A G E N D A

Meeting of the
Scotts Valley City Council

Date: February 1, 2017
Time: 6:00 p.m.

CITY OF SCOTTS VALLEY	**MEETING LOCATION**	**POSTING**: The agenda was posted
1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5602	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	1-27-17 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org.

Elected Officials	**City Staff Members**
Randy Johnson, Mayor Jim Reed, Vice Mayor Stephany E. Aguilar, Council Member Jack Dilles, Council Member Donna Lind, Council Member	Jenny Haruyama, City Manager Kirsten Powell, City Attorney Taylor Bateman, Acting Community Development Dir Scott Hamby, Public Works Director Steve Walpole, Interim Chief of Police Tracy Ferrara, City Clerk

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.

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.org 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.org.

Televised Meetings:
City Council meetings are cablecast "Live" on Community Television of Santa Cruz County on Comcast Channel 25.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

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 to make and/or submit written or 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.

ALTERATIONS TO CONSENT AGENDA
(Council can remove or add items to the Consent Agenda.)

CONSENT AGENDA
(The Consent Agenda is comprised of items which appear to be non-controversial. Persons wishing to speak on any item may do so by raising their hand to be recognized by the Mayor.)

A. Approve City Council meeting minutes of 1-18-17

B. Approve check register – 1-13-17, 1-23-17, 1-30-17

C. Approve Non-Collection of City Facility Rental Fees:
  (1) Approve the non-collection of City facility fees, including rental fees, refundable deposits, and cleaning fees for the Scotts Valley Unified School District and School Fundraising Group events as outlined in the matrix included with the staff report; and
  (2) Authorize the City Manager to enter into an Interim Agreement with the Scotts Valley Unified School District regarding the current use of its respective facilities and if necessary, make non-policy, administrative changes to the Agreement

D. Approve Amended and Restated Joint Exercise of Power Agreement for the Libraries Facilities Financing Authority (LFFA) and a Joint Community Facilities Agreement and authorize the City Manager to execute the agreements

E. Approve lease agreement between the City of Scotts Valley and the Scotts Valley Community Theater Guild, extending the milestones in Section 3.02, Termination, by six months from the date of the milestones in the terminated agreement dated April 6, 2016

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. Consideration of comments from the ADA Accessibility Committee regarding the City of Scotts Valley updated ADA Transition Plan (Planning/Bateman)

2. Consider approval of Resolution No. 1924.1 establishing the Monterey Bay Community Power Authority and approving the City of Scotts Valley as a founding member of the Authority, introduction of Ordinance No. 192 authorizing the implementation of a Community Choice Energy program in Scotts Valley, and direct staff to move forward with discussions with the County regarding the City of Scotts Valley's share of the credit guarantee (City Manager Haruyama)

3. Consider appointment of Council Member and alternate to serve as representatives on the Ad-Hoc Homelessness Governance Study Committee (City Manager Haruyama)

4. Future Council agenda items
   (This portion of the Regular Agenda allows the Council to determine items to be placed on a future agenda and to choose a date, if so desired.)

ADJOURNMENT

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) 440-5602 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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CONSENT AGENDA ITEM A
DATE: 2-1-2017

M I N U T E S

Meeting of the
Scotts Valley City Council

Date: January 18, 2017

POSTING:
The agenda was posted on 1-13-17
at City Hall, the SV Senior Center, and
the SV Library, by the City Clerk.

CALL TO ORDER 6:07 p.m.

PLEDGE OF ALLEGIANCE and **MOMENT OF SILENCE**

ROLL CALL

Present:	Mayor Johnson	City Manager Haruyama
	Vice Mayor Reed	City Attorney Powell
	Council Member Aguilar	Interim Police Chief Walpole
	Council Member Dilles	Public Wks Director Hamby
	Council Member Lind	Acting Community Development Director Bateman
		City Clerk Ferrara

COMMITTEE REPORTS

CM Lind reported that Seniors Council Area Agency on Aging meeting and they are working on a planning solutions summit, that will be open to the community, to promote aging independence in Santa Cruz County. She stated that there has been a 37% increase in the 60 plus population since 2011, and there are challenges in dealing with the needs of that populations, especially with the various cuts in funding. She also reported that Community Bridges is hosting a fundraiser Friday, February 3, 2017, “Food from the Heart” at Chaminade from 11:30 am to 1:30 pm, and Project Scout is doing taxes for free for seniors.

CM Lind reported that she attended the Santa Margarita Groundwater Sustainability Committee meeting and they will be holding a public meeting on February 22, 2017 at the Scotts Valley Water District to address input for the 20 year plan they are working on to address groundwater sustainability.

CM Aguilar reported that AMBAG met and they had a formal amendment to the Monterey Bay Metropolitan Transportation Improvement Program, which was an administrative minor change. She stated that they also discussed the Regional Orthoimagery Project update, which will help planning to see their various land uses in the cities and to use those aerial views for planning and transportation.

CITY MANAGER REPORT

POLICE

Weather Activity: The police department contacted PG&E today and were informed the PG&E base camp at Skypark is being activated again today due to the upcoming weather forecast. PG&E expects the camp to be activated through Sunday. The first storm of a three part series is on track to produce elevated outage activity across the region today due to gusty south winds and rain. A second storm is expected on Friday and third storm will move in Saturday night into Sunday morning. They are expecting up to 5 inches of rain from these three storms.

Awards: The Chamber of Commerce Community Awards Gala is this Saturday at 6pm. They will be presenting Retired Chief John Weiss with the Man of the Year Award for his dedication to the community he served for the past 26 years at the Scotts Valley Police Department.

PUBLIC WORKS

Linear Park Fire Break: City maintenance crews worked with Cal Fire and the Scotts Valley Fire District to create a fire break between the Linear Trail and the bluff at Skypark. Crews worked all day Monday and are scheduled to complete the work tomorrow.

CITY MANAGER

Veterans Information Center: The grand opening of the Santa Cruz Public Libraries' new Veterans Information Center is being held on Thursday, February 16, 2017 at Noon. The Center is located in the Downtown Branch Library at 224 Church Street in Santa Cruz and will be open Mondays from 1pm -3pm and Wednesdays from 10am - Noon.

League Policy Committee Appointment: I was recently appointed by Monterey Bay League Division President, Cynthia Matthews (City of Santa Cruz Council Member) to serve on the League of California Cities Governance, Transparency & Labor Policy Committee. We meet 3 -4 times a year, and will be holding our first meeting this Friday, January 20, 2017 in Sacramento to establish our workplan for the year.

PUBLIC COMMENT

Robin Slater, SV resident, expressed concerns about the condition of Lucia Lane and stated that there are several cracks and serious erosion on the street.

Gary Richard Arnold, expressed concerns about the political machine and potential terrorist actions.

Trish Melehan and Val Rebhahn, Scotts Valley Arts Commission, announced that the 2017 Poetry Contest is underway and open to people of all ages and not restricted to Scotts Valley only.

Melinda Malloy, SV resident, asked what will happen to Bethany Drive due the wear and tear that has been caused by the construction of the 1440 project. CA Powell responded that the developer is required to return the road to the condition it was in prior to construction.

Mayor Johnson announced that he attended the Kaiser Permanente grand opening.

CM Lind announced that the12th Annual Fallen Officer Foundation Ball will be held at the Cocoanut Grove at the Santa Cruz Beach Boardwalk on Saturday, February 11, 2017, 5:30 pm to 11 pm.

ALTERATIONS TO
CONSENT AGENDA

M/S: Lind/Aguilar
To approve the Consent Agenda.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

Consent Agenda:

A. Approve City Council meeting minutes of 12-21-16
B. Approve check register – 12-22-16
C. Approve and ratify Council Member Donna Lind's appointment of Robin Donovan to the Planning Commission to fill the vacancy left by Russ Patterson
D. Approve and ratify Council Member Jack Dilles's appointment of Bernadette Jestrabek-Hart to the ADA Accessibility Committee to fill the vacancy left by Bob White
E. Approve and ratify Council Member Jack Dilles's appointment of Rosanna Herrera to the Planning Commission to replace Steve Horlock
F. Approve Resolution No. 1895.13 approving the summary vacation of right of way for APN 022-481-22 (portion) and 022-481-23 (portion) and authorize the City Manager to execute the Quitclaim Deed
G. Approve revision of FY 2016/17 salary schedule for temporary recreation employees to meet 2017 state minimum wage requirements

ALTERATIONS TO
REGULAR AGENDA

M/S: Lind/Reed
To approve the Regular Agenda.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA

1. **Oral presentation of Santa Cruz Metropolitan Transit District Annual Report by General Manager, Alex Clifford**

Alex Clifford, General Manager of the Santa Cruz Metropolitan Transit District (SCMTD), spoke regarding the SCMTD budget and its structure, including their structural deficit and the actions they have taken to reduce and that deficit; provided updates on SCMTD projects in Scotts Valley; provided updates on SCMTD goals and projects; and responded to questions from Council.

2. **Appointments to interjurisdictional, standing local, and project specific committees**

CM Haruyama presented the written staff report and responded to questions from Council.

After Council discussion, Mayor Johnson recommended the following appointments/changes:

INTERJURISDICTIONAL COMMITTEES	CURRENT REP/ALT	NEW REP/ALT
Criminal Justice Council	Lind/Johnson	Lind/Dilles
Criminal Justice Council Executive Committee	Lind	Lind
Santa Cruz County Regional Transportation Commission (SCCRTC)	Johnson/Lind	Johnson/Lind
Santa Cruz METRO (SCMTD)	Bustichi	Lind/Dilles
Santa Cruz County Integrated Waste Management Local Task Force	Lind/Hamby	Dilles/Hamby
City/School District Joint Committee	Reed/Johnson	Reed/Johnson
AMBAG	Aguilar/Lind	Aguilar/Dilles
LAFCO	Lind	Lind
City Selection Commission	Mayor	Mayor
League of California Cities	Aguilar	Aguilar
Hazardous Materials Advisory Commission	Ron Whittle	Ron Whittle
Highway 17 Access Management Plan Project Development Team	Bustichi	Dilles
Arts Council of Santa Cruz County	Lind	Lind

INTERJURISDICTIONAL COMMITTEES	CURRENT REP/ALT	NEW REP/ALT
Seniors Advisory Council	Lind	Dilles/Lind
Santa Margarita Ground Water Basin Advisory Committee	Lind/Aguilar	Lind/Dilles
Library Financing Authority	Reed	Reed
Library Facilities Financing Authority (LFFA) Library Joint Powers Authority Board (LJPA)	City Manager	City Manager
Library Advisory Commission	Ellen Campos	Ellen Campos

STANDING LOCAL CITY COUNCIL COMMITTEES	CURRENT REP	NEW REP
Traffic Safety Committee *The purpose of the Traffic Safety Subcommittee is to review and analyze traffic safety issues and concerns raised by residents, and if necessary make recommendations to the City Council.*	Lind/Aguilar	Lind/Aguilar
Economic Development Committee *The purpose of the Economic Development Committee is to provide guidance on matters specifically related to business attraction, retention, and expansion, and commercial development within the City. The Committee's recommendations are subject to confirmation by the City Council.*	Johnson/Bustichi	Johnson/Reed
Affordable Housing Committee *The purpose of the Affordable Housing Committee is to discuss the City's terms and requirements for affordable housing per the Scotts Valley Municipal Code (SVMC) Section 14.01.030 as it relates to new residential development. The Committee's recommended terms are subject to confirmation by the City Council.*	Aguilar/Bustichi	Aguilar/Johnson
~~Water Subcommittee~~ – Remove	Bustichi/Lind	N/A
~~Budget Subcommittee~~ – Move to Project Specific	Mayor/Vice Mayor	See below
~~Sign Subcommittee~~ – Move to Project Specific	Bustichi/Lind	See below
~~Green Building Permit Process Subcommittee~~ – Remove	Lind/Reed	N/A

PROJECT SPECIFIC CITY COUNCIL SUBCOMMITTEES Limited Duration – One Year	**CURRENT REP**	**NEW REP**
~~Skypark Subcommittee~~ – Rename to Town Center Subcommittee	~~Johnson/Bustichi~~	N/A
Town Center Subcommitee *The purpose of the Town Center Subcommittee is to provide guidance regarding development of the Town Center and negotiations with applicable developers. The Subcommittee's recommendations are subject to confirmation by the City Council.*	N/A	Johnson/Reed
~~Glenwood Trails Subcommittee~~ – Rename to Glenwood Open Spaces Subcommittee	~~Aguilar/Reed~~	N/A
Glenwood Open Spaces Subcommittee *The purpose of the Glenwood Open Space Subcommittee is to provide feedback regarding the proposed Glenwood Open Space Master Plan and make recommendations to the City Council.*	N/A	Aguilar/Reed
Budget Subcommittee *The purpose of the Budget Subcommittee is to provide general guidance regarding budget-related matters, including but not limited to: the development of the annual budget, reserve policies, and budget stabilization strategies. The Subcommittee makes recommendation to the City Council as needed, and is comprised of the Mayor and Vice Mayor.*	Mayor/Vice Mayor	Mayor/Vice Mayor
Sign Subcommittee *The purpose of the Sign Subcommittee is to provide guidance regarding the update of the City's sign ordinance and regulations, and makes recommendations to the City Council as needed.*	Bustichi/Lind	Dilles/Lind
~~Gateway South Subcommittee~~ – Remove	~~Reed/Johnson~~	N/A
~~Library Construction Subcommittee~~ – Remove	~~Bustichi/Reed~~	N/A

M/S: Aguilar/Reed
To approve the appointments/changes to the interjurisdictional, standing local, and project specific committees as recommended above by Mayor Johnson.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

3. **Status update of Measure S funds and consideration of a Library Facilities Upgrade Project Specific Subcommittee**

CM Haruyama presented the written staff report and responded to questions from Council.

CM Reed volunteered to serve on this Subcommittee, and recommended Mayor Johnson serve with him, due to their history serving on the past Library Joint Powers Board.

CM Dilles recommended getting public input on the use of these funds.

M/S: Reed/Lind
To establish a Library Facilities Upgrade Subcommittee (Project Specific Subcommittee) and appoint Mayor Johnson and CM Reed to serve on this Subcommittee.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

4. **Future Council agenda items**

None.

ADJOURNMENT The meeting adjourned at 7:20 p.m.

Approved: ______________________________
Randy Johnson, Mayor

Attest:_________________________________
Tracy A. Ferrara, City Clerk

CONSENT AGENDA ITEM B
DATE: 2-1-2017

Check History

CHECK REGISTER

BANK	VENDOR	CHECK#	CHECK DATE	AMOUNT
BA GENERAL	CHECKING ACCOUNT			
	A T &T	109299	01/13/17	371.56
	A T &T	109300	01/13/17	157.38
	ABA BUILDING SERVICES	109301	01/13/17	1,250.00
	ALHAMBRA	109302	01/13/17	134.51
	ALHAMBRA	109303	01/13/17	98.47
	AMERICAN CHEMICAL SOCIET	109304	01/13/17	180.00
	ASSOCIATED SERVICES CO.	109305	01/13/17	197.22
	BALBOA CAPITAL	109306	01/13/17	225.12
	BANK OF NEW YORK MELLON/	109307	01/13/17	1,590.00
	BAY AREA POLYGRAPH	109308	01/13/17	550.00
	BAY TREE, LLC	109309	01/13/17	3,620.38
	BC LABORATORIES INC.	109310	01/13/17	192.00
	BENEDICT DDS/NANETTE	109311	01/13/17	256.00
	BILES DDS MA/DAVID	109312	01/13/17	892.00
	BIRT/DUSTIN	109313	01/13/17	143.53
	BLUE LINE LEARNING GROUP	109314	01/13/17	640.00
	BOBBIE WARD	109315	01/13/17	200.00
	BREWER DDS/DEAN	109316	01/13/17	251.90
	C.W.E.A.	109317	01/13/17	220.00
	CAL-WEST LIGHTING & SIGN	109318	01/13/17	835.00
	CARNU DDS/OANA	109319	01/13/17	95.20
	CENTRAL COAST LANDSCAPE	109320	01/13/17	383.00
	COMCAST	109321	01/13/17	136.16
	CRAIG/ROBERT J	109322	01/13/17	250.00
	CRIME SCENE CLEANERS,INC	109323	01/13/17	75.00
	DUNCAN AUTO TECH	109324	01/13/17	797.05
	ENCOMPASS COMMUNITY SERV	109325	01/13/17	690.00
	ENVIRONMENTAL INNOVATION	109326	01/13/17	2,565.00
	FERNANDEZ DDS/PABLO	109327	01/13/17	691.50
	FRONTIER COMMUNICATIONS	109328	01/13/17	0.70
	HARRIS/BUCK	109329	01/13/17	1,354.00
	HOHMANN/JOHN V.	109330	01/13/17	31.50
	INTERGRITY AUTOMOTIVE	109331	01/13/17	2,354.38
	KENNEDY-JENKS CONSULTANT	109332	01/13/17	24,259.73
	KOSMONT COMPANIES, INC	109333	01/13/17	4,937.00
	KT MECHANICAL INC	109334	01/13/17	225.00
	KURATOMI DDS/REED K	109335	01/13/17	670.50
	LEAGUE OF CA CITIES	109336	01/13/17	5,729.00
	LIFE ASSIST	109337	01/13/17	30.33
	MANAGEMENT PARTNERS	109338	01/13/17	4,552.95
	MAR-KEN INTERNATIONAL PO	109339	01/13/17	260.00
	MARCELLO & COMPANY	109340	01/13/17	17,262.00
	MARKELL/ROD	109341	01/13/17	1,974.00
	MBASIA	109342	01/13/17	4,983.37
	MICROTECH SCIENTIFIC	109343	01/13/17	432.65
	MID VALLEY SUPPLY	109344	01/13/17	503.34
	MILROY/JUSTIN	109345	01/13/17	126.00

CHECK REGISTER

BANK	VENDOR	CHECK#	CHECK DATE	AMOUNT
BA GENERAL	CHECKING ACCOUNT			
	MONTEREY BAY ECONOMIC	109346	01/13/17	5,000.00
	MOUNTAIN MIKE'S PIZZA	109347	01/13/17	176.29
	NBS GOVERNMENT FINANCE G	109348	01/13/17	1,525.00
	NORTH CENTRAL LABORATORI	109349	01/13/17	203.94
	OLIN CORP-CHLOR ALKALI	109350	01/13/17	1,705.37
	OUTDOOR WORLD INC.	109351	01/13/17	162.89
	PACIFIC GAS & ELECTRIC C	109352	01/13/17	32,264.18
	PALACE ART & OFFICE	109353	01/13/17	1,004.13
	POLITO/BRANDON	109354	01/13/17	168.00
	PORTER DDS MS/BRENT J	109355	01/13/17	325.00
	PRODESSE PROPERTY GROUP	109356	01/13/17	3,523.52
	QUEST DIAGNOSTICS	109357	01/13/17	64.74
	RADIO SHACK CORPORATION	109358	01/13/17	32.61
	RIVERSIDE LIGHTING INC	109359	01/13/17	167.26
	ROBB DDS/JOSEPH W	109360	01/13/17	188.00
	RYAN C. WITTWER, DDS	109361	01/13/17	333.80
	S.V. WATER DISTRICT	109362	01/13/17	6,740.01
	SAFETY-KLEEN CORP	109363	01/13/17	873.10
	SAN LORENZO VALLEY WATER	109364	01/13/17	34.00
	SANTA CRUZ CO HEALTH SER	109365	01/13/17	286.00
	SANTA CRUZ COUNTY ANIMAL	109366	01/13/17	23,627.20
	SANTA CRUZ FIRE EQUIPMEN	109367	01/13/17	0.55
	SANTA CRUZ ROLLER PALLAD	109368	01/13/17	187.00
	SANTA CRUZ SENTINEL	109369	01/13/17	330.33
	SANTA CRUZ/COUNTY OF	109370	01/13/17	744,242.00
	SCARBOROUGH LUMBER	109371	01/13/17	1,749.62
	SCOTTS VALLEY MEDICAL	109372	01/13/17	324.00
	SCOTTS VALLEY SPRINKLER	109373	01/13/17	92.93
	SENIOR NETWORK SERVICES,	109374	01/13/17	363.00
	SHANE MESERVE	109375	01/13/17	200.00
	SHRED-IT US JV LLC	109376	01/13/17	0.36
	STEPFORD	109377	01/13/17	5,962.75
	STERLING WATER TECHNOLOG	109378	01/13/17	1,488.00
	SUMMIT UNIFORMS	109379	01/13/17	1,343.71
	SUPERIOR ALARM COMPANY	109380	01/13/17	72.00
	SYCAL ENGINEERING INC	109381	01/13/17	7,193.35
	TELECOMMUNICATIONS	109382	01/13/17	4,440.00
	TORO PETROLEUM CORP	109383	01/13/17	3,166.69
	TRITON CONSTRUCTION	109384	01/13/17	225.00
	U.S. BANCORP OFFICE	109385	01/13/17	1,257.46
	UNION BANK OF CA-CORPORA	109386	01/13/17	2,300.00
	VICKI WHITE	109387	01/13/17	200.00
	VISION SERVICE PLAN	109388	01/13/17	1,173.60
	WAGE WORKS	109389	01/13/17	160.00
	WALPOLE/STEVE	109390	01/13/17	42.00
	WATSON MARLOW, INC	109391	01/13/17	5,751.17
				948,044.99

Report Selection:

RUN GROUP... 012317 COMMENT... A/P 01/23/2017

DATA-JE-ID	DATA COMMENT
W-01232017-159	A/P 01/23/2017

Run Instructions:

Jobq	Banner	Copies	Form	Printer	Hold	Space	LPI	Lines	CPI	CP	SP	RT
L		01			Y	S	6	066	10			

BANK	VENDOR	CHECK#	DATE	AMOUNT
BA	GENERAL CHECKING ACCOUNT			
003123	A T &T	109392	01/23/17	166.73
000705	ADVOCACY, INC	109393	01/23/17	384.00
003497	ALVAREZ INDUSTRIES, INC	109394	01/23/17	408.00
000563	APPI	109395	01/23/17	177.06
001969	ASCAP	109396	01/23/17	341.00
001670	AT &T	109397	01/23/17	43.66
001822	BC LABORATORIES INC.	109398	01/23/17	192.00
001963	BELLVILLE/WAYNE	109399	01/23/17	10.50
.15137	BEN'S MOTORCYCLE WORKS	109400	01/23/17	578.14
003281	BEYMER/AUSTIN	109401	01/23/17	10.50
001385	CALIFORNIA PUBLIC EMPLOY	109402	01/23/17	137,379.60
003174	CAPITAL ONE COMMERCIAL	109403	01/23/17	1,256.52
003521	CARD SERVICE CENTER	109404	01/23/17	1,376.18
001553	CARD SHARK/THE	109405	01/23/17	1,555.84
003568	CNOA	109406	01/23/17	45.00
003568	CNOA	109407	01/23/17	45.00
003568	CNOA	109408	01/23/17	45.00
002091	COMCAST	109409	01/23/17	678.52
001860	CONTRERAS/EFRIAM	109410	01/23/17	10.50
001860	CONTRERAS/EFRIAM	109411	01/23/17	10.50
001546	CRAIG/ROBERT J	109412	01/23/17	125.00
000037	CRYSTAL SPRINGS WATER CO	109413	01/23/17	13.95
003043	CSG CONSULTANTS, INC	109414	01/23/17	50,562.75
001283	CULWELL/CHRIS	109415	01/23/17	975.00
000389	DASSEL'S PETROLEUM INC	109416	01/23/17	3,141.96
000488	DIENTES COMMUNITY DENTAL	109417	01/23/17	333.50
001537	DYNAMIC PRESS	109418	01/23/17	207.80
001548	EGUCHI DDS/DENNIS S	109419	01/23/17	950.00
003286	ENCOMPASS COMMUNITY SERV	109420	01/23/17	690.00
001597	ENVIRONMENTAL INNOVATION	109421	01/23/17	2,115.00
000703	FAMILY SERVICE AGENCY	109422	01/23/17	1,020.75
000051	FISHER SCIENTIFIC	109423	01/23/17	169.72
003502	FREITAS & FREITAS	109424	01/23/17	4,350.00
001837	GORMAN/KEVIN	109425	01/23/17	420.00
001881	GRAINGER	109426	01/23/17	136.80
001075	J.A.M. SERVICES INC.	109427	01/23/17	5,702.40
003292	KIMLEY-HORN & ASSOCIATES	109428	01/23/17	1,549.79
003011	LOPEZ/PAUL	109429	01/23/17	10.50
000291	MBASIA	109430	01/23/17	286,872.50
003171	MICHALAK/GENE	109431	01/23/17	110.00
.15138	MISSION COMMUNICATIONS,	109432	01/23/17	175.00
000083	MISSION UNIFORM SERVICE	109433	01/23/17	736.12
000328	MONTEREY REGIONAL COMPLI	109434	01/23/17	980.00
000939	NATIONAL COMTEL NETWORK	109435	01/23/17	7.29
001989	NORTHERN SAFETY & INDUST	109436	01/23/17	543.20
001802	ONTRAC	109437	01/23/17	133.29
000101	PACIFIC GAS & ELECTRIC C	109438	01/23/17	375.96
001787	PETRINI'S GARDENING SERV	109439	01/23/17	75.00

BANK	VENDOR	CHECK#	DATE	AMOUNT	
BA	GENERAL CHECKING ACCOUNT				
000102	PITNEY BOWES	109440	01/23/17	147.44	
001233	PORTER DDS MS/BRENT J	109441	01/23/17	56.00	
003503	PURETEC INDUSTRIAL WATER	109442	01/23/17	102.34	
001833	RADAR SHOP, INC./THE	109443	01/23/17	365.00	
003567	ROBERTS/AARON	109444	01/23/17	808.50	
000134	S.V. WATER DISTRICT	109445	01/23/17	45.70	
000134	S.V. WATER DISTRICT	109446	01/23/17	49.53	
001894	S.V. WATER DISTRICT - BU	109447	01/23/17	218.59	
001364	SANTA CRUZ COUNTY	109448	01/23/17	23,627.20	
001070	SANTA CRUZ ELECTRONICS I	109449	01/23/17	33.77	
000122	SANTA CRUZ/CITY OF	109450	01/23/17	345.86	
000805	SHAPE INC.	109451	01/23/17	4,227.41	
001555	STATE BOARD OF EQUALIZAT	109452	01/23/17	72.00	
001106	VERIZON WIRELESS	109453	01/23/17	894.25	
000952	WILSON/JOHN	109454	01/23/17	10.50	
000155	XEROX CORPORATION	109455	01/23/17	1,792.76	
002021	ZOOM	109456	01/23/17	364.75	
	GENERAL CHECKING ACCOUNT			540,359.13	***

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				540,359.13

RECORDS PRINTED - 000130

GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
001	GENERAL	421,289.74
004	RECREATION	16,135.65
010	WASTEWATER OPERATIONS	91,517.12
011	TERTIARY TREATMENT PLANT	429.43
014	WASTEWATER EQMT REPLACE RES	4,227.41
025	GENERAL TRUST	1,549.79
028	SENIOR CENTER	1,611.30
112	DENTAL INS INTERNAL SERV	1,981.00
123	COMMUNITY FACILITY CENTER	1,617.69
TOTAL ALL FUNDS		540,359.13

BANK RECAP:

BANK	NAME	DISBURSEMENTS
BA	GENERAL CHECKING ACCOUNT	540,359.13
TOTAL ALL BANKS		540,359.13

Report Selection:

RUN GROUP... 013017 COMMENT... A/P AS OF JAN 30 2017

DATA-JE-ID	DATA COMMENT
W-01302017-184	A/P AS OF JAN 30 2017

Run Instructions:

Jobq	Banner	Copies	Form	Printer	Hold	Space	LPI	Lines	CPI	CP	SP	RT
L		01		CASCPRT01	Y	S	6	066	10			

