



A G E N D A

Meeting of the Scotts Valley City Council

Date: February 7, 2018

Time: 6:00 pm

CITY OF SCOTTS VALLEY 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5602	MEETING LOCATION City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	POSTING: The agenda was posted 2-2-18 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org .
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Elected Officials Jim Reed, Mayor Jack Dilles, Vice Mayor Stephany E. Aguilar, Council Member Randy Johnson, Council Member Donna Lind, Council Member	City Staff Members Jenny Haruyama, City Manager Kirsten Powell, City Attorney Taylor Bateman, Community Development Director Steve Hammack, Interim Public Works Director Steve Walpole, Chief of Police Tracy Ferrara, City Clerk
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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 items may do so raising their hand to be recognized by the Mayor.)

- A. Approve City Council meeting minutes 1-17-18
- B. Approve check register – 1-12-18, 1-26-18
- C. Approve non-collection of fees for the Scotts Valley Educational Foundation (SVEF) for their 2nd Annual Touch a Truck event being held at Skypark on Sunday, April 29, 2018
- D. Approve non-collection of fees for the Santa Cruz Chapter of the American Association of University Women (AAUW) for the use of the meeting room in the Scotts Valley Parks and Recreation building on March 17, 2018 for the AAUW to conduct interviews of 7th grade girls who aspire to attend the annual Tech Trek at Stanford University
- E. Authorize the City Manager to apply for a Local Partnership Program Grant for the Glenwood Drive Active Transportation Project

- F. Approve Resolution No. 1939 in response to the call for comments on the draft proposed five-year outer continental shelf offshore oil and gas leasing program for 2019 through 2024
- G. Approve amendment to agreement between the City of Scotts Valley and Management Partners for financial and budget services

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. Oral Presentation: Santa Cruz Metropolitan Transit District (SCMTD) Annual Report from Alex Clifford, General Manager of the SCMTD (City Manager Haruyama)
- 2. Oral Presentation: Mark Adato, Monterey Bay Community Power Update (City Manager Haruyama)
- 3. Oral Presentation: Bob Langeth, Executive Director, Boys & Girls Club (City Manager Haruyama)
- 4. Consider modifying or rescinding Resolution No. 1938, supporting environmental health, including increased pedestrian and bicycle mobility as described in the Santa Cruz County Greenway Vision (City Manager Haruyama)
- 5. Consideration of an agreement with Scotts Valley Hotel, LP to defer payment of developer impact fees for approved hotel at 5030 Scotts Valley Drive, APN 022-091-61 (City Manager Haruyama)
- 6. Consider adoption of the draft FY 2018/19 Council Goals (City Manager Haruyama)
- 7. 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.)

CONVENE TO CLOSED SESSION

CLOSED SESSION

SUBJECT: Conference with legal counsel regarding potential litigation – 1 case.
Legal Authority: Government Code Section 54956.9
Name of Case: N/A
Staff Present: City Manager, City Attorney

RECONVENE TO OPEN SESSION

REPORT ON ACTION TAKE DURING CLOSED SESSION

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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MINUTES

Meeting of the Scotts Valley City Council

Date: January 17, 2018

POSTING: The agenda was posted on 1-12-18 at City Hall, the SV Senior Center, and the SV Library, and on the Internet at www.scottsvally.org, by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

Present:

Mayor Reed
Vice Mayor Dilles
Council Member Aguilar
Council Member Johnson
Council Member Lind

City Manager Haruyama
City Attorney Powell
Police Chief Walpole
Interim Public Works Director Hammack
Acting Community Development Director Bateman
Civil Engineer Kahn
Recreation Division Manager Ard
City Clerk Ferrara

SPECIAL SET MATTER Mayor Reed introduced Miss Teen Scotts Valley, Mercedes Molloy

COMMITTEE REPORTS

VM Dilles reported that the Seniors Advisory Council met and, as part of a "Loneliness and Isolation Workgroup," he is participating in a group that is reviewing a Global Age Friendly Guide that deals with identifying and talking about loneliness. The group is discussing ways to inform the public about loneliness in seniors and is working with the Volunteer Center to see if a weekly to seniors living alone can be reconstituted.

CM Aguilar reported that AMBAG met and discussed the Sustainable Communities Strategy Implementation Project (SCSIP), whose goal is to implement the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) by making it possible for sustainable development to be implemented in the region. In order to achieve this goal, the project will develop toolkits that focus on infill housing,

transportation strategies and measures and economic development. She reported that workshops and public meetings will be held through the County to address the SCSIP and that additional information is available at www.ambag.org.

CM Lind reported that she attended the Santa Cruz Metropolitan Transit District Board meeting and they are working on new technology to help their riders become more aware of time schedules and up to the minute information.

CM Lind reported that the Criminal Justice Council met and they are working on a variety of programs to work with schools to obtain more resources and try to get ahead of some of the issues that impact our youth.

CITY MANAGER REPORT

Council Goal Setting: The Council held its first goal setting workshop last night to review the status of the City's FY 17/18 annual goals and refine them in anticipation of the FY 18/19 budget development process. The FY 18/19 goals discussed at the workshop will be brought back for further discussion at a future Council meeting.

Glenwood Open Space: Staff will begin the community engagement process by encouraging key stakeholders to attend future Parks and Recreation Commission meetings to discuss the development of Glenwood Open Space trail system. Two Park and Recreation Commission meeting have been scheduled - Thursday, January 18, 2018 and Thursday, February 15, 2018. Both meetings will be held at the Senior Center.

SV Chamber of Commerce Community Gala: The Chamber is celebrating its 60 year anniversary in conjunction with its annual community gala this Saturday at 5:30 p.m. The event will be held at the Green Hills event center and will recognize various individuals, businesses, and organizations for their work in the community. Tickets are still available.

PUBLIC COMMENT

Wendy Brannan, Scotts Valley resident, expressed concerns about the staff time and cost required to put on the 4th of July events. She also spoke in opposition to funding outside agencies and not collecting fees for rentals.

Trish Melehan and Val Rebhahn, Scotts Valley Arts Commission, announced that the annual Verse in the Valley poetry contest is now open for entry. Winners will be announced in May, 2018. She also announced that the Arts Commission printed a poetry book of past poems and a copy will be available at the library.

CM Lind announced that the 13th Annual Fallen Officer Foundation Ball to be held at the Cocoanut Grove at the Santa Cruz Beach Boardwalk on Saturday, February 10, 2018, 5:30 pm to 11:00 pm. She also stated that additional information is available at www.fallenofficerfoundation.com.

ALTERATIONS TO CONSENT AGENDA

VM Dilles requested that Item F be moved to the regular agenda for discussion.

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 12-20-17
- B. Approve check register – 12-15-17, 12-22-17, 1-8-18
- C. Authorize City Manager to execute an amendment to loan agreement between the former Redevelopment Agency of the City of Scotts Valley and Habitat for Humanity Monterey Bay
- D. Approve the second reading of Ordinance No. 56.2, amending Title 12, Chapter 12.08 (Encroachments) of the Scotts Valley Municipal Code by repealing Section 12.08.100
- E. Adopt revised 2017/2018 salary schedule for temporary recreation employees to meet 2018 State minimum wage requirements
- G. Accept the Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2017 and allocate the FY 2016/17 General Fund excess revenue of \$1,235,388 to the Unassigned Reserve in Fund Balance

ALTERATIONS TO REGULAR AGENDA

M/S: Lind/Aguilar

To approve the Regular Agenda.

Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA

- F. Authorize the City Manager to execute an Agreement for Professional Services with Kimley-Horn and Associates for planning related services for the Gateway South commercial and residential project

Frank Kertai, President of the Heritage Parks Association, requested that notice be given to the Monte Fiore development when public meetings and hearing related to this development are held.

Les Dittert, Scotts Valley resident, stated that he wants to be sure that he is able to provide input on the project as it moves forward.

M/S: Aguilar/Johnson

To approve the Agreement for Professional Services with Kimley-Horn and Associates with Kimley-Horn and Associates for planning related services for the Gateway South commercial and residential project and authorize the City Manager to execute the Agreement.

Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

1. Oral Presentation: Katherine O'Dea, Executive Director, Save Our Shores

Katherine O'Dea, Executive Director of Save Our Shores, gave an oral presentation, responded to questions from Council, and requested City Council in opposition to new oil and gas exploration along the coast of California. She requested Council bring forward a future agenda item in February to adopt a resolution in opposition to new offshore oil and gas drilling off the coast of California.

Ashley Blacow, policy and communications manager with Oceana, a non-profit based in Monterey, requested that the City Council adopt a resolution opposing new offshore oil and gas drilling off the coast of California.

The City Council reached consensus to bring forward a resolution in opposition to new offshore oil and gas drilling off the coast of California for consideration by the City Council.

2. Oral Presentation: Mark Mesiti-Miller, Friends of the Rail and Trail (FORT)

Mark Mesiti-Miller, Friends of the Rail and Trail (FORT), gave a PowerPoint presentation from FORT, responded to questions from Council, and requested that the City Council rescind their resolution they adopted in December 2017, supporting Greenway.

Bud Colligan, Greenway, spoke in support of the City Council upholding the resolution they adopted supporting Greenway.

Rod Gin, spoke in support of Greenway.

Terry Pico, spoke in support of Greenway.

Steve Mendez, Scotts Valley resident, spoke in support of Greenway.

Bobbie Burns, Scotts Valley resident, spoke in support of Greenway

Eric Richter, Scotts Valley employee, spoke in support of FORT.

Will Manchin, Santa Cruz resident, spoke in support of Greenway.

Ryan Sonataro, Santa Cruz resident, spoke in support of Greenway.

Nick Thielen, Scotts Valley resident, spoke in support of FORT and requested that the City Council rescind their resolution supporting Greenway.

Barry Scott, Aptos resident, spoke in support of FORT and requested that the City Council rescind their resolution supporting Greenway.

Gail McNulty, Executive Director of Santa Cruz County Greenway, spoke in support of the City Council upholding the resolution they adopted supporting Greenway.

Frank Kertai, Scotts Valley resident, spoke in support of FORT and requested that the City Council rescind their resolution supporting Greenway.

CM Johnson stated that he is not in support of resolution coming back.

Mayor Reed stated that he is not in support of resolution coming back.

M/S: Dilles/Aguilar

To bring back Resolution No. 1938, adopted at the December 20, 2017 City Council meeting, for further discussion and consideration of rescinding or modifying the resolution, and that the City Council consider weighing in based on a more informed position once the uniform corridor study is complete.

Carried 3/2 (AYES: Aguilar, Dilles, Lind; NOES: Johnson, Reed)

3. Consider approval of Agreement for Professional Services with NCE, and a \$130,000 budget appropriation, for the Storm Drainage Master Plan Update

CE Kahn presented the written staff report and responded to questions from Council.

M/S: Aguilar/Dilles

**To approve the Agreement for Professional Services with NCE, authorize the City Manager to execute the agreement, and approve a \$130,000 budget appropriation (\$23,200 from the General Fund and \$106,800 from Fund 7, Drainage Construction) for the Storm Drainage Master Plan Update.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)**

4. Consideration of 2018 Interjurisdictional Committee, Standing Local Committee and Project Specific Subcommittee appointments

Mayor Reed recommended the following appointments/changes:

INTERJURISDICTIONAL COMMITTEES	CURRENT REP/ALT	NEW REP/ALT
Criminal Justice Council	Lind/Dilles	Lind/Dilles
Criminal Justice Council Executive Committee	Lind	Lind
Santa Cruz County Regional Transportation Commission (SCRTC)	Johnson/Lind	Johnson/Lind
Santa Cruz METRO (SCMTD)	Lind/Dilles	Lind/Dilles
Santa Cruz County Integrated Waste Management Local Task Force	Dilles/Hamby	Dilles/PWD or Designee
City/School District Joint Committee	Reed/Johnson	Reed/Johnson
AMBAG	Aguilar/Dilles	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	Dilles	Dilles
Arts Council of Santa Cruz County	Lind	Aguilar/Dilles
Seniors Advisory Council	Dilles/Lind	Dilles
Santa Margarita Ground Water Agency Joint Powers Authority	Lind/Dilles	Lind/Dilles
Monterey Bay Community Power Joint Powers Authority	--	--

INTERJURISDICTIONAL COMMITTEES	CURRENT REP/ALT	NEW REP/ALT
Santa Cruz County Consolidated Oversight Board (1 representative and 2 alternates)	--	Dilles/Johnson/ Reed
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 <i>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.</i>	Lind/Aguilar	Lind/Aguilar
Economic Development Committee <i>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.</i>	Johnson/Reed	Johnson/Reed
Affordable Housing Committee <i>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.</i>	Aguilar/Johnson	Aguilar/Reed

PROJECT SPECIFIC CITY COUNCIL SUBCOMMITTEES Limited Duration – One Year	CURRENT REP	NEW REP
Town Center Subcommittee <i>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.</i>	Johnson/Reed	Johnson/Reed

PROJECT SPECIFIC CITY COUNCIL SUBCOMMITTEES Limited Duration – One Year	CURRENT REP	NEW REP
Glenwood Open Spaces Subcommittee <i>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.</i>	Aguilar/Reed	Aguilar/Reed
Budget Subcommittee <i>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.</i>	Mayor/ Vice Mayor	Mayor/ Vice Mayor
Sign Subcommittee <i>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.</i>	Dilles/Lind	Dilles/Lind

M/S: Aguilar/Lind

To approve the appointments/changes to the interjurisdictional, standing local, and project specific committees as recommended above by Mayor Reed.

Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

~~5. Consider appointment of one Council Member and two Council Member alternates to be considered to serve on the Santa Cruz County Consolidated Redevelopment Oversight Board~~

6. Future Council agenda items

CM Aguilar requested a future agenda item to include a fee structure for the storm drain master plan.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 9:08 p.m. to discuss the following items:

- (1) Pursuant to Government Code Section 54957.6, the City Council met in closed session to confer with their labor negotiator regarding employee negotiations with SEIU, Mid Management Group, Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association.

- (2) Pursuant to Government Code Section 54956.9, the City Council met in closed session with their legal counsel regarding potential litigation – 1 case (Claim: Bergmark for Gomez)

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 10:00 p.m.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Reed announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 10:00 p.m.

Approved: _____

Jim Reed, Mayor

Attest: _____

Tracy A. Ferrara, City Clerk

CONSENT AGENDA ITEM B

DATE: 2-7-2018

SCOTTS VALLEY ACCOUNTS PAYABLE
01/12/2018 16:05:30 Check Register

CITY OF SCOTTS VALLEY
GL050S-V08.08 COVERPAGE
GL540R

Report Selection:

RUN GROUP... 011218 COMMENT... A/P AS OF JAN 12 2018

DATA-JE-ID DATA COMMENT

W-01122018-775 A/P AS OF JAN 12 2018

Run Instructions:

Jobq	Banner	Copies	Form	Printer	Hold	Space	LPI	Lines	CPI	CP	SP	RT
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BANK	VENDOR	CHECK#	DATE	AMOUNT
BA	GENERAL CHECKING ACCOUNT			
003123	A T & T	112279	01/12/18	374.44
001219	ALHAMBRA	112280	01/12/18	28.92
001219	ALHAMBRA	112281	01/12/18	71.69
001969	ASCAP	112282	01/12/18	348.00
000097	AT&T	112283	01/12/18	9.31
001518	BAY AREA POLYGRAPH	112284	01/12/18	275.00
001593	BENEDICT DDS/NANETTE	112285	01/12/18	160.00
000021	BOWMAN & WILLIAMS	112286	01/12/18	1,805.00
000437	BRASS KEY LOCKSMITH	112287	01/12/18	58.14
001633	CAL-WEST LIGHTING & SIGN	112288	01/12/18	910.38
003211	CARNU DDS/OANA	112289	01/12/18	189.20
001956	CENTRAL COAST CISM TEAM	112290	01/12/18	225.00
015008	CENTRAL HOME SUPPLY	112291	01/12/18	889.74
002091	COMCAST	112292	01/12/18	167.62
002091	COMCAST	112293	01/12/18	275.33
000037	CRYSTAL SPRINGS WATER CO	112294	01/12/18	30.40
000037	CRYSTAL SPRINGS WATER CO	112295	01/12/18	20.40
000207	DEPARTMENT OF JUSTICE	112296	01/12/18	170.00
003326	DIVISION OF THE STATE	112297	01/12/18	370.80
003326	DIVISION OF THE STATE	112298	01/12/18	363.30
003500	ECOFERT, INC	112299	01/12/18	575.00
000426	ENTENMANN-ROVIN CO	112300	01/12/18	164.35
001873	HARRIS/BUCK	112301	01/12/18	1,316.20
003205	LOTTS AUTO STEREO	112302	01/12/18	857.80
003565	MANAGEMENT PARTNERS	112303	01/12/18	4,909.20
001815	MC GRATH/TRISH	112304	01/12/18	130.01
000195	MESITI-MILLER ENGINEERIN	112305	01/12/18	1,050.00
000218	MID VALLEY SUPPLY	112306	01/12/18	1,048.07
001418	MONTEREY REGIONAL	112307	01/12/18	1,384.50
001418	MONTEREY REGIONAL	112308	01/12/18	2,228.40
000939	NATIONAL COMTEL NETWORK	112309	01/12/18	13.86
000323	NBS GOVERNMENT FINANCE G	112310	01/12/18	4,733.75
001802	ONTRAC	112311	01/12/18	73.34
000101	PACIFIC GAS & ELECTRIC C	112312	01/12/18	165.31
000101	PACIFIC GAS & ELECTRIC C	112313	01/12/18	35,755.10
001479	ROBB DDS/JOSEPH W	112314	01/12/18	210.40
000790	SANCRA	112315	01/12/18	20.00
001823	SANTA CRUZ CO ENVIRONMEN	112316	01/12/18	408.00
000127	SANTA CRUZ SENTINEL	112317	01/12/18	587.50
000122	SANTA CRUZ/CITY OF	112318	01/12/18	1,386.70
000122	SANTA CRUZ/CITY OF	112319	01/12/18	939.37
000128	SCARBOROUGH LUMBER	112320	01/12/18	2,448.75
000130	SCOTTS VALLEY FIRE DISTR	112321	01/12/18	5,088.77
000131	SCOTTS VALLEY MEDICAL	112322	01/12/18	74.00
000405	SILVERSTEIN/THOMAS	112323	01/12/18	2,021.60
003077	SKYHIGH SPORTS	112324	01/12/18	266.14
000143	SUMMIT UNIFORMS	112325	01/12/18	3,054.64
001589	TELECOMMUNICATIONS	112326	01/12/18	6,666.24

