

CITY OF SANTA CRUZ
809 Center Street
Santa Cruz, California 95060



JOINT CITY COUNCIL - REDEVELOPMENT AGENCY AGENDA

Regular Meeting

March 08, 2011

3:00 P.M.	CLOSED LITIGATION SESSION, COURTYARD CONFERENCE ROOM
4:30 P.M.	CONSENT, GENERAL BUSINESS AND PUBLIC HEARINGS, COUNCIL CHAMBERS
5:00 P.M.	ORAL COMMUNICATIONS COUNCIL CHAMBERS
7:00 P.M.	GENERAL BUSINESS, PUBLIC HEARINGS AND MATTERS OF PUBLIC INTEREST, COUNCIL CHAMBERS

Council will receive e-mail regarding items on the agenda during the meeting at citycouncil@cityofsantacruz.com.

Written correspondence and telephone calls received after 5:00 p.m. on the Monday immediately preceding a Council meeting may not have time to reach Councilmembers, nor be read by them prior to consideration of an item. Please make any communication to Councilmembers regarding Council meeting items prior to 5:00 p.m. Monday.

Council meetings are cablecast on Comcast Channel 25.

Written material for every item listed in the open sessions is available for review at the Central Branch Library Reference Desk.

Time limits set by Council Policy are guidelines. Unless otherwise specified, procedures for all items, except those approved in one motion on the Consent Agenda, are:

- Oral staff report
- Public comment - 2 minutes each; maximum total time may be established by the Presiding Officer at the beginning of the item
- Council/Agency deliberation and action

Closed Litigation Session**3:00 PM**

The Presiding Officer will open the City Council and Redevelopment Agency Closed Litigation Sessions in a public meeting in the Courtyard Conference Room, for the purpose of announcing the agenda and considering public testimony. Thereafter, the meeting will be closed to the public.

- A. Conference with Real Property Negotiator- Real Property Negotiations (Government Code §54956.8).
 - 1. Transfer of Redevelopment Agency Owned Properties to City City Negotiator—Martin Bernal; Redevelopment Negotiator-BonnieLipscomb
See attached list for properties and APN's

- B. Conference With Legal Counsel - Existing Litigation (Government Code §54956.9).
 - 1. California Native Plant Society v. City of Santa Cruz (Branciforte Creek Subdivision)
Santa Cruz Superior Court Case No. CV157292

- C. Conference With Legal Counsel - Anticipated Litigation (Government Code §54956.9).

- D. Initiation of Litigation by City (Government Code §54956.9(c)).
(1 case to be discussed)
 - 1. City v. Gravago – Violation of City “Going Out of Business” Ordinance.
 - 2. City v. Howard – Violation of Accessory Dwelling Unit Ordinance.

Joint City Council/Redevelopment Agency

4:30 PM

Call to Order

Roll Call

Pledge of Allegiance

Presiding Officer's Announcements

Statements of Disqualification

Additions and Deletions

Presentation - Caltrans Median Project - Mission & Highway 9

Consent Agenda

1. Minutes of the February 22, 2011 Regular City Council Meeting. (CC)

Motion to approve as submitted.

2. Minutes of the February 22, 2011 Regular Redevelopment Agency Meeting. (CC)

Motion to approve as submitted.

3. Minutes of the February 25, 2011 Council Retreat. (CC)

Motion to approve as submitted.

4. Zero Motorcycles Loan and Grant Agreement. (ED)

Redevelopment Agency resolution authorizing the Executive Director to enter into a Grant Acceptance Agreement with the Monterey Bay Unified Air Pollution Control District (MBUAPCD) for a \$177,906 AB2766 grant for the Zero Motorcycles Electric Powertrain facility in Harvey West Business Park.

Redevelopment Agency resolution authorizing the Executive Director to execute a Loan and Grant Agreement , in a form approved by the Agency Attorney, with Zero Motorcycles, Inc. in an amount up to \$352,906 to provide matching funds for the California Energy Commission's 2010 Alternative and Renewable Fuel and Vehicle Grant to Zero Motorcycles.

Redevelopment Agency resolution amending the Agency's FY 2011 budget to accept and appropriate the \$177,906 of grant revenue, to appropriate up to \$175,000 of funds from the Debt Service fund for a loan to Zero Motorcycles, Inc., and to transfer \$25,000 of in-kind professional and technical services to provide a grant match for Zero Motorcycles, Inc.

5. Citywide Wayfinding Project – Authorization to Contract. (ED)

Motion to authorize the Executive Director to execute a contract in the amount of up to \$313,038 with the City of Santa Cruz, in a form to be approved by the City Attorney, for design, fabrication and installation of priority Wayfinding project elements.

6. Lower Pacific Avenue Parking Study – Authorization for Consultant Services. (ED)

Redevelopment Agency resolution authorizing the Executive Director to award and execute a contract, in a form approved by the Agency Attorney, with a consultant firm specializing in transportation and/or parking analysis and planning to carry out a Lower Pacific Avenue Parking Study.

Redevelopment Agency resolution appropriating funds and amending the FY 2011 budget in the amount of up to \$155,500 to fund the the Lower Pacific Avenue Parking Study.

7. 110 Lindberg Street Project – Budget Adjustment. (ED)

Note: Written material will be provided prior to the meeting.

Redevelopment Agency resolution appropriating funds and amending the FY11 budget in the amount of up to \$2,200,000 to fund the 110 Lindberg Street Project from the Merged Project Area Capital Fund and decreasing the appropriation in the amount of \$2,200,000 from the Agency Capital Housing Fund.

8. Mercy Housing California – Development Agreement. (ED)

Note: Written material will be provided prior to the meeting.

Redevelopment Agency resolution authorizing the Executive Director to enter into a Development Agreement, subject to approval by the Agency Attorney, with Mercy Housing California, a California limited partnership, in the amount of \$1,170,000 for the purposes of constructing a senior housing project and certifying the Environmental Review process under CEQA for the proposed project;

Redevelopment Agency resolution appropriating funds and amending the FY11 budget in the amount of \$1,170,000 to fund the Mercy Housing Project.

9. Riverside Avenue Improvements Phase II Project – Cooperation Agreement. (ED)

Note: Written material will be provided prior to the meeting.

City Council resolution authorizing the City Manager to execute a Cooperation Agreement with the Redevelopment Agency through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

Redevelopment Agency resolution authorizing the Executive Director to execute a Cooperation Agreement with the City through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

City Council resolution amending the FY11 budget to accept and appropriate Redevelopment funding in the amount of up to \$2,850,000 to fund the Riverside Avenue Utility Undergrounding and Streetscape Improvements.

Redevelopment resolution appropriating funds and amending the FY11 budget in the amount of up to \$2,850,000 to fund the Riverside Avenue Improvements Phase II Project.

10. Acquisition of Santa Cruz METRO Trolley (ED)

Note: Written material will be provided prior to the meeting.

Redevelopment Agency resolution authorizing the Executer Director to enter into a Purchase Agreement and/or Loan Agreement with the Santa Cruz METRO for the acquisition of a trolley and trolley shelter.

Redevelopment Agency resolution appropriating funds and amending the FY11 budget in the amount of up to \$110,000 to fund acquisition of the Santa Cruz METRO trolley and shelter.

11. Redevelopment Agency Owned Property (APNs attached) (ED)

Motion to transfer Redevelopment Agency-owned property to the City and providing instructions to the Director of Economic Development regarding same.

12. Resolution Selecting Vendor for the Virtualization Project and Energy Efficiency Improvements for the Data Communications Center. (IT)

Note: Written material will be provided prior to the meeting.

Resolution authorizing the City Manager to execute a contract agreement in a form approved by the City Attorney with contractor to be determined upon proposal review on March 3, 2011 in the amount of \$271,000 for the procurement of hardware and professional services associated with virtualizing the City's Data Communications Center.

13. Authorization to enter into a Memorandum of Understanding (MOU) with Harvey West Community Pool (HWCP) in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs. (PK)

Resolution authorizing and directing the City Manager to enter into a MOU with Harvey West Community Pool in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs.

14. Bicycle Transportation Account Grant Applications. (PW)

Resolution authorizing the City Manager to submit a grant application to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Mission Street Extension Multiuse Path Project.

Resolution authorizing the City Manger to submit a grant application on behalf of the University of California at Santa Cruz to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Campus Facilities Bicycle Lockers Project.

15. North Coast System Rehabilitation Project - Harvey West Segment – Adoption of Mitigated Negative Declaration, Approval of Plans and Specifications, Authorization to Advertise for Bids and Award Contract. (WT)

Resolution adopting the Mitigated Negative Declaration for the North Coast System Rehabilitation Project, Harvey West Segment; and

Motion to approve the construction plans and specifications for the North Coast System Rehabilitation Project, Harvey West Segment and to authorize staff to advertise for bids for construction. The City Manager is hereby authorized and directed to execute the contract as authorized by Resolution No. NS-27,563.

16. Bay Street Reservoir Reconstruction Project – Engineering Design and Construction Support Services - Contract Amendment No. 2. (WT)

Motion to authorize the City Manager to execute Contract Amendment No. 2 in the amount of \$760,865 with AECOM Technical Services, Inc. (formerly AECOM USA, Inc. and Boyle Engineering Corporation) for additional engineering design and construction support services for the Bay Street Reservoir Reconstruction Project.

End Consent Agenda

General Business

17. Advisory Body Nomination—Santa Cruz County Hazardous Materials Advisory Commission (One Reappointment, with a Term Expiration of 4/1/15) (CC)

Motion to nominate Fire Battalion Chief Mike Venezia for reappointment by the County Board of Supervisors to the County Hazardous Materials Advisory Commission.

18. Council Meeting Calendar. (CC)

That the City Council review the meeting calendar attached to the agenda and revise as necessary.

19. City Attorney Oral Report on Closed Session.

20. Council Memberships in Outside Groups and Outside Agencies.

The Presiding Officer will provide Councilmembers with the opportunity to update Council and the public regarding City Groups and Outside Agencies.

Joint City Council/Redevelopment Agency

5:00 P.M.

Joint City Council/Redevelopment Agency Oral Communications - 30 Minutes

The City Council will recess to the 7:00 p.m. session.

Adjournment

The Redevelopment Agency will adjourn from the regular meeting of March 8, 2011 to the next regularly scheduled meeting of March 22, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

Joint City Council/Redevelopment Agency

7:00 PM

Call to Order

Roll Call

Presentation - Hope Services

Public Hearing

21. 5 Isbel Drive, CP10-0120, APN 008-491-14,15– Demolition Authorization and a Major Modification to Application No. 04-270; an Approved Planned Development Including Modified Site Area standards, Lot Standards, Design Permit, Road Abandonment, Heritage Tree Removal Permit and a Tentative Subdivision Map for a 40 Unit Subdivision at the Corner of Market and Isbel in the R-1-5 Zone District. (Environmental Determination: EIR Addendum) (PL)

Resolution approving the Demolition Authorization and Major Modification to Application No. 04-270 consistent with the certified EIR and EIR Addendum and based upon the Findings, Conditions and Mitigation Monitoring Plan.

Adjournment

The City Council will adjourn from the regularly scheduled meeting of March 8, 2011 to the next regular meeting on March 22, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

Advisory Body Appointments

The following positions are vacant. Council will make appointments at a future meeting.

Measure K Oversight Committee	Three (3) vacancies
Planning Commission	One (1) vacancy
Sister Cities Committee	Two (2) vacancies

Advisory Body Direct Appointments

The following appointments are being made directly by Councilmembers under the authority of Measure K (Ordinance No. 2006-27) adopted by the City electorate at the November 2006 election, and are listed for reference and information. There will be no Council discussion or action.

Councilmember Bryant appointed Kirsten Attlessey to the Measure K Oversight Committee on February 1, 2011.

Public Hearing: If, in the future, you wish to challenge in court any of the matters on this agenda for which a public hearing is to be conducted, you may be limited to raising only those issues which you (or someone else) raised orally at the public hearing or in written correspondence received by the City at or before the hearing.

Any person seeking to challenge a City Council decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that action either 60 days or 90 days following the date on which the decision becomes final as provided in Code of Civil Procedure Section 1094.6. Please refer to code of Civil Procedure 1094.6 to determine how to calculate when a decision becomes "final." The 60-day rule applies to all public hearings conducted pursuant to the City's Zoning Ordinance, Title 24, Santa Cruz Municipal Code. The 90-day rule applies to all other public hearings.

City Council Agenda Legislative History Addendum

No information was submitted.

City staff is responsible for providing the City Clerk with such documentation and information for the Legislative History Addendum. The information will be on file in the City Clerk's Department.

The Addendum is a listing of information specific to City Council business, but which does not appear on a Council meeting agenda. Such entities would include, but not be limited to:

- Court decisions
- Coastal Commission Appeals of City Council actions
- Closed Session Agreements/Settlements, which are public record
- Association of Monterey Bay Area Governments
- Local Agency Formation Commission

ADDENDUM TO CITY COUNCIL AGENDA – MARCH 8, 2011

INFORMATION ITEMS PREVIOUSLY DISTRIBUTED TO CITY COUNCILMEMBERS

(Copies available in the Central Branch Library at the Reference Desk)

Finance Department	Portfolio Management Report – Pooled Cash and Investments as of January 31, 2011 2/22/11 (FN FYI 166)
	Quarterly Grant Reporting Ending December 31, 2010 2/22/11 (FN FYI 167)
Public Works Department	Highway 1 – Alternate Access for Harvey West Area 2/14/11 (PW FYI 00067)
Water Department	North Coast System Rehabilitation Project 2/23/11 (WT FYI 040)

ADDENDUM TO CITY COUNCIL AGENDA – MARCH 8, 2011

MAYOR’S PROCLAMATIONS

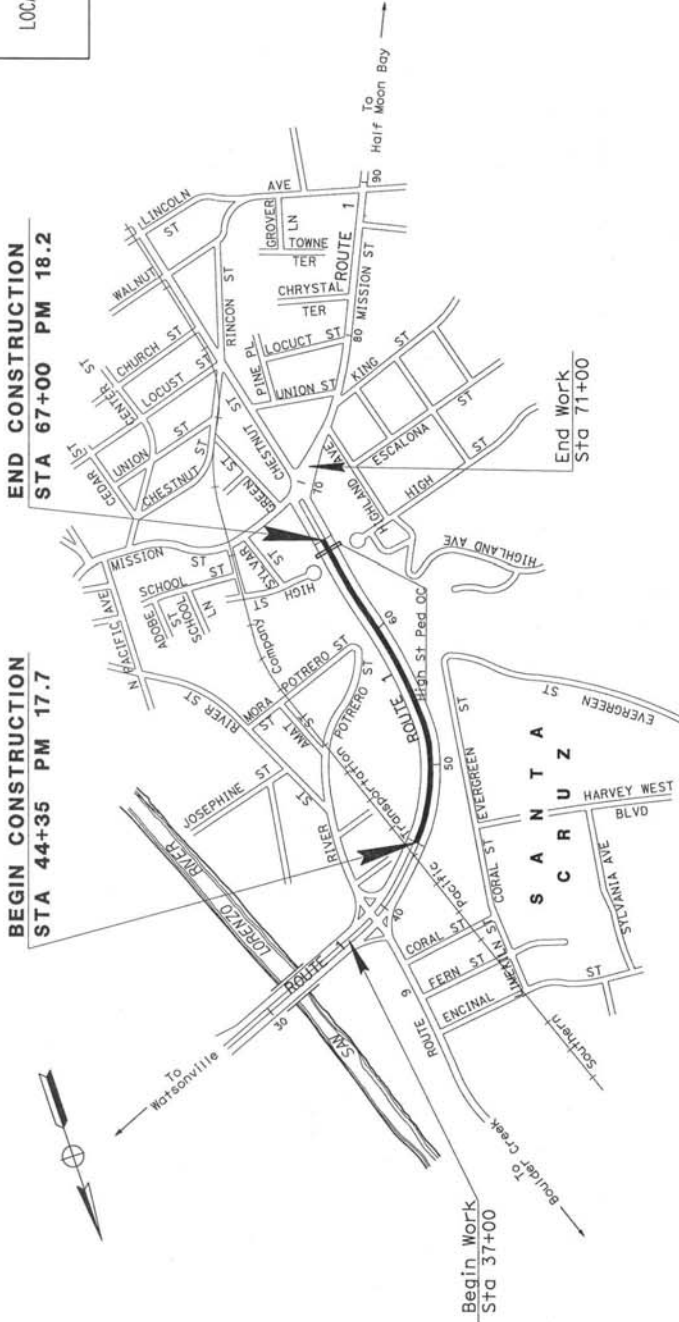
1. Proclaiming Wednesday, March 2, 2011 as “Midge Morrison and Jolly Bilstad Hunger Fighters of the Year Day” and encouraging all citizens to join in honoring them as an inspiring example of individuals whose efforts are supporting the Second Harvest Food Bank’s mission, “to educate and involve individuals to end hunger and alleviate malnutrition in our communities,” and expressing heartfelt appreciation for their contributions on behalf of all those in need.

INDEX OF PLANS

STATE OF CALIFORNIA
 DEPARTMENT OF TRANSPORTATION
 PROJECT PLANS FOR CONSTRUCTION ON
STATE HIGHWAY
 IN SANTA CRUZ COUNTY
 IN SANTA CRUZ
 FROM 0.1 MILE WEST OF ROUTE 9
 TO 0.1 MILE SOUTH OF HIGH STREET PEDESTRIAN
 OVERCROSSING

TO BE SUPPLEMENTED BY STANDARD PLANS DATED MAY 2006

DIST	COUNTY	ROUTE	POST MILES TOTAL PROJECT	SHEET NO.	TOTAL SHEETS
05	SCR	1	17.5/18.2		



NO SCALE



PROJECT ENGINEER REGISTERED CIVIL ENGINEER
 DATE _____
 PROJECT APPROVAL DATE _____
 THE STATE OF CALIFORNIA OR ITS
 AGENTS SHALL NOT BE RESPONSIBLE FOR THE ACCURACY OR
 COMPLETENESS OF SCANNED COPIES OF THIS PLAN SHEET.

CONTRACT No. **05-0S3104**
 PROJECT ID **0500000420**

UNIT 1465 PROJECT NUMBER & PHASE 0500000420

THE CONTRACTOR SHALL POSSESS THE CLASS (OR CLASSES) OF LICENSE AS SPECIFIED IN THE "NOTICE TO BIDDERS."

BORDER LAST REVISED 7/2/2010 CALTRANS WEB SITE IS: [HTTP://WWW.DOT.CA.GOV/](http://WWW.DOT.CA.GOV/)

RELATIVE BORDER SCALE 0 1 2 3
 15 IN. INCHES

USERNAME: s128871
 DON FILE: 0500000420.es001.dgn

DATE PLOTTED: 27-DEC-2010 12:24:10

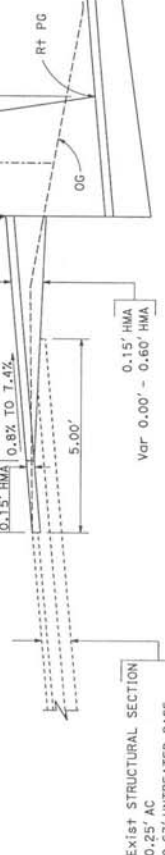
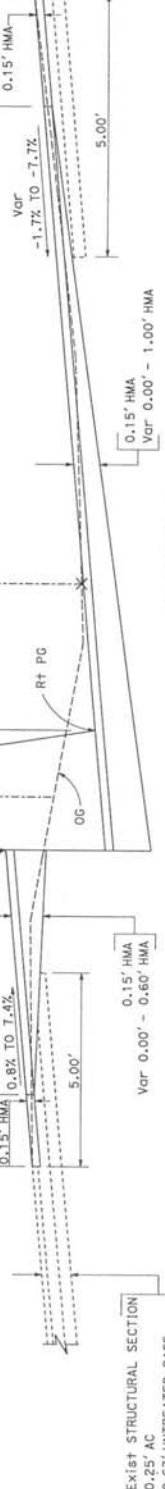
JIM ESPINOSA
 DESIGN ENGINEER
 DOUG HESSING
 PROJECT MANAGER

SHEET TOTAL: 17.5/18.2
 DATE PLOTTED: 27-DEC-2010
 TIME PLOTTED: 15:36
 PROJECT NUMBER & PHASE: 05000004201
 UNIT: 1465
 RELATIVE BORDER SCALE: 15 IN INCHES
 USER: JIM ESPINOSA
 FILE: 05000004201.dgn
 BORDER LAST REVISED: 7/2/2010

REGISTERED CIVIL ENGINEER
 DATE: 17.5/18.2
 No. 01
 CIVIL
 REGISTERED CIVIL ENGINEER
 DATE: 17.5/18.2
 No. 01
 CIVIL

PLANS APPROVAL DATE: 17.5/18.2
 THE STATE OF CALIFORNIA OR ITS OFFICERS
 OR AGENTS SHALL NOT BE RESPONSIBLE FOR
 THE ACCURACY OR COMPLETENESS OF THESE
 PLANS.

REGISTERED CIVIL ENGINEER
 DATE: 17.5/18.2
 No. 01
 CIVIL



DESIGN
 JIM ESPINOSA
 FUNCTIONAL SUPERVISOR

CHECKED BY: JIM ESPINOSA
 DESIGNED BY: PETROS DEMOZ
 DATE REVISED: [blank]
 DATE REVISED: [blank]

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION
 EXIST+ STRUCTURAL SECTION
 0.25' AC
 0.67' UNTREATED BASE
 0.67' SELECTED MATERIAL

TYPICAL CROSS SECTIONS
 NO SCALE
 X-2

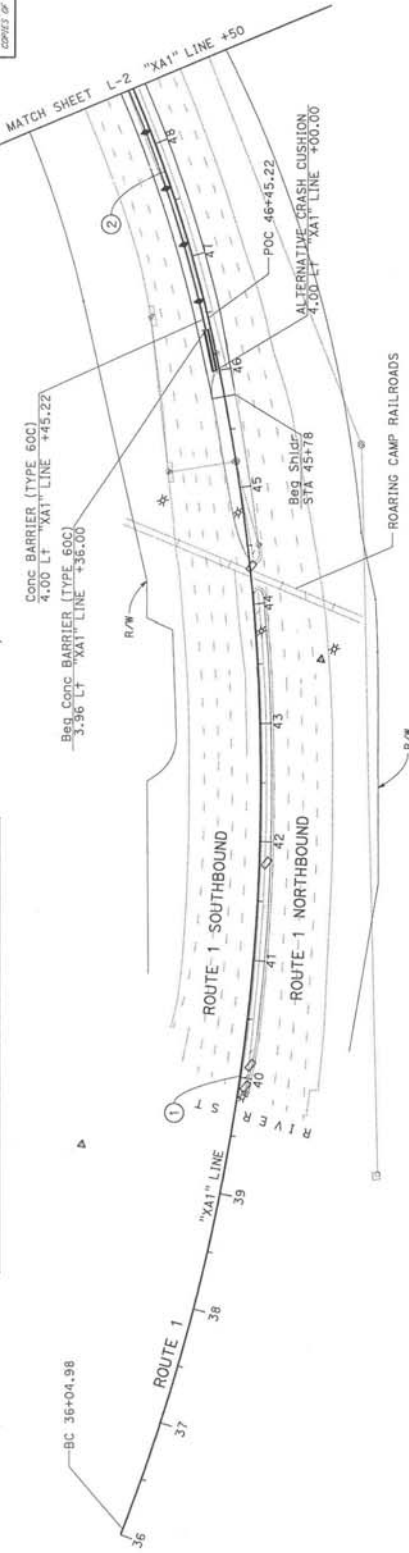
Dist#	COUNTY	ROUTE	POST MILES TOTAL PROJECT	SHEET TOTAL NO. SHEETS
05	SC	1	17.5/18.2	



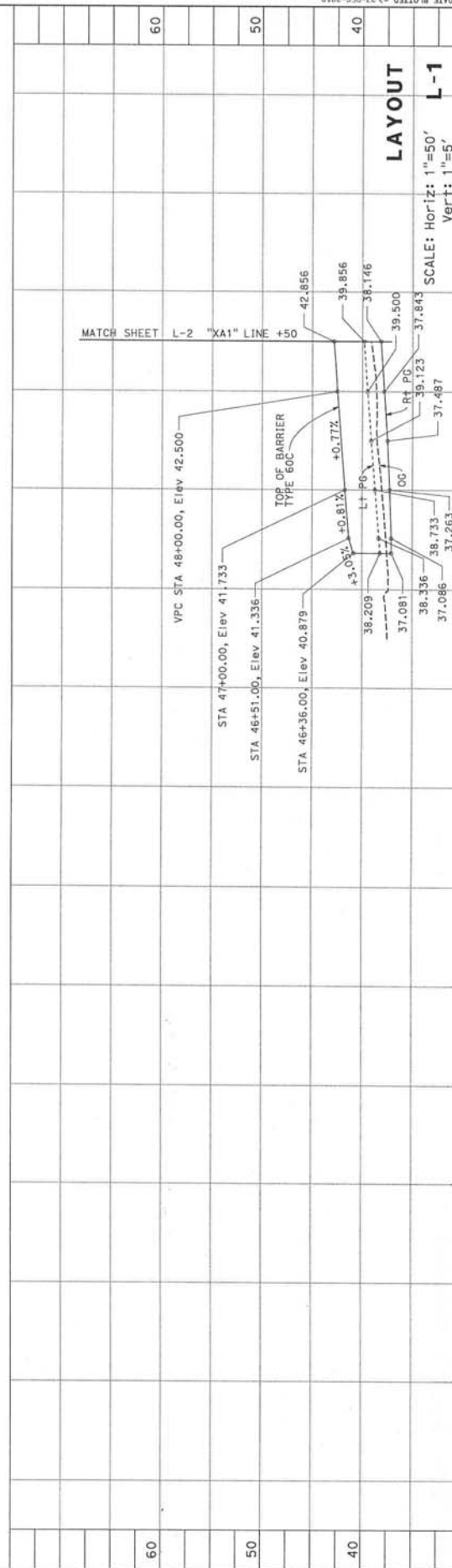
REGISTERED CIVIL ENGINEER DATE
 PLANS APPROVAL DATE
 THE STATE OF CALIFORNIA ON THE OFFICE OF PUBLIC WORKS SHALL NOT BE RESPONSIBLE FOR THE ACCURACY OF THESE PLANS SHEETS.