BANK	VENDOR	CHECK#	DATE	AMOUNT
BA GENERAL	CHECKING ACCOUNT			
003566	ABA BUILDING SERVICES	109457	01/30/17	610.00
001405	AFLAC-FLEX ONE	109458	01/30/17	3,478.35
001626	AGUILAR/STEPHANY	109459	01/30/17	226.29
000001	AMERICAN PLANNING ASSOCI	109460	01/30/17	360.00
000596	ANDERSON/KENNETH D.	109461	01/30/17	1,985.05
001670	AT &T	109462	01/30/17	3,338.76
002010	ATCO INTERNATIONAL	109463	01/30/17	185.45
001066	BEHAVIORAL HEALTH CARE I	109464	01/30/17	124.00
.15139	BEN'S MOTORCYCLE WORKS	109465	01/30/17	150.38
000500	BOLANOS/DORENE	109466	01/30/17	917.50
001110	BOLLINGER INSURANCE INC	109467	01/30/17	500.00
000021	BOWMAN & WILLIAMS	109468	01/30/17	16,413.75
000018	BRINK'S TROPHY SHOPPE	109469	01/30/17	125.60
001566	BUSINESS WITH PLEASURE	109470	01/30/17	102.06
001017	C.W.E.A.	109471	01/30/17	225.00
000226	COAST PAPER & SUPPLY INC	109472	01/30/17	520.92
001051	COASTAL EVERGREEN CORP	109473	01/30/17	1,675.00
001546	CRAIG/ROBERT J	109474	01/30/17	125.00
001896	D & G SANITATION	109475	01/30/17	92.01
000207	DEPARTMENT OF JUSTICE	109476	01/30/17	276.00
000318	DEPT OF TRANSPORTATION	109477	01/30/17	1,152.39
001362	DUNCAN AUTO TECH	109478	01/30/17	832.55
001537	DYNAMIC PRESS	109479	01/30/17	520.55
003500	ECOFERT,INC	109480	01/30/17	850.00
000375	FIRST ALARM SECURITY & P	109481	01/30/17	101.32
000375	FIRST ALARM SECURITY & P	109482	01/30/17	42.57
000666	HOUSING AUTHORITY OF SC	109483	01/30/17	67.00
003060	IACP	109484	01/30/17	320.00
001588	ICHIUJI DMD/ARNOLD	109485	01/30/17	234.20
001308	JOHNSON DDS/BRETT	109486	01/30/17	877.50
001903	JONES/KIMARIE	109487	01/30/17	61.00
.15140	JUAN CHAVEZ	109488	01/30/17	200.00
003402	KELINDA'S CUSTOMS	109489	01/30/17	281.26
000873	LEDYARD COMPANY	109490	01/30/17	264.80
001673	LINCOLN FINANCIAL GROUP	109491	01/30/17	1,455.55
000195	MESITI-MILLER ENGINEERIN	109492	01/30/17	1,786.00
001418	MONTEREY REGIONAL	109493	01/30/17	5,620.50
003556	NATIONAL FILTER MEDIA	109494	01/30/17	2,256.11
001872	NORTH CENTRAL LABORATORI	109495	01/30/17	355.17
001615	OLIN CORP-CHLOR ALKALI	109496	01/30/17	1,727.23
001857	PHOENIX GROUP	109497	01/30/17	108.00
000723	PIED PIPER INC./THE	109498	01/30/17	57.50
000463	RALEY'S	109499	01/30/17	97.76
002043	ROYAL WHOLESALE ELECTRIC	109500	01/30/17	195.69
001823	SANTA CRUZ CO ENVIRONMEN	109501	01/30/17	375.00
000129	SCOTTS VALLEY BANNER	109502	01/30/17	130.00
001586	SCOTTS VALLEY CLEANERS	109503	01/30/17	275.00
003085	SHRED-IT US JV LLC	109504	01/30/17	78.59

BANK	VENDOR	CHECK#	DATE	AMOUNT	
BA GENERAL CHECKING ACCOUNT					
000405	SILVERSTEIN/THOMAS	109505	01/30/17	1,914.25	
001085	SYCAL ENGINEERING INC	109506	01/30/17	4,626.70	
000153	THOMSON REUTERS-WEST	109507	01/30/17	277.96	
001803	VARGAS ACADEMY OF	109508	01/30/17	1,225.00	
001106	VERIZON WIRELESS	109509	01/30/17	103.85	
000151	VISION SERVICE PLAN	109510	01/30/17	1,290.96	
001625	YOSHIDA DDS/NOREEN	109511	01/30/17	280.00	
GENERAL CHECKING ACCOUNT				61,473.08	***

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				61,473.08

RECORDS PRINTED - 000137

GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
001	GENERAL	32,127.01
004	RECREATION	5,951.58
010	WASTEWATER OPERATIONS	11,302.88
011	TERTIARY TREATMENT PLANT	23.29
012	WASTEWATER CAPITAL RESERVE	4,626.70
019	AFFORDABLE HOUSING	67.00
028	SENIOR CENTER	496.90
112	DENTAL INS INTERNAL SERV	2,370.20
123	COMMUNITY FACILITY CENTER	45.27
150	GENERAL CAPITAL IMPROVEMENTS	4,462.25
TOTAL ALL FUNDS		61,473.08

BANK RECAP:

BANK	NAME	DISBURSEMENTS
BA	GENERAL CHECKING ACCOUNT	61,473.08
TOTAL ALL BANKS		61,473.08

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: February 1, 2017

TO: Honorable Mayor and City Council

FROM: Jenny Haruyama, City Manager

SUBJECT: **NON-COLLECTION OF CITY FACILITY RENTAL FEES**
A. APPROVE THE NON-COLLECTION OF CITY FACILITY RENTAL FEES FOR THE SCOTTS VALLEY UNIFIED SCHOOL DISTRICT AND SCHOOL FUNDRASING GROUPS
B. AUTHORIZE THE CITY MANAGER TO ENTER INTO AN INTERIM AGREEMENT WITH THE SCOTTS VALLEY UNIFIED SCHOOL DISTRICT REGARDING USE OF CITY AND SCHOOL FACILITIES

SUMMARY OF ISSUE

In March 1990, the City and the Scotts Valley Unified School District (District), entered into a joint use agreement that allowed each agency to use specified facilities of the other at no cost. Over the years, the facilities that were used by the District evolved. The joint use agreement was very limited and did not address the use of certain City facilities, including the community and senior centers. That agreement expired in March 2015. The City Manager and the District Superintendent are currently working on a new agreement that will allow reciprocal use of facilities. However, at this time, the District would like to reserve City facilities for a variety of school-related events, including but not limited to: school assemblies, dances, graduation ceremonies, and special recognitions. Public school fundraising groups, coordinated by parent volunteers would also like to reserve City facilities to raise funds to host events to support various academic and athletic endeavors.

Because many of those events will occur before the City and the District are able to finalize a new joint use agreement, the District and school fundraising groups have requested that Council consider the non-collection of facility fees, which include rental fees, refundable deposits, and cleaning fees, for certain events this year. The District has already agreed to allow the continued use of its school facilities free of charge to support City recreational programs. The table below reflects the City's year-around use of School District facilities:

City Use of School District Facilities				
Facility	**Purpose**	**Frequency/Year**	**Total # of Hours**	**Fee/No Fee**
Middle School Gym	Youth Basketball	8 Saturdays	48	No
High School Gym	Youth Basketball	8 Sundays	48	No
Vine Hill Playground Area and Restrooms	School Age Recreation	Every M-F	11 hrs/day	No
Brook Knoll Playground Area and Restrooms	School Age Recreation	Every M-F	11 hrs/day	No

Therefore, it is recommended that the Council approve the non-collection of city facility fees for the school events outlined in the attached matrix.

Should Council approve the non-collection of facility fees, it is further recommended that Council direct the City Manager work with the School District Superintendent to develop an Interim Agreement that reflects the current use of its respective facilities as outlined in this staff report. Additionally, the City Manager would have the authority to make non-policy, administrative changes to the Agreement. This interim step will allow time for both agencies to develop and approve a more comprehensive joint use agreement.

FISCAL IMPACT

Should Council approve the request for the non-collection of fees/deposits, the estimated loss of revenue is approximately $9,500. However, the School District, at no charge to the City, provides its Vine Hill and Brook Knoll Elementary School Playground areas and restrooms for City School-Age Recreation programs and the Scotts Valley Middle School and High School gymnasium for City-run Youth Basketball programs. While costs have not yet been calculated, the School District estimates that its contribution is equitable to that of the City's.

STAFF RECOMMENDATION

It is recommended that Council:

1. Approve the non-collection of City facility fees, including rental fees, refundable deposits, and cleaning fees for the Scotts Valley Unified School District and School Fundraising Group events as outlined in the attached matrix.
2. Authorize the City Manager to enter into an Interim Agreement with the Scotts Valley Unified School District regarding the current use of its respective facilities and if necessary, make non-policy, administrative changes to the Agreement.

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Request for Non-Collection of City Facility Fees

SCOTTS VALLEY UNIFIED SCHOOL DISTRICT

Facility	School	Event Description	Event Date	Request for Non-Collection of Facility Fee and Deposit	Request for Non-Collection of Cleaning Fee
Community Center	High School	High School Track & Field Team Banquet	May 2017 (Date TBD)	Yes	Yes
	High School	High School Drama Student Oscar Night	May 2017 (Date TBD)	Yes	Yes
	Middle School	Middle School Graduation Dance	June 8, 2017	Yes	Yes
	High School	High School Cross Country Team Banquet	November 2017 (Date TBD)	Yes	Yes
Senior Center	High School	High School JV Football Team Party	Nov 13, 2016	Yes	Yes
Vine Hill Elementary Modular	Vine Hill Elementary	Plays, Class Pictures, Assemblies	September 2016 – June 2017	Yes	N/A
Brook Knoll Modular	Brook Knoll Elementary	Plays, Class Pictures, Assemblies	September 2016 – June 2017	Yes	N/A
Siltanen Park	Vine Hill Elementary	Vine Hill Elementary School End of the Year Celebration	June 2017	Yes	N/A
Skypark	Middle School	Middle School Soccer Games	Sept/Oct/Nov/Dec 2016	Yes	N/A
Skypark & Siltanen	High School	High School Soccer Practice	November 2016– February 2017	Yes	N/A
Siltanen Park BBQ	School District	School District BBQ	June 2017	Yes	N/A
Siltanen Park BBQ/ Lower Fields	Middle School	8th Grade Rehearsal Graduation/BBQ	June 6, 2017	Yes	N/A
Council Chambers*	School District	School District Meetings	Year Around	N/A	N/A

*Resolution 1582 (October 16, 1996) – Allows for use of Council Chambers by public/quasi-public agency at no charge.

PUBLIC SCHOOL FUNDRAISING GROUPS

Facility	Organization/Group	Event Description	Event Date	Request for Non-Collection of Facility Fees and Deposit	Request for Non-Collection of Cleaning Fee
Community Center	Vine Hill PTA	Vine Hill Elementary PTA Ice Cream Social	February 3, 2017	Yes	No
	Falcon Club	High School Baseball Calamari Feed Fundraiser	February 25, 2017	Yes	No
	Middle School PTA	Middle School Pasta Palooza Fundraiser	March 18, 2017	Yes	No

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: February 1, 2017

TO: Honorable Mayor and City Council

FROM: Jenny Haruyama, City Manager

SUBJECT: **APPROVE AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT AND JOINT COMMUNITY FACILITIES AGREEMENT FOR THE LIBRARIES FACILITIES FINANCING AUTHORITY**

SUMMARY OF ISSUE

On December 9, 2014, the Library Facilities Financing Authority (LFFA) was formed under a Joint Exercise of Powers Agreement (JPA). The JPA was formed to help finance library improvements within the Santa Cruz Public Library system, including the Scotts Valley Library. With the passage of Measure S in June 2016, the JPA is preparing to issue the first round of bonds in Summer 2017. The JPA was amended for the first time on December 16, 2015 to specify details regarding the terms and provisions upon which the public library improvements will be funded. Approval of an Amended and Restated JPA is now necessary to align the agreement with the process by which special taxes and bond proceeds will be distributed to members. In addition, approval of a Joint Community Facilities Agreement (JCFA) is necessary to comply with the Mello-Roos Community Facilities Act of 1982.

The Amended and Restated JPA incorporates the following changes:

1. **Bond Expenditure Plan**. The Amended and Restated JPA includes the concept of a Bond Expenditure Plan, which outlines anticipated facilities needs of the JPA members, a plan to finance facilities through special taxes and net bond proceeds, estimated amounts of special taxes and net bond proceeds to be distributed to each JPA member, and bond issuance phasing. The Bond Expenditure Plan can only be approved and revised by the unanimous vote of the JPA Board.

2. **Joint Community Facilities Agreement**. The Amended and Restated JPA includes references to the Joint Community Facilities Agreement, which is a separate agreement with the Authority, requiring the signature of JPA members to comply with the Mello-Roos Act. The Joint Community Facilities Agreement includes covenants by the members regarding expenditure of bond proceeds, recordkeeping and reporting, and federal tax law requirements.

3. **Separate Provisions for Special Tax Revenues and Bond Proceeds**. In order to clarify the agreement, separate provisions for the receipt and accounting of special tax revenues and bond proceeds are included, since they are subject to different rules.

FISCAL IMPACT

There is no fiscal impact associated with approving the amended and restated library agreements.

STAFF RECOMMENDATION

It is recommended that Council approve the attached amended and restated Joint Exercise of Power Agreement for the Libraries Facilities Financing Authority and a Joint Community Facilities Agreement.

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SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY

AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT

This AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement"), dated ___________, 2017, is entered into by and among the CITY OF SANTA CRUZ, a charter city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, the CITY OF SCOTTS VALLEY, a general law city and municipal corporation duly organized and existing under the laws of the State of California, the CITY OF CAPITOLA, a general law city and municipal corporation duly organized and existing under the laws of the State of California, and the COUNTY OF SANTA CRUZ, a California county duly organized and existing under the laws of the State of California.

B A C K G R O U N D:

1 The Cities and the County wish to enter into this Agreement establishing a new and separate joint powers authority for the purpose of financing the acquisition, construction and improvement of public library facilities (the "Public Library Improvements") through the formation of a community facilities district under the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53311 of said Code (the "Mello-Roos Act") and the authorization and issuance of bonds under the Mello-Roos Act.

2. The Facilities Authority has completed proceedings for the formation of a community facilities district under the Mello-Roos Act, known as "Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1."

3. This Agreement amends and restates in its entirety the Joint Exercise of Powers Agreement among the Parties dated December 9, 2014, as subsequently amended to date.

A G R E E M E N T:

For and in consideration of the premises and the material covenants hereinafter contained, the Parties hereto hereby formally covenant, agree and bind themselves as follows:

SECTION 1. *Definitions*. Unless the context otherwise requires, the terms defined in this Section 2 have the meanings herein specified.

"Agreement" means this Joint Exercise of Powers Agreement, as it may be amended from time to time, creating the Facilities Authority.

"Board" means the governing board of the Facilities Authority.

"Bond" or "Bonds" means any notes; bonds or other obligations issued by the Facilities Authority for the purpose of financing Public Library Improvements payable from the Special Tax.

"Bond Expenditure Plan" means the Bond Expenditure Plan approved by the Board, by the unanimous affirmative vote of all of the Directors, in accordance with Section 2 below, as it may be amended from time to time.

"Bond Trustee" means the trustee or fiscal agent to be appointed by the Board in connection with the issuance of each series of the Bonds.

"Cities" means collectively, the Cities of Santa Cruz, Scotts Valley and Capitola.

"CFD" means a community facilities district formed under the Mello-Roos Act.

"County" means the County of Santa Cruz.

"Directors" means the members of the Board, as set forth in Section 4(b).

"Facilities Authority" means the joint powers authority created by this Agreement.

"JCFA" means the Joint Community Facilities Agreement to be entered into by the Parties and the Facilities Authority under the Act and in accordance with Section 2 below.

"Joint Powers Act" means the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 of the California Government Code, commencing with Section 6500 of said Code.

"Library Operator" means the Library Joint Powers Authority, the Parties or any other entity established to carry out library operations.

"Mello-Roos Act" means the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53311 of said Code.

"Net Bond Proceeds" means the proceeds of each series of the Bonds available for Public Library Improvement costs, net of transaction costs that may include costs of issuing the Bonds, debt service reserve funds for the Bonds, capitalized interest with respect to the Bonds, and initial expenses of administering the CFD and the Bonds.

"Parties" means, collectively, all the parties to the Agreement, being the Cities and the County.

"Public Library Improvements" means physical improvements to the public library facilities, which are operated by the Library Operator, as defined by "Facilities" in the formation proceedings for the CFD and eligible for financing by the CFD in accordance with the formation proceedings for the CFD, the JCFA, and the Mello-Roos Act.

"Special Tax" or "Special Taxes" means the special tax levied by the CFD.

SECTION 2. *Purposes.*

(a) *General*. This Agreement is entered into under the Joint Powers Act for the purpose of establishing a joint powers authority which is authorized to exercise the powers granted to it under the Joint Powers Act and the Mello-Roos Act for the following purposes:

(i) Forming a CFD.

(ii) Calling an election under the Mello-Roos Act on, among other things, the issuance of Bonds for the purpose of raising at least $62,000,000 of Net Bond Proceeds and net Special Taxes for the financing of Public Library Improvements.

(iii) Issuing Bonds to finance Public Library Improvements.

(iv) Carrying out all activities required for the proper management of the Bonds to be issued hereunder.

(b) *CFD Formation and Administration*.

(i) General. It is understood and agreed by the Parties that the purpose of the Facilities Authority is to form a single CFD and to conduct a single bond election for the issuance of one or more series of Bonds for the purpose of raising at least $62,000,000 of Net Bond Proceeds and net Special Taxes and that following the initial formation of the CFD and bond election, the purposes of the Facilities Authority shall be to issue the Bonds that have been authorized at such election, to levy a tax to service the debt associated with the issuance and pay for Public Library Improvements on a pay-as-you-go basis and otherwise administer the Bonds and the Special Tax during the term thereof.

It is anticipated that the Special Tax will be levied each year at the maximum amount permitted.

Prior to the issuance of the first series of the Bonds, the Board shall take the following actions:

(I) The Board shall approve, by the unanimous affirmative vote of all of the Directors, a Bond Expenditure Plan setting forth the anticipated Public Library Improvements needs of each Party, the plan for financing those Public Library Improvements through Special Taxes and Net Bond Proceeds, the anticipated amounts of Special Taxes and Net Bond Proceeds to be distributed to each Party, and the phasing plan for each series of the Bonds. The Bond Expenditure Plan may be amended from time to time, by the unanimous affirmative vote of all of the Directors, to further refine the financing plan for the Public Library Improvements.

(II) The Board and the Parties shall enter into the JCFA in accordance with the Act governing the expenditure of Net Bond Proceeds by the Parties and such other matters as set forth in the JCFA.

(ii) Maximum Distributions to Parties. The Facilities Authority shall distribute the Special Taxes and Net Bond Proceeds to each of the Parties in the maximum amounts specified below using the percentages specified below (adjusted for rounding) in order to undertake and complete the construction of the Public Library Improvements:

Member	Maximum Amount	Percentage
City of Capitola	$8,000,000	12.90%
City of Santa Cruz	$25,000,000	40.32%
City of Scotts Valley	$3,000,000	4.84%
County of Santa Cruz	$26,000,000	41.94%
Total	$62,000,000	100.00%

Changes to the total amount of the Bonds to be issued, or to the distribution of Special Taxes and Net Bond Proceeds among the Parties, shall require an amendment to this Agreement by the unanimous affirmative vote of all of the Directors, in accordance with the further requirements set forth in Section 14, and shall be subject to the requirements of the Mello-Roos Act and the Joint Powers Act.

(iii) <u>Distribution of Special Tax Proceeds</u>. Prior to issuance of Bonds, any net Special Tax collected in excess of amounts needed to administer the CFD shall be distributed twice annually in January and June, or as soon as practical upon receipt (but in no event less than twice annually), to each of the Parties in the percentages shown above.

After the issuance of Bonds, any net Special Tax collected in excess of amounts needed to pay each Party's allocable share of debt service on Bonds and to administer the Bonds and the CFD shall be distributed annually on September 2 to each of the Parties in accordance with the Bond Expenditure Plan.

When the total of net Special Taxes and Net Bond Proceeds distributed to the Parties equals the maximum amounts specified in Section 2 (ii) and a total of $62,000,000, further distribution of net Special Taxes to each of the Parties shall be made in accordance with the Bond Expenditure Plan subject to the unanimous affirmative vote of all of the Directors.

Each of the Parties shall deposit or cause to be deposited all Special Tax proceeds it receives into a separate account to track revenues, expenses and fund balance, which will also be subject to an independent audit every year during the term of this Agreement. Each of the Parties shall spend all Special Tax proceeds in accordance with the JCFA, and will be required to execute and deliver certifications and make representations and covenants regarding the administration and expenditure of net Special Taxes, as may be required by bond counsel in order to ensure compliance with applicable provisions of Mello-Roos Act.

(iv) <u>Distribution of Net Bond Proceeds</u>. All Net Bond Proceeds shall be held by the Bond Trustee in a separate fund or account to be maintained for that purpose.

The Bond Trustee shall disburse Net Bond Proceeds to the Parties solely in accordance with the Bond Expenditure Plan and subject to the maximum amounts set forth in subsection (ii) above.

The Bond Trustee shall disburse Net Bond Proceeds to a Party (or to a third party at the direction of that Party) only upon a written requisition from that Party:

(I) specifying the Facilities costs for which the disbursement is requested, and date on which the cost was incurred,

(II) certifying that the Net Bond Proceeds shall be used by the Party solely in accordance with the JCFA, and

(III) certifying that the Facilities cost has been paid by the Party or will be paid by the Party no later than 30 days after the date of the written requisition.

Each of the Parties shall deposit or cause to be deposited all Net Bond Proceeds into a separate account to track revenues, expenses and fund balance, which will be subject to an independent audit every year during the term of this Agreement. Each of the Parties shall spend Net Bond Proceeds in accordance with the JCFA, and will be required to execute and deliver certifications and make representations and covenants regarding the administration, expenditure and investment of Net Bond Proceeds as may be required by bond counsel in order to ensure compliance with applicable provisions of the Mello-Roos Act and federal tax law.

(v) Construction of Public Library Improvements. Each of the Parties shall be responsible for overseeing the construction of the Public Library Improvements within its jurisdiction. The Parties shall work with their designated Library Operator to ensure that the Public Library Improvements meet the appropriate minimum deliverables for each project as well as furniture, shelving and signage standards as defined in Attachment A, which may be amended by the unanimous affirmative vote of all of the Directors to reflect updated standards.

SECTION 3. *Term*. This Agreement takes effect as of the date hereof and continues in full force and effect while any Bonds or other obligations of the Facilities Authority remain outstanding under the terms of any indenture, trust agreement, contract, agreement, lease, sublease or other instrument under which such Bonds are issued or other obligations are incurred. The Facilities Authority shall cause all records regarding its formation, existence, any Bonds issued by it, obligations incurred by it and proceedings pertaining to its termination to be retained for at least six years following termination of the Facilities Authority or final payment of any Bonds, whichever is later.

SECTION 4. *The Facilities Authority*.

(a) Creation of Facilities Authority. There is hereby created under the Joint Powers Act an agency and public entity to be known as the "Santa Cruz Libraries Facilities Financing Authority." As provided in the Joint Powers Act, the Facilities Authority is a public entity separate from the Parties. The debts, liabilities and obligations of the Facilities Authority do not and shall not constitute debts, liabilities or obligations of the Parties. Within 30 days after the effective date of this Agreement or any amendment hereto, the Facilities Authority will cause a notice of this Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State of California in the manner set forth in Section 6503.5 of the Joint Powers Act.

(b) Governing Board. The Facilities Authority shall be administered by the Board consisting of four Directors, who shall consist of the chief executive officer of each of the Parties, or a designee of any such chief executive officer. In the case of the Cities, the chief executive officer shall be the City Manager of each of the Cities; and in the case of the County, the chief executive officer shall be the County Administrative Officer of the County. The Board may adopt, from time to time, such bylaws, rules and regulations necessary for the productive management of its meetings.

All voting power of the Authority shall reside in the Board. Each Director shall have one vote.

(c) Meetings of Board.

(i) Time and Place. The Board shall establish the times and dates for regular meetings by resolution adopted by the Board. Regular meetings of the Board shall be held at such location as shall be designated by the Board; except as may otherwise be permitted by the laws of the State of California in the case of a meeting held by teleconference. The initial location for regular meetings of the Board shall be 224 Church Street in the City of Santa Cruz. The Board may hold special meetings at any time and from time to time in accordance with the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California), or any successor legislation hereinafter enacted (the "Brown Act").

(ii) Brown Act. All meetings of the Board will be called, noticed, held and conducted in accordance with the applicable provisions of the Brown Act.

(iii) Minutes. The Board will cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the Parties.

(iv) Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time. The affirmative votes of at least a majority of the Directors present at any meeting at which a quorum is present shall be required to take any action by the Board. Notwithstanding the foregoing provisions of this subsection (iv), any action taken by the Board to form a community facilities district, call a bond election or issue Bonds pursuant to such election and distribute Net Bond Proceeds shall only be taken with the unanimous affirmative vote of all of the Directors.

(d) Officers; Duties; Bonds

(i) Treasurer-Controller. Pursuant to Section 6505.5 and 6505.6 of the Joint Powers Act, the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector is hereby designated as the Treasurer-Controller and, as such, shall perform the functions of the treasurer and the functions of the auditor of the Facilities Authority, as such functions are set forth in Section 6505.5 of the Joint Powers Law. Pursuant to Section 6505.1 of the Joint Powers Act, the Treasurer-Controller shall have custody of, handle and have access to all accounts, funds and money of the Facilities Authority from whatever source and all records of the Facilities Authority relating thereto. The County will not charge the Facilities Authority for the services of the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector's Office to issue debt, make debt service payments or make drawdowns.

The Treasurer-Controller of the Facilities Authority is hereby designated as the public officer or person who has charge of, handles, or has access to any property of the Facilities Authority. The Treasurer-Controller shall file an official bond in the amount of $25,000 as required by Section 6505.1 of the Joint Powers Act; provided, that such bond shall not be required if the Facilities Authority does not possess or own property or funds with an aggregate value of greater than $500 (excluding amounts held by a trustee or other fiduciary in connection with any Bonds). So long as required by Section 6505 and

Section 6505.5 of the Joint Powers Act, every year during the term of this Agreement the Treasurer-Controller of the Facilities Authority shall prepare or cause to be prepared an independent audit to be made by a certified public accountant, or a public accountant, as required under Sections 6505, 6505.5, and 6505.6 of the Joint Powers Act. Any costs associated with the independent audit shall be paid for by the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Special Tax and Bond proceeds received, as set forth in Section 2.

(ii) Chair and Vice Chair. The Board of Directors shall elect a Chair and a Vice-Chair of the Facilities Authority at its first meeting in January of each year. The Chair shall be the presiding officer of the Facilities Authority, and shall sign all contracts on behalf of the Facilities Authority unless otherwise provided by resolution of the Board. The Vice Chair shall perform the duties of the Chair in the absence or unavailability of the Chair.

(iii) Executive Director, Secretary and Other Officers. The Board may appoint staff to conduct the business of the Facilities Authority. Said officers shall perform such functions as shall be customary in the exercise of such positions, and as may be more specifically provided by the Facilities Authority from time to time. The Executive Director shall have charge of the day-to-day administration of the Facilities Authority and shall execute the directives of the Board. The Secretary shall have charge of and access to all the records of the Facilities Authority other than those that are the responsibility of the Treasurer-Controller. The Secretary shall be responsible for recording and distributing the minutes of all meetings of the Board. The Board may appoint an attorney or firm of attorneys to serve as the general legal counsel to the Facilities Authority, who shall perform such duties as may be prescribed by the Board. Any costs associated with such appointments shall be paid for by the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Special Tax and Bond proceeds received, as set forth in Section 2.

The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants. Any costs associated with such appointments shall be paid for by the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Special Tax and Bond proceeds received, as set forth in Section 2.

(iv) Privileges and Immunities. All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, worker's compensation and other benefits which apply to the activities of officers, agents or employees of the Parties when performing their respective functions within the territorial limits of their respective Party, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties extraterritorially under the provisions of this Agreement.

(v) Employees Independent of Parties. None of the officers, agents or employees, if any, directly employed by the Facilities Authority shall be deemed, by reason of their employment by the Facilities Authority, to be employed by any Party or, by reason of their employment by the Facilities Authority, to be subject to any of the requirements of any Party.

SECTION 5. *Powers*.

The Facilities Authority shall have the power, in its own- name, to conduct proceedings under the Mello-Roos Act to form a single CFD within all or a portion of the boundaries of the Parties, to conduct a single bond election for the issuance of one or more series of Bonds for the purpose of raising at least $62,000,000 of Net Bond Proceeds and net Special Taxes to be paid by a special tax within the CFD and to finance Public Library Improvements within the CFD, and to issue Bonds under the Mello-Roos Act for said purposes. The Facilities Authority is not authorized to take any actions inconsistent with or additional to the specific proceedings set forth above.

The Facilities Authority shall have all powers which a joint powers authority may exercise under the Joint Powers Act (including powers which are common to the Parties in accordance with Section 6502 of the Joint Powers Act), and all powers granted to it as a public agency under the laws of the State of California (including but not limited to the powers set forth in Chapter 12, Division 6; Title 1 of the California Government Code; commencing with Section 5920 of said Code), for the purpose of carrying out the purposes for which the Facilities Authority has been established, The Facilities Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of common powers, including but not limited to making and entering into contracts, suing and being sued in its own name, incurring obligations, and carrying out and enforcing all the provisions of this Agreement.

SECTION 6. *Termination of Powers*. The Facilities Authority shall continue to exercise the powers herein conferred upon it until the termination of this Agreement in accordance with Section 3.

SECTION 7. *Fiscal Yea*r. Unless and until changed by resolution of the Board, the fiscal year of the Facilities Authority is the period from July 1 of each year to and including the following June 30.

SECTION 8. *Disposition of Assets*. Upon termination of this Agreement under Section 3, any surplus money in possession of the Facilities Authority or on deposit in any fund or account of the Facilities Authority, and all property of the Facilities Authority both real and personal, will be returned in proportion to any contributions made as required by Section 6512 of the Joint Powers Act, and otherwise will be divided proportionate to the amount of the Bonds set forth in Section 2. The Board is vested with all powers of the Facilities Authority for the purpose of concluding and dissolving the business affairs of the Facilities Authority.

SECTION 9. *Contributions and Advances*. Contributions or advances of public funds and of personnel; equipment or property may be made to the Facilities Authority by the Parties for any of the purposes of this Agreement. It is mutually understood and agreed that no Party of the Facilities Authority shall have any obligation to make advances or contributions to the Facilities Authority to provide for the costs and expenses of administration of the Facilities Authority, even though any Party may do so. Any Party may allow the use of personnel, equipment or property in lieu of other contributions or advances to the Facilities Authority.