Check Register

BANK	VENDOR	CHECK#	DATE	AMOUNT	
BA	GENERAL CHECKING ACCOUNT				
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	001366 U.S. BANCORP OFFICE	112328	01/12/18	1,260.35	
	001366 U.S. BANCORP OFFICE	112329	01/12/18	342.81	
	001831 USA BLUE BOOK	112330	01/12/18	719.13	
	001106 VERIZON WIRELESS	112331	01/12/18	408.35	
	000154 WINCHESTER AUTO STORES	112332	01/12/18	77.46	
	GENERAL CHECKING ACCOUNT			87,414.07	***

SCOTTS VALLEY ACCOUNTS PAYABLE
CITY OF SCOTTS VALLEY
01/12/2018 16:05:30
GL540R-V08.08 PAGE 3

Check Register

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				87,414.07

RECORDS PRINTED - 000109

SCOTTS VALLEY ACCOUNTS PAYABLE
CITY OF SCOTTS VALLEY
01/12/2018 16:05:30
GL060S-V08.08 RECAPPAGE

Check Register

GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
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001	GENERAL	44,696.80
004	RECREATION	4,131.33
010	WASTEWATER OPERATIONS	33,374.75
011	TERTIARY TREATMENT PLANT	719.13
028	SENIOR CENTER	839.44
036	DISABILITY COMPLIANCE FUND	734.10
050	PINEWOOD EST LNDSCP MAINT DT	10.51
077	SKYPARK MAINT ASSESS DIST	34.30
112	DENTAL INS INTERNAL SERV	559.60
123	COMMUNITY FACILITY CENTER	1,229.11
150	GENERAL CAPITAL IMPROVEMENTS	1,085.00
TOTAL ALL FUNDS		87,414.07

BANK RECAP:

BANK	NAME	DISBURSEMENTS
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BA	GENERAL CHECKING ACCOUNT	87,414.07
TOTAL ALL BANKS		87,414.07

SCOTTS VALLEY ACCOUNTS PAYABLE
01/26/2018 18:11:59 Check Register

CITY OF SCOTTS VALLEY
GL050S-V08.08 COVERPAGE
GL540R

Report Selection:

RUN GROUP... 012618 COMMENT... A/P AS OF JAN 26 2018

DATA-JE-ID DATA COMMENT

W-01262018-790 A/P AS OF JAN 26 2018

Run Instructions:

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BANK	VENDOR	CHECK#	DATE	AMOUNT
BA	GENERAL CHECKING ACCOUNT			
	000041 ACC BUSINESS	112384	01/26/18	2,601.76
	003597 ADAMS ASHBY GROUP, INC	112385	01/26/18	540.00
	003457 ADAMS/TROY	112386	01/26/18	30.00
	001405 AFLAC-FLEX ONE	112387	01/26/18	3,521.80
	000620 ALVAREZ/TONY	112388	01/26/18	20.00
	001009 ARD/KRISTIN	112389	01/26/18	30.00
	003657 ARNESON/ANGELA	112390	01/26/18	160.00
	003416 BALBOA CAPITAL	112391	01/26/18	225.63
	.15240 BAY PLUMBING SUPPLY	112392	01/26/18	78.12
	001373 BAY TREE, LLC	112393	01/26/18	3,620.38
	001593 BENEDICT DDS/NANETTE	112394	01/26/18	160.00
	001786 BEWICK/KENNETH	112395	01/26/18	90.00
	000107 BIRT/DUSTIN	112396	01/26/18	20.00
	000500 BOLANOS/DORENE	112397	01/26/18	20.00
	000021 BOWMAN & WILLIAMS	112398	01/26/18	140.00
	001062 CALIFORNIA PARK & RECREA	112399	01/26/18	765.00
	000773 CENTRAL COAST LANDSCAPE	112400	01/26/18	383.00
	003656 CIVICPLUS	112401	01/26/18	15,307.50
	000226 COAST PAPER & SUPPLY INC	112402	01/26/18	851.92
	001051 COASTAL EVERGREEN CORP	112403	01/26/18	1,675.00
	001920 DASH MEDICAL GLOVES	112404	01/26/18	470.25
	003373 DAVEY TREE EXPERT CO/THE	112405	01/26/18	7,200.00
	001362 DUNCAN AUTO TECH	112406	01/26/18	246.45
	003206 ERNIE'S AUTO CENTER	112407	01/26/18	30.89
	003253 FIRST ALARM	112408	01/26/18	133.50
	001392 FONG/MICHAEL DDS	112409	01/26/18	218.40
	001828 GONZALES/GABE	112410	01/26/18	20.00
	003316 GRIO DDS/GILBERT J	112411	01/26/18	353.60
	003655 HAMMACK/STEVE	112412	01/26/18	154.71
	000615 HOHMANN/PATRICK J.	112413	01/26/18	20.00
	001903 JONES/KIMARIE	112414	01/26/18	20.00
	003592 KAHN/JESSICA	112415	01/26/18	30.00
	001992 KOSMONT COMPANIES, INC	112416	01/26/18	3,393.00
	001030 LEAGUE OF CA CITIES	112417	01/26/18	5,844.00
	001673 LINCOLN FINANCIAL GROUP	112418	01/26/18	1,345.26
	003321 LOPEZ/RENE	112419	01/26/18	20.00
	001591 MARKELL/ROD	112420	01/26/18	1,974.00
	001815 MC GRATH/TRISH	112421	01/26/18	20.00
	000050 MELROSE/TAMERA	112422	01/26/18	176.00
	001964 MILROY/JUSTIN	112423	01/26/18	138.00
	001130 MIRACLE PLAYSYSTEMS, INC	112424	01/26/18	3,696.00
	001989 NORTHERN SAFETY & INDUST	112425	01/26/18	99.00
	001988 O'REILLY AUTOMOTIVE, INC	112426	01/26/18	550.57
	001615 OLIN CORP-CHLOR ALKALI	112427	01/26/18	1,702.67
	001802 ONTRAC	112428	01/26/18	83.51
	003323 POMPETTE/NICOLE	112429	01/26/18	20.00
	003426 PR DIAMOND PRODUCTS, INC	112430	01/26/18	180.00
	001097 PRODESSE PROPERTY GROUP	112431	01/26/18	3,523.52

BANK	VENDOR	CHECK#	DATE	AMOUNT	
BA	GENERAL CHECKING ACCOUNT				
	001833 RADAR SHOP, INC./THE	112432	01/26/18	454.00	
	000135 SAN LORENZO VALLEY WATER	112433	01/26/18	28.27	
	003658 SANTA CRUZ OCCUPATIONAL	112434	01/26/18	260.00	
	000626 SANTA CRUZ/COUNTY OF	112435	01/26/18	434,072.00	
	000319 SCOTTS VALLEY CAR WASH	112436	01/26/18	507.45	
	002053 STEPFORD	112437	01/26/18	5,240.00	
	000143 SUMMIT UNIFORMS	112438	01/26/18	360.53	
	001085 SYCAL ENGINEERING INC	112439	01/26/18	1,200.00	
	001560 TRITON CONSTRUCTION	112440	01/26/18	225.00	
	000754 UPS STORE/THE	112441	01/26/18	117.03	
	000754 UPS STORE/THE	112442	01/26/18	9.71	
	000754 UPS STORE/THE	112443	01/26/18	10.93	
	000754 UPS STORE/THE	112444	01/26/18	25.00	
	000754 UPS STORE/THE	112445	01/26/18	25.00	
	000754 UPS STORE/THE	112446	01/26/18	25.00	
	000754 UPS STORE/THE	112447	01/26/18	25.00	
	000754 UPS STORE/THE	112448	01/26/18	9.60	
	000754 UPS STORE/THE	112449	01/26/18	10.69	
	000754 UPS STORE/THE	112450	01/26/18	25.00	
	000151 VISION SERVICE PLAN	112451	01/26/18	1,232.28	
	003145 WAGE WORKS	112452	01/26/18	165.50	
	001342 WELCH/JAMES	112453	01/26/18	20.00	
	003008 WILLIAMS/JESSE	112454	01/26/18	224.00	
	000376 WILSON, INC./GEO. H.	112455	01/26/18	14,130.00	
	001625 YOSHIDA DDS/NOREEN	112456	01/26/18	460.00	
	001880 ZUMAR INDUSTRIES INC	112457	01/26/18	1,065.13	
	GENERAL CHECKING ACCOUNT			521,830.56	***

SCOTTS VALLEY ACCOUNTS PAYABLE
CITY OF SCOTTS VALLEY
01/26/2018 18:11:59
GL540R-V08.08 PAGE 3

Check Register

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				521,830.56

RECORDS PRINTED - 000169

SCOTTS VALLEY ACCOUNTS PAYABLE
CITY OF SCOTTS VALLEY
01/26/2018 18:12:00
GL060S-V08.08 RECAPPAGE

Check Register

GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
----	-----	
001	GENERAL	36,613.43
004	RECREATION	1,518.80
009	PARKS & REC FACILITIES	3,696.00
010	WASTEWATER OPERATIONS	10,077.71
011	TERTIARY TREATMENT PLANT	117.03
014	WASTEWATER EQMT REPLACE RES	11,655.00
019	AFFORDABLE HOUSING	1,974.00
023	SVRDA SUCCESSOR AGENCY	441,215.90
028	SENIOR CENTER	7.46
050	PINEWOOD EST LNDSCP MAINT DT	411.27
077	SKYPARK MAINT ASSESS DIST	825.00
112	DENTAL INS INTERNAL SERV	1,192.00
123	COMMUNITY FACILITY CENTER	140.96
150	GENERAL CAPITAL IMPROVEMENTS	12,386.00
TOTAL ALL FUNDS		521,830.56

BANK RECAP:

BANK	NAME	DISBURSEMENTS
----	-----	
BA	GENERAL CHECKING ACCOUNT	521,830.56
TOTAL ALL BANKS		521,830.56

**City of Scotts Valley
CITY COUNCIL STAFF REPORT**

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Kristin Ard, Recreation Division Manager

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: REQUEST FOR NON-COLLECTION OF FEES FOR TOUCH A TRUCK EVENT-SCOTTS VALLEY EDUCATIONAL FOUNDATION

SUMMARY OF ISSUE

The Scotts Valley Educational Foundation (SVEF) is an all-volunteer 501(c)(3) non-profit organization. SVEF is hosting their 2nd Annual Touch a Truck event at Skypark on Sunday, April 29, 2018. The event will be located in the open space adjacent to the dog park and the skatepark parking lot. The proceeds raised at this event are given to the four schools in Scotts Valley School District to assist with costs such as; library expenses, counseling services, and technology needs.

The SVEF requests that the City Council consider not collecting the \$1300 facilities use permit fee for the event space and use of Skypark classroom. This fee is based on event attendance; it is anticipated that approximately 400 participants will attend the event.

FISCAL IMPACT

The fiscal impact associated with this action will result in a loss of General Fund revenue in the amount of \$1,300. Facility rental and/or event permit revenue not collected from non-profit organizations for community events is estimated to be approximately \$9,300.

STAFF RECOMMENDATION

It is recommended that the City Council approve the request for the non-collection of fees.

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Letter from the Scotts Valley Educational Foundation requesting non-collection of fees	2



*Scotts Valley Educational Foundation
216-E Mt. Hermon Road, #150
Scotts Valley, CA 95066*

January 30, 2018

Kristin Ard
361 Kings Village Road
Scotts Valley, CA 95066

Dear Kristin,

The Scotts Valley Educational Foundation is very excited to be hosting our 2nd Touch-A-Truck to benefit the Scotts Valley Unified School District on April 29, 2018. Again, we plan to host our event at Skypark.

We hope that the City of Scotts Valley can donate the use of the space to SVEF at no cost to assist in our goal of providing more funds to the local schools. We would like to reserve Skypark and the community room.

- SVEF funded **all four school libraries** for the past 5 years;
- SVEF paid to reinstate and expand **counseling services** at all four schools;
- SVEF funded **technology needs** on each campus;
- SVEF underwrote GLAD training for our teachers;
- AND MORE! (view our annual report at www.SVEF.net to learn more)

These critical services would not have been possible without our community's support. Since SVEF is a 100% volunteer organization, the City's donation of the event space will directly benefit the quality of education in Scotts Valley. To learn more, please review our annual report online, which can be found on the homepage at www.SVEF.net. Your donation will be used to continue to provide critical services that directly impact each and every one of our Scotts Valley students.

Thank you in advance for answering the call to help our local schools. Hope to see you at Touch A Truck 2018!

Sincerely,

Derek Timm
President & Volunteer
Scotts Valley Educational Foundation

SVEF is an all-volunteer 501(c)(3) non-profit organization. Our tax ID number is (Tax ID 77-0006718).

**City of Scotts Valley
CITY COUNCIL STAFF REPORT**

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Kristin Ard, Recreation Division Manager

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: REQUEST FOR NON-COLLECTION OF FEES FOR SANTA CRUZ CHAPTER OF THE AMERICAN ASSOCIATION OF UNIVERSITY WOMEN

SUMMARY OF ISSUE

The Santa Cruz Chapter of the American Association of University Women (AAUW) is an all-volunteer 501(c)(3) non-profit organization. The AAUW is planning to conduct interviews of 7th grade girls who aspire to attend the annual Tech Trek at Stanford University. Tech Trek is a one-week academic residential summer camp which immerses rising 8th grade girls in Science, Technology, Engineering, and Math (STEM) classes and activities on a university campus. AAUW sponsors these camps with donations from branch members and members of the community, as well as grants from local businesses and corporate entities. AAUW is requesting the use of the meeting room in the Scotts Valley Parks and Recreation building on March 17, 2018.

The AAUW requests that the City Council consider not collecting the \$150 facilities use permit fee for the use of the meeting room.

FISCAL IMPACT

The fiscal impact associated with this action will result in a loss of General Fund revenue in the amount of \$150. Facility rental and/or event permit revenue not collected from non-profit organizations for community events is estimated to be approximately \$9,300.

STAFF RECOMMENDATION

It is recommended that Council approve the request for the non-collection of fees.

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Tech Trek Information Sheet	3

Scotts Valley City Council
Scotts Valley, California

On March 17, 2018, members of the Santa Cruz Chapter of the American Association of University Women are planning to conduct interviews of 7th grade girls who aspire to attend the annual Tech Trek, one week camping experience, at Stanford University.

We have applied for use of the meeting room in the SV Parks and Recreation building for these interviews because many of our members live in Scotts Valley, and many of the students to be interviewed live in the north county. We are a not for profit organization whose goal is to provide scholarships for women.

Attached for your information is an explanation of the Tech Trek program and how it works. We are requesting that you agree to allow the use of the interview space, at no cost to our organization, so that all of our funds can be used for the scholarships to be given to the six chosen 7th graders.

Thank you so very much for your consideration and assistance.

A handwritten signature in cursive script that reads "Jean Gregson".

Jean Gregson
148 Zinfandel Circle, Scotts Valley

AAUW Tech Trek Committee



WHAT IS TECH TREK

Now in its 20th year, American Association of University Women (AAUW) sponsored Tech Trek is a one-week academic residential summer camp which immerses rising 8th grade girls in Science, Technology, Engineering, and Math (STEM) classes and activities on a university campus. Classes include scientific experiments, computer programming and developing engineering skills. Girls learn firsthand about career paths from women employed in STEM fields.

AAUW sponsors these camps with donations from branch members and members of the community, as well as grants from local businesses and corporate entities.

HOW DOES IT WORK?

Girls are chosen from middle schools throughout Santa Cruz County to attend Camp Hopper at Stanford University. The girls are recommended by their 7th grade science, math, or computer teachers and then compete for the AAUW sponsorships.

Once chosen, girls' families are asked to contribute \$50, if possible, for the girls to attend the entire week of camp, including all meals, supplies, residential costs and any field trips.

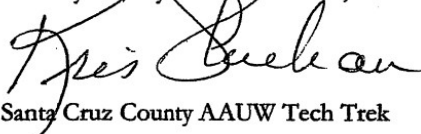
Members of AAUW staff the camp with support from the universities. They volunteer to lead workshops and offer STEM intensive demonstrations, chaperone the girls around campus, and stay overnight in the residence halls. Teachers use sponsored courses from Verizon and Symantec to provide girls with technology experiences; such as coding apps and examining cybersecurity.

HOW CAN WE HELP?

In order to provide this one-of-a-kind experience at such a low cost to campers, we rely on support from people like you to bring this experience to our community.

Our goal for 2018 is to send 6 Santa Cruz County girls to Camp Hopper - at a cost of \$1000 per girl. Please consider a tax-deductible donation with a check payable to AAUW (Tech Trek on the memo line) and send it to the AAUW Tech Trek Chairperson of the Santa Cruz County branch, Kris Sheehan, in the envelope included. Tax ID 68-0463071

Thank you for your consideration,



Santa Cruz County AAUW Tech Trek

A Couple of Quotes from Tech Trek Campers

"Tech Trek is an experience that can't compare to anything else. It helps girls have wider knowledge and understanding for what they want in their futures. We are the women of the future, and Tech Trek helps ensure the future will be better."

"If it weren't for Tech Trek, I might not have seriously considered pursuing a career in engineering." "Tech Trek was my only strongly positive, hands-on, make-science-real-and-cool experience in all of middle school, and I credit it with saving my interest in science. Thank you for helping me to never join the girls at my high school who complained that math and science were boring or pointless."

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jessica Kahn, Civil Engineer

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: **AUTHORIZE THE CITY MANAGER TO APPLY FOR A LOCAL PARTNERSHIP PROGRAM GRANT FOR THE GLENWOOD DRIVE ACTIVE TRANSPORTATION PROJECT**

SUMMARY OF ISSUE

The Road Repair and Accountability Act of 2017 (Senate Bill [SB] 1) created the Local Partnership Program to be allocated by the California Transportation Commission (CTC) to local or regional transportation agencies that have sought and received voter approval of taxes that are dedicated solely for transportation improvements. The passage of Measure D in November of 2016 allows the City to be eligible to apply for a portion of the \$200 million in available funding for road maintenance and rehabilitation and other transportation improvement projects.

Projects funded from the Local Partnership Program require at least a one-to-one match of private, local, federal, or state funds, and a total project minimum construction cost of two million dollars. Funding awarded can only be applied to the construction costs of a project, and project construction must be completed in FY 2019/20. Costs incurred prior to allocation cannot be counted towards the match.

