AGENDA

Meeting of the
Scotts Valley City Council
In-Person and Remote Access
Date: February 18, 2026
Time: 6:00 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066 OR Zoom Video Conference https://us02web.zoom.us/j/83295730901	Agenda posted on 2-13-2026 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at: www.scottsvalley.gov

ELECTED OFFICIALS	CITY STAFF MEMBERS
Donna Lind, Mayor Steve Clark, Vice Mayor Krista Jett, Council Member Derek Timm, Council Member Greg Wimp, Council Member	Mali LaGoe, City Manager Kirsten Powell, City Attorney Cathie Simonovich, City Clerk

MEETING NOTICE AND AGENDA PACKET MATERIALS

Notice regarding City Council Meetings:
The City Council meets regularly on the 1st and 3rd Wednesday of each month at 6:00 PM in the City Hall Council Chambers located at 1 Civic Center Drive, Scotts Valley, CA 95066, and via Zoom Webinar remote access.

Agenda and Agenda Packet Materials:
The City Council agenda and the complete agenda packet are available for review by 5:00 PM the Friday before the Wednesday meeting on the Internet at the City's website: www.scottsvalley.gov and in the lobby of City Hall at 1 Civic Center Drive, Scotts Valley, CA. Pursuant to Government Code §54957.5, materials related to an agenda item, submitted after distribution of the agenda packet, are available for public inspection in the lobby of City Hall during normal business hours, Monday-Friday, 8am-12 pm and 1-5 pm. In accordance with AB 1344, such documents will be posted on the City's website at www.scottsvalley.gov.

Public Participation:
The meeting will be available on Zoom and livestreamed to the City of Scotts Valley's YouTube channel: https://www.youtube.com/@cityofscottsvalley
For those wishing to participate via Zoom you can join the following ways:
Zoom Webinar meeting link: https://us02web.zoom.us/j/83295730901
Or dial one of these numbers: (669) 900-9128 or (669) 444-9171
Webinar ID: 832 9573 0901

Whether attendance is in-person or remote, you will be given opportunities to provide public comment at the appropriate times throughout the meeting. The time limit is up to 3 minutes for an individual, or 5 minutes for someone who is representing a group of three or more, at the discretion of the Mayor. Please note that this is not a question-and-answer time, but simply a time to provide comments to the Council. At the appropriate times during the meeting for public comment, on items not on the agenda, and on specific agenda items, the Mayor will announce that public comment will be accepted.

How to comment via in-person attendance:
Please proceed to the public comment podium when the Mayor opens the item for public comment.

How to comment via Zoom Webinar:
Use the webinar attendee option to “raise hand” when the Mayor opens the item for public comment. The Clerk will unmute you when it is your turn. If you have joined via Zoom phone call, dial *9 or your phone to “raise your hand”, and the Clerk will unmute you when it is your turn.

CALL TO ORDER 6:00 PM

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

SPECIAL SET MATTER

COMMITTEE REPORTS

Council members are appointed to committees which are either City committees or committees dealing with other jurisdictions. This portion of the agenda allows the committee member to present oral or written reports to the Council regarding their committee assignments. It also allows the Council to make comments and give the committee member direction, as required.

CITY MANAGER REPORT

PUBLIC COMMENT TIME

This is the opportunity for individuals attending in person to make oral comments to the Council on any items within the purview of the Council, which are NOT part of the Agenda. No action on the item may be taken, but the Council may request the matter be placed on a future agenda. Written public comment may be emailed to the City Clerk by 5:00 PM on the day of the meeting at csimonovich@scottsvalley.gov.

ALTERATIONS TO CONSENT AGENDA

Council can remove or add items to the Consent Agenda.

CONSENT AGENDA

The Consent Agenda is comprised of items which are intended to be non-controversial and are approved without discussion. Persons wishing to speak on any item may request the item be moved to the Regular Agenda by raising their hand to be recognized by the Mayor. An item will only be moved from the Consent Agenda to the Regular Agenda if a City Council Member requests it to be moved and a majority of the Council agrees.

1. Approve City Council minutes of 02-04-2026
2. Adoption of a Resolution Approving an Application for Funding and Authorizing Execution of a Grant Agreement under the 2025 State Community Development Block Grant (CDBG) Program
3. Approve Salary Schedule Adjustment: Emergency Dispatch Clerk (EDC) Classification Series
4. Guiding Budget Principles for Fiscal Year 2026-2027
5. Approve contract between Scotts Valley Girls Softball League and the City of Scotts Valley for the use of the Siltanen Snack Shack

ALTERATIONS TO REGULAR AGENDA

Council can remove or add items to the Regular Agenda.

REGULAR AGENDA

Persons wishing to speak on any item may do so by raising their hand to be recognized by the Mayor.

1. 2026 Legislative Platform
2. Future Council Agenda Items

ADJOURNMENT

ADA NOTICE

The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a City Council meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the

City Clerk's office at (831) 440-5608 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a City Council meeting be available in an alternative format consistent with a specific disability, please call the City Clerk’s Office. The California State Relay Service (TTY/VCO/HCO to Voice: English 1-800-735-2929, Spanish 1-800-855-3000; or, Voice to TTY/VCO/HCO: English 1-800-735-2922, Spanish 1-800-855-3000), provides Telecommunications Devices for the Deaf and Disabled and will provide a link between the TDD caller and users of telephone equipment.

PROCEDURAL INFORMATION FOR THE PUBLIC

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN APPROVAL OF A RESOLUTION:

1. Move the Resolution number for approval.
2. Second the motion.
3. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN INTRODUCTION/ADOPTION OF AN ORDINANCE:

1. Move the Ordinance number for introduction (or adoption).
2. Move the Ordinance be introduced by title only and waive the reading of the text.
3. Read the Ordinance title.
4. Second the motion.
5. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN PUBLIC COMMENT/PUBLIC HEARINGS:

Unless otherwise determined by the presiding officer of the meeting:

1. Three minutes allowed per individual to speak.
2. Five minutes allowed per individual representing a group of three or more.

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MINUTES

Meeting of the
Scotts Valley City Council
Date: February 4, 2026
Time: 6:00 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066 OR Zoom Video Conference https://us02web.zoom.us/j/83295730901	The agenda was posted on 1-30-2026 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at www.scottsvalley.gov.

CALL TO ORDER 6:00 PM

The City Council meeting was called to order at 6:00 PM.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT:	CITY STAFF MEMBERS PRESENT:
Donna Lind, Mayor Steve Clark, Vice Mayor Krista Jett, Council Member Derek Timm, Council Member Greg Wimp, Council Member	Mali LaGoe, City Manager Kirsten Powell, City Attorney Jayson Rutherford, Interim Police Chief Taylor Bateman, Community Development Director Rodolfo Onchi, Public Works Director Cathie Simonovich, City Clerk

SPECIAL SET MATTER

1. Mayor's Proclamation celebrating Alfred Hitchcock Week March 2nd through March 8th, 2026

Mayor Lind presented the proclamation to recognize March 2 through March 8 as Alfred Hitchcock Week in the City of Scotts Valley. Dave Hodgin and Victor Alejandro, organizers of the Hitchcock Festival that will be on March 6 through March 8 at The Landing, accepted the proclamation and said a few words about the festival.