SECTION 10. *Accounts and Reports*. The Facilities Authority will establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Facilities Authority will be open to inspection at all reasonable times by the Parties and their representatives.

SECTION 11. *Conflict of Interest Code*. The Facilities Authority shall, by resolution of the Board, adopt a Conflict of Interest Code to the extent required by law.

SECTION 12. *Severability*. If any part, term, or provision of this Agreement is decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, Terms or provisions hereof will not be affected thereby.

SECTION 13. *Successors*. This Agreement is binding on and inures to the benefit of the successors of the Parties. No Party may assign any right or obligation under this Agreement without the written consent of the other Parties.

SECTION 14, *Amendment*. This Agreement may be amended by supplemental agreement executed by the Parties at any time. However, this Agreement may be terminated only in accordance with Section 3 and any such supplemental agreement is subject to any restrictions contained in any Bonds or documents related to any Bonds to which the Facilities Authority is a party.

SECTION 15. *Form of Approvals*. Whenever an approval is required in this Agreement, unless the context specifies otherwise, it shall be given by resolution duly adopted by the governing board of the affected Party, and, in the case of the Facilities Authority, by resolution duly adopted by the Board. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

SECTION 16. *Mutual Defense and indemnification of Parties and Employees*. Each Party and the Facilities Authority shall defend, indemnify, and hold harmless one another against any and all claims, actions; losses, liability or expense (including attorney's fees) arising out of, or based upon, the acts or omissions of the Facilities Authority or its Parties in executing the powers of the Facilities Authority. To the full extent permitted by law, the Board shall provide for indemnification by the Facilities Authority of any person who is or was a member of the Board, or an officer, employee or other agent of the Facilities Authority or a Party, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any legal proceeding related to the work of the Facilities Authority, if such person acted in good faith and in the course and scope of his or her office, employment or agency. In the case of a criminal proceeding, the Board may, but is not required to, provide for indemnification and defense of a member of the Board, or an officer, employee or other agent of the Facilities Authority to the extent permitted by law. A member, officer, or employee of the Facilities Authority or any Party may not be held personally liable on any Bonds and may not be subject to any personal liability or accountability by reason of the issuance of Bonds under the Joint Powers Act and this Agreement.

(a) Liability Insurance. The Facilities Authority shall purchase a General Liability Insurance policy with coverage in the minimum amount of $1,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability. Any costs associated with the insurance policy shall he paid for by the Facilities Authority out of the Special Tax or Bond proceeds. The named insured shall be the Facilities Authority and, accordingly, the Facilities Authority shall have responsibility for exercising all rights conferred by the insurance policy upon the insured.

(b) Uninsured Claims. Any uninsured costs of providing liability defense, including payments for legal fees and costs and including payment of adjusted and settled claims and judgments must be approved by the Parties. Where it is necessary to employ special legal counsel given the nature of the claim, the Facilities Authority shall select said special legal counsel. Legal counsel shall report to the Facilities Authority with respect to said claims in recognition of the Facilities Authority's status as defendant and client. Legal counsel shall therefore enjoy an attorney-client privilege with the Facilities Authority and the Facilities Authority shall have the authority to make all decisions for which a client is customarily responsible in an attorney-client relationship, including final decisions with respect to the adjustment and settlement of uninsured claims and the rejection of settlement offers. Any costs associated with uninsured claims shall be paid for by the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Special Tax and Bond proceeds received, as set forth in Section 2.

SECTION 17. *Notices*. Notices to any Party hereunder shall be sufficient if delivered to the representatives of the Parties serving as Directors on the Board.

SECTION 18. *Section Headings*. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

SECTION 19. *Law Governing*. This Agreement is made in the State of California under the Constitution and laws of the State of California and is to be so construed.

SECTION 20. *Enforcement by Facilities Authority*. The Facilities Authority is hereby authorized to take any or all legal or equitable actions necessary or permitted by law to enforce this Agreement.

Approved As To Form:

Attorney-at-law

Date: January 6, 2017

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF SANTA CRUZ

By: ________________________________

Attest:

____

CITY OF SCOTTS VALLEY

By: ________________________________

Attest:

____

CITY OF CAPITOLA

By: ________________________________

Attest:

____

COUNTY OF SANTA CRUZ

By: ________________________________

Attest:

____

ATTACHMENT A

FURNITURE, SHELVING & SIGNAGE STANDARDS

Santa Cruz Public Libraries

Furniture, Shelving & Signage Standards

March 2015

ANDERSON BRULÉ ARCHITECTS
+
MATTHEW WILLIAMS DESIGN

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TABLE OF CONTENTS

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INTRODUCTION

Overview

The Santa Cruz Public Libraries (SCPL) system serves four jurisdictions in Santa Cruz County (the Cities of Santa Cruz, Capitola, Scotts Valley and the unincorporated County of Santa Cruz) through a network of 10 neighborhood library branches. The System contracts with the City of Santa Cruz for purchasing services and follows those purchasing policies and procedures accordingly.

In 2012, SCPL initiated a master planning process to modernize the library facilities. The facilities master plan, found here: http://www.santacruzpl.org/aboutscpl/planning/27/, details the maintenance and improvement needs for each of the facilities across the county ranging from minor renovations to complete replacement.

Each of the four jurisdictions will be responsible for managing its own facilities and project(s) while the Library staff will be responsible for ongoing maintenance and operations. In an effort to assure quality selections in future projects and consistency among all library facilities, a need to clearly define standards for furniture, shelving and signage has been identified.

Standards Purpose and Use

The Santa Cruz Public Libraries Furniture, Shelving and Signage Design Standards handbook provides written guidelines in each of these three areas with regard to performance, longevity, warranty, maintenance sustainability and ease of cleaning, creating a standard for quality and consistency across jurisdictions. It also offers a best practices guideline for achieving purchasing efficiencies and economies of scale and allows for consistency while bringing the facilities up to 21st century standards for libraries.

The intent of these standards is to offer broad and flexible guidelines for architects, interior designers, consultants and Library representatives. The standards provide efficiency by allowing the Library to centrally store and consolidate products and interchange parts for maintenance of multiple branches. These standards have been developed through an inclusive and participatory process with Library staff for all typical SCPL requirements. For any unique circumstances or situations that require deviation from these standards, the design team will be responsible for obtaining approval from the client.

This handbook is to be used as a set of guidelines and is not necessarily dictated by industry standards or codes. The design professional shall be responsible for compliance with current codes and industry standards and shall attain owner approval for furniture, shelving and signage selections. This handbook is a living document and is intended to evolve as new technology, products, and learning styles progress in order to respond to emerging library trends and the needs of the community. The standards are intended to provide not only a consistent approach for future work, but recognize future programmatic and technical needs not yet defined.

Document Organization

This document is divided into three chapters, covering each of the three areas; furniture, shelving and signage.

- Table of Contents
- Introduction
- Chapter 1 – Furniture
- Chapter 2 – Shelving
- Chapter 3 – Signage
- Appendix

Within each chapter, are sections describing the type of furniture, shelving or signage item and the details about each item including:

- an overview and use for each type
- general information which includes any standards, quality, warranty and sustainability information
- product specific information pertaining to any material or finish preferences
- additional information regarding typical locations used and cleaning preferences

The Appendix contains definitions for the various terms used throughout the document.

Overall Information

The Library would like to meet a LEED Silver level for all buildings. Furniture, shelving and signage should support and feed into this standard. The design professional should confirm this sustainability level with the Library at the time of the project.

The Library requires a furniture fair or sit-test of all furniture items being considered for the library.

As this is intended to be a living document, any reference standards noted should comply with the current standard tests, reference materials, codes, laws etc. applicable to each jurisdiction at the time of the project.

Santa Cruz Public Libraries

CHAPTER 1

Furniture Standards

The design professional shall work diligently to ensure optimal pricing for all furniture. Furniture will be procured from group purchasing agreements including U.S. Communities, NJPA, NIPA and CMAS is preferred. The design professional shall research and provide costs for at least one option for each furniture item from a group purchasing agreement.

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CHAPTER 1 - LOUNGE SEATING

1.1 Overview

There are many types of Lounge Furnishings throughout the Library Spaces, most commonly used in the Public Areas. These can include individual and multi-seat pieces. Some will require mobility for the function within its preferred location while all others should still be able to be relocated, but less frequently. Durability and ease of cleaning are important in maintaining the library.

1.2 General

Reference Standards

- CAL TB117
- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- ANSI/BIFMA X5.4 Lounge and Public Seating

Quality Control

- All lounge furniture shall have tight upholstery with no loose cushions.
- When there are arms, it is preferred that they have an arm cap to protect the upholstery.
- Weight capacity: 300-350lbs minimum
    - 500lbs+ for any bariatric items desired by the Library

Warranty

- Lifetime warranty or a minimum on 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards

1.3 Products

Materials / Finishes

- Wood or Urethane Arm Caps
    - Caps should be easily replaceable if they become damaged.
    - Wood is preferred for the arm cap. Urethane may be used on approval of Library.
- Wood or Metal Feet
    - There is a strong preference for natural maple or natural cherry wood tones.
    - There is a strong preference for matte silver-toned metal.

- Glides or Casters
    - Glide and caster selection should be based on floor material type for location of item.
- Upholstery
    - Shall be highly durable and easy to clean.
    - Performance Fabrics ONLY (use a single type throughout the library – Crypton, Nanotex, etc.).
    - Moisture barrier in all public spaces.
    - Textile recycled content 49%-75%.
    - 75, 000 – 150,000+ Double Rubs.
    - Meets CAL TB117.

Other Material Requirements

- If the piece will be in an area where wet mopping will occur, use a material that will not be damaged by water and cleaning solutions.
- The Library has a strong preference for upholstered pieces to be raised off the floor for ease of cleaning underneath.
- Lounge seating feet should be a durable material.

1.4 Execution

Typical Type & Location

No.	Description	Location(s)
L01	Lounge Chairs	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces, Staff Lounge
L02	Love Seat/Sofa	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces, Staff Lounge
L03	Booth	Adult Public Spaces, Teen Public Spaces
L04	Ottoman/Pouf	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces

Additional Information

- All Lounge Seats will be sized for adults, unless directed otherwise by the Library.
    - When needed, some lounge chairs in the Children's area shall be sized for ages 3-5
- Lounge Chairs for Teens & Technology Areas are preferred to have casters and tablet arms.
    - Tablet Arms shall hold a minimum of 150lbs
    - Locking casters
- When specifying a booth lounge, it should have a coordinating table of either desk or coffee table height, see Tables Section.

Protection / Cleaning

- All upholstery in the project should have the same type of cleaning system required. Fabrics should be performance fabrics with some type of stain repellant such as Crypton, Green Crypton, Nanotex, etc.
    - Provide end user with cleaning instructions for fabric type used in project
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.

- Consider using clean outs and crumb catchers for ease of cleaning.
- Consider location of furniture with regards to amount of sunlight in the location. Some locations may require a solution dyed fabric for light fastness.

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CHAPTER 1 - CHAIRS

1.1 Overview

Chairs in the Library serve many different functions such as reading chairs, task chairs for workstations, computer stations, and children's sized chairs. Different functions require different finishes and shapes, but all need to be durable to last in a highly active public environment. Some areas will require lighter weight chairs for the function of the space where as others will need to be very sturdy to withstand highly active spaces. Staff workspaces will need complete ergonomic seating.

1.2 General

Reference Standards

- CAL TB117
- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- ANSI/BIFMA X5.1 Office Seating/X5.4 Lounge and Public Seating

Quality Control

- Ergonomic comfort of all chairs should be considered.
    - Comfort of seat edges
    - Body support in seat pans and backs
    - Breathability
- There is a preference for chairs with four legs.
- There is a strong preference for light weight reading chairs.
- Any stools should have a foot ring or foot rest.
- Light weight stackable chairs should be 10lbs or less.
- Weight capacity: 300-350lbs minimum.
    - 500lbs+ for any bariatric items desired by the Library

Warranty

- Lifetime warranty or a minimum of 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards

1.3 Products

Materials / Finishes

- Wood or Urethane Arm Caps
    - Caps should be easily replaceable if they become damaged.
- Wood or Metal Legs & Feet
    - There is a strong preference for natural maple or natural cherry wood tones.
    - There is a strong preference for matte silver-toned metal.
- Glides or Casters
    - Selection should be based on floor material type for location of item.
    - Casters are only on task chairs or computer chairs.
- Seats & Backs
    - Polypropylene
    - Wood
    - Upholstery shall be highly durable and cleanable
        - Performance Fabrics ONLY (use a single type throughout the library – Crypton, Nanotex, etc.).
        - Moisture Barrier in all public spaces.
        - Textile Recycled content 49%-75% minimum.
        - 75, 000 – 150,000+ Double Rubs.
        - Meets CAL TB117

Other Material Requirements

- Frame construction to be welded metal, solid wood or equal.

1.4 Execution

Typical Type & Location

No.	Description	Location(s)
C01	Reading Chairs	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces
C02	Computer Chairs	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces
C03	Non-Stacking Chair	Smaller Meeting Spaces, Staff Workspace, Staff Lounge, Friends of the Library Area
C04	Stacking Chair	Meeting Spaces, Smaller Meeting Spaces
C05	Stools	Adult Public Spaces, Teen Public Spaces
C06	Task Chairs	Staff Workspaces
C07	Task Stools	Staff Workspaces

Additional Information

- Arm and Armless chairs will be used. The design professional will work with the Library to determine the best mix of arm and arm less chairs for the space.
- Computer chairs can have a 5-star base or casters. They should be ergonomic for short term use, and have a limited amount of adjustable parts.
    - Height flexibility is strongly preferred at public computer stations.
- Task chairs should have 5-star bases and be fully ergonomic with a high amount of adjustability. The design professional will work with the Library to determine needs or current requirements.

Protection / Cleaning

- All upholstery in the project should have the same type of cleaning system required. Fabrics should be performance fabrics with some type of stain repellant such as Crypton, Green Crypton, Nanotex, etc.
    - Provide end user with cleaning instructions for fabric type used in project.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider using clean outs and crumb catchers for ease of cleaning.
- Consider location of furniture with regards to amount of sunlight in the location. Some locations may require a solution dyed fabric for light fastness.

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CHAPTER 1 - BENCHES

1.1 Overview

Benches can be used anywhere in the library. They are primarily used in spaces where there will be waiting, such as an entry area, near restrooms or near other busy locations where waiting may be required. There may also be some areas where it is appropriate to add additional seating.

1.2 General

Reference Standards

- CAL TB117
- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- ANSI/BIFMA X5.4 Lounge and Public Seating

Quality Control

- Benches should have durable feet and/or legs.
- Benches may have a back and arms or be backless and armless.
- If upholstered, bench should have tight upholstery, no loose cushions.
- Weight capacity: 300-350lbs Minimum.
    - 500lbs+ for any bariatric items desired by the Library

Warranty

- Lifetime warranty or a minimum of 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards

1.3 Products

Materials / Finishes

- Wood or Upholstered Seat, Back and Arms
- Wood, Plastic Laminate or Solid Surface Table Surfaces
- Wood or Metal Frame
- Wood or Metal Feet and/or Legs
    - There is a strong preference for natural maple or natural cherry wood tones.
    - There is a strong preference for matte silver-toned metal.
- Glides
    - Selection should be based on floor material type for location of item.

- Upholstery
    - Shall be highly durable and easy to clean.
    - Performance Fabrics **ONLY** (use a single type throughout the library – Crypton, Nanotex, etc.).
    - Non-woven fabrics are preferred to be PVC-free.
    - Moisture Barrier in all public spaces.
    - Textile Recycled content 49%-75% minimum.
    - 75, 000 – 150,000+ Double Rubs.
    - Meets CAL TB117.

Other Material Requirements

- If the piece will be in an area where wet mopping will occur, use a material that will not be damaged by water and cleaning solutions.
- The Library has a strong preference for upholstered pieces to be raised off the floor for ease of cleaning underneath.

1.4 Execution

Typical Type & Location

No.	Description	Location(s)
B01	Upholstered	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces, Entry Spaces
B02	Non-Upholstered	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces, Entry Spaces

Additional Information

- Typical sizing:
    - Typical seat height for a bench is between 16"-18"H
    - Typical seat depth for a bench is +/- 18"D
    - Width will vary, depending on location
- Benches in certain locations may have table surfaces built-in, the design professional will confirm appropriateness with Library.
    - Any built-in table surfaces should be of a highly durable and cleanable material such as solid wood, plastic laminate or solid surface such as Corian. Glass is not allowed.
- Depending on location and appropriateness, built-in power outlets maybe used in bench surfaces for users to plug in devices. The design professional will confirm appropriateness with Library.

Protection / Cleaning

- All upholstery in the project should have the same type of cleaning system required. Fabrics should be performance fabrics with some type of stain repellant such as Crypton, Green Crypton, Nanotex, etc.
    - Provide end user with cleaning instructions for fabric type used in project.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider using clean outs and crumb catchers for ease of cleaning.

- Consider location of furniture with regards to amount of sunlight in the location. Some locations may require a solution dyed fabric for light fastness.

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CHAPTER 1 - TABLES

1.1 Overview

Tables are an important part of the Library and vary in use and location. Tables, as much as any other item in the library need to be durable and withstand the high use of a busy public space. Tables serve many functions throughout the library space – reading tables or carrels for using the library's materials, highly flexible meeting spaces for large groups, tables equipped to support the use of technology and add some whimsy and fun to Teen or Children's spaces.

1.2 General

Reference Standards

- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- ANSI/BIFMA X5.5 Desk Products

Quality Control

- All tables should have a protective edge band with a minimum of an eased edge.
- Sharp corners and edges should be minimized and avoided.
- All tables, where appropriate, should have built-in power outlets and wire management.
- All tables shall meet accessibility requirements.
- Weight capacity: 150-250lbs.

Warranty

- Lifetime warranty or a minimum of 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards.

1.3 Products

Materials / Finishes

- Wood, Laminate, Linoleum or Solid Surface Table Tops
    - Wood, Laminate or Linoleum tops should have an edge band.
    - Solid wood edge bands are preferred with a minimum eased edge profile.
    - Solid Surface tops will have a self-edge or built-up edge with a minimum eased edge profile.
    - Vinyl edge band is acceptable on tables with high mobility.

    - No self-edge allowed on laminates, wood veneers or linoleum.
- Wood or Metal Legs
    - Wire management leg or channel.
- Glides or Casters
    - Selection should be based on floor material type for location of item.
- PETG, Glass, Perforated Metal or Wood Carrel Surround
    - Carrel surround or screen is ideally translucent and no higher than 12”-14”H above the table surface.
    - PETG and Glass should have a texture or pattern. Glass pattern/texture should be easy to clean.

Other Material Requirements

- FSC Certified Wood
    - There is a strong preference for natural maple or natural cherry wood tones.
    - There is a strong preference for matte silver-toned metal.
- If the piece will be in an area where wet mopping will occur, use a material that will not be damaged by water and cleaning solutions.

1.4 Execution

Typical Type & Location

No.	Description	Location(s)
T01	Reading Tables	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
T02	Side Tables	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
T03	Computer Tables	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
T04	Carrel Tables	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
T05	Non-Stacking Table	Smaller Meeting Spaces, Staff Workspace, Staff Lounge, Friends of the Library Work Area

Additional Information

- All tables located near power outlets shall be powered tables
    - Table top access to built-in power outlets is preferred.
    - Table should have wire management – clips, surface mounted channels, wire chase legs, etc.
    - Whips should have 3-prong plugs for flexibility. Do NOT hardwire, unless directed by Library.
    - Table mounted lighting may be used. The design professional will confirm if appropriate with Library. Any lighting should comply with current energy and building codes. LED lighting is strongly preferred.
    - Coordinate locations with Electrical Drawings. The design professional will confirm needs with Library.
- All tables with computers or other technology permanently mounted shall have grommets, and below surface power strips with wire management clips, channels, wire chase legs, etc.

- The design professional will coordinate with Library IT for specific power requirements of table top technology.
- Whips for these tables can either have the 3-prong outlet plug or be hardwired. The design professional will confirm needs with Library IT.
- Certain functions may also require a hard data line. The design professional will confirm needs and locations with Library staff and Library IT.

- Typical table heights
  - Adult Areas: 29-30” height is standard
  - Teen Areas: 29-30” height is standard
  - Children’s Areas:
    - Toddlers Age 1-5: 12”H
    - School Age 6-12: 22” high
- Square and rectangular shapes are generally preferred in most spaces for modularity and ease of combining together. Some locations may prefer round tables. The design professional will confirm shapes, sizes and locations with Library.

Protection / Cleaning

- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider using clean outs and crumb catchers for ease of cleaning.
- Consider location of furniture with regards to amount of sunlight in the location. Some finishes may not hold up as well in strong sunlight.

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CHAPTER 1 - MEETING ROOMS

1.1 Overview

Meeting Rooms are significant to libraries as they serve many different sized groups. These spaces require the furniture to accommodate the various needs of different groups using the facility. There are also smaller meeting spaces throughout the library which can include group study and quiet reading rooms. Meeting rooms are not only used for public meeting space, but also for staff meeting space as well.

1.2 General

Reference Standards

- CAL TB117
- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- ANSI/BIFMA X5.1 Office Seating/X5.5 Desk Products

Quality Control

- Lightweight mobile, nesting tables with a flip top. Flip top should be operable with one hand OR Lightweight stackable tables, 50lbs or less
    - Flip top Table: HON Huddle Table or Equal
- Lightweight stackable chairs, 10lbs or less is preferred.
- Lectern should be mobile and include the ability to incorporate technology.
- See Section 2, Chairs for general chair information.
- See Section 4, Tables for general table information.

Warranty

- Lifetime warranty or a minimum of 10-12 years replacement parts

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards.

1.3 Products

Materials / Finishes

- Laminate Table Tops
  - Laminate tops should have a vinyl edge band with a minimum eased edge profile.
- Metal Legs
  - Easily folding table legs.
- Glides or Casters
  - Selection of appropriate glide or caster should be based on floor material type for location of item. The design professional will confirm preference of glide or caster with Library.
  - There should be locking casters.
- Laminate or Metal Surfaces
  - All parts of lectern.

Other Material Requirements

- There is a strong preference for natural maple or natural cherry wood tones.
- There is a strong preference for matte silver-toned metal.

1.4 Execution

Typical Type & Location

No.	Description	Location(s)
MR01	Stackable/Mobile Table	Public Meeting Space, Staff Meeting Space
MR02	Stackable/Mobile Chair	Public Meeting Space, Staff Meeting Space
MR03	Lectern	Public Meeting Space, Staff Meeting Space
MR04	Table Dolly	Public Meeting Space, Staff Meeting Space
MR05	Chair Dolly	Public Meeting Space, Staff Meeting Space

Additional Information

- Lectern
  - Does not need a microphone.
  - The design professional will confirm electrical and technology needs with Library IT.
  - Should accommodate a laptop.
  - Meet accessibility requirements.
- Table
  - Tables and chairs should be for standard adult height.
  - Tables should meet accessibility requirements.
  - Table and chair dollies should match the manufacturer of the stacking table or stacking chair.
    - Dollies may not be required for all types of tables or chairs

Protection / Cleaning

- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider location of furniture with regards to amount of sunlight in the location. Some finishes may not hold up as well in strong sunlight.

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CHAPTER 1 - STAFF WORK SPACES

1.1 Overview

Staff Workspaces are important for staff to complete their work. This area needs to support heads-down individual work but also the team based work as well.

1.2 General

Reference Standards

- CAL TB117
- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- UL
- ANSI/BIFMA X5.1 Office Seating/X5.5 Desk Products/X5.3 Vertical Files/X5.6 Panel Systems/X5.9 Storage

Quality Control

- The design professional will consult with Library for any specific sizes and requirements for staff workstations, work areas and private offices.
- Book return bin requires a depressible tray (spring loaded) and locking casters.
- 30% or greater recycled content in components.
- See Section 2, Chairs for general chair information.

Warranty

- Lifetime warranty or a minimum of 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards.

1.3 Products

Materials / Finishes

- High pressure laminate work surfaces
  - Laminate work surfaces should have vinyl edge bands with an eased edge profile.
- Powder coated metal
  - Some components of systems furniture and private office furniture will have powder coated metal such as table supports, bookcases, lateral files, and upper storage.
  - Book trucks and book return bins should be powder coated metal.
- Solid phenolic or powder coated metal lockers

- Panel wall systems and tack panels should be covered in a fabric that will not show dirt and stains and has a high recycled content or is made of sustainable materials.

Other Material Requirements

- Manufactured using clean technology, including water-based adhesives, powder coating on metal, powder coating on wood and UV-cured wood coating, all of which are virtually VOC-free.
- There is a strong preference for matte silver-toned metal.

1.4 Execution

Typical Type & Location

No.	Description	Location(s)
SW01	Staff Workstation	Open Staff Workspace
CH06	Task Chair	Open Staff Workspace, Private Office, Service Desk
CH07	Task Stool	Open Staff Workspace, Service Desk
SW04	Private Office	Staff Office
SW05	Staff Lockers	Staff Lounge
SW06	Book Trucks	Open Staff Workspace, Private Office, Service Desk
SW07	Book Return Bins	Open Staff Workspace, Service Desk

Additional Information

- Typical workstation and private offices sizes are:
    - Typical Workstation: 6’-0” X 6’-0”
    - Supervisor: 6’-0” X 8’-0”
    - Typical Office: 10’-0” X 10’-0”
    - Director: 12’-0” X 12’-0”
    - The design professional will confirm with Library if sizes listed above are appropriate for project
- Workstations and private office furniture should meet accessibility requirements.
- Workstation and Private Office accessories requirements:
    - LED Task lights
    - Adjustable Keyboard trays
    - Tack Panel
- Workstation components – minimum requirements:
    - Panel or desk-based systems, work surfaces, upper storage, 2 drawer locking lateral file, task chair
    - Each workstation has a computer with 2 monitors and a telephone
- Private Office components – minimum requirements:
    - P-shaped desk, bridge and credenza with upper storage, bookcase, lateral file cabinet, task chair
    - Each office has a computer with 2 monitors and a telephone

Protection / Cleaning

- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider location of furniture with regards to amount of sunlight in the location. Some finishes may not hold up as well in strong sunlight.

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CHAPTER 1 - ACCESSORIES

1.1 Overview

Accessories help to support the function of the Library spaces.

1.2 General

Reference Standards

- CAL TB117
- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood

Quality Control

- Clocks
    - Analog with easily readable number and hands. Digital is not acceptable.
    - Electric or battery operated. Should not be hardwired. The design professional will confirm preference with Library.
- Step Stools
    - Cramer Kik-Step 1001 or equal.
    - Rolled-steel construction holds up to 300 lb. When you step on it, spring-mounted casters retract and lock in place.
    - Non-marking hidden casters. Rubber bumpers edge bumpers.
- Trash and Recycle Receptacles
    - Rubbermaid Slim Jim 3540 or equal
        - Molded plastic with integrated handles
        - 23 or 15 gallons
    - Wire Mesh Trash Receptacles
        - No-snag curled rim
        - Lightweight steel mesh wastebasket with diamond pattern.
        - Solid steel base and baked-on epoxy finish.
        - Contains a minimum of 30% postconsumer recycled content.
        - 5 gallons
- Children’s Board Book Baskets
    - Laundry basket size, no taller than 12-15”H

Warranty

- Step Stools
  - 10-year limited frame warranty

LEED Credit Opportunities

- Level 2 Silver if possible
- Greengard Certified – must comply with current highest environmental standards.

1.3 Products

Materials / Finishes

- Clocks
  - White face with black lettering, readable from 3’-0” away.
  - Metal, Wood or Plastic case.
- Step stool
  - Powder coated metal.
- Plastic Trash or Recycle Receptacles
  - Color as required by use.
  - Include appropriate symbol as needed.
- Wire Mesh Trash Receptacles
  - Baked on epoxy finish.
  - Silver metal color preferred.
- Children’s Board Book Baskets
  - Wicker, fabric or wood.
  - The design professional will confirm needs with Library.

Other Material Requirements

- Use Commercial grade products.
- There is a strong preference for natural maple or natural cherry wood tones.
- There is a strong preference for matte silver-toned metal.

1.4 Execution

Typical Type & Location

No.	Description	Location(s)
AC01	Clocks	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces, Staff Workspaces, Staff Lounge, Service Points, Meeting Spaces
AC02	Step Stools	Adult Public Spaces, Staff Workspaces
AC03	Trash Receptacles	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces, Staff Workspaces, Staff Lounge, Meeting Spaces
AC04	Recycle Receptacles	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces, Staff Workspaces, Staff Lounge, Meeting Spaces

AC05	Compost Receptacles	Adult Public Spaces, Teen Public Spaces, Children's Public Spaces, Staff Workspaces, Staff Lounge, Meeting Spaces
AC06	Children's Board Book Baskets	Children's Public Spaces

Additional Information

- The design professional will confirm all accessory needs with Library.

Protection / Cleaning

- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider location of furniture with regards to amount of sunlight in the location. Some finishes may not hold up as well in strong sunlight.

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Santa Cruz Public Libraries

CHAPTER 2

Shelving Standards

The design professional shall take work diligently to ensure optimal pricing for all shelving. Shelving will be procured from group purchasing agreements including U.S. Communities, NJPA, NIPA and CMAS is preferred. The design professional shall research and provide costs for shelving items from a group purchasing agreement.