In response to the call for projects for this grant program, staff prepared an application for the Glenwood Active Transportation Project. The project consists of roadway rehabilitation and creation of Class II bike lanes on a Glenwood Drive, accessibility improvements connecting to a completed Safe Routes to School (SRTS) project, and construction of five miles of trails in the Glenwood Preserve.

The grant application for the project was submitted to the CTC on January 30, 2018 by Santa Cruz County Regional Transportation Commission staff, as required by the grant program. Recommendations for funding will be released on April 25, 2018 and awarded on May 16, 2018.

Project Scope

Overall, the project will increase connectivity and accessibility for Scotts Valley residents and regional visitors, and encourage alternative transportation methods and outdoor recreational and educational activity.

The scope of the Glenwood Drive component of the project consists of:

- Widening the roadway to accommodate a bike lanes on both sides of the roadway
- Adding striping and signage for vehicles and bike lanes including green lane visibility
- Addition of a pedestrian crossing for access to east and west areas of new trail system in the Glenwood Preserve
- Rehabilitation of Glenwood Drive from K Street (Scotts Valley High School) to the City limits
- Repair of deteriorating drainage system

Accessibility improvements connecting to the SRTS will consist of:

- Grading the existing pathway and reconstructing curb ramps from Vine Hill School Road to the location of the completed SRTS project in Siltanen Park to current ADA standards

Creation of trails in the Glenwood Preserve will consist of:

- Five miles of trail construction in the West Preserve consisting of gated access, educational signage, and appropriate trail infrastructure installed to avoid and minimize impacts to sensitive habitats
- Development/retrofit of accessible parking to trailheads at Siltanen Park, K Street and Canham Road as determined the scoping process.

Current status and schedule

The design of the roadway widening and rehabilitation on Glenwood Drive is pending on notification of grant award. The award and design and construction would be scheduled for Spring/Summer of 2019. A preliminary design currently exists for the ADA improvements to the pathway connection to the existing SRTS. Upon award of the final grant and design, construction would be scheduled for late Fall 2018 or Spring 2019, dependent on weather.

The Long-Term Management Plan for the Glenwood Preserve was approved in December 2017. The planning process to for access planning consists of three public meetings: two Parks and Recreation Commission meetings to gather public input when developing trail alignments and operational considerations for a new trail system, and a City Council Meeting for final approval of trail alignment and construction is tentatively scheduled for March 2018. After Council approval, construction of the West Preserve trails is anticipated for Spring 2018. Upon grant award, construction of the East Preserve trails would be completed by Fall 2018.

FISCAL IMPACT

Project construction costs are estimated at two million dollars (the minimum required for the grant program). One million dollars is requested from the CTC and one million dollars is required as match if awarded. Glenwood Drive rehabilitation and ADA park improvements for the SRTS connection is currently budgeted in the 5-year CIP with a lesser scope (road rehabilitation only), totaling \$538,000. In December of 2017, the Santa Cruz County Regional Transportation Commission awarded \$310,000 through the 2018 Regional Transportation Improvement Program to expand the scope of the Glenwood Drive Project. If the CTC grant is awarded, staff proposes to use \$152,000 in Lennar funds as the remaining match for this project. The remaining match may also come from not yet budgeted SB1 or appropriated Measure D funds.

If grant funding is unsuccessful, the City can seek other funding opportunities and complete each component of the project based on a reduced scope.

STAFF RECOMMENDATION

It is recommended that the City Council authorize the City Manager to apply for a Local Partnership Grant for the Glenwood Drive Active Transportation Project.

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CITY OF SCOTTS VALLEY

OFFICE OF PUBLIC WORKS

701 Lundy Lane • Scotts Valley • California • 95066
Phone (831) 438-5854 • Facsimile (831) 439-9748 • www.scottsvalley.org

January 29, 2018

George Dondero, Executive Director
Santa Cruz County Regional Transportation Commission
1523 Pacific Ave
Santa Cruz, CA 95060

RE: 2018 Local Partnership Program (LPP) Application: **Glenwood Active Transportation Project**

Dear Director Dondero:

The City of Scotts Valley hereby requests that the Santa Cruz County Regional Transportation Commission (SCCRTC) submit the Glenwood Active Transportation Project to the California Transportation Commission (CTC) for consideration in the competitive Local Partnership Program (LPP).

This multi-component project consists of both new and improvements to existing transportation facilities to increase connectivity and accessibility for Scotts Valley residents and regional visitors and encourage alternative transportation methods and outdoor recreational and educational activity.

The City of Scotts Valley will be the implementing agency for this project and agrees to be responsible for all activities and reporting related to the project and LPP funding.

Inquiries regarding the project and the LPP-formulaic program nomination may be directed to Jessica Kahn at (831) 438-5854 or jkahn@scottsvalley.org.

Sincerely,

A handwritten signature in purple ink, appearing to read "Steve Hammack".

Steve Hammack
Public Works Director



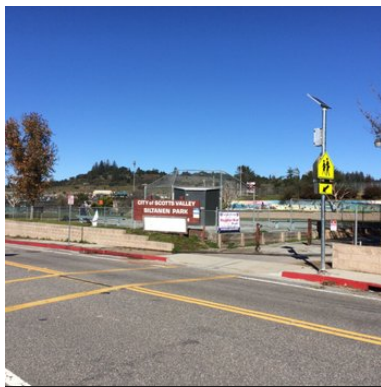
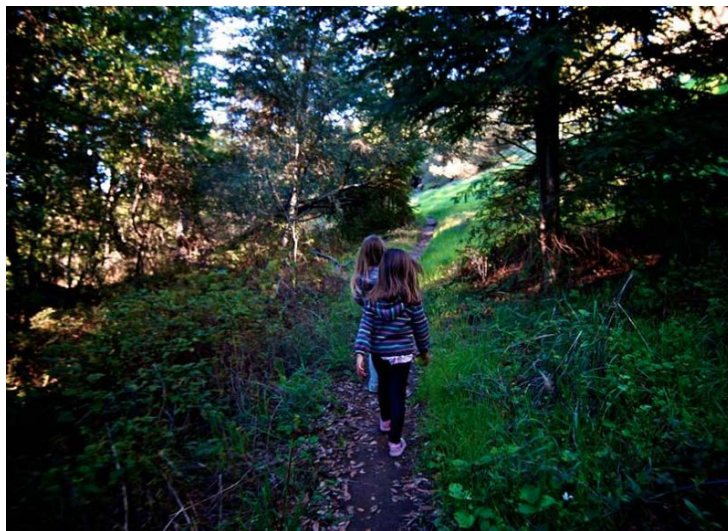
CITY OF SCOTTS VALLEY

*California Transportation Commission
2018 Local Partnership Program (Competitive)*

PROJECT APPLICATION PACKAGE

for

GLENWOOD ACTIVE TRANSPORTATION PROJECT



Submitted electronically to LPP@catc.ca.gov

Susan Bransen, Executive Director
California Transportation Commission
1120 N Street, MS-52
P.O. Box 942873
Sacramento, CA 95814

A. COVER LETTER

Provided by the Santa Cruz County Regional Transportation Commission.

B. REVERSIBLE LANE CONFIRMATION

This project is not a capacity-increasing project or a major street or highway lane realignment project.

C. PROJECT EXPLANATION AND PROPOSED BENEFITS

PROJECT NAME/TITLE

Glenwood Active Transportation Project

PROJECT DESCRIPTION

The Glenwood Active Transportation Project (Project) proposes three components of infrastructure improvements to improve connectivity and access to common destinations in the northwest of the City of Scotts Valley, in Santa Cruz County, California.

The Project consists of roadway rehabilitation and creation of Class II bike lanes on a FHWA classified major collector (Glenwood Drive), accessibility improvements connecting to a completed Safe Routes to School (SRTS) project, and construction of five miles of trails in the Glenwood Preserve adjacent to the Glenwood neighborhood.

See Attachment 1 for Project maps and images.

PROJECT COST ESTIMATE, FUNDS REQUESTED, AND AMOUNT AND SOURCE OF MATCHING FUNDS

The Project construction costs are estimated at \$2,000,000. \$1,000,000 is requested from this grant program, \$1,000,000 is committed to this project. The City has the Glenwood Drive rehabilitation and ADA park improvements for the SRTS connection budgeted in the 5-year CIP with a lesser scope, totaling \$538,000. In December of 2017 the Santa Cruz County Regional Transportation Commission awarded \$310,000 through the 2018 Regional Transportation Improvement Program to expand the scope. If awarded, the City is committed to use \$152,000 developer impact fees that were received in 2014 from the sale of property for use in parks. Project Cost Estimate and source of funds are detailed in Tables 1 and 2 below.

Table 1. Funding source by project component

Sources	Source Total	Glenwood Drive	SRTS	Glenwood Trails	Staff Construction Support
New Funds Requested from CTC:	\$1,000,000	\$650,000	\$155,000	\$165,000	\$30,000
Measure D - Local Transp. Tax	\$500,000	\$340,000		\$130,000	\$30,000
SCCRTC RTIP Grant	\$310,000	\$310,000			
City ADA Funds	\$38,000		\$38,000		
City Park Funds	\$152,000		\$117,000	\$35,000	
Total	\$2,000,000	\$1,300,000	\$310,000	\$330,000	\$60,000

Table 2. Funding source by fiscal year

Sources	Source Total	FY 18/19	FY 19/20
New Funds Requested from CTC:	\$1,000,000	\$335,000	\$665,000
Measure D - Local Transp. Tax	\$500,000	\$145,000	\$355,000
SCCRTC RTIP Grant	\$310,000		\$310,000
City ADA Funds	\$38,000	\$38,000	
City Park Funds	\$152,000	\$152,000	
Total	\$2,000,000	\$1,300,000	\$310,000

PROJECT BACKGROUND, PURPOSE AND NEED

The purpose of the Project is to increase connectivity and accessibility for Scotts Valley residents and regional visitors and encourage alternative transportation methods and outdoor recreational and educational activity. The need and background for each component of the Project is described below.

Glenwood Drive

Glenwood Drive is a FHWA classified major collector that runs north-south through the northwest of Scotts Valley and into unincorporated rural Santa Cruz County and is a primary route for vehicular traffic to the urbanized areas and Highway 17. Alternative routes to Highway 17 and urbanized Scotts Valley from this area include Glenwood Drive outside of the City limits to Highway 17 (a highway point consisting of 11 conflict points) and Bean Creek Road from the County into the City limits. Both of these alternative routes to urbanized areas have significant safety hazards due to current roadway condition, storm damage and conflict points. Glenwood Drive provides access for City and County residents, emergency response vehicles, small businesses, Scotts Valley School District, and Scotts Valley Fire District. Recently, more

tourist/visitor use of this roadway has been reported, assumedly by use of traffic and navigation apps (i.e.: Waze). This road will be a primary access to the recreational trails at Glenwood Preserve. Glenwood Drive to Bean Creek Road is also a popular route for recreational cyclists.

The current pavement condition index (PCI) of Glenwood Drive in the project area is 44, considered poor condition by the City's Pavement Management Program and one of the lowest PCIs of all the City's collector streets. Complaints have been received by the City concerning the condition of the pavement by both motorists and bicyclists. Over the past 10 years there have been 44 collisions in the project area, three involving bicycles and two involving pedestrians. During the storm season of 2017 part of this roadway failed, resulting a lane closure, due to a deteriorated drainage pipe and there are several drainages in similar condition. A portion of Glenwood Drive also failed in the County this period. Additionally, the roadway lacks adequate bicycle facilities, with some intermittent sharrows and little other mitigations for bike safety.

The Project will implement significant improvements to both preserve the existing roadway, enhancing bicycle safety through widening the roadway for new Class II bike lanes, and creating a safe pedestrian crossing, reducing the risk of bicycle/pedestrian involved collisions and roadway failure.

SRTS Improvements

In 2015 the City completed a SRTS pedestrian and bike path project of 0.4 miles to enable and encourage children to walk and bicycle between Scotts Valley High School and Vine Hill Elementary School, partially through Siltanen Park. Approximately 15% of the 573 Vine Hill Elementary and 21% of the 819 Scotts Valley High School students walk or bike to school. Siltanen Park is a high sports participation facility containing three baseball fields, soccer fields, swimming pool, children's playground, and a group picnic area.

While the SRTS project was constructed to meet ADA standards, the route ended within Siltanen Park. The pathway from Vine Hill School Road to the SRTS project is much steeper up to 13%) that the ADA compliant grade of 5%. this makes the SRTS pathway inaccessible from Vine Hill School Road for those with impaired mobility. No other reasonable accessible pathway Vine Hill School Road to the SRTS project exist.

Improvements to this pathway not only make the existing SRTS pathway accessible, but also allows accessibility from the park parking lot to Siltanen Park and a new trailhead for the Glenwood Preserve.

Glenwood Preserve Trails

Once proposed a large residential development and golf course, the Glenwood Preserve consists of 170 acres of grasslands, oak woodlands, redwood forest and wetlands, due to community pressure to set aside a large portion of the property as an open space preserve. The Preserve is majority owned by the City and the Land Trust of Santa Cruz County holds a

conservation easement that prohibits additional development. Recently, a Long Term Management Plan (produced in coordination with the US Fish and Wildlife Service) was adopted for the protection of the sensitive habitat and biotic resources (inclusive of the Ohlone Tiger Beetle, Scotts Valley Spineflower, and Scotts Valley Polygonum). A MOU exists between the City and the Land Trust, consistent with the Plan, which outlines roles and responsibilities. Land Trust leads habitat enhancement, coordinates grazing and maintains related infrastructure, and coordinates volunteer patrols. The City directs public access planning, maintains public access infrastructure, and enforces access guidelines.

Glenwood Drive bisects the Glenwood Open Space Preserve into two units, the West Preserve, adjacent to the High School, and the East Preserve, adjacent to Siltanen Park. The City is currently undergoing a community engagement process to facilitate public access planning. Engaged parties have included multiple community members, the Scotts Valley School District, and Salvation Army Camp Redwood Glen (owning a connecting trail system to the West of the Preserve).

As the West Preserve has few habitat constraints, it is anticipated that trails will begin construction in the Spring of 2018 utilizing fundraising by the Land Trust. These trails will be more rural and less accessible in nature due to topography. Construction of the East Preserve is currently unfunded. These trails would provide a more accessible means of access to the Preserve due to topography, connection to Siltanen Park and the reconstructed walkway (described above), and accessible parking. The East Preserve would be accessible to West Preserve via the aforementioned cross walk on Glenwood Drive. When the trail system is completed, the Glenwood Preserve will provide both City residents and visitors an opportunity for outdoor recreation and educational activities.

PROJECT SCOPE AND ANTICIPATED BENEFITS

Overall, the Project will increase connectivity and accessibility for Scotts Valley residents and regional visitors and encourage alternative transportation methods and outdoor recreational and educational activity.

The scope of the Glenwood Drive component of the Project consists of:

1. Widening the roadway to accommodate bike lanes on both sides of the roadway
2. Adding striping and signage for vehicles and bike lanes including green lane visibility
3. Addition of a pedestrian crossing for access to east and west areas of new trail system in the Glenwood Preserve
4. Rehabilitation of Glenwood Drive from K Street (Scotts Valley High School) to the City limits
5. Repair of deteriorating drainage system
6. Applicable construction engineering and project oversight

Glenwood Drive is a FHWA classified major collector that runs north-south through the northwest of Scotts Valley and into unincorporated rural Santa Cruz County. This is primary route for vehicular traffic to the urbanized areas and Highway 17 and is a popular route for recreational cyclists. The roadway is in poor condition with an average PCI of 44 and has experience drainage issues leading to roadway failure. Benefits of this Project component include reduced risk of solo and vehicular bicycle collisions through the widening of the roadway and striping of bicycle lanes, reduced risk of pedestrian collisions through the creation of a crosswalk, and reduced risk of roadway failure and improved driving conditions through improvements of paving surface and drainage.

Accessibility improvements connecting to the SRTS will consist of:

1. Grading of existing pathway and reconstruction of curb ramps from Vine Hill School Road to the location of the completed SRTS project in Siltanen Park to current ADA standards
2. Applicable construction engineering and project oversight

A SRTS bridge and pathway project was completed in 2015 to connect Vine Hill Elementary School/Siltanen Park to Scotts Valley High School. This route did not include the pathway from Siltanen Park to Vine Hill School Road which averages a 10% slope. Benefits of this Project component is the ability of all users to access Vine Hill Elementary School/Siltanen Park, the SRTS pathway, and a Glenwood Preserve trailhead.

Creation of trails in the Glenwood Preserve will consist of:

1. Five miles of trail construction in the West Preserve consisting of gated access, educational signage, and appropriate trail infrastructure installed to avoid and minimize impacts to sensitive habitats
2. Development/retrofit of accessible parking to trailheads at Siltanen Park, K Street and Canham Road.

Glenwood Drive bisects the Glenwood Open Space Preserve into two units, the West Preserve, adjacent to the High School and existing non-City trail systems and the East Preserve, adjacent to Siltanen Park. It is anticipated that at the time of grant award the trail system will be fully designed and vetted. Funding has not yet been identified for the construction of the West Preserve trail system. Benefits of this Project component are accessible public access to the Preserve, connectivity to exiting trail system, and educational and recreational outdoor activity.

CURRENT STATUS AND THE SCHEDULE FOR THE COMPLETION

Glenwood Drive

The design of the roadway widening and rehabilitation is pending on notification of grant award. This component of the Project is currently on the City's Capital Improvements Program (CIP) schedule for roadway rehabilitation only. In December of 2017 the Santa Cruz County Regional Transportation Commission awarded \$310,000 through the 2018 Regional

Transportation Improvement Program to expand the scope of the roadway project which would allow for one bike lane. Upon grant award design would commence immediately with a construction schedule in Spring/Summer of 2019.

SRTS Improvements

A preliminary design currently exists for the ADA improvements to the pathway connecting to the existing SRTS. Upon grant award final design would commence immediately with construction scheduled in late Fall 2018 or Spring 2019 dependent on weather.

Glenwood Preserve Trails

Scotts Valley City Council approved a Long-Term Management Plan for the Glenwood Preserve in December 2017. The planning process to for access planning consists of three public meetings: two Parks and Recreation Commission meetings, to gather public input when developing trail alignments and operational considerations for a new trail system, and a City Council Meeting, for final approval of trail alignment and construction, scheduled for March 2018. After City Council approval construction of the West Preserve trails is anticipated for Spring 2018. Upon grant award construction of the East Preserve trails can be completed by Fall of 2018.