CURVE DATA

No.	R	Δ	T	L
1	1750.00'	46°03'27"	536.00'	1040.24'
2	1150.00'	41°49'33"	548.72'	1023.96'



SCALE: 1"=50'



STATION	40+00	42+00	44+00	46+00	48+00	50+00	TOTAL
Exc							
Emb							

LAYOUT
 SCALE: Hor: 1"=50'
 Vert: 1"=5'

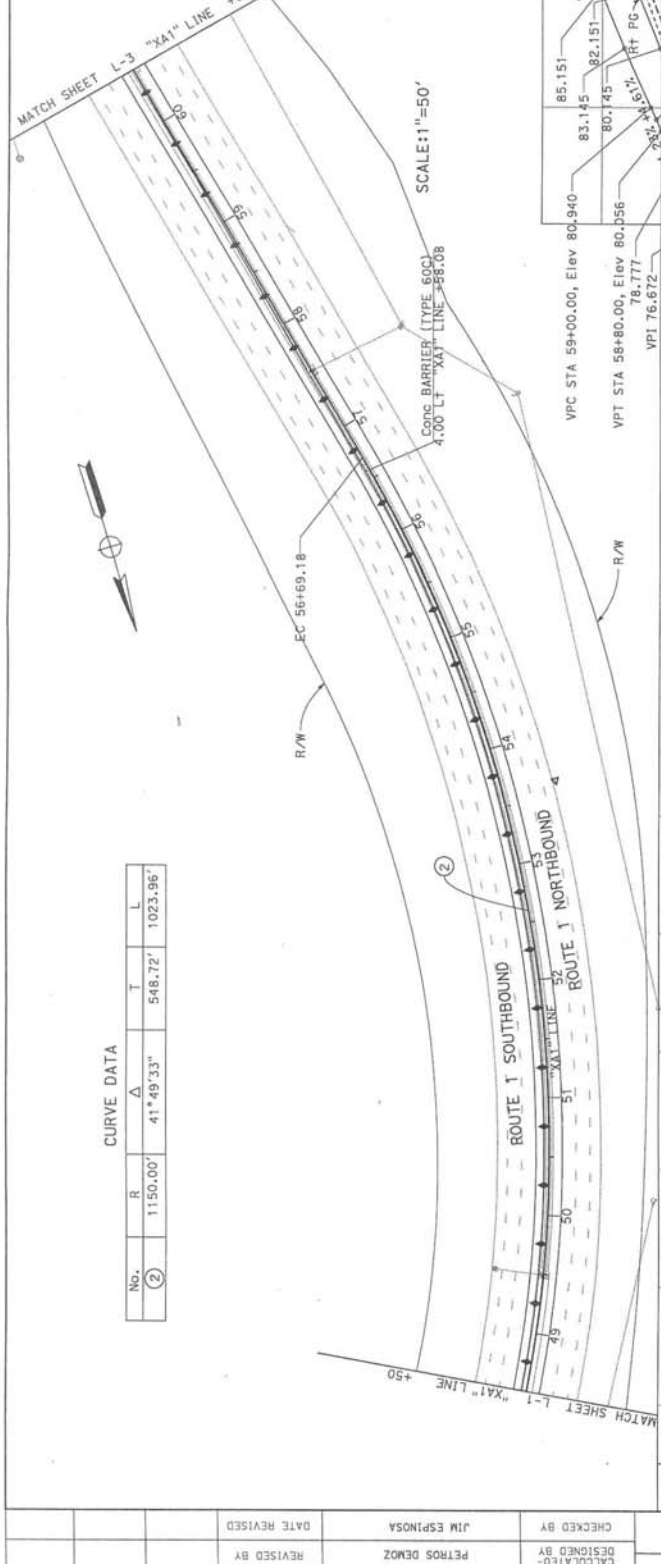
DIST COUNTY ROUTE POST MILES SHEET TOTAL
 05 SCF 1 17.5/18.2 NO. SHEETS

REGISTERED CIVIL ENGINEER DATE
 PROFESSIONAL ENGINEER
 CIVIL
 No. _____
 Exp. _____
 State of CA

PLANS APPROVAL DATE
 THE ABOVE SAID WORKING DRAWINGS HAVE BEEN PREPARED BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND TO THE BEST OF MY KNOWLEDGE AND BELIEF THEY COMPLY WITH ALL REQUIREMENTS OF THE BOARD OF CALIFORNIA REGISTERED PROFESSIONAL ENGINEERS AND ARCHITECTS AND I AM NOT PROVIDING ANY GUARANTEE OF ACCURACY OR COMPLETENESS OF DESIGN OR CONSTRUCTION OF THIS PLAN SHEET.

CURVE DATA

No.	R	Δ	T	L
2	1150.00'	41° 49' 33"	548.72'	1023.96'



STATION	Exc	Emb
48+00		
49+00		
50+00		
51+00		
52+00		
53+00		
54+00		
55+00		
56+00		
57+00		
58+00		
59+00		
60+00		
61+00		
62+00		
63+00		
64+00		
65+00		
66+00		
67+00		
68+00		
69+00		
70+00		
71+00		
72+00		
73+00		
74+00		
75+00		
76+00		
77+00		
78+00		
79+00		
80+00		
TOTAL		

DATE PLOTTED: 27-DEC-2010
 TIME PLOTTED: 15:36
 USERNAME: JIM ESPINOSA
 PROJECT NUMBER & PHASE: 05000004201
 UNIT 1465
 RELATIVE BORDER SCALE: 0 1 2 3 4 5 6 7 8 9 10
 VERTICAL INCHES

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION
 06-DESIGN
 FUNCTIONAL SUPERVISOR: JIM ESPINOSA
 CHECKED BY: JIM ESPINOSA
 DESIGNED BY: PETROS DEMOZ
 DATE REVISED: _____
 REVISED BY: _____

05	SC	1	17.5/18.2
----	----	---	-----------

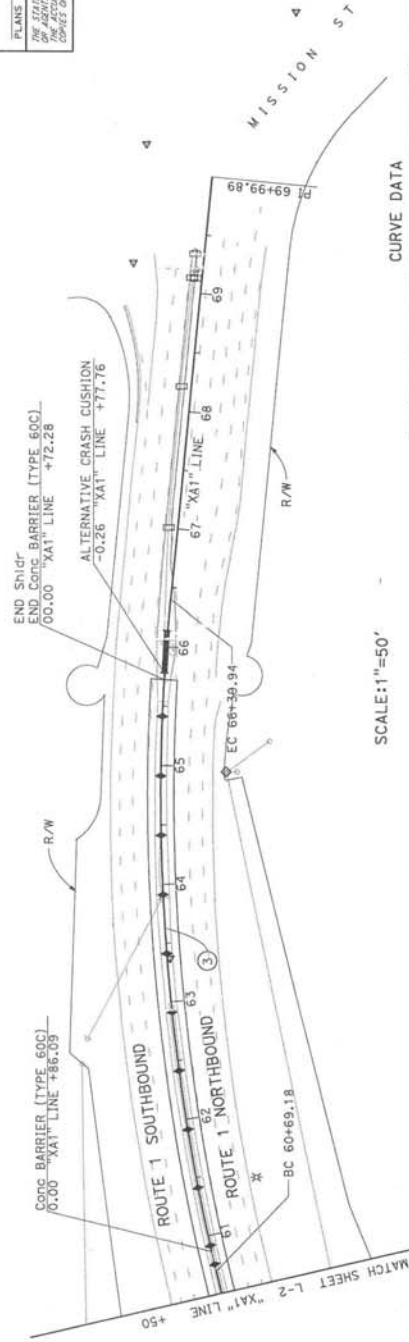
REGISTERED CIVIL ENGINEER DATE

PLANS APPROVAL DATE

REGISTERED PROFESSIONAL ENGINEER

NO. 17500
CIVIL
STATE OF CALIFORNIA

THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION
 DIVISION OF HIGHWAYS
 THESE PLANS SHALL NOT BE RESPONSIBLE FOR
 ANY ERRORS OR OMISSIONS UNLESS THEY ARE
 CORRECTED BY THIS PLAN SHEET.



SCALE: 1"=50'

CURVE DATA

No.	R	Δ	T	L
3	11750.00'	3°16'27"	287.94'	570.76'

STATION	Exc	CY	Emb
60+00			
62+00			
64+00			
66+00			
68+00			
70+00			
72+00			
74+00			
76+00			
78+00			
80+00			
82+00			
84+00			
86+00			
88+00			
90+00			
92+00			
94+00			
96+00			
98+00			
100+00			
TOTAL			

LAYOUT

SCALE: Horiz: 1"=50'
Vert: 1"=5'

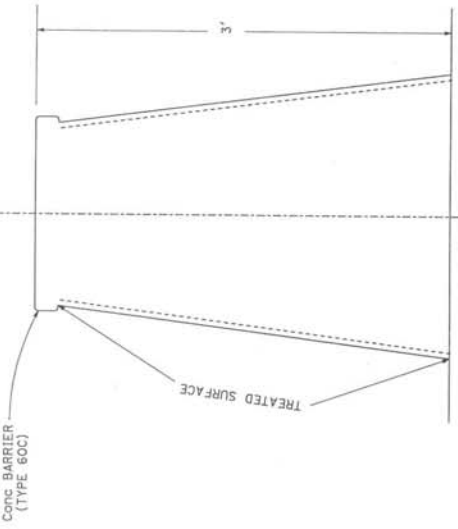
L-3

DATE	COUNTY	ROUTE	SHEET NO.	TOTAL SHEETS
05	SCR	01	17.5/18.2	

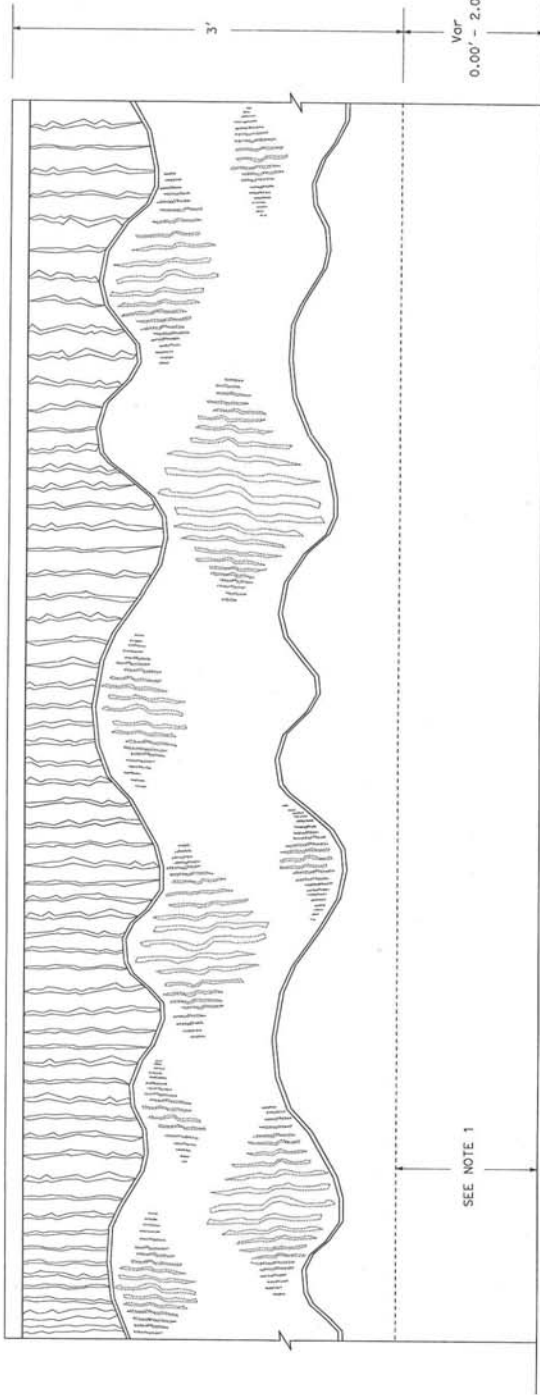
LICENSED LANDSCAPE ARCHITECT



PLANS APPROVAL DATE
 THE STATE OF CALIFORNIA OR ITS OFFICERS
 THE ARCHITECT AND HIS EMPLOYERS
 ARE SOLELY RESPONSIBLE FOR
 THE ACCURACY AND COMPLETION OF ALL
 CONTENTS OF THIS PLAN SHEET.



SECTION VIEW



ELEVATION VIEW

LANDSCAPE DETAILS
LD-1

**CONCRETE BARRIER (TYPE 60C)
 ARCHITECTURAL TREATMENT**

NO SCALE



STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION	LANDSCAPE	DENNIS REEVES	CHECKED BY	DATE REVISED
SENIOR LANDSCAPE ARCHITECT			BRYAN PARKER	
DESIGNED BY			REVISOR BY	





LEASING NOW
\$99 \perp **FT**
oldstatham.com
(833) 423-8331

8

MINUTES ARE UNOFFICIAL UNTIL APPROVED BY COUNCIL

CITY OF SANTA CRUZ
809 Center Street
Santa Cruz, California 95060

**MINUTES OF A REGULAR JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING**

FEBRUARY 22, 2011

2:00 P.M. SESSION

Mayor Coonerty opened the Closed Litigation Session at 2:07 p.m. in a public session in the Courtyard Conference Room, for the purpose of announcing the agenda and receiving public testimony. Two members of the public were present.

Bruce Holloway spoke about the City Manager's evaluation process.

Mike Tomasi spoke about peace and freedom.

Referral to Closed Session

1. Referral to Closed Session: 57 Municipal Wharf (Made in Santa Cruz), APN 005-401-09. (ED)

Action

Vice Mayor Lane moved, seconded by Councilmember Terrazas, to approve a referral to closed session for discussion regarding the desirability of negotiating and executing a new Municipal Wharf lease and providing instructions to the Director of Economic Development regarding same. The motion carried unanimously.

Council closed the session to the public at 2:15 p.m. All Councilmembers were present. (See pages 1413 through 1414 for report on closed session.)

1408
JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

**MINUTES OF A REGULAR JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING**

3:00 P.M. SESSION

Mayor/Chair Coonerty called the meeting to order at 3:06 p.m. in the Council Chambers.

Roll Call

Present: Councilmembers/Members Robinson, Beiers, Madrigal, Terrazas, Bryant; Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty.

Staff: City Manager M. Bernal, Assistant City Manager T. Shull, City Attorney J. Barisone, Director of Economic Development and Redevelopment B. Lipscomb, Director of Finance J. Dilles, Director of Administrative Services L. Sullivan, Director of Parks and Recreation D. Shoemaker, Director of Planning and Community Development J. Rebagliati, Chief of Police K. Vogel, Director of Public Works M. Dettle, Director of Water B. Kocher, Interim City Clerk Administrator T. Graves, Records Coordinator N. Patiño.

Pledge of Allegiance

Presiding Officer's Announcements

Statements of Disqualification – None.

Additions and Deletions – Items 12 and 13 were deleted by staff.

JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

Consent Agenda

Item 10 was removed from the Consent Agenda.

Action

Councilmember/Member Robinson moved, seconded by Councilmember/Member Terrazas, to approve the remaining items on the Consent Agenda. The motion carried unanimously.

2. Minutes of the January 18, 2011 Special City Council Meeting. (CC)

Motion carried to approve as submitted.

3. Minutes of the February 8, 2011 Regular City Council Meeting. (CC)

Motion carried to approve as submitted.

4. Minutes of the February 8, 2011 Regular Redevelopment Agency Meeting. (CC)

Motion carried to approve as submitted.

5. Code for America 2012 City Fellowship Program – Authorization to Apply. (ED/CM)

Motion carried to authorize the submittal of an application for the 2012 City Fellowship Program sponsored by Code for America, a nonprofit based in San Francisco, CA for the development of an integrated Business Gateway for the City's website.

6. Supplemental Educational Revenue Augmentation Fund (SERAF). (ED)

Redevelopment Agency motion carried directing the Executive Director to pay \$771,392 from Agency funds on or before May 10, 2011 to the County Auditor for deposit into the State Supplemental Educational Revenue Augmentation Fund.

Consent Agenda (continued)

7. City's Classification and Compensation Plans and the FY11 Budget Personnel Complement – Public Works Department. (HR)

Resolution No. NS-28,328 was adopted amending the Classification and Compensation Plans and the FY11 Budget Personnel Complement by reclassifying one Chemist II position to a new classification of QA/QC Laboratory Chemist; reclassifying one Environmental Compliance Inspector position to a new classification of Senior Environmental Compliance Inspector and adding one Laboratory Technician position.

8. Liability Claims Filed Against City of Santa Cruz. (HR)

Motion carried to reject liability claim based on staff investigation: a) Stanley Dowling.

9. West Cliff Drive Paving – ARRA Funded Project, Federal Project number ESPL-5025(052). (PW)

Motion carried to approve plans and specifications for the second phase of paving West Cliff Drive and authorize staff to advertise for bids. The City Manager is hereby authorized and directed to execute the contract as authorized by Resolution No. NS-27,563.

10. Water Supply Project – Independent Technical Advisor – Contract Amendment No. 3. (WT)

Director of Water B. Kocher presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING OPPOSITION AND/OR CONCERNS:

Fred Geiger
Jan Bentley
Christie Kervin
Lawrence Johsens
Aldo Giacchino
Paul Gratz
Rick Longinotti

JOINT CITY COUNCIL/
 REDEVELOPMENT AGENCY MEETING
 FEBRUARY 22, 2011
 3:00 P.M. SESSION

Consent Agenda (continued)

10. Water Supply Project – Independent Technical Advisor – Contract Amendment No. 3. (WT) (continued)

SPEAKING FROM THE FLOOR EXPRESSING OPPOSITION AND/OR CONCERNS (continued):

Peter Petoe
 Bruce Holloway
 John Doering
 Steve Pleich
 Mike Tomasi
 Micah Posner

Action

Vice Mayor Lane moved, seconded by Councilmember Robinson, to authorize the City Manager to execute Contract Amendment No. 3 with Kennedy/Jenks Consultants of San Francisco, CA in an amount not to exceed \$580,000 for Independent Technical Advisor to the scwd2 Seawater Desalination Program, and that the Water Commission and Water Department staff will produce a report on water supply and demand to be presented to the City Council within four months. The motion carried unanimously.

End of Consent Agenda

General Business

11. Transportation and Public Works Commission Appointment (One Vacancy, with a Term Expiration of 1/1/15). (CC)

Councilmember Robinson nominated Cliff Feldman for appointment.

Councilmember Madrigal nominated Reed Searle for appointment.

SPEAKING FROM THE FLOOR:

Micah Posner

General Business (continued)

11. Transportation and Public Works Commission Appointment (One Vacancy, with a Term Expiration of 1/1/15). (CC) (continued)

Voting for Cliff Feldman: Councilmembers Robinson, Bryant; Mayor Coonerty.

Voting for Reed Searle: Councilmembers Beiers, Madrigal, Terrazas; Vice Mayor Lane.

Action

Reed Searle was appointed.

12. Introduction of an Ordinance Amending Section 10.68.110 Pertaining to Bicycle Licenses. (PD)

Chief of Police K. Vogel requested that this item be deleted from the agenda.

Action

Councilmember Madrigal moved, seconded by Councilmember Terrazas, to remove this item from the agenda.

13. Ordinance Regulating Surf Schools on Beaches. (PK)

Director of Parks and Recreation D. Shoemaker requested that this item be deleted from the agenda.

SPEAKING FROM THE FLOOR EXPRESSING CONCERNS:

Sharman Jacks
Dylan Greiner
Mike Tomasi

Action

Councilmember Madrigal moved, seconded by Councilmember Bryant, to remove this item from the agenda. The motion carried unanimously.

JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

Public Hearing

14. Consolidation of Information Technology and Human Resources Departments – Final Actions. (CM/HR)

City Manager M. Bernal presented an oral report and responded to Council's questions.

Action

Councilmember Robinson moved, seconded by Vice Mayor Lane, to pass Ordinance No. 2011-02 for final adoption abolishing the Information Technology Department, and creating an Administrative Services Department with Information Technology and Human Resources divisions and to adopt Resolution No. NS-28,329 amending the Classification and Compensation Plan and FY 2011 Budget Personnel Complement – Elimination of the Information Technology and Human Resources Departments and creating a new Department of Administrative Services with Information Technology and Human Resources divisions; moving the assignment of the City Clerk function to the City Manager; and rescinding Resolution No. NS-28,326. The motion carried unanimously.

General Business

15. Council Meeting Calendar. (CC)

The City Council reviewed the meeting calendar attached to the agenda and revised as necessary. For the Special Council Meeting of March 1, 2011, the Special Closed Session will begin at 4:00 p.m. with a Study Session at 7:00 p.m. The Council retreat is set for February 25, 2011 and Capital Improvement Project hearings will occur on April 5, 2011 at 7:00 p.m.

16. City Attorney Oral Report on Closed Session.

A. Conference with Legal Counsel – Liability Claims (Government Code §54956.95).

1. Claimant: Stanley Dowling
Claims Against: City of Santa Cruz

1 claim was discussed.

General Business (continued)

16. City Attorney Oral Report on Closed Session. (continued)

B. Conference with Real Property Negotiator- Real Property Negotiations (Government Code §54956.8).

1. 57 Municipal Wharf Lease Negotiations (Made in Santa Cruz—
Lessee; City of Santa Cruz-Lessor)
City Negotiator—Bonnie Lipscomb
APN 005-401-09

Council received a status report and instructed the negotiator. No reportable action was taken.

C. Conference with Legal Counsel - Existing Litigation (Government Code §54956.9).

1. Allman and Newman v. City of Santa Cruz, et al.
Santa Cruz Superior Court Case No. CV169904
2. City of Santa Cruz v. Patel, et al.
Santa Cruz Superior Court Case No. CV161056

Council received status reports and instructed the City Attorney. No reportable action was taken.

D. Public Employee Performance Evaluation (Government Code §54956.7).

The City Council conducted the performance evaluation of the City Manager.

JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

General Business (continued)

17. Council Membership in City Groups and Outside Agencies.

The Presiding Officer provided Councilmembers with the opportunity to update Council and the public regarding City Groups and Outside Agencies.

Mayor Coonerty provided members of the public an opportunity at this time to address the Council in Oral Communications.

Steve Pleich spoke regarding Project Homeless Connect and other resources and services for homeless people.

Recess — At 4:44 p.m., the City Council and Redevelopment Agency recessed to the 5:00 p.m. session.

**MINUTES OF A JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING**

5:00 P.M. SESSION

Joint City Council/Redevelopment Agency Oral Communications

Mayor/Chair Coonerty called the meeting to order at 5:01 p.m. in the Council Chambers.

Drew Lewis expressed concerns about Smart Meters and stated that they are not UL approved.

Ed Davidson spoke regarding Oral Communication time limitations and expressed concern that working people would not be able to attend and express their concerns.

Mike Tomasi spoke regarding peace and freedom.

Adjournment — At 5:08 p.m. the Redevelopment Agency adjourned from the regularly scheduled meeting of February 22, 2011 to the next regularly scheduled meeting March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

Adjournment — At 5:08 p.m. the City Council adjourned from the regularly scheduled meeting of February 22, 2011 to a Retreat on February 25, 2011 at 8:00 a.m. at The Scout House, Harvey West Park, and then to a Special Closed Session on March 1, 2011 at the hour of 4:00 p.m. in the Courtyard Conference Room, followed by a Special City Council Meeting at the hour of 7:00 p.m. in Council Chambers, and then to the next regularly scheduled meeting on March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
5:00 P.M. SESSION

Respectfully submitted

Nydia Patiño
Records Coordinator

Tom Graves
Interim City Clerk Administrator

Approved

Ryan Coonerty
Mayor

MINUTES ARE UNOFFICIAL UNTIL APPROVED BY COUNCIL

CITY OF SANTA CRUZ
809 Center Street
Santa Cruz, California 95060

**MINUTES OF A REGULAR
REDEVELOPMENT AGENCY MEETING**

FEBRUARY 22, 2011

3:00 P.M. SESSION

Mayor/Chair Coonerty called the meeting to order at 3:06 p.m. in the Council Chambers.

Roll Call

Present: Councilmembers/Members Robinson, Beiers, Madrigal, Terrazas, Bryant; Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty.

Staff: City Manager M. Bernal, Assistant City Manager T. Shull, City Attorney J. Barisone, Director of Economic Development and Redevelopment B. Lipscomb, Director of Finance J. Dilles, Director of Administrative Services L. Sullivan, Director of Parks and Recreation D. Shoemaker, Director of Planning and Community Development J. Rebagliati, Chief of Police K. Vogel, Director of Public Works M. Dettle, Director of Water B. Kocher, Interim City Clerk Administrator T. Graves, Records Coordinator N. Patiño.

Pledge of Allegiance

Presiding Officer's Announcements

Statements of Disqualification – None.

Additions and Deletions – Items 12 and 13 were deleted by staff.

REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

Consent Agenda

Item 10 was removed from the Consent Agenda.

Action

Councilmember/Member Robinson moved, seconded by Councilmember/Member Terrazas, to approve the remaining items on the Consent Agenda. The motion carried unanimously.

1. Minutes of the January 18, 2011 Special City Council Meeting. (CC)

Motion carried to approve as submitted.

2. Minutes of the February 8, 2011 Regular City Council Meeting. (CC)

Motion carried to approve as submitted.

3. Minutes of the February 8, 2011 Regular Redevelopment Agency Meeting. (CC)

Motion carried to approve as submitted.

4. Code for America 2012 City Fellowship Program – Authorization to Apply. (ED/CM)

Motion carried to authorize the submittal of an application for the 2012 City Fellowship Program sponsored by Code for America, a nonprofit based in San Francisco, CA for the development of an integrated Business Gateway for the City's website.

5. Supplemental Educational Revenue Augmentation Fund (SERAF). (ED)

Redevelopment Agency motion carried directing the Executive Director to pay \$771,392 from Agency funds on or before May 10, 2011 to the County Auditor for deposit into the State Supplemental Educational Revenue Augmentation Fund.

REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

Consent Agenda (continued)

6. City's Classification and Compensation Plans and the FY11 Budget Personnel Complement – Public Works Department. (HR)

Resolution No. NS-28,328 was adopted amending the Classification and Compensation Plans and the FY11 Budget Personnel Complement by reclassifying one Chemist II position to a new classification of QA/QC Laboratory Chemist; reclassifying one Environmental Compliance Inspector position to a new classification of Senior Environmental Compliance Inspector and adding one Laboratory Technician position.

7. Liability Claims Filed Against City of Santa Cruz. (HR)

Motion carried to reject liability claim based on staff investigation: a) Stanley Dowling.

8. West Cliff Drive Paving – ARRA Funded Project, Federal Project number ESPL-5025(052). (PW)

Motion carried to approve plans and specifications for the second phase of paving West Cliff Drive and authorize staff to advertise for bids. The City Manager is hereby authorized and directed to execute the contract as authorized by Resolution No. NS-27,563.