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CHAPTER 2 - METAL SHELVING

2.1 Overview

Metal shelving is an important part of the library that houses the library's collections. The majority of the shelving in the library will be metal shelving. There are three primary heights used along with a variety of shelf types to house and display the various collections types. Metal shelving requires wood end panels and on lower heights, a wood canopy. Some locations may use integrated lighting. Integrated lighting is not appropriate for all building locations.

2.2 General

Reference Standards

- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- ANSI/BIFMA

Quality Control

- The design professional is responsible for meeting all current jurisdictional requirements including structural requirements for lateral bracing. Provide SafeStak Library Bureau Steel Shelving or equal. Any newly purchased shelving must be interchangeable between branches.
- All shelving must be uniform for the system and interchangeable.
- End Panels and Canopies, see Wood Shelving Section.

Warranty

- Lifetime warranty or a minimum on 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards.

2.3 Products

Materials / Finishes

- Sheet Steel: ASTM A366; cold-rolled sheet, commercial quality, Class 1, matte finish, stretcher leveled, free of scale and imperfections, with consistent texture and smoothness.
- Fasteners: Cadmium-plated or zinc-plated steel, manufacturer's standard types and sizes.
- Powder coated metal
    - Preferred color: 340 Almond Commercial
- Wood or Plastic Laminate End Panels and Canopies
    - End Panels should have solid wood edge bands and slatwall panels. See slatwall section

- Canopies should be on shelving units 66”H and lower

Other Material Requirements

- FSC Certified Wood and Wood Composites
- Any metal colors should be neutral, and approved by the Library.

2.4 Execution

Typical Type & Location

No.	Description	Location(s)
SH01	78”H Metal Cantilever Shelving	Adult Public Spaces, Teen Public Spaces, Staff Workspace
SH02	78”H Magazine Shelves	Adult Public Spaces
SH03	78”H CD Drawers	Adult Public Spaces, Teen Public Spaces
SH04	66”H Metal Cantilever Shelving	Teen Public Spaces, Children’s Public Spaces
SH05	42”H Metal Cantilever Shelving	Adult Public Spaces
SH06	78”H Industrial Shelving	Staff Workspaces

Additional Information

- Any shelving units above 60”H require seismic anchoring, and should meet the current code requirements.
- Design components, joints and connections to withstand most severe possible loading condition, with normal safety factor.
- The design professional will confirm below sizes and components with Library.
- Typical shelving unit width is 36”W
- Standard heights used:
  - 78”H Shelving Units in Adult Spaces
  - 48”H Shelving Units in Children’s
  - Confirm with Library if other heights are needed
- Types of Shelves Used
  - Conventional Shelves
    - 12” deep typical
    - 10” deep for paperbacks, DVDs, CDs and playaways
    - Staff Workroom should have either 12” cantilever or industrial shelving. The design professional will confirm preference with Library.
  - Slotted shelves or pull out bins for audiovisual collections.
  - Hinged Periodical Display Shelf with storage behind.
  - Newspaper collection should be on slatwall-type display.
  - Sliding Reference Shelf

        - 1 per every 3 shelving units
    - Backstops and top panels on all shelves.
    - All shelves need to be evenly lit from top to bottom.
    - Bottom shelf may be slanted as determined by Library depending on collection housed.
    - Freestanding, “regular, old-fashioned” book ends, same color as shelves.
    - Special shelving:
        - Micro film cabinets
        - Face out, display shelving for popular, new or rotating/seasonal collections
- End panels and Canopies
    - Should not restrict the accessibility of the aisles between shelving runs.
    - Should cover all metal parts of the shelving unit.
    - Meet Woodwork Institute Custom standards minimum.
    - Be free of sharp edges and corners with a minimum eased edge profile.

Protection / Cleaning

- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider location of furniture with regards to amount of sunlight in the location. Some locations may require a solution dyed fabric for light fastness.

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CHAPTER 2 - SLATWALL SHELVING

2.1 Overview

Slatwall shelving, in its various forms, serves to display the Library's special collections and to feature seasonal and new collections. It provides extra display and shelving space in children's, adult and teen section. Slatwall can be used to display magazines, newspapers. It provides display space throughout the shelved collections on end caps and on featured wooden shelving such as gondolas. Slatwall can be placed at full height on walls as well.

2.2 General

Reference Standards

- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- Woodwork Institute
- ANSI/BIFMA

Quality Control

- Core Material for Plastic Laminate:
  - Medium density fiberboard complying with ANSI A 208.2-1986
- Plastic Laminate Slatwall Paneling: Medium density fiberboard with engineered grooves designed to fit standard merchandising fixtures.
  - Fiberboard: 48 pcf density; internal bond strength of 110 psi formaldehyde emission of 0.3 ppm or less; complying with 24 CFR 3280.
  - Panel Size: As required.
  - Thickness: 3/4 inch plus/minus 0.008 inch.
  - Groove Spacing: 4 inches (100 mm) on center, plus/minus 0.015 inch (0.4 mm).
  - Surface Finish: High pressure laminate, 0.03 inch thick, cold press bonded with PVA Type II water resistant adhesive.
  - Surface Color/Pattern: As selected from manufacturer's standard selection.
  - Groove Finish: Reinforced with aluminum full-groove insert, factory installed, in color selected from manufacturer's standard selection (6000 series). Silver toned metal preferred.
- Miscellaneous Acrylic Slatwall Accessories, Clear Solutions or Equal.

Warranty

- For pre-manufactured items, lifetime warranty or a minimum on 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards.

2.3 Products

Materials / Finishes

- Wood, Wood Veneer or Plastic Laminate Slatwall
    - Slatwall panels should have trim and capping pieces on exposed edges. Solid wood is preferred.
    - There is a strong preference for natural maple or natural cherry wood tones.
- Metal Inserts
    - There is a strong preference for matte silver-toned metal.

Other Material Requirements

- N/A

2.4 Execution

Typical Type & Location

No.	Description	Location(s)
SH01	Slatwall Panels	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
SH02	6” Display Shelf	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
SH03	24” Display Shelf	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
SH04	Magazine/Newspaper Cascade	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces

Additional Information

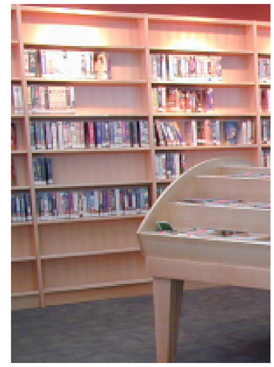
- General: Install work as specified in WI "Manual of Millwork", Sections 15, 16, 17 and 18
- Confirm with Library which acrylic accessories are needed.
    - Typical uses are for Newspapers and Literature Handouts
- All shelves need to be evenly lit from top to bottom

Protection / Cleaning

- Install in strict accordance with manufacturer's instructions, especially in regard to fastening and bracket spacing necessary to achieve optimum capacity.
- Avoid contamination of panel faces with adhesives, solvents, or cleaners; clean as necessary and replace if not possible to repair to original condition.
- Protect installed products until completion of project.
- Touch-up, repair or replace damaged products after Substantial Completion.

CHAPTER 2 - WOOD SHELVING

2.1 Overview



Wood shelving is intended to highlight special areas of the library where books and media displays are desired. It is intended to give a bookstore atmosphere to the display spaces. Freestanding display shelving provides flexibility to change the space as needs or wants arise.

2.2 General

Reference Standards

- SMaRT Sustainable Silver 41-60 minimum
- Level Certification: Level 2 minimum
- FSC Certified Wood
- Woodwork Institute
- ANSI/BIFMA

Quality Control

- Hardwood Lumber for Transparent Finish: Premium Grade Select, meeting the requirements of WI Manual of Millwork, Section 4.
    - Comply with WI Manual of Millwork, Section 25. Finish grade shall match cabinet grade.
    - Comply with WI Manual of Millwork, Section 5 for sanding, filling, sealing concealed surfaces, and similar preparations.
    - Transparent Finish: WI Finish System #2, water-reducible acrylic lacquer.
- Hardwood Veneer for Transparent Finish: Premium Grade, meeting the requirements of WI Manual of Millwork, Section 6, slip match and running match cut.
- Hardwood Veneer Faced Cabinets: Fabricate cabinets to meet WI Construction Style A Frameless, Construction Type I or II. Provide finished end panels of either applied panels or integral members on exposed ends of cabinets. Close gaps at walls with filler panels not to exceed 1-1/2 inches wide.
    - Semi-Exposed Surfaces: Finish semi-exposed surfaces of open cabinets to match exposed surfaces.
    - Shelves: Comply with WI Manual of Millwork and Technical Bulletin 435 for 50 pound per square foot load test.
- Plastic Laminate Countertops: Custom Grade in accordance with WI Section 16, plastic laminate covered, including square butt top to splash joints, exposed edges and ends self-edged
- Adjustable Seismic Shelf Support: Provide the following basis for design product or equal product approved according to Section 01600.
    - Hafele; 282.24.721

Warranty

- For pre-manufactured items, lifetime warranty or a minimum on 10-12 years replacement parts.

LEED Credit Opportunities

- Level 2 Silver
- Greengard Certified – must comply with current highest environmental standards.

2.3 Products

Materials / Finishes

- Wood Shelving, Gondolas, Browsers
    - There is a strong preference for natural maple or natural cherry wood tones.
- Wood, Wood Veneer or Plastic Laminate Canopies
    - Canopies are used on shelving units 66”H or lower and gondolas.
- Metal Glides
    - Use glides on mobile pieces only.

Other Material Requirements

- FSC Certified Wood.
- There is a strong preference for natural maple or natural cherry wood tones.

2.4 Execution

Typical Type & Location

No.	Description	Location(s)
SH01	84”H Wood Display Shelving	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
SH02	59”H Wood Gondola	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
SH03	59”H Slatwall Pyramids	Children’s Public Spaces
SH04	CD Browser	Adult Public Spaces, Teen Public Spaces, Children’s Public Spaces
SH05	36”H Picture books	Children’s Public Spaces

Additional Information

- General: Install work as specified in WI "Manual of Millwork", Sections 15, 16, 17 and 18.
- Wood Shelving Types:
    - 78”H Slanted wood Shelving
    - 59”H Gondolas
    - 59”H Slatwall Pyramid
    - 48”H CD Browser
    - 36”H Picture Books Shelving with Slatwall above to 7’-0”H AFF. See Slatwall section.
- All shelves need to be evenly lit from top to bottom.

Protection / Cleaning

- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants, sealers, etc.
- Ease of ability to clean and repair finishes or parts should be considered.
- Consider location of furniture with regards to amount of sunlight in the location. Some locations may require a solution dyed fabric for light fastness.

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Santa Cruz Public Libraries

CHAPTER 3

Signage Standards

When selecting new shelving for the library, begin by reviewing the available options on the following Group Purchasing Agreements: U.S. Communities, NJPA, NIPA and CMAS. This will allow SCPL to take advantage of the economies of scale available to them.

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CHAPTER 3 - EXTERIOR SIGNAGE: BUILDING TITLE & ADDRESS

1.1 Overview

Exterior building title and address signage is mounted on a prominent area of the building at or near the main entrance. The building title and address should also be lit for maximum visibility at night.

1.2 General

Reference Standards

- California Building Code (CBC).
- State of California, County, and Local Fire Codes.
- Local Sign Ordinances as applicable. Each jurisdiction must meet their respective standards.

Quality Control

- Exterior signage must be designed to complement and reflect the architectural character of the building.
- Care must be taken so signs do not block windows, create glare or reflections, obstruct sight-lines into spaces, or cast shadows from light fixtures.
- Exterior signage must comply with local Sign Ordinances.
- The building address size and visibility must comply with the state, county, and local Fire Codes.

Warranty

- Minimum 5-year warranty on paint, mounting hardware, lighting elements, and adhesive.

LEED Credit Opportunities

- LED lighting elements.

1.3 Products

Materials / Finishes

- Exterior signage must be painted or fabricated with glare-free materials.
- Exterior signage must be fabricated to withstand a wide variety of weather conditions.
- Metal signage and lettering must be carefully selected to withstand the corrosive effects of salt water and ocean weather.
- Copper is expensive, attractive to thieves, and should not be used.
- Lighting elements should be used to improve sign visibility.
- Background graphics or images should not interfere with readability.

1.4 Execution

Typical Type & Location

Description	Location(s)
Building Title	Main Entrance
Address	Main Entrance

Protection / Cleaning

- All signage should be easily cleaned and require the same type of cleaning system. No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants or sealers.
- Ease of ability to clean and repair finishes or parts should be considered. Signage design, location, and installation should contain measures to minimize opportunities for theft or vandalism.

Additional Information

- The Building Title must be the name of the library's local jurisdiction, with "Branch Library" below the Title e.g.

  Scotts Valley
  Branch Library

CHAPTER 3 - EXTERIOR SIGNAGE: MONUMENT SIGN

1.1 Overview

Exterior Monument signage is installed near or at the street to identify buildings set back from the street, and is commonly referred to as a “Monument” sign.

Monument signs should have the name of the building, the building address, the logo, and an “Open/Closed” status sign.

1.2 General

Reference Standards

- California Building Code (CBC).
- State of California, County, and Local Fire Codes.
- Local Sign Ordinances as applicable. Each jurisdiction must meet their respective standards.

Quality Control

- Exterior signage must be designed to complement and reflect the architectural character of the building.
- Care must be taken so monument signs do not obstruct traffic sight-lines, create glare or reflections, impede pedestrian paths-of-travel, or create sleeping or hiding places.
- Exterior signage must comply with local Sign Ordinances.
- The building address size and visibility must comply with the State of California, County, and Local Fire Codes.

Warranty

- Minimum 5-year warranty on paint, mounting hardware, lighting elements, and adhesive.

LEED Credit Opportunities

- LED lighting elements.

1.3 Products

Materials / Finishes

- Exterior signage must be painted or fabricated with glare-free materials.
- Exterior signage must be fabricated to withstand a wide variety of weather conditions.
- Metal signage and lettering must be carefully selected to withstand the corrosive effects of salt water and ocean weather.
- Lighting elements should be used to improve sign visibility. Background graphics or images should not interfere with readability.

1.4 Execution

Typical Type & Location

Description	Location(s)
Building Title	Monument sign
Address	Monument sign
Logo	Monument sign

Protection / Cleaning

- All signage should be easily cleaned and require the same type of cleaning system.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants or sealers.
- Ease of ability to clean and repair finishes or parts should be considered.
- Signage design, location, and installation should contain measures to minimize opportunities for theft or vandalism.

CHAPTER 3 - EXTERIOR SIGNAGE: BOOK RETURN, COMMUNITY ROOM

1.1 Overview

Exterior Book Return and Community room signage is used to designate specialized areas or entrances, such as community meeting rooms, book returns, etc.

1.2 General

Reference Standards

- California Building Code (CBC).
- State of California, County, and Local Fire Codes.
- Local Sign Ordinances as applicable. Each jurisdiction must meet their respective standards.

Quality Control

- Exterior signage must be designed to complement and reflect the architectural character of the building.
- Care must be taken so signs do not block windows, create glare or reflections, obstruct sight-lines into spaces, or cast shadows from light fixtures.
- Exterior signage must comply with local Sign Ordinances.

Warranty

- Minimum 5-year warranty on paint, mounting hardware, lighting elements, and adhesive.

LEED Credit Opportunities

- LED lighting elements.

1.3 Products

Materials / Finishes

- Exterior signage must be painted or fabricated with glare-free materials.
- Exterior signage must also be fabricated to withstand a wide variety of weather conditions.
- Metal signage and lettering must be carefully selected to withstand the corrosive effects of salt water and ocean weather.
- Lighting elements may be used to improve sign visibility.

1.4 Execution

Typical Type & Location

Location	Message/Name
Book return	Returns
Return slot: book-specific	Books
Return slot: media-specific	Audio-Visual

Protection / Cleaning

- All signage should be easily cleaned and require the same type of cleaning system.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants or sealers.
- Ease of ability to clean and repair finishes or parts should be considered.
- Signage design, location, and installation should contain measures to minimize opportunities for theft or vandalism.

Additional Information

- Each library should be consulted about, and consider opportunities for bilingual signage.

CHAPTER 3 - INTERIOR SIGNAGE: AREA IDENTIFICATION

1.1 Overview

Area Identification signage is used to identify and designate sections or areas of reference or interest, which subcategories may be further organized.

Since sections of the library are often moved or reorganized, Area Identification signage must be designed so its message(s) can be easily changed.

1.2 General

Reference Standards

- California Building Code (CBC).

Quality Control

- Since Area Identification signage is typically mounted in or hung from ceilings, signs should not be smaller than 12" h x 36" w.
- Successful readability and visibility of Area Identification signage depends heavily on the use of placement, color, and contrast. Care must be taken so signs do not block windows, create glare or reflections, obstruct sight-lines into spaces, or cast shadows from light fixtures.
- Overhead signage must be mounted at least 80” AFF.

Warranty

- Minimum 5-year warranty on paint, mounting hardware, lighting elements, and adhesive.

LEED Credit Opportunities

- Use recycled acrylic (3Form or equivalent).

1.3 Products

Materials / Finishes

- Area Identification signs must be painted or fabricated with glare-free materials.
- Flat-cutout (FCO) letters may be used to enhance readability.
- Lighting elements may be used to improve sign visibility.
- Backgrounds graphics or images should not interfere with readability.
- Vinyl lettering may be used to reduce fabrication costs.

1.4 Execution

Preferred Naming For Typical Locations

Where the following areas occur, the following names should be used:

Area/Location	Preferred Name
Teens' reading room	Teen'scape, Teens' Reading Lounge
Children's storytime/reading room	Kidspot
Main reading room	The Commons
Study room(s)	Study Room
Magazines	Magazines
Newspapers	Newspapers
Magazines and newspapers	Magazines & Newspapers
Fiction stacks/adult	Adult Fiction
Fiction stacks/general	Fiction
Nonfiction stacks/adult	Adult Non-Fiction
Nonfiction stacks/general	Non-Fiction
Self-checkout	Express Checkout
Holds and reserves	Holds
Friends of the Library	Friends' Corner
Children's stacks	Children's Books
Teens' stacks	Teen Books
CDs, DVDs, etc.	Media
Information/Help desk	Ask Here OR Library Help *(Final decision to be confirmed with the Library)*
Book return	Returns
Return slot: book-specific	Books
Return slot: media-specific	Audio-Visual

Protection / Cleaning

- All signage should be easily cleaned and require the same type of cleaning system.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants or sealers.
- Ease of ability to clean and repair finishes or parts should be considered.
- Signage should not be susceptible to damage from casual use or vandalism.

Additional Information

- Each library should be consulted about, and consider opportunities for bilingual signage.

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CHAPTER 3 - INTERIOR SIGNAGE: RESTROOM IDENTIFICATION

1.1 Overview

Restroom Identification signs are mounted to restroom doors and identify the restroom as a men's, women's, or unisex restroom. Restroom Identification Signage must meet State and Federal requirements for materials, finishes, readability, size, mounting location, and messaging.

1.2 General

Reference Standards

- Americans with Disabilities Act (ADA).
- California Building Code (CBC).
- California Title 24.

Quality Control

- All Restroom Identification signage must comply with ADA, CBC, and Title 24 as required.
- Signage for Universal Access (UA) restrooms must contain the ISA (International Symbol of Accessibility).

Warranty

- Minimum 5-year warranty on paint and adhesive.

LEED Credit Opportunities

- Use recycled acrylic (3Form or equivalent).

1.3 Products

Materials / Finishes

- Restroom sign must have sufficient contrast to the door upon which the sign is mounted.
- ISA
    - May be produced with vinyl, acrylic photopolymer, Rowmark, or other rout-in-place process.
    - Icon must have sufficient contrast to background.
- Background
    - Must be a plain field and free of graphics or images.

1.4 Execution

Typical Type & Location

Description	Location(s)
Men’s Restroom	12" triangle mounted to restroom door.
Women’s Restroom	12" diameter circle mounted to restroom door.
Unisex Restroom	12" diameter circle with inset triangle mounted to restroom door.

Protection / Cleaning

- All signage should be easily cleaned and require the same type of cleaning system.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants or sealers.
- Ease of ability to clean and repair finishes or parts should be considered.
- Signage should not be susceptible to damage from casual use or vandalism.

CHAPTER 3 - INTERIOR SIGNAGE: ROOM IDENTIFICATION

1.1 Overview

Room Identification signage identifies rooms or spaces accessed through a door. Room Identification Signage must meet State and Federal requirements for materials, finishes, readability, size, mounting location, and messaging.

1.2 General

Reference Standards

- Americans with Disabilities Act (ADA).
- California Building Code (CBC).
- California Title 24.

Quality Control

- All Room Identification signage must comply with ADA, CBC, and Title 24 as required.
- All Room Identification signage must have clearly legible lettering and Grade II Contracted Braille.
- Signs mounted on glass must have a vinyl backing applied to the glass to hide adhesive.

Warranty

- Minimum 5-year warranty on paint, tactile lettering, Braille, and adhesive.

LEED Credit Opportunities

- Use recycled acrylic (3Form or equivalent).

1.3 Products

Materials / Finishes

- Room identification signs must have sufficient contrast to the wall upon which the sign is mounted.
- Tactile Lettering
    - o May be produced with acrylic photopolymer, Rowmark, or other rout-in-place lettering.
    - o Lettering must have sufficient contrast to sign background.
- Background
    - o Must be a plain field and free of graphics or images.

1.4 Execution

Typical Type & Location

Description	Location(s)
Room Identification	Entrances to rooms with doors: restroom entrances, staff-only entrances, quiet reading rooms, computer labs, etc.

Protection / Cleaning

- All signage should be easily cleaned and require the same type of cleaning system.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants or sealers.
- Ease of ability to clean and repair finishes or parts should be considered.
- Signage should not be susceptible to damage from casual use or vandalism.

CHAPTER 3 - INTERIOR SIGNAGE: STACK IDENTIFICATION

1.1 Overview

Stack Identification signage identifies stacks and the materials contained therein. Stack Identification signage typically displays the stack number, and a letter designation for either side of the stack. Stack Identification signs also have a slot in which a printed insert may be displayed so librarians can add, remove, or change information about the materials on the shelves.

1.2 General

Reference Standards

- California Building Code (CBC).

Quality Control

- Stack Identification signage must comply with the CBC as required.
- Stack Identification signage must have clearly legible lettering.
- Stack Identification signage should be designed with tamper-proof measures for inserts printed and installed by the librarians.

Warranty

- Minimum 5-year warranty on paint, tactile lettering, Braille, and adhesive.

1.3 Products

Materials / Finishes

- Stack Identification signs may be fabricated from non-glare acrylic with subsurface vinyl lettering and paint.
- Backgrounds should be a plain field and free of graphics or images.

1.4 Execution

Typical Type & Location

Description	Location(s)
A 1 B – A 30 B	Stack end, both sides.

Protection / Cleaning

- All signage should be easily cleaned and require the same type of cleaning system.
- No special cleaning or cleaners should be required of any materials or finishes.
- Finishes should not require special maintenance such as reapplication of stain repellants or sealers.
- Ease of ability to clean and repair finishes or parts should be considered.
- Signage should not be susceptible to damage from casual use or vandalism.

Additional Information

- Stack end signs are typically applied to both ends of a stack.
- Stack end signs must be designed to contain a custom paper insert.
- Inserts must be designed so librarians can create their own inserts without the use of special software. No use of proprietary software except Microsoft Word or its equivalent.

CHAPTER 3 - EXTERIOR & INTERIOR SIGNAGE: TYPEFACE

1.1 Overview

To establish a uniform look and improve way finding throughout the library, all signage should use one typeface. Typefaces have varying weights (Light, Medium, Bold, etc.) for establishing hierarchies of information.

Santa Cruz Public Library

Santa Cruz Public Library

Santa Cruz Public Library

Santa Cruz Public Library

Santa Cruz Public Library

Santa Cruz Public Library

1.2 General

Reference Standards

- Americans with Disabilities Act (ADA).
- California Building Code (CBC).
- California Title 24.

Quality Control

- Typeface usage and applications must comply with the ADA, CBC, and Title 24 as required.
- One typeface should be used for all signage.
- Typefaces must work on both Macintosh and PC.
- Different weights of one typeface may be used to organize and establish a hierarchy of information.
- The typeface must be purchased and licensed for use by the Library.
- Free or counterfeit typefaces must not be used.

1.3 Products

Software

- Typeface: Kievit
- OpenType (Cross-platform)

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Santa Cruz Public Libraries

Appendix

Definitions

The following section is intended to be a glossary to define terms related to furniture, shelving and signage that may not be familiar to the reader.

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DEFINITIONS

Term	Definition
ADA	Americans with Disabilities Act Establishes federal standards and specifications to ensure people with disabilities are provided with access.
ADULT PUBLIC SPACES	Spaces primarily for adult use, but can be used by any patron; includes programmatic spaces such as Technology Labs and Areas, “Living Room” Spaces with magazines and newspapers, Quiet Reading Areas, Stack Areas (for New Books, Languages, Fiction, Non-Fiction, Reference), Cafes, Open Seating and Reading areas adjacent to these places.
BIFMA	BIFMA or Business and institutional Furniture Manufacturers BIFMA sponsors the development of safety and performance standards, provides industry statistics and forecasts, advocates for regulatory conditions that foster value and innovation, and serves as a forum for member cooperation and collaboration.
CBC	California Building Code Part 2 of the California Building Standards Code which defines Architectural requirements including fire and life safety, accessibility and structural requirements.
CHILDREN’S PUBLIC SPACES	Spaces primarily for use by children and their families, but can be used by any patron; includes programmatic spaces such as Technology Areas, Family Place/Storytelling, Homework Centers, Craft/Maker Spaces, Stack Areas (for Picture Books, Children’s Fiction, Children’s Non-Fiction, etc.), Open Seating and Reading areas adjacent to these places.
FRIENDS OF THE LIBRARY AREA	Friends of the Library benefit library services by expanding resources and extended library capacity through fundraising, library promotion/marketing, volunteerism, program support and advocacy. The Friends of the Library space should support these activities including space for book sales, donations and workspace. This space can be for public or staff use depending on the function.
FSC CERTIFIED WOOD	FCS or Forrest Stewardship Council supports environmentally appropriate, socially beneficial and economically viable management of the world's forests. FSC promotes responsible forest management by evaluating and accrediting certifiers, by encouraging the development of national and regional forest management standards, and by providing public education and information about independent, third–party certification as a tool for ensuring that the world's forests are protected for future generations.
LEED	LEED or Leadership in Energy and Environmental Design Developed and administered by the USGBC, LEED is the accepted benchmark in North America for the design, construction and operation of high performance green

	buildings. LEED gives building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance.
LEVEL	level® is the multi-attribute, sustainability standard and third-party certification program for the furniture industry. It has been created to deliver the most open and transparent means of evaluating and communicating the environmental and social impacts of furniture products in the built environment. Taking into account a company's social actions, energy usage, material selection and human and ecosystem health impacts, level addresses how a product is sustainable from multiple perspectives.
MEETING SPACES	Spaces primarily used for meetings. Can be for public use or staff use or both. Includes large meeting spaces and smaller spaces that are for small group study.
TEEN PUBLIC SPACES	Spaces primarily for teen use, but can be used by any patron; includes programmatic spaces such as Technology Labs and Areas, Study Rooms, Cafes, Open Seating and Reading areas adjacent to Young Adult Collections
SMART	SMaRT or Sustainable Materials Rating technology. A set of consensus-based sustainable product standards that cover 80% of the world's products—including building products, fabric, flooring and carpet. SMaRT is to products what LEED® is to buildings.
STAFF LOUNGE	Staff-use space for breaks and meetings, including bathrooms, lockers, kitchen, tables and seating.
TITLE 24	Title 24 of the California Code of Regulations. Also referred to as the California Building Standards Code.

JOINT COMMUNITY FACILITIES AGREEMENT

For

SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
Community Facilities District No. 2016-1

THIS JOINT COMMUNITY FACILITIES AGREEMENT (this "**Agreement**"), dated as of ____________, 2017, is by and among the Santa Cruz Libraries Facilities Financing Authority (the "**Authority**") and the following members of the Authority (collectively, the "**Members**"): the County of Santa Cruz (the "**County**"), the City of Santa Cruz (the "**City of Santa Cruz**"), the City of Scotts Valley (the "**City of Scotts Valley**"), and the City of Capitola (the "**City of Capitola**").

BACKGROUND

A. The Authority was formed by the Members under a Joint Exercise of Powers Agreement, with an effective date of December 9, 2014, as amended and restated by an Amended and Restated Joint Exercise of Powers Agreement, with an effective date of ____________, 2017 (as amended, the "**Joint Powers Agreement**").

B. In accordance with the Joint Powers Agreement, the Authority has conducted proceedings to establish the Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1 (the "**CFD**"), under the Mello-Roos Community Facilities Act of 1982, as amended, Part 1 (commencing with Section 53311) of Division 2 of Title 5 of the California Government Code (the "**Act**").

C. The CFD has been established for the purpose of financing the acquisition of public library facilities set forth in Exhibit A to Resolution No. 2016-001, entitled "Resolution of Formation of Community Facilities District," adopted by the Board of Directors of the Authority on February 11, 2016 (the "**Resolution of Formation**"). The description of authorized facilities is attached as Exhibit A hereto.

D. Certain authorized facilities will be owned or operated by one or more of the Members, or owned by another local agency but controlled, in whole or in part, by a Member (collectively, the "**Facilities**").