COMMITTEE REPORTS

CM Timm attended a Central Coast Community Energy (3CE) board meeting where they received the annual report. He noted that 3CE is now serving $1.2M customers (93% of households in the counties they serve). They approved rate adjustment decreases of about 25%. However, PG&E is increasing their transportation and freight charges, which will negate this rate decrease.

CM Jett, as the Council representative to the Youth Action Network, met with the leadership team of the Pathways to Possibilities (P2P) group where they discussed plans for the future of the group and brainstormed ideas to engage city leadership and local officials. CM Jett will attend the P2P meeting at Scotts Valley High School on Monday and also plans to attend the Youth Action Network Election Summit on February 27 with VM Clark.

VM Clark attended the Library Financing Authority meeting where they accepted the financial statements and auditor reports for the fiscal year ending June 2025. They also reviewed revised revenue estimates for fiscal year 2025-26 and revenue projections for 2026-27. He noted that revenue exceeded expectations partially due to an increase in sales tax revenue (Measure R).

CM Wimp continues with his onboarding for the Association of Monterey Bay Area Governments (AMBAG).

CM Wimp attended the ribbon cutting ceremony for the Skypark big kids' playground.

Mayor Lind attended a Santa Cruz Metropolitan Transit District (METRO) board meeting and noted that METRO was able to reduce the sound level within the acceptable noise-level requirements at the hydrogen fueling station. They received notification from the City of Santa Cruz that they will not be taking any further action since the noise levels are within the acceptable range. Mayor Lind reported that METRO offered free fares today for Transit Equity Day, and they are exploring a possible sales tax measure on an upcoming ballot.

CITY MANAGER REPORT

City Manager LaGoe attended the ribbon cutting ceremony for the big kids' playground at Skypark on January 31.

The Request for Proposals (RFP) for development partners for the Town Center is on track to be released by the end of February.

With the federal budget passing last night, the City's latest Federal Earmark request was funded for $682K. This funding, supported by Congressional Representative Panetta, is from the Department of Justice to replace our police dispatch consoles and upgrade technology that will be compatible with the new RING interoperable radio system being installed countywide.

City staff members attended a RING meeting this week to kick off the construction phase of the project. Construction is expected to take 3 years.

The City received a check for over $66K from the former Scotts Valley Community Advocates representative, Sara DeLeon, fulfilling the funding commitment made for the new tot lot at Skypark. These funds allowed for the installation of the soft surface under the entire tot lot area.

Staff have continued working on several grant opportunities, including hosting two community meetings regarding the next round of Community Development Block Grant (CDBG) funding, and the Police Department has applied for two grants – one for additional traffic and DUI enforcement and another for bike/e-bike education and safety. The latter was in partnership with Ecology Action.

The Police Department is in the process of hiring two additional officers, one lateral and one new hire. The Police Department also participated in a large-scale critical incident tabletop exercise at UCSC that involved allied law enforcement agencies.

The City has a side letter agreement with the Police Officer Association to make some staffing adjustments in the Dispatch area. Our shared goal is to create more of a career ladder for our dispatch and records staff. An item will be on the next Council agenda related to this improvement.

Last week, City Manager LaGoe and Interim Chief Rutherford attended a Police Chief-City Manager two-day training session in Monterey hosted by the California Police Chiefs Association. The focus was on understanding each other's roles and finding ways to support one another while also supporting the City.

The Glenwood Slide repair should be completed next week. Per the Water District's request, we added relocation of the Water District's water main to the scope of work.

The Scotts Valley Drive Sinkhole repair work is ongoing. Caltrans and PGE are working to provide permanent power to the signals in the next week or two.

Staff met this week with the Scotts Valley Girls Softball League regarding getting the snack shack back up and running.

Interviews will be held this week with the firms who responded to our Request for Proposals (RFP) for the Skypark Master Plan.

The Citywide Leadership Team met last week to kick off the 2026-27 budget development process and to discuss using cross-department teams to tackle citywide issues like updating our administrative policies and clarifying procedures that require multiple department involvement.

Today, the sales tax results from the third quarter of 2024 (Q3 2024) were reviewed. Overall, sales tax is lining up with prior expectations of being basically flat, and we are seeing the impacts of lower gas prices and builder uncertainty impacting the City's revenue.

An emergency preparedness tabletop exercise with City staff will be conducted tomorrow to continue the planning and preparation for future emergency events.

City Manager LaGoe will be attending the CalCities City Manager conference on Wednesday and Thursday of next week.

Reminders:

- Feb 16th is Presidents' Day and city offices will be closed.
- The Citizens Academy application period closes on February 20.
- The Community Grant RFP also closes on February 20.
- Follow the City on Social Media.
- Sign up for the City's newsletter.

PUBLIC COMMENT TIME

Sue Draper, a Scotts Valley resident, commented that the new playground at Skypark is amazing and has received rave reviews.

ALTERATIONS TO CONSENT AGENDA

M/S: Timm/Jett
To approve the Consent Agenda with no alterations.
Carried 5/0 (AYES: Lind, Clark, Jett, Timm, Wimp)

CONSENT AGENDA

1. Approve City Council Special meeting minutes of 01-16-2026 and Regular Meeting minutes of 01-21-2026

2. Approve Fifth Amendment to the Joint Powers Agreement between the City of Santa Cruz and the County of Santa Cruz and the Cities of Capitola and Scotts Valley, relating to library services, to extend the term effective January 1, 2026 through June 30, 2032 and Authorize the City Manager to Execute the Fifth Amendment

3. Update on emergency actions taken for the Scotts Valley Drive Sinkhole Repair Project

4. Ratify appointment of Scotts Valley Senior Center Advisory Commission Member

ALTERATIONS TO REGULAR AGENDA

M/S: Timm/Jett
To approve the Regular Agenda with no alterations.
Carried 5/0 (AYES: Lind, Clark, Jett, Timm, Wimp)

REGULAR AGENDA

1. Future Council Agenda Items

None.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 6:27 PM to discuss the following items:

CLOSED SESSION SUBJECTS

1. Conference with legal counsel regarding liability claim
   Legal Authority: Government Code Section 54956.9
   Name of Case: Tavare Harris Claim
   Staff Present: City Manager, City Attorney, Interim Police Chief

2. Conference with legal counsel regarding anticipated litigation
   Legal Authority: Government Code Section 54956.9(d)(4)
   Number of Cases: 1
   Staff Present: City Manager, City Attorney, Public Works Director

3. Conference with legal counsel regarding real property negotiations
   Legal Authority: Government Code Section 54956.8
   Location: 2 lots between 201 and 241 Kings Village Road, Scotts Valley; APNs 022-601-05 and 022-601-13
   Staff Present: City Manager, City Attorney

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 7:07 PM.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

City Attorney Powell reported that the City Council voted unanimously to deny the claim filed by Tavare Harris.

ADJOURNMENT

The meeting adjourned at 7:08 PM.