Table 3. Schedule of Completion for Glenwood Drive

Project Milestone – Capital Projects			Month/Year
Begin Environmental (PA&ED) Phase	Document Type	Cat Ex/Neg Dec	6/1/2018
Circulate Draft Environmental Document			7/1/2018
End Environmental Phase (PA&ED Milestone)			8/15/2018
Begin Design (PS&E) Phase			6/1/2018
End Design Phase (complete PS&E)			11/1/2018
Begin Right of Way Phase			N/A
End Right of Way Phase (Right of Way Certification Milestone)			N/A
Advertise/go out to bid			3/1/2019
Award Contract			4/1/2019
End Construction Phase (Construction Contract Acceptance Milestone)			8/1/2019

Table 4. Schedule of Completion for SRTS Improvements

Project Milestone – Capital Projects			Month/Year
Begin Environmental (PA&ED) Phase	Document Type	Cat Ex	6/1/2018
Circulate Draft Environmental Document			6/1/2018
End Environmental Phase (PA&ED Milestone)			7/15/2018
Begin Design (PS&E) Phase			6/1/2018
End Design Phase (complete PS&E)			7/1/2018
Begin Right of Way Phase			N/A
End Right of Way Phase (Right of Way Certification Milestone)			N/A
Advertise/go out to bid			8/1/2018
Award Contract			9/1/2018
End Construction Phase (Construction Contract Acceptance Milestone)			5/1/2019

Table 5. Schedule of Completion for Glenwood Preserve Trails

Project Milestone – Capital Projects			Month/Year
Begin Environmental (PA&ED) Phase	Document Type	Cat Ex	6/1/2018
Circulate Draft Environmental Document			6/1/2018
End Environmental Phase (PA&ED Milestone)			7/15/2018
Begin Design (PS&E) Phase			3/1/2018
End Design Phase (complete PS&E)			5/1/2018
Begin Right of Way Phase			N/A
End Right of Way Phase (Right of Way Certification Milestone)			N/A
Advertise/go out to bid			5/1/2018
Award Contract			6/1/2018
End Construction Phase (Construction Contract Acceptance Milestone)			12/1/2018

BENEFIT-COST ANALYSIS

The Cal-B/C v6.2 Active Transportation Model was utilized for the Life-Cycle Benefit-Cost Analysis (see Attachment 2). All costs were accounted for in this analysis: widening and rehabilitation of the roadway, SRTS improvements, and walking trails. Benefit / Cost Ratio of the 2.7.

This analysis did not account for the Life-Cycle Benefit of the roadway rehabilitation included in this project costs. The City completed a Pavement Management Study in 2017 that identified streets with the most cost effective repairs. Glenwood Drive was identified as a high priority rehabilitation project in the study with a pavement condition index (PCI) of 44. See Attachment 3 for Pavement Management System and Local Road Rehabilitation Certification.

CONSISTENCY WITH RTP/SCS

The Project is consistent with AMBAG's Metropolitan Transportation Plan / 2035 Sustainable Communities Strategy goals of Access and Mobility, Environment, Healthy Communities, and System Preservation and Safety.

Specifically this Project executes several implementation strategies to achieve the goals of the 2035 MTP/SCS.

Land Use & Environment

Prioritize projects for funding that have complete streets elements per the adopted SCS and Regional Complete Streets Guidelines.

Glenwood Drive in the Project area is classified as a rural road according to the Monterey Bay Area Complete Street Guidebook. The Guidebook emphasizes designing streets to meet the needs of all users, and to prioritize users depending upon the street type. For rural roads, highest priority is given to vehicles, the transit, school buses, bicyclists, and pedestrians. The proposed project greatly improves the pavement condition of the roadway for vehicles,

including school buses and any future transit use. Bicycle improvements will be made through road widening and striping.

Invest in safe bicycle and pedestrian routes that improve connectivity and access to common destinations supporting efforts throughout the region to improve connectivity and realize public health benefits from these investments.

This project provides new bicycle and pedestrian facilities to improve connectivity and accessibility between residential areas and schools, recreational activities and the County.

Transportation

Find alternative funding sources for improving access to open space in the region.

If awarded, this grant will leverage City transportation funding and previously awarded grant funding to access to and within the Glenwood Preserve.

CARB has set targets for lowering GHG in the Monterey Bay region: 0% increase in GHG emissions from passenger vehicles and 5% reduction by 2035 through land use and transportation planning. The 2035 MTP/SCS demonstrates that the Monterey Bay region will meet these targets, in part, by protecting sensitive habitat and open space and investing in a transportation system that provides transportation options that are more effective and diverse. This project contributes the existing efforts to protect open space by creating trails to observe but not disturbed the protected areas. The transportation improvements provide connectivity and accessibility for people to walk and bike to the Preserve and other destinations from the Glenwood area and the County.

GREENHOUSE GAS IMPACTS

Emissions impacts for this project are limited to construction and reduced vehicular transportation due to alternative transportation infrastructure improvements. Quantified reductions were negligible using the Cal-B/C v6.2 Active Transportation Model, see Attachment 2.

COMMUNITY IMPACTS

Community impacts for the Glenwood Drive roadway construction and SRTS pathway connection consist of general construction noise and traffic impacts. There will be no continuous impacts at the completion of the Project. These impacts will be mitigated by traffic control, restricted work hours, and ensuring adherence the City's other construction standards.

Impacts of trails on the East Glenwood Preserve include construction and use impacts. Similar to the mitigations above, ensuring adherence the City's other construction standards will reduce construction impacts to less than significant. The trail design process currently underway and is addressing impacts related to trail alignment and parking. The trail pathways will be designed below the ridgeline, outside of the immediate view of neighboring homes. Parking will be designed for accessibility, with some parking available near trailheads, management, with the majority of parking available in a large existing parking lot, and

encouraging alternative transportation, by the inclusion of accessible walkways and bike lanes on Glenwood Drive. Per the Long Term Management Plan, the City will manage public safety and emergency response in the Preserve as well as establish rules and provide enforcement. These mitigations will reduce community impacts of trial operation and use to less than significant.

D. PROJECT PROGRAMMING REQUEST FORM

See attached.

E. ADDITIONAL INFORMATION

DISADVANTAGED/LOW-INCOME COMMUNITIES

No map is included for this sections as there are no Disadvantaged or Low-income Communities within Scotts Valley or within the vicinity of the Project.

However, the proposed Project will greatly benefit students who are designated as low-income (eligible for Free or Reduced Price Meals) attending the Scotts Valley High School and Vine Hill Elementary School, 8.3% and 12.1%, respectively. Scotts Valley School District does not provide transportation for its elementary and high school students, many of whom walk or bicycle to school.

COMMUNITY AND REGIONAL SUPPORT

The improvements to Glenwood Drive are included in the City's CIP schedule and Bicycle Transportation Plan. Public input is solicited for the CIP during various public meetings throughout the year, inclusive of a City Council Study Session (March or early April), Budget Study Session (May), and a formal public hearing finalizing the budget (June). The projects are also heard at the Planning Commission in May for review and concurrence that the proposed five-year plan is consistent with the City's General Plan. The Bicycle Transportation Plan prepared in 2012 has been used as the basis for implementing future development of bicycle facilities in the City and was developed with public input. The 2014 Regional Transportation Plan Project List, developed with public participation facilitate by the Regional Transportation Commission, includes two projects on Glenwood Drive: Glenwood Dr Bike Lanes (SV-P39) which is this project, and Glenwood Dr. Improvements (CO-P26n), from Scotts Valley City limits to Highway 17. The City has also received complaints regarding this roadway via the RTC's Bicycle and Pedestrian Hazard Report.

In response to community concern, the property that is now known as the Glenwood Preserve was dedicated to the City in 2009. Over a multi-year public process the City and Land Trust of Santa Cruz County, in coordination with the US Fish and Wildlife Service, completed a Long-Term Management Plan allowing for public access. The planning process to for access planning consists of three public meetings: two Parks and Recreation Commission meetings, to gather public input when developing trail alignments and operational considerations for a new trail

system, and a City Council Meeting, for final approval of trail alignment and construction, scheduled for March 2018. During the first meeting conducted on January 18, 2018 approximately 115 community members offered 30 minutes of public comment. Nearly all comments praised the project while voicing manageable concerns of general public access management (parking, bicycle and pet use, etc.). Press and social media regarding this project has been overwhelmingly positive.

The following is a list of entities that City of Scotts Valley has been engaged and over the years as this project has developed: Land Trust of Santa Cruz County, US Fish and Wildlife Service, Scotts Valley School District, Salvation Army Camp Redwood Glen, Scotts Valley Fire District, Scotts Valley Water District, Active Transportation Scotts Valley, Scotts Valley business owners, Scotts Valley community members

Letters of support for the Project can be found in Attachment 4.

FINANCIAL CAPACITY

The City recently received grant funding for projects previously budgeted with local transportation tax funding (Measure D), which may be re-allocated to the Project. Cost overruns related to the Glenwood Drive improvements and the SRTS pathway connection may be absorbed through these funds.

Overruns associated with the Glenwood Preserve trails are eligible for funds from the Land Trust of Santa Cruz County, however fundraising efforts are still in process. Funding may also be budgeted from the City's Parks funding if needed.

PROJECT DELIVERY PLAN

The Project Delivery Plan includes Scoping, Preliminary Engineering (PE) and Environmental, Final Design and Plans, Specifications, and Estimate, and Construction and Construction Administration

Scoping

The feasibility and scope of the Project has been completed. Each component of the Project currently is documented in an adopted City planning documents and/or budget. Stakeholders have been identified, design concepts completed and basis for programming established.

Preliminary Engineering and Environmental

Preliminary engineering analysis and design has been completed for the SRTS and Glenwood Preserve Trail components of the project. Both components qualify as Categorical Exemptions under CEQA.

Preliminary design of the Glenwood Drive improvements will consider improvement alternatives based on drainage a required retaining structures to meet the scope of the Project. The design will also address potential utility conflicts and relocation. It is expected

that this component will qualify as Categorical Exemptions under CEQA, however it is possible due to mature trees in the area that a Negative Declaration may be required. As this component is not to start construction until Spring of 2018, there is sufficient time in the schedule to accommodate this study if needed.

Final Design and Plans, Specifications, and Estimate

Final design for the Glenwood Drive and Perverse Trails will be approved by the City Council. There is potential during this phase for community involvement to affect the proposed schedule.

Efforts are currently being made in the form of public meetings to address community concerns regarding the Glenwood Preserve Trails. Concerns will be addressed as feasible by engineering, funding, and consistency with the Long Term Management Plan. If significant, this is not anticipated to delay the proposed schedule by more than 60 days.

The City will present the design on the Glenwood Drive improvements to affected community members and transportation groups prior to approval by City Council. The removal of trees is a potential community concern for both privacy and environmental reasons. Efforts will be made doing the previous phase to limit tree removal. There are limited rural properties fronting this portion of Glenwood Drive. The City will work with these properties directly to address any loss of privacy concerns.

Construction and Construction Administration

The cost estimate provided is accurate to the current construction climate. There is a potential for construction costs to increase, which can be absorbed by the City as detailed elsewhere in the application. Other risks include weather delays, change orders, and verification that facilities are constructed to the final plans and specifications. The City's construction specifications address these and other common construction risks and how they are to be addressed.

Attachment 1. Maps/Images

Roadway and Bicycle Improvements

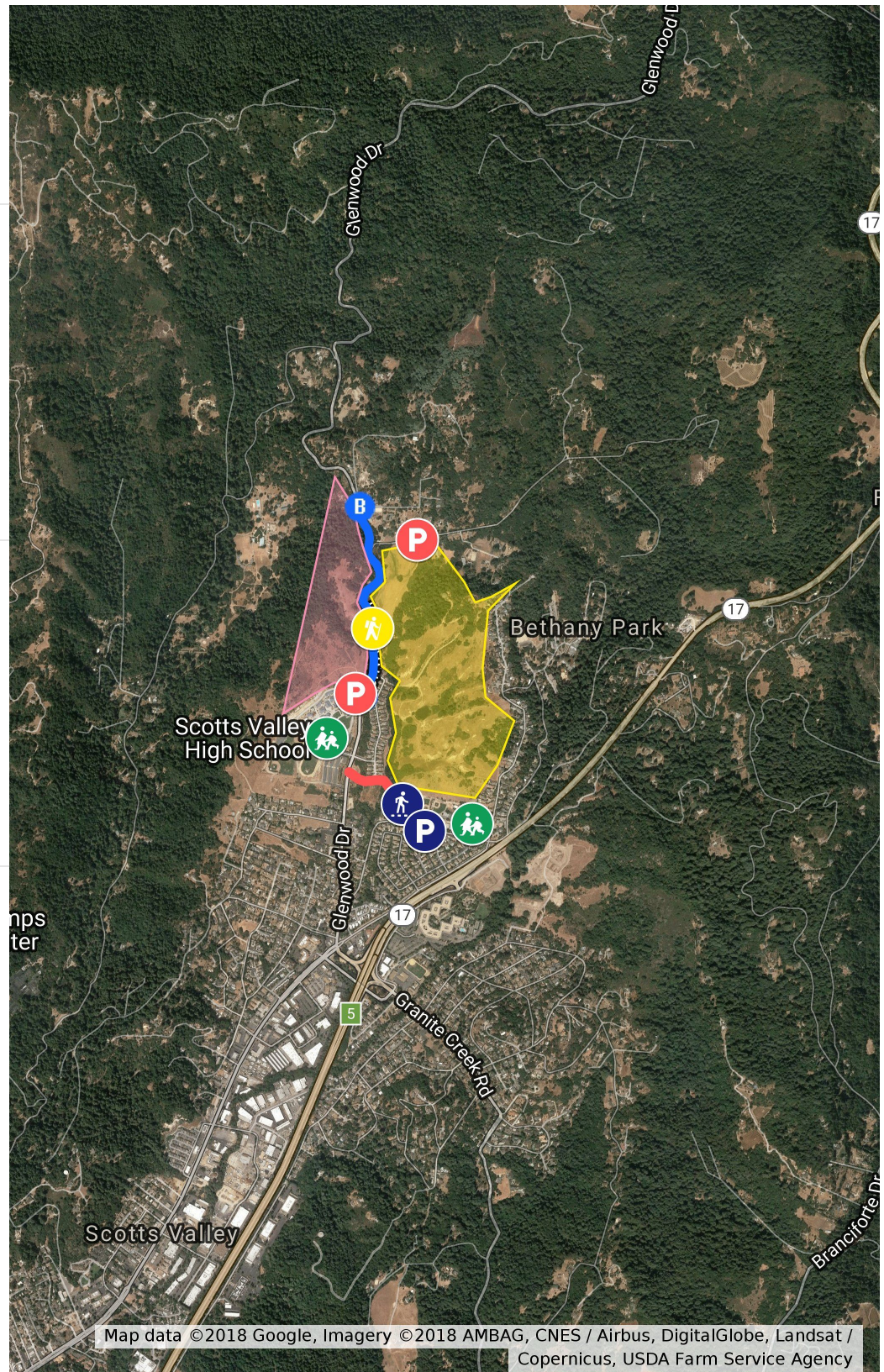
-  K Street
-  City/County Line

Pedestrian Improvements

-  SRTS Connector
-  Improved SRTS
-  Existing SRTS
-  Vine Hill Elementary School
-  Scotts Valley High School
-  Trail Crosswalk Connector

Glenwood Preserve - see attached trail map

-  Glenwood Preserve East
-  Glenwood Preserve West
-  Existing Trail Parking
-  Accessible Trail Parking
-  Accessible Trail Parking



Roadway and Bicycle Improvements

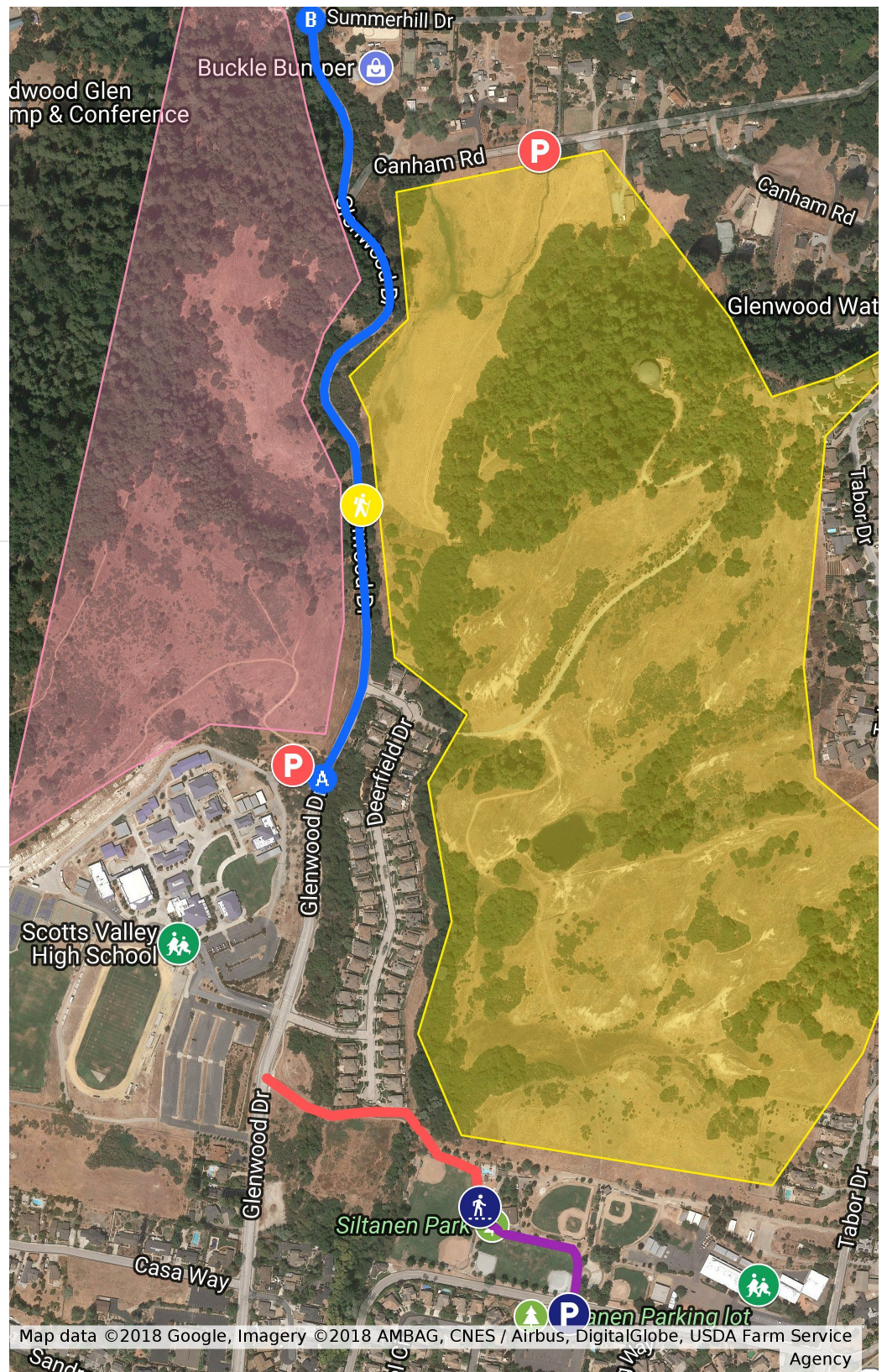
-  K Street
-  City/County Line

Pedestrian Improvements

-  SRTS Connector
-  Improved SRTS
-  Existing SRTS
-  Vine Hill Elementary School
-  Scotts Valley High School
-  Trail Crosswalk Connector