E. It is anticipated that the Authority will issue, for and on behalf of the CFD, one or more series of bonds or incur other forms of indebtedness (collectively, the "**Bonds**") secured by special taxes to be levied on non-exempt property located within the boundaries of the CFD. Under Section 53316.2 of the Act, the Authority may finance through the CFD the Facilities to be owned or operated by the Members only pursuant to a joint community facilities agreement among the Authority and the Members.

F. The Authority and the Members have determined that it would be of benefit to the residents of each of their respective jurisdictions to enter into this Agreement to provide for the financing of the Facilities by the Authority through the CFD.

AGREEMENTS

In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the sufficiency of which is hereby acknowledged, the Authority and the Members agree as follows:

1. Agreement. This Agreement constitutes a "joint community facilities agreement," within the meaning of Section 53316.2 of the Act pursuant to which the CFD will be authorized to finance the acquisition and construction of the Facilities.

2. Bond Proceeds. The Board of Directors of the Authority, acting as the legislative body of the CFD, may, in its sole discretion, authorize the issuance of Bonds.

If and to the extent the Bonds are issued, the Authority will allocate the amount of the proceeds of each series of Bonds toward the cost of the Facilities for each Member in accordance with the Joint Powers Agreement.

3. Expenditure of Bond Proceeds. Each Member hereby makes the following covenants regarding its proposed use of the Bond Proceeds and the Facilities.

a. Eligible Projects. Each Member shall spend proceeds of the Bonds, and any Special Taxes received by that Member for directly paying for Facilities costs, solely on Facilities authorized to be financed by the CFD as set forth in Exhibit A hereto. In accordance with the Act, all Facilities shall be publicly owned facilities having a useful life of 5 years or more.

b. Federal Tax Matters. Each Member hereby makes the following covenants

i. Expenditure within Three Years; Capital Expenditures. Each Member will proceed with due diligence to complete its respective Facilities and to spend the proceeds it receives from any series of Bonds no later than three years after that series of Bonds is issued. Each Member will ensure that all expenditures of Bond proceeds will be capital expenditures.

ii. Documentation. To assist the Authority in complying with federal tax law matters in connection with the issuance of any Bonds, each Member agrees that, at or before the issuance of a Series of Bonds, each Member will execute and deliver such certifications and covenants as may be reasonably required for the Authority's bond counsel to conclude that interest on such Bonds will be excluded from gross income for federal income tax purposes.

Each Member will retain its records of all accounting and monitoring it carries out with respect to its investment (if any) and expenditure of Bond proceeds for at least 3 years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are redeemed and refunded, each Member will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the Bonds.

iii. Private Business Tests; Private Loan Financing Test. Each Member shall assure that the Facilities are not used so as to cause the Bonds to satisfy the private business tests of section 141(b) of the Internal Revenue Code of 1986, as amended (the "**Code**"), or the private loan financing test of section 141(c) of the Code.

iv. Maintenance of Tax-Exemption. Each Member will take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the bonds.

v. Investment of Bond Proceeds. To the extent that any Member holds any Bond proceeds, that Member shall trace and periodically report to the Authority all investment earnings, if any, received by that Member, and shall apply all such investment earnings toward the cost of Facilities. Each Member shall comply with all legal requirements for the investment of Bond proceeds under the Code.

vi. Reimbursement of Prior Capital Expenditures. Any Member intending to use proceeds of any series of Bonds to reimburse itself for capital expenditures made by it prior to the issuance of that series of Bonds shall:

(I) provide prior written notice to the Authority of the proposed date and amount of such expenditure and the Facility for which the expenditure is intended,

(II) adopt a resolution of its legislative body expressing official intent to reimburse itself with Bond proceeds (in form and substance acceptable to the Authority) no later than 60 days after the first such expenditure is made, and

(III) promptly provide a signed copy of the resolution to the Authority.

4. Annual Reporting. Each Member shall, no later than 90 days after the end of the Member's fiscal year, file with the Authority a written report (the "Annual CFD Report") containing the following information for the prior fiscal year:

i. The amount of Bond proceeds received and expended during such fiscal year, any cash balance of Bond proceeds remaining on hand at the end of such fiscal year, and a summary of the Facilities for which Bond proceeds were expended.

ii. The amount of Special Taxes received and expended during such fiscal year, any cash balance of Special Taxes remaining on hand at the end of such fiscal year, and a summary of the Facilities for which Special Taxes were expended.

The Authority shall use the information contained in the Annual CFD Reports in preparing and filing any annual reports required by law, including without limitation any reports required to be filed with the California Debt and Investment Advisory Commission and the Municipal Securities Rulemaking Board.

5. Ongoing Operation and Maintenance. The Authority and each Member agree that the Members shall be solely responsible for the maintenance and operation of the Facilities.

6. Indemnification. Each Member shall assume the defense of, indemnify and save harmless, the Authority, its officers, employees and agents, and each and every one of them, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of that Member with respect to this Agreement, and the ownership, operation and maintenance of the Facilities by that Member; provided, however, that no Member shall be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents or employees.

7. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

8. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. This Agreement may not be assigned by either of the parties thereto.

9. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

10. Amendments. Amendments to this Agreement shall be made only by written instrument executed by each of the parties hereto.

11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Approved As To Form:

Attorney-at-law

Date: January 6, 2017

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

SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY

By ______________________________

Attest:

____

CITY OF SANTA CRUZ

By ______________________________

Attest:

____

CITY OF SCOTTS VALLEY

By ______________________________

Attest:

____

CITY OF CAPITOLA

By ______________________________

Attest:

____

COUNTY OF SANTA CRUZ

By ______________________________

Attest:

____

EXHIBIT A

DESCRIPTION OF FACILITIES TO BE FINANCED BY THE CFD

The types of Facilities proposed to be financed or funded in whole or in part by the Community Facilities District No. 2016-1 (the "CFD") of the Santa Cruz Libraries Facilities Financing Authority (the "Authority") of the under the Mello-Roos Community Facilities Act of 1982, as amended (the "Act") are as follows:

The Facilities means library facilities in the County of Santa Cruz, including but not limited to Aptos, Boulder Creek, Branciforte, Capitola, Downtown Santa Cruz, Felton, Garfield Park, La Selva Beach, Live Oak and Scotts Valley, but excluding library facilities in the City of Watsonville. The Facilities shall include any of the following: new construction, building renovations and service model upgrades needed to provide service desks, an area for displaying materials, separate areas for teens and children, flexible spaces and/or meeting rooms and study rooms, places to display art, new flooring, paint, shelving, furniture and technology, power/data to support library technology, and other upgrades.

The Facilities shall also include, without limitation, the attributable costs of engineering, design, planning, materials testing, coordination, construction staking, and construction, together with the expenses related to issuance and sale of any "debt", as defined in Section 53317(d) of the Act, including underwriters' discount, appraisals, market studies, reserve fund, capitalized interest, bond counsel, special tax consultant, financial advisor, bond and official statement printing, administrative expenses of the Authority, the CFD and bond trustee or fiscal agent related to the CFD, and any such debt and all other incidental expenses. The Facilities shall be constructed or modified, upgraded or otherwise renovated, whether or not acquired in their completed states, pursuant to plans and specifications approved by the Parties to the Authority's Joint Exercise of Powers Agreement.

The Facilities listed in this Exhibit A are representative of the types of improvements to be furnished by the CFD. Detailed scope and limits of specific projects will be determined as appropriate by the Parties. Addition, deletion or modification of descriptions of Facilities may be made consistent with the requirements of the Authority, the CFD and the Act.

AGENDA ITEM E
DATE: 2-1-2017

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: February 1, 2017

TO: Honorable Mayor and City Council

FROM: Jenny Haruyama, City Manager

SUBJECT: **LEASE AGREEMENT WITH THE SCOTTS VALLEY COMMUNITY THEATER GUILD (SVCTG)**

SUMMARY OF ISSUE

On September 3, 2014, the City and the Scotts Valley Community Theater Guild (SVCTG) entered into a lease agreement for a portion of the property that was developed as a Tier II library. On April 6, 2016, the City amended its lease agreement with the Scotts Valley Community Theater Guild to extend the term and add milestones for performance by SVCTG. However, the lease was officially terminated in accordance with Section 3.02 of the agreement because the SVCTG did not meet the time sensitive milestones as outlined in that section. Specifically, the SVCTG did not meet Section 3.02 (a): Pull building permits for the proposed improvements by October 31, 2016.

At this time, the SVCTG has a licensed project manager helping with the permitting process. Their team includes an architect, contractor, and ADA consultant. The SVCTG is currently addressing building comments as it relates to the plan check process, and anticipates having those items addressed in the next couple of weeks. Once addressed, it is anticipated that the SVCTG will be issued a building permit.

Given the status of the SVCTG's project, it is recommended that the City enter into a new lease, subject to the same terms, extending the milestones for performance by six months from the date of the milestones in the terminated agreement dated April 6, 2016.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STAFF RECOMMENDATION

It is recommended that the City Council approve the new lease agreement with the Scotts Valley Community Theater Guild, which extends the milestones by six months from the date of the milestones in the terminated agreement dated April 6, 2016.

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LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Agreement") is made this 1st day of February, 2017, between the City of Scotts Valley ("Landlord") and the Scotts Valley Community Theater Guild ("Tenant").

RECITALS

A. In 2008, the City acquired property located at 251 Kings Village Road, Scotts Valley, California, 95066 (the "Property"). A portion of the property was developed as a Tier II Library of 13,150 square feet.

B. The remainder of the Property was reserved for a civic use to benefit the residents of the City of Scotts Valley (the "Premises").

C. Tenant is a non-profit organization formed to operate a community theater in the City of Scotts Valley.

D. Landlord and Tenant entered into that certain Lease Agreement, dated September 3, 2014, to lease the Premises (the "Lease").

E. Landlord and Tenant entered into an amended Lease Agreement, dated April 6, 2016, to renew the lease on the premises, expiring on September 14, 2020, and one 5-year extension, and establishing specific milestones.

F. Due to Tenant's failure to meet the milestones, the Lease was terminated on November 1, 2016.

G. Landlord and Tenant desire to enter into a new Lease Agreement, that will extend the milestones in Section 3.02, Termination, by six months from the date of the milestones in the agreement dated April 6, 2016 and subject to the terms of this Agreement.

NOW, THEREFORE, Landlord and Tenant agree to all of the terms and conditions of this Agreement as follows:

ARTICLE 1 - BASIC LEASE PROVISIONS

The following are basic terms applicable to this Agreement. The Sections and Exhibits referenced below in parenthesis explain and define the basic terms specified below and are to be read in conjunction with basic terms herein:

1.01 **<u>Term</u>**. Six (6) year term which expires September 14, 2020, and one 5-year extension.

1.02 **<u>Building</u>**. The building located at 251 Kings Village Road, Scotts Valley.

1.03 **<u>Premises</u>**. A portion of the Building and associated parking.

1.04 **<u>Floor Area</u>**. 9,080 square feet.

1.05 **<u>Sent</u>**. $1.00 per year.

1.06 **<u>Use of Premises</u>**. Premises shall be utilized solely for the operation of a community theater.

ARTICLE 2 - LEASE OF PREMISES

2.01 **<u>City of Scotts Valley as Landlord</u>**. Tenant acknowledges and understands that Landlord is a public agency consisting of numerous offices, departments, agencies and districts. Whenever a provision contained in this Agreement, or any extension, modification or amendment, requires the written consent of Landlord, such consent must be obtained from the then acting City Manager of the City of Scotts Valley. Tenant may <u>not</u> rely on any statement or representation by any other employee, agent or representative of Landlord in obtaining such consent and any such statement or representation other than the express written consent of the City Manager shall be null and void and have no effect. Nothing contained in this Section shall limit in any way the authority of any office, department, or agent of the City from approving or withholding consent to any event or activity regulated by local law.

2.02 **<u>Premises</u>**. Landlord leases to Tenant and Tenant leases from Landlord the Premises. The Premises shall <u>not</u> include, and the Tenant shall have no rights in, the library which is located in the Building. A diagram of the location of the Premises is attached to this Agreement as Exhibit A. A floor plan of the Premises is attached to this Agreement as Exhibit B.

2.03 **<u>Reservations</u>**. Landlord reserves the right at any time with 24 hours notice to Tenant to make alterations or additions to the exterior of the Premises, the remainder of the building, the parking lot and the landscaping on the property. Landlord also reserves the right to construct other buildings or improvements on the property and to make alterations or additions thereto. Easements for light and air are not granted in this Agreement. Landlord further reserves the right to enter and access the roof of the Premises or to repair and maintain the roof and to use any space within walls or above the ceiling finish and beneath the floor surface for utility lines and conduits. Landlord further reserves the right to use the multipurpose room located within the Premises in accordance with Tenant's meeting room policy. Landlord shall be deemed a government agency under the policy.

2.04 **<u>Condition of Premises</u>**. Tenant 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. Tenant 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 Tenant's business.

2.05 City's Use of the Premises. Landlord shall be entitled to use the Premises 10 times each calendar year. No later than January 1st each year, Landlord shall notify Tenant of the dates it would like to reserve for City use. In addition, if Landlord desires to use the Premises on other days throughout the year, in an amount not to exceed 10 days, Landlord shall notify Tenant. Landlord shall not have the right to displace other users of the Premises, if those users have already reserved the premises.

ARTICLE 3 - TERM

3.01 Commencement of Term. The term (the "Term") of this Agreement and shall continue until the date of termination specified in Section 1.01, unless terminated sooner in accordance with the terms and provisions of this Agreement.

3.02 Option to Extend Term. Tenant shall, provided the Lease is in full force and effect and Tenant is not in default under any of the terms and conditions of the Lease at the time of notification or commencement, have one (1) option to extend this Lease for a term of five (5) years as of the date the extension term is to commence, on the same terms and conditions set forth in the Lease, or upon such terms mutually agreeable to Landlord and Tenant.

3.03 Termination. This Lease shall immediately terminate and Tenant shall vacate the Premises if Tenant does not meet any of the milestones outlined below:

a. Pull building permits for the proposed improvements by April 30, 2017;

b. Begin construction of the improvements by June 30, 2017;

c. Substantial completion of the improvements by December 31, 2017; and

d. Obtain final sign off of the improvements by February 28, 2018.

Once the improvements are complete, Landlord may terminate the lease with 30 days' written notice if Tenant is not proceeding in a manner consistent with Tenant's and Landlord's goals and expectations by providing theatrical opportunities within the community; however, prior to such termination, Landlord shall give Tenant 60 days' written notice of Tenant's failure to meet the expectations and goals and provide Tenant with 30 days to meet such goals and expectations. In addition, either party may terminate the lease by giving the other party 13 months' prior written notice.

ARTICLE 4 - RENT

The Rent for the premises shall be $1.00 per year payable to Landlord on October 1st of each year of the Term. In addition, in the event Tenant earns a profit operating the theater (revenues generated from the use of the theater exceed the costs of operating the theater), such profits shall be used to improve the Premises or shall be set aside for future repair and maintenance of the Premises. The City shall have the right to audit the financial statements of Tenant at any time to determine if a profit has been made.

ARTICLE 5 - TAXES AND ASSESSMENTS

5.01 Personal Property Taxes. Tenant shall pay before delinquency all federal, state or local taxes, assessments, license fees, and other charges that are levied and assessed against Tenant's personal property installed or located in or on the building, and that become payable during the term. On demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments.

5.02 Possessory Interest Taxes. Tenant shall pay before delinquency all possessory interest taxes, assessments, license fees, and other charges that are levied and assessed against the leasehold interest. "Possessory Interest Tax" means that tax imposed pursuant to laws of the State of California on leaseholds of tax exempt property and does not include taxes on Tenant's inventory, personal, or any other tax or assessment that is presently or may, in the future be levied. On demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments.

ARTICLE 6 - USE

6.01 Use of Premises. Tenant shall use the Premises solely for the use specified in Section 1.06 herein. No other uses shall be permitted. No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the Premises, or cause a cancellation of any insurance policy covering the Premises or any part thereof. Tenant shall, at its sole cost, comply with any and all requirements regarding the use of the Premises by any company that issues a policy of fire, casualty or public liability insurance to the Landlord. If Tenant's use of the Premises results in a rate increase for the Premises, Tenant shall pay as additional rent within ten (10) days written notice, a sum equal to the additional premium caused by such rate increase. Tenant shall notify Landlord of any events at the theater no later than 30 days prior to the event.

6.02 Hazardous or Toxic Materials.

(a) Tenant shall comply, at its expense, with all federal, state and local statutes or regulations concerning environmental conditions, emissions, pollutants and controls. Tenant shall not cause, store, use or permit any Hazardous Material, including without limitation asbestos or polychlorinated biphenyls, to be brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors or invites, without the prior written consent of Landlord, which Landlord shall not unreasonably withhold as long as Tenant demonstrates to Landlord's reasonable satisfaction that such Hazardous Material is necessary or useful to Tenant's business, does not violate any requirements of the Landlord's policies of fire, causality or public liability insurance and will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Material so brought upon or used or kept in or about the Premises.

(b) If Tenant breaches any of its obligation stated herein, or if the presence of Hazardous Material on the Premises caused or permitted by Tenant results in contamination of the Premises, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgment, damages, penalties, fines, costs, liabilities or losses, including, without limitation, diminution in value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of space on the Property, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise during or after the lease term as a result of such contamination. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises caused or permitted by Tenant results in any contamination of the Premises, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the introduction of any such Hazardous Material to the Premises; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises.

(c) As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government. The term "Hazardous Material" shall include without limitation, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) asbestos; (vii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20; (viii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317); (ix) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); or (x) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601), and any amendments or successor statutes thereto.

6.03 Compliance with Governmental Regulations. Tenant shall, at its sole cost and expense, comply with all of the requirements of all local, state and federal authorities now in force, or which may hereafter be in force, pertaining to the Premises. With regard to the use of the Premises, Tenant shall faithfully observe all local ordinances and state and federal statutes now in force or which may hereafter be in force.

6.04 Americans With Disabilities Act. If Tenant makes any improvements to the Premises or installs any fixtures or equipment in the Premises, Tenant acknowledges and expressly accepts full responsibility and shall incur all costs and expenses for compliance with the requirements of the Americans with Disabilities Act (ADA) and any other local, state or federal law or regulation regarding the accessibility of the Premises by disabled individuals for those improvements, fixtures and equipment. Tenant agrees to release, indemnify, defend and hold Landlord harmless for any claim, loss, expense or liability arising from Tenant's failure to fully comply with all such laws or regulations.

6.05 Town Center Project. Tenant acknowledges the plans of the City to develop the Town Center on property adjacent to the Premises. In addition, Tenant acknowledges that the Property is part of the Town Center Specific Plan and as such, it is intended to be incorporated into the development of the Town Center. Tenant will cooperate with City to integrate the theater into the Town Center Project which may include changes to the building including, but not limited to, the installation of an additional entrance to the Building which may reduce the size of the Premises. In the event the Landlord intends to reduce the size of the Premises, Landlord shall meet with Tenant to determine if such change will negatively impact the operations of Tenant. Tenant shall work in good faith with Landlord to effectuate the changes. Tenant shall not be financially responsible for any of the changes required to incorporate the Building into the Town Center Project.

ARTICLE 7 - CAPITAL IMPROVEMENTS

7.01 Capital Improvements. Tenant shall pay its pro rata share of all capital improvements. Capital improvements include the costs of additions, replacements, renovations or significant upgrades of or to the Improvements on the Premises, including building exteriors and major building systems (such as the HVAC servicing only the Premises, mechanical, electrical, plumbing, vertical transportation, security, structural or roof) that significantly increase the capacity, efficiency, useful life or economy of operation of the Improvements or their major systems. Tenant's pro rata share for all capital improvements shall be paid within 60 days of Landlord's request for such pro rata share.

7.02 **<u>Consent</u>**. Tenant shall not make any improvements, alterations or additions to the Premises without Landlord's prior written consent which shall not be unreasonably withheld. All improvements, alterations and additions shall be in conformity with the laws, directives, rules or regulations of all applicable public and governmental agencies. Prior to the commencement of any work relating to any repairs, alterations, improvements or additions approved by landlord, Tenant's contractor(s) shall notify the Executive Director.

7.03 **<u>Notices</u>**. At least fifteen (15) days prior to commencing any work relating to any improvements, alterations or additions approved by Landlord in accordance with Section 7.02, Tenant shall notify Landlord in writing of the expected commencement date. Landlord shall have the right thereafter to post and maintain on the Premises such notices as Landlord deems necessary to protect Landlord and the Premises from mechanics' liens, materialmen's liens or any other liens. Tenant shall pay, when due, all claims for labor and materials furnished to or for Tenant for use in improving the Premises. Tenant shall not permit any mechanics' or materialmen's liens to be levied against the Premises arising out of work performed, materials furnished or obligations to have been performed on the Premises by or at the request of Tenant. Tenant hereby indemnifies and holds Landlord harmless against loss, damage, attorneys' fees and all other expenses on account of claims of lien of laborers or materialmen or others for work performed or materials or supplies furnished to Tenant or persons claiming under it.

7.04 **<u>Trade Fixtures</u>**. Tenant may install trade fixtures, display items, machinery or other trade equipment in conformance with the all laws, ordinances, directives, rules or regulations of all applicable public and governmental agencies. The parties acknowledge that Landlord is contributing funds for certain trade fixtures to the Premises that will remain on the Premises at the termination of this Agreement and other trade fixtures that will become the property of Tenant upon occupancy of the Premises. In addition, Tenant is obtaining donations from outside parties for the theater. Any and all equipment donated or purchased with donated funds and any trade fixtures acquired by donation shall remain on the Premises at the termination of this Agreement and shall become the property of the City. Upon construction of the theater, a list of those trade fixtures will be attached to this lease. Tenant shall not remove any trade fixtures, display items, machinery or other trade equipment from the Premises, without Landlord's written consent, if the removal of any such item would cause damage to the Premises and, in the absence of Landlord's written consent to removal, any such item shall be deemed a part of the realty and belong to the Landlord at termination of the Agreement.

7.05 **<u>Restoration</u>**. Except as otherwise provided herein, Tenant shall return the Premises to the same condition as existed as of the Commencement Date of the Agreement, reasonable wear and tear excepted. Landlord, through Landlord's sole discretion and authority, and upon receipt of written request from Tenant, may consider allowing any Tenant Improvements approved by Landlord under this Agreement to remain. Landlord, at its election, may also require Tenant to remove, at tenant's sole cost, any improvements, alterations or additions approved by Landlord in accordance with this Agreement. Tenant shall repair, at its sole cost, any damage resulting from the removal of any alterations, improvements, additions, equipment, machinery or trade fixtures.

7.06 Signs and Advertising Matter.

(a) Tenant has the right to install a sign on the outside of the Building on the portion occupied by the Premises and on the monument sign located in the parking lot. All signage is subject to the prior written consent of Landlord and design review. Except as provided above, Tenant 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 the roof, or on any exterior door, exterior wall or outside surface of the windows of the Premises without Landlord's prior written consent, which shall not be unreasonably withheld. Tenant further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter or window coverings in good condition and repair at all times.

(b) No advertising medium shall be used or allowed to be used by Tenant which can be heard or experienced outside the Premises, including without limitation, flashing lights, searchlights, loudspeakers, phonographs, radios or television. Except with Landlord's prior written consent, Tenant shall not display, paint or place, or cause to be displayed, painted or placed, any handbills, bumper stickers or other advertising devices on any vehicle parked in the parking area of the Property, including those belonging to Tenant, or to Tenant's agent or any other person; nor shall Tenant distribute or cause to be distributed on the Property any handbills or other advertising devices.

ARTICLE 8 - MAINTENANCE AND REPAIRS

8.01 Landlord's Maintenance Obligations.

(a) Landlord, on behalf of Tenant and any other occupants of the Building, shall maintain in good condition and repair the foundations, roofs and skylights, structural components and exterior surfaces of exterior walls of the Building (exclusive of doors, door frame, door checks, windows, window frames and store fronts); provided, however, if any repairs or replacements are necessitated by the negligence, gross negligence or willful acts of Tenant, its officers, employees, representatives, agents, customers, invitees or trespassers or by reason of Tenant's failure to observe or perform any provisions contained in this Agreement or caused by alterations, additions or improvements made by Tenant or its officers, employees, representatives, agents, contractors, subcontractors, laborers or materialmen, the cost of such repairs and replacements shall be the sole obligation of Tenant.

(b) Tenant shall be solely responsible for all repairs to and maintenance of the Premises which are not expressly allocated to the Landlord under this Agreement or by separate written agreement between the Landlord and Tenant, including but not limited to the HVAC system.

(c) In its sole discretion, or in the event Tenant fails to maintain, repair, or replace HVAC systems in accordance with Section 8.03, Landlord may contract with a service company licensed and experienced in servicing HVAC equipment and approved by Landlord for regular maintenance, repairs and replacement, if required, of the HVAC equipment serving the Premises. Tenant shall be responsible for the reasonable costs of such maintenance, repairs or replacement as set forth in this Agreement.

(d) Unless Tenant notifies Landlord in writing of the need for repairs under subsection a, Landlord shall not be liable for its failure to make such repairs. Landlord shall be entitled to a reasonable period of time to affect such repairs upon receipt of said written notice from Tenant. Tenant 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 Tenant 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 Tenant to make repairs at Landlord's expense.

8.02 <u>Landlord's Right of Entry</u>. Landlord, 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; (d) perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (e) show prospective tenants the Premises during the last six (6) months of the Term; and (f) perform work that Landlord deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence to make, and diligently pursue to completion, in a reasonable time as defined by Landlord, Tenant's required repairs after written demand therefore by Landlord. Landlord will give a minimum of twenty-four (24) hours advance notice of such entry when practicable.

8.03 <u>Tenant's Maintenance Obligations</u>.

(a) Except as provided elsewhere in this Agreement, Tenant, at its sole cost and expense, shall keep the interior of the Premises in good order, condition and repair and shall make all replacements necessary to keep the Premises in such condition, including maintenance and repair of the HVAC system servicing the Premises, and maintenance and inspection of fire sprinkler systems.

(b) All replacement equipment shall be of a quality equal to or exceeding that of the original equipment or improvements. Should Tenant fail to make these repairs and replacements or otherwise maintain the Premises for a period of three (3) days after delivery of a written demand by Landlord, or should Tenant 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 Tenant for any loss or damage that may occur to Tenant's stock or business, and Tenant 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. Tenant shall, at its expense, repair promptly any damage to the Premises, Building or the Property caused by Tenant, its agents, employees, customers, invitees, subtenants, assignees or concessionaires, or caused by the installation or removal of Tenant's personal property.

(c) Tenant shall, at its own expense, comply with all requirements of the Landlord's insurance underwriters and any other governmental authority having jurisdiction thereof, regarding the installation and periodic maintenance of fire suppression systems or apparatus.

8.04 <u>Tenant Improvements</u>. Tenant intends to install improvements to the Premises necessary for the theater. Tenant is responsible for the cost of all improvements to the interior of the Premises. Prior to obtaining any permits for the improvements or beginning construction on improvements to the Premises, Tenant shall obtain the prior written approval of the proposed plans from the City's Town Center Subcommittee. Tenant shall obtain any and all permits required for such improvements and shall comply with all Federal, State and local laws including, but limited to, the Americans with Disabilities Act and Prevailing Wage laws. Tenant shall defend and indemnify the City from any and all claims associated with the improvements and shall ensure that no liens are recorded against the Building. Tenant is not entitled to make any improvements to the exterior of the Premises without the prior written consent of the City.

ARTICLE 9 - UTILITIES

9.01 <u>Separate Charges</u>. Tenant shall pay for all water, gas, heat, light, power, telephone service and any other utilities metered or otherwise separately charged to the Premises.

9.02 <u>Jointly Metered Utilities</u>. Tenant shall pay a pro rata share of the utility charges which are jointly metered or charged. Those utility charges that are jointly metered are water and lighting in the parking lots and landscaped areas of the Property. Tenant's pro rata share of these charges shall be based upon the ratio of the square footage of the Premises to the total square footage of the building or buildings serviced by such meter, plus any extraordinary uses by Tenant which may be reasonably ascertained by Landlord.

9.03 Interruption. Landlord shall not be liable for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to terminate this Agreement.

ARTICLE 10 - INDEMNIFICATION AND INSURANCE

10.01 Indemnification. Landlord shall not be liable to Tenant for any damage to Tenant or Tenant's property from any cause which is not the result of Landlord's gross negligence. Tenant, as a material part of the consideration for this Agreement, hereby expressly waives and releases all claims against Landlord, its officers, employees, representatives and agents, for any injury or damage to any person or property on or about the Premises arising for any reason. Tenant agrees to indemnify, release, defend and hold harmless Landlord, its officers, employee, representatives and agents from any loss, claim, cost, expense or liability for any injury or damage to person or property, occurring in, on or about the Premises, arising for any reason, including without limitation the condition or use of the Premises or the improvements or personal property located therein and against any loss, claim, cost, expense or liability for injury to the person or property of Tenant, its agents, officers, employees, invitees or trespassers. Notwithstanding the foregoing, Tenant's obligations under this Section 11.01 shall not extend to claims, costs, expenses, losses or liability resulting from Landlord's failure to comply with its maintenance and repair obligations under Sections 9.01(a) and 9.01(e) of this Agreement.

10.02 Insurance Requirements. Tenant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Tenant's operation, use and improvement of the Premises.

(a)The general liability policy is to contain, or be endorsed to contain, the following provisions:

(i) A policy limit of $1,000,000.00 per occurrence/$2,000,000.00 annual aggregate.

(ii) The City of Scotts Valley, its officers, officials, employees and volunteers are to be covered as insureds with respect to liability arising out of ownership, maintenance or use of that part of the premises leased to the Tenant.