Approved: ___________________________
Donna Lind, Mayor

Attest: ______________________________
Cathie Simonovich, City Clerk

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 2/18/2026

TO: Honorable Mayor and City Council

FROM: Mali LaGoe, City Manager

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Adoption of a Resolution Approving an Application for Funding and Authorizing Execution of a Grant Agreement under the 2025 State Community Development Block Grant (CDBG) Program**

SUMMARY OF ISSUE

The City of Scotts Valley is applying for funding through the 2025 State Community Development Block Grant (CDBG) Program administered by the California Department of Housing and Community Development (HCD). The proposed activity will fund staffing support for the Scotts Valley Senior Center, including a part-time receptionist and a full-time recreation coordinator, to restore and expand essential services for older adults, including the resumption of Meals on Wheels dining services.

In order to submit an application, HCD requires the City Council to adopt a resolution authorizing the application and designating the official authorized to execute grant documents. The resolution must follow the required template provided in Appendix C of the 2025 NOFA.

The Community Development Block Grant (CDBG) Program provides federal funds to local jurisdictions to support activities benefiting low- and moderate-income persons. Scotts Valley is proposing a Public Services activity focused on revitalizing Senior Center operations and improving access to nutrition, social services, and community engagement for older adults.

As described in the project narrative, the COVID-19 pandemic significantly reduced participation and revenue at the Senior Center, leaving many seniors isolated and underserved. The proposed staffing support will help restore services and expand programming for seniors aging in place.

PROJECT DESCRIPTION

The proposed CDBG-funded activity will support the hiring and retention of two key staff positions:

1. **Part-Time Receptionist:** Provides front desk assistance, visitor support, program registration, referrals, and clerical support
2. **Full-Time Recreation Coordinator:** Facilitates expanded programming, coordinates services, and supports the return of Meals on Wheels dining at the Senior Center.

3. **Pay for meals through Meals on Wheels for 40 seniors once a week**.

The program will directly benefit low- and moderate-income older adults, including those who are homebound or lack transportation.

FUNDING AND BUDGET
The City is requesting up to $300,000 in 2025 State CDBG funds, including:

- $280,374 for the Public Services activity
- $19,626 for General Administration

The City may also contribute local funds toward a portion of the full-time coordinator salary to ensure program sustainability.

DISCUSSION
Adoption of the resolution is a required step in the State CDBG application process. The resolution:

- Approves submission of the application
- Confirms compliance with public participation requirements
- Authorizes the City Manager or designee to execute the Standard Agreement and related documents
- Allows the City to submit payment requests and required reporting if awarded

HCD requires applicants to use the Resolution template without changes except for the fillable fields.

ENVIRONMENTAL REVIEW
The proposed activity is a public service program and will be subject to the applicable environmental review requirements under the National Environmental Policy Act (NEPA) as part of the grant administration process, if funded.

PUBLIC OUTREACH
The City has complied with all applicable state and federal public participation requirements in developing the CDBG application, including public noticing and City Council consideration of the required resolution.

FISCAL IMPACT

There is no fiscal impact to the General Fund associated with adopting the resolution. Acceptance of the grant, if awarded, will allow the City to expand Senior Center services without reliance on local revenues. The City may provide limited local match support for staffing costs as part of ongoing operation

STAFF RECOMMENDATION

Adopt Resolution No. 2085, approving the City of Scotts Valley's application to the California

Department of Housing and Community Development (HCD) for up to $300,000 in 2025 State CDBG funds to support the Scotts Valley Senior Center Support Services Program, and authorizing the City Manager or designee to execute all required documents.

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Resolution of the Governing Body

RESOLUTION NO. 2085

A RESOLUTION APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 2025 FUNDING YEAR OF THE STATE CDBG PROGRAM

BE IT RESOLVED by the City Council of the **City** of Scotts Valley as follows:

SECTION 1:
The **City Council** has reviewed and hereby approves the submission to the State of California of one or more application(s) in the aggregate amount, not to exceed, of **$300,000** for the following CDBG activities, pursuant to the 2025 CDBG NOFA:

List activities and amounts

Activity (*e.g. Public Services, Infrastructure, etc.*)	Dollar Amount Being Requested for the Activity
Public Services Activity	$ 280,374
General Administration	$ 19,626
	$
	$
	$

SECTION 2:
The **City Council** hereby approves the use of Program Income in an amount not to exceed **$300,000** for the CDBG activities described in Section 1.

SECTION 3:
The **City Council** acknowledges compliance with all state and federal public participation requirements in the development of its application(s).

SECTION 4:
The **City Council** hereby authorizes and directs the **City Manager** or designee*, to execute and deliver all applications and act on the **City**'s behalf in all matters pertaining to all such applications.

SECTION 5:
If an application is approved, the **City Manager** or designee*, is authorized to enter into, execute and deliver the grant agreement (*i.e.*, Standard Agreement), any recordable or

nonrecordable contract documents, and any and all subsequent amendments thereto with the State of California for the purposes of the grant.

SECTION 6:

If an application is approved, the **City Manager** or designee*, is authorized to sign and submit Funds Requests and all required reporting forms and other documentation as may be required by the State of California from time to time in connection with the grant.

PASSED AND ADOPTED at a regular meeting of the **City Council** of the **City** of **Scotts Valley** held on 2/18/2026 by the following vote:

AYES:	ABSENT:
NOES:	ABSTAIN:

Donna Lind, Mayor
City Council

STATE OF CALIFORNIA
City of **Scotts Valley**

I, **Cathie Simonovich**, **City** Clerk of the **City** of **Scotts Valley**, State of California, hereby certify the above and foregoing to be a full, true and correct copy of a resolution adopted by said **City Council** on this **18** day of **February**, 20**26** and that said resolution has not been amended, modified, repealed, or rescinded since its date of adoption and is in full force and effect as of the date hereof.

Cathie Simonovich, **City** Clerk of the **City** of Scotts Valley,
State of California

By: Cathie Simonovich

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 2/18/2026

TO: Honorable Mayor and City Council

FROM: Amanda Armstrong, Human Resources Manager

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Approve Salary Schedule Adjustment: Emergency Dispatch Clerk (EDC) Classification Series**

SUMMARY OF ISSUE

The City recently completed a review of the Emergency Dispatch Clerk (EDC) classification series to ensure it supports clear career progression and aligns with operational needs within the dispatch unit. As part of that review, several administrative updates were made to improve role clarity and advancement pathways. Those changes were within administrative authority and have already been implemented.

One remaining component of the review involves adjusting the salary differential between the EDC II and EDC III classifications. Because salary schedules require City Council approval, this item is now presented for Council consideration.

The EDC series is structured to provide progressive levels of responsibility, technical expertise, and operational independence within the City's emergency dispatch operations. The series includes EDC I, EDC II, and EDC III classifications.

Currently, the salary differential between EDC II and EDC III is 2%. Staff recommend increasing this differential to 5% to better reflect the increased responsibility and performance expectations associated with the EDC III classification.

Increasing the differential from 2% to 5% would:

- Strengthen the internal structure of the classification series.
- Reinforce professional growth and advancement within the dispatch unit.
- Create a clearer and more meaningful progression pathway for employees.
- Better distinguish the expectations and performance standards between EDC II and EDC III.

A 5% differential is commonly used in classification structures to reflect meaningful advancement between levels of responsibility. This adjustment would align the EDC series more closely with standard compensation practices.

The proposed salary schedule reflecting this adjustment is provided below.