Glenwood Preserve - see attached trail map

-  Glenwood Preserve East
-  Glenwood Preserve West
-  Existing Trail Parking
-  Accessible Trail Parking
-  Accessible Trail Parking



Roadway Conditions – Glenwood Drive

Drainage Failure 1/17



Poor Roadway Condition



Limited Bike Facilities

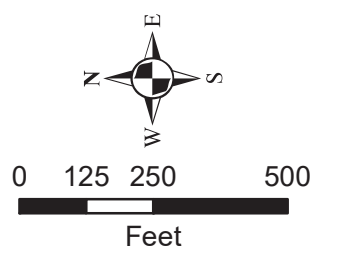
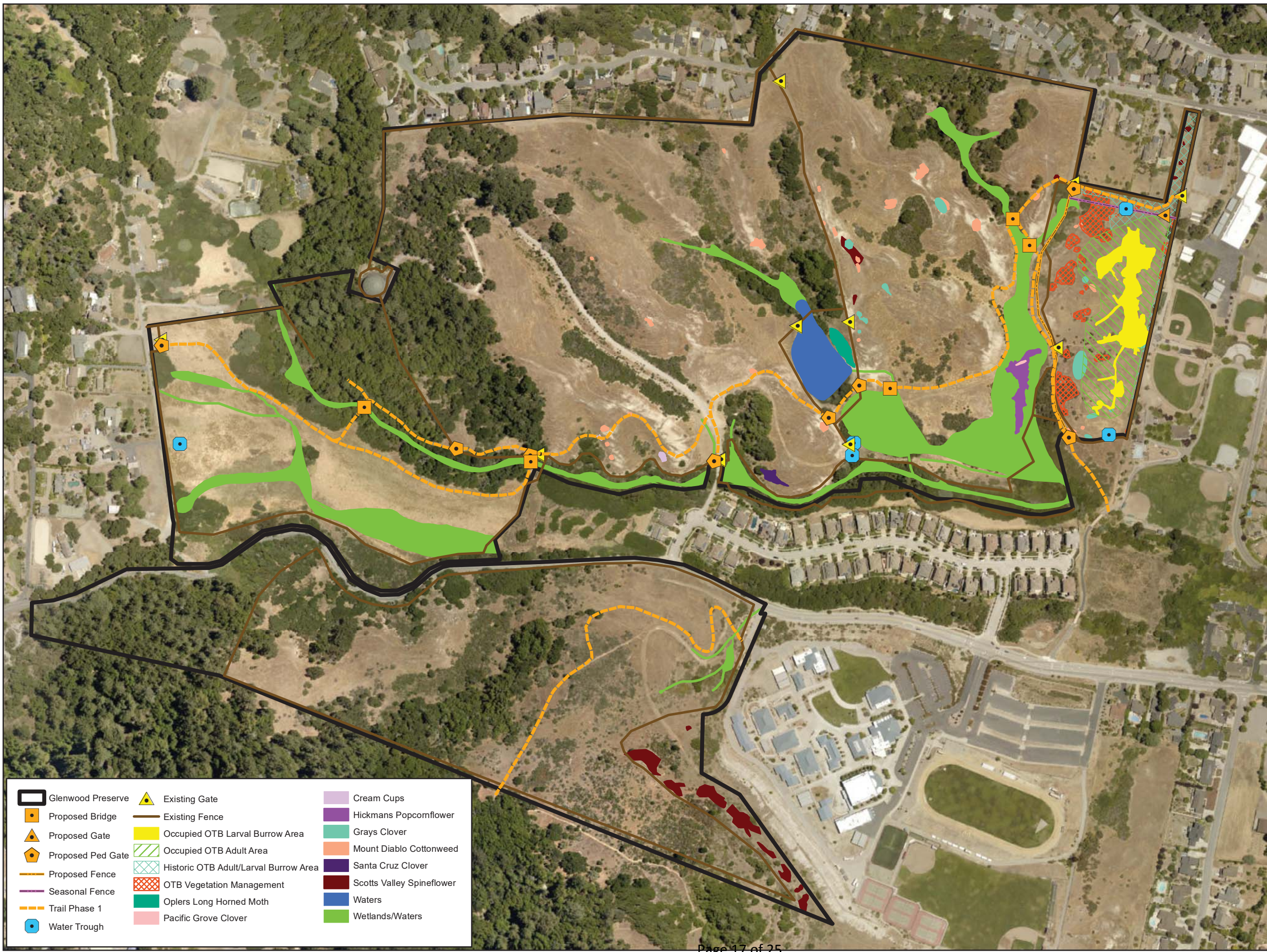


Glenwood Preserve

Scotts Valley, California

Figure 10.

Conceptual Design
for Initial Public
Access Infrastructure



Attachment 2. Cal-B/C v6.2 Active Transportation Model Results

District: **5 (Santa Cruz)**

PROJECT: **Glenwood Trail Active Transportation Project**

EA:
PPNO:

3

INVESTMENT ANALYSIS

SUMMARY RESULTS

Life-Cycle Costs (mil. \$)	\$2.1
Life-Cycle Benefits (mil. \$)	\$5.7
Net Present Value (mil. \$)	\$3.6
Benefit / Cost Ratio:	
	2.7
Rate of Return on Investment:	
	13.5%
Payback Period:	
	9 years
NON-INFRASTRUCTURE IMPLEMENTATION COST	
Per Bike Program Impact Score	N/A
Per Ped Program Impact Score	N/A

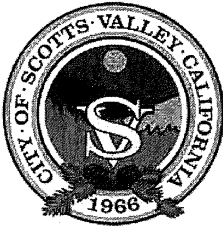
ITEMIZED BENEFITS (mil. \$)	Total Over 20 Years	Average Annual
Journey Quality	\$0.3	\$0.0
Additional Delay Savings	\$0.0	\$0.0
Additional Safety Benefits	\$0.0	\$0.0
Health Benefits	\$5.4	\$0.3
Emission Cost Savings	\$0.0	\$0.0
TOTAL BENEFITS	\$5.7	\$0.3
SRTS-SPECIFIC BENEFITS (mil. \$)		
Journey Quality	\$0.1	\$0.0
Additional Delay Savings	\$0.0	\$0.0
Additional Safety Benefits	\$0.0	\$0.0
TOTAL SRTS BENEFITS	\$0.1	\$0.0

**Factors that Differentiate Benefits
and Performance Measures**

Safe Route to School	Yes
Intersection Improvements on SRTS	No
Programmatic Initiatives	No
Recreational Benefits	1

(enter 1 for Yes, 0 for No)

EMISSIONS REDUCTION	Tons		Value (mil. \$)	
	Total Over 20 Years	Average Annual	Total Over 20 Years	Average Annual
CO Emissions Saved	0	0	\$0.0	\$0.0
CO ₂ Emissions Saved	140	7	\$0.0	\$0.0
NO _x Emissions Saved	0	0	\$0.0	\$0.0
PM ₁₀ Emissions Saved	0	0	\$0.0	\$0.0
PM _{2.5} Emissions Saved	0	0		
SO _x Emissions Saved	0	0	\$0.0	\$0.0
VOC Emissions Saved	0	0	\$0.0	\$0.0



CITY OF SCOTTS VALLEY

OFFICE OF PUBLIC WORKS

701 Lundy Lane • Scotts Valley • California • 95066
Phone (831) 438-5854 • Facsimile (831) 439-9748 • www.scottsvally.org

PAVEMENT MANAGEMENT SYSTEM (PMS) CERTIFICATION (LAPG EXHIBITS 4-A & 23-L)

Project Description: **Glenwood Drive Rehabilitation and Bicycle Improvement Project**

The City of Scotts Valley certifies that it has a Pavement Management System (PMS) and the project meets the criteria described in Section 23.2 of this chapter. A system must be in place to meet standards for pavement rehabilitation projects programmed in the STIP or RSTP/STBG.

The system was developed by the Metropolitan Transportation Commission (MTC) and contains, at a minimum, the following elements:

- Inventory of all existing pavements under the City/County jurisdiction.
Centerline miles **32.02**
Total lane miles (or equivalent units) **64.05**
The last update of the inventory was completed **May 2017**
- Identification of sections of pavement needing rehabilitation
Total lane miles (or equivalent units) **42.44**
- Estimate of the cost to rehabilitate deficient sections **\$16,331,315**
- A procedure to identify rehabilitation strategies that are cost effective
(Briefly describe it on an attached sheet.)

You may direct any questions regarding the system to Jessica Kahn at (831) 438-5854.

Signature

Title: Public Works Director



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Re: Methodology for Identifying Projects Utilizing
Street Saver Pavement Management System

In May 2017 the City of Scotts Valley consulted with Nichols Consulting Engineers (NCE) to perform roadway surveys and update the city's Pavement Management System (PMS).

With every pavement survey, it is as if the PMS 'resets' street conditions (by sections) to those actually observed and in turn the pavement condition degradation curve, reflected in the Pavement Condition Index (PCI). Additionally, at the completion of each individual pavement project the PMS is updated which adjust the street section(s) PCI.

The City aims to use a life cycle approach when determining priority pavement projects. Meaning, during general maintenance, per the PMS, the network is maintained in a satisfactory condition while minimizing total costs over its life. Therefore the most debilitated pavements may not be necessarily the highest priority for repair for general maintenance. However, for larger projects, such as those on major collectors, the City is currently utilizing the "worst-first" approach to achieve a satisfactory condition for the most travelled roads. In the future, the City intends on using a life cycle approach for the entire network.



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LOCAL ROAD REHABILITATION PROJECT CERTIFICATION (LAPG 23-K)

The City of Scotts Valley submits the following local road rehabilitation project for certification that the project is in compliance with California guidelines.

Project Title/Description: **Glenwood Active Transportation Project**

Street/Road	From ----- to -----	<u>Local Road Facility</u> (Pavement, drainage structure, bridge, cut slope, embankment, etc.)	PPNO	<u>Rehabilitation Strategy</u> (Resurfacing, chip seal, seal coat, restoration of existing facility, etc.)	<u>Service Life</u> (Years)
Glenwood Drive	K Street to City Limits	Asphalt concrete pavement and drainage structures	TBD	Combination of CCPR and resurfacing, reconstruction of drainage facilities	20 years

The project listed above meets the following standards:

- The type of work is eligible for local road rehabilitation, and excludes routine maintenance work, as described in below:

Eligibility of Local Road Rehabilitation Projects

Eligible rehabilitation work includes improvement of local roads through resurfacing, restoration, or rehabilitation (3R). This work is generally regarded as heavy, non-routine maintenance designed to achieve a ten-year service life. Eligible 3R work includes:

- ☐ Placing additional asphalt concrete over a structurally sound highway or bridge that needs treatment to extend its useful service life (keeping in mind added dead load or lower bridge rail heights when adding asphalt concrete on bridge decks)
- ✓ Restoration of a road, structure, or collateral facility (drainage, retaining wall, etc.) to the condition existing after original construction
- ✓ Upgrading guardrail or widening shoulders

Projects that provide less than a ten-year life are considered Preventive Maintenance.

Eligible strategies include, but are not limited to, roadway activities such as joint and shoulder rehabilitation, heater re-mix, seal coats, and corrective grinding of Portland cement concrete pavement.

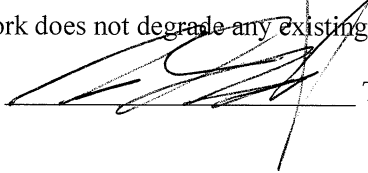
These activities are also eligible provided that:

- ☐ The local agency certifies that it has a Pavement Management System (PMS).

☐ The decision process used by the city or county to determine project strategies was based on the established PMS.

- For pavement rehabilitation, the estimated number of years the work will extend the service life of the facility is documented in a PSR or equivalent signed by a registered civil engineer.
- Pavement rehabilitation strategies with less than 10 years service life have been determined by a Pavement Management System (PMS) to be cost-effective and have a service life of 5 years or more. (Attach PMS certification if appropriate – *next page.*)
- The work does not degrade any existing safety or geometric aspect of the facility.

City Signature:



Title: Public Works Director



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www.landtrustsantacruz.org

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Robert Stephens

Executive Director

Stephen Slade

January 23, 2018

Ms. Jenny Haruyama
City Manager
1 Civic Center Drive
Scotts Valley, CA 95066

Ms. Haruyama:

The Land Trust of Santa Cruz County protects, stewards and connects people to the places that make Santa Cruz County special. I write to express our strong support for the "Glenwood Active Transportation Project" submittal to the California Transportation Commission Local Partnership Grant Program. This multi-modal project would greatly improve accessibility and safety for all those who access the Glenwood area, including school children and commuters, and create trails promoting recreational and educational outdoor activity.

This project proposes to improve accessibility of Safe Route to School connecting Vine Hill Elementary, Scotts Valley High School and adjoining neighborhoods, widen the roadway create bike lanes on Glenwood Drive, and create 5 miles of new trails in the Glenwood Open Space Preserve. Additional pavement, drainage, and pedestrian crossing improvements to Glenwood Drive will increase safety for the both the current volume of bicycle and vehicular traffic and traffic anticipated at the completion of trail development. This project will improve and create connections to existing facilities on Glenwood Drive, Vine Hill School Road and Scotts Valley Drive that link local schools, shopping, businesses and parks and increase the ability of City and County residents to use non-vehicular modes of transportation to reach these destinations.

In partnership with the City of Scotts Valley, we steward the Glenwood Open Space Preserve, and anticipate investing approximately \$250,000 in trails there over the next three years. The project proposed by the City of Scotts Valley will multiply the benefits of our investment by making those trails accessible by more people through infrastructure improvements.

The Land Trust of Santa Cruz County strongly encourages funding the multimodal infrastructure proposed by the City of Scotts Valley.

Sincerely,

Bryan Largay

A handwritten signature in blue ink that reads "Bryan Largay".

Conservation Director
Land Trust of Santa Cruz County



January 22, 2018

Ms. Jenny Haruyama
City Manager
1 Civic Center Drive
Scotts Valley, CA 95066

Ms. Haruyama:

I'm writing on behalf of Bike Santa Cruz County to express our strong support for the "Glenwood Active Transportation Project" submittal to the California Transportation Commission Local Partnership Grant Program. This multi-modal project would greatly improve accessibility and safety for all those who access the Glenwood area, including school children and commuters, and create trails promoting recreational and educational outdoor activity.

This project proposes to improve accessibility of Safe Route to School connecting Vine Hill Elementary, Scotts Valley High School and adjoining neighborhoods, widen the roadway to create bike lanes on Glenwood Drive, and create 5 miles of new trails in the Glenwood Open Space Preserve. Additional pavement, drainage, and pedestrian crossing improvements to Glenwood Drive will increase safety for both the current volume of bicycle and vehicular traffic anticipated at the completion of trail development. This project will improve and create connections to existing facilities on Glenwood Drive, Vine Hill School Road and Scotts Valley Drive that link local schools, shopping, businesses and parks and increase the ability of City and County residents to use non-vehicular modes of transportation to reach these destinations.

Increasing active transportation in communities improves health, accessibility, and livability while reducing CO2 emissions and traffic congestion. People are encouraged to use active transportation when it is easy and convenient. The Glenwood Active Transportation Project will connect spaces where people recreate, do business, and attend daily activities, reducing the barriers for them to walk and bike for daily trips.

Bike Santa Cruz County encourages funding the multimodal infrastructure proposed by the City of Scotts Valley.

Sincerely,

Janneke Strause
Executive Director
Bike Santa Cruz County



ACTIVE TRANSPORTATION SCOTTS VALLEY

January 22, 2018

Ms. Jenny Haruyama
City Manager
1 Civic Center Drive
Scotts Valley, CA 95066

Ms. Haruyama:

I'm writing on behalf of the Active Transportation Committee of Scotts Valley to express our strong support for the "Glenwood Active Transportation Project" submittal to the California Transportation Commission Local Partnership Grant Program. This multi-modal project would greatly improve accessibility and safety for all those who access the Glenwood area, including school children and commuters, and create trails promoting recreational and educational outdoor activity.

This project proposes to improve accessibility of Safe Route to School connecting Vine Hill Elementary, Scotts Valley High School and adjoining neighborhoods, widen the roadway create bike lanes on Glenwood Drive, and create 5 miles of new trails in the Glenwood Open Space Preserve. Additional pavement, drainage, and pedestrian crossing improvements to Glenwood Drive will increase safety for the both the current volume of bicycle and vehicular traffic and traffic anticipated at the completion of trail development. This project will improve and create connections to existing facilities on Glenwood Drive, Vine Hill School Road and Scotts Valley Drive that link local schools, shopping, businesses and parks and increase the ability of City and County residents to use non-vehicular modes of transportation to reach these destinations.

A little bit about the Active Transportation Committee of Scotts Valley: The City is 4 square miles. There's no reason why there shouldn't be more pedestrians and cyclists than cars. This group formed so that residents and businesses alike could get around Scotts Valley more easily and sustainably.

We encourage funding the multimodal infrastructure proposed by the City of Scotts Valley.