(iii) The Tenant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

(iv) Coverage shall not be canceled, except after thirty (30) days' prior written notice has been given to the City.

(b) Acceptability of Insurer. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

(c) Verification of Coverage. Tenant shall furnish Landlord with original certificates and amendatory endorsements effecting commercial general liability coverage required by this agreement. Upon request by Landlord, Tenant shall provide certificates evidencing the other coverages required herein. The endorsements should be on forms provided by Landlord or on other than the Landlord's forms, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by Landlord before the Lease commences. Landlord reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

(d) Increase in Coverage. Landlord may increase or decrease the amount of commercial general liability insurance required herein, based upon a general review by Landlord of the standard insurance requirements effective July 1st of any year, provided notice of the increase is given to Tenant no later than February 1st of that same year. Such changes in coverage shall be commercially reasonable at the determination of Landlord. Changes in insurance amounts shall occur not more frequently than every two years. Landlord will notify Tenant of any changes under this provision of this Agreement.

10.03 **<u>Tenant's Failure To Maintain Insurance</u>**. Tenant agrees that if Tenant does not maintain any insurance policy required under this Agreement or fails to pay any premiums when due, Landlord may, require that the Premises be immediately closed for business pending reinstatement of insurance by Tenant, or obtain the necessary insurance and pay the premium, and the repayment thereof shall be deemed to be additional rent due by the Tenant and payable on the next date upon which a payment of rent is due.

10.04 **<u>Waiver of Subrogation</u>**. Tenant and Landlord each waive its right of recovery against the other, and each party's successors, assigns, directors, agents and representatives in connection with any loss or damage caused to property belonging to the Tenant or Landlord which is covered by any insurance policy of either the Tenant or Landlord in force at the time of any such loss or damage. Tenant and Landlord hereby waive, on behalf of each party's insurance carriers, any right of subrogation it may have against the other party and each shall notify its carriers of the waiver contained herein.

10.05 **<u>Waiver of Loss and Damage</u>**. Landlord shall not be liable for any damage to inventory or other property of Tenant, or others, located in, on or about the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise, which is not the direct result of Landlord's negligence, and Tenant waives any claim against Landlord with respect to such property. Landlord shall not be liable to Tenant, Tenant's employees or representatives for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Premises or from the pipes, appliance or plumbing works or from the roof, street or subsurface or from any other places or by any other cause of whatsoever nature. Landlord shall not be liable to Tenant, Tenant's employees or representatives for any such damage caused by other tenants or persons in the Premises, occupants of the Building, or the public, or caused by operations in construction of any private, public or quasi-public work. All property of Tenant kept or stored on the Premises shall be so kept or stored at the sole risk of Tenant, and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the willful act or gross neglect of Landlord.

10.06 Notice by Tenant. Tenant shall give immediate notice to Landlord in case of fire or accidents in or around the Premises or of any damage or defects in the Premises, or any fixtures or equipment therein.

ARTICLE 11 - ASSIGNMENT AND SUBLETTING

The parties acknowledge that this Agreement is a unique relationship between these individual parties. Landlord charges a reduced rent to Tenant due to the services Tenant provides to the citizens of the City of Scotts Valley. Therefore, Tenant cannot assign its rights under this Agreement or its rights to the Premises without the prior written consent of Landlord which may be withheld for any reason or no reason.

ARTICLE 12 - DEFAULT

12.01 Events of Default. The occurrence of any of the following shall constitute a breach and material default of this Agreement by Tenant:

(a) The failure of Tenant to pay or cause to be paid any rent, monies or other charges due Landlord as set forth in this Agreement on or before the due date for payment of any such amounts;

(b) The failure of Tenant to maintain all insurance coverage as set forth in Article 10.

(c) The abandonment of the Premises by Tenant, which shall mean failure to operate as set forth in this Agreement for fifteen (15) consecutive days, except by prior written notice by Tenant and with the written consent of Landlord which will not be unreasonably withheld;

(d) Except as otherwise provided in this Agreement, the failure of Tenant to do or cause to be done any act as set forth in this Agreement, if the failure continues for fifteen days (15) consecutive days after notice has been given to Tenant. However, Tenant shall not be in default of this Agreement if Tenant commences to cure the default within said fifteen (15) day period and diligently and in good faith continues to cure the default to the satisfaction of the Landlord;

(e) Tenant causing, permitting or suffering, without the prior written consent of Landlord, any act when this Agreement requires Landlord's prior written consent or prohibits such act.

12.02 **<u>Notice of Default and Opportunity to Cure</u>.** Landlord shall give written notice to Tenant of any Event of Default on the part of Tenant. Said notice shall specify the nature of the act, omission, or deficiency giving rise to the Event of Default. In addition, if the Event of Default is curable, and does not give rise to an imminent danger to health or safety, the notice shall also specify the action required to cure the default, and a reasonable date, which shall not be less than thirty (30) calendar days from the mailing of the notice, by which Tenant must take or commence such action to cure. If the notice specifies only a commencement date for the cure, Tenant must commence such cure within the specified time and shall diligently pursue the cure to completion within a reasonable time thereafter.

12.03 **<u>Remedies</u>**. In the event of any breach by Tenant, Landlord shall be entitled to any rights or remedies available at law.

(a) Efforts Landlord may make to mitigate the damages caused by Tenant's breach of this Agreement shall not constitute a waiver of Landlord's right to recover damages against Tenant, nor shall anything contained in this Agreement affect Landlord's right to indemnification against Tenant for any liability arising prior to the termination of this Agreement for personal injuries or property damage, and Tenant agrees to indemnify and hold Landlord harmless from any injuries and damages, including all reasonable attorney fees and costs incurred by Landlord in defending any action brought against Landlord for any recovery, and in enforcing the terms and provisions of this indemnification against Tenant.

(b) However, the breach of this Agreement by Tenant, or an abandonment of the Premises by Tenant, shall not constitute a termination of this Agreement, nor of Tenant's right of possession under this Agreement, unless and until Landlord elects to do so, and until that time Landlord shall have the right to recover rent and all other payments to be made by Tenant under this Agreement as they become due; provided, that until Landlord elects to terminate this Agreement and Tenant's right of possession under this Agreement, Tenant shall have the right to sublet the Premises or to assign interests in this Agreement, or both, subject only to the written consent of Landlord, which consent shall not be unreasonably withheld.

(c) In the event that Landlord should take any act to maintain or preserve the Premises on Tenant's behalf, or seek the appointment of a receiver to protect Landlord's interests under this Agreement, such acts shall not constitute a termination of Tenant's right of possession unless Tenant receives written notice from Landlord to regarding Landlord's election to terminate.

ARTICLE 13 - DAMAGE OR DESTRUCTION

13.01 Landlord's Duty To Repair.

(a) If the Premises are destroyed or materially damaged from a cause not insured against, or if the amount of available insurance proceeds, including deductible costs, is not sufficient to completely repair or restore any such damage or destruction, Landlord shall have the right to terminate this Lease by giving written notice of termination to Tenant within thirty (30) days after the date of the damage or destruction. If the Lease is not terminated, then Landlord shall diligently proceed to repair and restore the Premises to the extent that insurance proceeds, including deductible costs, are sufficient to completely repair or restore any such damage or destruction.

(b) If the Premises are materially damaged or destroyed from a cause covered by insurance, and it can be repaired or restored within ninety (90) days after commencement of repair or restoration, then Landlord shall diligently proceed to repair and restore the Premises. If Landlord determines that the Premises cannot be repaired or restored within this period, then Landlord and Tenant shall work out a reasonable time frame for the completion of the repairs or restoration.

(d) Except as otherwise provided in this Agreement, damage to or destruction of the Premises shall not terminate this Agreement or result in the abatement of any rent or other charges payable under this Agreement. Tenant expressly waives any right it may have, in law or equity, to offset any cost incurred by Tenant for repairs or restoration to the Premises against Tenant's obligations to pay rent in connection with Landlord's duties of repair and restoration under this Lease.

(e) Landlord's duties of repair and restoration under the provisions of this Lease shall extend only to those portions of the Premises insured under a policy of insurance, and Landlord shall not be responsible for any loss, damage, or destruction to Tenant's personal property, trade fixtures, merchandise, inventory or equipment.

13.02 Tenant's Duty to Repair or Replace. Except as otherwise provided herein, Landlord's obligation to restore shall not include the restoration or replacement of Tenant's personal property, inventory, trade fixtures, merchandise, or equipment. Tenant shall restore and replace said items in the event that Landlord is obligated or elects to repair any damage or destruction of the Premises.

ARTICLE 14 - ESTOPPEL CERTIFICATES; ATTORNMENT

14.01 Tenant to Furnish Certificate. Tenant shall, within ten (10) business days of written notice from Landlord, execute and deliver to Landlord a written statement certifying that this Agreement is unmodified and in full force and effect or, if modified, stating the nature of such modification. Tenant's statement shall include other details requested by Landlord, such as the date to which rent and other charges are paid and Tenant's knowledge concerning any uncured defaults in Landlord's obligations under this Agreement and the nature of such defaults if they are claimed. Any such statement may be relied upon conclusively by any prospective purchaser or encumbrancer of the Premises. Tenant's failure to deliver such statements within such time shall be conclusive upon the Tenant that this Agreement is in full force and effect, except as and to the extent any modification has been represented by Landlord, and that there are no uncured defaults in Landlord's performance.

14.02 Additional Documents. Tenant, upon request of any party in interest, shall execute promptly such instruments and certificates necessary to carry out the intent of the foregoing Sections as shall be requested by Landlord.

ARTICLE 15 - MISCELLANEOUS

15.01 Attorneys' Fees. In the event of any legal action, arbitration or proceeding between the parties, the prevailing party shall be entitled to reasonable attorneys' fees and expenses as a part of the judgment or award resulting therefrom.

15.02 Transfer, Sale or Lease of the Premises by Landlord. Notwithstanding any provisions of this Agreement, Landlord may assign in whole or in part Landlord's interest in this Agreement and may sell or transfer all or part of Landlord's leasehold interest in the real estate of which the Premises are a part. In the event of any transfer, sale or exchange of the Premises by Landlord and assignment by Landlord of this Agreement, Landlord shall be entirely freed and relieved of all liability under all covenants and obligations contained in or derived from this Agreement or arising out of any act, occurrence or omission relating to the Premises which occurs after the consummation of such sale, exchange or assignment except as provided in the Pass Through Agreement and all amendments thereto.

15.03 Liability to Successors. The covenants and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto who shall be jointly and severally liable for the covenants contained herein.

15.04 Interpretation. Whenever the singular number is used in this Agreement, the same shall include the plural. Reference to any gender shall include the masculine, feminine and neuter genders, and the word "person" shall include corporation, firm or association, when required by the content.

The headings or titles to the paragraphs of this Agreement are for convenience only and do not in any way define, limit or construe the contents of such paragraphs. This instrument contains all of the agreements and conditions made between the parties with respect to the hiring of the Premises and may not be modified orally or in any manner except by a written instrument signed by all the parties to this Agreement.

The laws of the State of California shall govern the validity, performance and enforcement of this Agreement. If any provision of this Agreement is determined to be void by any court of competent jurisdiction, such determination shall not affect any other provision of this Agreement and such other provisions shall remain in full force and effect. If any provision of this Agreement is capable of two constructions, one which would render the provision void and one which would render the provision valid, the provision shall be interpreted in the manner which would render it valid.

Except as may otherwise be expressly stated, each payment required to be made by the Tenant shall be in addition to and not in substitution for other payments to be made by Tenant.

15.05 **Time**. Time is of the essence in this Agreement.

15.06 **Force Majeure**. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, regulations or controls, enemy or hostile government action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to that resulting from such prevention, delay or stoppage.

15.07 **Notices**. All notices to be given by one party to the other or options to be exercised under this Agreement shall be in writing, mailed or delivered to Landlord and Tenant at the following addresses:

Landlord
City of Scotts Valley
Attn: City Manager
1 Civic Center Drive
Scotts Valley, CA 95066

Tenant
Scotts Valley Community Theater Guild
5610 Scotts Valley Drive, Suite B-126
Scotts Valley, CA 95066

Mailed notices shall be sent by United States Postal Service, certified or registered mail, postage prepaid, and shall be deemed to have been given on the date of posting in the United States Postal Service.

The parties listed above may, by proper notice, at any time designate a different address to which notices shall be sent.

15.08 Waiver. The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Agreement, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Agreement shall be deemed to have been waived by Landlord, unless such waiver is in writing by Landlord.

15.09 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy in this Agreement provided.

15.10 Authority. If Tenant is a corporation or partnership, each individual executing this Agreement on behalf of such entity represents or warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of such entity and that such entity shall be bound by all the terms and provisions hereof.

15.11 Broker's Commission. Each party represents and warrants that there are no claims for brokerage commissions or finder's fees arising from that party's activities in connection with this Agreement, and each party agrees to indemnify and hold the other party harmless from all liability arising from any such claim.

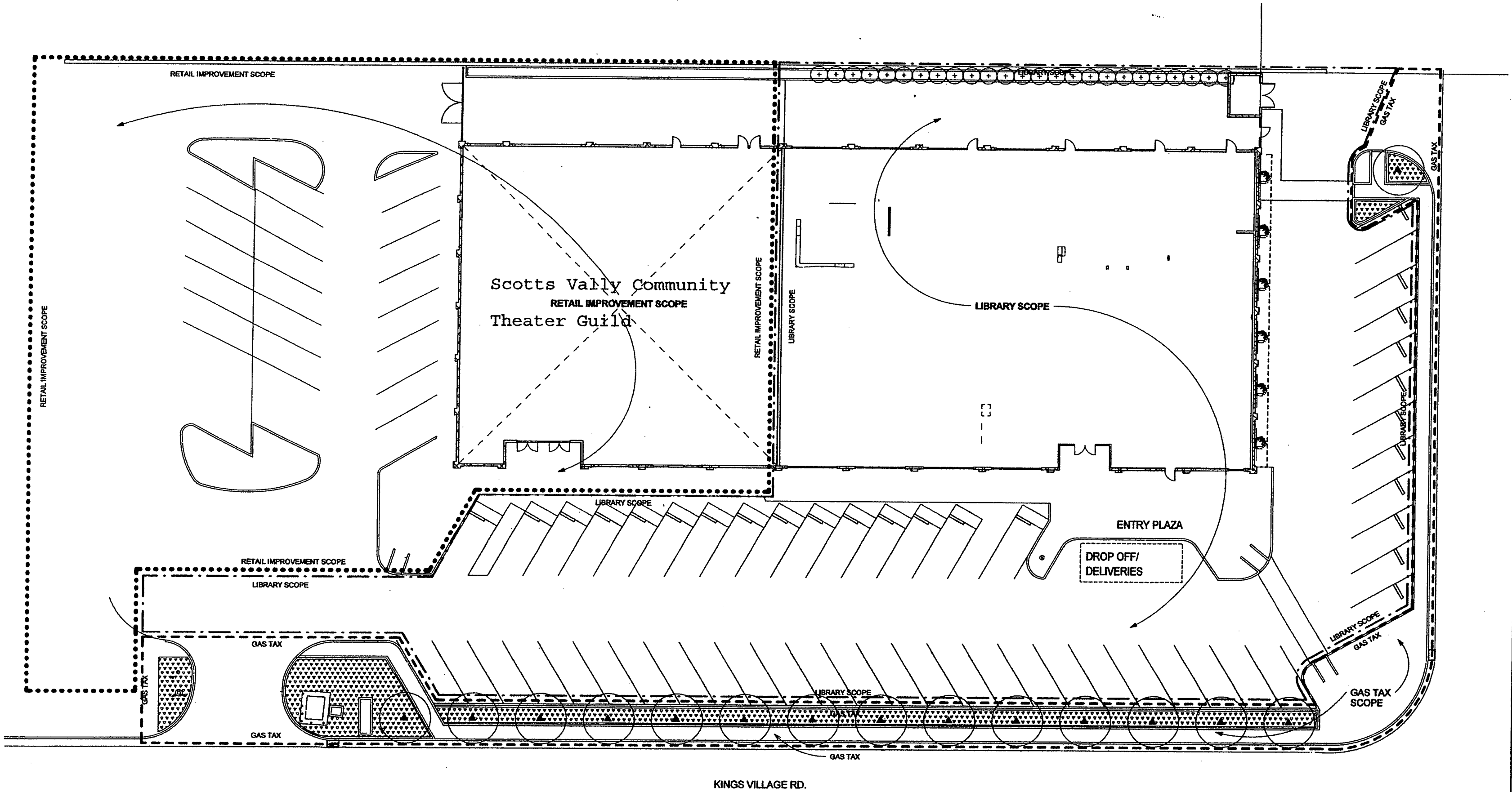
15.12 Assessment District Establishment. Tenant agrees not to unreasonably protest the establishment of an assessment district for purposes of public improvements, including, but not limited to, sidewalks, streets, lighting, utilities. Notwithstanding the foregoing, Tenant may protest the establishment of an assessment district if Tenant believes it adversely affects Tenant's business.

The parties have executed this Agreement as of the date first written above.

LANDLORD:	**TENANT**:
City of Scotts Valley	Scotts Valley Community Theater Guild
By: ______________________________	By: ______________________________
Jenny Haruyama	Lee Besse
Its: City Manager	Its: President

Exhibit A
Location of Premises

Exhibit "A"



SHEET NOTE:

TO ASSIST THE CITY IN MANAGING PROJECT FUNDS THE GENERAL CONTRACTOR SHALL ORGANIZE ITS SCHEDULE OF VALUES INTO THREE SEPARATE CATEGORIES THAT CORRESPOND TO THE PROJECT AREAS SHOWN IN THIS DRAWING:

1. LIBRARY SCOPE
2. *RETAIL IMPROVEMENT SCOPE*
3. GAS TAX SCOPE

(1) SCOPE OF WORK
1/16" = 1'-0"

GROUP 4
ARCHITECTURE
RESEARCH +
PLANNING, INC
211 LINDEN AVENUE
SO. SAN FRANCISCO
CA 94080 USA
650·871·0709

CITY OF SCOTTS VALLEY

SCOTTS VALLEY LIBRARY

251 KINGS VILLAGE RD
SCOTTS VALLEY
CA 95066

LICENSED ARCHITECT
DAVID M. SCHNEE
NO. C-27893
REN. 9/30/11
ARCHITECT
STATE OF CALIFORNIA

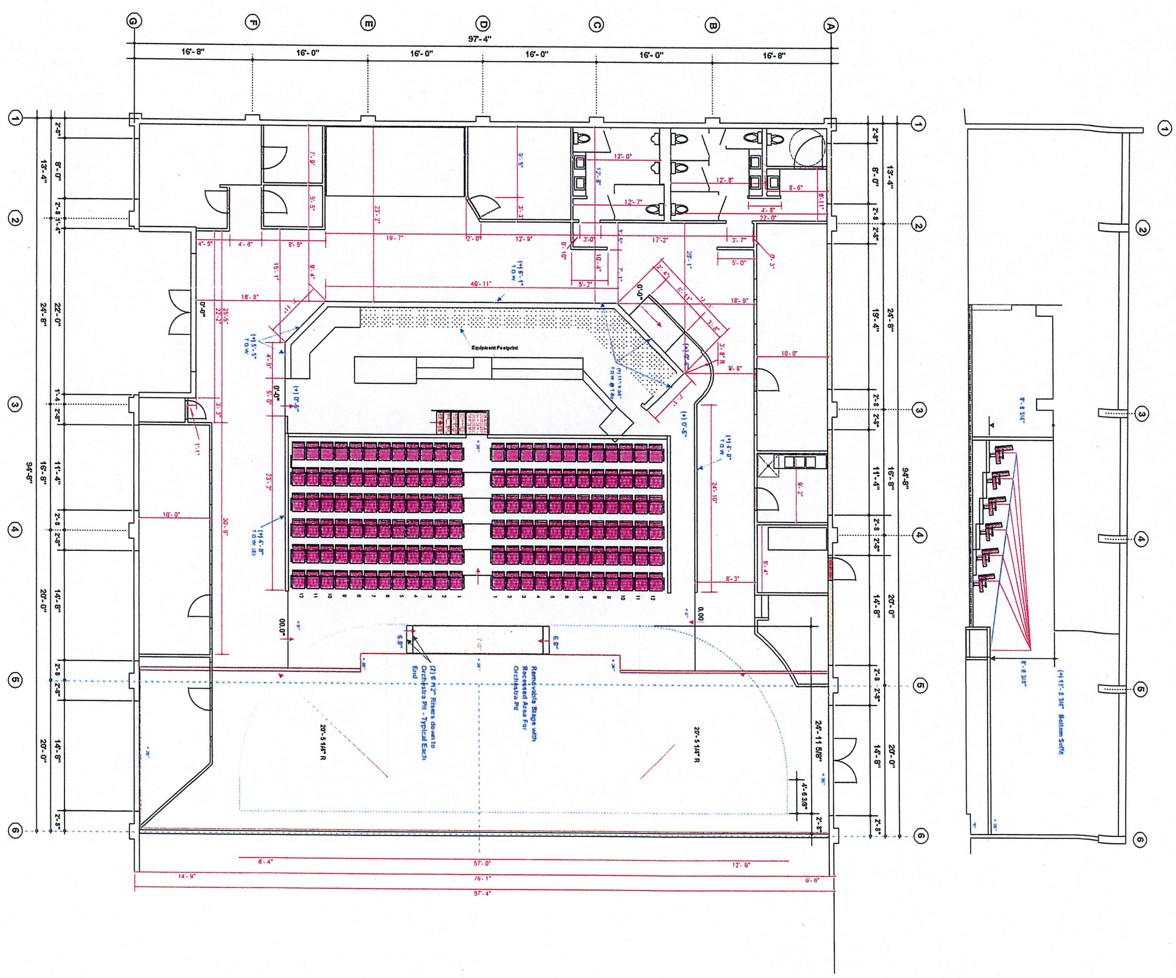
DAVID SCHNEE
CA REG. LICENSE # C-27893
PROJECT: 09382-01

ISSUE	DATE
SCHEMATIC	12/07/2009
50% CD	3/23/2010
BID DOCUMENTS	5/04/2010
1 ADDENDUM 1	6/14/2010
CONFORM SET	7/09/2010

SHEET TITLE AND NO.
SCOPE OF WORK

A0.5

Exhibit B
Floor Plan of Premises



A-1 As Built Plan View with Dimension Plan Temporary Seating & Stage	Date: 7-20-14 Project: Temp Show Drawn: R. Bowen Scale: None	**SCOTTS VALLEY THEATER** **251 KINGS VILLAGE ROAD - SCOTTS VALLEY 9506** Scotts Valley Community Theater Guild	*SPANNER SYSTEMS* 167 Glenwood Drive Scotts Valley, California 95066 Tel 408-210-8048 Fax 831-439-8462	REV REV REV REV

Exhibit C
LIST OF TRADE FIXTURES

1. The following are considered property of the City of Scotts Valley RDA or successor entity or the Friends of the Library Scott Valley Chapter (if the Scotts Valley Chapter ceases to exist the system Friends of the Library will be the owner).
    a. Early childhood Literacy structure (RDA)
    b. Media wall (Friends)
    c. Digital sign (Friends)
    d. Gaming wall and equipment (Friends)

   However, in the event the Library pays for replacement of any of the above the Library will become the owner of the replacements. If replaced, the Library shall have the right to move any of the above to another location in the Library System. If the item is sold the proceeds will go to the original owner. If donated to a non-profit, the original owner can designate the recipient.
2. In the future, anything purchased for the benefit of the Library with a value of less than $100 will become the property of the Library. For items with a value greater than $100, an agreement will be reached as to ownership and future disposition. The Library will maintain an inventory list.
3. Built in kitchen and kitchenette equipment is the property of the City of Scotts Valley RDA or successor entity. Specifically: ranges and refrigerators
4. Built in fixtures considered “part of the building” such as lighting or the service desk is the property of the City of Scotts Valley RDA or successor entity.

Exhibit D
ADA Confirmation

GROUP 4
ARCHITECTURE
RESEARCH +
PLANNING, INC

211 LINDEN AVENUE
SO. SAN FRANCISCO
CA 94080 USA
T: 650-871-0709
www.g4arch.com

5 April 2011

Susan Westman
Interim Community Development Director
CITY OF SCOTTS VALLEY
One Civic Center Drive
Scotts Valley, California 95066

Re: SCOTTS VALLEY LIBRARY
Accessibility

Dear Susan:

The design of the new Scotts Valley Library on 251 Kings Village Road was designed to comply with the California Building Code Title 24 including its accessibility provisions as well as federal accessibility guidelines as required in the Americans with Disability Act.

Sincerely,
GROUP 4 ARCHITECTURE, RESEARCH + PLANNING, INC.

David Schnee, AIA AICP LEEDap
Principal

DS/mm

cc: David Tanza, Strategic Construction Management
William Lim, Group 4

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: February 1, 2017

TO: Honorable Mayor and City Council

FROM: Taylor Bateman, Acting Community Development Director

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: **CONSIDERATION OF COMMENTS FROM THE ADA ACCESSIBILITY COMMITTEE REGARDING THE CITY'S UPDATED ADA TRANSITION PLAN**

SUMMARY OF ISSUE

On April 20, 2016, the City Council heard a presentation from Recreation Accessibility Consultants regarding an updated City Americans with Disabilities Act (ADA) Audit and Transition Plan (Attachment 1: City Council Staff Report & Minutes). At the conclusion of the meeting, the City Council accepted the Transition Plan and referred the Transition Plan to the ADA Committee for review and comment.

ADA COMMITTEE REVIEW

On August 22, 2016, the ADA Committee held a public meeting to solicit comments and held a subsequent meeting on November 3, 2016 to further review the Transition Plan. After reviewing the Transition Plan, the ADA Committee had the following comments for City Council consideration:

1. Develop a framework to guide the implementation of Transition Plan projects as part of the Capital Improvement Program (CIP) budget development process. Consider criteria such as health and safety (e.g. bathroom and water accessibility). Also seek out opportunities for efficiency by incorporating Phase II projects into Phase I to expedite the completion of the Transition Plan.
2. Consider parks, such as Lodato Park, as a lower priority due steep rugged terrain.
3. Update the community about completed projects and ongoing plan implementation efforts should be provided to the community.
4. Identify policies and practices to further citywide ADA improvements.
5. Consider procedures that assist the actions of wheel chair attendants when developing ADA policies.

PUBLIC NOTICE & COMMENT

The following public comments were received by the ADA Committee:

1. The following should have been included in the plan: modular buildings at Vine Hill School, storage buildings at Siltanen Park, sports stand seating and the Scott House.
2. Rental facilities should include disclosure of ADA deficiencies.
3. ADA training should be provided for staff.
4. Regular maintenance, inspections and record keeping are important.
5. The report is concise and comprehensive.
6. Start with basic improvements first.
7. Consider demographic information to help determine where to focus improvements.

With regard to the first public comment, staff is currently working with the Transition Plan consultant to incorporate several of these additional City facilities into the Transition Plan.

FISCAL IMPACT

The total cost of the Transition Plan is $1,148,775. The cost of Phase I is $389,946 and is accounted for in the current five year Capital Improvement Plan budget.

STAFF RECOMMENDATION

As part of the Transition Plan implementation process, the ADA Accessibility Committee requests that the City Council direct staff to consider its recommendations as noted on page 1 of the staff report.

TABLE OF CONTENTS **PAGE**

Agenda Item 2
Date: 4-20-2016

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: April 20, 2016

TO: Honorable Mayor and City Council

FROM: Chuck Comstock, City Manager

SUBJECT: **City of Scotts Valley Access Audit and Transition Plan**

SUMMARY OF ISSUES

At the August 19, 2015 City Council meeting the Recreation Division Manager discussed the need for a system-wide access audit for all City facilities. In September of 2010, the Department of Justice (DOJ) published a new Title II regulation of the American with Disabilities Act (ADA) and a new Standard for Accessible Design. The 2010 Standard is the final and enforceable Standard for designed and constructed areas.

As of March 2012, the City is required to use the 2010 Standard to evaluate existing sites and must show progress towards those objectives. For new construction after 2012, the City must meet the 2012 Standards,

At their meeting of August 19, 2015, the City Council approved an agreement with Recreation Accessibility Consultants, LLC (Consultant) to perform the accessibility audit and transition plan (Plan).

The Plan has been completed and is before the City Council tonight. The cover letter speaks to the authority and enforceable regulations used during the audit. It also concludes that recommendations have been made such that not every access deficit needs to be corrected. The recommendations are also flexible enough to allow modifications should plans change.

The section titled Access Audit and Transition Plan Recommendations has conclusions that the City should adhere to. On page 2 of this section, it says 1,300 access deficits were identified and 13,000 access features complied, which is a 90% compliance rate. It also states it is not necessary to make every site accessible, but all programs within those sites must be accessible. On page 12 of this section, there is a good discussion on playgrounds. The conclusion of the Transition Plan (page 20) is that access retrofits should occur every year and they should be an ongoing part of the City’s annual plans and budget.

Also in the Plan, is a Transition Plan Summary (attached) prioritizing improvements by site. They are identified as Phase 1, 2, 3 or CO (City Option).

FISCAL IMPACT

The total costs of the transition plan are $1,148,775, however, Phase I is $389,946, which all or part can be addressed during the CIP and budget process in accordance with the Plan recommendations.

STAFF RECOMMENDATION

The City Council accept the Access Audit and Transition Plan and refer the Plan to the ADA committee for their review and comments.