EDC II/III

Classification	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**	**Step 7**
Emergency Dispatch Clerk II	$5,883	$6,177	$6,486	$6,810	$7,150	$7,507	$7,882
Emergency Dispatch Clerk III	$5,997	$6,297	$6,612	$6,943	$7,290	$7,655	$8,038
PROPOSED							
Emergency Dispatch Clerk III	$6,177	$6,486	$6,810	$7,150	$7,507	$7,882	$8,276

FISCAL IMPACT

There are currently no employees classified as EDC III. Therefore, approval of the proposed adjustment will have no immediate fiscal impact. If an employee is promoted into the EDC III classification in the future, the salary increase associated with the revised 5% differential would be absorbed within the existing budget for the current fiscal year.

This change does not require additional appropriations at this time.

STAFF RECOMMENDATION

Staff recommend that the City Council adopt Resolution No. 1955.33 approving the adjustment to increase the salary differential between the Emergency Dispatch Clerk II and Emergency Dispatch Clerk III classifications from 2% to 5%, and approve staff to update salary schedules accordingly.

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1. Resolution No. 1955.33 EDC III Salary Adjustment

RESOLUTION NO. 1955.33

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING AN AMENDED SALARY SCHEDULE FOR THE EMERGENCY DISPATCH CLERK III CLASSIFICATION

WHEREAS, City staff continues to evaluate organizational structure and classification alignment to support operational effectiveness within the City's emergency communications function; and

WHEREAS, the Emergency Dispatch Clerk series is structured to provide progressive levels of responsibility, technical expertise, and operational independence within the City's emergency dispatch function; and

WHEREAS, staff has recommended adjusting the compensation structure within the Emergency Dispatch Clerk series by increasing the salary differential between the EDC II and EDC III classifications from two percent (2%) to five percent (5%); and

WHEREAS, establishing a five percent (5%) differential between EDC II and EDC III creates a more meaningful distinction between levels of responsibility and performance expectations and supports advancement based on demonstrated competency and experience; and

WHEREAS, future salary schedules will be adjusted as necessary to reflect the approved five percent (5%) differential in accordance with the terms of the current Memorandum of Understanding (MOU).

WHEREAS, City Council approval is needed to amend a Salary Schedule.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Scotts Valley that the Emergency Dispatch Clerk II and Emergency Dispatch Clerk III salary schedule is hereby approved as follows:

Classification	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**	**Step 7**
Emergency Dispatch Clerk II	$5,883	$6,177	$6,486	$6,810	$7,150	$7,507	$7,882
Emergency Dispatch Clerk III	$6,177	$6,486	$6,810	$7,150	$7,507	$7,882	$8,276

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a meeting held on the 18th day of February, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved:____________________________
Donna Lind, Mayor

Attest:____________________________
Cathie Simonovich,
City Clerk

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 2/18/2026

TO: Honorable Mayor and City Council

FROM: Stephanie Hill, Administrative Services Director

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Guiding Budget Principles for Fiscal Year 2026-2027**

SUMMARY OF ISSUE

Each year, the City Council provides guidance to the City Manager for the preparation of the upcoming fiscal year budget. This annual action establishes a clear framework for developing a balanced and responsible budget that aligns with the City's strategic goals and long-term financial sustainability.

The Guiding Budget Principles serve as the foundation for the City's financial planning. They outline expectations related to balanced budgeting, reserve levels, fiscal discipline, capital planning, debt management, and long-range financial forecasting.

For Fiscal Year (FY) 2026–27, the Budget Subcommittee worked with staff to review the Guiding Budget Principles to ensure they remain consistent with City Council priorities and current financial conditions. There were no necessary changes identified. The Guiding Budget Principles are attached as Exhibit A.

Adoption of these principles provides direction to staff as they prepare the Proposed FY 2026–27 Annual Budget and establishes the criteria the City Council will use when evaluating the budget during public hearings.

The following milestones are proposed for preparation and adoption of the FY 2026–27 Annual Budget:

Date/Month	Meeting Forum	Activity
February	Budget Subcommittee	Review Guiding Principles
March	City Council Workshop	Strategic Goals
Feb – April	Staff	Preparation of draft budgets
April – May	Budget Subcommittee	Review draft budgets
May 14	Planning Commission	Review Capital Budget for General Plan consistency
May 20	Regular Council Meeting	Preliminary FY 2026–27 Budget Presentation
June 3	Regular Council Meeting	FY 2026–27 Budget Adoption

The proposed calendar provides opportunities for Council input, public transparency, and compliance with state requirements.

FISCAL IMPACT

There is no direct fiscal impact associated with adopting the Guiding Budget Principles and budget calendar.

STAFF RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 630.47, adopting the FY 2026–27 Guiding Budget Principles and Budget Calendar.

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1. Resolution No. 630.47 FY Guiding Budget Principles
2. Exhibit A Adopted Guiding Budget Principles FY2627

RESOLUTION NO. 630.47

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY ADOPTING GUIDING BUDGET PRINCIPLES AND BUDGET CALENDAR FOR FISCAL YEAR 2026-27

WHEREAS, the City of Scotts Valley is developing the annual budget for Fiscal Year (FY) 2026-27, with Guiding Budget Principles being integral resources fundamental to the annual budget development process; and

WHEREAS, adoption of the annual budget is an integral part of the City's strategic planning and management functions, as it assigns scarce resources to the programs and services provided to the community and ultimately reflects the mission and values of the organization as well as ensuring the long-term fiscal sustainability of City operations; and

WHEREAS, to anchor good financial planning, focus budget preparation, support fiscal sustainability and linkage to organizational goals, a set of guiding budget principles were prepared, drawn from state and national best practices; and

WHEREAS, the Guiding Budget Principles provide principles for numerous policy areas including the following: budgeting, fund balance/reserves, fiscal sustainability planning, ongoing resources and operations, use of one-time resources, capital project budgeting, debt management, and other financial matters; and

WHEREAS, such principles are consistent with the City's strategic plans and priorities and will support the long-term health of the organization.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED as follows:

The City Council of the City of Scotts Valley hereby adopts the attached FY 2026-27 Guiding Budget Principles to be used in preparation of the City's annual budget.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a meeting held on the 18th day of February 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved: ______________________________
Donna Lind, Mayor

Attest:______________________________
Cathie Simonovich, City Clerk

Exhibit A

City of Scotts Valley

Guiding Budget Principles for FY 2026/27 Annual Budget

City Council establishes a set of budget principles to guide current and future policy makers and staff to ensure the long-term financial sustainability of the City. The budget principles that are listed below were approved by the City to guide the planning for the FY26/27 Annual Budget.

Budgeting Policies

1. Budget development will be guided by a long-term financial plan proposed by the City Manager and adopted by the City Council and should include considerations such as the cost of deferred maintenance and unfunded liabilities.

2. The budget must be balanced. Specifically, revenue must be equal to or greater than expenses. The total expenses of a department in the new fiscal year will be their expenses from the current fiscal year as modified by MOU changes and minor increases in services and supplies to the extent resources allow. All departments are expected to review their sources of revenue for correctness and validity. All departments are expected to evaluate the impact of uncertainties on revenues and adjust expenditures accordingly.