Sincerely,

Josephine Fleming
Resident, Business Owner
Active Transportation Committee of Scotts Valley

**City of Scotts Valley
CITY COUNCIL STAFF REPORT**

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jenny Haruyama, City Manager

SUBJECT: **CONSIDERATION OF RESOLUTION NO. 1939 IN RESPONSE TO THE CALL FOR COMMENTS ON THE DRAFT PROPOSED FIVE-YEAR OUTER CONTINENTAL SHELF OFFSHORE OIL AND GAS LEASING PROGRAM FOR 2019 THROUGH 2024**

SUMMARY OF ISSUE

On January 17, 2018, Katherine O’Dea, Executive Director of Save Our Shores, after a presentation, asked the Council to consider a resolution in response to the call for comments on the Draft Outer Continental Shelf (OCS) Leasing Program. The resolution outlines concerns about the lack of public comment regarding the OCS Leasing Program given various economic and environmental impacts of offshore drilling.

FISCAL IMPACT

There is no fiscal impact associated with approving the attached resolution.

STAFF RECOMMENDATION

It is recommended that the City Council consider Resolution No. 1939 in response to the call for comments on the draft proposed five-year outer continental shelf offshore oil and gas leasing program for 2019 through 2024.

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RESOLUTION NO. 1939

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY IN RESPONSE TO THE CALL FOR COMMENTS ON THE DRAFT PROPOSED FIVE-YEAR OUTER CONTINENTAL SHELF OFFSHORE OIL AND GAS LEASING PROGRAM FOR 2019 THROUGH 2024 (FR DOC NO: 2018-00083, COMMENT DEADLINE MARCH 9, 2018)

WHEREAS, the City of Scotts Valley and its visitors enjoy California's beaches and the Pacific Ocean for recreational, commercial, and educational activities, all of which support our local economy; and

WHEREAS, our city's residents value our state's ocean and coastal waters, which provide habitat to a vast array of wildlife, including fish, whales, sea turtles, and birds that depend on a healthy and clean environment; and

WHEREAS, offshore oil and gas drilling and exploration off the Pacific coast puts these coastal resources, and the communities and industries that depend on them, at risk from oil spills and other damage; and

WHEREAS, expanding offshore oil and gas drilling and exploration threatens coastal stakeholders, marine wildlife, human health and climate; and

WHEREAS, the City of Scotts Valley is opposed to inclusion of any offshore drilling tracts in any Outer Continental Shelf Planning Area on the Pacific Coast in the 2019-2024 Draft Proposed Program and any other future National Programs; and

WHEREAS, the City of Scotts Valley hereby submits this resolution in response to the call for comments on the Draft Proposed Five-Year Outer Continental Shelf (OCS) Leasing Program (DPP) for 2019 through 2024 as now proposed by the Bureau of Ocean Energy Management (BOEM) as referenced in Federal Register Volume 83, Number 5 (Monday, January 8, 2018) Notices, Pages 829-834, FR Doc No: 2018-00083; and

WHEREAS, the City of Scotts Valley opposes the inclusion of any portion of the Pacific Coast in BOEM's Draft Proposed Five-Year OCS Leasing Program because such action threatens the regional clean-coast economy which relies on healthy ecosystems and fisheries and the multiple visitor-serving industries that depend on them; and

WHEREAS, the City of Scotts Valley finds the provision by BOEM of only one California public hearing opportunity on the Draft Proposed Five-Year OCS Leasing Program inadequate and hereby requests additional public hearings on this plan in our own community; and

WHEREAS, the Draft Proposed Five-Year OCS Leasing Program fails to adequately consider the laws, goals, and policies of the affected regions, including California's federally-certified Coastal Zone Management Plan, California's longstanding State Tidelands Oil and Gas Sanctuary, relevant County Local Coastal Plans, and duly-adopted local onshore OCS facility land-use ordinances which preclude outright, or require a vote of the electorate to consider, any proposed onshore facilities serving offshore oil and gas activities; and

WHEREAS, the Draft Proposed Five-Year OCS Leasing Program fails to offer a public comment period of adequate duration and scope to enable impacted communities to provide important input on the proposal, thereby curtailing requisite opportunity for citizen input; and

WHEREAS, concurrent with the proposed adoption of the Draft Proposed Five Year OCS Leasing Program the Administration is considering a weakening of enhanced safety and ecosystem protections put in place after the tragic April 20, 2010 BP Deepwater Horizon offshore oil spill; and

WHEREAS, the proposed drilling plans disregard California's coastal-dependent economy and the state's policies to protect it.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City of Scotts Valley adopts this resolution commenting as requested on the Draft Proposed Five-Year OCS Leasing Program for 2019 through 2024; and

BE IT FURTHER RESOLVED that these comments and other relevant supporting documentation be duly mailed to arrive prior to March 9, 2018 in an envelope labeled "Comments for the 2019-2024 Draft Proposed National Oil and Gas Leasing Program" to Ms. Kelly Hammerle, Chief, National Oil and Gas Leasing Program Development and Coordination Branch, Leasing Division, Office of Strategic Resources, Bureau of Ocean Energy Management (VAM-LD), 45600 Woodland Road, Sterling, VA 20166-9216 and/or be submitted via the online portal provided at <https://www.regulations.gov/docket?D=BOEM-2017-0074>. Comments may also be submitted in person at one of the public meetings noticed at <https://www.BOEM.gov/National-OCS-Program>, which includes only one California hearing to be held in Sacramento on February 8, 2018. Further, copies of these comments will also be submitted in timely fashion to the California State Legislature, to California's Governor, to all members of California's Congressional Delegation, and to the White House.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 7th day of February, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: _____

Jim Reed, Mayor

Attest: _____

Tracy A. Ferrara, City Clerk

**City of Scotts Valley
CITY COUNCIL STAFF REPORT**

DATE: February 7, 2018
TO: Honorable Mayor and City Council
FROM: Jenny D. Haruyama, City Manager
SUBJECT: **AMENDMENT TO AGREEMENT WITH MANAGEMENT PARTNERS**

SUMMARY OF ISSUE

As part of the FY 2017/18 budget development process, Council appropriated approximately \$100,000 for financial and budget services, including general support for various financial initiatives. In July 2017, the City Manager entered into an agreement for \$50,000 with Management Partners to begin the development of a fiscal sustainability plan and implementation of a city-wide user fee study. These projects are currently underway and an amendment to the contract is needed include budget development and financial analysis services. The attached document amends the original compensation to reflect a not to exceed amount of \$100,000, modifies the scope of services, and extends the contract through June 30, 2018. The total cost of the agreement is within the amount appropriated by the Council; no budget adjustment is required.

FISCAL IMPACT

There is no impact to the General Fund as a result of the contract amendment. A total of \$100,000 was appropriated by Council as part of the FY 2017/18 operating budget for budget and financial consultant services. The amendment modifies the compensation from \$50,000 to a not to exceed amount of \$100,000. No budget adjustment is necessary.

STAFF RECOMMENDATION

It is recommended that Council approve the attached amendment modifying the compensation, scope of services, and contract term.

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Professional Services Agreement with Management Partners	6

AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

This Amendment to Agreement for Professional Services ("Amendment") is made and entered into as of February 7, 2018, by and between the City of Scotts Valley, a municipal corporation, hereinafter referred to as "CITY", and Management Partners, hereinafter referred to as "CONSULTANT".

RECITALS

A. CITY and Consultant entered into that certain Agreement for Professional Services dated July 1, 2017 (the "Agreement").

B. CITY and CONSULTANT desire to amend the Agreement to add additional services, extend the time period to perform the services and increase the compensation.

AGREEMENT

1. Section 1 of the Agreement is hereby amended to add a new Exhibit A, a copy of which is attached hereto and incorporated herein by reference.

2. Section 3 of the Agreement is hereby amended to add a new Exhibit A, a copy of which is attached hereto and incorporated herein by reference.

3. Section 4 of the Agreement is hereby amended to read as follows:

"4. Time of Performance: The services of CONSULTANT are to commence upon execution of this Agreement and shall continue until all authorized work is approved by the CITY. All such work shall be completed no later than June 30, 2018. Time is of the essence in the performance of this Agreement. No waiver by either party hereto of the nonperformance or any breach of any term, provision, or condition of this Agreement, or any default hereunder shall be considered to be or operate as a waiver of any subsequent nonperformance, breach or default."

4. Section 5 of the Agreement is hereby amended to read as follows:

"5. Compensation: CONSULTANT shall accept compensation for services performed as set forth in Section 3 in an amount not to exceed \$100,000. Periodic payments to CONSULTANT shall be made upon submittal of invoices by CONSULTANT to CITY for review and approval by the City Manager. Invoices will be paid by CITY within a reasonable time after the invoices are received and approved."

5. Except as to those provisions amended herein, the terms and conditions of the Agreement remain in effect and are ratified and reaffirmed by the CITY AND CONSULTANT. If there is a conflict between the terms of this Amendment and the Agreement, the terms of this Amendment shall prevail.

WITNESS WHEREOF this Agreement is executed by CITY and by CONSULTANT on this 7th day of February, 2018, at Scotts Valley, California.

CONSULTANT:
MANAGEMENT PARTNERS

CITY:
CITY OF SCOTTS VALLEY

By:

Jenny Haruyama, City Manager

APPROVED AS TO FORM:

ATTEST:

Kirsten M. Powell, City Attorney

Tracy Ferrara, City Clerk

EXHIBIT “A”

SCOPE OF WORK

SCOPE OF SERVICES

The scope of services under this agreement includes the following:

Fiscal Sustainability Plan

Consultant will develop a draft fiscal sustainability plan for City Council consideration and adoption. Consultant will coordinate and facilitate discussions among staff and elected officials, under the direction of the City Manager, in developing the FSP. The FSP may include the following elements, which Consultant will prepare:

- Values and principles relative to such matters as service level expectations, safety of infrastructure, employee compensation and retention, and other values that are important to the organization
- Fiscal sustainability goals reflected through policies such as minimum fund balance/reserves, use of reserves to balance the budget, reserve replenishment policies, and use of one-time revenue sources
- Background and context of current operations, including definition of existing service levels, historical context driving the need for a FSP, actions taken to remediate fiscal issues in advance of the FSP, five-year financial forecast based on as-is operations and service levels
- Revenue descriptions of existing revenue sources that support operating and capital needs, including any plans for economic development that are reasonably expected to impact future revenue sources
- Expenditure analysis of existing service levels and costs, including staffing levels and degree of dependence on personnel to meet service level requirements, anticipated cost changes in future years (e.g., existing labor agreements, pension funding, regulatory requirements that impact cost of construction or maintenance, raw materials), and issues and trends that may further impact service levels
- Existing service level gaps that do not allow the organization to achieve service level expectations
- Status of facilities and infrastructure
- Sustainability options that outline options of the following:
 - Service level articulation and prioritization
 - One-time expenditure investments that could reduce on-going costs

- Service delivery options, including opportunities for collaboration, shared services, contracted services, public-private partnerships, or privatization of existing and future infrastructure
- Expenditure reductions required if revenue sources were not available
- Revenue options to maintain/restore service levels to expectations
- Subsidies (one-time or ongoing) from other funds
- Recommended scenario(s) from staff to the City Council that identifies the mix of expenditure reductions, service delivery changes, revenue options and/or subsidies from other funds, including public engagement opportunities to allow the community to be involved
- Approved scenario and implementation action plan

Fee Study Request for Proposal Process and Administration

Consultant will develop a request for proposal for a fee study on planning, building, public works, and other administrative fees. Consultant will coordinate the issuance and administration of the RFP process, for City staff consideration and selection of a vendor to conduct the fee study. Consultant will manage the fee study process with the chosen vendor, coordinating with City staff and the vendor to finalize the results of the fee study and the recommended fee changes made by the vendor for City Council consideration.

Budget/Financial Management Support

At the direction of the City Manager, Consultant will provide general support and analysis for budget and/or financial management purposes and make recommendations, including process improvements as appropriate.

FY 2018/19 Budget Development /Financial Analysis Support

Consultant will provide FY 2018/19 budget development support and coordination services, including the master fee schedule, capital improvement program, and other budget-related items. Consultant will also provide budget and financial analysis support for labor negotiations.

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement for Professional Services ("Agreement") is made and entered into as of July 1, 2017, by and between the City of Scotts Valley, a municipal corporation, hereinafter referred to as "CITY", and Management Partners, hereinafter referred to as "CONSULTANT".

RECITALS

- A. CITY desires to retain Consultant for certain professional services as set forth in this Agreement.
- B. CONSULTANT is specially trained, experienced and competent to perform the special services which will be required by this Agreement.
- C. CONSULTANT possesses the skill, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

NOW, THEREFORE, in consideration of the recitals and the mutual promises contained herein, CITY and CONSULTANT agree as follows:

AGREEMENT

- 1. **Employment of CONSULTANT:** CITY agrees to, and hereby does, retain and employ CONSULTANT to perform the professional services as outlined in the Scope of Work attached hereto and incorporated herein as Exhibit "A". CONSULTANT'S work product shall be performed pursuant to generally accepted standards of practice in effect at the time of performance.
- 2. **Responsible Personnel:** CITY has relied upon the professional training and ability of CONSULTANT to perform the services hereunder as a material inducement to enter into this Agreement. Primary personnel responsible for the completion of the work described in this Agreement shall be: Nancy Hetrick, Management Partners, whose address is 2107 North First Street, Suite 470, San Jose, CA 95131; telephone: 408-674-3369; fax: 408-453-6191; Email: nhetrick@managementpartners.com.
- 3. **Scope of Work:** CONSULTANT shall perform the services as specified in Exhibit A in a professional manner.

4. **Time of Performance:** The services of CONSULTANT are to commence upon execution of this Agreement and shall continue until all authorized work is approved by the CITY. All such work shall be completed no later than December 31, 2017. Time is of the essence in the performance of this Agreement. No waiver by either party hereto of the nonperformance or any breach of any term, provision, or condition of this Agreement, or any default hereunder shall be considered to be or operate as a waiver of any subsequent nonperformance, breach or default.

5. **Compensation:** CONSULTANT shall accept compensation for services performed as set forth in Section 3 in an amount not to exceed \$50,000 (Fifty Thousand Dollars). Periodic payments to CONSULTANT shall be made upon submittal of invoices by CONSULTANT to CITY for review and approval by the City Manager. Invoices will be paid by CITY within a reasonable time after the invoices are received and approved.

6. **Insurance:** CONSULTANT agrees to have and maintain, for the duration of the contract, the following:

i. General Liability insurance policies insuring him/her and his/her firm to an amount not less than One Million Dollars (\$ 1, 000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.

ii. Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than One Million Dollars (\$ 1, 000,000) combined single limit per accident for bodily injury and property damage.

iii. CONSULTANT agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$ 1, 000,000 which is Page 3 of 6 sufficient to insure CONSULTANT for professional errors or omissions in the performance of the particular scope of work under this agreement.

iv. CONSULTANT shall provide to the CITY all certificates of insurance, with original endorsements effecting coverage. CONSULTANT agrees that all certificates and endorsements are to be received and approved by the CITY before work commences.

v. The CONSULTANT'S insurance coverage shall be primary insurance as respects the CITY, its officers, officials, employees and volunteers. Any insurance or self -insurances maintained by the CITY, its officers, officials, employees or volunteers shall be excess of the CONSULTANT'S insurance and shall not contribute with it.

7. **Indemnity:** CONSULTANT shall hold harmless, indemnify and defend CITY, its elective and appointive boards, commissions, officers, agents, servants, volunteers, and employees from and against any and all claims, costs, damages, liability, losses, or suits (including court costs and attorney fees) for personal injury (including death), property damage and any other damages of any sort whatsoever, arising out of, or alleged to have arisen out of, the willful or negligent acts, errors, or omissions of CONSULTANT or CONSULTANT'S contractors, subcontractors, agents, or employees in the performance of this Agreement. This indemnity shall not apply to any claims

brought by CONSULTANT for default of this Agreement, or for claims brought by CITY or any third party where the underlying injury or damage is finally determined by a court of competent jurisdiction to arise solely from the negligent or willful misconduct of CITY.

8. **Termination:** This Agreement may be terminated by the CITY immediately for cause or by either party without cause upon fifteen days' written notice of termination. Upon termination, CONSULTANT shall be entitled to compensation for services performed up to the effective date of termination.

CONSULTANT shall accept, for itself, as full payment for services rendered and all work to be done and performed hereunder and in complete satisfaction of all claims against CITY by reason of voluntary abandonment or suspension of work or termination of the Agreement, the sum determined on an hourly basis in accordance with the provisions of this Agreement, or any modification of amendment thereto, plus all direct expenses incurred, including those expenses incurred which are directly attributable to the incomplete portion of the work which could not be canceled.

In the event of termination, CONSULTANT shall deliver as a condition to the payment of the compensation provided for above, or otherwise make available to CITY, all research data, reports, estimates, summaries, and other such information and materials as may have been accumulated by CONSULTANT in performing this Agreement, whether completed or in process in accordance with Section 9 of this Agreement.

9. **Documents:** Notes, studies, charts, computations, electronic files, and other data and information obtained by CONSULTANT for this project shall, upon receipt of payment for services rendered, be made available to CITY by CONSULTANT at CITY'S request and shall become the property of CITY. In the event CITY alters the document, CITY agrees CONSULTANT shall have no responsibility whatsoever for any claim arising out of, or alleged to have arisen out of, use of the altered document,

All plans, studies, documents, charts, computations, and electronic files prepared by and for CONSULTANT, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the CITY upon payment to CONSULTANT for such work, and the CITY shall have the sole right to use such materials in its discretion without further compensation to CONSULTANT or to any other party. CONSULTANT shall, at CONSULTANT'S expense, provide such reports, plans, studies, documents and other writings to CITY upon written request.

10. **Independent Contractor:** CONTRACTOR is an independent contractor retained by CITY to perform the work described herein. ALL personnel employed by CONSULTANT are not and shall not be deemed to be employees of CITY.

CONSULTANT shall obtain no rights to retirement benefits or other benefits that accrue to CITY'S employees, and CONSULTANT hereby expressly waives any claim it may have to such rights. CONSULTANT shall comply with all state and federal laws pertaining to employment and compensation of its employees and its agents, including the provision of Workers' Compensation.

11. **Licenses:** CONSULTANT represents and warrants to CITY that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of CONSULTANT to practice its profession. CONSULTANT represents and warrants to CITY that CONSULTANT shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of CONSULTANT to practice its profession. Consultant shall maintain a City of Scotts Valley business license.