TABLE OF CONTENTS PAGE

recreation accessibility consultants, llc

CITY OF SCOTTS VALLEY
TRANSITION PLAN SUMMARY
February 19, 2016

Summary	Phase				
Site Name	1	2	3	CO	Grand Total
Camp Evers Park	$30,981.75	$3,185.00			$34,166.75
City Hall, Police	$120,909.00	$99,107.00			$220,016.00
Hocus Pocus Park	$24,985.75	$11,305.00	$250.00	$4,237.50	$40,778.25
Lodato Park				$31,797.50	$31,797.50
MacDorsa Park	$21,725.25	$12,543.75	$64,587.00	$11,160.00	$110,016.00
Public Works			$49,442.50		$49,442.50
Scotts Valley Community Center	$74,987.00				$74,987.00
Scotts Valley Dog Park		$55,966.25			$55,966.25
Senior Center		$70,346.25			$70,346.25
Siltanen Park	$116,357.25	$34,512.50	$15,875.00	$47,747.50	$214,492.25
Skypark		$150,144.75	$4,985.50	$2,750.00	$157,880.25
Waste Water			$88,886.00		$88,886.00
Grand Total	$389,946.00	$437,110.50	$224,026.00	$97,692.50	$1,148,775.00

MINUTES

Meeting of the Scotts Valley City Council

Date: April 20, 2016

POSTING:
The agenda was posted on 4-15-16 at City Hall, the SV Senior Center, and the SV Library, by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and **MOMENT OF SILENCE**

ROLL CALL

Present:	Mayor Lind	Interim City Manager Comstock
	Vice Mayor Johnson	City Attorney Powell
	Council Member Aguilar	Police Chief Weiss
	Council Member Bustichi	Public Wks Director Hamby
	Council Member Reed	Acting Community Development Director Bateman
		Recreation Division Manager Ard
		City Clerk Ferrara

COMMITTEE REPORTS

CM Bustichi reported that Santa Cruz Metropolitan Transit District (SCMTD) Board of Directors will be meeting this Friday in the Watsonville City Council Chambers to discuss the many cuts and changes that need to be made to fix the structural deficit at the SCMTD. He also reported that the SCMTD Board will be holding ongoing public hearings throughout the County regarding the proposed cuts and changes.

CM Aguilar reported that AMBAG met and discussed the draft regional growth forecast that is put together every four years to review transportation, housing, population, and jobs. She stated that the growth forecast is used to support regional planning efforts. She also reported that AMBAG will be meeting with the agencies within each of the counties, San Benito, Monterey, and Santa Cruz, to discuss the impacts to their specific agencies.

Mayor Lind reported that she attended the Seniors Council Area Agency on Aging met with Alex Clifford, General Manager of the Santa Cruz Metropolitan Transit District, to discuss impacts to senior transportation services in Santa Cruz County.

Mayor Lind announced that a conference for a Safer, Healthier Santa Cruz County, sponsored by a Behavioral Health - Criminal Justice Collaboration, is being held on May 12,2016 from 8:00 am to 4:30 pm at the Enterprise Technology Center in Scotts Valley.

CITY MANAGER REPORT

CM Comstock announced that he will be gone for a few weeks, and Police Chief Weiss will be Acting City Manager during his absence.

PC Weiss announced that the Scotts Valley Police Department is holding "Tip A Cop" tonight at Malone's Grille from 5:00 to 7:30 pm. Local law enforcement will act as "Celebrity Waiters" and Scotts Valley Police Officers will assist the servers with beverage service, serving meals, setting tables, etc, to spread awareness and raise money for Special Olympics of Northern California. Customers are asked to support the event by placing a special "tip" for Special Olympics in the envelope on their table.
PC Weiss announced that the annual Police-In-Pursuit Night at the Races featuring our local law enforcement agencies is being held on Friday, April 22 at 6:00 pm at Watsonville Speedway. He stated that all proceeds will benefit Special Olympics.

PUBLIC COMMENT

Wendy Brannan, SV resident, asked the City Council to change the way they do business.

Mayor Lind reported that the 50 year anniversary committee met and they have received the 50 year anniversary pin, which is being sold through the Parks & Recreation Division and the Chamber of Commerce for $3. She stated that they have had a lot of response from sponsors and participants for the celebration, which will primarily be held on July 4, with a special community event held on August 2, the actual 50 year anniversary.

CM Bustichi, Board Chair of Valley Churches United, announced that Boulder Creek Post Office had been broken into, and it is possible that envelopes containing checks for Valley Churches United were stolen from the facility. He stated that anyone who donated can contact Valley Churches United to find out if their check was received.

ALTERATIONS TO CONSENT AGENDA

M/S: Aguilar/Bustichi
To approve the Consent Agenda.
Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

<u>Consent Agenda</u>:

A. Approve City Council meeting minutes of 4-6-16
B. Approve check register – 4-8-16, 4-1-16
C. Approve First Amendment to Recycled Water Supply Use, Maintenance and Operation Agreement between the City of Scotts Valley and the Scotts Valley Water District for reduction in entitlement
D. Approve Second Amendment to Recycled Water Supply Use, Maintenance and Operation Agreement between the City of Scotts Valley and the Scotts Valley Water District for use outside the City limits

ALTERATIONS TO REGULAR AGENDA

M/S: Aguilar/Johnson
To approve the Regular Agenda.
Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

REGULAR AGENDA

1. **Caltrans presentation: Highway 17 Access Management Plan**

PWD Hamby presented the written staff report and responded to questions from Council.

Caltrans District 5 representatives: Aileen Loe, Deputy District Director; Kelly McClendon, Associate Transportation Planner; and Joe Erwin, Transportation Engineer, provided a brief summary of the Highway 17 Access Management Plan, gave a PowerPoint presentation, and responded to questions from Council.

Ellen Buckingham, ADA Accessibility Committee for the City, expressed concerns regarding pedestrian access at the Granite Creek overpass at the north end of Scotts Valley.

PWD Hamby responded that the City has been working with Caltrans to make the storm damage improvements that are causing the pedestrian access problems on the Granite Creek overpass.

Wendy Brannan, SV resident, expressed concerns about vegetation management along the Highway 17 and its impacts to residents and traffic.

2. **Consider acceptance of City of Scotts Valley Access Audit and Transition Plan**

CM Comstock presented the written staff report and responded to questions from Council.

Kristin Ard, Recreation Division Manager, discussed the process the City used to complete the Access Audit and Transition Plan and introduced John McGovern, President of Recreation Accessibility Consultants, LLC, who prepared the Plan.

John McGovern, President of Recreation Accessibility Consultants, LLC gave an overview of the ADA, the process used to complete the City of Scotts Valley Access Audit and Transition Plan, and responded to questions from Council.

Wendy Brannan, SV resident, commented regarding the Access Audit and Transition Plan.

M/S: Bustichi/Aguilar
To accept the City of Scotts Valley Access Audit and Transition Plan and refer the Plan to the ADA Accessibility Committee for their review and comments.
Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

3. **Consider approval of 5 year Capital Improvement Plan for 2016 - 2021**

PWD Hamby presented the written staff report and responded to questions from Council.

CM Bustichi recommended consolidating some of the repairs under Item 13, Community Center Improvements - ADA Upgrades, Phase I for efficiency and cost savings instead of spreading them out over multiple years.

CM Aguilar recommended installing a shade structure at the swimming pool at Siltanen Park using Lennar Funds. She stated that the cost is approximately $8,000.

CM Aguilar recommended including funds to install/update drinking fountains at the parks that are broken or in disrepair.

RDM Ard stated that a some of the drinking fountains have already been replaced at the various parks, however, there are three that still need to be replaced at a cost of approximately $9,800. She stated that a dog fountain could also be installed at the Dog Park for approximately $1,000.

CM Bustichi recommended looking at using park impact fees for the shade structure instead of using Lennar funds if possible.

Ellen Buckingham, SV resident and ADA Accessibility Committee Member, recommended that the Council get input from the ADA Committee to be sure that proposed improvements do not impact accessibility. She also spoke in support of the shade structure at the pool.

Wendy Brannan, SV resident, recommended updating the Scotts Valley Parks Master Plan. She also spoke in support of replacing the drinking fountains at the parks.

M/S: Aguilar/Bustichi
To approve the 5 year Capital Improvement Plan for 2016 - 2021 as amended by Council.
Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

4. **Future Council agenda items**

None.

The City Attorney announced that there was not a need for closed session.

~~CONVENE TO CLOSED SESSION~~

~~The City Council convened to closed session at ______ p.m. to discuss the following items:~~

~~1. Pursuant to Government Code Section 54957, the City Council met in closed session to confer with their legal counsel regarding City Manager employment.~~

ADJOURNMENT The meeting adjourned at 8:05 p.m.

Approved: ______________________
Donna Lind, Mayor

Attest: ______________________
Tracy A. Ferrara, City Clerk

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: February 1, 2017

TO: Honorable Mayor and City Council

FROM: Jenny Haruyama, City Manager

SUBJECT: **MONTERERY BAY COMMUNITY POWER (MBCP)**
A. CONSIDER RESOLUTION NO. 1924.1 ESTABLISHING THE MBCP AND APPROVING SCOTTS VALLEY AS A FOUNDING MEMBER
B. INTRODUCE ORDINANCE NO. 192 AUTHORIZING THE IMPLEMENTATION OFA COMMUNITY CHOICE ENERGY PROGRAM
C. DIRECT STAFF TO MOVE FORWARD ON DISCUSSIONS AS IT RELATES TO SCOTTS VALLEY SHARE OF THE CREDIT GUARANTEE

SUMMARY OF ISSUE

Beginning in 2013, Monterey Bay Community Power (MBCP) was formed as a region-wide collaborative partnership comprised of all 21 local governments within the greater Monterey Bay area, including the Counties of Santa Cruz, Monterey, and San Benito and all 18 cities located within those counties. This collaborative was created to examine the potential for a community choice energy (CCE) program in the Monterey Bay region.

The goals of MBCP are to reduce greenhouse gas emissions, provide electric power and other forms of energy to customers at competitive prices in the Monterey, Santa Cruz and San Benito County region. In addition, the program seeks to reduce energy consumption, stimulate the local economy by creating local jobs and promote long-term electric rate stability and reliability for the residents of the tri-county area.

A Project Development Advisory Committee (PDAC) comprised of multiple jurisdictions and stakeholders was formed in early 2014 to provide guidance and make key recommendations in the early planning phases of the CCE initiative. Between 2014 and 2016, twenty-six meetings were held by the PDAC allowing for the exchange of ideas and input from participating jurisdictions, stakeholder groups, and interested citizens. In 2014, $404,846 was raised by the Santa Cruz County Project Team to conduct a Phase I Technical Feasibility Study which analyzed the benefits and risks associated with creating a local CCE program. A full copy of the report can be found at www.montereybaycca.com. In summary, the study found that "MBCP would be operationally viable under a relatively broad range of resource planning scenarios, demonstrating the potential for customer savings as well as reduced electric sector GHG emissions throughout the region."

In May and June 2016, the PDAC hosted three special study sessions for county and city elected officials and executive staff for review and discussion of the technical study. Discussion included options regarding power supply, governance, start-up financing and Agency management. In July and August 2016, ad hoc subcommittee meetings focused on JPA governance (i.e. elements of the JPA Agreement) and Agency financing were held for executive staff to discuss issues, timing and approach. The result of this work was the Monterey Bay Community Power Resolution of Intent which was issued in late September, 2016. This resolution allowed interested jurisdictions to affirm their desire to continue and participate in additional governance and financing discussions for the proposed Monterey Bay Community Power Joint Powers Authority (JPA). A copy of the MBCP JPA Agreement and resolution as recommended by participating jurisdictions is included with this packet, as is a template CCE ordinance for your consideration.

Proposed Governance Structure of MBCP

The Monterey Bay Community Power JPA will be composed of jurisdictions within the Monterey, Santa Cruz and San Benito counties who have passed a JPA resolution and the required CCE ordinance by February 2017. The JPA will be formed in April 2017 and will begin providing electrical service to customers in Spring 2018. The governing board structure will include a Policy Board composed of elected officials who will provide guidance/approval in the areas of strategic planning and goal setting, passage of Agency budget and customer rates, and large capital expenditures outside the typical power procurement required to provide electrical service. It will also include a separate Operations Board composed of senior executive staff who will provide oversight and support to the Chief Executive Officer on matters pertaining to the provision of electrical service to customers in the region, focusing on the routine, day-to-day operations of the Agency.

The JPA governing Board will consist of 11 seats, allocated by population size as outlined below. Shared board seats will be determined through the Mayors and Council Members' city selection process in their respective counties, with a term of two years. Directors may be reappointed and serve multiple terms.

Five jurisdictions with 50,000+ populations will have a permanent seat on the Board. Pending passage of aforementioned JPA resolution and CCE ordinance, these are: 1) Santa Cruz County, 2) Monterey County, and the cities of 3) Salinas, 4) Watsonville and 5) Santa Cruz. Additionally, the County of San Benito will have a permanent seat on the Board in recognition of the large geographical area it represents. The remaining five shared/rotating seats will be allocated as follows:

- One (1) seat for Santa Cruz County small cities (Scotts Valley and Capitola)
- Three (3) seats for Monterey County small cities, shared within each region:

Peninsula Cities (Monterey, Carmel, Pacific Grove);
Coastal Cities (Marina, Sand City, Del Rey Oaks, Seaside);
Salinas Valley Cities (Gonzales, Greenfield, King City, Soledad);

- One (1) seat for San Benito County small cities (San Juan Bautista and Hollister)

With respect to the rotating seat for Santa Cruz small cities, City Selection Committee of the County of Santa Cruz took action at its Wednesday, January 25, 2017 meeting and selected Capitola to rotate first into the CCE Board seat and attend the inaugural board meeting in April 2017. At the end of Capitola's two-year term, Scotts Valley would appoint a Council representative and alternate and rotate into the seat in April 2019.

Agency Financing

In order to move forward with Agency and program implementation, MBCP will need between $2 million - $3 million to pay for start up costs and an additional $10 million-$15 million to cover power supply contracting and early operational/working capital needs. In December 2016, Santa Cruz County, on behalf of MBCP issued a banking and credit services RFP seeking a third party lender(s) for both the start-up capital and line of credit that will be needed later. The bid deadline for those services is February 1, 2018 and MBCP hopes to have its financing in place by April or May 2017.

Financial participation for MBCP members is proposed to be a credit guarantee to support the pre-revenue start up loan of up to $3 million. The credit guarantee obligation will be distributed on a per-seat basis and will take the form of a letter of credit, cash collateral or interagency agreement. In the example of an 11-member Board, each seat on the board would be allocated 1/11 (9.1%) of the credit guarantee burden. Shared seat members would divide the credit guarantee among the cities in their respective groupings in order to arrive at the level of credit support that will be required by a third-party lender. The final amount of this loan (and credit guarantee requirement) will be confirmed once ordinances are passed and loan offers have been received.

In the case of Scotts Valley and Capitola, it is estimated that the credit guarantee amount would be no more than $137,500 for each city. Given an expected revenue surplus of at least $1 million, it is anticipated that the credit guarantee requirement could be removed as early as one year after implementation.

The County of Santa Cruz will bear the guarantee for the smaller Santa Cruz cities, subsequently requiring a side agreement with Capitola and Scotts Valley for their respective share of the guarantee.

It is important to note that approval of the JPA agreement and ordinance does not obligate the City to a specific amount of a credit guarantee; instead the obligation is to provide some portion of the guarantee.

Next Steps

To move forward, the City/County will be required to pass a resolution for JPA membership, conduct a first reading of the CCE ordinance, direct staff to work with the Santa Cruz County planning team on the credit guarantee requirements, and if applicable, appoint a representative and alternate to the Policy Board of Directors by February 28, 2017. Municipalities who adopted resolutions and ordinances will be invited to attend MBCP's inaugural Board meeting in late April, 2017.

FISCAL IMPACT

Should Council join the MBCP Authority and implement a CCE program in Scotts Valley, the city will be required to provide some portion of a credit guarantee to support the pre-revenue start up loan of up to $3 million. The credit guarantee requirement is anticipated to be removed within one to two years after implementation. This amount is negotiable between the County and the City of Scotts Valley, and is estimated to be no more than $137,500.

STAFF RECOMMENDATION

It is recommended that Council take the following actions:

1. Adopt attached Resolution No. 1924.1 establishing the Monterey Bay Community Power Authority and approving the City of Scotts Valley as a founding member of the Authority.

2. Introduce attached Ordinance No. 192 authorizing the implementation of a Community Choice Energy program in Scotts Valley.

3. Direct staff to move forward with discussions with the County regarding the City of Scotts Valley's share of the credit guarantee.

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CITY OF SCOTTS VALLEY

RESOLUTION NO. 1924.1

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEYAPPROVING THE JOINT POWERS AGREEMENT ESTABLISHING THE MONTEREY BAY COMMUNITY POWER (MBCP) AUTHORITY, AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY OF SCOTTS VALLEY AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION FINDINGS

WHEREAS, AB 117, adopted as California state law in 2002, permits cities, counties, or city and county Joint Power Authorities to aggregate residential, commercial, industrial, municipal and institutional electric loads through Community Choice Aggregation (CCA); and

WHEREAS, there are currently five CCA programs operating in California - MCE Clean Energy, CleanPowerSF, Sonoma Clean Power, Peninsula Clean Energy and Lancaster Choice Energy – with dozens more in formation; and

WHEREAS, the City of Scotts Valley passed a resolution in February 2017 to explore the creation of a CCA program for the Monterey Bay region and participated, in cooperation with the County of Santa Cruz and other local governments, in a technical study that analyzed the potential for a CCA program in the Monterey Bay region; and

WHEREAS, the technical study shows that there are numerous potential benefits for cities and counties that aggregate their electrical load including: 1) an expectation of stable and competitively priced electric generation rates for residents, businesses and municipal operations compared to the electrical rates of Pacific Gas & Electric Company (PG&E), 2) greater use of renewable energy resources than is planned by PG&E, 3) significant greenhouse gas reductions as a result of a cleaner power supply than is offered by PG&E; and 4) economic development benefits and local jobs resulting in the creation of MBCP, lower electric rates, and the development of local power resources.

WHEREAS, the City wishes to be a community choice aggregator and has introduced the Ordinance as required by Public Utilities Code Section 366.2 in order to do so;

WHEREAS, the City Council has considered the proposed Joint Exercise of Powers Agreement, a draft of which is attached hereto as **Exhibit A**, under which the City of Scotts Valley and other municipalities in the Monterey Bay tri-county region - consisting of Santa Cruz, Monterey and San Benito Counties and the cities within those counties - will become the initial members of Monterey Bay Community Power Authority; and

WHEREAS, Once the California Public Utilities Commission approves the implementation plan created by MBCP, it will provide service to customers within the cities and counties that choose to join MBCP and to participate in the CCA program; and

WHEREAS, under Public Utilities Code section 366.2, customers have the right to opt-out of the CCE program and continue to receive service from the incumbent utility. Customers who wish to continue to receive service from the incumbent utility will be able to do so at any time.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Scotts Valley hereby:

Section 1. Approves the Joint Exercise of Powers Agreement to form the Monterey Bay Community Power Authority; and

Section 2. This resolution and the establishment of the Monterey Bay Community Power Authority is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines, as it is not a “project” since this action involves organizational and administrative activities of government that will not result in direct or indirect physical changes in the environment. (14 Cal. Code Regs. § 15378(b)(5)). Further, the ordinance is exempt from CEQA as there is no possibility that the ordinance or its implementation would have a significant negative effect on the environment. (14 Cal. Code Regs.§ 15061(b)(3)). A Notice of Exemption shall be filed as authorized by CEQA and the State CEQA guidelines.

Section 3. This resolution shall be effective upon the adoption of Ordinance No. 192, an Ordinance of the City of Scotts Valley authorizing the implementation of a Community Choice Aggregation (CCA) Program.

BE IT FURTHER RESOLVED that the Mayor and/or City Manager is hereby authorized and directed to execute the Joint Exercise of Powers Agreement on behalf of the City of Scotts Valley which will establish MBCP with the City as a founding member.

PASSED AND ADOPTED by the City of Scotts Valley City Council, State of California, this 1st day of February, 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved: ___________________________
Randy Johnson, Mayor

Attest: ______________________________
Tracy Ferrara, City Clerk

ORDINANCE NO. 192

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY AUTHORIZING IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

The City Council of the City of Scotts Valley does ordain as follows:

SECTION 1. FINDINGS. The City Council finds as follows:

WHEREAS, Monterey Bay Community Power has investigated options to provide electric services to customers within the tri-county region of Monterey, Santa Cruz and San Benito Counties (Tri-County Region), including incorporated and unincorporated areas, with the intent of achieving greater local control and involvement over the provision of electric services, competitive electric rates, the development of clean, local, renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs; and

WHEREAS, Monterey Bay Community Power prepared a Feasibility Study for a community choice aggregation ("CCA") program in the Tri-County Region with the cooperation of the cities and counties under the provisions of the Public Utilities Code section 366.2. The Feasibility Study shows that implementing a community choice aggregation program would provide multiple benefits, including:

- Providing customers a choice of power providers;
- Increasing local control and involvement in and collaboration on energy rates and other energy-related matters;
- Providing more stable long-term electric rates that are competitive with those provided by the incumbent utility;
- Reducing greenhouse gas emissions arising from electricity use within San Mateo County;
- Increasing local renewable generation capacity;
- Increasing energy conservation and efficiency projects and programs;
- Increasing regional energy self-sufficiency;
- Improving the local economy resulting from the implementation of local renewable and energy conservation and efficiency projects; and

WHEREAS, the Joint Powers Agreement creating the Monterey Bay Community Power Authority ("Authority") will govern and operate the CCA program on behalf of its member jurisdictions. Under the Joint Powers Agreements, cities within the Tri-County Region may participate in the Monterey Bay Community Power CCA program by adopting the resolution and ordinance required by Public Utilities Code section 366.2. Cities choosing to participate in the CCA program will have membership on the Board of Directors of the Authority as provided in the Joint Powers Agreements; and

WHEREAS, the Authority will enter into Agreements with electric power suppliers and other service providers, and based upon those Agreements the Authority will be able to provide power to residents and businesses at rates that are competitive with those of the incumbent utility ("PG&E"). Once the California Public Utilities Commission approves the implementation plan created by the Authority, the Authority will provide service to customers within the unincorporated areas of the tri-county region of Monterey, Santa Cruz and San Benito Counties and within the jurisdiction of those cities therein who have chosen to participate in the CCA program; and

WHEREAS, under Public Utilities Code section 366.2, customers have the right to opt-out of a CCA program and continue to receive service from the incumbent utility. Customers who wish to continue to receive service from the incumbent utility will be able to do so; and

WHEREAS, on ______________ _____, 2016 the City Council held a public hearing at which time interested persons had an opportunity to testify either in support or opposition to implementation of the Monterey Bay Community Power CCA program in the City of Scotts Valley; and

NOW, THEREFORE, the City Council of the City of Scotts Valley does ordain as follows:

Section 1. The above recitations are true and correct and material to this Ordinance.

Section 2. **AUTHORIZATION TO IMPLEMENT A COMMUNITY CHOICE AGGREGATION PROGRAM**. Based upon the forgoing, and in order to provide businesses and residents within the City of Scotts Valley with a choice of power providers and with the benefits described above, the City Council of the City of Scotts Valley ordains that it shall implement a community choice aggregation program within its jurisdiction by participating as a group with the other counties and cities as described above in the Community Choice Aggregation program of the Monterey Bay Community Power Authority, as generally described in the Joint Powers Agreement approved through Resolution No. 1924.1.

Section 3. **SEVERABILITY**. In the event any section, clause or provision of this ordinance shall be determined invalid or unconstitutional, such section, clause or provision shall be deemed severable and all other sections or portions hereof shall remain in full force and effect. It is the intent of the City Council that it would have adopted all other portions of this ordinance irrespective of any such portion declared to be invalid or unconstitutional.

Section 4. **ENVIRONMENTAL DETERMINATION**. This ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to the CEQA Guidelines, as it is not a "project" as it has no potential to result in a direct or reasonably foreseeable indirect physical change to the environment because energy will be transported through existing infrastructure (14 Cal. Code Regs. § 15378(a)). Further, this ordinance is exempt from CEQA as there is no possibility that this ordinance or its implementation would have a significant effect on the environment (14 Cal. Code Regs. § 15061(b)(3)). This ordinance is also categorically exempt because it is an action taken by a regulatory agency to assume the maintenance, restoration, enhancement or protection of the environment (14 Cal. Code Regs. § 15308). The City Manager's Office shall cause a Notice of Exemption to be filed as authorized by CEQA and the CEQA guidelines.

Section 5. **PUBLICATION**. This ordinance shall be in full force and effective thirty (30) days after its adoption. Prior to the expiration of fifteen days from the date of adoption, this Ordinance shall be published in at least three (3) public places.

Section 6. **EFFECTIVE DATE**. This ordinance was introduced on the 1st day of February, 2017, and was adopted on_____ day of _________________, 2017, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:__________________________
Randy Johnson, Mayor

ATTEST:

____
Tracy A. Ferrara, City Clerk

APPROVED AS TO FORM:

____
Kirsten Powell, City Attorney

JOINT EXERCISE OF POWERS AGREEMENT RELATING TO AND CREATING THE

Monterey Bay Community Power Authority

OF

Monterey, Santa Cruz, and San Benito Counties

This Joint Exercise of Powers Agreement, effective on the date determined by Section 2.1, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Sections 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the Parties set forth in Exhibit B, establishes the Monterey Bay Community Power Authority ("Authority"), and is by and among the Counties of Monterey, Santa Cruz, and San Benito who become signatories to this Agreement ("Counties") and those cities and towns within the Counties of Monterey, Santa Cruz, and San Benito who become signatories to this Agreement, and relates to the joint exercise of powers among the signatories hereto.

RECITALS

A. The Parties share various powers under California law, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and customers within their jurisdictions.

B. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local governments to develop programs to reduce greenhouse gas emissions.

C. The purposes for entering into this Agreement include:

   a. Reducing greenhouse gas emissions related to the use of power in Monterey, Santa Cruz, and San Benito Counties and neighboring regions;

b. Providing electric power and other forms of energy to customers at affordable rates that are competitive with the incumbent utility;

c. Carrying out programs to reduce energy consumption;

d. Stimulating and sustaining the local economy by lowering electric rates and creating local jobs as a result of MBCP's CCE program.

e. Promoting long-term electric rate stability and energy security and reliability for residents through local control of electric generation resources.

D. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar, wind, and geothermal energy production. The purchase of renewable power and greenhouse gas-free energy sources will be the desired approach to decrease regional greenhouse gas emissions and accelerate the State's transition to clean power resources to the extent feasible.

a. It is further desired to establish a short term and long-term energy portfolio that prioritizes the use and development of State, local and regional renewable resources and carbon free resources.

b. In compliance with State law and in alignment with the Authority's desire to stimulate the development of local renewable power, the Authority shall draft an Integrated Resource Plan that includes a range of local renewable development potential in the Monterey Bay Region and plans to incorporate local power into its energy portfolio as quickly as is possible and economically feasible.

E. The Parties desire to establish a separate public Authority, known as the Monterey Bay Community Power Authority, under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) ("Act") in order to collectively study, promote, develop, conduct, operate, and manage energy programs.

F. The Parties anticipate adopting an ordinance electing to implement through the Authority a common Community Choice Aggregation (CCA) program, an electric service enterprise available to cities and counties pursuant to California Public Utilities Code Sections 331.1(c) and 366.2. The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

ARTICLE 1: DEFINITIONS AND EXHIBITS

1.1 Definitions. Capitalized terms used in the Agreement shall have the meanings specified in Exhibit A, unless the context requires otherwise.

1.2 Documents Included. This Agreement consists of this document and the following exhibits, all of which are hereby incorporated into this Agreement.

Exhibit A: Definitions
Exhibit B: List of the Parties
Exhibit C: Regional Allocations

ARTICLE 2: FORMATION OF MONTEREY BAY COMMUNITY POWER AUTHORITY

2.1 Effective Date and Term. This Agreement shall become effective and "Monterey Bay Community Power Authority" shall exist as a separate public Authority on the date that this Agreement is executed by at least three Initial Participants from the Counties of Monterey, Santa Cruz, and San Benito and the municipalities within those counties, after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(12). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with Section 6.4, subject to the rights of the Parties to withdraw from the Authority.

2.2 Formation. There is formed as of the Effective Date a public Authority named the Monterey Bay Community Power Authority. Pursuant to Sections 6506 and 6507 of the

Act, the Authority is a public Authority separate from the Parties. Pursuant to Sections 6508.1 of the Act, the debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing board of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. A Party who has not agreed to assume an Authority debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Parties agree to assume the debt, liability or obligation of the Authority. Notwithstanding Section 7.4 of this Agreement, this Section 2.2 may not be amended unless such amendment is approved by the governing board of each Party.

2.3 Purpose. The purpose of this Agreement is to establish an independent public Authority in order to exercise powers common to each Party to study, promote, develop, conduct, operate, and manage energy, energy efficiency and conservation, and other energy-related programs, and to exercise all other powers necessary and incidental to accomplishing this purpose. Without limiting the generality of the foregoing, the Parties intend for this Agreement to be used as a contractual mechanism by which the Parties are authorized to participate in the CCA Program, as further described in Section 4.1. The Parties intend that other agreements shall define the terms and conditions associated with the implementation of the CCA Program and any other energy programs approved by the Authority.