9. Water Supply Project – Independent Technical Advisor – Contract Amendment No. 3. (WT)

Director of Water B. Kocher presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING OPPOSITION AND/OR CONCERNS:

Fred Geiger
Jan Bentley
Christie Kervin
Lawrence Johsens
Aldo Giacchino
Paul Gratz
Rick Longinotti

REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

Consent Agenda (continued)

10. Water Supply Project – Independent Technical Advisor – Contract Amendment No. 3. (WT) (continued)

SPEAKING FROM THE FLOOR EXPRESSING OPPOSITION AND/OR CONCERNS (continued):

Peter Petoe
Bruce Holloway
John Doering
Steve Pleich
Mike Tomasi
Micah Posner

Action

Vice Mayor Lane moved, seconded by Councilmember Robinson, to authorize the City Manager to execute Contract Amendment No. 3 with Kennedy/Jenks Consultants of San Francisco, CA in an amount not to exceed \$580,000 for Independent Technical Advisor to the scwd2 Seawater Desalination Program, and that the Water Commission and Water Department staff will produce a report on water supply and demand to be presented to the City Council within four months. The motion carried unanimously.

End of Consent Agenda

General Business

11. Transportation and Public Works Commission Appointment (One Vacancy, with a Term Expiration of 1/1/15). (CC)

Councilmember Robinson nominated Cliff Feldman for appointment.

Councilmember Madrigal nominated Reed Searle for appointment.

SPEAKING FROM THE FLOOR:

Micah Posner

REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

General Business (continued)

11. Transportation and Public Works Commission Appointment (One Vacancy, with a Term Expiration of 1/1/15). (CC) (continued)

Voting for Cliff Feldman: Councilmembers Robinson, Bryant; Mayor Coonerty.

Voting for Reed Searle: Councilmembers Beiers, Madrigal, Terrazas; Vice Mayor Lane.

Action

Reed Searle was appointed.

12. Introduction of an Ordinance Amending Section 10.68.110 Pertaining to Bicycle Licenses. (PD)

Chief of Police K. Vogel requested that this item be deleted from the agenda.

Action

Councilmember Madrigal moved, seconded by Councilmember Terrazas, to remove this item from the agenda.

13. Ordinance Regulating Surf Schools on Beaches. (PK)

Director of Parks and Recreation D. Shoemaker requested that this item be deleted from the agenda.

SPEAKING FROM THE FLOOR EXPRESSING CONCERNS:

Sharman Jacks
Dylan Greiner
Mike Tomasi

Action

Councilmember Madrigal moved, seconded by Councilmember Bryant, to remove this item from the agenda. The motion carried unanimously.

REDEVELOPMENT AGENCY MEETING
 FEBRUARY 22, 2011
 3:00 P.M. SESSION

Public Hearing

14. Consolidation of Information Technology and Human Resources Departments – Final Actions. (CM/HR)

City Manager M. Bernal presented an oral report and responded to Council's questions.

Action

Councilmember Robinson moved, seconded by Vice Mayor Lane, to pass Ordinance No. 2011-02 for final adoption abolishing the Information Technology Department, and creating an Administrative Services Department with Information Technology and Human Resources divisions and to adopt Resolution No. NS-28,329 amending the Classification and Compensation Plan and FY 2011 Budget Personnel Complement – Elimination of the Information Technology and Human Resources Departments and creating a new Department of Administrative Services with Information Technology and Human Resources divisions; moving the assignment of the City Clerk function to the City Manager; and rescinding Resolution No. NS-28,326. The motion carried unanimously.

General Business

15. Council Meeting Calendar. (CC)

The City Council reviewed the meeting calendar attached to the agenda and revised as necessary. For the Special Council Meeting of March 1, 2011, the Special Closed Session will begin at 4:00 p.m. with a Study Session at 7:00 p.m. The Council retreat is set for February 25, 2011 and Capital Improvement Project hearings will occur on April 5, 2011 at 7:00 p.m.

16. City Attorney Oral Report on Closed Session.

A. Conference with Legal Counsel – Liability Claims (Government Code §54956.95).

1. Claimant: Stanley Dowling
 Claims Against: City of Santa Cruz

1 claim was discussed.

REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

General Business (continued)

16. City Attorney Oral Report on Closed Session. (continued)

B. Conference with Real Property Negotiator- Real Property Negotiations (Government Code §54956.8).

1. 57 Municipal Wharf Lease Negotiations (Made in Santa Cruz— Lessee; City of Santa Cruz-Lessor)
City Negotiator—Bonnie Lipscomb
APN 005-401-09

Council received a status report and instructed the negotiator. No reportable action was taken.

C. Conference with Legal Counsel - Existing Litigation (Government Code §54956.9).

1. Allman and Newman v. City of Santa Cruz, et al.
Santa Cruz Superior Court Case No. CV169904
2. City of Santa Cruz v. Patel, et al.
Santa Cruz Superior Court Case No. CV161056

Council received status reports and instructed the City Attorney. No reportable action was taken.

D. Public Employee Performance Evaluation (Government Code §54956.7).

The City Council conducted the performance evaluation of the City Manager.

REDEVELOPMENT AGENCY MEETING
FEBRUARY 22, 2011
3:00 P.M. SESSION

General Business (continued)

17. Council Membership in City Groups and Outside Agencies.

The Presiding Officer provided Councilmembers with the opportunity to update Council and the public regarding City Groups and Outside Agencies.

Mayor Coonerty provided members of the public an opportunity at this time to address the Council in Oral Communications.

Steve Pleich spoke regarding Project Homeless Connect and other resources and services for homeless people.

Recess — At 4:44 p.m., the City Council and Redevelopment Agency recessed to the 5:00 p.m. session.

REDEVELOPMENT AGENCY MEETING

5:00 P.M. SESSION

Joint City Council/Redevelopment Agency Oral Communications

Mayor/Chair Coonerty called the meeting to order at 5:01 p.m. in the Council Chambers.

Drew Lewis expressed concerns about Smart Meters and stated that they are not UL approved.

Ed Davidson spoke regarding Oral Communication time limitations and expressed concern that working people would not be able to attend and express their concerns.

Mike Tomasi spoke regarding peace and freedom.

Adjournment — At 5:08 p.m. the Redevelopment Agency adjourned from the regularly scheduled meeting of February 22, 2011 to the next regularly scheduled meeting March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

Adjournment — At 5:08 p.m. the City Council adjourned from the regularly scheduled meeting of February 22, 2011 to a Retreat on February 25, 2011 at 8:00 a.m. at The Scout House, Harvey West Park, and then to a Special Closed Session on March 1, 2011 at the hour of 4:00 p.m. in the Courtyard Conference Room, followed by a Special City Council Meeting at the hour of 7:00 p.m. in Council Chambers, and then to the next regularly scheduled meeting on March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

Approved

Ryan Coonerty
Chair

Attest

Bonnie Lipscomb
Executive Director

**CITY OF SANTA CRUZ
CITY COUNCIL STRATEGIC PLANNING RETREAT
Friday, February 25, 2011
Harvey West Park Scouthouse
326 Evergreen Street
Santa Cruz, CA 95060**

MINUTES OF A CITY COUNCIL RETREAT

8:00 Continental Breakfast

8:30 Welcome, Purpose of the Retreat and Public Comment -- Ryan Coonerty, Mayor

Introduction of the Facilitator and Recorder -- Martin Bernal, City Manager

Role of the Facilitator, Recorder, Group and Public; Strategic Planning Elements; Agenda -- Marilyn Snider, Facilitator -- Snider and Associates

Introductions of the Group

What Are the Strengths of the City of Santa Cruz?

What Are the City of Santa Cruz's Current Internal Weaknesses/Challenges?

What Are the External Factors/Trends (e.g., economic, environmental, technological, attitudinal) that Will/Might Have an Impact on the City of Santa Cruz in the Next Three Years:

- Positively (opportunities)?
- Negatively (threats)?

Develop a Mission Statement (one sentence that states why the Santa Cruz City government exists and for whom)

Identify Three-Year Goals (what needs to be accomplished)

- Brainstorm Goals
- City Council: By Consensus, Select 4 or 5 Goals

Identify Six-Month Strategic Objectives (how the goals will be addressed initially-- by when, who will be accountable, for what specific, measurable results) for Each of the Three-Year

Goals

Next Steps/Follow-Up Process to Monitor Progress on the Goals and Objectives (including setting a date in 6 months to update the strategic plan)

Summary of the Retreat and Closing Remarks

4:00 The City Council adjourned to the March 1, 2011 Closed Litigation Session at 4:00 p.m. in the Courtyard Conference Room, followed by the Special City Council Meeting at 7:00 p.m. in Council Chambers.

Approved

Ryan Coonerty, Mayor



REDEVELOPMENT AGENCY AGENDA REPORT

DATE: 02/25/11

AGENDA OF: 3/08/2011

DEPARTMENT: Economic Development

SUBJECT: Zero Motorcycles Loan and Grant Agreement. (ED)

RECOMMENDATION: Redevelopment Agency resolution authorizing the Executive Director to enter into a Grant Acceptance Agreement with the Monterey Bay Unified Air Pollution Control District (MBUAPCD) for a \$177,906 AB2766 grant for the Zero Motorcycles Electric Powertrain facility in Harvey West Business Park.

Redevelopment Agency resolution authorizing the Executive Director to execute a Loan and Grant Agreement, in a form approved by the Agency Attorney, with Zero Motorcycles, Inc. in an amount up to \$352,906 to provide matching funds for the California Energy Commission's 2010 Alternative and Renewable Fuel and Vehicle Grant to Zero Motorcycles.

Redevelopment Agency resolution amending the Agency's FY 2011 budget to accept and appropriate the \$177,906 of grant revenue, to appropriate up to \$175,000 of funds from the Debt Service fund for a loan to Zero Motorcycles, Inc., and to transfer \$25,000 of in-kind professional and technical services to provide a grant match for Zero Motorcycles, Inc.

BACKGROUND: Zero Motorcycles, Inc. ("Zero") designs, manufactures, and sells high performance electric motorcycles. Originally founded as Electricross in 2006 by Neal Saiki, the company is dedicated to combining the best aspects of a traditional motorcycle with the most advanced battery/electric motor technology.

In the summer of 2010 Zero was awarded a grant from the California Energy Commission (CEC) to open a new electric powertrain production facility and sales center in Santa Cruz.

The terms and conditions of the CEC grant specify that 50 percent of the total grant must be provided in matching funds either by Zero, its real estate partners, or other third parties. Matching funds can be in the form of cash or in-kind contributions and must be made during the term of the grant. On May 11, 2010 the Redevelopment Agency (Agency) passed a resolution authorizing the Agency to provide matching grant funds for the CEC grant in the form of a loan of up to \$175,000 and in-kind assistance in the form of staff and technical assistance in an amount up to \$25,000. Zero agreed to relocate its existing retail point-of-sale within City limits. As Zero utilizes a factory-to-customer direct sales model, all U.S. sales are processed out of the California-registered dealership. The projected sales tax revenues for 2011 are \$29,500, with

approximately \$61,000 in sales tax revenue projected for 2012. These revenue projections are based on current tax rebates. Future sales tax increases are dependent on the growth of the company and future electric powertrain sales, but the outlook for growth in this industry is favorable.

On October 6, 2010, the Agency was awarded a grant in the amount of \$177,906 from the Monterey Bay Unified Air Pollution Control District (MBUAPCD) to support the Zero project. The award letter specified that the funds would provide “production support for prototype electric motorcycle motors.”

Zero’s development of the electric powertrain at this facility will provide the basis for the next generation of efficient, practical electric vehicles while supporting the local economy with a manufacturing base of green jobs. In the first six months of the grant program, Zero will hire eight engineers to engage in the research, development and testing of advanced prototypes for the powertrain development program. Within the first year, an additional seven to twelve engineering positions will be added for a total of fifteen to twenty new engineering positions in Santa Cruz.

The relocation of the dealership will result in an additional six employees, bringing the new employee count for both the dealership and the powertrain assembly plant to a total of twenty-one to twenty-six employees in the first 12 months of operation. Once production of the powertrain is underway, additional manufacturing employees will be added as production grows to meet market demands.

DISCUSSION: Section 33444.6 of California Redevelopment Law provides that a redevelopment agency may assist with the financing of facilities or capital equipment for industrial or manufacturing in a redevelopment project area, specifically the financing of facilities or capital equipment involving pollution control devices. Zero proposes to make a major capital investment into both the rehabilitation of the facilities in which the company is relocating as well as in the construction of capital equipment necessary for the research and development of a new electric powertrain. This type of activity falls within the goals of the Agency’s Five Year Implementation Plan.

Staff recommends that the Agency provide assistance in the form of a loan in an amount up to \$175,000 and that such loan be forgiven at a rate of \$35,000 per year until March 1, 2016. The loan would pay interest at the City’s portfolio rate. Staff is also recommending that forgiveness of the loan be contingent upon Zero’s meeting specific performance benchmarks including its continued presence in the City of Santa Cruz during the life of the loan, as well as increased employment and sales tax generation to be specified in the loan agreement.

Staff further recommends that the Agency authorize the Executive Director to enter into a Grant Acceptance Agreement with the Monterey Bay Unified Air Pollution Control District for a grant in the amount of \$177,906. The grant, including the terms and conditions contained in the Grant Acceptance Agreement, would be passed through to Zero to provide, when combined with the \$175,000 loan and \$25,000 of in-kind professional and technical staff services, the match to Zero’s CEC grant.

Finally, staff recommends that the Agency approve a resolution to amend the FY 2011 budget to accept and appropriate the \$177,906 of grant revenue, to appropriate up to \$175,000 of funds from the Debt Service fund for the loan to Zero, and to transfer \$25,000 of in-kind professional and technical services.

ENVIRONMENTAL IMPACT: As the powertrain facility will be built in an existing building under a principally permitted use, a Notice of Exemption was filed with the Clerk of the Board at the County of Santa Cruz in May 2010. This Notice of Exemption stated that the project was Categorically Exempt (Section 15332) and a Ministerial Project (Section 21060 (b)(1); 15268) and was signed by the Director of Planning and Community Development.

FISCAL IMPACT: The Loan and Grant Agreement will result in a commitment of up to \$200,000 in Agency resources, consisting of \$25,000 of in-kind support, and a forgivable loan up to \$175,000 subject to Agency Board approval. Funds are available in the Merged Debt Service Fund. The balance of the Agreement is funded by a grant in the amount of \$177,906 awarded by the Monterey Bay Unified Air Pollution Control District (MBUAPCD). This grant will pass through the Agency to Zero with the staff administration to be charged to the in-kind portion of the Grant and Loan Agreement.

Prepared by:
Peter Koht
Economic Development Coordinator

Submitted by:
Bonnie Lipscomb
Agency Executive Director

Approved by:
Martin Bernal
City Manager

ATTACHMENTS: Resolutions
Budget Adjustment

RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ
AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A GRANT ACCEPTANCE
AGREEMENT WITH THE MONTEREY BAY UNIFIED AIR POLLUTION CONTROL
DISTRICT (MBUAPCD) FOR AN AB2766 GRANT IN THE AMOUNT OF \$177,906 TO
SUPPORT THE DEVELOPMENT OF AN ELECTRIC POWERTRAIN FACILITY

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the City Council of the City of Santa Cruz (the "Council") approved and adopted the Redevelopment Plan (the "Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, in 2009 the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight and lead to increased economic activity in Santa Cruz; and

WHEREAS, the California Energy Commission (CEC) is providing financial support to Manufacturing Plants of Electric Vehicles, Alternative Fuel Vehicles, Vehicle Components and Batteries through the Alternative and Renewable Fuel and Vehicle Program (AB 118); and

WHEREAS, in 1990 Assembly Bill 2766 was enacted into law to distribute motor vehicle registration surcharge fees to regional Air Districts solely for the purpose of reducing pollution from motor vehicles; and

WHEREAS, on June 22, 2010 the Agency approved a resolution authorizing the Executive Director to apply for an AB2766 grant to provide a portion of the matching funds required for the CEC grant to Zero Motorcycles, Inc. to support their new electric powertrain development program to be located in the City of Santa Cruz; and

WHEREAS, the Monterey Bay Unified Air Pollution Control District (MBUAPCD) has awarded the Agency a grant in the amount of \$177,906 to support the development of the powertrain facility as it will result in emission reductions in the Monterey Bay region;

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Santa Cruz that the Executive Director is hereby authorized to enter into a Grant Acceptance Agreement with the Monterey Bay Unified Air Pollution Control District to accept a grant award in the amount of \$177,906.

RESOLUTION NO.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Chair

ATTEST: _____
Executive Director

RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ
AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO
A LOAN AND GRANT AGREEMENT WITH ZERO MOTORCYCLES INC.
IN THE AMOUNT OF UP TO \$352,906 TO SERVE AS MATCHING FUNDS FOR THE
CALIFORNIA ENERGY COMMISSION'S 2010 ALTERNATIVE AND RENEWABLE FUEL
AND VEHICLE GRANT PROGRAM (AB 118)

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the City Council of the City of Santa Cruz (the "Council") approved and adopted the Redevelopment Plan (the "Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, in 2009 the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight and lead to increased economic activity in Santa Cruz; and

WHEREAS, Zero Motorcycles (Zero) is an electric motorcycle company currently based in Scotts Valley that designs, manufactures, and sells high performance electric motorcycles; and

WHEREAS, Zero proposes to locate a new facility at 380 Encinal Street where both the electric powertrain development program and the Zero Motorcycles Flagship California dealership where all U.S. sales would be processed (the Project); and

WHEREAS, the Project would provide new jobs and substantial new sales tax revenue to the City; and

WHEREAS, Zero would provide improvements to the 380 Encinal Street property that would remove blight from the area as well as making major investments in equipment for the Project; and

WHEREAS, the California Energy Commission (CEC) has extended \$900,000 in financial support to Zero for the Project as part of their 2010 Alternative and Renewable Fuel and Vehicle Program (AB 118) which requires a fifty percent match; and

WHEREAS, this type of activity falls within the goals of the Agency's Five Year Implementation Plan; and

WHEREAS, Section 33444.6 of the California Redevelopment Law provides that a redevelopment agency may assist with the financing of facilities or capital equipment for industrial or manufacturing in a redevelopment project area, specifically the financing of facilities or capital equipment involving pollution control devices; and

RESOLUTION NO.

WHEREAS, the Monterey Bay Unified Air Pollution Control District (MBUAPCD) has awarded the Agency \$177,906 to support the development of the powertrain facility as it will result in emission reductions in the Monterey Bay region; and

WHEREAS, the Agency has funding available to provide up to \$200,000, including \$25,000 in professional and technical staff in-kind services, as matching funds for the CEC grant to Zero;

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City of Santa Cruz does hereby authorize the Executive Director to enter into a Loan and Grant Agreement with Zero Motorcycles Inc., in a form to be approved by the Agency Attorney, in the amount of up to \$352,906 to serve as matching funds for the California Energy Commission's Alternative and Renewable Fuel and Vehicle Grant Award and take other administrative actions as necessary to implement the grant and loan agreement.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Chair

ATTEST: _____
Executive Director

**City of Santa Cruz
BUDGET ADJUSTMENT REQUEST**

<input type="radio"/> Council Approval	Resolution No. _____
<input checked="" type="radio"/> RDA Approval	Resolution No. _____
<input type="radio"/> Administrative Approval	

<input checked="" type="radio"/> Current Fiscal Year
<input type="radio"/> Prior Fiscal Year

Date: 03/08/2011

<u>ACCOUNT</u>	REVENUE EDEN ACCOUNT TITLE	
481-52-80-5553-43312	Merged Debt Service Fund: Local operating grants MBUAPCD	\$177,906.00
d521109-405-4010	Zero Motorcycles Powertrain MBUAPCD grant	
	TOTAL REVENUE	\$177,906.00

<u>ACCOUNT</u>	EXPENDITURE EDEN ACCOUNT TITLE	
481-52-80-5553-56960	Merged Debt Service Fund: Loans & Grants	\$177,906.00
d521109-100-2020-551	Zero Motorcycles Powertrain: MBUAPCD Grant Pass through	
481-52-80-5553-56960	Merged Debt Service Fund: Loans & Grants	175,000.00
d521109-100-2020-253	Zero Motorcycles Powertrain: RDA Loan	
481-52-80-5553-56960	Merged Debt Service Fund: Loans & Grants	
d521109-100-2010-0	Zero Motorcycles Powertrain: In-kind support	25,000.00
385-52-80-5510-51911	Redevelopment Administration: Interfund labor - credit	(25,000.00)
	TOTAL EXPENDITURE	\$352,906.00

NET: \$ (175,000.00)

Purpose: To amend the Agency FY2011 budget to accept the Monterey Bay Unified Air Pollution Control District (MBUAPCD) AB 2766 Grant and to appropriate the grant proceeds and RDA available fund balance to fund a Loan and Grant Agreement with Zero Motorcycles for the development of a powertrain production and sales center in Santa Cruz. Council agenda: March 8, 2011

PREPARED BY	DEPARTMENT HEAD APPROVAL	ACCOUNTING APPROVAL	FINANCE DIRECTOR APPROVAL	CITY MANAGER APPROVAL
Kathryn L. Mintz <small>Digitally signed by Kathryn L. Mintz DN: cn=Kathryn L. Mintz, o=City of Santa Cruz, ou=City of Santa Cruz, email=kmintz@cityofsantacruz.com, c=US Date: 2011.02.16 15:47:53 -0800</small>	Bonnie Lipscomb <small>Digitally signed by Bonnie Lipscomb DN: cn=Bonnie Lipscomb, o=City of Santa Cruz, ou=City of Santa Cruz, email=blipscomb@cityofsantacruz.com, c=US Date: 2011.02.23 17:55:14 -0800</small>	Patty Haymond <small>Digitally signed by Patty Haymond DN: cn=Patty Haymond, o=City of Santa Cruz, ou=City of Santa Cruz, email=phaymond@cityofsantacruz.com, c=US Date: 2011.02.23 16:20:49 -0800</small>	Patty Haymond <small>Digitally signed by Patty Haymond DN: cn=Patty Haymond, o=City of Santa Cruz, ou=City of Santa Cruz, email=phaymond@cityofsantacruz.com, c=US Date: 2011.02.23 16:20:49 -0800</small>	
2/16/11		2/25/11		

Revised December 2009



REDEVELOPMENT AGENCY AGENDA REPORT

DATE: 3/1/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Economic Development

SUBJECT: Citywide Wayfinding Project – Authorization to Contract. (ED)

RECOMMENDATION: Motion to authorize the Executive Director to execute a contract in the amount of up to \$313,038 with the City of Santa Cruz, in a form to be approved by the City Attorney, for design, fabrication and installation of priority Wayfinding project elements.

BACKGROUND: Tourism is a major economic engine in Santa Cruz County and being able to successfully navigate is critical to a positive visitor experience. In 2010 City Council authorized the Redevelopment Agency Director to launch a citywide wayfinding effort to evaluate and improve the experience of navigating around Santa Cruz. More than 20 firms responded to an RFP for a wayfinding study. The selected consultant team includes wayfinding firm MERJE, award-winning designer Lance Wyman, California-based Rick Engineering and Santa Cruz design coordinator Timerie Gordon.

The consultant team was tasked with analyzing current wayfinding in Santa Cruz and developing an integrated strategy for improvements. Their scope of work included Steering Committee and stakeholders meetings, review of previous plans and completing an inventory of current signage. The consultant team has released a draft report which has been circulated to the Steering Committee and key stakeholders for review.

The draft report recommends an overall integrated visual strategy be used in implementing solutions on multiple platforms used for navigation, including the following projects:

- Updating the City banner program, including development of district banners.
- Updating the City parking and vehicular directional signage programs.
- Updating the City kiosk program.
- Developing orientation (print) and interactive (online) maps.
- Developing a pedestrian sign program that links the beach and downtown area.
- Developing gateway signage.
- Developing a sustainability sign program, to support Climate Action Plan initiatives and market Santa Cruz as a sustainable City.

The report also recommends implementing a tourist shuttle bus, however that project is recommended within a subsequent phase and budget figures are not included here.

As part of the current scope of work, the consultant team is developing a visual strategy which will be a short user-friendly design guide that can be referenced throughout project implementation and maintenance.

DISCUSSION: City Council is currently scheduled to review and accept the Wayfinding report April 26, 2011. While specific project priorities have yet to be finalized and approved by City Council, many of the recommended projects echo recommendations in adopted City planning documents. At a minimum the City will be required to redesign and update its directional signage in the next few years, as the current signage does not meet federal Manual on Uniform Traffic Control Devices (MUTCD) guidelines. In addition, visitors now navigate on multiple platforms and in all likelihood this trend will continue to gain momentum and need to be addressed by the City in the near future.

Given current fiscal challenges, this contract and requested appropriation will allow the City to move directly into implementation of priority wayfinding project elements once the report has been finalized and accepted.

FISCAL IMPACT: Funds for this project in the amount of \$391,072 were previously appropriated in the FY 2011 Budget. The current project balance of \$313,038 will fund this contract.

Prepared by:
Crystal Birns
Arts Program Manager

Submitted by:
Bonnie Lipscomb
Agency Executive Director

Approved by:
Martin Bernal
City Manager



REDEVELOPMENT AGENCY AGENDA REPORT

DATE: 3/1/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Economic Development

SUBJECT: Lower Pacific Avenue Parking Study – Authorization for Consultant Services. (ED)

RECOMMENDATION: Redevelopment Agency resolution authorizing the Executive Director to award and execute a contract, in a form approved by the Agency Attorney, with a consultant firm specializing in transportation and/or parking analysis and planning to carry out a Lower Pacific Avenue Parking Study.

Redevelopment Agency resolution appropriating funds and amending the FY 2011 budget in the amount of up to \$155,500 to fund the the Lower Pacific Avenue Parking Study.

BACKGROUND: Based on recommendations accepted by the City Council in May of 2010 as a part of the River/Front and Lower Pacific Design Guidelines and Development Incentives Study, a request for proposals (RFP) for consultant services to develop a phased parking solution strategy to facilitate economic development of the Lower Pacific Avenue area was issued in January 2011. Seven proposals were received.

DISCUSSION: The proposed parking study would involve two sub-study areas, including (A) Pacific Avenue and Front Street, the area south of Laurel Street to Depot Park and (B) Pacific Avenue south of Depot Park and the Santa Cruz Wharf. Work will consist of an analysis of current parking conditions, parking need projections, and recommendations for phased parking strategies for each area. For Study Area A, recommendations are expected to include working with property owners to develop a shared parking solution strategy. For Study Area B, the analysis is expected to focus on potential physical modifications and management options that might help maximize the effectiveness of existing or proposed surface parking. For both sub-study areas, the study will propose ways to support future development and parking needs while addressing the City's desire to ultimately reduce dependency upon cars.

Representatives of Public Works, Planning and Community Development, and Economic Development and Redevelopment Departments are in the process of interviewing six of the seven consulting teams. The recommended consultant team will be announced as a part of the staff presentation at the Redevelopment Agency meeting on March 8, 2011. Based on a review of proposals, it is expected that the cost of the study will not exceed \$155,500.

FISCAL IMPACT: The available fund balance in the Merged Project Area Capital Projects fund will be reduced by up to \$155,500.