3. There will be no unfunded positions included in the budget or staffing resolution. Vacancy Review will be utilized to create budget flexibility in case of loss of revenue, and to ensure the need exists for filling positions. All positions will be reviewed. Any new positions will consider: new revenue for the position to cover the cost of the position and indirect and overhead costs; the need for the position to meet Council Goals; and a reasonable expectation that there will be an ongoing funding stream for any new position.

4. The budget will only use reserve funds for emergencies and one-time expenditures or for purposes that the reserve is designated to fund. Every effort will be used to preserve reserve funds at designated levels.

5. The City Manager is authorized to approve administrative adjustments to the adopted budget or reallocate appropriations among departments or divisions within a fund, as long as those changes do not significantly impact policy or affect budgeted year-end fund balances. Any revisions that increase total appropriations in any given fund must be approved by the City Council.

Reserve Policies

6. General Fund reserves should be maintained at a minimum of 17% (or two months) of annual operating expenditures, excluding one-time expenditures, with

a target reserve goal of 25% (three months) of annual operating expenditures. If the reserve is expected to be below 17%, a remedy plan should be discussed in the fiscal sustainability planning process.

7. Funding assignments in the General Fund will be used to plan for current and future needs including pension contributions, facility planning, IT infrastructure, economic development activities, economic uncertainty, and general purpose. These assignments reflect the Council's Goals and intent to plan for future investments but are not restricting their assigned use and can be modified as needed to meet the City's needs.

8. The Capital Improvement Funds should maintain a targeted minimum reserve equal to $500,000 for emergency capital infrastructure replacement needs not funded by other sources.

9. Wastewater Operations Enterprise Fund should maintain a minimum of 50% (or six months) of annual operating expenditures to meet cash flow needs, plus a $1 million emergency reserve for emergency capital infrastructure replacement, both of which would be incorporated in the Wastewater rate model to plan for future wastewater service rates.

Ongoing Resources and Operations

10. Ongoing expenditures should be supported by ongoing revenues.

11. The City will seek to avoid dependence on temporary or unstable revenues to fund mainstream municipal services where possible.

12. Charges for services should maximize recovery of the full cost of related services, including direct operating costs, and other indirect costs such as capital and overhead costs.

13. Recreation like activities will follow the City's cost recovery goals based on the beneficiary of service scope. Recreation services need to meet reasonable cost recovery to limit the subsidy provided by the General Fund.

Use of One-Time (Windfall) Resources

14. One-time revenues will not be used for ongoing expenditures on a continuous basis.

15. Unpredictable revenues, such as those derived from the sale of surplus land assets or inventory, will be treated as one-time revenue and will not be used to support ongoing expenses.

16. One-time resources may only be used to support one-time expenses such as capital investments or to replenish reserves.

Exhibit A

Capital Projects

17. When capital projects are considered, all associated costs - including annual operating expenses, debt services, and any additional future costs - will be identified to properly assess future financial impacts.

18. Investment in technology will continue.

Fiscal Sustainability Planning

19. The long-range financial forecast will incorporate reasonable future needs and assumptions based on past trends and likely scenarios. If the forecast reveals a structural gap between projected revenues and expenditures, the City will adjust the forecast to include expenditure reduction scenarios to address the gap. These options will be clearly presented during the budget process to help determine whether the existing fiscal sustainability plan should be updated or a new one developed, ensuring that the General Fund reserves remain within the policies established by the City Council.

20. Any structural gap in a long-term financial forecast will be addressed during the budget process with clear, actionable decision points to ensure it is mitigated within 10 years.

21. Service level reductions will be implemented if other strategies are not possible or cannot be achieved in a timely fashion.

22. There will be a high level of fiscal discipline by the Department Heads, Budget Subcommittee, City Manager and City Council. Every effort will be made to maximize City assets, achieve a high level of funding for employee retirement promises, evaluate cost per service item and develop and maintain contracts with vendors within Scotts Valley.

Debt Management

23. Debt will not be used to support ongoing operations.

24. Capital leases may be used as a mid-term borrowing arrangement for fleet, equipment, and technology to the extent that the imputed interest rate in any such capital lease is competitive with existing long-term borrowing rates, considers potential maintenance cost savings for assets under the capital lease, and that such costs are incorporated into the long-range financial forecast.

25. Long-term borrowing (three years or more) for capital facilities will be considered as an appropriate method of financial facilities that benefits more than one generation of users and to the extent that existing reserves or other one-time resources are not available.

Other Matters

26. The Wastewater Enterprise fund shall reflect the true cost of operation, including direct and indirect costs of services provided by the General Fund, and be self-reliant upon fees and/or use rates paid by ratepayers.

27. Private development of residential, commercial and/or industrial properties shall pay its fair share of capital improvements that are necessary to serve the development.

28. If the City contributes funds to Non-Profit or Community Partners for other than the purchase of services, it will give priority to one-time initiatives (as opposed to operational subsidies), and to those who demonstrate collaboration with other Community Partners. Funding will be adjusted based upon discretionary revenues available as with other City departments. Loans and advances will not be considered unless extraordinary events occur and must be secured.

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 2/18/2026

TO: Honorable Mayor and City Council

FROM: Allison Pfefferkorn, Recreation Division Manager

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Approve contract between Scotts Valley Girls Softball League and the City of Scotts Valley for the use of the Siltanen Snack Shack**

SUMMARY OF ISSUE

The Scotts Valley Girls Softball League has historically operated a snack shack out of the lower portion of the main building at Siltanen Park, with no associated rental fee, offering a variety of concessions. In 2024, staff determined that the facility did not meet Santa Cruz County Environmental Health regulations required to sell perishable food items requiring heating or refrigeration.

Over the past year, staff has met with League representatives to discuss future use of the facility. Due to the condition in which the snack shack was left in 2024, prior non-permitted modifications, and the building's vacancy since that time, the space requires corrective work to comply with current building and safety codes. The Building Department recently inspected the facility and issued a corrective work list necessary for occupancy and operation limited to the sale and storage of 100% pre-packaged, non-perishable food and beverages. The League has offered to fund materials and provide volunteer labor to complete the required corrective work. Any use of the facility will be contingent upon completion of the improvements and final inspection approval by the Building Department.

Staff is proposing to enter into a facility rental agreement with the Scotts Valley Girls Softball League for the exclusive use of the snack shack from February 19, 2026 through June 14, 2026. The permitted use would be limited to the sale of pre-packaged, shelf-stable food and beverages that do not require refrigeration, freezing, or heating, in compliance with Santa Cruz County Health Department regulations. Revenue generated by the sale of concessions during the rental period would directly support league scholarships and league operational expenses. The proposed agreement outlines permitted uses, operational requirements, maintenance responsibilities, and building compliance requirements.

FISCAL IMPACT

Entering into this agreement has no fiscal impact to the City. The League will cover the expenses to rehabilitate the facility for the use as a Snack Shack and in turn will be allowed to use the facility at no fee for the term of the agreement.

STAFF RECOMMENDATION

Staff recommends the approval of the Faculty Use Agreement between the City and Scotts Valley Girls Softball league.

