination shall be identified without regard to whether the advice was relied upon in making the benefit determination.
- D. The Administrator shall make its decision promptly, and not later than sixty (60) days after the Administrator's receipt of the request for a review; provided, however that if the Administrator determines that an extension of time for processing the claim is necessary due to matters beyond the control of the Administrator, this period may be extended no more than sixty (60) days from the end of the initial sixty (60) day period. If an extension of time is necessary, the Claimant must be given a written notice to this effect prior to the expiration of the initial sixty (60) day period and the notice must indicate the special circumstances requiring the extension and the date by which a decision will be made on review.

- E. The decision on review must be written in a manner calculated to be understood by the Claimant. In the case of an adverse benefit determination, the notification to the Claimant shall set forth, in a manner calculated to be understood by the Claimant, the following:
  - 1. The specific reason or reasons for the denial;
  - 2. Specific reference to pertinent Plan provisions on which the denial is based; and
  - 3. A statement that the Claimant is entitled to receive, upon request and free of charge reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits.
- F. If the decision on review is not furnished to the Claimant within the time required in this section, the claim shall be deemed denied on review and the Claimant shall be permitted to exercise the Claimant's right to legal remedy pursuant to the remaining sections of this Claims Procedures article.

6.06. Legal Actions.

- A. A Claimant must submit a written claim and exhaust the preceding claims procedures before legal recourse of any type is sought. Except as explicitly permitted by statute, the Administrator and the Employer are the only necessary parties to any action or proceeding that involves the Plan or the administration of the Plan. No Employees or former Employees or their dependents or beneficiaries or any person having or claiming to have an interest under the Plan is entitled to notice of process. Any final judgment that is not appealable for any reason (including the passage of time) and that is entered in an action or proceeding involving the Plan is binding and conclusive on the parties to the Plan and all persons having or claiming to have any interest under the Plan.
- B. Judicial review of a Claimant's denied claim shall be limited to a determination of whether there was an abuse of discretion. No legal action may be commenced by a Claimant more than three (3) years after the final decision denying the claim.

6.07. Administration Pending Resolution Of Disputes.

If a dispute arises with respect to any matter under the Plan, the Administrator may refrain from taking any other or further action in connection with the matter involved in the controversy until the dispute has been resolved under the Plan. If a dispute arises as to the proper amount or recipient of any payment of benefits, the Administrator, in the Administrator's sole and absolute discretion, may withhold or cause to be withheld such payment until the dispute has been settled by the parties concerned, or the Administrator may deposit such funds or property with the court in an interpleader action brought under the law of the State having jurisdiction.

6.08. Time.

The filing of claims or receipt of notices of rulings and any event starting a time period shall be deemed to commence with personal delivery signed for by the Claimant or by affidavit of personal service, or the date of actual receipt of certified mail or date returned if delivery is refused or a Claimant has moved without giving the Administrator a forwarding address.

ARTICLE 7. AMENDMENTS AND TERMINATION

7.01. No Vested Rights.

No Participant shall have any vested right to any benefits provided under the Plan.

7.02. Amendments.

- A. The Employer reserves the right to amend the Plan at any time, in its sole and absolute discretion, without the consent of the Administrator, any fiduciary, or any Participant; provided, however, that, except in accordance with the provisions of the Plan, or as otherwise specifically permitted by law, no such amendment shall affect any right to claim reimbursement of benefits incurred prior to the adoption date of such amendment. The Employer may make any amendment that it determines to be necessary or desirable, with or without retroactive effect, to comply with the law.
- B. Any such Plan amendment shall be made by means of a written instrument identified as an amendment of the Plan effective as of a specified date.

- C. Notwithstanding any other provision of the Plan to the contrary, if there is a scrivener's error in properly transcribing the provisions of the Plan, it shall not be a violation of the Plan terms to operate the Plan in accordance with its proper provisions, rather than in accordance with the term of the Plan, pending correction of the Plan through amendment. In addition, any provisions of the Plan improperly added as a result of scrivener's error shall be considered null and void as of the date such error occurred.

7.03. Plan Termination.

The Employer reserves the right to terminate the Plan in part or in whole at any time, in its sole and absolute discretion, by appropriate action; provided, however, that such termination shall not affect any right to claim reimbursement of benefits incurred prior to such termination. In the event of the dissolution, merger, consolidation or reorganization of the Employer, the Plan shall terminate unless the Plan is continued by a successor to the Employer.

ARTICLE 8. MISCELLANEOUS

8.01. Nonalienation Of Benefits.

- A. Subject to the exceptions provided below and as otherwise specifically permitted by law, no assets or benefits under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary, including any such liability which is for alimony or other payments for the support of a spouse or former spouse, or for any other relative of the Participant, prior to actually being received by the person entitled to the benefit under the terms of the Plan. Any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, garnish, execute or levy shall be void. Nor shall any such benefits in any manner be liable for, or subject to, the debts, contracts, liabilities, or torts of any person entitled to such benefits.
- B. The prohibitions contained in this Nonalienation Of Benefits section shall not apply to the extent a Participant is indebted to the Plan, for any reason, under any provision of the Plan. At the time a distribution is to be made to or for a Participant's, such proportion of the amount distributed as shall equal such indebtedness shall be retained by the Plan to apply against or discharge such indebtedness. Prior to such application, however, the Administrator must give written notice to the Participant that

such indebtedness is to be so paid in whole or part from the Participant's benefit. If the Participant does not agree that the indebtedness is a valid claim against the Participant's benefit, the Participant shall be entitled to a review of the validity of the claim in accordance with procedures provided in the Claims Procedures article.