Prepared by:	Submitted by:	Approved by:
Carol Berg	Bonnie Lipscomb	Martin Bernal
Housing & Community Development Manager	Agency Executive Director	City Manager

ATTACHMENTS:
Resolution
Budget Adjustment

RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ
AUTHORIZING THE EXECUTIVE DIRECTOR TO SELECT AND EXECUTE
A CONTRACT WITH A CONSULTANT FIRM SPECIALIZING IN TRANSPORTATION
AND/OR PARKING ANALYSIS AND PLANNING TO CARRY OUT A
LOWER PACIFIC AVENUE PARKING STUDY.

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the City Council of the City of Santa Cruz (the "Council") approved and adopted the Redevelopment Plan (the "Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, on November 13, 1990, by Resolution No. NS-19,524 and on October 23, 1990, by Resolution No. NS- 19,500 the City Council adopted resolutions finding that the use of taxes allocated from the Merged Earthquake Recovery and Reconstruction Project and Eastside Business Improvement Redevelopment Project respectively for the purpose of improving and increasing the community's supply of low and moderate income housing outside the Project Areas will be of benefit to the Projects; and

WHEREAS, on December 8, 2009, the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight; and

WHEREAS, the Five-Year Implementation Plan provides for Economic Revitalization/ Non-Housing Program Activities for the Merged Earthquake Recovery and Reconstruction Project that include assisting in "implementation of recommendations from the Ocean Street Area Plan and the River/Front Street and Lower Pacific Avenue Design Guidelines and Development Incentives Study"; and

WHEREAS, the River/Front and Lower Pacific Avenue Design Guidelines and Development Incentives Study recommends development of long term parking solutions for the Lower Pacific Avenue area; and

WHEREAS, a request for proposals (RFP) for consultant services to do a Lower Pacific Avenue Parking Study ("Study") to develop a phased parking solution strategy to facilitate economic development of the Lower Pacific Avenue area was issued in January 2011; and

WHEREAS, this RFP defined the "Study Area" to include Front Street and Pacific Avenue south of Laurel Street and the Santa Cruz Wharf, all of which are located within the Merged Project Area; and

WHEREAS, proposals for the Study have been reviewed by Agency staff, with the determination that Agency assistance for this project is reasonable up to \$155,500; and

WHEREAS, the Agency has the ability fund the Study.

RESOLUTION NO.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Santa Cruz that the Executive Director is authorized to select, and execute a contract, subject to approval by the Agency Attorney, with a consultant firm specializing in transportation and/or parking analysis and planning to carry out a Lower Pacific Avenue Parking Study for an amount of up to \$155,500.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Chair

ATTEST: _____
Executive Director

**City of Santa Cruz
BUDGET ADJUSTMENT REQUEST**

<input type="radio"/> Council Approval	Resolution No. _____
<input checked="" type="radio"/> RDA Approval	Resolution No. _____
<input type="radio"/> Administrative Approval	

<input checked="" type="radio"/> Current Fiscal Year
<input type="radio"/> Prior Fiscal Year

Date: 03/01/2011

ACCOUNT	REVENUE EDEN ACCOUNT TITLE	
TOTAL REVENUE		\$0.00

ACCOUNT	EXPENDITURE EDEN ACCOUNT TITLE	
381-52-80-5570-52199	Merged Capital Projects Fund: Other professional and technical services	\$155,500.00
r521110 100 2020 0	Lower Pacific Avenue Parking Study	
TOTAL EXPENDITURE		\$155,500.00

NET: \$ (155,500.00)

Purpose: To appropriate FY11 funds for the Lower Pacific Avenue Parking Study
Council agenda: March 8, 2011

PREPARED BY	DEPARTMENT HEAD APPROVAL	ACCOUNTING APPROVAL	FINANCE DIRECTOR APPROVAL	CITY MANAGER APPROVAL
Kathryn L. Mintz <small>Digitally signed by Kathryn L. Mintz DN: cn=Kathryn L. Mintz, o=City of Santa Cruz, ou=City of Santa Cruz, email=kmintz@cityofsantacruz.com, serial=1000 Date: 2011.03.01 11:34:52 -0800</small>	Bonnie Lipscomb <small>Digitally signed by Bonnie Lipscomb DN: cn=Bonnie Lipscomb, o=City of Santa Cruz, ou=City of Santa Cruz, email=blipscomb@cityofsantacruz.com, serial=1000 Date: 2011.03.01 14:58:42 -0800</small>	Patty Haymond <small>Digitally signed by Patty Haymond DN: cn=Patty Haymond, o=City of Santa Cruz, ou=City of Santa Cruz, email=phaymond@cityofsantacruz.com, serial=1000 Date: 2011.03.02 10:58:14 -0800</small>	Jack Dilles <small>Digitally signed by Jack Dilles DN: cn=Jack Dilles, o=City of Santa Cruz, ou=City of Santa Cruz, email=jdilles@cityofsantacruz.com, serial=1000 Date: 2011.03.02 10:58:14 -0800</small>	
3/1/11	3/1/11	3/2/11		

Revised December 2009



REDEVELOPMENT AGENCY AGENDA REPORT

DATE: 3/2/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Economic Development

SUBJECT: 110 Lindberg Street Project – Budget Adjustment. (ED)

RECOMMENDATION: Redevelopment Agency resolution authorizing the Executive Director to administratively amend the FY11 budget to decrease all or part of the \$2,200,000 appropriation currently in the Merged LMIH fund for the 110 Lindberg Street Project, and to add an appropriation in a equal amount for this project in the Merged Project Capital Projects fund, if it is determined by the Executive Director to be of benefit to the Agency.

BACKGROUND: On February 8, 2011 the Agency authorized the Executive Director to enter into a Loan Agreement, subject to approval by the Agency Attorney, with For The Future Housing, Inc., a California Corporation, (Developer) in the amount of up to \$2,200,000 from the Agency Low-and-Moderate Income Housing Fund for the purposes of acquiring 110 Lindberg Street and constructing a 21-unit affordable housing project.

DISCUSSION: Based on provisions included in a state bill introduced by the California Department of Finance to dissolve redevelopment agencies which will severely limit the future use of redevelopment funds, staff is recommending that an option for the Executive Director be provided to allow substitution of all or part of the current funding for this project from the Low/Moderate Income Housing Fund with funds from the Merged Project Area Capital Projects fund. The Agency currently has a number of requests from affordable housing developers for funding that greatly exceeds the amount of funding available in the Low-and-Moderate Income Housing Fund. Since the 110 Lindberg Street Project is located in the Merged Project Area, it qualifies for funding under either the housing or capital fund and the Agency has sufficient funds available from the undesignated fund balance in the Merged Project Area Capital fund. Having the option to fund this project from the Merged Project Area Capital fund would allow the Executive Director the discretion to change the funding source for this project in a way that will most benefit the City and Agency.

FISCAL IMPACT: If approved today by the Agency Board and the option to fund the project alternatively from the Merged Project Area Capital Projects is exercised by the Executive Director, the Agency Low-and-Moderate Income Housing Fund Balance will be increased by up to \$2.2 million and the Merged Project Area Capital Projects will be decreased by up to \$2.2 million. If not exercised, there will be no fiscal impact to either fund from this action as the project and expenditure to fund the Project from the Agency Low-and-Moderate Income Housing Fund was previously approved by the Agency Board on February 8, 2011.

Prepared by:
Carol Berg
Housing and Community Development Manager

Submitted by:
Bonnie Lipscomb
Agency Executive Director

Approved by:
Martin Bernal
City Manager

ATTACHMENTS: Resolution

RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ AUTHORIZING THE EXECUTIVE DIRECTOR TO ADMINISTRATIVELY AMEND THE FY11 BUDGET TO DECREASE ALL OR PART OF THE \$2,200,000 APPROPRIATION CURRENTLY IN THE MERGED LMIH FUND FOR THE 110 LINDBERG STREET PROJECT, AND TO ADD AN APPROPRIATION IN A EQUAL AMOUNT FOR THIS PROJECT IN THE MERGED PROJECT CAPITAL PROJECTS FUND, IF IT IS DETERMINED BY THE EXECUTIVE DIRECTOR TO BE OF BENEFIT TO THE AGENCY

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the City Council ("Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, on November 13, 1990, by Resolution No. NS-19,524 and on October 23, 1990, by Resolution No. NS- 19,500 the City Council adopted resolutions finding that the use of taxes allocated from the Merged Earthquake Recovery and Reconstruction Project and Eastside Business Improvement Redevelopment Project respectively for the purpose of improving and increasing the community's supply of low and moderate income housing outside the Project Areas will be of benefit to the Projects; and

WHEREAS, on December 8, 2009, the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight; and

WHEREAS, the Five-Year Implementation Plan provides for programs to increase the supply and availability of low and moderate income housing; and

WHEREAS, For The Future Housing, Inc., a California corporation, (DEVELOPER) has entered into a purchase agreement with the current owner of 110 Lindberg Street in the City of Santa Cruz (SITE) for the purpose of developing a 21 unit affordable housing project (PROJECT); and

WHEREAS, on November 9, 2010 the City Council approved a Home Investment Partnership (HOME) loan to the DEVELOPER for up to \$120,000 to assist with predevelopment costs for the PROJECT; and

WHEREAS, on February 8, 2011 the Agency authorized the Executive Director to enter into a Loan Agreement, subject to approval by the Agency Attorney, with the DEVELOPER in the amount of up to \$2,200,000 from the Agency's Merged Low-and-Moderate Income Housing (LMIH) Fund for the purposes of acquiring 110 Lindberg Street and constructing a 21-unit affordable housing project; and

WHEREAS, provisions included in a state bill introduced in February 2011 by the California Department of Finance to dissolve redevelopment agencies which will severely limit the future use of redevelopment funds and the Agency currently has a number of requests from affordable housing developers for funding that greatly exceeds the amount of funding available in Agency LMIH fund; and

RESOLUTION NO.

WHEREAS, the SITE is located within the Merged Project Area so that the PROJECT qualifies for funding under either Agency LMIH fund or the Merged Project Area Capital fund; and

WHEREAS, having the option to fund this project from the Merged Project Area Capital fund would allow the Executive Director the discretion to change the funding source for this project in a way that will most benefit the City and Agency; and

WHEREAS, the Agency has the ability to make said loan from the Merged Project Area Capital fund.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Santa Cruz that the Executive Director is authorized to administratively amend the FY11 budget to decrease all or part of the \$2,200,000 appropriation currently in the Merged LMIH fund for the 110 Lindberg Street Project, and to add an appropriation in an equal amount for this project in the Merged Project Capital Projects fund, if it is determined by the Executive Director to be of benefit to the Agency.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Chair

ATTEST: _____
Executive Director



REDEVELOPMENT AGENCY AGENDA REPORT

DATE: 3/2/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Economic Development

SUBJECT: Mercy Housing California – Development Agreement. (ED)

RECOMMENDATION: Redevelopment Agency resolution authorizing the Executive Director to enter into a Development Agreement, subject to approval by the Agency Attorney, with Mercy Housing California, a California limited partnership, in the amount of \$1,170,000 for the purposes of constructing a senior housing project and certifying the Environmental Review process under CEQA for the proposed project

Redevelopment Agency resolution amending the FY11 budget to transfer and appropriate funds in the amount of \$1,170,000 to fund the Mercy Housing Project.

BACKGROUND: In 2010, Mercy Housing California, a non-profit affordable housing developer located in San Francisco, requested funding assistance to rehabilitate the historic school building located on the south-west corner of Holy Cross Church property at 170 High Street to provide approximately 40 units of affordable senior housing. On April 27, 2010, the City Council approved \$128,000 in Department of Housing and Urban Development (HUD) Home Investment Partnership (HOME) funds for pre-development assistance as part of the City's 2010-2011 Action Plan.

Since that time Mercy Housing CA has been working with the Diocese of Monterey County (property owners) and has secured a 99 year lease for the land. They intend to apply for HUD Section 202 funding (for senior housing) in the fall of 2011. In order to apply for this funding they need a total commitment of \$1.46 million. Staff is proposing that \$1.17 million be provided from Agency Housing Set Aside funds and the remaining \$290,000 be provided from City HOME funds. Approval of the additional \$162,000 in HOME funds will be included in the City's 2011-2012 HUD Action Plan.

DISCUSSION: The 2010-2014 Five-Year Implementation Plan has identified a senior housing project at this location as a viable Redevelopment housing project. In addition to providing for the increasing needs for affordable senior housing, this project would also preserve a historic structure in the City. The Developer is currently in the preliminary design phase. A development agreement would provide the assurance they require to continue to move forward with the project. Final agreements for this project would be contingent upon Mercy Housing CA receiving HUD Section 202 loan approvals and obtaining State Historic Preservation Officer approvals to add a third story on to the structure.

ENVIRONMENTAL REVIEW: Subject to confirmation by the State Historic Preservation Officer that the project will not cause a substantial adverse change in the significance of a historical resource, the project qualifies for a Categorical Exemption (Section 15332, Class 32) under the California Environmental Quality Act (CEQA) in that it is an in-fill development project in that the project is in conformance with the General Plan and Zoning designations; less than five acres in size and surrounded by urban uses with no wildlife habitat value; and will not cause significant effects relating to traffic, noise, air or water quality.

ARTICLE 34 COMPLIANCE: Article 34 of the California Constitution was enacted by state voters in 1950 to require voter ratification before a city can approve a publicly-assisted low or very low income housing project within the city. To comply with this requirement, on November 6, 1979, the voters of the City of Santa Cruz approved Measure “C” which authorized the “development, construction, or acquisition of low rent housing projects” within the City of Santa Cruz to provide not more than .5% (one half of one percent) per year of the total dwelling units in the City of Santa Cruz for living accommodations for low income persons. Currently, up to 116 low income units may be constructed per year. The number of units anticipated to be constructed during the year the project units will be constructed is not expected to exceed 116.

FISCAL IMPACT: Within the Agency Low/Moderate Income Housing Funds, \$1,170,000 will be transferred from the Eastside Project LMIH Fund into the Merged Project area LMIH fund to cover the new appropriation of \$1.17 million. The two separate project area LMIH funds exist to facilitate revenue tracking and management, but there are no restrictions as to the expenditure of these funds within specific project areas. The net balance of the Agency Low/Moderate Income Housing Funds will be reduced by \$1.17 million.

Prepared by:	Submitted by:	Approved by:
Carol Berg	Bonnie Lipscomb	Martin Bernal
Housing and Community Development Manager	Agency Executive Director	City Manager

ATTACHMENTS:
Resolution
Budget Adjustment

RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ AUTHORIZING THE EXECUTIVE DIRECTOR TO (1) ENTER INTO A DEVELOPMENT AGREEMENT SUBJECT TO APPROVAL BY THE AGENCY ATTORNEY IN THE AMOUNT OF UP TO \$1,170,000 WITH MERCY HOUSING, CALIFORNIA FOR THE PURPOSE OF CONSTRUCTING ABOUT 40 UNITS OF AFFORDABLE SENIOR HOUSING; AND (2) TO CERTIFY THE ENVIRONMENTAL REVIEW PROCESS UNDER CEQA FOR THE PROJECT

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the City Council of the City of Santa Cruz (the "Council") approved and adopted the Redevelopment Plan (the "Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, on November 13, 1990, by Resolution No. NS-19,524 and on October 23, 1990, by Resolution No. NS- 19,500 the City Council adopted resolutions finding that the use of taxes allocated from the Merged Earthquake Recovery and Reconstruction Project and Eastside Business Improvement Redevelopment Project respectively for the purpose of improving and increasing the community's supply of low and moderate income housing outside the Project Areas will be of benefit to the Projects; and

WHEREAS, on December 8, 2009, the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight; and

WHEREAS, the Five-Year Implementation Plan provides for programs to increase the supply and availability of low and moderate income housing; and

WHEREAS, Mercy Housing California, a California limited partnership, (DEVELOPER) has requested assistance to fund a senior housing project to provide between 40 and 50 units of affordable senior housing; and

WHEREAS, the PROJECT is located within the City of Santa Cruz; and

WHEREAS, on April 27, 2010, the City Council approved \$128,000 in Department of Housing and Urban Development (HUD) Home Investment Partnership (HOME) funds for pre-development assistance for the PROJECT as part of the City's 2010-2011 Action Plan; and

WHEREAS, the City's 2011-2012 Action Plan will include a recommended allocation for an additional \$162,000 in HOME funds which is expected to be approved by the City Council in April 2011; and

WHEREAS, the DEVELOPER intends to apply for funding from HUD's Section 202 Program for the PROJECT; and

WHEREAS, a financial analysis has been completed by the DEVELOPER that identifies a local match requirement of \$1.46 million (MATCH) to apply for the Section 202 funds; and

RESOLUTION NO.

WHEREAS, it is expected that a total of \$290,000 for this MATCH will be provided by the City from HOME funds as approved under the 2010-2011 Action Plan (\$128,000) and proposed for funding in the 2011-2012 Action Plan (\$162,000); and

WHEREAS, the DEVELOPER has requested Agency assistance to fund the remaining \$1.17 million of this MATCH with Agency funds; and

WHEREAS, the Agency has the ability to provide this funding for this senior housing project or a potential other senior housing project; and

WHEREAS, it has also been determined that the PROJECT qualifies for a Categorical Exemption (Section 15332, Class 32) under the California Environmental Quality Act (CEQA), subject to confirmation by the State Historic Preservation Officer that the project will not cause a substantial adverse change in the significance of a historical resource.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Santa Cruz that the Executive Director is authorized to enter into a development agreement with Mercy Housing California, a California limited partnership subject to approval by the Agency Attorney, in the amount of up to \$1,170,000 with Mercy Housing, California for the purpose of constructing about 40 units of affordable senior housing; and

BE IT FURTHER RESOLVED by the Redevelopment Agency of the City of Santa Cruz that the Agency hereby adopts the categorical exemption for the PROJECT under CEQA contingent upon confirmation by the State Historic Preservation Officer that the project will not cause a substantial adverse change in the significance of a historical resource.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Chair

ATTEST: _____
Executive Director



JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY
AGENDA REPORT

DATE: 3/2/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Economic Development

SUBJECT: Riverside Avenue Improvements Phase II Project – Cooperation Agreement. (ED)

RECOMMENDATION: City Council resolution authorizing the City Manager to execute a Cooperation Agreement with the Redevelopment Agency through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

Redevelopment Agency resolution authorizing the Executive Director to execute a Cooperation Agreement with the City through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

City Council resolution amending the FY11 budget to accept and appropriate Redevelopment funding in the amount of up to \$2,850,000 to fund the Riverside Avenue Utility Undergrounding and Streetscape Improvements.

Redevelopment resolution appropriating funds and amending the FY11 budget in the amount of up to \$2,850,000 to fund the Riverside Avenue Improvements Phase II Project.

BACKGROUND: The City of Santa Cruz adopted the Merged Redevelopment Plan on October 9, 1990, which sets forth as two of its goals to strengthen the economic base of the Merged Project Area and to improve the aesthetics of the streetscape. The Merged Project Area Implementation Plan lists streetscape improvements as a public improvement consistent with Section 33445 of California Redevelopment Law.

DISCUSSION: The Agency has bond proceeds of up to \$2,850,000 available to appropriate for the Riverside Avenue Improvements Phase II Project. This project will underground the overhead utilities on Riverside Avenue, from Third Street to Beach Street, and provide streetscape improvements, such as decorative streetlights, sidewalks and street trees. These improvements will contribute significantly to the Merged Project Area and staff is recommending that the Council and the Agency Board approve the attached resolutions authorizing the execution of a Cooperation Agreement between the City and the Redevelopment Agency. The proposed contribution to the project will be funded from a previously-issued redevelopment bond. In order to do so, it is necessary for the Agency and the City to enter into a Cooperation Agreement through which the Agency will contribute to these improvements.

The Agency intends to appropriate any remaining funds of the \$2,850,000 appropriation for the Wharf Capital Improvement Project at a later date.

FISCAL IMPACT: The appropriation in the amount of up to \$2,850,000 is from available fund balance.

Prepared by:
Lydia Tolles
Management Analyst

Submitted by:
Bonnie Lipscomb
Director of Economic Development/
Agency Executive Director

Approved by:
Martin Bernal
City Manager

ATTACHMENTS:
Resolutions
Cooperation Agreement
Budget Adjustment

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
AUTHORIZING THE CITY MANAGER TO EXECUTE A COOPERATION AGREEMENT
BETWEEN THE CITY OF SANTA CRUZ AND THE REDEVELOPMENT AGENCY OF THE
CITY OF SANTA CRUZ RELATING TO THE FUNDING OF
THE RIVERSIDE AVENUE IMPROVEMENTS PHASE II PROJECT

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the Council approved and adopted the Redevelopment Plan (the "Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, on December 8, 2009, the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight; and

WHEREAS, the Merged Project Area Implementation Plan lists streetscape improvements as a public improvement consistent with Section 33445 of California Redevelopment Law; and

WHEREAS, the Redevelopment Agency and the City desire to enter into an agreement pursuant to which the Agency will contribute funding for utility undergrounding and streetscape improvements along Riverside Avenue; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz hereby authorizes the City Manager to execute a cooperation agreement with the Redevelopment Agency, as presented herewith, through which the Agency will fund up to \$2,850,000 towards the costs of the Riverside Avenue Improvements Phase II Project.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Mayor

ATTEST: _____
Interim City Clerk Administrator

RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A COOPERATION
AGREEMENT BETWEEN THE CITY OF SANTA CRUZ AND THE REDEVELOPMENT
AGENCY OF THE CITY OF SANTA CRUZ RELATING TO THE FUNDING OF THE
RIVERSIDE AVENUE IMPROVEMENTS PHASE II PROJECT

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the Council approved and adopted the Redevelopment Plan (the "Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, on December 8, 2009, the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight; and

WHEREAS, the Merged Project Area Implementation Plan lists streetscape improvements as a public improvement consistent with Section 33445 of California Redevelopment Law; and

WHEREAS, the Redevelopment Agency and the City desire to enter into an agreement pursuant to which the Agency will contribute funding for utility undergrounding and streetscape improvements along Riverside Avenue; and

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Santa Cruz hereby authorizes the Executive Director to execute a cooperation agreement with the Redevelopment Agency, as presented herewith, through which the Agency will fund up to \$2,850,000 towards the costs of the Riverside Avenue Improvements Phase II Project.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____

Chair

ATTEST: _____
Executive Director

COOPERATION AGREEMENT BETWEEN THE CITY OF SANTA CRUZ
AND THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ
RELATING TO THE FUNDING OF THE
RIVERSIDE AVENUE IMPROVEMENTS PHASE II PROJECT

THIS AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2011, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ, a public body, corporate and politic (the "Agency"), and the CITY OF SANTA CRUZ, a municipal corporation (the "City").

RECITALS

A. Pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 et. seq.), the Agency is carrying out the Redevelopment Plan in the redevelopment project area (the "Project Area").

B. The City has adopted the Merged Redevelopment Plan which sets forth as two of its goals to strengthen the economic base of the Merged Project Area and to improve the aesthetics of the streetscape.

C. By Resolution 1474 adopted on December 8, 2009, the Redevelopment Agency adopted and approved the Implementation Plan for the Merged Project.

D. Under the Redevelopment Plan, the City may aid and cooperate with the Agency in carrying out the Redevelopment Plan and take actions necessary to ensure the fulfillment of the purposes of the Redevelopment Plan and to prevent the recurrence or spread in the Project Area of conditions causing blight.

F. The City of Santa Cruz is undertaking the undergrounding the overhead utilities on Riverside Avenue, from Third Street to Beach Street, and providing streetscape improvements, such as decorative streetlights, sidewalks and street trees.

F. The Agency and the City desire to enter into an agreement pursuant to which the Agency will contribute funding for utility undergrounding and streetscape improvements along Riverside Avenue.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Agency agree as follows:

1. The purpose of this Agreement is to assist the City with the undertaking of the Riverside Avenue Improvements Phase II Project ("Project") pursuant to Health and Safety Code Section 33220.

2. The Agency shall pay to the City an amount not to exceed \$2,850,000 towards the cost of the Project. A portion of this Agency contribution shall be spent on public art.

3. This Agreement shall remain in effect for the period of the Project and shall terminate upon the completion of the Project by the City and payment therefore by the Agency.

4. In consideration of the undertakings of the City under Section 2 of this Agreement, and after first making adequate provision for the annual payment of principal and interest due on any bonds or other indebtedness of the Agency which may be incurred in carrying out the Redevelopment Project and for which the taxes allocated to the Agency from the Project pursuant to Health and Safety Code Section 33670 et seq. (the "Tax Increment") are pledged or committed, the Agency shall pay to the City such bond proceeds in order to provide the City with sufficient monies to undertake the Project in the amount set forth in this agreement upon proper documentation to Agency and the Agency undertakes to pay the associated bond debt with available Tax Increment.

5. The City agrees that funding provided through this agreement shall be used for the sole benefit of conducting the aforesaid Project.

6. This Agreement constitutes an indebtedness of the Agency incurred in carrying out the Projects, and a pledging of Tax Increment from Projects to repay such indebtedness, under the provisions of Section 16 of Article XVI of the California Constitution and Sections 33670-33674 of the Health and Safety Code; provided, however, that such pledge of Tax Allocations shall always be subordinate and subject to the right of the Agency to pledge or commit Tax Allocations from the Project to repay bonds or other indebtedness incurred by the Agency in carrying out the Project.

7. Pursuant to Section 895.4 of the Government Code, the Agency and the City agree that each will assume the full liability imposed upon it or any of its officers, agents or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, and each party agrees to indemnify and hold harmless the other party for any loss, cost or expense that may be imposed upon such other party by virtue of Sections 895.2 and 895.6 of the Government Code.

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

REDEVELOPMENT AGENCY OF THE
CITY OF SANTA CRUZ

By _____
Bonnie Lipscomb, Executive Director


Date _____

CITY OF SANTA CRUZ

By _____
Martin Bernal, City Manager

Date _____

APPROVED AS TO FORM:



Office of the City Attorney

Date 3-3-11



JOINT CITY COUNCIL/ REDEVELOPMENT AGENCY AGENDA REPORT

DATE: 3/2/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Economic Development

SUBJECT: Acquisition of Santa Cruz METRO Trolley. (ED)

RECOMMENDATION: Redevelopment Agency resolution authorizing the Executer Director to enter into a Purchase Agreement and/or Loan Agreement with the Santa Cruz METRO for the acquisition of a trolley and trolley shelter.

Redevelopment Agency resolution appropriating funds and amending the FY11 budget in the amount of up to \$110,000 to fund acquisition of the Santa Cruz METRO trolley and shelter.

BACKGROUND AND DISCUSSION: In February 2002, the Santa Cruz METRO Board approved the purchase of a trolley vehicle in the amount of \$362,233 using Federal Transit Administration (FTA) funds with a local 20% matching share from the City of Santa Cruz. The purpose of the acquisition was in order to run a beach shuttle at the request of the City of Santa Cruz; however, since 2004, the Trolley has had very limited usage.