TABLE OF CONTENTS

Scotts Valley Recreation

Facility Rental Agreement

PLEASE READ ALL PARTS OF THIS CONTRACT.
Rental bookings are not confirmed until we receive a copy of this Facility Rental Agreement signed by the Licensee and accompanied by Facility Fee Waiver Application.

Contract

Contract #:	FA-0176	**Prepared by:**	Allison Pfefferkorn
Date:	Feb 13 2026	**Status:**	Firmed

Client Information

Name:	Kelly Weaver	**Account:**	Scotts Valley Girls Softball
Phone #:	(916) 205-0193	**Email:**	kweaversv@gmail.com
Address:	715 Tabor Drive, Scotts Valley, California, 95066		

Facility Rental Summary:

*Reservation time includes set up and clean up time. No set up or cleanup should happen outside of the times listed below. Please contact our office to extend your time.

Repeat	Facility	Day	Start	End	Date Range	# Sess.	Event ID
Daily	Snack Shack	-	12:00 AM	12:00 AM	Feb 19 2026 - Jun 15 2026	116	1882

Exclusions, Additions & Modifications

Type	Facility	Day	Start	End	Date	Event ID
-	-	-	-	-	-	-

Facility Fees

Name	Subtotal	Discount	Tax	Total Price	# of Booking(s)
Snack Shack	$3,828.00	$3,828.00	$0.00	$0.00	116

Extra Fees

Name	#	Unit Price	Total Usage	Subtotal	Tax	Total Price
-	-	-	-	-	-	-

Extra Fees Details

Extras per Contract

Invoice

Due Date	Amount	Remaining Balance
Feb 13 2026	$0.00	$0.00

Contract Total

Rental Fee	Rental Tax	Extra Fees	Extra Tax	Total with Tax
$3,828.00	$0.00	$0.00	$0.00	$0.00

Conditions of Use

Scotts Valley Recreation is committed to providing positive experiences in all programs and services offered. The City has established a Code of Conduct to provide and maintain a safe environment where people can participate, and play based on the principles of respect and responsibility. We respectfully request that all people in our programs and spaces (staff, students, teachers, volunteers, and guests) meet these expectations.

LIABILITY INSURANCE:
During the Term of this Agreement, Site User shall, at Site User's expense, obtain and keep in force a policy of comprehensive public liability insurance with policy limits in the amount required by the Monterey Bay Area Insurance Fund for the Facility Owner and subject to the requirements as more specifically provided in Exhibit D attached hereto.

LIABILITY AND INDEMNITY:
Of Facility Owner. Site User shall indemnify and hold harmless Facility Owner, and its employees, elected officials, consultants, agents, invitees, and independent contractors (collectively "Agents") of Facility Owner against and from any and all claims, liabilities, judgments, costs, demands, causes of action and expenses (including, without limitation, reasonable attorneys' fees) arising out of or related to Site User's use and the use of Site User's players, families, guests, invitees, agents or customers of the Premises or from any activity done, permitted or suffered by Site User or its players, families, guests, invitees, agents or customers in or about the Premises. If any action or proceeding is brought against Facility Owner or any of its Agents by reason of any such claim, upon notice from Facility Owner, Site User shall defend the same at Site User's expense by counsel reasonably satisfactory to Facility Owner. Of Site User. Facility Owner shall indemnify and hold harmless Site User, and its players, families, guests, invitees, agents or customers (collectively "Agents") of Site User against and from any and all claims, liabilities, judgments, costs, demands, causes of action and expenses (including, without limitation, reasonable attorneys' fees) arising out of or related to Facility Owner's use of the Premises or the use or occupancy of any third party authorized, scheduled or permitted by Facility Owner in or about the Premises. If any action or proceeding is brought against Site User by reason of any such claim, upon notice from Site User, Facility Owner shall defend the same at Facility Owner's expense by counsel reasonably satisfactory to both Site User and Facility Owner. Facility Owner acknowledges that Site User has no responsibility, nor duty, to monitor, supervise or control, the activities of other users of the Site.

Insurance Requirements for Rental of Facilities
Tenant shall procure and maintain for the duration of the Term or any Extended Term insurance against claims for injuries to persons or damages to property which may arise from or in connection with the rental of the Premises and the activities of the Tenant, his guests, agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE
Coverage shall be at least as broad as:
Commercial General Liability (CGL): Insurance Services Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than $2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
Sexual Abuse or Molestation (SAM) Liability: If the work will include contact with minors, and the CGL policy referenced above is not endorsed to include affirmative coverage for sexual abuse or molestation, Contractor shall obtain and maintain a policy covering Sexual Abuse and Molestation with a limit no less than $1,000,000 per occurrence or claim.
Workers' Compensation: Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits of no less than $1,000,000 per accident for bodily injury or disease. (This applies to lessees with employees).
Property insurance: Against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

Other Insurance Provisions
The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status
The Landlord, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of the rental of the facility, work or operations performed by or on behalf of the Tenant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is

used).

Primary Coverage
For any claims related to this contract, the Tenant's insurance coverage shall be primary insurance and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the Landlord, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Landlord, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

Notice of Cancellation
Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Entity.

Waiver of Subrogation
Tenant hereby grants to Landlord a waiver of any right to subrogation which any insurer of said Tenant may acquire against the Landlord by virtue of the payment of any loss under such insurance. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Landlord has received a waiver of subrogation endorsement from the insurer.

Acceptability of Insurers
Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Landlord.

Verification of Coverage
Tenant shall furnish the Landlord with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to Landlord before the Term commences. All certificates and endorsements are to be received and approved by the Landlord at least five days before Tenant commences activities.

USE OF PREMISES AGREEMENT: Siltanen Snack Shack

1. USE OF PREMISES
The Siltanen Snack Shack shall be used for the purposes of a "snack shack" for fundraising endeavors. Site User shall comply with all state, federal, and local rules and regulations regarding the operation of a snack shack.
In accordance with regulations set by the Santa Cruz County Health Department, only pre-packaged or shelf-stable food items (not requiring refrigeration, freezing, or heating) are permitted for sale without a permit.
The sale of food needing heating/reheating for hot holding, portioning, or assembly of small-volume commercially prepared foods and whole, uncut produce requires a plan review and health permit.
Failure to comply with such rules and regulations may result in loss of use of the Siltanen Snack Shack and termination of this Agreement.

2. CONDITIONS OF PREMISES
Site User acknowledges that it recognizes the uniqueness of the Premises and accepts them in their current and disclosed condition existing on the effective date of this Agreement, subject to all applicable zoning, municipal, county or state laws, ordinances and regulations affecting the use of the Premises. Site User acknowledges that it has satisfied itself, by its own independent investigation, that the Premises are suitable for its intended use and neither Landlord, nor its agents or representatives, have made any representation or warranty as to the present or future suitability of the Premises for the conduct of Site User's business.

3. RIGHT OF ENTRY
The City shall have unrestricted access to the building at all times. The City, its agents, contractors, employees and assigns may enter the Premises at all reasonable times to: (a) examine the Premises; (b) perform any obligation of, or exercise any right or remedy of, Landlord under this Agreement; (c) make repairs, alterations, improvements or additions to the Premises, the Building or to other portions of the Property as Landlord deems necessary ; or (d) perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter.