12. **Assignment:** The parties recognize that a substantial inducement to CITY for entering into this Agreement is the professional reputation, experience and competence of CONSULTANT. Assignments of any or all rights, duties or obligations of the CONSULTANT under this Agreement will be permitted only with the express consent of the CITY. CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of the CITY. If the CITY consents to such subcontract, CONSULTANT shall be fully responsible to CITY for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between CITY and subcontractor nor shall it create any obligation on the part of the CITY to pay or to see to the payment of any monies due to any such contractor other than as otherwise required by law.

13. **Binding on Successors:** This Agreement is binding on the heirs, successors and assigns of the parties hereto.

14. **Amendment:** This Agreement may be amended, modified or changed by the parties, provided that said Agreement, modification or change is in writing and approved by the authorized representative of the parties.

15. **Applicable Law and Attorney's Fees:** This Agreement shall be construed and enforced in accordance with the laws of the State of California, and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Santa Cruz. Should any legal action be brought by a party for breach of this Agreement or to enforce any provision of the Agreement, the prevailing party of such action shall be entitled to recover its reasonable litigation expenses, including attorney fees.

16. **Entire Agreement:** This Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations,

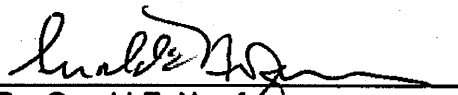
agreements or understandings. Whether oral or written, between or among the parties relating to the subject matter of this Agreement which are not fully expressed herein. The drafting and negotiation of this Agreement have been participated in by each of the parties and/or their counsel, and for all purposes this Agreement shall be deemed to have been drafted jointly by all parties.

17. **Waiver:** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this agreement.

18. **Severability:** If any term or portion of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

WITNESS WHEREOF this Agreement is executed by CITY and by CONSULTANT on this 1st day of July, 2017, at Scotts Valley, California.

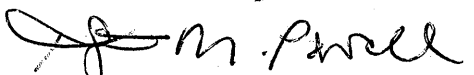
CONSULTANT:


By: Gerald E. Newfarmer
President and CEO

CITY:
CITY OF SCOTTS VALLEY


Jenny D. Haruyama, City Manager

APPROVED AS TO FORM:


Kirsten M. Powell, City Attorney

ATTEST:


Tracy A. Ferrara, City Clerk

EXHIBIT "A"

SCOPE OF WORK

EXHIBIT A

SCOPE OF SERVICES

The scope of services under this agreement includes three key activities as outlined below.

1. Prepare a Fiscal Sustainability Plan

Consultant will develop a draft fiscal sustainability plan (FSP) for City Council consideration and adoption. Consultant will coordinate and facilitate discussions among staff and elected officials, under the direction of the City Manager, in developing the FSP. The FSP may include the following elements, which Consultant will prepare:

- Values and principles relative to such matters as service level expectations, safety of infrastructure, employee compensation and retention, and other values that are important to the organization
- Fiscal sustainability goals reflected through policies such as minimum fund balance/reserves, use of reserves to balance the budget, reserve replenishment policies, and use of one-time revenue sources
- Background and context of current operations, including definition of existing service levels, historical context driving the need for a FSP, actions taken to remediate fiscal issues in advance of the FSP, five-year financial forecast based on as-is operations and service levels
- Revenue descriptions of existing revenue sources that support operating and capital needs, including any plans for economic development that are reasonably expected to impact future revenue sources
- Expenditure analysis of existing service levels and costs, including staffing levels and degree of dependence on personnel to meet service level requirements, anticipated cost changes in future years (e.g., existing labor agreements, pension funding, regulatory requirements that impact cost of construction or maintenance, raw materials), and issues and trends that may further impact service levels
- Existing service level gaps that do not allow the organization to achieve service level expectations
- Status of facilities and infrastructure

AGREEMENT BETWEEN CITY OF SCOTTS VALLEY AND MANAGEMENT PARTNERS FOR
FINANCIAL MANAGEMENT PROJECTS

- Sustainability options that outline options of the following:
 - Service level articulation and prioritization
 - One-time expenditure investments that could reduce on-going costs
 - Service delivery options, including opportunities for collaboration, shared services, contracted services, public-private partnerships, or privatization of existing and future infrastructure
 - Expenditure reductions required if revenue sources were not available
 - Revenue options to maintain/restore service levels to expectations
 - Subsidies (one-time or ongoing) from other funds
 - Recommended scenario(s) from staff to the City Council that identifies the mix of expenditure reductions, service delivery changes, revenue options and/or subsidies from other funds, including public engagement opportunities to allow the community to be involved
 - Approved scenario and implementation action plan
2. Assist with a Fee Study Request for Proposal (RFP) Process and Administration
- Consultant will develop a request for proposal for a fee study on planning, building, public works, and other administrative fees. Consultant will coordinate the issuance, and administration of the RFP process, for City staff consideration and selection of a vendor to conduct the fee study. Consultant will manage the fee study process with the chosen vendor, coordinating with City staff and the vendor to finalize the results of the fee study and the recommended fee changes made by the vendor for City Council consideration.
3. Provide Budget/Financial Management Support
- At the direction of the City Manager, Consultant will provide general support and analysis for budget and/or financial management purposes and make recommendations, including process improvements as appropriate.

PROJECT TEAM

We will assign Steve Toler to this engagement, with other professional support as required or requested. Steve will work for and at the direction of Management Partners, while providing expert consulting advice and services to your satisfaction. Management

AGREEMENT BETWEEN CITY OF SCOTTS VALLEY AND MANAGEMENT PARTNERS FOR FINANCIAL MANAGEMENT PROJECTS

Partners will provide all insurance (including workers' compensation, liability, and professional errors and omissions coverage), training, and administrative support (including company equipment) as necessary during the assignment. He may assume informal working titles as appropriate for communications within your organization, but that does not change his employment relationship with Management Partners. Following Management Partners' management services protocol, we will prepare a report each month summarizing our work during the previous month. Our commitment is to provide continuous and seamless management services to you during this transition period.

In addition to Steve, Management Partners has several other consultants who will provide support to the City of Scotts Valley. The team includes Nancy Hetrick, who will provide project management support and additional capacity as needed, and analyst staff Heain Lee, whose experience developing financial forecasts, conducting fee studies, and evaluating budget documents will aid Steve in these activities. We have additional consultants available to work on this engagement as desired and needed.

Fee Proposal

Management Partners will provide the specified management consulting services based on hourly rates plus expenses. During this engagement, the actual consultant hours will be reimbursed by the City at a rate of \$130 per hour for Steve, plus travel expenses. This is a discounted rate in recognition of the anticipated duration of this project. Other consultants will be provided on an as-needed basis at their regular hourly rates, ranging from \$75 (analyst) to \$200 (partner) per hour depending on the individual assigned to the project. Hourly rates are subject to periodic adjustment on a company-wide basis. We propose a not-to-exceed contract in the amount of \$50,000 for consulting assistance, which may be extended or increased by the City as needed.

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

**SUBJECT: ORAL PRESENTATION: SANTA CRUZ METROPOLITAN
TRANSIT DISTRICT (SCMTD) ANNUAL REPORT FROM ALEX
CLIFFORD, GENERAL MANAGER, SCMTD**

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **ORAL PRESENTATION: MARK ADATO, MONTEREY BAY
COMMUNITY POWER UPDATE**

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **ORAL PRESENTATION: BOB LANGETH, EXECUTIVE
DIRECTOR, BOYS & GIRLS CLUB**

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **CONSIDER MODIFYING OR RECINDING RESOLUTION NO. 1938, SUPPORTING ENVIRONMENTAL HEALTH, INCLUDING INCREASED PEDESTRIAN AND BICYCLE MOBILITY AS DESCRIBED IN THE SANTA CRUZ COUNTY GREENWAY VISION**

SUMMARY OF ISSUE

At its December 20, 2018 Council Meeting, Bud Colligan, a Board Member of Santa Cruz County Greenway, a non-profit organization dedicated to developing world-class active transportation networks in Santa Cruz County, requested that the Council consider a resolution supporting the Greenway Vision, an alternative approach to using the Santa Cruz County rail corridor for transit.

Measure D, a half-cent sales tax passed by voters in 2016, funded a number of transportation priorities, including the protection and maintenance of the rail right-of-way and an in-depth environmental and economic analysis of future transit and other transportation options (later defined as the Unified Corridor Study).

In early December 2018, the Regional Transportation Board (RTC) reviewed the progress on the Unified Corridor Study and directed staff to further study and evaluate five scenarios which included a range of uses on the right-of-way – train service, bike pedestrian paths, and bus rapid transit. The study is scheduled for completion in Fall 2018.

The Council adopted Resolution No. 1938, supporting the Greenway Vision, and subsequently heard a presentation at its January 17, 2018 Council Meeting from the Santa Cruz County Friends of the Rail and Trail (FORT), a group established to promote, support, and enable the development of rail with a trail transportation system in Santa Cruz County. The Council asked that Resolution 1938 be brought back for a policy discussion to consider whether the resolution should be modified or rescinded.

FISCAL IMPACT

There is no fiscal impact associated with modifying or rescinding Resolution No. 1938.

STAFF RECOMMENDATION

It is recommended that the Council provide policy direction regarding whether to modify or rescind Resolution No. 1938.

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RESOLUTION NO. 1938

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY SUPPORTING ENVIRONMENTAL HEALTH, INCLUDING INCREASED PEDESTRIAN AND BICYCLE MOBILITY AS DESCRIBED IN THE SANTA CRUZ COUNTY GREENWAY VISION

WHEREAS, Santa Cruz County has the second highest bike fatality rate of all the counties in the state and it's in the best interests of its residents to have a contiguous corridor and protected bike and pedestrian lanes in which to move around the County; and

WHEREAS, it's in the best interest of the County to use the peoples' money in the most effective way to provide transportation to all its residents and to take into account the need for transportation relief in the next five years; and

WHEREAS, it is critical that the County strive to implement transportation projects that preserve the environment, including low impact on the land, preserving trees, and low greenhouse gas emissions; and

WHEREAS, the beauty of the County is of utmost importance and the county should strive to build more green spaces without interruption of noise, traffic and pollution; and

WHEREAS, the City of Scotts Valley is dedicated to the promotion of a healthy lifestyle, safety, happiness and well-being of its residents and those of the entire County; and

WHEREAS, the County should endeavor to do cost benefit analyses on transportation projects to move the most people at the least cost, taking into account environmental, health, safety and social equity factors, and not levy new taxes or charge exorbitant fares that fall predominantly on those least able to pay them.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City of Scotts Valley supports efforts that enhance the local community's safety and health, including increased pedestrian and bicycle mobility as described in the Greenway plan, and encourages the approval of the Greenway initiative on the existing rail corridor.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 20th day of December, 2017 by the following vote:

AYES: DILLES, JOHNSON, REED

NOES: AGUILAR, LIND

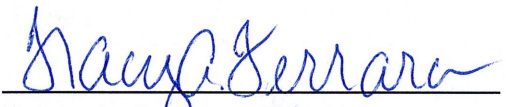
ABSENT: NONE

ABSTAIN: NONE

Approved: _____


Jim Reed, Mayor

Attest: _____


Tracy A. Ferrara, City Clerk

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **CONSIDERATION OF AN AGREEMENT WITH SCOTTS VALLEY HOTEL, LP TO DEFER PAYMENT OF DEVELOPER IMPACT FEES FOR APPROVED HOTEL AT 5030 SCOTTS VALLEY DRIVE, APN: 022-091-61**

SUMMARY OF ISSUE

In 2009, the City Council approved a hotel project located at 5030 Scotts Valley Drive. In August 2011, the City Council authorized the City Manager to enter into an agreement with Merced Hospitality, LLC (hotel operator) to defer the impact fees to assist with the construction of the hotel. The agreement was subsequently amended in September 2014, and finally executed on June 20, 2016, requiring the hotel operator pay impact fees in the amount of \$494,396.24, plus interest at a rate of 3.25% over a 5-year period beginning 2026 and ending 2031. The payment of the impact fees is secured by a promissory note. The promissory note requires that in the event of a sale of the property, the impact fees (including interest) are due and payable.

In late Fall/early Winter 2017, Merced Hospitality entered into an agreement with Scotts Valley Hotel, LP, a company that currently owns several hotel properties in the Bay Area and Santa Cruz region. Through this arrangement, Scotts Valley Hotel agreed to infuse cash into the hotel project to facilitate its completion with the intent of purchasing the property. According to Scotts Valley Hotel, it is anticipated that the sale of the property will close escrow on February 9 or 10, 2018. However, due to cash flow needs, Scotts Valley Hotel requested that the Council consider deferring the impact fees for approximately 2.5 years, rather than making the fees due upon sale as required in the attached promissory note (Exhibit A of the June 20, 2016 Deferral Agreement with Merced Hospitality).

If Council defers the impact fees for 2.5 years, the deferral agreement with Merced Hospitality would need to be terminated and the promissory note rescinded effective the day of sale of the property. The City would enter into a deferral agreement secured by a promissory note with Scotts Valley Hotel that reflects the following proposed terms:

PROPOSED DEFERRAL TERMS

Date of Agreement	2/7/2018
Revised Principal Amount*	\$555,180.68
Interest Rate (per Annum)	3.25%
Interest Accrual	Quarterly
Deferral Period	2.5 years
Repayment Period	3 years
Number of Payments	10
Date of First Payment	9/30/2020
Payment Amount (Quarterly)	\$66,110.16
Payment Frequency	Quarterly

The proposed terms, including the interest rate, interest accrual, and payment frequency mirror the prior agreement with Merced Hospitality. Key changes in the proposed agreement include a deferral period of 2.5 years and a repayment period of 3 years, and a revised impact fee principal amount. The revised principal amount reflects updated impact fees. The impact fee were originally calculated based on a room count of 119; however, a total of 128 rooms were actually constructed. The revised principal amount reflects this adjustment. A loan amortization schedule outlining the terms is also included in the proposed February 7, 2018 Deferral Agreement as Exhibit B.

FISCAL IMPACT

Deferring the payment of developer impact fees for 2.5 years, with a repayment period of 3 years, would generate an estimated \$105,920.92 in interest income. Upon repayment, the principal and interest accrued would be applied toward impact-fee eligible improvement projects. If the impact fees are not deferred and a sale/transfer occurs, it is estimated that approximately \$583,327.63 in fees, including interest to date would be due and payable to the City.

STAFF RECOMMENDATION

It is recommended that Council consider taking the following actions:

1. Terminate the June 20, 2016 Deferral Agreement with Merced Hospitality and rescind the Promissory Note as reflected has Exhibit A effective the day Scotts Valley Hotel, LP acquires the hotel.
2. Approve the attached Deferral Agreement with Scotts Valley Hotel, LP.

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DEFERRAL AGREEMENT

This DEFERRAL AGREEMENT is entered into this 20th day of June, 2016, by and between the City of Scotts Valley ("City") and Merced Hospitality, LLC, a California limited liability company ("Merced").

RECITALS

- A. Merced is in the process of developing an approximately 120 room hotel on property located at 5030 Scotts Valley Drive, Scotts Valley, CA (the "Project").
- B. The Project is expected to generate significant transit occupancy tax ("TOT") for the City and to increase local sales tax revenue throughout the City.
- C. The development impact fees associated with the Project total \$494,396.24 (the "Impact Fees").
- D. Due to financing requirements, on August 3, 2011, the City Council approved a deferral of the Impact fees for five years and then repaid over a five year period.
- E. As financing requirements became more stringent, on September 3, 2014, the City Council extended the time period in which the Impact Fees would be paid in order to ensure the development of the hotel and an increase in tax revenue to the City.
- F. The City is willing to extend the time period to pay the Impact Fees subject to the terms of this agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the City and Merced agree as follows:

AGREEMENT

1. Justification for Payments. The parties agree that the addition of the hotel to the City business community would be benefit to the City and its residents. Without some financial assistance, Merced is unable to complete construction of the hotel. It is anticipated that the hotel will generate between \$300,000.00 and \$680,000.00 annually in transit occupancy tax for the City. In addition, guests at the hotel will increase sales tax revenues in the City. This money can be used to provide services and amenities to the residents of the City.

2. Development Impact Fee Deferral. Merced owes the City approximately \$494,217.83 in Impact Fees. The payment of those fees is deferred for 10 years from the date of this agreement. The fees will be paid in equal installments over a 5-year period beginning in September 2026 and ending in September 2031. Interest will accrue on the fees at a rate of 3.25% per annum. The payment of the Impact Fees shall be secured by the promissory note attached hereto as Exhibit A.
3. Termination of Agreement. This Agreement shall terminate at such time as Merced has repaid the City the Impact Fees and any accrued interest. At that time, Merced has no further right to any monies from the City.
4. Cessation of Hotel Operations in Scotts Valley. During the term of this Agreement, if the hotel ceases to operate, the total amount of the Impact Fees and accrued interest shall be immediately due and payable.
5. General Provisions.

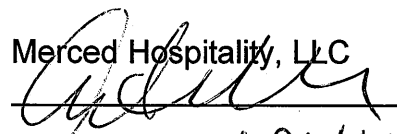
A. Notices. All written notices and demands of any kind which either party may be required or may desire to serve upon the other party in connection with this Agreement may be served (as an alternative to personal service) by registered or certified mail, overnight courier service or facsimile (followed promptly by hard copy) at the addresses set forth below:

As to City:

City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066
Attn: City Manager
Telephone: (831) 440-5600
Facsimile: (831) 438-2793

As to Merced:

Merced Hospitality, LLC



Attn: ANATOLI SHIT APNIKOFF
Telephone: (209) 631-2554
Facsimile:

Any such notice or demand so served by registered or certified mail or overnight courier shall be sent with postage or charges thereon fully prepaid and addressed to the party to be served at the addresses set forth above.

B. Validity. If any of the provisions of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement by the application of such provision or provisions to persons or circumstances other than those as to

whom or which it is held invalid or unenforceable shall not be affected thereby, and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

C. Compliance with Laws. Merced warrants to CITY that it shall comply with all local, state and federal laws applicable to the construction and operation of the hotel and compliance with the terms of this agreement.

D. Attorneys' Fees. In the event of any litigation between the parties hereto to enforce any of the provisions of this Agreement or any right of either party hereto, the unsuccessful party to such litigation agrees to pay to the successful party all costs and expenses, including reasonable attorneys' fees, whether or not incurred in trial or on appeal, incurred therein by the successful party, all of which may be included in and as a part of the judgment rendered in such litigation. Any indemnity provisions herein shall include indemnification for reasonable attorneys' fees and costs, whether or not suit be brought and including fees and costs on appeal.