In October 2010, Santa Cruz METRO received an inquiry from the City of Wilsonville, Oregon's South Metro Area Regional Transit regarding acquisition of the trolley. South Metro Area Regional Transit, similar to Santa Cruz METRO, is an FTA recipient who was willing to take possession of the trolley and transport it, contingent upon a release of interest from the City of Santa Cruz who provided the original local match funds for the FTA grant.

Over the last several years there has been renewed interest in trolley service from the downtown to the beach area. The River Front/Lower Pacific Study recommended that the City reinstate a trolley/shuttle service and a national retail consultant recently recommended trolley service between the two areas as a means for increasing visitor trips both to the downtown and beach areas.

The depreciated federal value of the trolley is \$90,558.24. Santa Cruz METRO additionally owns a trolley shelter valued at \$9,122.56 that currently houses the trolley. Santa Cruz METRO is interested in selling the trolley to the Redevelopment Agency for the depreciated federal value. The Santa Cruz Chamber of Commerce has initiated a working group of local business and community members who are interested in revitalizing trolley service between the downtown and beach areas and fundraising efforts are currently underway. The Agency proposes to purchase the trolley and, if necessary, transfer the asset over to the City of Santa Cruz.

Staff recommends that the Agency Board acquire the trolley from Santa Cruz METRO and work with the local business community to develop the funding for a limited summer operation from the downtown to the beach area.

FISCAL IMPACT: The trolley acquisition will result in an Agency commitment of up to \$110,000. The appropriation will be made from available fund balance.

Submitted by:
Bonnie Lipscomb
Agency Executive Director

Approved by:
Martin Bernal
City Manager

ATTACHMENTS:
Resolution
Budget Adjustment

RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ
AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A PURCHASE
AGREEMENT AND/OR LOAN AGREEMENT WITH THE SANTA CRUZ METRO FOR THE
ACQUISITION OF A TROLLEY AND TROLLEY SHELTER

WHEREAS, by Ordinance Nos. 90-40 and 90-41, adopted on November 13, 1990, the City Council of the City of Santa Cruz (the "Council") approved and adopted the Redevelopment Plan (the "Merged Redevelopment Plan") for the Merged Earthquake Recovery and Reconstruction Project (the "Merged Project"); and

WHEREAS, in 2009 the Agency adopted a Five-Year Implementation Plan pursuant to Section 33490 of the California Redevelopment Law wherein specific projects and programs were set forth, including actions and expenditures to be made within the term of the Implementation Plan and further described how these projects and programs would alleviate blight and lead to increased economic activity in Santa Cruz; and

WHEREAS, over the last several years there has been renewed interest in trolley service from the downtown to the beach area; and

WHEREAS, the River Front/Lower Pacific Study recommended that the City reinstate a trolley/shuttle service and a national retail consultant recently recommended trolley service between the two areas as a means for increasing visitor trips both to the downtown and beach areas and contribute to revitalization efforts in both areas; and

WHEREAS, the Agency has funding available to provide up to \$110,000 towards the acquisition of a trolley, trolley shelter and related costs; and

WHEREAS, the Santa Cruz Chamber of Commerce has initiated a working group of local business and community members who are interested in revitalizing trolley service between the downtown and beach areas and fundraising efforts are currently underway for the operation and maintenance of such service;

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City of Santa Cruz does hereby authorize the Executer Director to enter into a Purchase Agreement and/or Loan Agreement with the Santa Cruz METRO for the acquisition of a trolley, trolley shelter, and related expenses.

RESOLUTION NO.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED _____
Chair

ATTEST: _____
Executive Director

**City of Santa Cruz
BUDGET ADJUSTMENT REQUEST**

<input type="radio"/> Council Approval	Resolution No. _____
<input checked="" type="radio"/> RDA Approval	Resolution No. _____
<input type="radio"/> Administrative Approval	

<input checked="" type="radio"/> Current Fiscal Year
<input type="radio"/> Prior Fiscal Year

Date: 03/08/2011

ACCOUNT	REVENUE EDEN ACCOUNT TITLE	
TOTAL REVENUE		\$0.00

ACCOUNT	EXPENDITURE EDEN ACCOUNT TITLE	
481-52-80-5590-57402	Debt Service - vehicle purchase	\$110,000.00
d521108 100 2020 0	Santa Cruz Metro Trolley Purchase	
TOTAL EXPENDITURE		\$110,000.00

NET: \$ (110,000.00)

Purpose: To appropriate funds to purchase a trolley from the Santa Cruz Metro.

PREPARED BY	DEPARTMENT HEAD APPROVAL	ACCOUNTING APPROVAL	FINANCE DIRECTOR APPROVAL	CITY MANAGER APPROVAL
Lydia Tolles <small>Digitally signed by Lydia Tolles DN: cn=Lydia Tolles, o=City of Santa Cruz, ou=Department of Finance, email=lydia.tolles@cityofsc.org, c=CA</small> 2/16/11	Bonnie Lipscomb <small>Digitally signed by Bonnie Lipscomb DN: cn=Bonnie Lipscomb, o=City of Santa Cruz, ou=Department of Finance, email=bonnie.lipscomb@cityofsc.org, c=CA</small> 2/23/11	Jack Dilles <small>Digitally signed by Jack Dilles DN: cn=Jack Dilles, o=Finance, ou=FINANCIAL, email=jack.dilles@cityofsc.org, c=CA</small> 3/7/11	Jack Dilles <small>Digitally signed by Jack Dilles DN: cn=Jack Dilles, o=Finance, ou=FINANCIAL, email=jack.dilles@cityofsc.org, c=CA</small> Date: 2011.03.07 15:51:44 -0800	

Revised December 2009



JOINT CITY COUNCIL/ REDEVELOPMENT AGENCY AGENDA REPORT

DATE: 3/7/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Economic Development

SUBJECT: Transfer of Redevelopment Agency-Owned Property to the City of Santa Cruz. (ED)

RECOMMENDATION: City Council resolution accepting the potential transfer of Agency-owned property and authorizing the City Manager to execute all documents necessary to facilitate the transfer of the property.

Agency resolution approving the potential transfer of Agency-owned property to the City of Santa Cruz and authorizing the Executive Director to execute all documents necessary to facilitate the transfer of the property.

BACKGROUND: On January 10, 2011 the Governor issued a new State budget proposal which included the elimination of redevelopment agencies statewide by July 1, 2011. The Agency at its March 1, 2011 meeting took action to issue debt in order to allow the City's Redevelopment Agency to complete its redevelopment projects now underway or in the planning stages.

Another aspect of the Governor's proposal is that as of July 1, 2011 all assets owned by the Santa Cruz Redevelopment Agency will be transferred to a successor agency. The successor agency may elect to retain or sell the Agency's former properties. There are additional aspects to the proposal in terms of the use of the funds gained from the sale proceeds, however in short the use of these funds would not be controlled by the City of Santa Cruz, but by the board of the successor agency. The successor agency board, under the proposed legislation, is to be composed of seven members: one selected by the county board of supervisors, one selected by the city council of the city that formed the agency, one selected by the largest non-enterprise special district, one appointed by the county superintendent of education to represent schools, one appointed by the county superintendent of education to represent community college districts and one each appointed by the county and county superintendent of education to represent the general public.

The City of Santa Cruz Redevelopment Agency owns the following properties which as of July 1, 2011 would be turned over to the successor agency.

APN	Description
009-363-42	Marnell Avenue Alley
010-042-34	Eastside Parking Lot - 1111 Soquel Avenue
010-042-19	Eastside Parking Lot - 1111 Soquel Avenue
011-012-37	Gault Street Senior Housing - 211 Gault Street
005-153-02	Del Mar Theater - 532 Front Street
005-153-10	Del Mar Theater - 1124 Pacific Avenue
007-301-01	Nueva Vista Family Housing - 131-136 Liebrandt Avenue
008-661-01	Tannery Lofts Housing - 1040 River Street
008-661-02-08	Tannery Arts Center - 1050 River Street
005-144-14	Birch Lane Parking Lot - 114 Birch Lane

These properties fall into three general categories.

Affordable Housing Properties – The properties on which the Gault Street Senior Housing, Nueva Vista Family Housing and the Tannery Lofts have long term leases on Agency owned properties. While these projects are not immediately threatened, the transfer of their underlying land, in time, has the potential to create numerous unforeseen affordable housing compliance problems, real estate issues and eventually prevent their reversion to the City once their long-term leases expire.

Public Parking Lots – The Agency owns two public parking lots, one on the Eastside next to the Soquel Avenue Fire Station and another small lot on Birch Lane in downtown. If these properties are transferred to the successor agency the City will lose its ability to insure they continue to be used for public parking. The Eastside parking lot also provides the ability of the City to create an emergency operation center next to the Eastside Fire Station. Marnell Alley was purchased to allow the elimination of a dangerous entrance to Soquel Avenue and merger of an adjacent commercial property.

Economic Development Properties– The Del Mar Theater and Tannery Arts Center properties were basically distressed properties purchased by the Agency to allow for their rehabilitation and reuse as economic benefits for the community. The Del Mar Theater is now leased; however it requires some significant improvements which are in the planning stages. Funds for these improvements will be lost to the Agency as a result of the Governor’s proposal. The Tannery Arts Center is on land of the former Salz Tannery which was purchased by the Agency for reuse and redevelopment. The first stage of the redevelopment is now complete with the construction of the 100 units of artists’ live-work affordable housing. The second stage is now under construction and the third stage, a community theater and education center are now in the planning and fundraising stages. It is unclear at this point if construction on the second phase the rehabilitation of the tannery’s historic buildings can continue after July 1, 2011 since the Federal grant for the project was to the Redevelopment Agency. Likewise any further redevelopment of this property will be under the control of the successor agency’s board, not the City Council.

DISCUSSION: While it is unclear at this point the final form of the legislation to implement the Governor's redevelopment proposal, it is clear that the above properties have the potential to be lost by the Santa Cruz Redevelopment Agency and no longer be controlled by any entity of the City. In order to avoid loss of local control and local public benefits, it is proposed that these properties be transferred to the City of Santa Cruz. Similar actions are now being taken by a number of Redevelopment Agencies in the State of California, including the County of Santa Cruz Redevelopment Agency. The issue is being brought forward at this meeting, since the Governor's proposed legislation also eliminates the ability of the Agency to make any such transfer following the adoption of the proposed legislation. At this time, the best available communication available indicates that the legislature is proposing to adopt some version of the Governor's budget and the redevelopment legislation as early as the week of March 7th. Following the effective date of the legislation, if the Governor's proposed legislation is adopted it would prohibit the Agency from transferring its assets or entering into any related contracts or exchanges.

Since, as mentioned, that the exact wording of the legislative language is not final, the draft resolutions being proposed for consideration by the Agency and City Council would allow the Agency's Executive Director and City Manager, upon approval by the City Attorney, to transfer to the City those properties which may be most threatened by the State-imposed ownership transfer to a successor agency. In addition, the actual execution of the necessary transfer documents is being formulated in such a manner to not transfer any Agency properties to the City if legislative language is adopted which allows the continuation of these properties under Agency ownership.

It is unfortunate this action is being proposed before the full benefit of the improvement of these properties is realized by our community, however at this point no other prudent course of action is available to preserve and protect the community's intended use of the properties.

In addition, as a prepayment on the Cooperation Agreement executed between the City and Redevelopment Agency in February 2011, staff is recommending that the Agency transfer its unencumbered fund balance to the City following approval by the City and Agency Board this evening.

FISCAL IMPACT: The fiscal impact of this proposed transfer would be minimal in the case of the Agency's housing properties since they are on long term leases. In terms of Birch Lane and the Eastside Parking Lots, maintenance of these properties has been previously assumed by the Department of Public Works. Lease revenues from the Del Mar Theater currently cover its operating expenses and provide sufficient funding for a long-term maintenance account. The Tannery Arts Center properties will have minimal cost in terms of the leased Tannery Artists Affordable Housing property. However, the remainder of the property is under construction and the City would incur the costs of completing this project, this cost is currently estimated at approximately \$190,000 per year during the construction phase. The combined estimated value of the Agency assets totals approximately \$14 million for the land and improvements currently and will increase to approximately \$20 million upon completion of phase II of the Tannery Arts Center, expected later this year.

There is no negative impact to the General Fund through either the proposed property transfer or through transferring the Agency's unencumbered fund balance to the City as a partial payment on the executed Cooperation Agreement between the City and the Agency.

Prepared by:

Joe Hall

Management Professional

Lydia Tolles

Management Analyst

Submitted by:

Bonnie Lipscomb

Director of Economic Development/

Agency Executive Director

Approved by:

Martin Bernal

City Manager

ATTACHMENTS:

Resolutions

Sys No	Ext	In Svc Date	Acq Date	Acquired Value	Accum Depr	Net Book Value
LAND						
SAN JUAN AVE (MARNELL ALLEY)						
006160	LAND - APN # 9-363-42	01/01/83	01/01/1983	1,000.00	0	1,000.00
EASTSIDE PARKING LOT 1111 SOQUEL AVE						
001944	LAND - APN # 10-042-34	01/01/93	01/01/1993	\$81,815.00	0	\$81,815.00
002034	LAND - APN # 10-042-19	01/01/93	01/01/1993	403,185.00	0	403,185.00
GAULT STREET SENIOR HOUSING 211 GAULT STREET						
002062	LAND - APN # 11-012-37	01/01/01	01/01/2001	1,250,000.00	0	1,250,000.00
DEL MAR THEATER						
007003	LAND-1124 PACIFIC AVE - DEL MAR THEATER APN 005-153-10	06/30/01	06/30/2001	417,620.90	0	417,620.90
NUEVA VISTA FAMILY HOUSING 124 LEIBRANDT ST APN 007-301-01						
006154	LAND - UNIMPROVED PORTION OF LEIBRANDT ST	10/15/02	10/15/2002	20,135.00	0	20,135.00
007226	LAND - APN #005-291-01 - RDA HOLDING AT NUEVA VISTA COMMUNITY CENTER	10/15/02	10/15/2002	401,182.89	0	401,182.89
001998	LAND - APN # 5-236-03	08/13/01	08/13/2001	212,773.00	0	212,773.00
001999	LAND - APN # 5-236-18	08/13/01	08/13/2001	215,451.00	0	215,451.00
002000	LAND - APN # 5-236-04	08/13/01	08/13/2001	220,913.00	0	220,913.00
002001	LAND - APN # 5-236-17	08/13/01	08/13/2001	220,913.00	0	220,913.00
002037	LAND - APN # 5-236-02	08/13/01	08/13/2001	436,430.00	0	436,430.00
006186	LAND - APN# 5-236-01	09/27/02	09/27/2002	1,457,000.00	0	1,457,000.00
SALZ TANNERY						
007479	LAND Housing APN # 008-661-01 Arts Center APN 008-661-02-08	03/30/06	03/30/2006	6,264,254.29	0	6,264,254.29
114 BIRCH LANE						
1984	LAND APN# 5-144-14	01/01/97		157,000.00		157,000.00
LAND TOTAL				\$11,759,673.08	0	\$11,759,673.08
				G/L Asset Acct No = 680-17110	Count = 18	

Sys No	Ext	In Svc Date	Acq Date	Acquired Value	Accum Depr	Net Book Value
BUILDINGS						
DEL MAR THEATER						
000096		06/30/01	06/30/2001	\$835,241.80	\$151,735.63	\$683,506.17
006174		11/06/02	11/06/2002	631,628.75	242,124.37	389,504.38
006175		11/06/02	11/06/2002	81,631.00	31,291.88	50,339.12
006176		11/06/02	11/06/2002	61,971.00	19,004.44	42,966.56
006177		11/06/02	11/06/2002	16,942.35	5,195.64	11,746.71
006178		11/06/02	11/06/2002	18,969.63	7,271.68	11,697.95
004959		12/26/07		358,425.16	46,296.59	312,128.57
7299		06/30/09		42,978.54	1,552.00	41,426.54
				\$2,047,788.23	\$504,472.23	\$1,543,316.00
BUILDINGS						
<i>G/L Asset Acct No = 680-17310</i>						
CONSTRUCTION IN PROGRESS						
MBNMS						
Tannery Facility 6/30/10						
Add Subtotal Tannery projects FY 11						
		6,533,544		\$1,150.00		\$1,150.00
		256,925		1,256,763.00		
		500,000		7,902,469		9,159,232.00
		162,000				
		450,000				
				\$9,160,382.00		\$9,160,382.00
CONSTRUCTION IN PROGRESS ESTIMATE (Actual = \$1,257,913)						
LEASEHOLD IMPROVEMENTS						
ELECTRICAL RENOVATION						
		11/06/02		\$21,926.47	\$8,405.13	\$13,521.34
FIRE PROTECTION/ALARM						
		11/06/02		24,687.38	7,570.81	17,116.57
PLUMBING RENOVATION						
		11/06/02		11,543.63	4,425.05	7,118.58
REDEVELOPMENT OFFICE RENOVATION						
		11/06/02		158,738.38	60,849.72	97,888.66
VENTILATION SYSTEM						
		11/06/02		23,371.42	8,959.04	14,412.38
				240,267.28	90,209.75	150,057.53
<i>G/L Asset Acct No = 680-17320</i>						
LAND IMPROVEMENTS						
006153		06/30/03	06/30/2003	\$66,636.75	\$23,600.53	\$43,036.22
REFUSE COLLECTION SITES						
				\$66,636.75	\$23,600.53	\$43,036.22
<i>G/L Asset Acct No = 680-17115</i>						
				\$10,865.14	\$8,935.51	\$1,929.63
MACHINERY & EQUIPMENT - NOT DETAILED						
SOFTWARE - NOT DETAILED						
				\$10,965.57	\$10,965.57	\$0.00
Grand Total including Tannery CIP estimate				\$23,296,578.05	\$638,183.59	\$22,658,394.46
Grand Total 6/30/10				\$15,394,109.05	\$638,183.59	\$14,755,925.46

RESOLUTION NO. NS-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
APPROVING THE TRANSFER TO THE CITY OF CERTAIN REAL PROPERTIES OWNED
BY THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ AND
MAKING CERTAIN FINDINGS RELATING THERETO

WHEREAS, the City Council of the City of Santa Cruz (“City”) approved and adopted the Redevelopment Plan (“Redevelopment Plan”) for the Eastside Business Improvement District Project and the Merged Earthquake Recovery and Reconstruction Project (the “Project Areas”); and

WHEREAS, the Redevelopment Agency of the City of Santa Cruz (“Agency”) is engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) (“CRL”); and

WHEREAS, for the improvement of the Project Area and the immediate neighborhoods in which the Project Area is located, the Agency has recognized the need for certain public improvements, which improvements are located within the boundaries of the Project Area, and has further recognized the need to provide affordable housing and affordable housing sites within the Project Area; and

WHEREAS, in accordance with the CRL, the Agency has used its tax increment funds received pursuant to CRL Section 33670, and its housing set-aside funds received pursuant to CRL Section 33334.3, to pay for all or part of the cost of the value of land for certain properties located within the Project Area (collectively, the “Agency Properties”), as listed on the attached Exhibit A; and

WHEREAS, in response to the Governor’s proposed State budget package and proposals for FY 2011-2012, which include recommending the elimination of redevelopment agencies “to realign the delivery of state services to counties and local governments” and eliminate a projected State deficit of \$25.4 billion, the City Manager and Agency Executive Director have proposed the transfer of the Agency Properties to the City to avoid losing control of these properties, and provide flexibility to preserve local public assets; and

WHEREAS, the Governor’s budget proposal threatens the ability of the Agency to control the use of the Agency Properties, and control of the use of the Agency Properties is important to successful redevelopment of the Project Area; and

WHEREAS, transfer of the Agency Properties to the City is necessary in order to continue to carry out the Redevelopment Plan; and

WHEREAS, CRL Section 33430 authorizes a redevelopment agency to sell, lease, exchange, subdivide, transfer, assign, encumber and dispose of any real property or any interest in real property; and

WHEREAS, the City Council has considered all terms and conditions of the proposed transfer, and has determined that the proposed action is in the best interests of the City and in accord with the public purposes and provisions of applicable State and local laws; and

RESOLUTION NO. NS.-

WHEREAS, the Agency is the lead agency pursuant to the California Environmental Quality Act (codified as Public Resources Code Sections 21000 et seq) (“CEQA”) and the State CEQA Guidelines; and

WHEREAS, Agency and City staff has determined that the Agency’s authorization of the transfer of the Agency Properties is exempt from CEQA, pursuant to the CEQA Guidelines set forth in California Code of Regulations, Title 14, Section 15378(b)(5), which provides that such authorizations are not considered a project subject to CEQA review because the transfer of the Agency Properties is an organizational activity that will not result in direct or indirect physical changes in the environment;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein.

Section 2. Findings. The City Council hereby finds and determines, based on the Recitals set forth above and the information made available in the staff report accompanying this Resolution, the oral presentation of Agency and City staff, and all other written and oral evidence presented to the City Council, that the Agency’s transfer of the Agency Properties is of benefit to the Project Area because the transfer of the Agency Properties to the City: (1) is in the best interest of the City and the health, safety, morals and welfare of its residents, businesses, tenants, and property owners, (2) will assist in the elimination of one or more blighting conditions in the Project Area and assist the City and Agency in providing and preserving needed affordable housing opportunities in the Project Area, stimulate economic development and minimize depreciated or stagnant property values and high business vacancies, while improving aesthetics and visibility in the Project Area, and (3) will provide needed affordable housing and affordable housing sites.

Section 3. Transfer Authorization. In the event that the adoption of legislation is imminent, or legislation is adopted, whereby the Agency is disestablished, prohibited from continuing activities or making any new agreements for non-affordable housing related matters under the CRL, the City Council authorizes and directs the City Manager, with the concurrence of the City Attorney, to accept on behalf of the City one or more Agency properties and to take any action and execute any other documents as may be necessary to implement this Resolution.

Section 4. CEQA. The City Council directs and authorizes that a Notice of Exemption shall be filed with the Clerk of the County of Santa Cruz, California, within five (5) working days following the date of adoption of this Resolution.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

RESOLUTION NO. NS.-

Section 6. Certification. The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

PASSED AND ADOPTED this 8th day of March, 2011 , by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Mayor

ATTEST: _____
Interim City Clerk Administrator

RESOLUTION NO. NS.-

Exhibit "A"

LIST OF AGENCY PROPERTIES

APN	Description		
009-363-42	Marnell Avenue Alley		
010-042-34	Eastside Parking Lot - 1111 Soquel Avenue		
010-042-19	Eastside Parking Lot - 1111 Soquel Avenue		
011-012-37	Gault Street Senior Housing - 211 Gault Street		
005-153-02	Del Mar Theater - 532 Front Street		
005-153-10	Del Mar Theater - 1124 Pacific Avenue		
007-301-01	Nueva Vista Family Housing - 131-136 Liebrandt Avenue		
008-661-01	Tannery Lofts Housing - 1040 River Street		
008-661-02-08	Tannery Arts Center - 1050 River Street		
005-144-14	Birch Lane Parking Lot - 114 Birch Lane		

RESOLUTION NO.

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ APPROVING THE TRANSFER OF CERTAIN AGENCY OWNED REAL PROPERTIES TO THE CITY OF SANTA CRUZ AND MAKING CERTAIN FINDINGS RELATING THERETO

WHEREAS, the City Council of the City of Santa Cruz (“City”) approved and adopted the Redevelopment Plan (“Redevelopment Plan”) for the Eastside Business Improvement District Project and the Merged Earthquake Recovery and Reconstruction Project (the “Project Areas”); and

WHEREAS, the Redevelopment Agency of the City of Santa Cruz (“Agency”) is engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) (“CRL”); and

WHEREAS, for the improvement of the Project Area and the immediate neighborhoods in which the Project Area is located, the Agency has recognized the need for certain public improvements, which improvements are located within the boundaries of the Project Area, and has further recognized the need to provide affordable housing and affordable housing sites within the Project Area; and

WHEREAS, in accordance with the CRL, the Agency has used its tax increment funds received pursuant to CRL Section 33670, and its housing set-aside funds received pursuant to CRL Section 33334.3, to pay for all or part of the cost of the value of land for certain properties located within the Project Area (collectively, the “Agency Properties”), as listed on the attached Exhibit A; and

WHEREAS, in response to the Governor’s proposed State budget package and proposals for FY 2011-2012, which include recommending the elimination of redevelopment agencies “to realign the delivery of state services to counties and local governments” and eliminate a projected State deficit of \$25.4 billion, the City Manager and Agency Executive Director have proposed the transfer of the Agency Properties to the City to avoid losing control of these properties, and provide flexibility to preserve local public assets; and

WHEREAS, the Governor’s budget proposal threatens the ability of the Agency to control the use of the Agency Properties, and control of the use of the Agency Properties is important to successful redevelopment of the Project Area; and

WHEREAS, transfer of the Agency Properties to the City is necessary in order to continue to carry out the Redevelopment Plan; and

WHEREAS, CRL Section 33430 authorizes a redevelopment agency to sell, lease, exchange, subdivide, transfer, assign, encumber and dispose of any real property or any interest in real property; and

WHEREAS, the City Council has considered all terms and conditions of the proposed transfer, and has determined that the proposed action is in the best interests of the City and in accord with the public purposes and provisions of applicable State and local laws; and

RESOLUTION NO.

WHEREAS, the Agency is the lead agency pursuant to the California Environmental Quality Act (codified as Public Resources Code Sections 21000 et seq) (“CEQA”) and the State CEQA Guidelines; and

WHEREAS, Agency staff has determined that the Agency’s authorization of the transfer of the Agency Properties is exempt from CEQA, pursuant to the CEQA Guidelines set forth in California Code of Regulations, Title 14, Section 15378(b)(5), which provides that such authorizations are not considered a project subject to CEQA review because the transfer of the Agency Properties is an organizational activity that will not result in direct or indirect physical changes in the environment;

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Santa Cruz as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein.

Section 2. Findings. The Agency hereby finds and determines, based on the Recitals set forth above and the information made available in the staff report accompanying this Resolution, the oral presentation of Agency staff, and all other written and oral evidence presented to the Agency, that the Agency’s transfer of the Agency Properties is of benefit to the Project Area because the transfer of the Agency Properties to the City: (1) is in the best interest of the City and the health, safety, morals and welfare of its residents, businesses, tenants, and property owners, (2) will assist in the elimination of one or more blighting conditions in the Project Area and assist the City and Agency in providing and preserving needed affordable housing opportunities in the Project Area, stimulate economic development and minimize depreciated or stagnant property values and high business vacancies, while improving aesthetics and visibility in the Project Area, and (3) will provide needed affordable housing and affordable housing sites.