4. OPERATIONAL REQUIREMENTS

a) Hours of Operation
Site User agrees to only operate the snack shack for the hours listed in this contract. Additional usage can be requested to the Recreation Division Manager (RDM) who will determine, in her sole discretion, if requested dates interfere with scheduled activities.

b) Deliveries
All vehicle deliveries must be scheduled with the RDM.

c) Vehicles
No vehicles are allowed within Siltanen Park without prior written approval from the RDM and Maintenance Division Manager (MDM). Approval requests must be submitted at least one week in advance.

d) Display area
Site User acknowledges that Environmental Health regulations require selling of pre-packaged, shelf-stable food in manufacturer's original packaging with a display area of 25 sq. ft. or less does not require a health permit. If Site Users display area exceeds 25 sq. Ft., it shall obtain a health permit.

5. USE OF ADJACENT FACILITIES
This agreement does not include use of the Siltanen BBQ Gazebo or picnic area. Any requested use must be contracted

separately through the RDM, with requests submitted at least two weeks in advance.
Site User agrees to operate the snack shack in a manner that does not disturb any renter of the Gazebo BBQ and Picnic area.

6. MAINTENANCE RESPONSIBILITIES
a) Landlord Maintenance Obligations
I. Landlord shall maintain in good condition and repair the exterior of the building;, however, if any repairs or replacements are necessitated by the negligence, gross negligence or willful acts of Site User, its officers, employees, representatives, agents, customers, invitees or trespassers or by reason of Site User's failure to observe or perform any provisions contained in this Agreement or caused by alterations, additions or improvements made by Site User or its officers, employees, representatives, agents, contractors, subcontractors, laborers or materialmen, the cost of such repairs and replacements shall be the sole obligation of Site User.

II. Unless Site User notifies Landlord in writing of the need for repairs under subsection (a), Landlord shall not be liable for its failure to make such repairs. Once Site User notifies Landlord of the need of such repairs under subsection (a), Landlord shall be entitled to a reasonable period of time to affect such repairs upon receipt of said written notice from Site User. Site User waives any right of offset against any rent due hereunder and agrees not to assert as an affirmative defense in any judicial proceeding or arbitration brought by Landlord against Site User on claims made under this Agreement the provisions of Sections 1941 and 1942 of the California Civil Code, or any superseding statute, and of any other law permitting Site User to make repairs at Landlord's expense.

b) Site User Maintenance Obligations
I. Except as provided elsewhere in this Agreement, Site User, at its sole cost and expense, shall keep the interior Premises in good order, condition and repair and shall make all replacements necessary to keep the Premises in such condition. Site User shall not do anything to cause any damage to the Site.

II. In the event Site User replaces any equipment, after receipt of prior written approval from Landlord, all replacement equipment shall be of a quality equal to or exceeding that of the original equipment or improvements. Should Site User fail to make repairs and replacements or otherwise maintain the Premises for a period of fifteen (15) days after delivery of a written demand by Landlord, or should Site User commence, but fail to complete, any repairs or replacements within a reasonable time after written demand by Landlord, Landlord shall have the right to make such repairs or replacements without liability to Site User for any loss or damage that may occur to Site User's stock or business, and Site User shall pay for all costs incurred by Landlord in making such repairs or replacements, together with interest thereon at the maximum rate permitted by law from the date of commencement of the work through the date of payment.

III. Site User shall, at its sole expense, repair promptly any damage to the Premises or the Property caused by Site User, its agents, employees, customers, invitees, sublesse assignees or concessionaires, or caused by the installation or removal of Site User's personal property.

c) Maintenance of Surrounding Grounds
Site User shall keep the area around the snack shack free of trash after each use. All waste shall be collected and placed in City dumpsters. No trash should be left in the snack shack overnight. If a city trash can becomes over filled during snack shack operating hours, Site User is responsible for taking the trash to the dumpster and replacing the trash bag.

7. BUILDING REQUIREMENTS
In order to operate the snack shack for the sale of 100% pre-packaged, non-perishable food storage and distribution, improvements to the snack shack must be made by Site User at its sole cost and expense.

a) Required corrective work includes:
1. Remove exposed plumbing drain lines at the cabinet island.
2. Repair main floor drain; install trap if required by California Plumbing Code.
3. Secure main counter to floor and framing.
4. Replace cabinets beyond repair; repair remaining damaged cabinets.
5. Extend water heater pressure relief valve discharge to exterior.
6. Ensure electrical outlets are operational; outlets within 6 feet of sink must be GFCI protected.
7. Secure and protect exposed/capped water lines.
8. Remove ants and rodents from building.
9. Remove stove, vent hood, and associated components; patch openings.

Process for completing the corrective work:
a) An approved building permit from the City of Scotts Valley is required prior to any Site User improvements.
b) Site User shall comply with all requirements of the building permit and the corrective work must be inspected and approved by the City Of Scotts Valley Building Department upon before any operations at the snack shack can begin.

8. SITE USER IMPROVEMENTS AND ALTERATIONS
Site User is responsible for all interior improvement costs. Tenant is not entitled to make any improvements to the exterior of the Premises without the prior written consent of the Landlord.

Prior to permits or construction:
a) Written plans must be approved by the Recreation Manager, Maintenance Manager and the City Manager.
b) Site User must obtain all required permits and comply with federal, state, and local laws, including, but not limited to, ADA and Prevailing Wage laws for any work performed on the snack shack.
c) Site User shall indemnify Landlord against claims related to the construction and operation of improvements and prevent liens and satisfy any liens against the Property.
d) No improvements may be made without prior written consent of the City.

All improvements, alterations, or additions shall become property of the City upon installation and remain with the Premises upon termination unless otherwise directed in writing by Landlord. Landlord may require removal at Site User's expense, including repair of any resulting damage.

9. TRADE FIXTURES

Site User may install trade fixtures and equipment in compliance with applicable laws. Removal requires Landlord's written consent if removal would cause damage to the Premises. Without consent or proper repair, fixtures shall be deemed part of the realty and become Landlord property upon termination. In the event of nonworking or defective trade fixtures and equipment, Site User is responsible for the removal at the termination of this agreement.

10. STORAGE

Site User may store items related to selling pre-packaged food and drink in the snack shack during the Agreement term. Stored food must comply with Environmental Health safe handling practices. The City assumes no responsibility for lost, stolen, or damaged property, prepackaged food or drink.

11. SIGNAGE

a) Site User has the right to hang a sign, in accordance with the Scotts Valley Municipal Code, on the Premises only during the restricted rental period.

b) Site User will not place, install, maintain or construct or allow any third party to place, install, maintain or construct any sign, banner, flag, awning or canopy, covering, or advertising matter on any portion of the Premises without Landlord's prior written consent. Site User further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter or window coverings in good condition and repair at all times.

{Facility->ConditionOfUse}

Date: Feb 13 2026 **Client Signature** Signed by: Click to Sign D90F0ACFA823460... 2/13/2026 | 14:06 PST

Exhibit D
Insurance Requirements for Rental of Facilities

Site User shall procure and maintain for the duration of the Term or any Extended Term insurance against claims for injuries to persons or damages to property which may arise from or in connection with the rental of the Premises and the activities of the Site User, his guests, agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

Commercial General Liability (CGL): Insurance Services Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

Sexual Abuse or Molestation (SAM) Liability: If the work will include contact with minors, and the CGL policy referenced above is not endorsed to include affirmative coverage for sexual abuse or molestation, Contractor shall obtain and maintain a policy covering Sexual Abuse and Molestation with a limit no less than $1,000,000 per occurrence or claim.