8.02. Limitation Of Rights; Employment Relationship.

Nothing contained in the Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of any Employee to be continued in the employment of the Employer, or as creating or modifying the terms of an Employee's employment, or as a limitation on the right of the Employer to discharge any Employee, with or without cause. Unless the law or the Plan explicitly provides otherwise, rights under any other employee benefit plan maintained by the Employer (for example, benefits upon an Employee's death, retirement, or other termination) do not create any rights under the Plan to benefits or continued participation. The fact that an individual is eligible to receive benefits under the Plan does not create any rights under any other employee benefit plan maintained by any Employer, unless that plan or the law explicitly provides otherwise.

8.03. Limitation Of Rights Of Participants And Others.

Neither the establishment of the Plan, nor any modifications thereof, nor the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any Participant or any other person any legal or equitable right against the Employer, the Administrator, or its designated representative, except as expressly provided herein or as provided by law.

8.04. Release From Liability.

Any payment to any Participant, or to the Participant's legal representative, in accordance with the provisions of the Plan, shall to the extent thereof be in full satisfaction of all claims hereunder against the Plan, the Employer, the Administrator, and any Plan fiduciary, any of whom may require such Participant, legal representative, as a condition precedent to such payment, to execute a receipt and release therefor in such form as shall be determined by the Employer, the Administrator, or any Plan fiduciary, as the case may be.

8.05. Indemnity.

The Employer hereby agrees to indemnify and hold harmless each present and future Administrator and its employees, and all duly authorized agents, against all liabilities, costs and expenses, including, without limitation, attorneys' fees reasonably incurred by, or imposed upon, such person in connection with, or arising out of, any claims, demands, suits, actions or proceedings in which such indemnified party may be involved, except in the case of the willful misconduct of any such indemnified party. Expenses shall include the cost of reasonable settlement made with the view to curtailment of costs of litigation. The foregoing right of indemnification shall not be exclusive of other rights to which such indemnified party may be entitled as a matter of law.

8.06. Expenses.

Upon written instructions from the Administrator, the Plan shall pay the expenses necessary to carry out the administration of the Plan that are not paid by the Employer.

8.07. Insurers Not A Party.

No insurer shall be considered a party to the Plan, nor to any future amendment to the Plan. The rights and obligations of any insurer are those specified in the insurance contract and no provisions of any portion of the Plan shall be deemed to alter or change the terms of such insurance contract.

8.08. State Laws.

The Plan is designed to be consistent with applicable State laws, to the extent that they are not preempted by any applicable federal law.

8.09. Construction.

No provision of the Plan shall be construed to conflict with any Treasury Department, Department of Labor or Internal Revenue Service regulation, ruling, release or proposed regulation or other order which affects, or could affect, the terms of the Plan. If any provision is susceptible of more than one interpretation, such interpretation shall be given thereto as is consistent with the Plan being in conformity with the Code and administered in conformity with all federal and State laws that apply to the Plan.

8.10. Headings.

The headings and subheadings of the Plan have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

8.11. Uniformity.

All provisions of the Plan shall be interpreted and applied in a uniform, nondiscriminatory manner.

8.12. Gender And Number.

Any reference in the masculine gender herein shall be deemed to also include the feminine gender, unless expressly provided otherwise. Wherever appropriate, any reference in this document in the singular shall include the plural and any reference in the plural shall include the singular.

8.13. Controlling Law.

Unless otherwise provided in the Plan, the Plan shall be construed and enforced according to the laws of the United States of America to the extent applicable, otherwise by the laws of California including California's choice-of-law rules, except to the extent those laws would require application of a State other than California.

8.14. Severability.

In the event that any provisions of this document shall be held illegal or invalid for any reason by operation of law or a court of competent jurisdiction, said illegality or invalidity shall not affect the remaining legal and valid provisions of this document. This document shall continue as if said illegal or invalid provisions had not been included herein either initially, or beyond the date it is first held to be illegal or invalid; provided the basic purposes hereof can be effected through the remaining valid and legal provisions.

8.15. Waiver.

Failure to insist upon strict compliance with any provision of the Plan shall not be deemed to be a waiver of such provision or any other provision; waiver of breach of any provision of the Plan shall not be deemed to be a waiver of any other provision or subsequent breach of such provision. No term, condition, or provision of the Plan shall be deemed waived unless the purported waiver is in a writing signed by the

party to be charged. No written waiver shall be deemed a continuing waiver unless so specifically stated in the writing, and such waiver shall operate only as to the specific term, condition, or provision waived.

8.16. Entire Document.

This document, including any appendices or supplements hereto, shall constitute the entire document and shall govern the rights, liabilities and obligations of the parties under the Plan, except as it may be modified.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

City Of Buellton

By: \_\_\_\_\_  
Holly Sierra

Title: \_\_\_\_\_  
Mayor