2.4 Powers. The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following powers, subject to the voting requirements set forth in Section 3.7 through 3.7.1:

. 2.4.1 to make and enter into contracts;

. 2.4.2 to employ agents and employees, including but not limited to a Chief Executive Officer;

. 2.4.3 to acquire, contract, manage, maintain, and operate any buildings, infrastructure, works, or improvements;

. 2.4.4 to acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property; however, the Authority shall not exercise the power of eminent domain within the jurisdiction of a Party without approval of the affected Party's governing board;

. 2.4.5 to lease any property;

. 2.4.6 to sue and be sued in its own name;

. 2.4.7 to incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers such as Government Code Sections 53850 et seq. and authority under the Act;

. 2.4.8 to form subsidiary or independent corporations or entities if necessary, to carry out energy supply and energy conservation programs at the lowest possible cost or to take advantage of legislative or regulatory changes;

. 2.4.9 to issue revenue bonds and other forms of indebtedness;

. 2.4.10 to apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state, or local public agency;

. 2.4.11 to submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;

. 2.4.12 to adopt Operating Rules and Regulations;

. 2.4.13 to make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services; and

. 2.4.14 to permit additional Parties to enter into this Agreement after the Effective Date and to permit another entity authorized to be a community choice aggregator to designate the Authority to act as the community choice aggregator on its behalf.

2.5 Limitation on Powers. As required by Government Code Section 6509, the power of the Authority is subject to the restrictions upon the manner of exercising power possessed by the City of Santa Cruz and any other restrictions on exercising the powers of the authority that may be adopted by the board.

2.6 Compliance with Local Zoning and Building Laws and CEQA. Unless state or federal law provides otherwise, any facilities, buildings or structures located, constructed, or caused to be constructed by the Authority within the territory of the Authority shall comply with the General Plan, zoning and building laws of the local jurisdiction within which the facilities, buildings or structures are constructed and comply with the California Environmental Quality Act ("CEQA").

ARTICLE 3: GOVERNANCE AND INTERNAL ORGANIZATION

3.1 Boards of Directors. The governing bodies of the Authority shall consist of a Policy Board of Directors ("Policy Board") and an Operations Board of Directors ("Operations Board").

. 3.1.1 Both Boards shall consist of Directors representing any of the three Counties of Monterey, Santa Cruz, or San Benito that become a signatory to the Agreement and Directors representing any of the Cities or Towns within those counties that becomes a signatory to the Agreement ("Directors"). Each Director shall serve at the pleasure of the governing board of the Party who appointed such Director, and may be removed as Director by such governing board at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the position of the previous Director within 90 days of the date that such position becomes vacant.

. 3.1.2 Policy Board Directors must be elected members of the Board of Supervisors or elected members of the City or Town Council of the municipality that is the signatory to this Agreement. Jurisdictions may appoint an alternate to serve in the absence of its Director on the Policy Board. Alternates for the Policy Board must be members of the Board of Supervisors or members of the governing board of the municipality that is the signatory to this Agreement.

. 3.1.3 Operations Board Directors must be the senior executive/CountyAdministrative Officer of any County that is the signatory to this Agreement, or senior executive/City Manager from any municipality that is the signatory to this Agreement. Jurisdictions may appoint an alternate to serve in the absence of its Director on the Operations Board. Alternates for the Operations

Board must be administrative managers of the County or administrative managers of the governing board of the municipality that is the signatory to this Agreement.

. 3.1.4 Board seats will be allocated under the following formulas. Policy and Operations Board seats for founding JPA members (i.e. those jurisdictions that pass a CCA ordinance by February 28, 2017) will be allocated on a one jurisdiction, one seat basis until such time as the number of member jurisdictions exceeds eleven. Once the JPA reaches more than eleven member agencies, the Policy and Operations Boards' composition shall shift to a regional allocation based on population size. This allocation shall be one seat for each jurisdiction with a population of 50,000 and above, and shared seats for jurisdictions with populations below 50,000 allocated on a sub-regional basis, as set forth in Exhibit C. Notwithstanding the above, the County of San Benito shall be allotted one seat.

. 3.1.5 Shared board seats will be determined through the Mayors and Councilmembers' city selection process in their respective counties, with a term of two years. Directors may be reappointed, following the Mayors and Councilmembers' city selection process in their respective counties, and serve multiple terms. In the event of an established board seat transitioning to a shared seat due to the addition of a new party, the sitting Director will automatically be the first representative for that shared seat to ensure continuity and maintain experience.

3.2 Quorum. A majority of the appointed Directors shall constitute a quorum, except that less than a quorum may adjourn in accordance with law.

3.3 Powers and Functions of the Boards. The Boards shall exercise general governance and oversight over the business and activities of the Authority, consistent with this Agreement and applicable law. The Boards shall provide general policy guidance to the CCA Program.

. 3.3.1 The Policy Board will provide guidance/approval in the areas of strategic planning and goal setting, passage of Authority budget and customer rates, and large capital expenditures outside the typical power procurement required to provide electrical service.

. 3.3.2 The Operations Board will provide oversight and support to the Chief Executive Officer on matters pertaining to the provision of electrical service to customers in the region, focusing on the routine, day-to-day operations of the Authority.

. 3.3.3 Policy Board approval shall be required for any of the following actions, including but not limited to:

(a) The issuance of bonds, major capital expenditures, or any other financing even if program revenues are expected to pay for such financing;

(b) The appointment or removal of officers described in Section 3.9, subject to Section 3.9.3;

(c) The appointment and termination of the Chief Executive Officer;

(d) The adoption of the Annual Budget;

(e) The adoption of an ordinance;

(f) The setting of rates for power sold by the Authority and the setting of charges for any other category of service provided by the Authority;

(g) The adoption of the Implementation Plan;

(h) The selection of General Counsel, Treasurer and Auditor;

(i) The amending of this Joint Exercise of Powers Agreement; and

(j) Termination of the CCA Program.

. 3.3.4 Operations Board approval shall be required for the following actions, including but not limited to:

(a) The approval of Authority contracts and agreements, except as provided by Section 3.4.

(b) Approval of Authority operating policies and other matters necessary to ensure successful program operations.

3.3.5 Joint approval of the Policy and Operations Boards shall be required for the initiation or resolution of claims and litigation where the Authority will be the defendant, plaintiff, petitioner, respondent, cross complainant or cross petitioner, or intervenor; provided, however, that the Chief Executive Officer or General Counsel, on behalf of the Authority, may intervene in, become a party to, or file comments with respect to any proceeding pending at the California Public Utilities Commission, the Federal Energy Regulatory Commission, or any other administrative authority, without approval of the Boards as long as such action is consistent with any adopted Board policies.

3.4 Chief Executive Officer. The Authority shall have a Chief Executive Officer ("CEO"). The Operations Board shall present nomination(s) of qualified candidates to the Policy Board. The Policy Board shall make the selection and appointment of the CEO who will be an employee of the Authority and serve at will and at the pleasure of the Policy Board.

The CEO shall be responsible for the day-to-day operation and management of the Authority and the CCA Program. The CEO may exercise all powers of the Authority, including the power to hire, discipline and terminate employees as well as the power to approve any agreement if the total amount payable under the agreement falls within the Authority's fiscal policies to be set by the Policy Board, except the powers specifically set forth in Section 3.3 or those powers which by law must be exercised by the Board(s) of Directors. The CEO shall report to the Policy Board on matters related to strategic planning and goal setting, passage of Authority budget and customer rates, and large capital expenditures outside the typical power procurement required to provide electrical service. The CEO shall report to the Operations Board on matters related to Authority policy and the provision of electrical service to customers in the region, focusing on the routine, day-to-day operations of the Authority. It shall be the responsibility of the CEO to keep both Board(s) appropriately informed and engaged in the discussions and actions of each to ensure cooperation and unity within the Authority.

3.5 Commissions, Boards, and Committees. The Boards may establish any advisory committees they deem appropriate to assist in carrying out the CCA Program, other energy programs, and the provisions of this Agreement which shall comply with the requirements of the Ralph M. Brown Act. The Boards may establish rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees if the Board(s) deem it appropriate to appoint such commissions, boards or committees, and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

3.6 Director Compensation. Directors shall serve without compensation from the Authority. However, Directors may be compensated by their respective appointing authorities. The Boards, however, may adopt by resolution a policy relating to the reimbursement by the Authority of expenses incurred by their respective Directors.

3.7 Voting. Except as provided in Section 3.7.1 below, actions of the Boards shall require the affirmative vote of a majority of Directors present at the meeting.

. 3.7.1. Special Voting Requirements for Certain Matters.

(a) Two-Thirds Voting Approval Requirements Relating to Sections 6.2 and 7.4. Action of the Board on the matters set forth in Section 6.2 (involuntary termination of a Party), or Section 7.4 (amendment of this Agreement) shall require the affirmative vote of at least two-thirds of Directors present.

(b) Seventy Five Percent Special Voting Requirements for Eminent Domain and Contributions or Pledge of Assets.

(i) A decision to exercise the power of eminent domain on behalf of the Authority to acquire any property interest other than an easement, right-of-way, or temporary construction easement shall require a vote of at least 75% of all Directors present.

(ii) The imposition on any Party of any obligation to make contributions or pledge assets as a condition of continued participation in the CCA Program shall require a vote of at least 75% of all Directors and the approval of the governing boards of the Parties who are being asked to make such contribution or pledge.

(iii) For purposes of this section, "imposition on any Party of any obligation to make contributions or pledge assets as a condition of continued participation in the CCA Program" does not include any obligations of a withdrawing or terminated party imposed under Section 6.3.

3.8 Meetings and Special Meetings of the Board. The Policy Board shall hold up to three regular meetings per year, with the option for additional or special meetings as determined by the Chief Executive Officer or Chair of the Policy Board after consultation with the Chief Executive Officer. The Operations Board shall hold at least eight meetings per year, with the option for additional or special meetings. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special and Emergency Meetings of the Boards may be called in accordance with the provisions of California Government Code Sections 54956 and 54956.5. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law. All meetings shall be conducted in accordance with the provisions of the Ralph M. Brown Act (California Government Code Sections 54950 et seq.).

3.9 Selection of Board Officers.

. 3.9.1 Policy Board Chair and Vice Chair. The Policy Board shall select, from among themselves, a Chair, who shall be the presiding officer of all Policy Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The Policy Board Chair and Vice Chair shall act as the overall Chair and Vice Chair for Monterey Bay Community Power Authority. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The office of either the Chair or Vice Chair shall be declared vacant and a new selection shall be made if:

(a) the person serving dies, resigns, is no longer holding a qualifying public office, or the Party that the person represents removes the person as its representative on the Board or;

(b) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement

. 3.9.2 Operations Board Chair and Vice Chair. The Operations Board shall select, from among themselves, a Chair, who shall be the presiding officer of all Operations Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The office of either the Chair or Vice Chair shall be declared vacant and a new selection shall be made if:

(a) the person serving dies, resigns, or is no longer the senior executive of the Party that the person represents or;

(b) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement.

. 3.9.3 Secretary. Each Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of each Board and all other official records of the Authority. If the Secretary appointed is an employee of the Authority, that employee may serve as Secretary to both Boards.

. 3.9.4 The Policy Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be be a member of the Board. If the Board so designates, and in accordance with the provisions of applicable law, a qualified person may hold both the office of Treasurer and the office of Auditor of the Authority. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall report directly to the Policy Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time. The duties and obligations of the Treasurer are further specified in Article 5.

3.10 Administrative Services Provider. The Board(s) may appoint one or more administrative services providers to serve as the Authority's agent for planning, implementing, operating and administering the CCA Program, and any other program approved by the Board, in accordance with the provisions of an Administrative Services Agreement. The appointed administrative services provider may be one of the Parties. An Administrative Services Agreement shall set forth the terms and conditions by which the appointed administrative services provider shall perform or cause to be performed all tasks necessary for planning, implementing, operating and administering the CCA Program and other approved programs. The Administrative Services Agreement shall set forth the term of the Agreement and the circumstances under which the Administrative Services Agreement may be terminated by the Authority. This section shall not in any way be construed to limit the discretion of the Authority to hire its own employees to administer the CCA Program or any other program. The Administrative Services Provider shall be either an employee or a contractor of the Authority unless a member agency is providing the service.

ARTICLE 4: IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS

4.1 Preliminary Implementation of the CCA Program.

. 4.1.1 Enabling Ordinance. To be eligible to participate in the CCA Program, each Party must adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(12) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.

. 4.1.2 Implementation Plan. The Policy Board shall cause to be prepared an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. The Implementation Plan shall not be filed with the Public Utilities Commission until it is approved by the Policy Board in the manner provided by Section 3.7.

. 4.1.3 Termination of CCA Program. Nothing contained in this Article or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

4.2 Authority Documents. The Parties acknowledge and agree that the affairs of the Authority will be implemented through various documents duly adopted by the Board(s) through resolution, including but not limited to the MBCP Implementation Plan and Operating Policies. The Parties agree to abide by and comply with the terms and conditions of all such documents that may be adopted by the Board(s), subject to the Parties' right to withdraw from the Authority as described in Article 6.

ARTICLE 5: FINANCIAL PROVISIONS

5.1 Fiscal Year. The Authority's fiscal year shall be 12 months commencing April 1 or the date selected by the Authority. The fiscal year may be changed by Policy Board resolution.

5.2 Depository.

5.2.1 All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.

5.2.2 All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties at all reasonable times. The Board(s) shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6505 of the Act.

5.2.3 All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board(s) in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board(s).

5.3 Budget and Recovery of Costs.

5.3.1 Budget. The initial budget shall be approved by the Policy Board. The Board may revise the budget from time to time as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be approved by the Policy Board in accordance with the Operating Rules and Regulations.

5.3.2 Funding of Initial Costs. The County of Santa Cruz has funded certain activities necessary to implement the CCA Program. If the CCA Program becomes operational, these Initial Costs paid by the County of Santa Cruz shall be included in the customer charges for electric services as provided by Section 5.3.3 to the extent permitted by law, and the County of Santa Cruz shall be reimbursed from the payment of such charges by customers of the Authority. Prior to such reimbursement, the County of Santa Cruz shall provide such documentation of costs paid as the Board may request. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County of Santa Cruz shall not be entitled to any reimbursement of the Initial Costs it has paid from the Authority or any Party.

. 5.3.3 CCA Program Costs. The Parties desire that all costs incurred by the Authority that are directly or indirectly attributable to the provision of electric, conservation, efficiency, incentives, financing, or other services provided under the CCA Program, including but not limited to the establishment and maintenance of various reserves and performance funds and administrative, accounting, legal, consulting, and other similar costs, shall be recovered through charges to CCA customers receiving such electric services, or from revenues from grants or other third-party sources.

. 5.3.4 Credit Guarantee Requirement. The Parties acknowledge that there will be a shared responsibility to provide some level of credit support (in the form of a letter of credit, cash collateral or interagency agreement) for Authority start-up and initial working capital as may be required by a third party lender. Guarantee requirements shall be released after program launch and as soon as possible under the terms of the third-party credit agreement(s). The credit guarantee will be distributed on a per-seat basis. Shared seat members will divide the credit guarantee among the cities sharing those seats. The term of the credit guarantee shall be the same term as specified in the banking agreement. Once a Party has made a credit guarantee, that guarantee shall remain in place until released, even if that Party withdraws from the Authority.

. 5.3.5 The County of Santa Cruz has agreed to provide initial administrative support on a cost reimbursement basis to the JPA once formed. This includes, but is not limited to, personnel, payroll, legal, risk management.

6.1 Withdrawal.

. 6.1.1 Right to Withdraw. A Party may withdraw its participation in the CCA Program, effective as of the beginning of the Authority's fiscal year, by giving no less than 6 months advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board.

. 6.1.2 Right to Withdraw After Amendment. Notwithstanding Section 6.1.1, a Party may withdraw its membership in the Authority following an amendment to this Agreement adopted by the Policy Board which the Party's Director voted against provided such notice is given in writing within thirty (30) days following the date of the vote. Withdrawal of a Party shall require an affirmative vote of the Party's governing board and shall not be subject to the six month advance notice provided in Section 6.1.1. In the event of such withdrawal, the Party shall be subject to the provisions of Section 6.3.

. 6.1.3 The Right to Withdraw Prior to Program Launch. After receiving bids from power suppliers, the Authority must provide to the Parties the report from the electrical utility consultant retained by the Authority that compares the total estimated electrical rates that the Authority will be charging to customers as well as the estimated greenhouse gas emissions rate and the amount of estimated renewable energy used with that of the incumbent utility. If the report provides that the Authority is unable to provide total electrical rates, as part of its baseline offering, to the customers that are equal to or lower than the incumbent utility or to provide power in a manner that has a lower greenhouse gas emissions rate or uses more renewable energy than the incumbent utility, a Party may, immediately after an affirmative vote of the Party's governing board, withdraw its membership in the Authority without any financial obligation, except those financial obligations incurred through the Party's share of the credit guarantee described in 5.3.4, as long as the Party provides written notice of its intent to withdraw to the Authority Board no more than fifteen business days after receiving the report. Costs incurred prior to withdrawal will be calculated as a pro-rata share of start-up costs expended to the date of the Party's withdrawal, and it shall be the responsibility of the withdrawing Party to pay its share of said costs if they have a material/adverse impact on remaining Authority members or ratepayers.

. 6.1.4 Continuing Financial Obligation; Further Assurances. Except as provided by Section 6.1.3, a Party that withdraws its participation in the CCA Program may be subject to certain continuing financial obligations, as described in Section 6.3. Each withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from participation in the CCA Program.

6.2 Involuntary Termination of a Party. Participation of a Party in the CCA program may be terminated for material non-compliance with provisions of this Agreement or any other agreement relating to the Party's participation in the CCA Program upon a vote of the Policy Board as provided in Section 3.7.1. Prior to any vote to terminate participation with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or other agreement that the Party has allegedly violated. The Party subject to possible termination shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Party that has had its participation in the CCA Program terminated may be subject to certain continuing liabilities, as described in Section 6.3.

6.3 Continuing Financial Obligations; Refund. Except as provided by Section 6.1.3, upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or other financial obligations arising from the Party membership or participation in the CCA Program through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any financial obligations arising after the date of the Party's withdrawal or involuntary termination. Claims, demands, damages, or other financial obligations for which a withdrawing or terminated Party may remain liable include, but are not limited to, losses from the resale of power contracted for by the Authority to serve the Party's load. With respect to such financial obligations, upon notice by a Party that it wishes to withdraw from the CCA Program, the Authority shall notify the Party of the minimum waiting period under which the Party would have no costs for withdrawal if the Party agrees to stay in the CCA Program for such period. The waiting period will be set to the minimum duration such that there are no costs transferred to remaining ratepayers. If the Party elects to withdraw before the end of the minimum waiting period, the charge for exiting shall be set at a dollar amount that would offset actual costs to the remaining ratepayers, and may not include punitive charges that exceed actual costs. In addition, such Party shall also be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority and approved by a vote of the Policy Board, to cover the Party's financial obligations for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any financial obligations shall be returned to the Party. The liability of any Party under this section 6.3 is subject and subordinate to the provisions of Section 2.2, and nothing in this section 6.3 shall reduce, impair, or eliminate any immunity from liability provided by Section 2.2.

6.4 Mutual Termination. This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its participation in the CCA Program, as described in Section 6.1.

6.5 Disposition of Property upon Termination of Authority. Upon termination of this Agreement, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred under this Agreement and under any program documents, shall be returned to the then-existing Parties in proportion to the contributions made by each.

ARTICLE 7: MISCELLANEOUS PROVISIONS

7.1 Dispute Resolution. The Parties and the Authority shall make reasonable efforts to informally settle all disputes arising out of or in connection with this Agreement. Should such informal efforts to settle a dispute, after reasonable efforts, fail, the dispute shall be mediated in accordance with policies and procedures established by the Authority. The costs of any such mediation shall be shared equally among the Parties participating in the mediation.

7.2 Liability of Directors, Officers, and Employees. The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this

Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Sections 995 et seq. Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

7.3 Indemnification of Parties. The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority and the Parties. The Authority shall defend, indemnify, and hold harmless the Parties and each of their respective Boards of Supervisors or City Councils, officers, agents and employees, from any and all claims, losses, damages, costs, injuries, and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.

7.4 Amendment of this Agreement. This Agreement may not be amended except by a written amendment approved by a vote of Policy Board members as provided in Section 3.7.1. The Authority shall provide written notice to all Parties of proposed amendments to this Agreement, including the effective date of such amendments, at least 30 days prior to the date upon which the Board votes on such amendments.

7.5 Assignment. Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 7.5 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties. This Section 7.5 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

7.6 Severability. If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

7.7 Further Assurances. Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.

7.8 Execution by Counterparts. This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

7.9 Parties to be Served Notice. Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 48 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties.

Exhibit A

Definitions

“Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.)

“Administrative Services Agreement” means an agreement or agreements entered into after the Effective Date by the Authority with an entity that will perform tasks necessary for planning, implementing, operating and administering the CCA Program or any other energy programs adopted by the Authority.

“Agreement” means this Joint Powers Agreement.

“Annual Energy Use” has the meaning given in Section 3.7.1.

“Authority” means the Monterey Bay Community Power Authority.

“Authority Document(s)” means document(s) duly adopted by one or both Boards by resolution or motion implementing the powers, functions, and activities of the Authority, including but not limited to the Operating Rules and Regulations, the annual budget, and plans and policies.

“Board” means the Policy Board of Directors of the Authority and/or the Operations Board of Directors of the Authority unless one or the other is specified in this Agreement.

“CCA” or “Community Choice Aggregation” means an electric service option available to cities and counties pursuant to Public Utilities Code Section 366.2.

“CCA Program” means the Authority’s program relating to CCA that is principally described in this Agreement.

“Director” means a member of the Policy Board of Directors or Operations Board of Directors representing a Party.

“Effective Date” means the date that this Agreement is executed by at least three Initial Participants from the Counties of Monterey, Santa Cruz, and San Benito and the municipalities within those counties, as further described in Section 2.1.

"Implementation Plan" means the plan generally described in Section 4.1.2 of this Agreement that is required under Public Utilities Code Section 366.2 to be filed with the California Public Utilities Commission for the purpose of describing a proposed CCA Program.

"Initial Costs" means all costs incurred by the County of Santa Cruz and/or Authority relating to the establishment and initial operation of the Authority, such as the hiring of a Chief Executive Officer and any administrative staff, and any required accounting, administrative, technical, or legal services in support of the Authority's initial activities or in support of the negotiation, preparation, and approval of one or more Administrative Services Agreements.

"Initial Participants" means those initial founding JPA members whose jurisdictions pass a CCA ordinance, whose Board seats will be allocated on a one jurisdiction, one seat basis (in addition to one seat for San Benito County) until such time as the number of member jurisdictions exceeds eleven, as described in Section 3.1.4.

"Operating Rules and Regulations" means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.

"Operations Board" means the board composed of City Managers and CAOs representing their respective jurisdictions as provided in section 3.1.4 who will provide oversight and support to the Chief Executive Officer on matters pertaining to the provision of electrical service to customers in the region, focusing on the routine, day-to-day operations of the Authority, as further set forth in section 3.3..

"Parties" means, collectively, the signatories to this Agreement that have satisfied the conditions in Sections 2.1 or 4.1.1 such that it is considered a member of the Authority.

"Party" means singularly, a signatory to this Agreement that has satisfied the conditions in Sections 2.1 or 4.1.1 such that it is considered a member of the Authority.

"Policy Board" means the board composed of elected officials representing their respective jurisdictions as provided in section 3.1.4 who will provide guidance/approval in the areas of strategic planning and goal setting, passage of Authority budget and customer rates, large capital expenditures outside the typical power procurement required to provide electrical service, and such other functions as set forth in section 3.3.

Exhibit B

List of Parties

Exhibit C

Regional Allocation

Board seats in the Monterey Bay Community Power Authority will be allocated as follows:

i. One seat for Santa Cruz County

ii. One seat for Monterey County

iii. One seat for San Benito County

iv. One seat for the City of Santa Cruz

v. One seat for the City of Salinas

vi. One seat for the City of Watsonville

vii. One shared seat for remaining Santa Cruz cities including Capitola and Scotts Valley selected by the City Selection Committee

viii. One shared seat for Monterey Peninsula cities including Monterey, Pacific Grove, and Carmel selected by the City Selection Committee

ix. One shared seat for Monterey Coastal cities including Marina, Seaside, Del Rey Oaks, and Sand City selected by the City Selection Committee

x. One shared seat for Salinas Valley cities including King City, Greenfield, Soledad, Gonzales selected by the City Selection Committee

xi. One shared seat for San Benito County cities selected by the City Selection Committee

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: February 1, 2017

TO: Honorable Mayor and City Council

FROM: Tracy A. Ferrara, City Clerk

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: **APPOINTMENT OF COUNCIL MEMBER AND ALTERNATE TO AD-HOC HOMELESSNESS GOVERNANCE STUDY COMMITTEE**

SUMMARY OF ISSUES

On April 1, 2015, the City Council unanimously approved the County-wide Homeless Strategic Pan entitled "ALL IN – Toward a Home for Every County Resident; the Santa Cruz County Community Strategic Plan to Prevent, Reduce and Eventually End Homelessness." This Plan was also approved by the County of Santa Cruz and the cities of Capitola, Santa Cruz, and Watsonville.

The Plan identifies eight strategic priorities with both short and long-term action strategies. It also outlines five implementation strategies, one of which is Enhancing County and City Coordination, which includes several implementation steps. Additional background information is included in the attached background summary titled, "Strengthening Inter-Jurisdictional Homelessness Coordination Structure."

The County of Santa Cruz is requesting that the City Council appoint a Council Member and a City Manager's Office staff member to represent the City of Scotts Valley on an ad-hoc committee to study and make recommendations on an inter-jurisdictional homelessness governance model to address policy, prioritization and finding decisions. This Committee will consist of approximately 20 participants to study governance models employed in other communities and to develop recommendations for the jurisdictions in our county.

This Committee is envisioned to be a six-month commitment with members participating in monthly meetings, some of which will be professionally facilitated, and ranging from 2 to 4 hours in length. The Committee membership will include an elected representative and a senior staff member from each jurisdiction, as well as representatives from the business and faith communities, Smart Solutions to Homelessness, and the Homeless Action Partnership.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

It is recommended that the City Council appoint a Council Member and alternate to serve on the Ad-Hoc Homelessness Governance Study Committee. City Manager Haruyama will serve as the city staff member on the Committee.

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STRENGTHENING INTER-JURISDICTIONAL HOMELESSNESS COORDINATION STRUCTURE

In April-May of 2015 the County of Santa Cruz and the Cities of Capitola, Santa Cruz, Scotts Valley and Watsonville all formally adopted *The Santa Cruz County Community Strategic Plan to Prevent, Reduce, and Eventually End Homelessness.* The plan is known as *All-In* - Toward a Home for Every County Resident. In addition to identifying eight strategic priorities with both short and long-term action strategies, the plan outlines five implementation strategies, one of which is Enhancing County and City Coordination, which includes several implementation steps.

Implementation Strategy: Enhancing County and City Coordination

Implementation Steps:

- Exploring ways to strengthen the inter-jurisdictional coordination structure; ideas to explore include expansion of the role of the [Homeless Action Partnership] Executive Committee, creation of an interagency council, or increased staff-level coordination.
- Cost sharing on projects recommended by the plan (e.g., through Community Program funding among the Cities and County).
- Promoting systems integration (e.g. between housing and health programs).
- Increasing access to mainstream resources for persons experiencing homelessness.
- Coordinating on specific population priorities, e.g. homeless youth and young adults.
- Collaborating on interim solutions and homelessness impact issues.
- Document cost savings to mainstream systems from best practices (e.g., Housing First).

The existing inter-jurisdictional structure consists of the Homeless Action Partnership (HAP) which is "*an inclusive countywide action team for designing and implementing a comprehensive Continuum of Care (CoC) homeless assistance system in Santa Cruz County. Their mission is to develop and implement a coordinated system of housing and services for preventing and ending homelessness.*" The HAP Executive Committee, which consists of representatives from the County and each of the four cities, is our current inter-agency/inter-jurisdictional model, but has historically had a role limited to approving the annual HAP Budget, "coordinating HAP funding" and approving the Winter Shelter program. There is currently no governance model in place which is charged with, and authorized to, broadly consider and recommend joint City/County policies, set priorities, and make joint funding decisions (including non-HAP funding).

In June 2016, in accordance with the recommendations in the *All-In* plan, the County's Homeless Services Coordinator was authorized by the Board of Supervisors to convene an ad-hoc Governance Steering Committee to **study** and **make recommendations on** a formal inter-agency governance model that would facilitate these much-needed multi-jurisdictional policy, prioritization and funding decisions. Research on a variety of inter-agency governance models employed by other communities has been gathered and will be presented to and considered by the Steering Committee. Examples include leadership councils, policy councils, joint powers authorities, steering committees, and governing bodies. The work of the ad-hoc committee will be to identify gaps in our current system, review the current and alternative models, determine what will best serve our community's governance needs, and develop a joint set of recommendations to take to our respective elected bodies. The recommendations could range from an expansion of the existing HAP Executive Committee, to creation of an additional governance body that can fulfill a role that the HAP Executive Committee does not.

Each jurisdiction is requested to appoint an elected representative and staff-member to the ad-hoc committee, to participate in the study of inter-agency governance and develop recommendations. Additional members will include representation from Smart Solutions to Homelessness, the HAP, local business, and the faith community.