Section 3. Transfer Authorization. In the event that the adoption of legislation is imminent, or legislation is adopted, whereby the Agency is disestablished, prohibited from continuing activities or making any new agreements for non-affordable housing related matters under the CRL, the Agency authorizes and directs the Executive Director of the Agency, with the concurrence of the Agency Counsel, to execute and deliver on behalf of the Agency, one or more grant deeds for the conveyance of the Agency Properties to the City and to take any action and execute any other documents as may be necessary to implement this Resolution.

Section 4. CEQA. The Agency directs and authorizes that a Notice of Exemption shall be filed with the Clerk of the County of Santa Cruz, California, within five (5) working days following the date of adoption of this Resolution.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

RESOLUTION NO.

Section 6. Certification. The Agency Secretary shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Chair

ATTEST: _____
Executive Director

RESOLUTION NO.

Exhibit "A"

LIST OF AGENCY PROPERTIES

APN	Description		
009-363-42	Marnell Avenue Alley		
010-042-34	Eastside Parking Lot - 1111 Soquel Avenue		
010-042-19	Eastside Parking Lot - 1111 Soquel Avenue		
011-012-37	Gault Street Senior Housing - 211 Gault Street		
005-153-02	Del Mar Theater - 532 Front Street		
005-153-10	Del Mar Theater - 1124 Pacific Avenue		
007-301-01	Nueva Vista Family Housing - 131-136 Liebrandt Avenue		
008-661-01	Tannery Lofts Housing - 1040 River Street		
008-661-02-08	Tannery Arts Center - 1050 River Street		
005-144-14	Birch Lane Parking Lot - 114 Birch Lane		



CITY COUNCIL AGENDA REPORT

DATE: 2/14/2011

AGENDA OF: 3/8/2011

DEPARTMENT: IT

SUBJECT: Virtualization Project and Energy Efficiency Improvements for the Data Communications Center (IT)

RECOMMENDATION: Resolution authorizing the City Manager to execute a contract agreement in a form approved by the City Attorney with INX, Inc. in the amount of \$271,000 for the procurement of hardware and professional services associated with virtualizing the City's Data Communications Center.

BACKGROUND: In 2009, a Capital Improvement Project for virtualization of the City's Data Communications Center was submitted and approved by the City Council. Virtualization is technology that provides for the sharing of a physical computer's memory into separate, isolated virtual machines within one physical device. Each of these virtual machines can run the same or different operating systems without interfering with each other. The network and storage design of virtualization allows for the consolidation and sharing of physical resources such as data storage devices which can use one management tool thereby reducing management efforts. In addition, this virtualization project will reduce the number of servers in our data center thereby reducing energy consumption.

In 2009 the City submitted an application to the Department of Energy for grant funding to implement five energy efficient projects in the City of Santa Cruz and virtualization of the data center was one of these projects. Based on the energy savings identified, the City was awarded \$271,000 in grant funding for this project.

DISCUSSION: The Information Technology Department created a Request for Proposal (RFP) for the virtualization project and have selected INX, Inc. to implement the project. The project started with a core team from IT researching and training on the various aspects of virtualization to enable the City to define our technical requirements. The City then initiated a Request for Proposal (RFP) on February 11, 2011 with a closing date of March 3, 2011. Four vendors responded to the RFP, three submitted proposals. All submitted proposals were evaluated by the project team and ranked based on a standard set of criteria defined up front within the RFP. The project team selected INX, Inc. as having best satisfied the specifications outlined in the RFP.

If approved, due to the grant requirements to secure the funding, the virtualization project will start immediately with a completion date not to exceed September 2012.

Due to the closing date of the RFP the IT Department was unable to include this in the general City Council agenda packet. However, information about the report and RFP were properly noticed and posted on the City website. This report is being included in your agenda packets as a late addition.

FISCAL IMPACT: This project is funded by grant funding in the amount of \$271,000 and therefore does not have a fiscal impact on the General Fund.

Prepared by:
Zach Friend
Acting Chief Technology Officer

Submitted by:
Zach Friend
Acting Chief Technology Officer

Approved by:
Martin Bernal
City Manager

ATTACHMENTS: Resolution

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
AUTHORIZING HARDWARE PURCHASES AND PROFESSIONAL SERVICES
FROM INX, INC. (SACRAMENTO, CALIFORNIA)

WHEREAS, the City of Santa Cruz (“the City”) is duly authorized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the City utilized a competitive bid RFP under Section 3.08/170 of the Municipal Ordinance; and

WHEREAS, INX, Inc. was selected for the contract based on the RFP;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz that the contract of INX, Inc. to procure hardware and provide professional services to virtualize the City’s Data Communication Center in the amount of \$271,000 is hereby accepted.

PASSED AND ADOPTED this 8th day of March, 2011; by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Mayor

ATTEST: _____
Interim City Clerk Administrator



CITY COUNCIL AGENDA REPORT

DATE: 3/1/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Parks and Recreation

SUBJECT: Authorization to enter into a Memorandum of Understanding (MOU) with Harvey West Community Pool (HWCP) in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs. (PK)

RECOMMENDATION: Resolution authorizing and directing the City Manager to enter into a MOU with Harvey West Community Pool in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs.

BACKGROUND: In December of 2008, the City Council approved the Phase 9 Budget Reduction Plan. The plan included the reduction of a number of Parks and Recreation programs and the closure of several City facilities, including Harvey West Pool which closed at the end of October 2008. In an effort to salvage some of the very popular community swim programs the City of Santa Cruz entered into an agreement with Jim Booth Swim Schools to operate programs in the instructional pool and the splash pad between the months of March and October. Over the last couple of years, staff talked to several organizations about opening the large pool and unfortunately has been unsuccessful in finding an organization or vendor willing to do so.

DISCUSSION: In January of this year, a new community group led by local businessmen Kevin Moon and Jim Booth and community member Steve Pleich was formed with the goal of increasing public access to Harvey West Pool. They have applied for non-profit status as a public benefit nonprofit, Harvey West Community Pool (HWCP), with the intent of assuming management of the large pool at Harvey West Park. Jim Booth Swim School would then continue to operate the instructional pool and splash pad as he has for the past two seasons along with providing oversight for programs in the large pool.

Harvey West Community Pool has committed to raising the funds needed to operate the pool June 15, 2011 through September 15, 2011. The first step towards opening the pool is to secure a commitment from City Council if the HWCP can raise the necessary funding to cover the costs of operating a three month pool program, then the City Council will direct staff to prepare an agreement with HWCP for the operation of Harvey West Pool's large pool.

If the MOU is approved it should provide HWCP with the commitment from the City of Santa Cruz necessary to assist with community fundraising.

The group is aware that a project of this scale is a challenge, but believes the prospect of restoring full use of Harvey West Pool to the public will create the kind of support needed for the proposed program to succeed.

Below is a DRAFT schedule provided to give the City Council an idea of the level of programming HWCP hopes to offer once funding is in place and the large pool reopens.

June 15, 2001 through September 15, 2011

Tuesday through Friday:

12:00pm-1:00pm	Water Exercise
12:00pm-2:30pm	Lap Swim and Recreation Swim
4:00pm-5:00pm	Dolphins Swim Team
5:00pm-6:00pm	Water Exercise
5:00pm-7:00pm	Lap Swim and Recreation Swim

Saturday:

11:00am-12:00pm	Water Exercise
11:00am-2:30pm	Lap Swim and Recreation Swim

FISCAL IMPACT: None. HWCP will raise the \$30,000 it feels is necessary to open and operate the large pool for 3 months. Once the money is raised staff will return to Council with an agreement outlining the specifics associated with operating the pool.

Submitted by:
Dannettee Shoemaker
Director of Parks and Recreation

Approved by:
Martin Bernal
City Manager

ATTACHMENTS:
Draft MOU
Resolution

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into by and between the corporate entity known as Harvey West Community Pool, hereinafter "HWCP", by and through its Executive Director, Jim Booth Swim Schools, by and through Jim Booth individually, and by and with the City of Santa Cruz, hereinafter "the City", by and through its Director of Parks and Recreation.

This memorandum is entered into for the sole and separate purpose of memorializing the understanding of the parties concerning the proposed private operation and maintenance of Harvey West Pool, a publicly owned facility, by HWCP in association with Jim Booth Swim Schools.

It is the understanding and intent of the parties that HWCP in cooperation and association with Jim Booth Swim Schools shall complete to the satisfaction of the City certain conditions precedent to formal approval of pool operations.

The first condition shall be that HWCP in association with Jim Booth Swim Schools raise, deposit and offer proof of deposit the sum of \$30,000.00 (Thirty Thousand Dollars), such sum to be an amount necessary to operate and maintain a PROPOSED SUMMER 2011 POOL SCHEDULE, hereinafter the "Proposed Schedule".

The second condition shall be that HWCP in association with Jim Booth Swim Schools offer proof to the satisfaction of the City that it possesses the operational expertise and ability to operate, staff and maintain a Proposed Schedule as follows:

June 15, 2011 thru September 15, 2011

Tuesday thru Friday:

12:00pm-1:00pm
12:00pm-2:30pm
4:00pm-5:00pm
5:00pm-6:00pm

Water Exercise
Lap Swim and Recreation Swim
Dolphins Swim Team
Water Exercise

5:00pm-7:00pm

Lap Swim and Recreation Swim

Saturday:

11:00am-12:00pm

Water Exercise

11:00am-2:30pm

Lap Swim and Recreation Swim

Third condition precedent is that HWCP in association with Jim Booth Swim Schools show to the satisfaction of the City that it is in compliance with any and all legal and/or regulatory requirements respecting operation of a public facility, including but not limited to HWCP's status as a nonprofit entity.

This Memorandum is also intended to memorialize the understanding and intent of the parties that no future agreements by and between Harvey West Community Pool, the City of Santa Cruz or any other public or private entity shall in any manner change, impair or modify any presently existing contractual rights of Jim Booth Swim Schools with respect to use of Harvey West Pool.

It is further the intention of the parties that this condition subsequent to this Memorandum of Understanding shall be incorporated by reference into any future agreement, contract or operational understanding as and between any public or private entity.

IT IS THEREFORE the understanding and intent of the parties that upon completion of the conditions precedent as set forth hereinabove the City, by and through its City Council, shall formally approve the private operation and maintenance of Harvey West Pool by HWCP in association with Jim Booth Swim Schools as proposed.

Dated: _____

Dated: _____

Steve Pleich
Executive Director
Harvey West Community Pool

City of Santa Cruz

J. M. [Signature]
2-24-11
CITY ATTORNEY

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AN MOU WITH
HARVEY WEST COMMUNITY POOL (HWCP) IN ASSOCIATION WITH JIM BOOTH
SWIM SCHOOLS TO MEMORIALIZE CITY COUNCIL'S SUPPORT OF HWCP'S
PROPOSAL TO OPERATE THE LARGE POOL AT HARVEY WEST PARK ONCE
FUNDS ARE RAISED TO COVER ASSOCIATED COSTS

WHEREAS, Harvey West Community Pool in association with Jim Booth Swim Schools is committed to raising the funds to operate and maintain the large pool at Harvey West Park between June 15, 2011 and September 15, 2011; and

WHEREAS, Jim Booth Swim Schools currently leases the instructional pool and splash pad at Harvey West Park; and

WHEREAS, once funds are raised to operate the pool program staff will return to City Council with a formal agreement outlining the conditions of use

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz that it hereby authorizes and directs the City Manager to execute an MOU with Harvey West Community Pool in association with Jim Booth Swim Schools in a form acceptable to the City Attorney.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Mayor

ATTEST: _____
Interim City Clerk Administrator



CITY COUNCIL AGENDA REPORT

DATE: 2/23/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Public Works

SUBJECT: BTA Grant Applications. (PW)

RECOMMENDATION: Resolution authorizing the City Manager to submit a grant application to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Mission Street Extension Multiuse Path Project.

Resolution authorizing the City Manger to submit a grant application on behalf of the University of California at Santa Cruz to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Campus Facilities Bicycle Lockers Project.

BACKGROUND: The Bicycle Transportation Account (BTA) is an annual program that provides state funds for city and county projects that improve safety and convenience for bicycle commuters. Caltrans anticipates an appropriation of \$7.2 million, subject to appropriation in the approved State budget. BTA funds are allocated to cities and counties on a matching basis that requires the applicant to furnish a minimum of 10 percent of the total project cost. No applicant shall receive more than 25 percent of the total amount transferred to the BTA in a single fiscal year.

To be eligible for BTA funds, a city or county must prepare and adopt a Bicycle Transportation Plan (BTP) that complies with Streets and Highways Code Section 891.2. The City of Santa Cruz BTP was adopted by the Santa Cruz City Council on November 25, 2008 and includes The University of California Santa Cruz 2008 Bicycle Plan. The BTP is current for five (5) years until November 25, 2013. The City of Santa Cruz may sponsor BTA grant applications on behalf of UCSC.

BTA typically awards funds for projects that provide a facility at the end of the process (construction money). A review of awarded projects from previous years indicates a lack of awards for planning-type studies or projects.

DISCUSSION: The Mission Street Extension Path was discussed at the October 18, 2010 meeting of the Santa Cruz County Regional Transportation Commission (SCCRTC) Bicycle Committee. At that time, City staff presented a simple project to modify the existing temporary multipurpose path and requested \$50,000 in Transportation Development Act (TDA) funds. The Bicycle Committee discussed the existing facility at length and approved the \$50,000 request; then on October 25, 2010 the Bicycle Committee sent the City Public Works Department a letter detailing refinements that they would like to see incorporated into the facility. These

refinements constitute more than just a revision to an existing facility and are in reality a new project. Improvements will include removal of existing concrete barriers, installation of improved AC pathway, drainage improvements, and installation of signs and striping.

Additionally, the University of California Office of Transportation and Parking Services Department (UCSC TAPS) has requested City sponsorship for a project on campus. UCSC TAPS proposes to develop and institute its first bike locker program for UCSC facilities and to purchase and install 36 new “smart” bicycle lockers at UCSC campus facilities to accommodate the rapid growth of bicycle commuters and higher demand for secure, covered bike parking. Utilizing smart-card technology, the lockers can be rented by UC affiliates and community members alike on an on-demand basis for a low use fee.

FISCAL IMPACT: There will be no impact to the General Fund. The project cost estimate for the Mission Street Extension Multiuse Path Project is \$180,000. A match of minimum 10% is required. \$50,000 has already been allocated from Transportation and Development Act funds. The UCSC project cost estimate is \$240,000. UCSC TAPS will provide a match of \$40,000 and request \$200,000 from BTA.

Prepared by:	Submitted by:	Approved by:
Cheryl Schmitt	Mark R. Dettle	Martin Bernal
Transportation Coordinator	Director of Public Works	City Manager

ATTACHMENTS: Resolutions (2)

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION TO THE
BICYCLE TRANSPORTATION ACCOUNT FOR THE FISCAL YEAR 2011/12.

WHEREAS, the State of California has established the Bicycle Transportation Account to provide funds for city and county projects that improve safety and convenience for bicycle commuters; and

WHEREAS, the City of Santa Cruz has an approved Bicycle Transportation Plan establishing eligibility for Bicycle Transportation Account funding; and

WHEREAS, the City of Santa Cruz has available the required ten percent minimum local share of the project costs.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Santa Cruz that it hereby authorizes the City manager to submit a grant applications for the Mission Street Extension Multiuse Path Project to the Bicycle Transportation Account for the Fiscal Year 2011/12.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Mayor

ATTEST: _____
Interim City Clerk Administrator

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION ON
BEHALF OF THE UNIVERSITY OF CALIFORNIA AT SANTA CRUZ TO THE BICYCLE
TRANSPORTATION ACCOUNT FOR THE FISCAL YEAR 2011/12.

WHEREAS, the State of California has established the Bicycle Transportation Account to provide funds for city and county projects that improve safety and convenience for bicycle commuters; and

WHEREAS, the City of Santa Cruz has an approved Bicycle Transportation Plan, that includes projects at UCSC, establishing eligibility for Bicycle Transportation Account funding; and

WHEREAS, the Bicycle Transportation Account program guidelines state that a city or county may apply on behalf of another local agency; and

WHEREAS, UCSC's required minimum ten percent local share of the project costs will come from the University's Transportation and Parking Services Fund.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Santa Cruz that it hereby authorizes the City manager to submit a grant application for the UCSC Campus Facilities Bicycle Lockers Project to the Bicycle Transportation Account for the Fiscal Year 2011/12.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____

Mayor

ATTEST: _____
Interim City Clerk Administrator



CITY COUNCIL AGENDA REPORT

DATE: 3/1/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Water

SUBJECT: North Coast System Rehabilitation Project - Harvey West Segment – Adoption of Mitigated Negative Declaration, Approval of Plans and Specifications, Authorization to Advertise for Bids and Award Contract. (WT)

RECOMMENDATION: Resolution adopting the Mitigated Negative Declaration for the North Coast System Rehabilitation Project, Harvey West Segment; and

Motion to approve the construction plans and specifications for the North Coast System Rehabilitation Project, Harvey West Segment and to authorize staff to advertise for bids for construction. The City Manager is hereby authorized and directed to execute the contract as authorized by Resolution No. NS-27,563.

BACKGROUND: The City of Santa Cruz Water Department (City) has operated and maintained the 16-mile long North Coast System (NCS) since the 1880s. The NCS collects untreated water from four sources: Liddell Spring, Reggiardo Creek, Laguna Creek, and Majors Creek. The system conveys this water to the coast pump station on River Street, where it is pumped to the Graham Hill Water Treatment Plant. Much of the current system has reached the end of its useful life and must be replaced. In addition, several sections are inaccessible for maintenance and repair. The City is in the process of rehabilitating the NCS to reduce losses due to leakage and structural failure. Reconstruction of the entire system is planned to take place in phases over the next 10–15 years.

In November 2005, Council certified the North Coast System Repair and Replacement Project Program Environmental Impact Report (PEIR) and designated the environmentally superior pipeline alignments to be used during construction of the subsequent project phases.

In February 2006, Council approved construction of the first phase of the North Coast System Rehabilitation Project as a part of the Bay Street Reservoir Transmission Main Improvement Project. The segment of pipeline that was constructed during that project extends from the Bay Street Reservoir, easterly down High Street, and currently dead-ends in the cul-de-sac of High Street, west of Highway 1.

DISCUSSION: The City has obtained necessary encroachment permits from the State, and has prepared an Initial Study and Mitigated Negative Declaration in accordance with CEQA and local environmental review procedures. On January 27, 2011, a Notice of Intent to Issue a

Mitigated Negative Declaration was published. The draft initial study was circulated for a 30 day public comment period. One comment was received prior to the close of the public comment period. The comment conveys concern that the proposed project will cause traffic congestion at the intersection of Highways 1 and 9. The final initial study concludes,

“It is believed that considering the scale of the proposed project that the analysis with regards to CEQA thresholds of significance has been met. Therefore, no change has been made to the document in response to this comment.”

In addition, Caltrans will require that work done in the intersection must be done at night to reduce the possibility for traffic congestion, as a condition of the State-issued encroachment permit. Furthermore, Staff will facilitate a meeting with other City Departments and other pertinent agencies as the specific schedule develops to discuss construction related impacts in the project area near the intersection of Highway 9 and Highway 1.

The construction plans and specifications are now complete and the Water Department is prepared to advertise the project for competitive bidding.

The work will consist of the following items, as shown on the project plans:

- Installation of 5,350 linear feet of 24” raw water transmission main. The proposed pipeline would begin at the end of High Street, west of Highway 1 connecting to the aforementioned dead-ended main, then continuing along the bike path adjacent to Highway 1 to Evergreen Street, then along Coral Street to Fern Street, then along Fern Street to Highway 9/River Street, then north along Highway 9/River Street until terminating at the Coast Pump Station at 1214 River Street, about 200 feet south of Vernon Street.
- Installation of 2,220 linear feet of new 16” diameter distribution main, beginning on the northwest side of the intersection of Highway 1 and 9 until terminating at the Coast Pump Station at 1214 River Street.
- Replacement of approximately 250 linear feet of 6” diameter distribution main, and 100 linear feet of 8” distribution main as needed to reconnect mains to the new 16” distribution main.
- Retirement of approximately 10,500 linear feet of aging 20” diameter raw water transmission main, and retirement of the aging 12” and 8” diameter distribution mains in Highway 9/River Street. The retired mains will be pumped full of cement slurry where passing beneath private property.
- Reconnection of service laterals and reconstruction of selected fire hydrants along River Street/Highway 9.

The bids will be opened at the Water Department’s Engineering Counter on Thursday, March 31, 2011 at 4:00 p.m. The construction contract will be awarded to the lowest responsive and responsible bidder and will be executed by the City Manager in a form acceptable to the City Attorney per Resolution No. NS-27,563.

FISCAL IMPACT: The engineer’s estimate for the project is \$4,300,000. Funds for this project are available in the Water Department's Capital Improvement Program budget, in projects

c709835 North Coast System Repair and Replacement, c709833 Transmission Main Replacement, and c700017 Transmission Main Replacement – SDC.

Approved by:
Bill Kocher
Water Director

Approved by:
Martín Bernal
City Manager

Available for public review at the Water Department Engineering Counter, 212 Locust Street, Suite C, Santa Cruz, CA 95060:

- Initial Study and Mitigated Negative Declaration
- Mitigation Monitoring and Reporting Plan
- Plans and Specifications

ATTACHMENTS:

Resolution

Notice of Intent to Issue a Mitigated Negative Declaration

Map

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
ADOPTING THE MITIGATED NEGATIVE DECLARATION FOR THE
NORTH COAST SYSTEM REHABILITATION PROJECT- HARVEY WEST SEGMENT

WHEREAS, an Initial Study was carried out in compliance with the California Environmental Quality Act (CEQA) and local environmental review guidelines; and

WHEREAS, City staff have reviewed the Initial Study for the project and have determined that the project with mitigations will have no significant impact to the environment; and

WHEREAS, on January 27, 2011, the City published a Notice of Intent to Issue a Mitigated Negative Declaration for the North Coast System Rehabilitation Project – Harvey West Segment; and

WHEREAS, no substantive comments were received regarding the project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz that the Mitigated Negative Declaration for the North Coast System Rehabilitation Project – Harvey West Segment is hereby adopted.

PASSED AND ADOPTED this 8th day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Mayor

ATTEST: _____
Interim City Clerk Administrator

CITY OF SANTA CRUZ
Notice of Intent to
Issue a Mitigated Negative Declaration

The Administrator of Environmental Quality of the City of Santa Cruz is preparing to issue a Mitigated Negative Declaration of environmental impact for the following proposed project:

North Coast System Repair and Replacement Project – Harvey West Segment

Project Location: City of Santa Cruz

Project Applicant: City of Santa Cruz Water Department

Project Description: The proposed project involves abandoning existing water utility pipelines and constructing 7,570 feet of replacement pipelines to transport water in the City of Santa Cruz. Specifically, 5,350 feet of raw water transmission main and 2,220 feet of potable water distribution main would be installed. The planned alignment of the raw water transmission main would be begin at the west end of High Street, west of Hwy 1, continuing along the bike path adjacent to Hwy 1 to Evergreen Street, then along Coral Street to Fern Street, then along Fern Street to Hwy 9 (aka River Street), then north along River Street to connect to the City's Coast Pump Station about 200 feet south of Vernon Street. The planned alignment for the replacement distribution main would be along River Street from Hwy 1 to the Coast Pump Station.

Potentially Significant Effects on the Environment: Biological Resources, Transportation/Traffic, Cultural Resources, hazards and Hazardous Materials, Air Quality, Geology/Soils, and Noise.

The Administrator of Environmental Quality of the City of Santa Cruz has reviewed the proposed project and has determined that the project, with mitigation measures, will not have a significant effect on the environment. A copy of the Mitigated Negative Declaration, Initial Study, and supporting documents may be reviewed or obtained at:

City of Santa Cruz Water Department
212 Locust Street Suite C
Santa Cruz, CA 95060

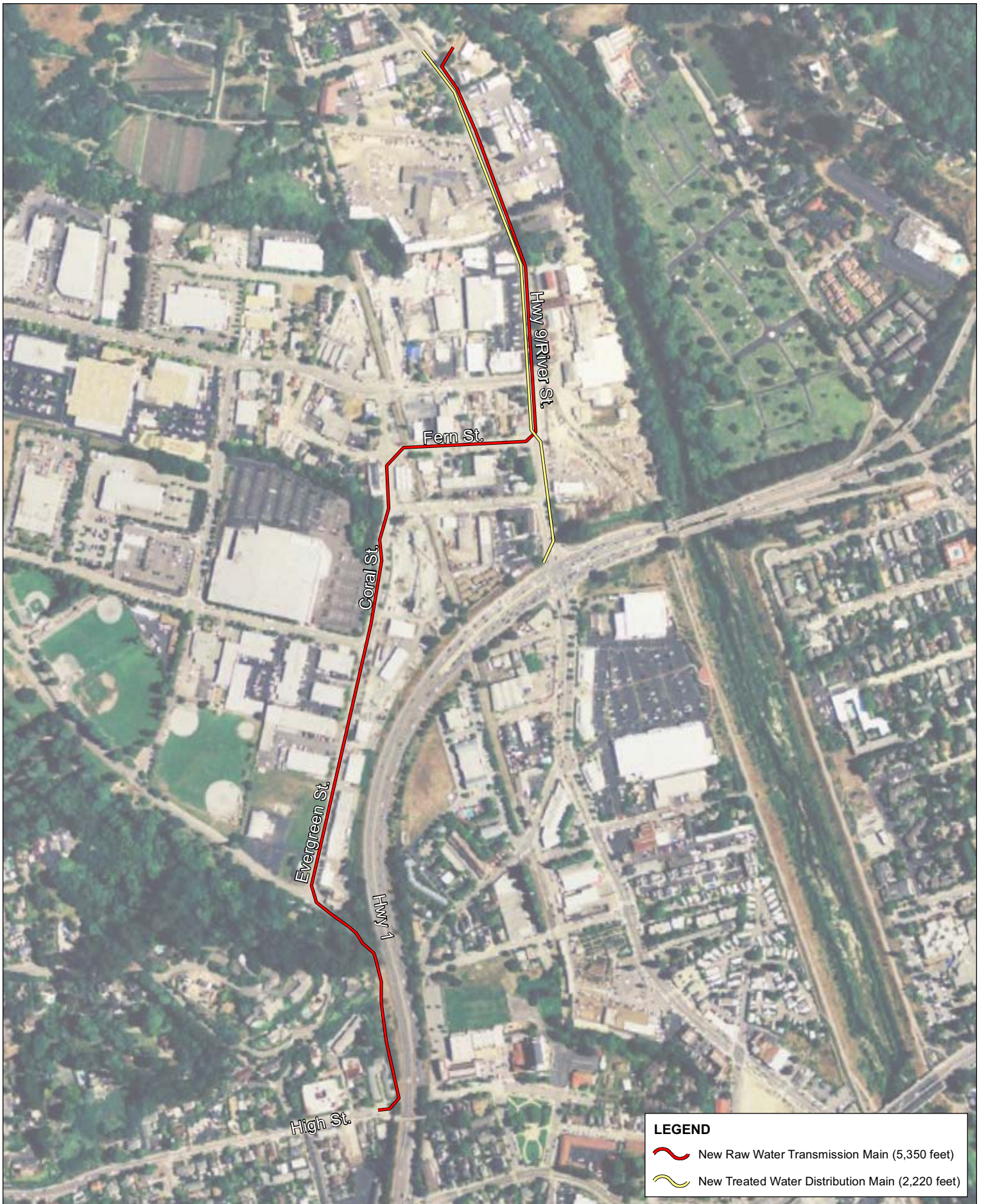
The Mitigated Negative Declaration and Initial Study may also be viewed or downloaded at the following City web site:

<http://www.cityofsantacruz.com/index.aspx?page=814>



If you have any questions or comments, please contact Kalen Dodd in the Water Department at (831) 420-5218. Comments on the Mitigated Negative Declaration should be submitted in writing to Kalen Dodd at the address listed above from January 28th, 2011 through February 28th, 2011

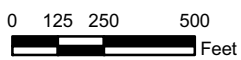
By: 
Bill Kocher,
Water Department Director

Date: JAN. 27, 2011



LEGEND

-  New Raw Water Transmission Main (5,350 feet)
-  New Treated Water Distribution Main (2,220 feet)



North Coast Repair and Reconstruction Project - Harvey West Segment

Figure 2 - Pipeline Alignment





CITY COUNCIL AGENDA REPORT

DATE: 3/1/2011

AGENDA OF: 3/8/2011

DEPARTMENT: Water

SUBJECT: Bay Street Reservoir Reconstruction Project – Engineering Design and Construction Support Services - Contract Amendment No. 2. (WT)

RECOMMENDATION: Motion to authorize the City Manager to execute Contract Amendment No. 2 in the amount of \$760,865 with AECOM Technical Services, Inc. (formerly AECOM USA, Inc. and Boyle Engineering Corporation) for additional engineering design and construction support services for the Bay Street Reservoir Reconstruction Project.