Workers' Compensation: Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits of no less than $1,000,000 per accident for bodily injury or disease. (This applies to lessees with employees).

Property insurance: Against all risks of loss to any Site User improvements or betterments, at full replacement cost with no coinsurance penalty provision.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The Landlord, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of the rental of the facility, work or operations performed by or on behalf of the Tenant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage

For any claims related to this contract, the Tenant's insurance coverage shall be primary insurance and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the Landlord, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the

Landlord, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Entity.

Waiver of Subrogation

Tenant hereby grants to Landlord a waiver of any right to subrogation which any insurer of said Tenant may acquire against the Landlord by virtue of the payment of any loss under such insurance. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Landlord has received a waiver of subrogation endorsement from the insurer.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Landlord.

Verification of Coverage

Tenant shall furnish the Landlord with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to Landlord before the Term commences. All certificates and endorsements are to be received and approved by the Landlord *at least five days* before Tenant commences activities.

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 2/18/2026

TO: Honorable Mayor and City Council

FROM: Mali LaGoe, City Manager

APPROVED: Mali LaGoe, City Manager

SUBJECT: **2026 Legislative Platform**

SUMMARY OF ISSUE

Scotts Valley's Legislative Platform was initially approved by the City Council in 2024, and updated again in 2025. Each version is then shared with the California League of Cities and our State and Federal legislative representatives for their reference. This platform brings a voice to these representatives to ensure they know Scotts Valley's needs. As specific legislation is introduced throughout the year, the Mayor and City Manager will review and assess the appropriateness of supporting or opposing specific bills on behalf of the City that align to positions expressed in the Legislative Platform. If legislative issues arise that are not addressed in the Legislative Platform, the issue will need to be added for discussion at a regular City Council meeting before any official position is taken.

The Legislative Platform is an important tool used by cities and counties to communicate broad issues of importance to the City which are regulated by state or federal levels of government. The overarching themes of the proposed Scotts Valley Legislative Platform articulate the City's position opposing unfunded mandates and opposing any federal or state legislation which takes away local control.

The Platform specifically addresses legislative concerns related to Economic Development, Housing/Affordable Housing and Community Development, Infrastructure and Mobility, Climate Resiliency and Natural Resource Protection, Public Safety and Health, and Fiscal Sustainability.

Based on current issues affecting Santa Cruz County and the City of Scotts Valley, staff is recommending one new item regarding infrastructure, and two new items regarding natural resource protection (see redline items on the attachment for the full text).

FISCAL IMPACT

There is no fiscal impact to approving the 2026 Legislative Platform.

STAFF RECOMMENDATION

Staff recommends approval of Scotts Valley's 2026 Legislative Platform.

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City of Scotts Valley

Legislative Platform 2026

The City of Scotts Valley's Legislative Platform for 2025 is intended to reflect the City's position on current and future legislation that positively or negatively affects the City's ability to operate effectively and meet the needs of the community. The platform also guides the Mayor, Councilmembers, and staff to effectively address legislation to support the City's interests and maintain local control when necessary, which may include supporting legislation consistent with this platform or opposing legislation that challenges the policies in this platform. Throughout all priorities, two overarching positions exist – opposing unfunded mandates, and opposing any federal or state legislation which takes away local control.

Economic Development

Support legislation that will attract and retain businesses to the City

Support legislation that will provide tools and incentives to support job creation in the City

Support legislation that will assist the City in recovering from economic downturns

Support legislation that ensures cities receive promised repayments from the State related to the dissolution of redevelopment agencies.

Housing/Affordable Housing and Community Development

Support legislation that allows local government to make decisions regarding house density levels

Oppose legislation that erodes local decision making authority related to land use and community development

Support legislation that provides federal and state funding and grants to support the production of affordable housing and maintenance of existing affordable housing

Support legislation that gives local municipalities credit and incentives for actions under their direct control, including the approval of housing developments

Infrastructure & Mobility

Support new statewide funding opportunities for maintenance and repair of local roads

Support legislation and funding regarding increasing safety for pedestrians and bicycles

Support legislation that generates funding for local wastewater infrastructure and storm drain capacity and maintenance

Support legislation that would allow flexibility for public contracting associated with routine public works projects

Support legislation for affordable, reliable broadband access to all residents in Santa Cruz County, especially to those living in the challenging-to-reach mountainous regions

Climate Resiliency & Natural Resource Protection

Support legislation that streamlines the CEQA/NEPA process

Support legislation that preserves open space and natural resources

Support legislation related to wildfire prevention and suppression

Support legislation to address affordability of commercial and property insurance for businesses and residents including, but not limited to, wildfire risk

Support legislation that aids local communities in accessing timely reimbursement for disaster response expenses

Support legislation to provide funding to support local water conservation including recycled water and ground water recharge infrastructure

Support legislation that proposes to monitor and regulate microplastics under the Safe Drinking Water Act

Oppose legislation that would re-open areas of the US Federal waters to offshore oil and gas development, including the Monterey Bay National Marine Sanctuary

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Public Safety & Health

Support legislation and policies related to accessing resources to provide high quality police services

Support legislation that makes it easier to implement emergency prevention and risk reduction programs for at-risk populations

Support legislation that provides funding for disaster preparedness and local emergency operations management

Support legislation that regulates vaping devices and other e-cigarettes and their packaging, advertisement and promotion to youth

Support legislation to address E-bike safety such as minimum age requirements for Class 2 or faster e-bikes, mandate training, permits/licensure for riders and registration for owners.

Support legislation that supports mutual aid agreements between local governments

Support legislation and funding for regional homelessness programs and to mitigate the impacts of homelessness and substance abuse on the environment and communities

Fiscal Sustainability

Support legislation to reimburse cities for unfunded state-mandates that are owed, as identified by the State Treasurer

Oppose legislation that would limit the City's ability to collect taxes, fees and other vital revenue sources.

Support continued flexibility for using municipally generated funds, such as Utility Users Tax, Development Impact Fees, etc.

Support legislation or ballot measures that prevent the State from redirecting local governments funds such as local taxes, sales taxes, property taxes, etc.

Oppose legislation that would increase local costs related to public employee retirement benefits

Support legislation intended to stabilize local government financing, to increase funding options for local governments, and to equitably allocate revenues from the State

Support legislation that reduces the electoral threshold for passing bonds and taxes that fund city services, affordable housing and public infrastructure projects

Support legislation that preserves local funding avenues

Government Transparency

Support government transparency, public access to required meetings and records, and legislation that facilitates these principles while still allowing flexibility in government operations

Support legislation that allows and expands on the ability of local governments to use digital communications and archiving technology

Oppose legislation that expands the Public Records Act without funding to carry out the new requirements

Oppose legislation that affects the ability of joint powers authorities to self-regulate

Overarching Positions

Oppose legislation that preempts local authority

Oppose legislation for new program mandates that are unfunded or underfunded