E. Time of Essence. Time shall be of the essence hereof.

F. Governing Law. This Agreement shall be governed by the laws of California and the parties hereto agree that any litigation between the parties hereto relating to this Agreement shall take place (unless otherwise required by law) in a court located in Santa Cruz County, State of California. Each party waives its right to jurisdiction or venue in any other location.

G. Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the City and Merced, their respective heirs, successors (by merger, consolidation or otherwise), assigns, devisees, administrators and representatives.

H. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which will be deemed one instrument.

I. Amendment. This Agreement may be amended, modified or changed by the parties, provided that said Agreement, modification or change is in writing and approved by the authorized representative of the parties.

J. Entire Agreement. This Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations, agreements or understandings, whether oral or written, between or among the parties relating to the subject matter of this Agreement which are not fully expressed herein. The drafting and negotiation of this Agreement have been participated in by each of the parties and/or their counsel, and for all purposes this Agreement shall be deemed to have been drafted jointly by all parties.

K. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this agreement.

L. Severability. If any term or portion of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

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

MERCED:
MERCED HOSPITALITY, LLC

By: _____

Name: _____

Title: _____

CITY:

THE CITY OF SCOTTS VALLEY, a California
municipal corporation

By: _____

Name: Charles Comstock

Its: Interim City Manager

PROMISSORY NOTE

\$ A94,217.83

Scotts Valley, California

FOR VALUE RECEIVED, the undersigned ("Debtor") promises to pay in lawful money of the United States of America, to the City of Scotts Valley ("Holder"), the principal sum of \$494,217.83 with interest at the rate of 3.25% per annum on the outstanding principal balance until paid, all accrued interest to be due and payable in quarterly equal installments on the 1st day of September, January, April and June of each year beginning September 1, 2026. Said principal sum shall be repaid by September 1, 2031, or upon the sale of the property located at 5030 Scotts Valley Drive, Scotts Valley, CA, APN 022-091-61, whichever shall occur first.

This Note can be prepaid. Debtor reserves the right at any time to prepay all or a portion of the principal balance remaining due on the Note with no penalty.

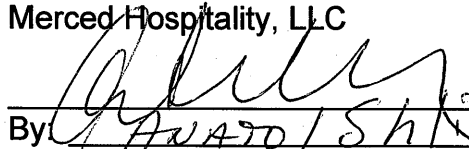
Failure to make any payment within ten (10) days of due date shall, at Holder's option and without notice to Debtors, be deemed an event of default and shall entitle Holder at its option to declare the entire balance of the indebtedness represented by this Note immediately due and payable. Should any event of default occur under the terms of this Note, the Debtors shall pay all reasonable costs and expenses of collection, including attorneys' fees incurred by the Holder in the collection hereunder.

This Note shall be governed by the laws of the State of California. In the event that any provision of this Note shall be held invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable in accordance with their terms.

This Note is the personal obligation of the Debtor.

DEBTOR:

Merced Hospitality, LLC

By 

AARON SHINDLER KOFF

Its: Managing Member

DEFERRAL AGREEMENT

This DEFERRAL AGREEMENT is entered into this 7th day of February, 2018, by and between the City of Scotts Valley ("City") and Scotts Valley Hotel, LP, a California limited partnership ("Hotel").

RECITALS

- A. Hotel is the new owner of that certain 128 room hotel located at 5030 Scotts Valley Drive, Scotts Valley, CA (the "Project").
- B. Hotel acquired the Project from Merced Hospitality, LLC ("Merced").
- C. In August 2011, the City Council authorized the City Manager to enter into an agreement with Merced to defer the impact fees for the Project to assist with the construction of the hotel.
- D. The agreement was subsequently amended in September 2014, and finally executed on June 20, 2016, requiring the hotel operator pay impact fees in the amount of \$494,396.24, plus interest at a rate of 3.25% over a 5-year period beginning 2026 and ending 2031.
- E. The payment of the impact fees is secured by a promissory note which requires that in the event of a sale of the property, the impact fees (including interest) are due and payable.
- F. Hotel has requested that the City Council consider deferring the impact fees for approximately 2.5 years, rather than making the fees due upon sale as required in the attached promissory note.
- G. The City is willing to modify the time period to pay the Impact Fees subject to the terms of this agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the City and Hotel agree as follows:

AGREEMENT

1. Justification for Payments. The parties agree that the addition of the hotel to the City business community would be benefit to the City and its residents. Without some financial assistance, Hotel is unable to complete the construction of the Project. Based on conservative projections, it is anticipated that the hotel will generate between \$450,000 and \$750,000 annually in transit occupancy tax for the City. In addition, guests at the hotel

will increase sales tax revenues in the City. This money can be used to provide services and amenities to the residents of the City.

2. Development Impact Fee Deferral. Hotel owes the City \$555,180.68 in Impact Fees for the 128 room hotel. The payment of those fees is deferred for 2.5 years from the date of this agreement. The fees will be paid in equal quarterly installments over a 3-year period beginning in September 30, 2020 and ending in September 30, 2023. Interest will accrue on the fees at a rate of 3.25% per annum. The payment of the Impact Fees shall be secured by the promissory note attached hereto as Exhibit A. The Loan Amortization Schedule is attached hereto as Exhibit B.
3. Termination of Agreement. This Agreement shall terminate at such time as Hotel has repaid the City the Impact Fees and any accrued interest.
4. Cessation of Hotel Operations in Scotts Valley. During the term of this Agreement, if the hotel ceases to operate or Hotel sells the property to another entity, the total amount of the Impact Fees and accrued interest shall be immediately due and payable.
5. General Provisions.

A. Notices. All written notices and demands of any kind which either party may be required or may desire to serve upon the other party in connection with this Agreement may be served (as an alternative to personal service) by registered or certified mail, overnight courier service or facsimile (followed promptly by hard copy) at the addresses set forth below:

As to City:	City of Scotts Valley One Civic Center Drive Scotts Valley, CA 95066 Attn: City Manager Telephone: (831) 440-5600 Facsimile: (831) 438-2793
-------------	--

As to Hotel:	Scotts Valley Hotel, LP _____ _____ Attn: Telephone: Facsimile:
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Any such notice or demand so served by registered or certified mail or overnight courier shall be sent with postage or charges thereon fully prepaid and addressed to the party to be served at the addresses set forth above.

B. Validity. If any of the provisions of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement by the application of such provision or provisions to persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby, and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

C. Compliance with Laws. Hotel warrants to CITY that it shall comply with all local, state and federal laws applicable to the construction and operation of the hotel and compliance with the terms of this agreement.

D. Attorneys' Fees. In the event of any litigation between the parties hereto to enforce any of the provisions of this Agreement or any right of either party hereto, the unsuccessful party to such litigation agrees to pay to the successful party all costs and expenses, including reasonable attorneys' fees, whether or not incurred in trial or on appeal, incurred therein by the successful party, all of which may be included in and as a part of the judgment rendered in such litigation. Any indemnity provisions herein shall include indemnification for reasonable attorneys' fees and costs, whether or not suit be brought and including fees and costs on appeal.

E. Time of Essence. Time shall be of the essence hereof.

F. Governing Law. This Agreement shall be governed by the laws of California and the parties hereto agree that any litigation between the parties hereto relating to this Agreement shall take place (unless otherwise required by law) in a court located in Santa Cruz County, State of California. Each party waives its right to jurisdiction or venue in any other location.

G. Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the City and Hotel, their respective heirs, successors (by merger, consolidation or otherwise), assigns, devisees, administrators and representatives, except as provided in Section 4 above.

H. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which will be deemed one instrument.

I. Amendment. This Agreement may be amended, modified or changed by the parties, provided that said Agreement, modification or change is in writing and approved by the authorized representative of the parties.

J. Entire Agreement. This Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations, agreements or understandings, whether oral or written, between or among the parties relating to the subject matter of this Agreement which are not fully expressed herein. The drafting and negotiation of this Agreement have been

participated in by each of the parties and/or their counsel, and for all purposes this Agreement shall be deemed to have been drafted jointly by all parties.

K. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this agreement.

L. Severability. If any term or portion of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

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

HOTEL:
SCOTTS VALLEY HOTEL, LP

By: _____

Name: _____

Title: _____

CITY:

THE CITY OF SCOTTS VALLEY, a California
municipal corporation

By: _____

Name: Jenny Haruyama

Its: City Manager

EXHIBIT A

PROMISSORY NOTE

\$555,180.68

Scotts Valley, California

FOR VALUE RECEIVED, the undersigned ("Debtor") promises to pay in lawful money of the United States of America, to the City of Scotts Valley ("Holder"), the principal sum of \$555,180.68 with interest at the rate of 3.25% per annum on the outstanding principal balance until paid, all accrued interest to be due and payable in quarterly equal installments on the 30th day of September, January, April and June of each year. Said principal sum shall be repaid by September 30, 2023, or upon the sale of the property located at 5030 Scotts Valley Drive, Scotts Valley, CA, APN 022-091-61, whichever shall occur first.

This Note can be prepaid. Debtor reserves the right at any time to prepay all or a portion of the principal balance remaining due on the Note with no penalty.

Failure to make any payment within ten (10) days of due date shall, at Holder's option and without notice to Debtors, be deemed an event of default and shall entitle Holder at its option to declare the entire balance of the indebtedness represented by this Note immediately due and payable. Should any event of default occur under the terms of this Note, the Debtors shall pay all reasonable costs and expenses of collection, including attorneys' fees incurred by the Holder in the collection hereunder.

This Note shall be governed by the laws of the State of California. In the event that any provision of this Note shall be held invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable in accordance with their terms.

This Note is the personal obligation of the Debtor.

DEBTOR:
Scotts Valley Hotel, LP

By: _____
Its: Managing Partner

EXHIBIT B

City of Scotts Valley Loan Amortization Schedule

Development Impact Fees Deferral Agreement **Scotts Valley Hotel, LP**

Date of Agreement	2/7/2018
Date of Original Deferral Agreement	6/20/2016
Original Principal Amount	\$ 555,180.68
Interest Rate (per annum)	3.25%
Interest Accrual	Quarterly
Deferral Period	2.5 years
Repayment period (years)	3
Number of Payments	10
Date of first payment	9/30/2020
Payment amount (Quarterly)	\$66,110.16
Payment frequency	Quarterly

Date	Loan Amount	Interest	Loan Payment	Loan Balance
6/20/2016	\$ 555,180.68		\$	555,180.68
6/30/2016	\$	501.20	\$	555,681.88
9/30/2016	\$	4,514.92	\$	560,196.80
12/31/2016	\$	4,551.60	\$	564,748.40
3/31/2017	\$	4,588.58	\$	569,336.98
6/30/2017	\$	4,625.86	\$	573,962.84
9/30/2017	\$	4,663.45	\$	578,626.29
12/31/2017	\$	4,701.34	\$	583,327.63
3/31/2018	\$	4,739.54	\$	588,067.17
6/30/2018	\$	4,778.05	\$	592,845.21
9/30/2018	\$	4,816.87	\$	597,662.08
12/31/2018	\$	4,856.00	\$	602,518.08
3/31/2019	\$	4,895.46	\$	607,413.54
6/30/2019	\$	4,935.24	\$	612,348.78
9/30/2019	\$	4,975.33	\$	617,324.11
12/31/2019	\$	5,015.76	\$	622,339.87
3/31/2020	\$	5,056.51	\$	627,396.38
6/30/2020	\$	5,097.60	\$	632,493.98
9/30/2020	\$	5,139.01	(\$66,110.16)	\$ 571,522.83
12/31/2020	\$	4,643.62	(\$66,110.16)	\$ 510,056.29
3/31/2021	\$	4,144.21	(\$66,110.16)	\$ 448,090.34
6/30/2021	\$	3,640.73	(\$66,110.16)	\$ 385,620.92
9/30/2021	\$	3,133.17	(\$66,110.16)	\$ 322,643.93
12/31/2021	\$	2,621.48	(\$66,110.16)	\$ 259,155.25
3/31/2022	\$	2,105.64	(\$66,110.16)	\$ 195,150.73
6/30/2022	\$	1,585.60	(\$66,110.16)	\$ 130,626.17
9/30/2022	\$	1,061.34	(\$66,110.16)	\$ 65,577.34
12/31/2022	\$	532.82	(\$66,110.16)	\$ -

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: February 7, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **ADOPTION OF DRAFT FY 2018/19 COUNCIL GOALS**

SUMMARY OF ISSUE

Working with Management Partners, a professional management consulting firm, the Scotts Valley City Council convened a special session on January 16, 2018 to discuss its goals and priorities for next fiscal year (FY 2018/19). The table below reflects the existing goals that will carry over into FY 2018/19 and new goals/priorities, which are shown in bold italics. The Council also added a new goal, entitled “Maintain Quality of Life for Residents” to emphasize the importance of maintaining Scotts Valley’s safety, unique charm, and community-feel.

Goals	Priorities
Ensure Long-Term Financial Stability	Identify and recommend budget strategies to maintain core services and reduce long-term obligations
	Complete the Citywide Fee Study
	Assess Feasibility of Reducing/Eliminating Non-Essential Services
	<i>Engage and educate the community and staff on the City's fiscal outlook and long-term sustainability strategies</i>
Encourage Business Development and Expand the City's Economic Base	Complete the General Plan update
	Facilitate the Development of the Town Center and other Complimentary Land Uses
	Explore business-friendly processes to expedite permitting processes
Implement Operational Initiatives to Enhance City Services	Implement Customer-Focused Technologies to Streamline Complex Permitting Processes
	Complete the City's new website
	<i>Develop a citywide strategic technology plan</i>
	<i>Explore policy guidelines for Council Standing and Project Specific Committees for increased effectiveness and transparency</i>
Maintain Quality of Life for Residents	<i>Maintain investment in public safety</i>
	<i>Research options to address housing affordability and identify best practices</i>
	<i>Conduct a review of City building design standards</i>
	<i>Facilitate development of Glenwood Open Space trail system for public use</i>
	<i>Explore creative solutions to address code enforcement issues</i>

The draft set of goals and priorities that were affirmed during the workshop are presented as Attachment B of the City Council Goal-Setting Workshop Summary.

FISCAL IMPACT

There is no fiscal impact associated with the adoption of the FY 2018/19 Council Goals.

STAFF RECOMMENDATION

It is recommended that the Council consider and adopt the attached draft FY 2018/19 Council Goals as reflected on Attachment B of the City Council Goal-Setting Workshop Summary.

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City Council Goal-Setting Workshop

Held January 16, 2018

DRAFT January 2018

Management
Partners



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Workshop Overview

The Scotts Valley City Council convened for a special session on January 16, 2018 to discuss goals and priorities for the coming year. All members of the City Council and members of the City's Executive Team attended the session.

Council members heard an update from the City Manager on the status of their FY 2017-18 goals and priorities (Status handout included as Attachment A) and discussed which items will continue into FY 2018-19. Following the update and discussion of continuing priorities the Council turned to additional priorities to consider for FY 2018-19. Prior to the workshop the facilitator, Nancy Hetrick, interviewed each Council member to hear to priorities for the coming year. The identified priorities were summarized as a discussion tool at the workshop.

The draft set of goals and priorities that were affirmed during the workshop are presented as Attachment B. The draft set of goals and priorities will be affirmed and finalized at a future City Council meeting.

Workshop Objective

- Obtain consensus on council goals for the coming year.

Workshop Agenda

1. Call to order and roll call
2. Public comment
3. Workshop objectives and overview
4. Review the status of City Council's FY 2017/18 goals
5. Discuss and affirm City Council goals for FY 2018/19
6. Wrap up and adjourn

Attachment A – Status of FY 2017-18 Goals

Goal	Objective	Status
Ensure Long-Term Financial Stability	Develop a Five Year Financial Plan	Complete
	Conduct a City Fee Study	Underway
	Identify and Recommend Budget Strategies, including Revenue Enhancements to Maintain Core Services and Reduce Long-Term Obligations (Fiscal Sustainability Plan)	Underway
	Assess Feasibility of Reducing/Eliminating Non-Essential Services	Continuous and Ongoing
Encourage Business Development and Expand the City's Economic Base	Update the General Plan	Underway
	Facilitate the Development of the Town Center and other Complimentary Land Uses	Underway
	Develop a Strategic Economic Development Framework to Inform the General Plan Economic Development Element	Complete
Implement Operational Initiatives to Enhance City Services	Implement a Pavement Condition Index (PCI) Study to Assess Condition of Public Streets and Roads	Complete
	Secure Communications Technologies that Enhance Public Safety and Community Engagement Efforts	Complete
	Conduct Emergency Operations Planning Exercises	Complete
	Implement Customer-Focused Technologies to Streamline Complex Permitting Processes	Continuous and Ongoing

Attachment B – Draft Goals and Priorities for FY 2018-19

The following set of goals and priorities were identified during the City Council’s goal-setting workshop. Continuing items are shown in black font and new items are in **red**. The Council also added a new goal to emphasize the priority placed on maintaining a high quality of life for Scotts Valley residents. The goals and priorities presented in the table are considered draft until affirmed by Council at a future City Council meeting.

Goals	Priorities
Ensure Long-Term Financial Stability	Identify and recommend budget strategies, including revenue enhancements to maintain core services and reduce long-term obligations (Fiscal Sustainability Plan)*
	Complete the Citywide Fee Study
	Assess Feasibility of Reducing/Eliminating Non-Essential Services
	Engage and educate the community and staff on the City’s fiscal outlook and long-term sustainability strategies
Encourage Business Development and Expand the City’s Economic Base	Complete the General Plan update
	Facilitate the Development of the Town Center and other Complimentary Land Uses
	Explore business-friendly processes to expedite permitting processes (see Operational Initiatives Goal Below)
Implement Operational Initiatives to Enhance City Services (Operational Effectiveness)	Implement Customer-Focused Technologies to Streamline Complex Permitting Processes
	Complete the City’s new website
	Develop a citywide strategic technology plan
	Explore policy guidelines for Council Standing and Project Specific Committees for increased effectiveness and transparency
Maintain Quality of Life for Residents	Maintain investment in public safety
	Research options to address housing affordability and related issues and identify best

	practices
	Conduct a review of City building design standards
	Facilitate development of Glenwood Open Space trail system for public use
	Explore creative solutions to address code enforcement issues

** This incorporates a full range of strategies to be considered as part of the FSP, including, but not limited to, preparing for a potential renewal of the Measure U Sales Tax measure, examining use of development impact fees, revisiting the City's short term rental policy, and expanding/updating the hotel and utility taxes]*