BACKGROUND: A contract in the amount of \$800,068 for the design of the permanent storage for the Bay Street Reservoir Reconstruction Project was authorized by Council in March of 2008. Contract Amendment No. 1 at no additional cost was authorized by the Water Director in September 2008 to include the Consultant's detailed fee schedule as part of the contract.

During the design effort, additional items surfaced that were not originally anticipated in the original Scope of Services. Additionally, the project's scheduled end date had been postponed as the City continued to refine the hydraulic modeling of the system and to conduct additional public outreach. During the extended time period, the Consultant continued to provide design and consulting services including multiple iterations of site grading plans in support of public meetings as well as changes in the project phasing requiring re-design. As the site concept continued to evolve, a need for additional auxiliary facilities and infrastructure improvements was determined requiring additional design services. Finally, in anticipation of the construction phase scheduled to begin this summer, staff requested additional technical consulting services for key components of the specialized construction and ongoing office engineering support for the construction phase.

DISCUSSION: Contract Amendment No. 2 includes additional drawings and specifications not originally requested for foundation mitigation, mechanical space, storm drain and sewer improvements and Storm Water Pollution Prevention Plan. It also includes additional consulting services for geotechnical engineering of the pipeline alignments, CEQA support, and construction phase support services. It updates the language in the Fees and Payment and the fee schedule and project schedule. It authorizes transfer of the contract to AECOM Technical Services, Inc. as AECOM undergoes corporate re-organization. The engineering design team has and will continue to remain the same throughout the re-organization.

The construction of the first tank along with its ancillary work is estimated to be approximately \$14,000,000. The design cost including this contract amendment represents about 11% of the construction which is not unusual for a large construction project.

FISCAL IMPACT: The cost of Contract Amendment No. 2 is \$760,865 which brings the total contract amount to \$1,560,933. Funds are available in Water Department Capital Improvement Program budget, in projects c700313 Bay Street Reservoir Reconstruction and c700027 Bay Street Reservoir Reconstruction – SDC.

Submitted by:
Bill Kocher
Water Director

Approved by:
Martín Bernal
City Manager

ATTACHMENTS: Contract Amendment No. 2

**CONTRACT AMENDMENT
Number Two**

That certain Agreement dated April 10, 2008 between the City of Santa Cruz and Boyle Engineering Corporation (now AECOM) for design services for permanent storage tank for the Bay Street Reservoir Reconstruction Project is hereby amended as follows:

1. Section Four – Fees and Payments is replaced by the revised Section Four attached.
2. Appendix One – The Scope of Services is amended to add the additional scope per Contract Amendment 2 Scope of Services dated 2/17/11, attached.
3. Appendix Two – For services to be performed under Contract Amendment 2, the Fees and Payments is amended to include the budget and current fee schedule for the additional work per attached.
4. Appendix Three – The Project Work Schedule is amended to extend the contract term to allow for the additional work and account for the changes to the project schedule that have evolved over the course of work. See revised schedule dated 2/17/11 attached.
5. Contract Transfer Agreement – The original contract with Boyle Engineering Corporation was assumed by AECOM USA, Inc., and now will be transferred to AECOM Technical Services, Inc. as part of a corporate re-organization. See Transfer Agreement attached.

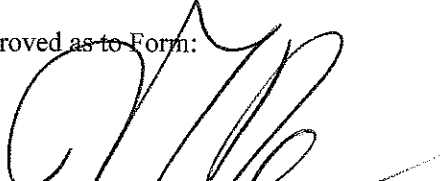
All other terms and conditions of the original Agreement shall remain in effect.

Reviewed By:

By: 
Linette Almond, Engineering Manager

2/22/11
Date

Approved as to Form:

By: 
John Barisone, City Attorney

2-22-11
Date

CONSULTANT:

By: _____
Matt Thomas, Vice President
AECOM Technical Services, Inc.

Date

CITY OF SANTA CRUZ:

By: _____
Martín Bernal, City Manager

Date

SECTION 4 Fees and Payments

For the services performed, the City will pay the Consultant on a time-charge plus expense basis, as charges accrue. Consultant's salary expenses and non-salary expenses will be compensated at the rates set forth in the fee schedule detailed in Appendix Two, Fees and Payments and in accordance with any terms set forth therein. Payment for the Consultant's services in carrying out the entire Scope of Work shall be made within the budget limit, or limits shown in Appendix Two, Fees and Payments. Such payment shall be considered the full compensation for all personnel, materials, supplies, and equipment used by Consultant in carrying out the work. Where conflicts may occur, the provisions of this section apply.

Salary expenses include the actual pay of personnel assigned to the project plus payroll taxes, insurance, sick leave, holidays, vacation, other fringe benefits, overhead costs, and fees. Chargeable time does not include time for meals or other personal time. Consultant shall not charge the City for personnel overtime salary at rates higher than those set forth in the attached fee schedule without the City's prior written authorization.

Non-salary expenses include travel, meals and lodging while traveling, materials (other than normal office supplies), shipping and reproduction costs, equipment rental, services of subconsultants and subcontractors, and other direct, identifiable project related expenses. Markups shall not be charged for non-salary expenses, subconsultants, or subcontractors.

The use of vehicles for travel, including rental vehicles, shall be paid at the current standard business mileage rate as established by the U.S. Internal Revenue Service. Commercial airline travel shall be reimbursed at coach class rates. Lodging, meals, and incidental expenses shall be reimbursed at the current per diem rates established by the U.S. General Services Administration for Santa Cruz County. Receipts must be provided for any single authorized expense incurred costing over \$75. Consultants shall be entitled to 75% of the prescribed meals and incidental expenses for the first and last day of travel and for one day travel if it is longer than 12 hours. It is expected that all expenses associated with travel incurred by the Consultant, while conducting activities on behalf of the City, will be at reasonable rates and that the Consultant will exercise prudence in incurring such expenses.

Budget estimates of the cost of each phase of the project are shown in Appendix Two, Fees and Payments. Variations from the budget for each task are allowed with City approval when such variations are justified by statements indicating personnel time expended and submittal of a revised budget; however, in no event shall the total fee charged for the Scope of Work set forth in Appendix One exceed the budget limit, or limits shown in Appendix Two, Fees and Payments without advance written City authorization in the form of a contract amendment or change order.

Unless otherwise specified in the fee schedule detailed in Appendix Two, Fees and Payments, Consultant's fees shall be payable on monthly invoices. Invoices shall detail the time worked by each class of employee on each task and the expenses incurred for which billing is made. Invoices shall indicate the percent completion of each work task as identified in Appendix One, Scope of Work and the overall percent completion of the total required services. The monthly invoices shall contain the following affidavit signed by a principal of the Consultant's firm:

"I hereby certify as principal of the firm of (Insert Firm Name), that the charge of (Insert invoice amount) as summarized above and shown in detail on the attachments, is fair and reasonable, is in accordance with the terms of Agreement dated (Insert Agreement Date), and has not been previously paid."

February 17, 2011

Mr. Doug Valby, Project Manager
 City of Santa Cruz Water Department
 809 Center Street, Room 101
 Santa Cruz, California 95060

Subject: Request for Amendment on Bay Street Reservoir Replacement Project

Dear Doug:

As you know, AECOM has an Agreement (dated April 10, 2008) with the City of Santa Cruz Water Department (City) to provide engineering services for the Bay Street Reservoir Replacement Project (Project). During the initial phases of the Project, additional items surfaced that were not originally planned or anticipated in our original Scope of Services. In addition, the Project's scheduled end date has been postponed as the City continued to develop and refine hydraulic modeling of its system and the subject storage facility, to allow preparation of environmental permitting documents in compliance with CEQA and to conduct additional public outreach. Finally, in anticipation of the construction phase, the City has requested additional services wherein AECOM will provide expert staff to assist the City with key technical aspects of the concrete tank construction, as well as to provide on-going office engineering support for the design.

Appendix 1 attached describes the additional services needed and includes a detailed breakdown of the respective fees. A summary of the tasks and fees are listed below:

▪ Task 1. Additional General Services	\$77,475
▪ Task 2. Reservoir Tank Drawings and Specifications	\$16,316
▪ Task 3. Additional Civil Design	\$36,543
▪ Task 4. Additional Coordination – Foundation Mitigation	\$16,216
▪ Task 5. Alternative Grading Plans	\$78,805
▪ Task 6. Reservoir Alternative Evaluations	\$34,308
▪ Task 7. Additional Survey Required	\$7,761
▪ Task 8. Mechanical Space Drawings and Specifications	\$239,430
▪ Task 9. Additional Geotechnical Engineering Support	\$37,900
▪ Task 10. SWPPP	\$20,869
▪ Task 11. Sanitary Sewer Design	\$12,979
▪ Task 12. Construction Phase Services	\$206,423
▪ Task 13. CEQA Support	<u>\$31,840</u>
▪ Credit from original scope – simple vault not being designed	(\$21,000)
▪ Credit from original scope – future tank not being designed	(\$35,000)
AMENDMENT 2 TOTAL	\$760,865

As always, we appreciate the opportunity to provide professional services to the City.

Sincerely,



Matthew L. Thomas, PE
 Project Principal
 matt.thomas@aecom.com



Greg Keppler, PE
 Project Manager
 greg.keppler@aecom.com

Attachments: Appendix 1 – Contract Amendment 2 Scope of Services
 Appendix 2 – Contract Amendment 2 Fees and Budget
 Appendix 3 – Contract Amendment 2 Schedule

Bay Street Reservoir Replacement Project Contract Amendment 2 Scope of Services

Scope of Services

In January 2010, the City indicated that the hydraulic modeling was complete for the Project and that it was desired to move the Project into construction quickly. To accommodate this schedule, the Project was broken into phases.

- Phase 2 consisted of construction of Tank 1, including subsurface mitigation, interim grading within the footprint of the tank, the tank itself, and appurtenant electrical, instrumentation and controls, and piping.
- Phase 2a consisted of construction of pipelines, both yard piping and offsite, in Cardiff Place. It included construction of the mechanical space and associated reservoir inlet and outlet piping and connections, an overflow pipeline, an emergency overflow vault with dechlorination capabilities, an interim grading plan and storm drain improvements, and appurtenant electrical, instrumentation, and controls.
- Phase 3 consisted of the demolition/decommissioning for the existing temporary tanks and a subsurface investigation program in the vicinity of the existing temporary tanks.
- Phase 4 consisted of construction of Tank 2 to take the place of the temporary tanks and included subsurface mitigation, final site grading, the tank itself, landscaping, and appurtenant electrical, instrumentation and controls, and piping.

Subsequently, during the spring of 2010, the City reviewed the effort required for preparing the environmental documents and determined that the schedule should be deferred to allow that effort to catch up. During the delay, the City moved forward with more of its public outreach effort. During the summer of 2010, the City decided to combine Phases 2 and 2a back into a single-phase project.

Task 1. Additional General Services

During the time spent advancing the hydraulic modeling, AECOM continued to provide project management and general consulting services for the Project, so a significant portion of the original budget was expended.

In light of the recombined phased approach and changes to the overall schedule, going forward the following additional general services are needed to complete the Project. In order to provide that the Project quality, schedule, and budget are met by all team members, additional management of staff required to supervise and coordinate the additional workload not covered under the original agreement is needed. This requires additional supervision, quality control, project meetings, and assistance with public outreach.

- Project Management. Provide additional management of staff and subconsultant team throughout each phase of the Project. Supervise and coordinate the additional workload to assure the Project schedule and budget are met by all team members. Prepare status update reports and invoices on a monthly basis.
- Quality Control. At key Project milestones, provide independent review of work products by experts in their fields that are not otherwise part of the day-to-day Project team to verify that the additional work products are technically sound, sufficiently complete, and in keeping with the requirements of the City. Follow the AECOM Quality Control Program requirements.
- Project Meetings. AECOM anticipated a total of five engineering design (5) meetings. There have been four (4) meetings to date leaving one (1) remaining. We anticipate there will be six (6) more additional meetings, approximately two per phase, for a total of eleven (11) to provide a well-coordinated effort.
- Assistance with Public Outreach. Recently, the City conducted a public outreach meeting which provided meaningful feedback from the public. However, from the meeting it became apparent that additional meetings with the public, as well as further coordination among stake holders would be required. Our understanding is that the City still plans to periodically conduct meetings with the public to explain the Project, provide an update on its status, and solicit input on details that may be of interest to the local area. It was assumed that AECOM's Project Manager and Project Principal would attend up to two (2) such meetings to assist in the presentation of the Project and to field questions from meeting attendees. However, because the site grading is anticipated to change significantly as a result of public input, three (3) more meetings are assumed. In addition, more preparation will be needed to provide presentation graphics for these meetings.

The budget increase for Task 1 is \$77,475 (see Appendix 2).

Task 2. Reservoir Tank Drawings and Specifications

The original Scope of Services outlined a "Task D Option," Tank Structural Design, and included preparing calculations, drawings, and specifications for two prestressed concrete reservoirs up to 10 million gallons (MG) in capacity, each. Now that the subsurface conditions under the proposed first tank have been established, additional structural design drawings are needed to provide a design that addresses those conditions. The City has directed AECOM to proceed with designing the tank structure; enacting the optional services, Task D. Technical specifications and the following drawings are anticipated for this scope of work:

Number	Title
RS-1	Reservoir Plan and Notes
RS-2	Reservoir General Sections and Notes
RS-3	Sections and Details
RS-4	Details and Specifications
RS-5	Column and Footing Details
RS-6	Prestressing Details and Notes
RS-7	Roof Reinforcing Layout
RS-8	Roof Reinforcing Details
RS-9	Access Hatch and Ladder Details
RS-10	Reservoir Piping Connections
RS-11	Underdrain Layout
RS-12	Underdrain Details and Notes
RS-13	Special Foundation Preparation Details and Notes
RC-1	Foundation Remediation Plan
RC-2	Foundation Remediation Details and Notes

The original amount budgeted for the tank structural design was \$48,420. Based on results from the geotechnical studies, additional effort is needed to design the tank foundation to address the subsurface conditions. The budget increase for Task 2 is \$16,316 (see Appendix 2).

Task 3. Additional Offsite Storm Drain System Design

During design development and through collaboration with City staff, it was determined that further utility research would be required to determine the best alignment for the required upgrades to the existing storm drain system. Additionally, preliminary hydrology calculations showed that significant upgrades to the existing system are needed for the Project. A drainage report will be generated as well as the following additional drawings:

Number	Title
RC-3	Storm Drain Upgrade Plan and Profile (Cardiff Place)
RC-4	Storm Drain Details - 1 (Cardiff Place)
RC-5	Storm Drain Details - 2 (Cardiff Place)
RC-6	Details and Specifications

A budget increase of \$36,543 is requested for these services. See Task 3 (Appendix 2).

Task 4. Additional Coordination – Foundation Mitigation

In the original Scope of Services, additional structural design requirements were to be determined following completion of the Phase 1 geotechnical investigation and the budget and scope of services determined at that time. The underlying geology for Bay Street Reservoir was not documented prior to a formal geotechnical investigation. Due to of all the site’s geological constraints, the design will keep the existing slab in place. Such extensive site mitigation issues were unforeseen and have required more planning and coordination for a proper reservoir design. As a result, over the past several months, AECOM has been in consultation with the hydrogeologist and geotechnical engineer to work on a feasible constructability plan, subsurface mitigation plan, and foundation plan to account for the difficult subsurface soil conditions encountered.

AECOM has spent \$16,216 coordinating with URS and the hydrogeologist on the said activities. See Task 4 (Appendix 2).

Task 5. Alternative Conceptual Site Grading Plans and Final Design Revisions

This task combines two interrelated efforts:

1. Development of site grading concepts beyond any envisioned in the original project Scope of Services, and
2. Revision of final design drawings midway through final design at City direction to address input from public outreach efforts.

Site Grading Concepts

The Bay Street Reservoir site was originally planned to accommodate the construction of two 10-MG capacity prestressed concrete reservoirs. The City subsequently determined, resulting from the aforementioned hydraulic modeling, that two 6-MG capacity prestressed concrete tanks would be required.

Based on this change, and the need to prepare for public outreach efforts, AECOM ultimately developed four alternative versions of the conceptual grading plans in collaboration with the City. These concepts were used to help support the geotechnical and hydrogeologic field investigation, to lead into public outreach efforts, and to help refine Project feasibility issues such as balancing of earthwork and site drainage issues.

Upon completion of the public outreach meeting, which provided meaningful feedback from the public, the City requested changes to the overall site concepts based on this input.

Including this last revision, a total of six site grading concepts were developed.

Final Design Revisions

As noted in the introduction, in January 2010, the City directed AECOM to move forward with a “phased” design and construction strategy. The Phase 1 plans were advanced to the 70 percent level of design. This design was based on the design concept developed to incorporate public input from the initial public outreach meeting. The recent Fall 2010 public outreach meeting resulted in the City directing AECOM to revise these plans to be largely more in keeping with the concepts developed PRIOR to the initial public meeting. This resulted in need for substantial revision to each of the following plans, which had been completed to beyond the 70 percent level of completion:

Number	Title
D-1	Demolition Plan
F-2	Foundation Mitigation Plan
C-1	Site Plan
C-2	Civil Grading Plan
C-4	Piping and Horizontal Control Plan

Fee for Task 5 Effort

Initial development of grading plan concepts and coordination with the City and the City’s Landscape Architect for six versions required a budget of \$46,215, or about \$7,703 each.

The estimated cost to revise the formerly 70 percent complete drawings listed above is \$28,200.

The total being requested for this task is \$78,805.

Task 6. Reservoir Structural Alternative Evaluation

AECOM was asked by the City to perform and complete an alternative tank foundation investigation for the following foundation types:

- Structural Mat
- Post-Tensioned Slab
- Ring Wall and Slab

The investigation includes the structural analysis and performance of each type in addition to any cost comparisons. The analysis is complete and will be provided to the City as a technical memorandum (TM).

Over the past several weeks, different foundation types for the prestressed tanks have been provided to the City in addition to the formal TM. This included alternatives for piping configurations and a concept for a mechanical space.

AECOM has spent \$34,308 preparing the TM and supporting documentation as well as preparing the various reservoir piping and mechanical space concepts. See Task 6 (Appendix 2).

Note that the subsurface investigation and potential design revisions are not included in our scope of services for the Project's second tank at this time. The design of the second tank foundation may need to change significantly pending the results of the subsurface exploration once the temporary tanks are removed. A scope and fee would follow should the design of the second tank vary from the design of the first tank.

Task 7. Additional Survey Required

During the course of the project, it was identified that there were discrepancies in the City's published elevation for the benchmark that was used as the basis for the Project survey. Additional services for reconciling the discrepancies were required to place the reservoir site at the correct elevation.

\$7,761 was spent implementing and coordinating the additional survey. This includes the surveyor's subconsultant fee. See Task 8 (Appendix 2).

Task 8. Mechanical Space Drawings and Specifications

As requested by the City, AECOM has been asked to design a mechanical space to house valves and a chemical feed system to improve the hydraulics and water quality of Bay Street Replacement Reservoir and to accommodate the possibility of adding booster pumps in the future. The mechanical space will serve to enhance the inflow and outflow of water within the tanks and facilitate draining of the tanks for periodic maintenance. The mechanical space will require additional electrical and instrumentation design. In addition, the City requested that a 10' x 20' attached storage room be included in the design. The following drawings are anticipated for the mechanical space design:

MECHANICAL SPACE FACILITY PLAN SET

Number	Title
MP-101	Mechanical Space and Roof Plans
MP-102	Mechanical Space Details
MP-103	Mechanical Space Mechanical Details
P-1	Chemical Feed and Process Schematic
P-2	Chemical Area Piping Plan and Details
P-3	Chemical Storage Area Sections and Details
M-10	Mechanical Space Piping Plan and Notes
M-11	Mechanical Space Section and Notes

Number	Title
M-12	Mechanical Space Details
M-13	Valve Area Piping
A-1	Mechanical Space Floor Plans
A-2	Mechanical Space Elevations
A-3	Mechanical Space Sections
A-4	Mechanical Space Finishes and Door Schedules
S-1	Mechanical Space General Plan
S-2	Lower Level Foundation Plan
S-3	Roof Plan
S-4	Mechanical Space Section and Details
S-5	Mechanical Space Roof Section and Details
S-6	Mechanical Space Typical Structural Details and Notes
S-7	Structural Details
S-8	Structural Details (Foundation Notes and Details)
S-9	Vaults and Miscellaneous. Structures
E-4	Mechanical Space Power and Signal Plan
E-5	Mechanical Space Lighting and Receptacle Plan
E-6	Mechanical Space Electrical Schedule
E-7	Mechanical Space Conduit Schedule
E-8	Mechanical Space Electrical Details
I-4	Mechanical Space and Chemical Feed P&ID

The budget increase for mechanical space design is \$239,430. See Task 9 (Appendix 2).

Task 9. Additional Geotechnical Design Support Services

In light of the iterations of the grading plans for the site and addition of the mechanical space to the project, additional support services by the geotechnical engineer are warranted as follows:

1. Accommodating changes to the site grading concept and iterations to the grading plans for the project, the geotechnical engineer will provide supplemental review of grading plans and specifications for the finally selected alternative. This will occur at the 70 and 100 percent levels of design.
2. Due to inclusion of additional offsite drainage pipelines in the project and the recommendation to provide more robust analyses and recommendations for pipelines in Cardiff Place, the geotechnical engineer will provide said analyses and recommendations.

3. The original scope of services did not envision the mechanical space (see Task 8). The geotechnical engineer will provide analyses and recommendations to support the structural design of this added facility.

A budget increase of \$35,640 is requested for these services.

Task 10. Storm Water Prevention Pollution Plan (SWPPP)

The City requested that AECOM prepare a SWPPP for the Project. The SWPPP will be prepared by a Qualified Storm Water Pollution Prevention Plan Developer (QSD) with assistance on getting set up on the state's SMARTS system and provide QSD support during phase 2 construction.

A budget increase of \$20,869 is requested for these services.

Task 11. Sanitary Sewer Design

The City wishes to have a means of disposing potential sludge that could accumulate within the reservoir tanks without the aid of divers and a vacuum truck. Therefore, the City requested an option to have the sludge be conveyed to the sanitary sewer system by a service connection from the reservoir site to an existing sanitary sewer manhole in Cardiff Place. It is envisioned that two drawing sheets and specifications will be required to complete this task. The design is likely to include a piped service lateral from the sanitary sewer onto the Bay Street site and development of details that provide operator friendly means of connecting equipment to make use of the facilities while avoiding a cross-connection of the sewer to the potable water supply.

A budget increase of \$12,979 is requested for these services.

Task 12. Construction Phase Services

Because of the specialized nature of construction of large, concrete, hydraulic structures in general, and of prestressed concrete reservoirs specifically, the City has requested that AECOM continue providing its expertise in this area throughout the construction phase. It is envisioned that the City will serve as the construction manager for the overall construction project, with primary responsibility for contract administration, for formal interaction with the construction contractor, and for all matters related to or affecting Project schedule, budget/cost, and acceptance of the work. AECOM will provide office engineering support services for the construction. Additionally, AECOM will provide field personnel with special expertise in construction of hydraulic structures, concrete placement, and prestressed concrete reservoirs to support the City's construction manager and field inspection staff through peer review of preparatory efforts toward concrete placement. The purpose of this effort is to provide expert advice to the City to support its decision making and direction to the contractor and to provide additional manpower support during construction activities for the reservoir and mechanical room structures and their appurtenances.

Based on our experience with similar projects, the following scope of services describes the anticipated tasks and level of effort anticipated for the construction phase of the Project.

It is recognized, though, that due to the nature of field construction and the highly variable conditions and circumstances that may be encountered, it is very difficult to accurately predict the exact level of construction phase services and fee which will be needed. If the construction contractor is cooperative and the Project proceeds smoothly, a reduced level of effort may be appropriate. Conversely, difficult field conditions or relations with the contractor or an extended construction period could require additional effort and fee. Therefore, key assumptions and budgetary amounts are provided for Construction Phase Services tasks, based on past experience.

The extent of engineering services is based upon the following construction phase schedule assumptions:

1. It is assumed that the construction contract will require 21 months for completion. Of this, it is assumed that the schedule will generally follow the following steps and durations:
 - a. Mobilization, subgrade remediation, and foundation soil placement – 4 months.
 - b. Reservoir tank and appurtenance construction – 12 months.
 - c. Offsite pipelines and onsite pipelines and mechanical building – 7 months, 4 months of which will be partially concurrent with reservoir tank construction.
 - d. Testing and start-up – 2 months.
2. It is our understanding that the City will act as the construction manager for the Project. It is assumed that AECOM's office engineering support services will occur over the entire 21-month duration of the construction contract.
3. For field support services however, AECOM will provide assistance to the City's construction manager, including:
 - a. AECOM will provide personnel prior to concrete placement activities for the first occurrence of each major structural component, i.e., the first concrete placement for a wall footing, a wall panel, a floor panel, a roof panel, and a column. The purpose of this activity will be to provide personnel experienced in construction of hydraulic structures and reinforced concrete construction to observe the preparatory work of the contractor (formwork, reinforcing steel, concrete mix design delivery, testing, and control, etc.) and advise the City's construction manager and field inspection staff of any concerns identified, keeping in mind that the construction contractor is ultimately solely responsible for the quality of the work and adherence to all requirements of the contract documents.
 - b. It is assumed that the City will directly contract with specialty inspectors when needed per building code and will coordinate those efforts. It is also assumed the City will directly contract with a geotechnical engineering firm to provide observation and

technical input to the City for subgrade remediation and foundation soil placement activities.

Office Engineering Services

During the construction phase, AECOM will provide the following office engineering services:

1. AECOM staff will prepare for and attend the preconstruction conference. AECOM staff will include the design phase project manager, the design phase project engineer, and the construction phase resident engineer.
2. Review and comment on contractor submittals beyond those to be reviewed by the City staff. For purpose of the fee estimate it has been assumed that AECOM staff will review approximately 150 submittals and 50 resubmittals based on our experience with similar projects. Consult and advise the Client on the acceptability of substitute materials and equipment proposed by the contractor.
3. Prepare for and attend up to six (6) meetings at the Project site to help resolve technical construction issues or to coordinate work activities.
4. The City's construction manager will provide general construction contract administration services during the construction phase, including such tasks as progress payment review, cost accounting, budget tracking, general correspondence with the Client and Contractor, etc. AECOM will provide consultation to the City to support this effort.
5. Prepare clarification sketches, if required, during construction to address issues resulting from unanticipated field conditions or other field changes. Up to three (3) sketches are assumed.
6. Make record changes to the drawings based upon contractor-furnished record of construction changes.
7. Provide engineering support services to the Client during the 12-month warranty period, including eleventh month warranty inspection and coordination and inspection of remedial work performed by the contractor.

Field Services

During the construction phase of the Project, AECOM will provide the following field services:

1. Supporting the City's Construction Manager, provide on-site project observation and field engineering services during the construction phase of the concrete tank structure to observe progress and quality of work and provide technical input to the City's construction manager. A total of seven field visits are assumed, one each for prior to the first occurrence of concrete placement of a major tank structural component (wall footing, wall panel, floor

panel, roof panel, and column) and two additional to be used as-needed when requested by the City.

2. The City's construction manager will prepare agendas for and hold weekly on-site progress meetings with the general contractor, subcontractors, and on-site engineering support team. The AECOM design phase project manager, project engineer, or other AECOM team staff will attend the meetings as requested. It is assumed that AECOM office engineering staff members may attend up to 25 such meetings.
3. The City's construction manager will be responsible for issuing necessary interpretations and clarifications of the contract documents and making recommendations as to the acceptability of the work. AECOM will provide technical support to this effort. For purposes of the fee estimate, a budgetary amount is included.
4. The City's construction manager will be responsible for conducting negotiation of construction contract change orders to address design changes, unanticipated field conditions, additional work requests, etc. AECOM will provide technical assistance and input to the City to support this effort. For purposes of the fee estimate, a budgetary amount is included.
5. Along with the City's construction manager, observe initial operation and testing of the completed project. Assist the City to prepare a punch list of deficiencies and follow up with the contractor to finalize all work.
6. Along with the City's construction manager, perform final inspection of the project and make recommendations for final payment, final acceptance, and release of retainer fees or securities of the contractor.

Task 13. CEQA Support

As requested by the City, AECOM may be asked to help support CEQA documentation. Below is a list of the items in which we may be asked to help gather data:

1. Grading
 - a. Import/export material quantity estimates
 - b. Equipment used, truck trips (see air quality modeling below)
2. Drainage
 - a. Characterization of drainage before/after redevelopment to public space
 - b. How this relates to removal of existing reservoir structure (impervious surfaces) and grading activities

- c. New drainage features (v-ditch, drain inlets, culverts, French drain, etc.)
- 3. Security Lighting
 - a. Type, orientation, lumens, and placement
- 4. Air Quality
 - a. Construction of this project has the potential to generate inhalable particulates (PM₁₀) emission in excess of MBUAQD significance thresholds (82 lbs/day).
 - b. For each phase that could occur we need type and number of equipment (the air model contains a list to select from that we can give you), as well as, the start and finish dates of the phase and number of days per week that phase would occur.
 - c. Construction Phases/Emission Sources:
 - (1) Fine Site Grading
 - (a) Fugitive Dust –(technically, none allowed)
 - (i) Quantity of onsite and offsite cut/fill (cubic yards per day);
 - (ii) Onsite scraper and offsite haulage (hrs/day);
 - (iii) Onsite and offsite haulage (tons-miles per day)
 - (b) Soil Hauling
 - (i) Total amount of soil imported and exported (cubic yards)
 - (ii) Haul truck capacity (cubic yards/truck)
 - (iii) Round trip distance (miles)
 - (c) Equipment
 - (i) Equipment type (list)
 - (ii) Number of type Used
 - (2) Paving
 - (a) Equipment
 - (i) Equipment type (list)
 - (ii) Number of type Used

- (3) Building and Tank Construction
 - (a) Worker Trips (trips per unit)
 - (b) Vendor/Supplier Trips (trips per unit)
 - (c) Equipment
 - (i) Equipment Type (list)
 - (ii) Number of Type Used
- (4) Demolition
 - (i) Total volume of all buildings
 - (ii) Maximum daily volume of buildings to be demolished concurrently
 - (iii) Truck hauling of demolished materials – on road exhaust
 - (iv) Equipment
 - (v) Equipment type (list)
 - (vi) Number of type Used
- (5) Mass Site Grading (see “Grading” above)
 - (a) Same info needs as Fine Site Grading above
- (6) Trenching
 - (a) Equipment
 - (i) Equipment type (list)
 - (ii) Number of type Used
 - (iii) For each phase type - Start Date
 - (iv) For each phase type - End Date
 - (v) For each phase type - Workdays per Week

A budget increase of \$31,840 is required for these services.

Credits for Original Contract Services No Longer to Be Performed

Credit for Simple Valve Vault

The original design called for a simple valve vault. The valve vault will be incorporated into the mechanical space design. It was anticipated that a fee of \$21,000 would be required for the mechanical, electrical, instrumentation, and structural design of the simple valve vault.

A credit of \$21,000 has been applied to the anticipated design cost of the mechanical space.

Credit for Reduced “Second Tank” Design Effort

The original Scope of Services included tasks and budget to prepare contract documents for the construction of the second Bay Street Reservoir tank. Since the timing of construction of this second tank is unlikely in the near term, the City has elected to defer this effort. As part of overall space planning, it is necessary to prepare a preliminary design for the second tank in order to design the facilities for the first tank to minimize conflict with that future work. AECOM will prepare a preliminary design for the second tank to be comprised of a preliminary plan and a preliminary section drawing.

The original budget for design of the Second Tank was \$48,700.

A credit of \$35,000 is provided to address this reduction of scope, leaving budget to prepare a preliminary design for the future second tank.

Contract Amendment 2 Fees and Budget

City of Santa Cruz Water Department
 Bay Street Reservoir Replacement
 City Requested Additional Services

Additional Services Budget
 (February 17, 2011)

AECOM
 Project Manager: Greg Keppler

Task Description	Personnel Hours										Total Hours	Budget		
	Principal Engineer	Principal Electrical	Principal Structural	Resident Engineer	Senior Engineer I	Associate Engineer	Assistant Engineer	CAD Supervisor	CAD Drafter	Clerical		Labor	Non-Labor Fee	Total
1. Additional General Services (3 Phases)														
Project Management	44					90							134	\$ 22,730
Quality Control		24		24				16					100	\$ 18,036
Project Meetings (6 Additional)	48	16		16		36							116	\$ 22,884
Assistance with Public Outreach (3 Additional)	12					24							56	\$ 8,600
Subtotal	104	40	40	-	-	186	-	32	-	4	4	406	72,250	\$ 5,225
2. Reservoir Tank Drawings and Specifications														
RS-13, Special Foundation Preparation Details and Notes			14					4	8	3		29	\$ 4,648	\$ 116
Site-Specific Foundation Remediation	14									4		18	\$ 3,400	\$ 172
RC-1 Foundation Remediation Plan	6					12						32	\$ 4,570	\$ 128
RC-2 Foundation Remediation Details and Notes	4					8						22	\$ 3,110	\$ 172
Subtotal	24	-	14	-	-	20	10	4	22	7	101	15,728	\$ 588	\$ 16,316
3. Additional Offsite Storm Drain System Design														
RC-3 Storm Drain Upgrade Plan and Profile (Cardiff Place)					14	8		12				34	\$ 5,230	\$ 136
RC-4 Storm Drain Details - 1 (Cardiff Place)					12	4		8				24	\$ 3,760	\$ 166
RC-5 Storm Drain Details - 2 (Cardiff Place)					12	4		8				24	\$ 3,760	\$ 96
RC-6 Details and Specifications					12	8		8		2		30	\$ 4,500	\$ 120
Drainage Report	10						48		10			72	\$ 9,690	\$ 121
Research County Standards & Hydrology Calculations						30						30	\$ 4,350	\$ 150
Utility Research, Coordination & Additional Hydraulic Analysis					24							26	\$ 4,360	\$ 104
Subtotal	10	-	-	-	74	54	48	40	10	4	240	35,650	\$ 893	\$ 36,543
4. Additional Coordination - Foundation Mitigation														
Review Borings			16			8						24	\$ 4,712	\$ 96
Meetings with Geotechnical Engineer						12			1			21	\$ 3,596	\$ 84
Pressure Grouting	4		2			3						5	\$ 879	\$ 64
Over excavation						3						5	\$ 879	\$ 62
Step Grout Columns						2						4	\$ 734	\$ 74
Meetings with Geotechnical Engineer (Internet + phone)						16						24	\$ 4,096	\$ 96
Quality Control	2											6	\$ 760	\$ 84
Subtotal	2	-	38	-	-	44	-	-	-	5	89	15,656	\$ 560	\$ 16,216
5. Alternative Conceptual Site/Grading Plans and Final Design Revisions														
Revise Contour Plan & Balance Site (One More Version)	12					32		40				84	\$ 12,660	\$ 340
Generate Contour Plan & Balance Site to Date						124		130				254	\$ 35,530	\$ 475
Revise Plans (5-6 sheets) to Reflect New Concept	12					68		120		8		94	\$ 29,340	\$ 440
Subtotal	24	-	-	-	-	224	-	290	-	8	432	77,550	1,255	\$ 78,805
6. Reservoir Structural Alternative Evaluations														
Evaluate Alternative Tank Foundation Types						16						16	\$ 2,320	\$ 24
Ring wall/Mat and Column Footings + Pump House Drawings			12									12	\$ 2,664	\$ 38
Develop Preliminary Loads and Footing Pressures												8	\$ 1,776	\$ 42
Evaluate Loads vs. Soil Settlement												12	\$ 2,664	\$ 28
Quantities and Estimating												12	\$ 2,664	\$ 28
Flat Slab/Mat Foundation												36	\$ 6,160	\$ 54
Review Wall and Column Loads						16						16	\$ 3,552	\$ 54
Computer Analysis for Slab Design												4	\$ 888	\$ 24
Quantities and Estimating												4	\$ 912	\$ 24

Contract Amendment 2 Fees and Budget

City of Santa Cruz Water Department
 Bay Street Reservoir Replacement
 City Requested Additional Services

Additional Services Budget
 (February 17, 2011)

AECOM
 Project Manager: Greg Keppler

Task Description	Personnel Hours										Budget			
	Principal Engineer	Principal Electrical	Principal Structural	Resident Engineer	Senior Engineer I	Associate Engineer	Assistant Engineer	CAD Supervisor	CAD Drafter	Clerical	Total Hours	Labor	Non-Labor Fee	Total
Evaluation Report														
Summarize Alternative Evaluations			32			16				18	66	\$ 10,864	\$ 73	\$ 10,937
Review Findings Coordinate with Client											10	\$ 1,600	\$ 39	\$ 1,639
Meetings with Client (Phone)	2					8				4	6	\$ 760	\$ 84	\$ 844
Quality Control										22	186	\$ 33,848	\$ 460	\$ 34,308
Subtotal	4	-	104	-	-	56	-	-	-	-	-	-	-	6,721
7. Additional Survey Required	1	-	-	-	-	1	-	5	5	-	7	\$ 1,040	\$ -	\$ 1,040
Topographic Survey - Record of Survey - sub														
a. Topographic Survey - coordination														
Subtotal	1	-	-	-	-	1	-	5	5	-	7	\$ 1,040	\$ -	\$ 1,040
8. Mechanical Space Drawings and Specifications	10	10	10	10	16	16	10	10	18	18	54	\$ 8,060	\$ 112	\$ 8,172
MP-101 Mechanical Space Floor and Roof Plans														
MP-102 Mechanical Space Details														
MP-103 Mechanical Space Details														
P-1 Chemical Feed and Process Schematic														
P-2 Chemical Area Piping Plan and Details														
P-3 Chemical Storage Area Sections and Details														
M-10 Mechanical Space Piping Plan and Notes														
M-11 Mechanical Space Section and Notes														
M-12 Mechanical Space Details														
M-13 Mechanical Space Piping														
Details and Specifications														
Subtotal	10	10	10	10	16	16	10	10	18	18	54	\$ 8,060	\$ 112	\$ 8,172
9.2 Architectural	14	14	14	14	16	16	10	10	14	14	44	\$ 6,530	\$ 122	\$ 6,652
A-1 Mechanical Space Floor Plans														
A-2 Mechanical Space Elevations														
A-3 Mechanical Space Sections														
A-4 Mechanical Space Finishes and Door Schedules														
Details and Specifications														
Subtotal	12	12	12	12	16	16	10	10	14	14	44	\$ 6,530	\$ 122	\$ 6,652
9.3 Structural	24	24	24	24	24	24	8	8	12	12	46	\$ 7,708	\$ 180	\$ 7,888
S-1 Mechanical Space General Plan														
S-2 Lower Level Foundation Plan														
S-3 Roof Plan														
S-4 Mechanical Space Section and Details														
S-5 Mechanical Space Roof Section and Details														
S-6 Mechanical Space Typical Structural Details and Notes														
S-7 Structural Details														
S-8 Structural Details (Foundation Notes and Details)														
S-9 Vaults & Misc. Structures														
Subtotal	24	24	24	24	24	24	8	8	12	12	46	\$ 7,708	\$ 180	\$ 7,888
9.4 Electrical	8	8	8	8	16	16	16	16	14	14	38	\$ 5,906	\$ 128	\$ 6,034
E-4 Mechanical Space Power and Signal Plan														
E-5 Mechanical Space Lighting and Receptacle Plan														
E-6 Mechanical Space Electrical Schedule														
E-7 Mechanical Space Conduit Schedule														
E-8 Mechanical Space Electrical Details														
L-4 Mechanical Space and Chemical Feed P&ID														
Details and Specifications														
Subtotal	24	24	24	24	24	24	8	8	12	12	38	\$ 5,906	\$ 128	\$ 6,034
9.5 Geotechnical Review	24	24	24	24	24	24	20	236	460	35	1,509	\$ 235,026	\$ 4,404	\$ 239,430
Develop Site-Specific Foundation Notes and Details														
Subtotal	146	56	262	-	294	-	20	236	460	35	1,509	\$ 235,026	\$ 4,404	\$ 239,430

Contract Amendment 2 Fees and Budget

City of Santa Cruz Water Department
 Bay Street Reservoir Replacement
 City Requested Additional Services

Additional Services Budget
 (February 17, 2011)

AECOM
 Project Manager: Greg Keppler

Task Description	Personnel Hours										Budget			
	Principal Engineer	Principal Electrical	Principal Structural	Resident Engineer	Senior Engineer I	Associate Engineer	Assistant Engineer	CAD Supervisor	CAD Drafter	Clerical	Total Hours	Labor	Non-Labor Fee	Total
Review of Additional Grading and Subgrade Remediation Plans (following from development of alternatives)					8			4		4	16	2,260	16,720	18,980
Supplemental Development of Cardiff Place Pipeline Recommendations											-	-	11,440	11,440
Supplemental Development of Recommendations for Mechanical Building											-	-	7,480	7,480
Subtotal	-	-	-	-	8	-	-	4	-	4	16	2,260	35,640	37,900
10. SWPPP Generate Plans, Documents & Support	46					16		16	34	16	128	19,110	1,759	20,869
Subtotal	46	-	-	-	-	16	-	16	34	16	128	19,110	1,759	20,869
11. Sanitary Sewer Design Generate Plans & Documents						20		40	24	8	92	11,220	1,759	12,979
Subtotal	-	-	-	-	-	20	-	40	24	8	92	11,220	1,759	12,979
12. Construction Phase Services Office Engineering Services - See Attached for Detail	161	38	38	28	305	144		12	100	216	1,042	159,567	8,732	168,299
Field Services - See Attached for Detail	36	16	56		60				19		187	34,124	4,000	38,124
Subtotal	197	54	94	28	305	204	-	12	100	235	1,229	193,691	12,732	206,423
Optional Services - CEQA Support														
Grading						20		20			40	5,600	50	5,650
Drainage	20								16		36	5,920	50	5,970
Security	12										12	2,640	50	2,690
Air Quality	20				20	28		24			116	17,480	50	17,530
Subtotal	52	-	-	-	20	48	-	44	40	-	204	31,640	200	31,840
SUBTOTAL - NEW SCOPE OF SERVICES	558	150	552	28	681	825	78	679	650	348	4,767	744,669	72,196	816,865
Credits for Work Not to be Performed														
Simple Vault Design (replaced by Mechanical Space)											-	-		\$ (21,000)
Reduced Scope for Future Second Tank (pre-design in lieu of contract documents)											-	-		\$ (35,000)
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ (56,000)
TOTAL- AMENDMENT 2														\$ 760,865

Amounts shown are fee.

Personnel Category	\$/HR
Principal Engineer	\$220.00
Principal Electrical	\$222.00
Principal Structural	\$222.00
Resident Engineer	\$165.00
Senior Engineer I	\$175.00
Associate Engineer	\$145.00

Contract Amendment 2 Fees and Budget

City of Santa Cruz Water Department
 Bay Street Reservoir Replacement
 City Requested Additional Services

Additional Services Budget
 (February 17, 2011)

AECOM
 Project Manager: Greg Keppler

Task Description	Personnel Hours											Budget			
	Principal Engineer	Principal Electrical	Principal Structural	Resident Engineer	Senior Engineer I	Associate Engineer	Assistant Engineer	CAD Supervisor	CAD Drafter	CAD Drafter	Clerical	Total Hours	Labor	Non-Labor Fee	Total
												Assistant Engineer CAD Supervisor CAD Drafter Clerical	\$125.00 \$135.00 \$95.00 \$80.00		

Appendix 3
 Contract Amendment 2 Schedule
 (February 17, 2011)

Project Task Name	10/1/2010	10/8/2010	10/15/2010	10/22/2010	10/29/2010	11/5/2010	11/12/2010	11/19/2010	11/26/2010	12/3/2010	12/10/2010	12/17/2010	12/24/2010	12/31/2010	1/7/2011	1/14/2011	1/21/2011	1/28/2011	2/4/2011	2/11/2011	2/18/2011	2/25/2011	3/4/2011	3/11/2011	3/18/2011	3/25/2011	4/1/2011	4/8/2011	4/15/2011	4/22/2011	4/29/2011	5/6/2011	5/13/2011	5/20/2011	5/27/2011	6/3/2011	6/10/2011	6/17/2011	6/24/2011	7/1/2011	7/8/2011	7/15/2011	7/22/2011										
Prepare (45%) Reservoir Facility Design																																																					
45% QC/QA																																																					
Review by City Water Department																																																					
Prepare (70%) Reservoir Facility Design																																																					
70% QC/QA																																																					
Review by City Water Department																																																					
Prepare (90%) Reservoir Facility Design																																																					
90% QC/QA																																																					
Review by City Water Department																																																					
Prepare Final Design																																																					
Final QC/QA																																																					
Bid Assistance																																																					
Award Contract																																																					

ASSIGNMENT AND CONSENT AGREEMENT

RECITALS

WHEREAS, the City of Santa Cruz (the "City") and Boyle Engineering Corporation, a California corporation, executed that certain agreement for Professional Services dated April 10, 2008; (the "Bay Street Reservoir Replacement Project"); and

WHEREAS, AECOM USA, Inc., a New York corporation, ("Assignor") became the successor in interest, by merger, to Boyle Engineering Corporation on or about February 25, 2009; and

WHEREAS, Assignor wishes to assign the Contract to its parent company, AECOM Technical Services, Inc., a California corporation, ("Assignee"), Tax Identification Number 95-261922; and

WHEREAS, the City consents to the assignment of the Contract.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ASSIGNMENT

Assignor hereby assigns, transfers and conveys all of its rights, obligations, title, interest and liabilities in and to the Contract to Assignee. Assignee hereby accepts such assignment and assumes all of Assignor's rights, obligations, title, and liabilities in and to the Contract, whether such rights, obligations, title, interest or liabilities arose before or after the date of this Agreement.

CONSENT TO ASSIGNMENT

City hereby consents to the assignment of the Contract from Assignor to Assignee and agrees to look solely to Assignee for the continued performance of the Contract.

Executed this _____ day of _____, 2010.

ASSIGNOR

AECOM USA, INC.

By: C. M. Alario

Name: Chris Alario

Title: Vice President

ASSIGNEE

AECOM TECHNICAL SERVICES, INC.

By: C. M. Alario

Name: Chris Alario


Title: Vice President

CITY OF SANTA CRUZ

By: _____

Name: _____

Title: _____


APPROVED AS TO FORM
11-7-10
CITY ATTORNEY



CITY COUNCIL AGENDA REPORT

DATE: February 17, 2011

AGENDA OF: March 8, 2011

DEPARTMENT: City Clerk

SUBJECT: Advisory Body Nomination—Santa Cruz County Hazardous Materials
Advisory Commission (One Reappointment, with a Term Expiration of
4/1/15) (CC)

RECOMMENDATION: Motion to nominate Fire Battalion Chief Mike Venezia for reappointment by the County Board of Supervisors to the County Hazardous Materials Advisory Commission.

DISCUSSION: The City of Santa Cruz has one nomination to the Santa Cruz County Hazardous Materials Advisory Commission. Appointments are made by the County Board of Supervisors. The City's current representative, Mike Venezia, of the Fire Department, has a term expiration of April 1, 2011. Battalion Chief Mike Venezia has volunteered to continue serve on this post and is seeking nomination for reappointment. His second term will have an April 1, 2015 expiration date.

The following person is seeking nomination for reappointment to the County Hazardous Materials Advisory Commission:

Venezia, Mike

FISCAL IMPACT: There is no fiscal impact.

Prepared by:
Rosemary Balsley
Administrative Assistant II

Submitted by:
Tom Graves
Interim City Clerk Administrator

Approved by:
Martin Bernal
City Manager

ATTACHMENTS: None.



City Council Meeting Calendar

Date	Time	Location	Topic
March 1, 2011	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Litigation Session Special City Council Meeting
March 8, 2011 *See last page for presentation information	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
March 22, 2011 *See last page for presentation information	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
April 5, 2011	5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Litigation Session CIP Hearings
April 12, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
April 26, 2011 *See last page for presentation information	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
May 3, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Litigation Session Study Session
May 10, 2011 *See last page for presentation information	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
May 24, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
June 7, 2011	8:30 a.m.	Courtyard Conf. Room Council Chambers	Special Meeting Budget Hearings

June 14, 2011 *See last page for presentation information	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
June 28, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
July 5, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Session Study Session
July 12, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Budget Adoption Regular Council/Redevelopment Agency Open Sessions
July 26, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
August			
September 6, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Session Study Session
September 13, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
September 27, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
October 4, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Session Study Session
October 11, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions

October 25, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
November 1, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Session Study Session
November 8, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
November 22, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions
December 6, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Session Study Session
December 13, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room Council Chambers	Regular Council/Agency Closed Session Regular Council/Redevelopment Agency Open Sessions

Presentations:

March 8, 2011	3:00 p.m. 7:00 p.m.	Caltrans presentation (15 min) (Bryan Parker) (Schneiter) Hope Services – Sheryl Hagemann (Koht)
March 22, 2011	7:00 p.m.	Santa Cruz Little League (Clint McCormick) (Coonerty) Housing Issues (Berg)
April 26, 2011	7:00 p.m.	Presentation – CPVAW/PD (Agnone) Wayfinding (Birns)
May 10, 2011	7:00 p.m.	Museum of Natural History – Dan Harder (Shoemaker)
June 14, 2011	7:00 p.m.	Student Art Exhibit (Birns)

Council Membership in City Groups and Outside Agencies

Councilmembers will have the opportunity to present oral updates to Council and the public. Councilmembers may provide direction, request additional information or that a topic raised be agendized for future Council action. The Presiding Officer may request oral updates from Council ad hoc Committees.

The Presiding Officer will ask representatives of each entity if there is any oral update.

Name of Agency/Organization	Currently Serving
Association of Monterey Bay Area Governments (AMBAG)	L. Robinson, T. Madrigal (alternate)
City of Santa Cruz/Soquel Creek Water District (SqCWD) Desalination Project	D. Terrazas, D. Lane R. Coonerty (Alt.)
City Schools Committee	T. Madrigal, R. Coonerty, H. Bryant
City Council Ad-Hoc Committee on Technology	R. Coonerty, H. Bryant, D. Terrazas
Community Action Board	T. Madrigal, David Sweet (alternate)
Community Programs Committee	R. Coonerty, L. Robinson, H. Bryant
Conference and Visitors' Council	L. Robinson, D. Terrazas
Cultural Council Board City Representative	K. Beiers
Downtown Management Corporation	L. Robinson, H. Bryant
Economic Development Council (Mayor/Vice Mayor)	R. Coonerty, H. Bryant, D. Lane
Library Joint Powers Authority Board	K. Beiers, D. Terrazas
Library Financing Authority	D. Terrazas
Local Agency Formation Commission (LAFCO)	D. Lane
Monterey Bay Unified Air Pollution Control District	2011 City of Capitola
Public Safety Committee	D. Lane, L. Robinson, D. Terrazas
Sanctuary Inter-Agency Task Force	K. Beiers, R. Coonerty
Santa Cruz County Children's Network	D. Shoemaker, C. Scurich (alt.)
Santa Cruz Community Farmers Market, Inc.	L. Robinson
SC County Integrated Waste Management Local Task Force	D. Terrazas, Alan Schlenger (alternate) Bob Nelson, Mary Arman (alternate)
Santa Cruz Metropolitan Transit District Board	L. Robinson, H. Bryant
SC County Regional Transportation Commission (SCCRTC)	D. Lane, L. Robinson (alternate)

Public comment on the reports given will be heard at a time to be determined by the Presiding Officer.